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CONSOLIDATED FINANCIAL STATEMENTS 2021

AFR

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PREAMBLE TO THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INDICATORS

In the context of its financial communication, the Group uses financial indicators based on aggregates taken from the consolidated financial statements prepared in accordance with IFRS, as adopted in the European Union.

As indicated in Note 3.1 of the consolidated financial statements at December 31, 2021, on segment information, the Group uses the notion

of “economic revenue” for its operational management, which corresponds to the consolidated revenue of the Group and its joint ventures at their percentage stake: Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, SHB Automotive modules, the leading Korean front-end module company and BPO, a major player in the Turkish exterior equipment market.

RECONCILIATION OF ECONOMIC REVENUE WITH CONSOLIDATED REVENUE

<i>In thousands of euros</i>	2021	2020
ECONOMIC REVENUE	8,017,155	7,732,070
Including revenue from joint ventures at the Group's percentage stake	783,844	658,843
CONSOLIDATED REVENUE	7,233,311	7,073,227

Comments on the fiscal year and outlook





5.1 COMMENTS ON THE FISCAL YEAR AND OUTLOOK

5.1.1 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

<i>In millions of euros</i>	2020	2021	Change
Economic revenue	7,732	8,017	+3.7%
Consolidated revenue	7,073	7,233	+2.3%
Operating margin	118	303	+€185m
% of consolidated revenue	1.7%	4.2%	+2.5 pts
Impairment of assets	(255)	(5)	N/A
Net result – Group share	(251)	126	+€377m
EBITDA	648	771	+€123m
% of consolidated revenue	9.2%	10.7%	+1.5pt
Investments	374	294	-€80m
Real estate divestment	-	(6)	-€6m
Free cash-flow	34	251	+€217m
Net debt at 12/31	807	854	+€47m
Net debt/equity and quasi-equity	41%	41%	stable
Net debt/EBITDA	1.2	1.1	-0.1 pt

Plastic Omnium's financial performance in 2021 reflects a stark contrast between the first and second semesters, reflecting market conditions and in particular, the shortages of electronic components.

In the first half of 2021, Plastic Omnium reported a sharp rebound in earnings as the market recovered, this despite the first signs of disruptions caused by semiconductor shortages.

In the second half of 2021, the market faced an acceleration in semiconductor shortages with a loss of production of 5.5 million vehicles worldwide. Against this backdrop, the Group recorded a decline in revenue and operating margin compared to H2 2020. This decline has been contained thanks to reinforced measures to improve flexibility and optimise costs.

<i>In millions of euros</i>	H1 2021	H2 2021	H2 2020
Economic revenue	4,138	3,879	4,499
Consolidated revenue	3,784	3,449	4,111
Operating margin	234	69	234
% of consolidated revenue	6.2%	2.0%	5.7%
Net result – Group share	142	(16)	152
EBITDA	461	310	477
% of consolidated revenue	12.2%	9.0%	11.6%
Investments	149	144	148
Free cash-flow	151	100	605
of which real estate divestment	-	-	-
Net debt at end of period	890	854	807
Net debt/equity and quasi-equity	44%	41%	41%
Net debt/EBITDA (on a rolling 12-month basis)	0.9	1.1	1.2
Net debt/EBITDA (based on annualized half-year figures)	1.0	1.4	0.8

REVENUE

By business line <i>In millions of euros</i>	2020	2021	Change	Like-for-like change
Plastic Omnium Industries	5,628	5,826	+3.5%	+4.5%
Plastic Omnium Modules	2,104	2,191	+4.1%	+4.8%
ECONOMIC REVENUE	7,732	8,017	+3.7%	+4.6%
Joint ventures	659	784	+19.0%	+17.6%
Plastic Omnium Industries	5,143	5,239	+1.9%	+3.1%
Plastic Omnium Modules	1,931	1,994	+3.3%	+4.0%
CONSOLIDATED REVENUE	7,073	7,233	+2.3%	+3.3%

In 2021, semiconductor shortages reduced global automotive production by 9.6 million vehicles compared to the initial IHS forecast at the start of the year. Global production output came to 74.1 million vehicles in 2021 versus 71.5 million in 2020, a year that saw the onset of the pandemic.

In this context, the Group's **economic revenue** (including the share of revenue of joint ventures, notably in China) amounted to €8,017 million, up by 3.7%, and 4.6% at constant scope and exchange rates compared to 2020, including a negative currency impact of €66 million.

Plastic Omnium business activities significantly outperformed automotive production in Europe (outperformance of 5.3 points), North America

(outperformance of 2.9 points), China (outperformance of 4.1 points) and Asia, excluding China (outperformance of 10.3 points).

The Group's geographical mix led to a 1-point outperformance at Group level, driven by both the Industries (+0.9 point) and Modules (+1.2 point) business segments.

Plastic Omnium's 2021 consolidated revenue amounted to €7,233 million, up by 3.3% at constant scope and exchange rates.

By region <i>In millions of euros and as a % of economic revenue</i>	2020	2021	Change	Like-for-like change	Outperformance/ automotive production
Europe	4,186 54.1%	4,210 52.6%	+0.6%	+0.5%	+5.3 pts
North America	2,064 26.6%	2,048 25.5%	-0.8%	+2.9%	+2.9 pts
China	823 10.6%	939 11.7%	+14.2%	+10.7%	+4.1 pts
Asia excluding China	497 6.4%	571 7.1%	+14.9%	+17.9%	+10.3 pts
Other	163 2.1%	249 3.1%	+53.1%	+62.3%	-
ECONOMIC REVENUE	7,732	8,017	+3.7%	+4.6%	+1.0 PT
Joint ventures	659	784	+19.0%	+17.6%	-
CONSOLIDATED REVENUE	7,073	7,233	+2.3%	+3.3%	-0.3 PT

In **Europe**, Plastic Omnium's revenue amounted to €4,210 million. It was up by 0.5% at constant scope and exchange rates, while automotive production was down -4.8%. This outperformance of 5.3 points was driven mainly by the success of the modular offer in Germany, and the growth in sales by Plastic Omnium Industries in France.

In **North America**, Plastic Omnium's revenue totaled €2,048 million. It was up by 2.9% at constant scope and exchange rates thanks to the ramp-up of plants launched since 2018, despite stable production in the automotive market.

In **Asia excluding China**, revenue amounted to €571 million, up 17.9% at constant scope and exchange rates, in a market up 7.5%. The business benefited from good growth momentum in Japan, India, Thailand and Malaysia.

In **China**, the world's largest automotive market, represents a growing share of the Group's economic revenue. In 2021, this amounted to €939 million, up 10.7% at constant scope and exchange rates (outperformance of 4.1 points). This country now accounts for 12% of Plastic Omnium's economic revenue, compared with 11% in 2020 and 9% in 2019. This growth was driven by the strengthened leadership positions of the Industries business lines and the ramp-up of modules, particularly in the electric vehicle segment.

RESILIENT FINANCIAL PERFORMANCE

Consolidated gross profit totaled €830 million in 2021, compared with €642 million in 2020. It represented 11.5% of consolidated revenue vs. 9.1% in 2020.



Market volatility in 2021 and the slowdown of the rebound post-Covid due to global semiconductor shortages have led to erratic interruptions in production and plant closures lasting several weeks. At the same time, raw material and transportation costs rose in several countries. The impact of these exogenous factors is estimated to be €160 million on the level of operating margin, with production stoppages representing by far the major part of these costs.

In addition to aforementioned flexibility improvement measures, the OMEGA transformation plan, initiated in 2020, enabled the Group to limit the financial impact of production losses. The two key initiatives, indirect purchasing and design and development, contributed as planned to €100 million in run-rate savings in 2021.

At the same time, the Greer plant in the US posted in 2021 a positive operating margin and net result, thanks to a rigorous action plan and a sustained ramp-up.

Gross R&D spend over the period was €309 million, representing 4.3% of consolidated revenue (€310 million and 4.4% in 2020). Net R&D spend, i.e. after deduction of capitalized development costs and amounts recharged to customers, was €258 million (3.6% of consolidated revenue) compared to €266 million in 2020 (3.8% of consolidated revenue).

Selling costs totaled €41 million (0.6% of consolidated revenue) versus €34 million (0.5% of consolidated revenue) in 2020.

Administrative costs fell from €230 million in 2020 to €252 million in 2021, representing 3.5% of consolidated revenue vs. 3.3% in 2020.

Amortization of intangible assets acquired in business combinations represented an expense of €20 million in 2021 compared to €22 million in 2020.

The Group's share of the income of associates and joint ventures was €43 million in 2021 versus €29 million in 2020.

The Group's **operating margin** amounted to €303 million and represented 5.2% of consolidated revenue, of which 271 million euros for Plastic Omnium Industries (5.2% of revenue) and €32 million for Plastic Omnium Modules (1.6% of revenue), an assembly activity whose performance should be assessed in relation to its low capital intensity.

In the second half of 2020, given the rapid worsening of the semiconductor shortage, the Group's operating margin amounted to €69 million, representing 2.0% of revenue (2.5% for Plastic Omnium Industries and 0.7% for Plastic Omnium Modules), compared with €234 million, or 5.7% of revenue in the second half of 2020.

Consolidated revenue and operating margin by business <i>In millions of euros</i>	2020			2021		
	Revenue	Operating margin	% of revenue	Revenue	Operating margin	% of revenue
Plastic Omnium Industries	5,143	100	1.9%	5,239	271	5.2%
Plastic Omnium Modules	1,931	19	1.0%	1,994	32	1.6%
TOTAL	7,073	118	1.7%	7,233	303	4.2%

NET RESULT - GROUP SHARE: €126 MILLION

The Group recorded **non-recurring expenses** of €56 million in 2021 compared to €334 million in 2020. The sharp reduction is due to the absence of any significant impairment of assets in 2021. In 2020, the fall in volumes attributable to the pandemic and the inclusion of the scenario of a slow recovery in global automotive production led the Group to adjust the values of the assets in question.

Net financial expenses amounted to €51 million in 2021 (0.7% of revenue) compared to expenses of €69 million in 2020 as a result of a lower average cost of debt. In 2021, the Group recorded a tax expense of €60 million compared to a tax benefit of €31 million in 2020, related to deferred tax effects.

As a result, **net result group share** totalled €126 million in 2021, compared to a loss of €251 million in 2020, related to asset impairments of €255 million. In the second semester of 2021, in the context of deteriorating market conditions, net result group share amounted to -€16 million, with losses reduced by flexibility and cost optimization actions.

FREE CASH-FLOW OF €251 MILLION COMPARED TO €34 MILLION IN 2020

EBITDA totaled €771 million in 2021 (10.7% of consolidated revenue) versus €648 million (9.2% of consolidated revenue) in 2020. The Industries business line posted an EBITDA rate of 12.9% compared to 11% in 2020. In the second half of the year, EBITDA amounted to €310 million (9.0% of revenue) as opposed to €477 million in the second half of 2020 (11.6% of revenue) and €461 million in the first half of 2021 (12.2% of revenue).

In a volatile market that lacks visibility, particularly in the second half of 2021, the Group has been particularly vigilant about its investments and the management of its working capital requirement.

Investments were limited to €294 million, or 4.1% of consolidated revenue (compared with €374 million, or 5.3% in 2020), translating into a reduction of €80 million or -21.4% against 2020. With manufacturing capacity now in place to support future growth, Plastic Omnium is prioritizing investments in innovation, new-generation radars, modules for electric vehicles and hydrogen, one of the Company's future growth drivers.

At the same time, **working capital requirement** amounted to -€498 million at end 2021, compared to -€539 million in 2020. This limited deterioration of €41 million, despite the crisis, is due to:

- strict control of working capital requirement, including those related to operations, which went from €303 million in 2020 to €300 million at the end of the period;
- sale of receivables amounted to €351 million euros at December 31, 2021 compared to €327 million at December 31, 2020, up by €44 million compared to June 30, 2021 (€307 million);
- the difference between trade payables and trade receivables net of sales of receivables amounted to €530 million in 2021 as opposed to €557 million at December 31, 2020.

Thanks to these elements and to an **operating cash-flow** of €616 million (compared to €453 million in 2020), Plastic Omnium generated **free cash-flow** of €251 million, i.e. 3.5% of consolidated revenue compared to €34 million in 2020 (0.5%). After generating €151 million in free cash flow in the first semester, the Company generated €100 million in free cash flow in the second half of 2021.

A ROBUST FINANCIAL STRUCTURE TO SUPPORT GROWTH

As of December 31, 2021, net debt totalled €854 million, close to that of 2020 at €807 and down when excluding investments in EKPO.

During the year, Compagnie Plastic Omnium SE paid out dividends of €87 million on its 2020 results (dividend of €0.49 per share, stable compared to that related to the 2019 fiscal year).

In 2021, the Group's gearing ratio equates to 41% and net debt/EBITDA to 1.1x leaving Plastic Omnium significant financial leeway to support future growth.

As of December 31, 2021, the Group had liquidities of €2.7 billion comprising €0.8 billion in available cash and €1.9 billion in confirmed, undrawn credit lines, with an average maturity of 3.9 years and without any covenants.

5.1.2 INVESTMENTS

After an extensive capital expenditure program in recent years, the Group's current installed capacity is sufficient to support its future growth. As a result, investments will equal less than 6% of revenue in the coming years, even as the Group pursues its large-scale innovation program.

5.1.3 OUTLOOK AND EVENTS AFTER THE REPORTING PERIOD

No event likely to have a material influence on the Group's business, financial position, results and assets as of December 31, 2021 has occurred since the closing date.

The Russian invasion of Ukraine from February 24, 2022 and the international sanctions imposed on Russia are not expected to have any significant direct impacts on the Group's activities and assets for the following reasons:

- Plastic Omnium has no production or customers in Ukraine;
- The activities and assets of its three Russian plants are not significant at Group level (revenue < 0.6% of the Group's economic revenue in 2021).

However, Plastic Omnium remains vigilant as to the indirect impacts that this conflict could have, in particular on energy prices and consumer confidence, as well as on supply difficulties for raw materials and components that some of its customers may encounter.

OUTLOOK FOR 2022

Plastic Omnium has set its targets for 2022 on the basis of the worldwide automotive production announced by IHS on February 11, 2022 at 81 million vehicles (passenger vehicles < 3.5 T + light commercial vehicles), with a discount of 5%⁽¹⁾. This prudence is based on the short-term market challenges (reduced visibility, inflation and tension in the labor market) to which the Group intends to respond through its agility.

At the same time, in the longer term, the Group aims to play an active role in the transformation of the automotive industry. It will continue its industrial deployment in growth regions and its innovation efforts to maintain its leadership and increase content per vehicle.

For 2022, Plastic Omnium expects:

- an economic revenue that outperforms growth in worldwide automotive production;
- an operating margin between 5% and 6% of revenue;
- generation of free cash-flow of more than €260 million.

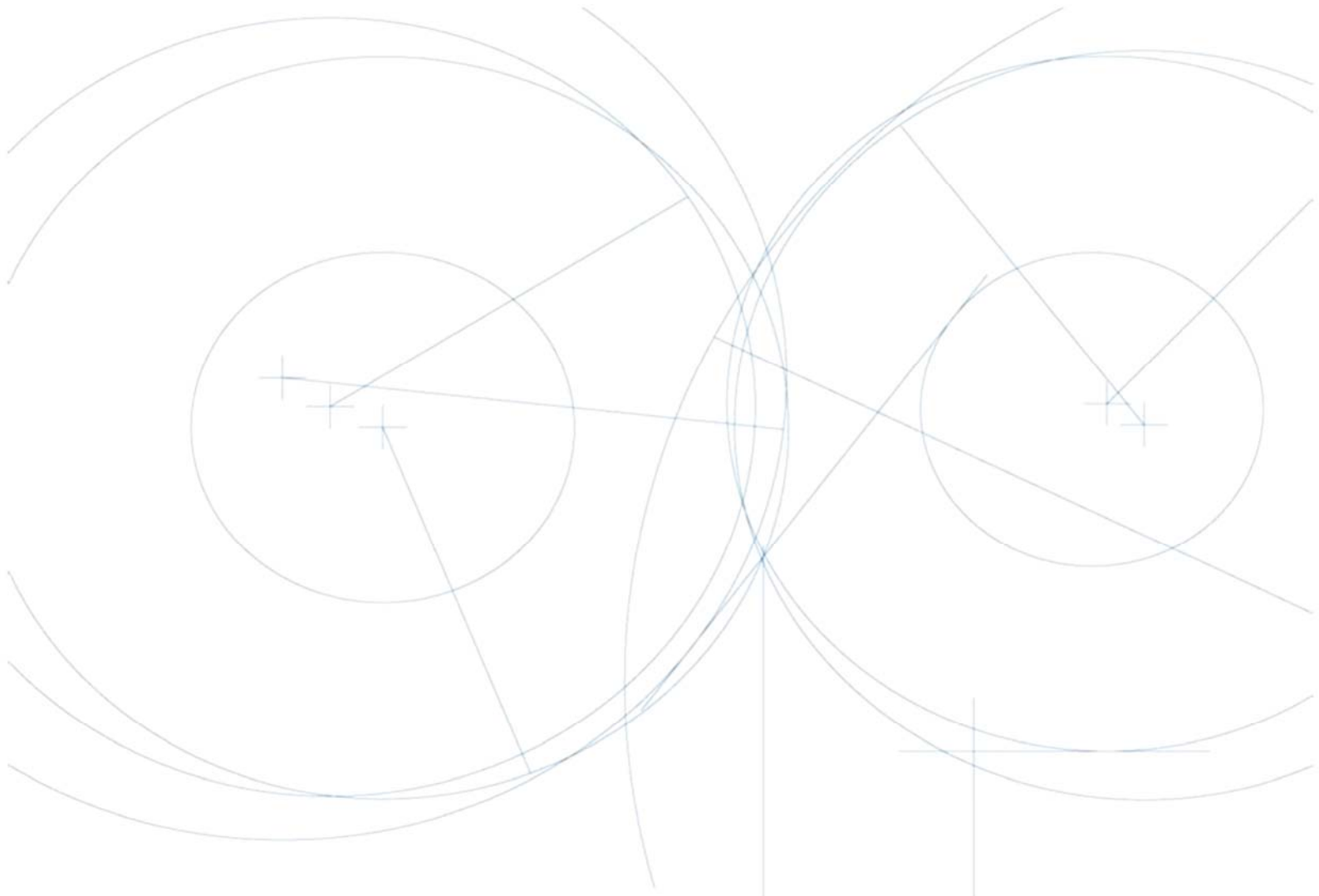
(1) Data on the impact of the semiconductor shortage on production and on the distribution of sales by powertrain are taken from the IHS Markit forecasts for January 2022.

Supply disruptions - particularly of semiconductor components - are continuing to lead to production cuts at several car manufacturers and suppliers. Plastic Omnium, which is indirectly affected, is managing this situation as closely as possible. Any significant change affecting these forecasts will be reported.

COMPAGNIE PLASTIC OMNIUM

European company with issued capital of €8,827,329.18
Registered office: 19 boulevard Jules Carteret - 69007 Lyon (France)
Lyon Trade and Companies Register number 955 512 611

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021



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BALANCE SHEET

In thousands of euros	Notes	December 31, 2021	December 31, 2020
ASSETS			
Goodwill	5.1.1	1,026,872	1,014,369
Other intangible assets	5.1.2	538,777	560,847
Property, plant and equipment	5.1.3	1,638,908	1,676,189
Investment property	5.1.4	30	30
Equity method and non-consolidated investments	5.1.5	304,413	180,342
Non-current financial assets ⁽¹⁾	5.1.6	87,422	18,062
Deferred tax assets	5.1.10	126,321	128,471
TOTAL NON-CURRENT ASSETS		3,722,743	3,578,310
Inventories	5.1.7	637,678	656,812
Finance receivables ⁽¹⁾	5.1.8	3,000	6,340
Trade receivables	5.1.9.2	734,277	814,400
Other receivables	5.1.9.3	354,395	318,307
Other financial assets and financial receivables ⁽¹⁾	5.1.8	43	301
Hedging instruments ⁽¹⁾	5.2.7	91	7,625
Cash and cash equivalents ⁽¹⁾	5.1.11	892,636	829,989
TOTAL CURRENT ASSETS		2,622,120	2,633,774
Assets held for sale		-	-
TOTAL ASSETS		6,344,863	6,212,084
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital	5.2.1.1	8,827	8,914
Treasury stock		-47,759	-61,339
Additional paid-in capital		17,389	17,389
Consolidated reserves		1,871,433	2,156,759
Net income for the period		126,372	-251,112
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,976,262	1,870,611
Attributable to non-controlling interests		68,671	69,677
TOTAL SHAREHOLDERS' EQUITY		2,044,933	1,940,288
Non-current borrowings ⁽¹⁾	5.2.6.7	1,323,182	1,307,681
Provisions for pensions and other post-employment benefits	5.2.5	86,552	100,331
Provisions	5.2.4	34,235	30,926
Non-current government grants		13,321	9,781
Deferred tax liabilities	5.1.10	40,428	43,477
TOTAL NON-CURRENT LIABILITIES		1,497,718	1,492,196
Bank overdrafts ⁽¹⁾	5.1.11.2	11,264	12,277
Current borrowings and financial debt ⁽¹⁾	5.2.6.7	500,929	349,160
Hedging instruments ⁽¹⁾	5.2.7	1,434	116
Provisions for liabilities and expenses	5.2.4	63,820	87,888
Current government grants		700	-
Trade payables	5.2.8.1	1,264,426	1,371,750
Other operating liabilities	5.2.8.2	959,639	958,409
TOTAL CURRENT LIABILITIES		2,802,212	2,779,600
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		6,344,863	6,212,084

(1) Components of net financial debt (see Note 5.2.6.7).

INCOME STATEMENT

In thousands of euros	Notes	2021	%	2020	%
Consolidated sales (revenue)		7,233,311	100.0%	7,073,227	100.0%
Cost of goods and services sold	4.2	-6,402,837	-88.5%	-6,431,646	-90.9%
Gross profit		830,474	11.5%	641,581	9.1%
Research and Development costs	4.1 - 4.2	-258,048	-3.6%	-266,064	-3.8%
Selling costs	4.2	-41,104	-0.6%	-33,714	-0.5%
Administrative expenses	4.2	-251,663	-3.5%	-230,237	-3.3%
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit (loss) of associates and joint ventures		279,659	3.9%	111,567	1.6%
Amortization of intangible assets acquired in business combinations	4.4	-19,704	-0.3%	-22,393	-0.3%
Share of profit (loss) of associates and joint ventures	4.5	42,803	0.6%	29,101	0.4%
Operating margin		302,758	4.2%	118,275	1.7%
Other operating income	4.6	23,438	0.3%	27,234	0.4%
Other operating expenses	4.6	-79,835	-1.1%	-361,025	-5.1%
Borrowing costs	4.7	-48,617	-0.7%	-59,836	-0.8%
Other financial income and expenses	4.7	-1,897	-0.0%	-8,701	-0.1%
Profit from continuing operations before income tax and after share of profit (loss) of associates and joint ventures		195,847	2.7%	-284,053	-4.0%
Income tax	4.8	-60,269	-0.8%	31,002	0.4%
Net profit (loss)		135,578	1.9%	-253,051	-3.6%
Net profit (loss) attributable to non-controlling interests	4.9	9,206	0.1%	-1,940	-0.0%
Net profit (loss) attributable to owners of the parent company		126,372	1.7%	-251,112	-3.6%
Earnings per share attributable to owners of the parent company	4.10				
Basic earnings per share (in euros)		0.87		-1.72	
Diluted earnings per share (in euros)		0.87		-1.72	

**STATEMENT OF COMPREHENSIVE NET INCOME AND GAINS AND LOSSES RECOGNIZED
DIRECTLY IN EQUITY**

In thousands of euros	December 31, 2021			December 31, 2020		
	Total	Gross	Tax	Total	Gross	Tax
Net profit for the period attributable to owners of the parent⁽¹⁾	126,372	182,350	-55,978	-251,112	-283,411	32,300
Reclassified to the income statement	36,995	36,958	38	-45,877	-45,044	-833
Reclassified in the period	193	260	-67	165	261	-96
Cash-flow hedges	193	260	-67	165	261	-96
Reclassified at a later date	36,802	36,698	105	-46,042	-45,305	-737
Translation differences	37,103	37,103	-	-48,160	-48,160	-
Cash-flow hedges	-301	-405	105	2,118	2,855	-737
Gains/(losses) for the period - Interest rate instruments	-	-	-	-	-	-
Gains/(losses) for the period – Exchange rate instruments	-301	-405	105	2,118	2,855	-737
Cannot be reclassified to the income statement at a later date	28,422	29,732	-1,310	-302	-1,163	861
Actuarial gains/(losses) relating to defined benefit plans	11,883	13,193	-1,310	-2,852	-3,713	861
Revaluation of long-term investments in equity instruments and funds	12,532	12,532	-	-4,031	-4,031	-
Revaluation of assets and liabilities due to hyperinflation in Argentina	4,007	4,007	-	6,581	6,581	-
Total gains and losses recognized directly in equity - Group share	65,417	66,689	-1,272	-46,179	-46,207	28
Net profit (loss) and gains and losses recognized directly in equity - Group share⁽²⁾	191,789	249,039	-57,250	-297,291	-329,618	32,328
Net profit (loss) for the period attributable to non-controlling interests	9,206	13,497	-4,291	-1,940	-642	-1,298
Reclassified to the income statement	3,436	3,436	-	-4,736	-4,736	-
Reclassified at a later date	3,436	3,436	-	-4,736	-4,736	-
Exchange differences on translating foreign operations	3,436	3,436	-	-4,736	-4,736	-
Total gains and losses recognized directly in equity - Non-controlling interests	3,436	3,436	-	-4,736	-4,736	-
Net profit (loss) and gains and losses recognized directly in equity - Non-controlling interests	12,642	16,933	-4,291	-6,676	-5,378	-1,298
Net profit (loss) and gains and losses recognized directly in equity	204,431	265,972	-61,541	-303,967	-334,996	31,030

- (1) - Regarding the "Net profits" and the "Net comprehensive income" attributable to owners of the parent company on the two periods of December 31, 2021 and December 31, 2020, see Note 5.2.1.3.
- (2)

STATEMENT OF CHANGES IN EQUITY

In thousands of euros In thousand units for the number of shares	Shareholders' equity									
	Number of shares	Capital	Capital reserve	Treasury stock	Other reserves ⁽¹⁾	Translation differences	Net profit for the period	Attributable to owners of the parent	Attributable to non-controlling interests	Total Shareholders' equity
Shareholders' equity at December 31, 2019	148,566	8,914	17,389	-54,071	2,044,775⁽¹⁾	-30,385	258,197	2,244,819	98,774	2,343,593
Appropriation of net profit at December 31, 2019	-	-	-	-	258,197	-	-258,197	-	-	-
Net profit at December 31, 2020	-	-	-	-	-	-	-251,112	-251,112	-1,940	-253,051
Total gains and losses recognized directly in equity	-	-	-	-	4,640	-50,819	-	-46,179	-4,736	-50,915
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	2,659	-50,819	-	-48,160	-4,736	-52,896
<i>Actuarial gains/(losses) relating to defined benefit plans</i>	-	-	-	-	-2,852	-	-	-2,852	-	-2,852
<i>Cash-flow hedges - Interest rate instruments</i>	-	-	-	-	165	-	-	165	-	165
<i>Cash-flow hedges - Currency instruments</i>	-	-	-	-	2,118	-	-	2,118	-	2,118
<i>Change in the fair value adjustment of long-term investments in equity instruments and funds</i>	-	-	-	-	-4,031	-	-	-4,031	-	-4,031
<i>Revaluation of assets and liabilities due to hyperinflation in Argentina</i>	-	-	-	-	6,581	-	-	6,581	-	6,581
Net profit (loss) and gains and losses recognized directly in equity	-	-	-	-	262,837	-50,819	-509,309	-297,291	-6,676	-303,967
Treasury stock transactions	-	-	-	-7,268	667	-	-	-6,601	-	-6,601
Change in scope of consolidation and reserves	-	-	-	-	-	-	-	-	1,157	1,157
Dividends paid by Compagnie Plastic Omnium ⁽²⁾	-	-	-	-	-71,221	-	-	-71,221	-	-71,221
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-23,578	-23,578
Stock option and share purchase plans	-	-	-	-	1,408	-	-	1,408	-	1,408
Deferred tax on stock option and share purchase plans	-	-	-	-	-504	-	-	-504	-	-504
Shareholders' equity at December 31, 2020	148,566	8,914	17,389	-61,339	2,237,962⁽¹⁾	-81,204	-251,112	1,870,611	69,677	1,940,288
1st - time application of IFRIC June 2021 - IAS 19 ⁽³⁾	-	-	-	-	3,123	-	-	3,123	-	3,123
Shareholders' equity at January 1, 2021	148,566	8,914	17,389	-61,339	2,241,085	-81,204	-251,112	1,873,732	69,677	1,943,411
Appropriation of net profit at December 31, 2020	-	-	-	-	-251,112	-	251,112	-	-	-
Net profit at December 31, 2021	-	-	-	-	-	-	126,372	126,372	9,206	135,578
Total gains and losses recognized directly in equity	-	-	-	-	22,675	42,742	-	65,417	3,436	68,853
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	-5,639	42,742	-	37,103	3,436	40,539
<i>Actuarial gains/(losses) relating to defined benefit fees</i>	-	-	-	-	11,883	-	-	11,883	-	11,883
<i>Cash-flow hedges - Interest rate instruments</i>	-	-	-	-	193	-	-	193	-	193
<i>Cash-flow hedges - Currency instruments</i>	-	-	-	-	-301	-	-	-301	-	-301
<i>Change in the fair value adjustment of long-term investments in equity instruments and in funds</i>	-	-	-	-	12,532	-	-	12,532	-	12,532
<i>Revaluation of assets and liabilities due to hyperinflation in Argentina</i>	-	-	-	-	4,007	-	-	4,007	-	4,007
Net profit (loss) and gains and losses recognized directly in equity	-	-	-	-	-228,437	42,742	377,484	191,789	12,642	204,431
Treasury stock transactions	-	-	-	-19,463	114	-	-	-19,349	-	-19,349
Capital reduction (cancellation of treasury stock)	-1,444	-87	-	33,043	-33,043	-	-	-87	-	-87
Dividends paid by Compagnie Plastic Omnium ⁽²⁾	-	-	-	-	-71,287	-	-	-71,287	-	-71,287
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-13,648	-13,648
Stock option and share purchase plans	-	-	-	-	1,972	-	-	1,972	-	1,972
Deferred tax on stock option and share purchase plans	-	-	-	-	-509	-	-	-509	-	-509
Shareholders' equity at December 31, 2021	147,122	8,827	17,389	-47,759	1,909,895⁽¹⁾	-38,462	126,372	1,976,262	68,671	2,044,933

- (1) See Note 5.2.1.4 for breakdown of "Other reserves".
- (2) Regarding the dividends per share distributed by Compagnie Plastic Omnium SE in 2021 in respect of the 2020 fiscal year and in 2020 in respect of the 2019 fiscal year, see Note 5.2.2 on dividends voted and paid.
- (3) See Notes 1.1 "Accounting standards applied", policy 1.4.2 "Provisions for pensions and similar", 5.2.4 "Provisions" and 5.2.5 "Provisions for pensions and other post-employment benefits".

STATEMENT OF CASH-FLOWS

In thousands of euros	Notes	2021	2020
I - CASH-FLOWS FROM OPERATING ACTIVITIES			
Net profit (loss)	3.1.1	135,578	-253,051
Dividends received from associates and joint ventures		31,553	35,473
Non-cash items		522,348	776,941
<i>Share of profit (loss) of associates and joint ventures</i>	4.5	-42,803	-29,101
<i>Stock option plan expense</i>	5.2.3	1,970	1,408
<i>Other adjustments</i>		-4,382	4,676
<i>Depreciation and provisions for impairment of property, plant and equipment</i>		287,134	472,593
<i>Amortization and provisions for impairment of intangible assets</i>		183,331	288,313
<i>Changes in provisions</i>		-20,207	12,861
<i>Net (gains)/losses on disposals of non-current assets</i>		9,852	584
<i>Operating grants recognized in the income statement</i>		-1,427	-825
<i>Current and deferred taxes</i>	4.8.1	60,263	-31,002
<i>Cost of net debt</i>		48,617	57,434
CASH GENERATED BY OPERATIONS (before cost of net debt and tax) (A)		689,479	559,363
Change in inventories and work-in-progress – net		40,718	52,740
Change in trade receivables – net		125,485	-10,329
Change in trade payables		-170,872	-43,988
Change in other operating assets and liabilities - net		-66,805	-43,510
CHANGE IN WORKING CAPITAL REQUIREMENTS (B)		-71,474	-45,088
TAXES PAID (C)		-30,676	-39,676
Interest paid		-44,815	-70,603
Interest received		2,406	4,010
NET FINANCIAL INTEREST PAID (D)		-42,409	-66,593
NET CASH GENERATED BY OPERATING ACTIVITIES (A+B+C+D)		544,920	408,006
II – CASH-FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	3.1.3	-160,101	-217,654
Acquisitions of intangible assets	3.1.3	-145,195	-143,018
Disposals of property, plant and equipment		7,245	2,651
Disposals of intangible assets		946	1,046
Net change in advances to suppliers of fixed assets		-2,322	-20,028
Investment grants received		5,497	2,758
NET CASH USED IN OPERATIONS-RELATED INVESTING ACTIVITIES (E)		-293,930	-374,245
FREE CASH-FLOW (A + B + C + D + E)		250,990	33,761
Acquisitions of equity investments in subsidiaries, investments leading to a change in control, investments in associates and joint ventures, and related investments	5.1.12	-43,486	-812
Acquisitions of long-term investments in equity instruments and funds	5.1.6.1	-57,549	-7,107
Disposals of long-term investments in listed equity instruments and funds	5.1.6.1	237	50,337
Impact of changes in scope of consolidation - cash and cash equivalents contributed by companies entering the scope of consolidation	5.1.12	406	1,418
NET CASH FROM FINANCIAL TRANSACTIONS (F)		-100,392	43,836
NET CASH FROM INVESTING ACTIVITIES (E+F)		-394,322	-330,410
III - CASH-FLOWS FROM FINANCING ACTIVITIES			
Increases/reductions in share capital and premiums	5.2.1.1	-87	-
Purchases/sales of treasury stock		-19,349	-6,601
Dividends paid by Compagnie Plastic Omnium SE to Burelle SA	5.1.13.1 - 5.2.2	-42,788	-42,788
Dividends paid to other shareholders	5.1.13.2	-44,243	-51,502
Increase in financial debt	5.2.6.7	618,298	566,866
Repayment of financial debt and lease contracts liabilities, net	5.1.3 - 5.2.6.7	-596,968	-845,347
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES (G)		-85,137	-379,372
Effect of exchange rate changes (I)		-1,801	-13,590
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E + F + G + H + I)		63,660	-315,365
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5.1.11.2 - 5.2.6.7	817,712	1,133,078
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5.1.11.2 - 5.2.6.7	881,372	817,712

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

On February 17, 2022 the Board of Directors of the Plastic Omnium Group approved the consolidated financial statements for the year ended December 31, 2021, which will be submitted to the Combined General Meeting on April 21, 2022.

PRESENTATION OF THE GROUP

Compagnie Plastic Omnium, a company governed by French law, was set up in 1946. The bylaws set its duration until April 24, 2112. It is registered in the Lyon Trade and Companies Register under number 955 512 611 and its registered office is at 19, boulevard Jules Carteret, 69007 Lyon, France.

Compagnie Plastic Omnium became a European company following a decision of the General Meeting of Shareholders of April 25, 2019. From this decision, the generic term designating the company is: Compagnie Plastic Omnium SE.

The terms “Compagnie Plastic Omnium”, “the Group” and “the Plastic Omnium Group” refer to the group of companies comprising Compagnie Plastic Omnium SE and its consolidated subsidiaries.

The Plastic Omnium Group is a global leader in the transformation of plastic materials for the automotive market for body parts, storage systems and fuel supply systems (“Industries” segment) and front-end modules (“Modules” segment).

The Group has organized its business into two operating segments:

- **Industries:**
 - *Intelligent Exterior Systems (IES)*, dedicated to complex and intelligent body systems;
 - *Clean Energy Systems (CES)*, dedicated to energy storage systems, emission reduction systems and the development of future energies such as fuel cells and hydrogen propulsion.
- **Modules:** module design, development and assembly (HBPO).

Plastic Omnium Group shares have been traded on the Paris Stock Exchange since 1965. The Group has been listed on Eurolist compartment A since January 17, 2013 and is included in the SBF 120 and the CAC Mid 60 indices. The main shareholder is Burelle SA, which held 59.35% of the Group (60.20% excluding treasury stock) with voting rights of 73.28% at December 31, 2021.

The unit of measurement used in the Notes to the consolidated financial statements is thousand euros, unless otherwise indicated.

1. ACCOUNTING STANDARDS APPLIED, ACCOUNTING RULES AND METHODS

1.1. Accounting standards applied

The accounting policies used to prepare the consolidated financial statements remain the same as those applied by the Group at December 31, 2020 except the consideration of the most recent interpretation relating to the method for attributing rights to periods of service as part of the measurement of employee benefits (IAS 19) validated in June 2021 by the IASB.

They comply with IFRS standards and interpretations as adopted by the European Union at December 31, 2021 and available on the European Commission website.

IFRS include the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as well as the International Financial Reporting Interpretations Committee (IFRIC) decisions. These accounting principles do not differ significantly from the mandatory standards and interpretations as of December 31, 2021, as published by the IASB.

The Group has not applied in advance standards, interpretations and amendments that are not mandatory at December 31, 2021.

The amendments to IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, which specify that the costs to be included in determining whether a contract is onerous must include both the incremental costs of performing the contract and an allocation of other costs directly related to the performance of the contract, applicable as of January 1, 2022, have not been applied in advance. However, it should be noted that there is no impact as the aggregate currently used by the Group in the analysis of onerous contracts is gross profit.

In addition, the clarifications provided by the IFRIC in April 2021 with respect to the accounting treatment, as of the 2022 financial year, of the costs of configuring and adapting software acquired in SaaS mode should have no significant impact on the consolidated financial statements, the Group having few SaaS contracts. The analysis will be finalized by June 30, 2022.

1.2. Scope of consolidation

1.2.1. Consolidation principles

Companies in which the Group holds more than 50% of the voting rights and in which governance arrangements allow the Group to have control over the companies, are fully consolidated. Companies in which the Group holds less than 50% but over which the Group exercises control in substance are also fully consolidated.

Companies over which the Group exercises joint control with other shareholders, regardless of the size of the holding, treated as "joint ventures" insofar as the Group has no joint operations, as well as companies over which the Group exercises significant influence (significant influence is presumed when the Group holds more than 20% of the voting rights in a company), and classified as “Investments in associates”, are accounted for using the equity method.

The Group mainly reviews the following elements and criteria in order to assess whether joint control or significant influence is exercised over an entity:

- governance: representation of the Group on governance bodies, majority rules, veto rights;
- the determination of substantive or protective rights granted to shareholders, particularly related to the relevant businesses of the entity, namely those that have a significant impact on the entity’s variable returns;
- the consequences of a conflict resolution clause;
- the right / exposure of the Group to the entity’s variable returns.

1.2.2. Non-controlling interests

Non-controlling interests represent the share of interest that is not held by the Group. They are presented as a separate item in the income statement and under equity in the consolidated balance sheet, distinct from the profit and equity attributable to owners of the parent.

Non-controlling interests may be either measured at fair value on the acquisition date (i.e. with a share of goodwill) or for their share in the fair value of identifiable net assets acquired. This choice can be made on a transaction-by-transaction basis.

Changes in a parent's ownership interest in a subsidiary that do not change control are recognized as equity transactions. As such, in the event of an increase (or decrease) in the percentage ownership interest of the Group in a controlled entity, without change in control, the difference between the acquisition cost (or transfer price) and the carrying amount of the share of net assets acquired (or sold) is recognized in equity.

The changes that trigger a takeover have the following consequences.

- a theoretical sale of the historically held equity holding, with recognition of the gain or loss on disposal at the date of acquisition;
- accounting for the business combinations under IFRS 3R "Business Combinations".

1.2.3. Translation of the financial statements of foreign subsidiaries

Plastic Omnium Group uses the euro as its presentation currency in its financial statements. The financial statements of foreign companies are prepared in their functional currency, *i.e.* in the currency of the economic environment in which the entity operates; the functional currency usually corresponds to the local currency, except for some foreign subsidiaries such as the Mexican and Polish subsidiaries which carry out the majority of their transactions in another currency. These financial statements are translated into the Group's presentation currency, as follows:

- translation of balance sheet items, other than equity, at the closing rate;
- translation of income statement items at the average rate for the period;
- translation differences are recognized in consolidated equity.

Goodwill arising from business combinations with foreign companies is recognized in the functional currency of the acquired entity. They are subsequently translated into the Group's presentation currency at the closing rate, with the translation difference recognized in equity.

On disposal of the entire interest in a foreign company, the related translation differences initially recognized in equity, are reclassified in profit and loss.

1.2.4. Business combinations

Business combinations are recognized by applying the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired are recognized at their fair value on the purchase date.

The surplus of the sum of the price paid to the seller and, where appropriate, the value of the non-controlling interest in the company acquired against the net balance of the assets acquired and the identifiable liabilities assumed is recognized in goodwill.

Where the takeover is carried out through successive purchases, the consideration also includes the acquisition-date fair value of the acquirer's previously held equity interest in the acquired company. The previously held equity interest is measured at fair value through profit or loss.

Acquisition costs are recorded as expenses.

The fair value adjustments of assets acquired and liabilities assumed are offset against goodwill adjustments on the basis of information obtained during the allocation period, i.e. within twelve months of the acquisition. Changes in value after that date are recognized in profit or loss, including any changes in deferred tax assets and liabilities, if they are related to new items that have occurred since the change of control. If they result from new information relating to facts existing at acquisition date and collected during the 12 months following this date, they are an offset to the acquisition's goodwill.

1.3. Operational items

1.3.1. Segment information

Segment information is presented on the basis of the segments identified in the Group's internal reporting and notified to the management in order to decide on the allocation of resources and to analyze performance.

The Group has two operating segments: "Industries" and "Modules".

1.3.2. Revenue / "Revenue from Contracts with Customers"

Since January 1, 2018, the Group has applied IFRS 15 "Revenue from Contracts with Customers".

Sales of parts

Agreements signed with customers in the context of the development and supply of parts do not meet the criteria of a contract within the meaning of IFRS 15; in general, only firm orders received from customers are analyzed as contracts creating a performance obligation.

Sales of parts are recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer, usually upon delivery of the goods, and measured at the fair value of the consideration received, net of discounts, rebates and other taxes on sales and customs duties.

Services and creation of specific tooling

The project phase corresponds to the period during which the Group is working on the development of the part to be produced, on the design and manufacture of specific tooling to be used in production as well as on the organization of future production processes and logistics. It begins with the selection of the Group for the vehicle and the product concerned and is completed when the normal production volume is reached.

The accounting treatment applied is based on the identification by the Group in most cases of two performance obligations, distinct from the production of parts, under the Design business and the supply of certain specific tooling whose control is transferred to clients.

Products, including those explicitly included in the part price, are recognized at the start of series production. Payments received before the start of series production are recorded in customer advances. The costs related to these two performance obligations are recognized in inventories during the project phase and then in expenses when their control is transferred to the client, *i.e.* when series production is launched.

1.3.3. Operating margin

The Group presents an operating margin in the income statement before taking into account the following items:

- the amortization of intangible assets related to acquisitions as part of business combinations; and
- the share of income of associates and joint ventures.

The Group also presents an operating margin after taking these elements into account.

The first aggregate corresponds to revenue less direct selling costs, Research and Development expenses, selling and administrative costs. "Net Research and Development expenses" include tax credits related to the research effort of Group subsidiaries (see Notes 4.1 "Breakdown of Research and Development expenses" and 4.2 "Costs of goods and services sold, development, selling and administrative costs").

The second aggregate includes the share of profit (loss) of associates and joint ventures presented on a separate line and the impacts related to the amortization of customer contracts and brands acquired in the context of business combinations also presented on a separate line of the income statement.

The main operating indicator used by the Group is the operating margin after taking into account the amortization of intangible assets related to acquisitions and the share of profit (loss) of associates and joint ventures, termed "operating margin" in the income statement.

The operating margin does not include other operating income and expenses (see Note 1.3.4).

1.3.4. Other operating income and expenses

Other operating income and expenses essentially include:

- the results of the disposal of property, plant, equipment and intangible assets;
- provisions for the impairment of property, plant, equipment and intangible assets, including any impairment of goodwill;
- exchange rate differences arising from different currency rates between those used to recognize operating receivables and payables and those recorded when these receivables and debts are settled;
- unusual items corresponding to non-customary income and expenses due to their frequency, nature or amount, such as profits and losses realized in the context of changes in the scope of operations, pre-start-up costs for large new plants, restructuring costs and those related to employee downsizing measures.

1.3.5. Recognition of transactions in foreign currencies

Transactions in foreign currencies are initially recorded in the functional currency at the rate on the transaction date. On the closing date, monetary assets and liabilities are revalued at the rates prevailing at the closing date. Non-monetary assets and liabilities are valued at the historical cost prevailing at the transaction date (for example: goodwill, property, plant and equipment, inventories). Non-monetary assets and liabilities measured at fair value are valued at the rates prevailing at the date when fair value is determined.

For monetary items, exchange rate differences arising from changes in foreign exchange rates are recorded in the income statement as other operating income and expenses when they relate to operations and as net financial income (expense) when they relate to financial transactions.

1.3.6. Inventories and work in progress

1.3.6.1. Raw material inventories and other supplies

Raw material inventories and other supplies are measured at the lower of cost and net realizable value.

At the end of the fiscal year, a provision for impairment of these inventories is recorded when the estimated sales price of the finished products for which they are earmarked in the normal course of business, less the residual estimated selling, production and processing costs, is less than their carrying amount.

1.3.6.2. Finished and semi-finished product inventories

Finished and semi-finished products are valued on the basis of standard production costs, revised annually. Cost includes raw materials and direct and indirect production costs. These costs do not include any administrative overheads or IT not linked to production, research and development expenses or selling costs. In addition, they do not include the cost of below-normal capacity utilization.

1.3.6.3. Project inventories - Tools and development

These inventories correspond to costs incurred by the Group in order to satisfy a performance obligation in connection with automotive projects.

The cost of inventories is compared at the balance sheet date to the net realizable value. If it exceeds the net realizable value, an impairment loss is recorded to bring the inventories to their net realizable value.

1.3.7. Receivables

Receivables are recorded at their fair value at the time they are recorded. The fair value generally corresponds to the nominal value of the receivable as long as the sale has been carried out with normal payment terms. Impairment losses are booked to cover expected credit losses and identified risks of non-recovery. The amount of impairment is calculated on a statistical basis for credit risk and counterparty by counterparty, on an individual basis for non-recovery risk.

Finance receivables mainly correspond to development and tooling sales for which the Group has signed an agreement enabling customers to pay in installments (for example: “development unit” prices contractually agreed by customers). These receivables have initial payment periods of more than one year and may bear interest in the framework of an asset financing agreement signed with the customer. The income related to these receivables is recognized in revenue. These finance receivables are deducted when calculating the Group’s net debt.

Receivables sold to third parties, which are removed from the balance sheet, meet the following criteria:

- the rights attached to receivables are transferred to third parties;
- substantially all the risks and rewards of ownership are transferred to third parties.

The risks taken into account are the following:

- credit risk,
- risks related to payment arrears both for the duration and amounts,
- the transfer of interest rate risk, which is fully assumed by the buyer.

1.3.8. Grants

The grants received are recognized as liabilities in the balance sheet; they correspond to grants to finance investments in new sites, production equipment or research and development programs.

Grants are recognized in profit or loss at the gross profit level, as and when the assets acquired through these grants are depreciated or the associated research expenses are recognized.

1.4. Staff costs and employee benefits

1.4.1. Share-based payment

Stock option and share purchase plans granted to employees are measured at their fair value at the date of grant by the Board of Directors, using the Black & Scholes mathematical model.

The fair value is recognized in “Staff costs” on a straight-line basis over the vesting period, with a corresponding adjustment to reserves.

When options are exercised, the cash amount received by the Group in respect of the exercise price is recorded in cash and cash equivalents with a corresponding adjustment to consolidated reserves.

1.4.2. Provisions for pensions and similar (other post-employment benefits)

All Group employees are covered by pensions and other long-term post-employee benefits. Pension plans comprise defined-contribution plans or defined-benefit plans.

In June 2021, the IASB approved the position presented by the IFRIC on the method for attributing benefits to periods of service as part of the measurement of employee benefits (IAS 19).

The plans concerned are defined-benefit plans, satisfying all of the following conditions:

- the attribution of benefits, paid in the form of a single benefit at the time of retirement, is subject to the employee’s presence in the company at the time of retirement;
- benefits depend on the length of service in the company at the time of retirement and are capped after a certain number of years of service.

End-of-Career Benefits provided by French companies are affected by this change in method.

The new method results in a provision only being made for employees after a certain number of years of service and in the provision being adjusted in a straight-line manner until the date of the employee's retirement. The impact for the Group is a reduction of €3.5 million in actuarial debt.

As the impact of the change in method on the consolidated income statement was insignificant, it was decided to retain January 1, 2021 as the date of first-time application and to recognize the impact of the change in retained earnings (*i.e.* in shareholders' equity) at this date.

1.4.2.1. Defined-contribution plans

The cost of defined-contribution plans, corresponding to salary-based contributions to national bodies responsible for pension and death/disability insurance plans made in accordance with local laws and practices in each country, is recognized as an operating expense. The Group has no legal or implicit obligation to pay additional contributions or future benefits. Consequently, no actuarial liability is recorded under these defined-contribution plans.

1.4.2.2. Defined-benefit plans

Defined-benefit plans are mainly related to post-employment benefits and mainly correspond to the following commitments:

- pension plans for French employees;
- other pension and supplementary pension plans, mainly in the US, France and Belgium;
- plans to cover healthcare costs in the US.

Defined benefit plans are subject to provisions for staff benefits calculated on the basis of actuarial valuations carried out by independent actuaries using the projected unit credit method.

These assessments take into account assumptions specific to each plan such as:

- retirement dates determined according to the terms of the legislation and, in particular for French employees, a voluntary retirement assumption when full benefit rights have been acquired;
- mortality;
- the probability of active employees departing before retirement age;
- estimates of salary increases up to retirement age;
- discount rates and inflation.

When defined benefit plans are funded, the commitments under these plans are reduced by the market value of plan assets at the reporting date. The valuation builds in long-term profitability assumptions for the invested assets, calculated on the basis of the discount rate used to value company commitments.

Changes in provisions for defined-benefit obligations are recognized over the benefit acquisition period, in the income statement under “Operating expenses”, except for:

- the effect of the reversal of discounting of the commitments recognized in net financial income (expense);
- actuarial gains and losses on post-employment benefit obligations recognized in equity.

1.4.2.3. Other long-term benefits

Other long-term benefits correspond mainly to long-service awards for French employees.

Actuarial gains and losses on “Other long-term benefits” (mainly long-service awards) are recognized immediately in profit or loss.

1.5. Other provisions

1.5.1. Provisions for employee downsizing

The cost of employee downsizing plans is recognized in the period in which a detailed plan is drawn up and announced to the employees concerned or their representatives, thus creating a well-founded expectation that the Group will implement this plan.

1.5.2. Provisions for onerous contracts

Provisions are booked when there are obligations to third parties leading to a likely outflow of resources for the benefit of these third parties without a counterparty of at least equivalent value expected for the Group. Losses identified on onerous contracts, i.e. contracts whose unavoidable costs relating to their obligations are greater than the expected economic benefits, are subject to provisions. These provisions are recognized in current or non-current liabilities depending on whether they are short- or medium/long-term in nature.

1.6. Goodwill, property, plant and equipment and intangible assets

1.6.1. Goodwill

Goodwill is measured annually at cost, less any impairment representing loss of value. Impairments on goodwill are irreversible.

Negative goodwill (badwill) is recorded in the income statement during the year of acquisition.

1.6.2. Intangible assets

1.6.2.1. Research and Development costs

Development costs incurred during the project phase and related to the execution of a contract with a customer not fulfilling a performance obligation are recognized as intangible assets. These internal and external costs relate to the work on the organization of purchasing, logistics and industrial processes to produce the parts that will be ordered by customers.

These costs are recognized as intangible assets in progress during the development phase and amortized on a straight-line basis over the estimated life of the series production, *i.e.* generally three years for exterior parts, five years for fuel systems and the “Modules” business.

The amortization of development hours is booked under Research and Development costs.

Assets under construction are subject to annual impairment tests. As of their commissioning, impairment tests are carried out as soon as signs of impairment are identified.

Income received from related customers in respect of these costs is recognized in revenue from the start of series production and over the duration of production. Payments received before the start of series production are recorded in customer advances.

The accounting treatment of costs that satisfy a performance obligation is described in Note 1.3.2 "Revenue / Revenue from Contracts with Customers".

Furthermore, under IFRS 15, only the costs of obtaining contracts that would not exist in the absence of a contract are credited to the assets and depreciated over the expected production period; costs incurred prior to the selection of the Group, whether or not the contract is obtained, are recognized as an expense for the period.

1.6.2.2. Other Research and Development costs

Other Research and Development costs are expensed for the fiscal year.

1.6.2.3. Other intangible assets

Other intangible assets are measured at cost less accumulated amortization and impairment losses. They are amortized according to the straight-line method over their estimated useful lives.

They mainly included the “Ford-Milan,” “Faurecia Exterior Systems business” and “HBPO” customer contracts in 2018.

1.6.3. Property, plant and equipment

1.6.3.1. Assets owned outright

Gross values

Property, plant and equipment are initially recorded at their acquisition cost, at their cost of production when they are manufactured by the company for its own use (or subcontracted) or at their fair value for those acquired without consideration.

Property, plant and equipment may be specific tooling developed by the Group in connection with production contracts signed with customers without transfer of control to customers, for which the Group will receive an integrated compensation in the part price, where appropriate. In this case, the compensation is recorded in revenue over the series' production term.

If fixed assets have been sold or transferred within the Group, any gains and losses are eliminated in the consolidated financial statements.

Property, plant and equipment are later recognized at cost less total depreciation based on their lifespan and total impairment.

Maintenance and repair costs for fixed assets to restore or maintain the future economic benefits that the company can expect in terms of the estimated level of performance at the time of acquisition are recognized as an expense as incurred.

Future expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure benefit the Group, for example, by an increase in the performance or effectiveness of the asset concerned.

Buildings	20 and 40 years
Real estate fixtures	10 years
Presses and transformation machines	7 - 10 years
Machining, finishing and other equipment	3 - 10 years

The Group applies the components approach to its real estate assets and major functional assemblies.

1.6.3.2. Lease contracts

Since January 1, 2019, the Group has applied IFRS 16 "Leases" and has chosen to apply for the transition the simplified retrospective method providing for the application of the new accounting treatment to leases in force on January 1, 2019.

As part of the implementation of this standard, the Group assesses whether a contract is a lease under IFRS 16 by assessing on the entry date of said contract, whether the latter relates to a specific asset, and whether the Group obtains almost all of the economic benefits linked to the use of the asset and the ability to control the use of this asset.

The two capitalization exemptions proposed by the standard for contracts with an initial term of less than or equal to twelve months and goods of low unit value when new, which the Group has defined as being less than or equal to €5,000, have been used.

The accounting treatment is as follows:

- recognition as property, plant and equipment of rights to use assets under leases that meet the capitalization criteria defined by IFRS 16;
- recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- recognition of a depreciation charge for the right-of-use of the asset and a financial charge relating to interest on the lease debt, which partially replace the operating charge previously recorded in respect of the rent. The amortization period for the right-of-use is determined on the basis of the duration of the contract, taking into account an option of renewal or termination when its exercise is reasonably certain;
- in the cash-flow statement, debt repayments affect financing flows.

The discount rate used to calculate the debt is determined, for each property, according to the marginal debt rate at the start date of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset. This rate is obtained by adding the rate on government bonds with terms similar to the leased assets and the entity's credit spread.

The Group has adopted a tool allowing it to carry out, for each lease meeting the IFRS 16 capitalization criteria, an assessment of the rights-of-use and the related financial debt and of all the impacts on the income statement and balance sheet in accordance with IFRS 16. This tool is used by all consolidated companies.

The amounts recognized as right-of-use assets and as financial debt mainly relate to property leases of industrial sites, storage and administrative premises; the remainder mainly corresponds to industrial equipment and vehicles.

1.6.4. Impairment of goodwill, property, plant and equipment and intangible assets

1.6.4.1. Impairment of goodwill

Plastic Omnium Group goodwill is not amortized but is tested for impairment at least annually, at year-end, as well as during the current year when there is evidence of impairment.

Impairment tests are carried out at the level of the cash-generating units (CGU) or groups of cash-generating units, which are:

- “Industries”
- “Modules”

The net carrying amount of all assets (including goodwill), comprising each cash-generating unit, is compared to its recoverable amount, *i.e.* the higher of the fair value less disposal costs and the value in use determined using the discounted cash-flow method.

These forecast data are based on the Group’s medium-term plans, which are prepared for the next five years, revised as necessary to reflect the most recent market conditions. Beyond this timeframe, a terminal value is calculated based on the capitalization of the data for the last year covered by the business plan, using a long-term growth rate that reflects the outlook for the market. These forecast data are then discounted.

The assumptions used to determine the discount rates take into account:

- an industry risk premium;
- an industry financing “spread” to assess the cost of debt;
- the rates used by comparable companies in each segment.

Sensitivity tests with an increase in the discount rate of 0.5% or a reduction of 0.5% in the long-term growth rate or a reduction of 0.5% in the operating margin rate are systematically carried out. In the current economic context, 1-point sensitivity tests were also carried out, with no impact on the test results.

1.6.4.2. Impairment of depreciable property, plant and equipment and intangible assets

Depreciable property, plant and equipment and intangible assets are subject to impairment tests from the time they enter service whenever there is evidence of signs of impairment such as recurring losses for an entity, decisions to stop commercializing production, or site closures. Intangible assets in progress are also subject to a value test annually at year-end.

1.6.5. Investment property

The items in the “Investment property” section of the Group’s balance sheet assets are not included in ordinary operations. These assets, which belong to the Group, correspond to real estate:

- not occupied on the balance sheet date and whose use is unspecified; or
- held by the Group for their long-term appreciation and which are leased under operating leases.

The Group may, where appropriate, decide to use all or part of a property whose use is unspecified (in which case the relevant part would be reclassified as operating property) or lease them under one or more operating leases.

Investment property is measured at fair value at the balance sheet date, with changes in fair value recognized in profit or loss. The land on which the buildings are constructed follows the same accounting treatment. An independent appraiser makes regular valuations as part of the year-end closing process. Between two valuations, the Group ensures that the real estate market has not undergone any significant change. The fair value determined by the expert is assessed by direct reference to observable prices in an active market (level 2 fair value).

Following the sale of the Nanterre and Lyon Gerland real estate complexes at the end of 2019, the Group has an immaterial amount of investment property (see Note 5.1.4).

1.7. Non-current assets held for sale and discontinued operations

The following items are classified as “Assets held for sale” on the balance sheet, as soon as the assets or groups of assets are available-for-sale in their current state and the sale is highly probable:

- non-current assets held pending their sale;
- a group of assets held for sale and not for continuing use;
- businesses or companies acquired with a view to subsequent sale.

Liabilities related to these assets, groups of assets, businesses and companies held for sale are also presented as a separate item under liabilities in the balance sheet, “Liabilities directly related to assets held for sale”.

Assets (or groups of assets) classified in this category are no longer depreciated. They are valued at the lower of their carrying amount and selling price, less selling costs. Any impairment losses are recognized by the Group under “Other operating expenses”.

On the balance sheet, data related to “Assets and activities held for sale” shown separately in the financial statements do not give rise to the restatement of prior years in terms of presentation.

In the income statement, the profit/loss (from the period and from the sale) of business operations or entities that meet the definition of a discontinued operation are reported as a separate line item entitled “Net income from discontinued operations” in each of the fiscal years presented.

1.8. Financial items

1.8.1. Financial assets (excluding derivatives)

1.8.1.1. Equity investments and funds

These equity investments correspond to shares in listed companies as well as units subscribed for in funds and venture capital companies. On the acquisition date, they are measured at fair value plus transaction costs directly attributable to their acquisition.

In accordance with IFRS 9:

- changes in the fair value of listed companies are accounted for using the alternative method provided by IFRS 9 in "Other comprehensive income in equity" (OCI) without recycling in profit or loss;
- changes in the fair value of funds are recognized in profit or loss.

The impact of the application of this standard is not material for the Plastic Omnium Group.

1.8.1.2. Other financial assets

Other financial assets include loans, security deposits and surety bonds. They are measured at amortized cost. Whenever there is objective evidence of impairment (i.e. a negative difference between the carrying amount and the recoverable amount), an impairment provision is recognized through profit or loss. This impairment may be reversed if the recoverable amount subsequently increases.

Other financial assets also include marketable securities that do not meet the criteria for classification as cash equivalents. They are valued at their fair value on the closing date, and changes in fair value are recorded in financial income.

1.8.2. Cash and cash equivalents

Cash and cash equivalents presented in the Statement of Cash-Flows include short-term, highly liquid cash items, readily convertibles into known amounts of cash and subject to a negligible risk of change in value. Cash comprises cash and cash equivalents, short-term deposits and bank balances, with the exception of those authorized to cover short- or medium-term cash needs arising from day-to-day operations. Cash equivalents correspond to short-term investments and are subject to a negligible risk of changes in value in the context of the temporary use of cash surpluses (money market funds, negotiable debt securities, etc.). Changes in the fair value of these assets are recognized in profit or loss.

1.8.3. Current and non-current borrowings

Current and non-current borrowings are valued using the amortized cost method and the effective interest rate.

Borrowings in foreign currencies contracted by a subsidiary from the Group and whose repayment is neither planned nor likely in the foreseeable future are considered to be part of the net investment of the Plastic Omnium Group in this foreign business. The corresponding translation differences are recognized in equity.

1.8.4. Derivatives and hedge accounting

In order to manage its interest rate risk, the Group uses OTC derivative instruments. These hedging instruments are valued and recognized in the balance sheet at their fair value.

Changes in the fair value of instruments described as “Cash-flow hedges” are recorded under “Other comprehensive income” (equity) for the effective parts and in financial income for the ineffective parts in application of IFRS 9.

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized in profit or loss.

1.9. Income tax

In France, the entity Compagnie Plastic Omnium maintained the option for the ordinary law tax consolidation system for itself and the French subsidiaries at least 95% controlled, as set out in Article 223 A of the French Tax Code.

In addition, the Group applies optional national consolidation or tax consolidation plans in Germany, Spain and the United States.

The Plastic Omnium Group recognizes deferred taxes relating to temporary differences between the tax values and the carrying amount of assets and liabilities on the consolidated balance sheet without discounting.

Deferred taxes are calculated using the liability method, applying the last tax rate enacted (or the quasi-adopted rate) at the balance sheet date and applicable to the period in which the temporary differences reverse.

Tax credits and deferred tax assets on tax loss carryforwards and temporary differences are only recognized when the probability of their utilization within a relatively short period of time is proven.

1.10. Shareholders' equity and earnings per share

1.10.1. Treasury stock

The Plastic Omnium Group's treasury stock is recorded as soon as it is acquired as a deduction from equity, regardless of the purpose for which it is being held.

The proceeds from the sale of these securities are recognized directly as an increase in the Group's equity, any gain or loss on the sales having no impact on the net profit (loss) for the fiscal year.

1.10.2. Earnings per share

Basic earnings per share are calculated using the weighted average number of ordinary shares comprising the share capital, less the weighted average number of shares held in treasury stock.

Diluted earnings per share take into consideration the average number of treasury shares deducted from equity and shares which might be issued in respect of the fiscal year under stock option programs.

1.11. Estimates and judgements

In preparing its financial statements, the Plastic Omnium Group uses estimates and assumptions to assess some of its assets, liabilities, income, expenses and commitments. These estimates and assumptions, which are liable to result in significant adjustments to the carrying amount of assets and liabilities, are reviewed periodically by Senior Executives. The amounts in the future financial statements of the Group may include changes in estimates or assumptions in light of past experience and changes in economic conditions.

In general, the estimates and assumptions used during the fiscal year were based on the information available at the balance sheet date. Estimates may be revised depending on changes in the underlying assumptions. These assumptions mainly concern:

Deferred taxes

Recognition of deferred tax assets depends on the probability of sufficient future profit being generated to permit their utilization. This leads the Group to make regular estimates of future taxable earnings, particularly as part of the medium-term plans established within the Group. These estimates take into account the recurring or non-recurring nature of certain losses, expenses, etc.

See Note 2.1.4 "Deferred tax assets" on the consequences related to the Covid-19 crisis.

Provisions

Provisions for pensions and other post-employment benefits

In the case of defined-benefit plans, the Group, assisted by independent actuaries, adopts assumptions (see Notes 1.4.2 and 5.2.5 "Provisions for pensions and other post-employment benefits") on:

- discount rates for pension and other long-term benefits;
- rates of increases in healthcare costs for the United States;
- employee turnover and future salary increases.

Other provisions

Estimates also cover provisions, particularly those relating to employee downsizing, litigation, customer warranties, legal and tax risks for which, in some cases, the Legal Department may be required to employ specialized lawyers.

Asset impairment tests

Impairment tests are carried out each year, in particular on goodwill and development costs relating to automotive projects, but also during the year on these same assets as well as on industrial assets if signs of impairment are identified.

As part of these tests, for the determination of the recoverable amount, the concepts of fair value net of disposal costs and value in use obtained by the discounted cash-flow method are used. These tests are based on assumptions about future operating cash-flows and discount rates.

Assumptions that could have a material impact on the financial statements concern, in particular, the discount rates and growth rates (see Note 2.1.3 "Asset impairment tests").

Sensitivity tests are performed on the long-term growth rate and discount rate assumptions for tests relating to goodwill and on the level of operating margin for tests relating to industrial assets.

Lease contracts (IFRS 16)

The discount rate is a key assumption in determining accounting impacts related to the application of IFRS 16 on leases. It is used to calculate the right of use and the **lease liability** for each leased asset (see Note 1.6.3.2).

Other uncertainties

To date, the main uncertainties likely to significantly impact the assumptions are the impact on production of the "Shortage of semi-conductors" at car manufacturers, together with other supply difficulties, related inflation and the development of the "Covid-19 pandemic".

2. SIGNIFICANT EVENTS OF THE PERIOD

2.1. Health and economic context

The 2021 fiscal year was marked by the combined effect of:

- the intermittent continuation of the Covid-19 health crisis with no significant impact on the business; and
- the emergence of a supply shortage in semiconductors and components that is having a persistent significant impact on the global automotive industry market.

First seen in early 2021, the shortage of electronic semiconductors intensified in the second half of the year, leading car manufacturers to shut down some of their production lines for varying periods and forcing automotive suppliers to adapt accordingly. The Plastic Omnium Group therefore reduced its own production.

IHS⁽¹⁾ has successively revised the figures downwards.

(1) IHS, from the company name "IHS Markit", is an Anglo-American economic information company that publishes trends and forecasts for the automotive sector, amongst others.

Change in the international automotive market:

The tables below show the deterioration in the forecasts for global vehicle production, by half-year, as published by IHS⁽¹⁾.

In thousands of vehicles <i>Source: IHS</i>	2021		2022	
	1st half-year	2nd half-year	1st half-year	2nd half-year
Vehicle production forecast by IHS at December, 15, 2020	40,333	40,723	42,172	42,701
Vehicle production forecast by IHS at June, 15, 2021	38,023	41,953	43,439	43,692
Vehicle production forecast by IHS at December, 15, 2021	37,782	34,746	38,583	40,689
Change in % of vehicles production forecasts published by IHS by realese				
Change in the vehicle production forecasts published by IHS at December 15, 2020 and June, 15, 2021	-5.7%	3.0%	3.0%	2.3%
Change in the vehicle production forecasts published by IHS at June 15, 2021 and December, 15, 2021	-0.6%	-17.2%	-11.2%	-6.9%

2.1.1. Shortage of semiconductors and components

The resumption of the Plastic Omnium Group's activities in the second half of 2020, following the sudden shutdown linked to Covid-19 in the first half of 2020, was impacted by the emergence of a shortage of semiconductors which intensified as 2021 progressed.

In the 2021 fiscal year, the estimated impact of customer production stoppages on the Group's consolidated revenue, as well as the impact of additional costs incurred (shortage of semiconductors, components and raw materials^(*), inflation, costs related to measures to protect employee health against Covid-19, etc.) on the Group's Operating Margin are provided by quarter in the table below. These variations should be understood in the light of the IHS forecasts provided in the previous note:

(*): Regarding the raw materials risk, refer to Note 6.2 on the Group's exposure to plastic risk.

Impacts of crisis context on the Group's key figures	Fiscal year 2020		Fiscal year 2021	
	1st half-year	2nd half-year	1st half-year	2nd half-year
Change in the Consolidated Sales of the period compared with the same period one year before ⁽¹⁾	-30.6%	-2.7%	27.8%	-16.2%
Weight of the Operating Margin in relation to the Consolidated Sales per period	-3.9%	5.7%	6.2%	2.0%
Change in the Operating Margin compared with the same period one year before ⁽²⁾	-141.3%	2.1%	-301.5%	-70.7%

(1) Changes explained in 2020 by the Covid-19 pandemic and in 2021 mainly by the shortage of semiconductors.

(2) Changes in 2020 are linked to the Covid-19 pandemic and in 2021 are compared to 2020, itself already impacted by the effects of Covid-19.

2.1.2. Continuation in 2021 of the Covid-19 health crisis and measures maintained by the Group to protect employees

In 2021, the Group did not suffer any significant production interruptions directly related to Covid-19. Since 2020, the Group has implemented strict health measures ranging from providing protective equipment for employees, hydro-alcoholic gels, temperature-taking equipment, regular disinfection of premises, floor markings and displaying of instructions, etc.

These measures will be maintained until the health crisis has ended.

The impacts directly related to the shortage of semiconductors and components and the continuing Covid-19 pandemic are described in the following notes.

2.1.3. Asset impairment tests

Impairment tests were carried out in order to verify in particular that property, plant and equipment and intangible assets, including goodwill and assets in progress, are always recognized at a value that does not exceed their recoverable amount.

In the current context of the global shortage of semiconductors and components, the Group has identified indicators of impairment at December 31, 2021:

- a decrease in the activity of certain Group entities (refer to introductory note 2.1 on the "Health and economic context") given the shutdowns of the production lines of car manufacturers which have led the Group to adjust its own production;
- Performance for 2021 leading to a delay in performance for subsequent years compared to that expected before the Covid-19 crises and the component shortage.

The assets tested in the context of the 2021 account closing are as follows:

- goodwill for "Modules" and "Industries" activities and their components "Intelligent Exterior Systems" and "Clean Energy Systems";
- customer contracts;
- project assets;
- industrial site assets that were subject to impairment in 2020 or for which business forecasts for future years are down compared to 2020-2021.

These tests were updated on the basis of forecast data from the Group's medium-term plans finalized in November 2021, established for the period 2022-2026, revised where appropriate to take into account the latest developments.

The main assumptions used in drawing up the 2022-2026 strategic plan are as follows:

- a cautious approach to IHS projections by applying an average discount of 5%;
- taking into account the forecasts made by IHS and the Group's customers in terms of changes in the "mix" of vehicle engines, *i.e.* the proportion of diesel, gasoline, electric and hybrid engines in global production;
- the volume forecasts received from car manufacturers, discounted where applicable depending on the history and knowledge of each program and in relation to disparities and country specificities;
- market shares up from 2021 to 2026, in particular in the CES division;
- inflation with no negative impact on profitability due to the pass-through to customers and continued improvements in operational efficiency;
- carbon neutrality for scopes 1 and 2 by 2025, taking into account the necessary investments at entity level; these investments are insignificant across the Group.

The discount rate (WACC) used, at 9%, is unchanged from last year; it is adjusted if necessary to take into account country specificities (India).

The perpetual growth rate used in determining the terminal value is set at 1.5%; this rate has been adjusted in the United States (2%) and India (3%) to take into account local specificities.

On the basis of the tests carried out in 2020 and 2021, the impairment recognized over the two fiscal years is as follows:

In millions of euros	2020			2021			
	June 30	Change over the second-half	December, 31	Change over the first-half	June 30	Change over the second-half	December, 31
Industrial assets	176.6	-6.0	170.6	-0.3	170.3	-2.5	167.8
Project assets	53.1	3.1	56.2	-3.9	52.3	2.3	54.6
Customer contracts	32.0	-8.6	23.4	0.0	23.4	0.0	23.4
Total	261.7	-11.5	250.2	-4.2	246.0	-0.2	245.8

In accordance with the Group's accounting principles, changes in impairment of property, plant and equipment and intangible assets are recognized under "Other operating expenses" (see Note 4.6).

Sensitivity of goodwill tests:

Sensitivity tests were performed on the discount rate, long-term growth and Operating Margin rate assumptions used in determining the terminal value. The conclusion of these tests is that a 0.5% increase in the discount rate, a decrease in the long-term growth rate or a 1 point decrease in the CGU margin rate would not call into question the conclusion of the tests. Likewise, a one-year lag in the strategic plan assuming that 2022 would be similar to 2021 would not call into question the conclusion of the tests.

Sensitivity of tests on property, plant and equipment and intangible assets:

As in 2020, the Operating Margin was retained as a key assumption because it reflects the impact of the following two effects:

- the change in revenue, in particular the impact of a drop in revenue that would not be offset by a reduction in costs; and/or
- a difference in the expected profitability of plants.

A +/-10% change in the operating margin used over the term of the plan (2022-2026) and in the determination of the terminal value would have the following consequences:

- a -/+7.4 million change in impairment recognized on assets in Germany;
- a -/+2.3 million change in impairment recognized on assets in the US.

2.1.4. Deferred tax assets

The Group's tax position has been analyzed taking into account the estimated effects of the shortage of semiconductors and components, the continuation of the Covid-19 health crisis and the latest income forecasts, in line with the assumptions used in assessing other assets.

In accordance with the Group's accounting principles, tax credits and deferred tax assets on tax loss carryforwards and temporary differences are only recognized when the probability of their utilization within a relatively short period of time is proven.

The impacts on inventories of deferred tax assets over the last two fiscal years are as follows:

- a net impairment of -€22.4 million for the 2021 fiscal year; and
- a net impairment of -€79.1 million, for the 2020 fiscal year.

Impacts over fiscal year 2021 are explained in Note 4.8 "Income tax".

2.1.5. Implementation of part-time activity and State aid

From the emergence of the Covid-19 pandemic in 2020, protective measures led the Group to promote remote working (teleworking) whenever possible and essential, and to set up part-time activity in strict compliance with the legislation and provisions taken by the authorities of each country where the Group is established.

State aid received over the past two fiscal years in the context of partial activity since the emergence of the Covid-19 pandemic is presented below:

- an amount of €9.4 million for the 2021 fiscal year; and
- an amount of €31.7 million for the 2020 fiscal year.

This State aid is recognized as a reduction in personnel costs (see Note 4.3 "Staff costs").

2.1.6. The Group has not used State-guaranteed loans

The Group has not used any State-guaranteed loans in the various countries in which it is established from the emergence of the Covid-19 pandemic in 2020 until the accounts closure at December 31, 2021.

2.1.7. Going concern

A few key indicators which, despite the forecasts for automotive production significantly lowered by IHS⁽¹⁾ (see Note 2.1), confirm the Group's financial strength:

- As of December 31, 2021, the Group's balance sheet structure remained solid with Gearing at 41.5% compared to 41.4% as of December 31, 2020 (see Note 6.1 "Capital management");
- The Group generated €251 million in free cash-flow in 2021;
- The Group's liquidity at December 31, 2021 increased by 7.8% compared to December 31, 2020;
- The Group has no major maturities before 2023 (see Notes 5.2.6 "Current and non-current borrowings" and 6.4.2 "Liquidity risk by maturity").

(1) IHS for "IHS Markit", an Anglo-American specialist economic information company, which publishes trends and forecasts, particularly for the automotive sector.

2.2. Other significant events of the period

2.2.1. Changes in the share capital of Compagnie Plastic Omnium SE

2.2.1.1. Share capital reduction by Compagnie Plastic Omnium SE by cancellation of treasury shares

At its meeting of February 17, 2021, the Board of Directors of Compagnie Plastic Omnium SE decided to cancel 1,443,954 treasury shares (0.97% of the share capital) effective February 25, 2021.

Compagnie Plastic Omnium SE's share capital, made up of 147,122,153 shares with a par value of €0.06, was thus reduced to €8,827,329.18. See Note 5.2.1.1 "Share capital of Compagnie Plastic Omnium SE".

At December 31, 2021, this transaction brings Burelle SA's stake in Compagnie Plastic Omnium SE from 58.78% to 59.35% of the share capital before the cancellation of the treasury shares.

2.2.2. Change in the scope of consolidation during fiscal year 2021

2.2.2.1. Company acquisition and equity investment in the German group ElringKlinger AG

On October 28, 2020, Plastic Omnium Group and ElringKlinger AG, a German family-owned listed group and automotive parts manufacturer headquartered in Dettingen (Bade-Wurtemberg), signed:

- an agreement to create a joint venture, EKPO Fuel Cell Technologies, a leader in the development and series production of fuel cells to accelerate the growth of hydrogen mobility; and
- a second agreement on the same day, for the acquisition by Plastic Omnium Group of 100% of the Austrian subsidiary of ElringKlinger, specialized in integrated hydrogen systems, ElringKlinger Fuelcell Systems Austria GmbH (EKAT), for an enterprise value of €15 million.

Both agreements were subject to competition authorities and customary legal requirements. Plastic Omnium Group received the approval of the competition authorities during the first quarter, which enabled the transactions described below to be completed at March 1, 2021:

Creation of the EKPO Fuel Cell Technologies joint venture:

Plastic Omnium Group and its partner ElringKlinger created the joint venture "EKPO Fuel Cell Technologies" on March 1, 2021. Through the subscription to a capital increase carried out by EKPO Fuel Cell Technologies, the Plastic Omnium Group acquired 40% of the shares for €100 million.

ElringKlinger thus owns 60% of the joint venture and Plastic Omnium Group 40%. The partnership agreement documents ElringKlinger's control and that Plastic Omnium has a significant influence over the operation. ElringKlinger brought its fuel cell business, more than twenty years of know-how and R&D capabilities, giving a large development potential.

This business employs more than 150 people and holds a portfolio of more than 150 patents in fuel cell components and several high power density fuel cell platforms, already marketed and manufactured at its Dettingen/Erms site (Baden-Württemberg), where the joint venture also has its registered office.

The price of the equity interest as well as the payment terms are presented in Table 2.2.2.1.1.

Acquisition of ElringKlinger Fuel Cell Systems Austria GmbH:

On March 1, 2021, Plastic Omnium Group acquired all of the shares in the Austrian subsidiary of ElringKlinger, “ElringKlinger Fuel Cell Systems Austria GmbH (EKAT)”, specialized in integrated hydrogen systems, to complete its global hydrogen offering. The acquisition price was €13.4 million.

The corporate name of this company has been changed and is now “Plastic Omnium New Energies Wels GmbH”.

2.2.2.1.1. Acquisition price

The acquisition prices as well as the payment terms are summarized in the table below:

	EKPO Fuel Cell Technologies		Plastic Omnium New Energies Wels GmbH	
<i>In %</i>				
Consolidation date in the Group's consolidated financial statements	March 1, 2021		March 1, 2021	
Percentage of interest	40%		100%	
Consolidation method	Equity method		Full consolidation	
<i>In thousands of euros</i>	Amount paid on March 1, 2021	Balance to be paid	Amount paid on March 1, 2021	Total acquisitions
Acquisition price	30,040	70,000⁽¹⁾	13,449	113,489
Planned payment schedule for the balance of the acquisition price of the EKPO shares:	<i>In thousands of euros</i>			
<i>March 1, 2022</i>		30,000		
<i>March 1, 2023</i>		10,000		
<i>September 1, 2023</i>		10,000		
<i>March 1, 2024</i>		10,000		
<i>September 1, 2024</i>		10,000		

(1) The remaining €70 million payable in respect of the acquisition of a 40% stake in EKPO are recorded as financial liabilities in the Group’s consolidated financial statements at December 31, 2021; given the staggered payment, the fair value of the price remaining to be paid is €68.9 million.

2.2.2.1.2. Allocation of the acquisition price

EKPO Fuel Cell Technologies:

The allocation of the acquisition price to the acquired assets and liabilities identified a “Technology” intangible asset, valued at €131 million (i.e. €52 million for the share held by the Plastic Omnium Group), resulting in a revaluation of the intangible assets recognized by the entity of €117 million.

The acquired intangible asset identified is recognized in intangible assets in progress pending its use in a series production process. This is expected to take place in 2022. From this date, the intangible asset will be amortized over twelve years; the amortization charge for this intangible asset will be included in the operating margin under “Share of profit (loss) of associates and joint ventures”. See Note 4.5.

At December 31, 2021, the 40% share of equity held by the Group and recognized under “Equity method investments” (See Note 5.1.5), includes goodwill for €16.9 million, after taking into account a deferred tax liability of €35.1 million related to this intangible asset.

Plastic Omnium New Energies Wels GmbH (EKAT):

The allocation of the acquisition price to the acquired assets and liabilities identified a “Technology” intangible asset, valued at €8.8 million.

The acquired intangible asset identified is recognized in intangible assets in progress pending its use in a series production process. This is expected to take place in the first quarter of 2022. From that date, the intangible asset will be amortized over twelve years; the amortization charge for this intangible asset will be recognized in the operating margin.

At December 31, 2021, the goodwill, after taking into account the deferred tax liability of €2.2 million related to this intangible asset, amounted to €6.3 million.

The opening balance sheet for the two entities as of March 1, 2021 is presented below. It will be finalized by March 1, 2022.

Allocation of the acquisition prices to the acquired assets and liabilities				
In thousands of euros	EKPO Fuel Cell Technologies		Plastic Omnium New Energies Wels GmbH	Total of the Group acquisitions in 2021
	Equity of the entity at March 1, 2021 and the allocation of acquisition price	Share of equity of the Group in the opening balance sheet at March 1, 2021 and allocation of the acquisition price	Equity acquired in the opening balance sheet at March 1, 2021	
Calculation basis	100.00%	40.00%	100.00%	
Deferred tax rate	30.00%	30.00%	25.00%	
<i>Equity acquired</i>	25,905	10,362	526	
<i>Intangible asset: technology</i>	116,975 ⁽¹⁾	46,790	8,816	
<i>Deferred taxes</i>	-35,093	-14,037	-2,204	
Equity (after adjustments) (A)	107,787	43,115	7,138	50,253
Contribution of Plastic Omnium group (B)	100,040	40,016		40,016
Equity after capital increase (C) = (A + B)	207,828	83,131		
Goodwill (D) = (E - C)	42,272	16,909 ⁽²⁾	6,311 ⁽³⁾	23,220 ⁽⁴⁾
Total acquisition price (E)	250,100	100,040	13,449	113,489

- (1) This amount comprises a revaluation of €117 million recognized as part of the allocation of the acquisition price.
- (2) This goodwill is a component of the value of the "EKPO Fuel Cell Technologies" investments in associates accounted for the equity method in the Group consolidated Balance Sheet. See Note 5.1.5.
- (3) This amount is recognized in the "Goodwill" item in the Group consolidated Balance Sheet. See Note 5.1.1.
- (4) This amount is split in "Investments in associates accounted by the equity method" for €16,909 thousand and for €6,311 thousand in "Goodwill" in the Group consolidated Balance Sheet. See Notes 5.1.5 and 5.1.1.

2.2.2.1.3. The opening balance sheets and their contribution in the Group consolidated balance sheet

The opening balance sheets of the two companies and their contribution in the Group consolidated balance sheet at March 1, 2021, are finalized and are presented in the table below.

	EKPO Fuel Cell Technologies				Plastic Omnium New Energies Wels GmbH				Total in the Group consolidated financial statements		
	March 1, 2021				March 1, 2021				March 1, 2021		
Consolidation percentage	100%	100%	100%	100%	40%	100%	100%	100%	100%	100%	
In thousands of euros	Balance Sheet before the allocation of the acquisition price	Allocation of the acquisition price	Opening Balance Sheet	Change to Group contribution	Contribution in the Group's opening consolidated balance sheet	Balance Sheet before the allocation of the acquisition price	Allocation of the acquisition price	Opening Balance Sheet	Change to Group contribution	Contribution in the Group's opening consolidated balance sheet	Total contributions of the opening balance sheets in the Group's consolidated financial statements
ASSETS											
Goodwill	-	42,272	42,272	-42,272	-	-	6,311	6,311	-	6,311	6,311
Other intangible assets	14,101	116,975	131,076	-131,076	-	59	8,816	8,875	-	8,875	8,875
<i>"Technology" intangible asset</i>	14,101	116,975	131,076	-131,076	-	-	8,816	8,816	-	8,816	8,816
<i>Other intangible assets</i>	-	-	-	-	-	59	-	59	-	59	59
Property, plant and equipment	22,910	-	22,910	-22,910	-	3,358	-	3,358	-	3,358	3,358
Investments in associates and joint ventures	-	-	-	100,040	100,040	-	-	-	-	-	100,040
Cancellation of securities acquired in exchange of the share in the Group reserves	-	-	-	-100,040	-100,040	-	-	-	-13,449	-13,449	-113,489
Other non-current financial assets	-	-	-	-	-	60	-	60	-	60	60
Deferred tax assets	-	-	-	-	-	7	-	7	-	7	7
TOTAL NON-CURRENT ASSETS	37,011	159,247	196,258	-196,258	-	3,484	15,127	18,611	-13,449	5,162	5,162
Inventories	1,992	-	1,992	-1,992	-	7	-	7	-	7	7
Trade receivables	20	-	20	-20	-	-	-	-	-	-	-
Other receivables	1,258	-	1,258	-1,258	-	42	-	42	-	42	42
Shareholders-Subscribed capital called not paid	68,947	-	68,947	-68,947	-	-	-	-	-	-	-
Cash and cash equivalents	30,100	-	30,100	-30,100	-	373	-	373	-	373	373
TOTAL CURRENT ASSETS	102,317	-	102,317	-102,317	-	422	-	422	-	422	422
TOTAL ASSETS	139,328	159,247	298,575	-298,575	-	3,906	15,127	19,033	-13,449	5,584	5,584
SHAREHOLDERS' EQUITY AND LIABILITIES											
Capital	100	-	100	-100	-	100	-	100	-100	-	-
Additional paid-in capital	125,845	124,155	250,000	-250,000	-	-	12,923	12,923	-12,923	-	-
Consolidated reserves	-	-	-	-	-	426	-	426	-426	-	-
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	125,945	124,155	250,100	-250,100	-	526	12,923	13,449	-13,449	-	-
Attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY	125,945	124,155	250,100	-250,100	-	526	12,923	13,449	-13,449	-	-
Non-current finance lease debt	7,932	-	7,932	-7,932	-	1,218	-	1,218	-	1,218	1,218
Provisions for pensions and other post-employment benefits	2,832	-	2,832	-2,832	-	4	-	4	-	4	4
Deferred tax liabilities	-	35,093	35,093	-35,093	-	-	2,204	2,204	-	2,204	2,204
TOTAL NON-CURRENT LIABILITIES	10,764	35,093	45,857	-45,857	-	1,222	2,204	3,426	-	3,426	3,426
Current borrowings and financial debt	952	-	952	-952	-	1,376	-	1,376	-	1,376	1,376
Current finance lease debt	-	-	-	-	-	158	-	158	-	158	158
Provisions for liabilities and charges	659	-	659	-659	-	-	-	-	-	-	-
Trade payables	342	-	342	-342	-	232	-	232	-	232	232
Other operating liabilities	666	-	666	-666	-	392	-	392	-	392	392
TOTAL CURRENT LIABILITIES	2,619	-	2,619	-2,619	-	2,158	-	2,158	-	2,158	2,158
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	139,328	159,247	298,575	-298,575	-	3,906	15,127	19,033	-13,449	5,584	5,584
Gross debt	-8,884	-	-8,884	8,884	-	-2,692	-	-2,692	-	-2,692	-2,692
Net cash and cash equivalents	30,100	-	30,100	-30,100	-	373	-	373	-	373	373
Net debt	21,216	-	21,216	-21,216	-	-2,319	-	-2,319	-	-2,319	-2,319

2.2.2.1.4. Contribution to the Group key Income Statement aggregates of the two new companies

The contribution in fiscal year 2021 of "EKPO Fuel Cell Technologies" and "Plastic Omnium New Energies Wels GmbH" to Plastic Omnium Group key Income Statement aggregates is as follows:

Fiscal year 2021 Contribution to the Group key Income Statement aggregates									
<i>In thousands of euros</i>	Plastic Omnium Group	EKPO Fuel Cell Technologies		% of Plastic Omnium Group consolidated revenue	Plastic Omnium New Energies Wels GmbH		% of Plastic Omnium Group consolidated revenue	Total contributions of the new entities in the Plastic Omnium Group consolidated financial statements	
	Amount	Amount	%		Amount	%		Amount	%
Consolidated revenue of Plastic Omnium Group	7,233,311								100.0%
Consolidated revenue of entities acquired		N/A	N/A ⁽¹⁾	N/A	-	0.0%	0.0%	-	0.0% ⁽²⁾
Operating Margin of entities acquired		-3,442	N/A ⁽²⁾	0.0%	1,371	N/A ⁽²⁾	0.0%	-2,071	0.0% ⁽²⁾

(1) The company EKPO Fuel Cell Technologies is consolidated using the equity method at 40%. See Note 2.2.2.1 in "Significant events of the period".

(2) The percentages are presented in relation to the proportion of revenue.

2.2.3. Monitoring of financial investments in AP Ventures

2.2.3.1. Payment of funds by Compagnie Plastic Omnium SE to AP Ventures funds in 2021

During fiscal year 2021, as co-sponsor and member of the investment advisory committee, the Group paid AP Ventures, a London-based venture capital firm specializing in hydrogen and fuel cells, a total of €5.9 million (equivalent to \$6.3 million).

The Group committed to invest \$30 million over the life of the fund. The Group's total payment amounted to €9.8 million (equivalent to \$11.1 million) as at December 31, 2021 (see Note 5.1.6.1 "Long-term investments in equities and funds").

2.2.4. Transfer of innovation and research activities from Belgium to France

The Group will transfer its innovation and research activities currently located in Brussels, Belgium, to France. These activities are part of the Clean Energy Systems division of the "Industries" segment.

At December 31, 2021, restructuring expenses recognized in connection with this transfer of business amounted to €14.3 million, of which €8.9 million for workforce adjustment costs. The provision for employee benefit obligations was also adjusted by €3.8 million to take into account the employment contract terminations of the employees concerned.

2.2.5. Brazilian administration tax receivables

The claims lodged by the Group's two Brazilian entities with the Brazilian tax administration in respect of the method of determining the PIS/COFIN federal taxes had a favorable outcome in fiscal year 2021. The amount granted to the entities amounts to €14.1 million (including €9.5 million in principal and €4.6 million in financial income linked to inflation over the years covered by the claim). To be recoverable, this receivable must be used to offset federal taxes over the next five years as well as corporation tax for the 2021 fiscal year.

Although, on the basis of the latest estimates, the entities would be able to use this tax receivable over the next five years, impairment was recorded in the consolidated financial statements at December 31, 2021 in order to take into account the risk related to local political instability, in particular in view of the elections scheduled for 2022. Impairment for the amount that may not be used by the end of 2022 was recognized at December 31, 2021. Given this impairment, the income recognized over fiscal year 2021, net of legal fees, amounted to €7.6 million, of which €5.0 million recognized in operating margin and €2.6 million in net financial income (expense).

2.2.6. Sale of tax receivables in France

In December 2021, Compagnie Plastic Omnium sold tax receivables (research tax credit in France) to a financial institution for an amount of €12.2 million (see Note 5.1.9.3 "Other receivables" in the balance sheet). These receivables sold without recourse are therefore no longer shown as assets in the consolidated financial statements at December 31, 2021.

2.2.7. Financing transactions

2.2.7.1. Utilization and drawdowns of credit lines during the period

The Group had no drawdown of its credit lines during fiscal year 2021.

See Notes 5.1.11 "Cash and cash equivalents", 5.2.6.6 "Confirmed medium-term credit lines" and 5.2.6.7 "Reconciliation of gross and net financial debt".

2.2.7.2. Issuance of Negotiable European Commercial Paper (Neu-CP) during fiscal year 2021

During fiscal year 2021, the Group increased its "Neu-CP" program. At December 31, 2021, it amounted to €322.5 million compared with €200.5 million at December 31, 2020.

The terms of these issuances are provided in Note 5.2.6.4 "Short-term borrowings: issuance of "Negotiable European commercial paper" (Neu-CP)".

See also Note 5.2.6.7 "Reconciliation of gross and net financial debt".

2.2.8. Change in the international economy and impacts on the Group's financial statements

2.2.8.1. Monitoring of hyperinflation in Argentina and impacts on the Group's financial statements

The Argentine peso exchange rate has dropped by 12 % since December 31, 2020.

At December 31, 2021, the assets of the two subsidiaries Plastic Omnium Auto Inergy Argentina SA (Clean Energy Systems) and Plastic Omnium Argentina (Intelligent Exterior Systems) were revalued. The impacts related to hyperinflation on the main income statement aggregates and recognized at December 31, 2021 are as follows:

<i>In thousands of euros</i>	2021	2020
Impact on the Group's revenue	+ 8 553	+ 3 814
Impact on the Group's operating margin	- 1 534	+ 677
Impact on the Group's net financial income (expense)	- 970	- 3 713
Impact on the Group's other operating expense	-25	- 2 858
Impact on the Group's tax expense	-60	+ 290
Impact on the Group's net income	-2 589	- 5 604

3. SEGMENT INFORMATION

3.1. Information by operating segment

The Group uses the concept “Economic revenue” for its operational management, which corresponds to the consolidated revenue of the Group and its joint ventures at their percentage stake: Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, SHB Automotive modules, the leading Korean front-end module company and BPO, a major player in the Turkish market for exterior equipment.

The Group organizes its Automotive businesses into two operating segments (see Note on "Presentation of the Group"): “Industries” and “Modules”.

The columns in the tables below show the amounts by segment. The “Unallocated items” column groups together inter-segment eliminations and amounts that are not allocated to a specific segment (in particular, holding company activity) allowing for the reconciliation of segment data with the Group’s financial statements. Financial results, taxes and the share of profit (loss) of associates are monitored at Group level and are not allocated to segments. Transactions between segments are carried out on an arm’s length basis.

3.1.1. Income statement by operating segment

In thousands of euros	2021			
	Industries	Modules	Unallocated items ⁽²⁾	Total
Economic revenue ⁽¹⁾	5,826,435	2,190,720	-	8,017,155
<i>Including revenue from joint ventures consolidated at the Group's percentage stake</i>	<i>586,802</i>	<i>197,042</i>	-	<i>783,844</i>
External sales to Segment	5,265,277	1,996,827	(28,794)	7,233,311
Inter-segment sales	(25,645)	(3,149)	28,794	-
Consolidated revenue	5,239,633	1,993,678	-	7,233,311
<i>% of segment revenue - Total</i>	<i>72.4%</i>	<i>27.6%</i>	-	<i>100.0%</i>
Operating margin before amortization of intangible assets acquired and before share of profit (loss) of associates and joint ventures	237,450	42,209	-	279,659
<i>% of segment revenue</i>	<i>4.5%</i>	<i>2.1%</i>	-	<i>3.9%</i>
Amortization of intangible assets acquired	(6,675)	(13,029)	-	(19,704)
Share of profit (loss) of associates and joint ventures	40,171	2,632	-	42,803
Operating margin	270,946	31,812	-	302,758
<i>% of segment revenue</i>	<i>5.2%</i>	<i>1.6%</i>	-	<i>4.2%</i>
Other operating income	23,438	-	-	23,438
Other operating expenses	(77,179)	(2,656)	-	(79,835)
<i>% of segment revenue</i>	<i>-1.0%</i>	<i>-0.1%</i>	-	<i>-0.8%</i>
Financing costs				(48,617)
Other financial income and expenses				(1,897)
Profit/(loss) from continuing operations before income tax and after share in associates and joint ventures				195,847
Income tax				(60,269)
Net profit (loss)				135,578

In thousands of euros	2020			
	Industries	Modules	Unallocated items ⁽²⁾	Total
Economic revenue ⁽¹⁾	5,627,787	2,104,283	-	7,732,070
<i>Including revenue from joint ventures consolidated at the Group's percentage stake</i>	<i>485,237</i>	<i>173,606</i>	-	<i>658,843</i>
External sales to Segment	5,170,408	1,933,588	(30,769)	7,073,227
Inter-segment sales	(27,858)	(2,911)	30,769	-
Consolidated revenue	5,142,550	1,930,677	-	7,073,227
<i>% of segment revenue - Total</i>	<i>72.7%</i>	<i>27.3%</i>	-	<i>100.0%</i>
Operating margin before amortization of intangible assets acquired and before share of profit/(loss) of associates and joint ventures	80,247	31,320	-	111,567
<i>% of segment revenue</i>	<i>1.6%</i>	<i>1.6%</i>	-	<i>1.6%</i>
Amortization of intangible assets acquired	(7,889)	(14,504)	-	(22,393)
Share of profit (loss) of associates and joint ventures	27,409	1,692	-	29,101
Operating margin	99,767	18,508	-	118,275
<i>% of segment revenue</i>	<i>1.9%</i>	<i>1.0%</i>	-	<i>1.7%</i>
Other operating income	23,535	3,699	-	27,234
Other operating expenses	(327,711)	(33,314)	-	(361,025)
<i>% of segment revenue</i>	<i>-5.9%</i>	<i>-1.5%</i>	-	<i>-4.7%</i>
Financing costs				(59,836)
Other financial income and expenses				(8,701)
Profit (loss) from continuing operations before income tax and after share in associates and joint ventures				-284,053
Income tax				31,002
Net profit (loss)				-253,051

(1) Economic revenue corresponds to revenue of the Group and its joint ventures consolidated at their percentage of ownership.

(2) "Unallocated items" corresponds to intra-group eliminations and amounts that are not allocated to a specific segment (for example, holding company activities). This column is included to enable segment information to be reconciled with the consolidated financial statements.

3.1.2. Balance sheet aggregate data by operating segment

December 31, 2021				
In thousands of euros	Industries	Modules	Unallocated items	Total
Net amounts				
Goodwill	499,146	527,726	-	1,026,872
Intangible assets	421,548	111,626	5,603	538,777
Property, plant and equipment	1,457,405	143,474	38,029	1,638,908
Investment property	-	-	30	30
Inventories	575,871	61,807	-	637,678
Trade receivables	587,072	137,047	10,158	734,277
Other receivables	264,249	34,781	55,365	354,395
Finance receivables (C)	3,000	-	-	3,000
Current accounts and other financial assets (D)	-955,443	2,468	962,369	9,394
Long-term investments in equity instruments and funds - FMEA 2 (F)	9,970	-	68,101	78,071
Hedging instruments (E)	-	-	91	91
Net cash and cash equivalents (A) ⁽¹⁾	101,102	78,387	701,883	881,372
Segment assets	2,963,920	1,097,316	1,841,629	5,902,865
Borrowings and financial debt (B)	303,817	71,305	1,450,423	1,825,545
Segment liabilities	303,817	71,305	1,450,423	1,825,545
Segment net financial debt = (B - A - C - D - E - F) ⁽²⁾	1,145,188	-9,550	-282,021	853,618
December 31, 2020				
In thousands of euros	Industries	Modules	Unallocated items	Total
Goodwill	486,643	527,726	-	1,014,369
Intangible assets	431,700	124,394	4,753	560,847
Property, plant and equipment	1,495,594	148,162	32,433	1,676,189
Investment property	-	-	30	30
Inventories	602,910	53,902	-	656,812
Trade receivables	632,522	183,384	-1,506	814,400
Other receivables	248,511	21,885	47,911	318,307
Finance receivables (C)	6,340	-	-	6,340
Current accounts and other financial assets (D)	-1,046,879	3,226	1,053,707	10,054
Long-term investments in equity instruments and funds - FMEA 2 (F)	4,086	-	4,223	8,309
Hedging instruments (E)	-	-	7,625	7,625
Net cash and cash equivalents (A) ⁽¹⁾	90,919	36,679	690,114	817,712
Total segment assets	2,952,346	1,099,358	1,839,290	5,890,994
Borrowings and financial debt (B)	265,472	67,294	1,324,191	1,656,957
Segment liabilities	265,472	67,294	1,324,191	1,656,957
Segment net financial debt = (B - A - C - D - E - F) ⁽²⁾	1,211,006	27,389	-431,478	806,917

(1) Net cash and cash equivalents as reported in the Statement of Cash Flows. See also 5.1.11.2 "Net cash and cash equivalents at end of period".

(2) See Note 5.2.6.1 "Definition of debt within the Group" and Note 5.2.6.7 "Reconciliation of gross and net financial debt".

3.1.3. Other information by operating segment

2021				
In thousands of euros	Industries	Modules	Unallocated items	Total
Acquisitions of intangible assets	126,297	15,857	3,041	145,195
Capital expenditure including acquisitions of investment property	136,667	15,566	7,868	160,101
2020				
In thousands of euros	Industries	Modules	Unallocated items	Total
Acquisitions of intangible assets	127,230	14,691	1,097	143,018
Capital expenditure including acquisitions of investment property	193,178	23,510	966	217,654

3.1.4. Revenue - Information by geographic region and country of sales

The breakdown of revenue by region is based on the location of the Plastic Omnium subsidiaries generating the sales. Until 2020, it was based on the country of location of their customers. The change, implemented to simplify the process of preparing the information, has no significant impact.

For the purposes of comparability, the information for 2020 has been restated.

3.1.4.1. Information by sales region

2021			2020		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
France	510,006	6.4%	France	454,037	5.9%
North America	2,048,018	25.5%	North America	2,063,667	26.7%
Europe excluding France	3,699,691	46.2%	Europe excluding France	3,731,978	48.2%
South America	130,743	1.6%	South America	81,115	1.0%
Africa	118,374	1.5%	Africa	81,643	1.1%
Asia	1,510,323	18.8%	Asia	1,319,630	17.1%
Economic revenue	8,017,155	100%	Economic revenue	7,732,070	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	783,844		<i>Including revenue from joint ventures at the Group's percentage stake</i>	658,843	
Consolidated revenue	7,233,311		Consolidated revenue	7,073,227	

3.1.4.2. Information for the top ten contributing countries

2021			2020		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
Germany	1,301,199	16.2%	Germany	1,249,633	16.2%
United States	1,007,388	12.6%	United States	991,864	12.8%
Mexico	971,107	12.1%	Mexico	989,557	12.8%
China	939,244	11.7%	China	822,764	10.6%
Spain	606,190	7.6%	Spain	596,229	7.7%
Slovakia	540,038	6.7%	Slovakia	587,232	7.6%
France	510,006	6.4%	France	454,037	5.9%
United Kingdom	332,475	4.1%	United Kingdom	331,319	4.3%
Korea	281,629	3.5%	Korea	282,894	3.7%
Poland	270,278	3.4%	Poland	303,545	3.9%
Other	1,257,601	15.7%	Other	1,122,996	14.5%
Economic revenue	8,017,155	100%	Economic revenue	7,732,070	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	783,844		<i>Including revenue from joint ventures at the Group's percentage stake</i>	658,843	
Consolidated revenue	7,233,311		Consolidated revenue	7,073,227	

3.1.4.3. Information by car manufacturer

2021			2020		
In thousands of euros	Totals	% of total automotive revenue	In thousands of euros	Totals	% of total automotive revenue
Volkswagen Group	2,093,680	26.1%	Volkswagen Group	2,002,539	25.9%
Stellantis	1,340,715	16.7%	Stellantis ⁽¹⁾	1,281,576	16.6%
Daimler	850,188	10.6%	Daimler	883,665	11.4%
BMW	715,402	8.9%	General Motors	639,606	8.3%
General Motors	563,159	7.0%	BMW	637,233	8.2%
Total – main manufacturers	5,563,144	69.4%	Total – main manufacturers	5,444,618	70.4%
Other car manufacturers	2,454,011	30.6%	Other car manufacturers	2,287,451	29.6%
Total economic revenue	8,017,155	100.0%	Total economic revenue	7,732,070	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	783,844		<i>Including revenue from joint ventures at the Group's percentage stake</i>	658,843	
Total consolidated revenue	7,233,311		Total consolidated revenue	7,073,227	

(1) Stellantis: including PSA Peugeot Citroën in the amount of €818,323 thousand and Fiat Chrysler Automobiles in the amount of €463,254 thousand (in "Other") in the financial statements published at December 31, 2020.

3.2. Non-current assets by country

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Other ⁽²⁾	Total
December 31, 2021							
Goodwill	213,274	721,234 ⁽¹⁾	79,405	2,931	10,028	-	1,026,872
<i>including translation adjustment</i>	-	-	6,109	-	83	-	6,192
Intangible assets	89,594	243,859	114,850	68,753	11,702	10,020	538,777
Property, plant and equipment	260,394	625,703	442,376	247,931	19,872	42,634	1,638,908
<i>including capital expenditure for the fiscal year</i>	34,205	73,064	29,500	18,796	3,193	1,343	160,101
Investment property	30	-	-	-	-	-	30
Total non-current fixed assets	563,292	1,590,795	636,631	319,615	41,602	52,654	3,204,587

(1) The Group acquired Plastic Omnium New Energies Wels GmbH on March 1, 2021. See Note 2.2.2.1 in "Other significant events of the period".

(2) The "Other" region includes South Africa and Morocco.

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Other ⁽²⁾	Total
December 31, 2020							
Goodwill	213,274	714,923	73,296	2,931 ⁽¹⁾	9,945	-	1,014,369
<i>including translation adjustment</i>	-	-	-6,758	-	366	-	-6,392
Intangible assets	86,569	268,954	115,799	73,147	7,230	9,147	560,847
Property, plant and equipment	201,195	704,546	458,055	249,078	16,306	47,009	1,676,189
<i>including capital expenditure for the fiscal year</i>	28,111	85,196	53,437	39,464	1,292	10,154	217,654
Investment property	30	-	-	-	-	-	30
Total non-current fixed assets	501,068	1,688,423	647,150	325,156	33,481	56,156	3,251,435

(1) See Note 2.2.2.2 in "Significant events of the period" on the Group's October 1, 2020 take-over of HBPO Hicom.

(2) The "Other" region includes South Africa and Morocco.

4. NOTES TO THE INCOME STATEMENT

Introduction to the Notes to the Income Statement - Impacts due to the health and economic context

In addition to the ongoing Covid-19 pandemic, a problem related to the shortage of semiconductors and certain components for the automotive sector appeared in early 2021 and led the Group to adapt its production following the shutdown of some car manufacturer customers' plants.

In 2021, Plastic Omnium Group's Income Statement was impacted by this decline in worldwide automotive production (see Section 2.1 "Health and economic context").

Over the period, the Group conducted asset impairment tests and updated costs related to the various restructurings. The impacts were recorded under "Other operating income and expenses" in accordance with the Group's accounting principles.

4.1. Breakdown of Research and Development costs

The percentage of Research and Development costs is expressed in relation to the amount of revenue.

In thousands of euros	2021	%	2020	%
Research and Development costs after developments sold	-245,438	-3.4%	-240,271	-3.4%
Capitalized development costs	128,550	1.8%	136,936	1.9%
Depreciation of capitalized development costs	-153,436	-2.1%	-173,171	-2.4%
Research tax credit	8,525	0.1%	9,504	0.1%
Other (including grants and contributions received)	3,751	0.1%	938	0.0%
Research and Development costs	-258,048	-3.6%	-266,064	-3.8%

4.2. Cost of goods and services sold, development, selling and administrative costs

In thousands of euros	2021	2020
Cost of goods and services sold includes:		
Material consumption (purchases and changes in inventory) ⁽¹⁾	-4,941,022	-4,979,203
Direct production outsourcing	-11,829	-13,650
Utilities and fluids	-87,690	-89,160
Salary and benefits	-701,891	-684,338
Other production costs ⁽²⁾	-397,879	-370,943
Depreciation and amortization	-262,111	-275,086
Provisions ⁽²⁾	-415	-19,266
Total	-6,402,837	-6,431,646
Research and Development costs include:		
Salary and benefits	-194,098	-196,149
Depreciation, amortization and provisions	-174,673	-195,057
Other	110,723	125,142
Total	-258,048	-266,064
Selling costs include:		
Salary and benefits	-28,008	-24,451
Depreciation, amortization and provisions	-341	-2,371
Other	-12,755	-6,892
Total	-41,104	-33,714
Administrative costs include:		
Salary and benefits	-165,483	-149,972
Other administrative expenses	-67,964	-62,317
Depreciation and amortization	-18,427	-18,348
Provisions	211	400
Total	-251,663	-230,237

(1) Including charges and reversals of provisions for inventories amounting to:

· +€4,612 thousand in 2021

· -€6,548 thousand in 2020

(2) The impact on the Operating margin of the favorable outcome of the Group's tax receivable claims with the Brazilian administration (PIS/COFIN federal taxes) for a gross amount of €9,521 thousand depreciated for €4,954 thousand. See Note 2.2.5 under "Other significant events of the period".

4.3. Staff costs

Following the partial activity introduced due to the Covid-19 pandemic in several countries where the Group operates (see Note 2.1.5 in “Significant events of the period”), the Group received aid from several States, for €9.4 million, which reduced personnel costs.

In thousands of euros	2021	2020
Wages and salaries	-791,816	-782,963
Payroll taxes ⁽¹⁾	-233,487	-224,490
Non-discretionary profit-sharing	-14,873	-13,916
Share-based payments	-2,086	-1,408
Pension and other post-employment benefit costs	-4,520	-9,376
Other employee benefits expenses	-42,700	-22,757
Total employee benefits expense excluding temporary staff costs	-1,089,482	-1,054,910
Temporary staff costs	-93,198	-98,875
Total employee benefits expenses	-1,182,680	-1,153,785

(1) This item includes social contributions on the new stock option subscription and / or bonus share allocation plans for an amount of:

- -€45 thousand in 2021 for the period’s new plan, allocated to executive corporate officers;
- -€91 thousand in 2020 (of which - €23 thousand for Executive corporate officers).

See Notes 5.2.3 "Share-based payments" and 7.3.1 "Compensation paid to senior executives and executive and other corporate officers".

4.4. Amortization of intangible assets acquired

This item corresponds mainly to:

- the amortization over six years of contractual customer relationships recognized on the takeover in July 2016 of the Faurecia Group Exterior Systems business;
- the amortization over seven years of contractual customer relationships and over fifteen years for the brand recognized on the takeover of HBPO in July 2018;

The “Technology” intangible asset of the Austrian company “Plastic Omnium New Energies Wels GmbH” acquired on March 1, 2021 (see Note 2.2.2.1.2 "Allocation of the acquisition price" in “Other significant events of the period”) will be amortized over twelve years from the start of series production.

In thousands of euros	2021	2020
Amortization of brands	-547	-547
Amortization of contractual customer relationships	-19,157	-21,846
Total amortization of intangible assets acquired	-19,704	-22,393

4.5. Share of profit (loss) of associates and joint ventures

The associates Chengdu Faway Yanfeng Plastic Omnium and Dongfeng Plastic Omnium Automotive Exterior are included in the YFPO joint ventures and the EKPO Fuel Cell Technologies joint venture since March 1, 2021 (see Note 2.2.2.1 in “Other significant events of the period”).

Share of profit (loss) of associates and joint ventures breaks down as follows (please refer to Note 5.1.5 for "Equity investments in associates and joint ventures" in the Balance Sheet):

In thousands of euros	2021 % Interest	2020 % Interest	2021	2020
HBPO - SHB Automotive Modules	33.34%	33.34%	2,632	1,601
HICOM HBPO Sdn Bhd ⁽¹⁾	34.00%	26.66%	-	91
JV Yanfeng Plastic Omnium and its subsidiaries - joint venture	49.95%	49.95%	40,039	22,451
B.P.O. AS - joint venture	49.98%	49.98%	3,574	4,958
EKPO Fuel Cell Technologies ⁽²⁾	40.00%	-	-3,442	-
Total share of profit/(loss) of associates and joint ventures			42,803	29,101

- (1) HBPO Hicom was accounted using the equity method until the end of September 2020. With the takeover by the Group on October 1, 2020, the company is now fully consolidated.
- (2) See Notes 2.2.2.1.4 et 4.4 in the "Other significant events of the period". This share of profit does not include any amortization of the "Technology" intangible asset recognized in the acquisition price allocation that will start in 2022 in line with the start of production.

4.6. Other operating income and expenses

In thousands of euros	2021	2020
Reorganization costs ⁽¹⁾	-21,624	-52,079
Impairment of non-current assets ⁽²⁾	-5,544	-254,666
Provisions for litigations and expenses ⁽³⁾	-11,750	-7,294
Foreign exchange gains and losses on operating activities ⁽⁴⁾	-10,573	-15,785
Change in scope of consolidation - HICOM	-	2,282
Gains/Losses on disposals of non-current assets	-1,151	-2,533
Other	-5,755	-3,717
Total operating income and expenses	-56,397	-333,791
- of which total income	23,438	27,234
- of which total expense	-79,835	-361,025

At December 31, 2021

(1) Reorganization costs:

Reorganization costs relate primarily to significant restructuring in the "Industries" segment in Germany and Belgium.

(2) Impairment of non-current assets:

The net impact of asset impairment tests over the period is -€4.4 million compared to -€250.2 million over the fiscal year 2021.

In addition, the impairment balance was reduced by +€8.8 million through disposals over the period, leading to a net reduction of +€4.4 million (see Note 2.1.3 "Asset impairment tests" in "Significant events of the period").

(3) Provisions for litigation and expenses:

This item mainly includes provisions for recalls and other disputes.

(4) Foreign exchange gains and losses on operating activities:

Over the period, foreign exchange gains and losses on operating activities mainly concern the Mexican peso, the Argentine peso and the US dollar.

At December 31, 2020

Refer to the Consolidated financial statements at December 31, 2020 for details of transactions in the previous fiscal year.

4.7. Net financial income (expense)

In thousands of euros	2021	2020
Finance costs	-34,163	-46,667
Interest on lease liabilities ⁽¹⁾	-7,072	-7,817
Financing fees and commissions	-7,382	-5,352
Borrowing costs	-48,617	-59,836
Exchange gains or losses on financing activities	6,414	-4,635
Gains or losses on interest rate and currency hedges ⁽²⁾	-8,701	2,626
Interest on post-employment benefit obligations	-1,290	-1,449
Other ⁽³⁾	1,680	-5,243
Other financial income and expenses	-1,897	-8,701
Total	-50,514	-68,537

(1) See Notes 5.1.3 "Property, plant and equipment" and 5.2.6.7 "Reconciliation of gross and net financial debt".

(2) The Group no longer has any interest rate instrument contracts. This item includes an amount of -€260 thousand corresponding to the amortization of the balance on the 2018 bond loan (see the Statement of changes in equity) and an expense of -€8,447 thousand corresponding to the impact of currency hedges.
See Note 5.2.7.1.2 "Impact of unsettled foreign exchange hedges on net income and equity".

(3) In 2021, this item includes in particular:

- the financial impact of hyperinflation in Argentina for -€970 thousand.

- the financial impact of the favorable outcome of the Group's tax receivable claims with the Brazilian administration (PIS/COFIN federal taxes) for an amount of €2,625 thousand. See Note 2.2.5 under "Other significant events of the period".

4.8. Income tax

4.8.1. Income tax expense recognized in the income statement

The income tax expense breaks down as follows:

In thousands of euros	2021	2020
Current taxes on continuing activities	-65,561	-4,550
Current tax expense/(income)	-56,995	5,755
Tax expense/(income) on non-recurring items	-8,566	-10,305
Deferred taxes on continuing activities	5,292	35,552
Deferred tax income/(expense) on timing differences arising or reversed during the period	6,998	36,434
Expense/(income) resulting from changes in tax rates or the introduction of new taxes	-1,706	-882
Tax expense (income) on continuing activities recorded in the consolidated income statement	-60,269	31,002

4.8.2. Income tax analysis - Tax proof

Analysis of the income tax expense includes the following:

In thousands of euros	2021		2020	
	Totals	% ⁽¹⁾	Totals	% ⁽¹⁾
Consolidated loss (profit) on continuing activities before tax and share of profit (loss) of associates and joint ventures (A)	153,044		-313,154	
Tax rate applicable in France (B)		28.40%		32.02%
Theoretical tax expense (income) (C) = (A) x (-B)	-43,465		100,272	
Difference between the theoretical tax expense and the current and deferred tax expense excluding tax assessed on net interim profit on continuing activities (D)	-16,804	-11.0%	-69,270	22.1%
Tax credits	22,956	15.0%	34,015	-10.9%
Permanent differences between accounting profits and taxable profits	-8,591	-5.6%	-7,245	2.3%
Change in unrecognized deferred taxes	-22,387	-14.6%	-79,174	25.3%
Impact on deferred tax of a tax rate change	-1,706	-1.1%	-882	0.3%
Impact of differences in foreign tax rates	6,166	4.0%	-12,149	3.9%
Contribution to Value Added	-4,048	-2.6%	-5,100	1.6%
Other impacts	-9,194	-6.0%	1,265	-0.4%
Total current and deferred tax expense (income) on continuing activities (E) = (C) + (D)	-60,269		31,002	
Effective tax rate (ETR) on continuing activities (E)/(A)	39.4%		9.9%	

(1) Percentage expressed in relation to the consolidated profit on continuing activities before tax and share of profit/(loss) of associates and joint ventures (C)

The Group's effective tax rate was 39.4% in 2021 (9.9% for 2020).

In 2021, the tax recognized was an expense of -€60 million for a theoretical tax expense of -€44 million, based on a tax rate of 28.40%.

In 2020, the tax recognized was income of €31 million for theoretical tax income of €100 million, based on a tax rate of 32.02%.

The difference between the tax recognized and the theoretical tax mainly reflects:

- €23 million in specific tax reductions or tax credits mainly in North America, Belgium, Asia and France (€34 million at December 31, 2020);
- a €6 million impact from lower taxes, mainly in Asia (China, Thailand), the United States and Europe (excluding France and Belgium) (-€12 million at December 31, 2020).
The difference between the tax rate in France and countries with lower tax rates has a favorable impact on profits and an unfavorable effect on losses;
- a -€22 million effect through the effect of losses or other assets generated in the year but not recognized, net of those previously not capitalized but used or recognized during the year (-€79 million at December 31, 2020) - Please refer to Note 2.1.4 "Deferred tax assets" in "Significant events of the period";
- -€9 million in permanent differences between accounting profits and taxable income (-€7 million at December 31, 2020 essentially due to taxable dividends); and
- -€9 million from other impacts of which -€3 million related to uncertain tax positions (+€1 million at December 31, 2020).

4.9. Net profit (loss) attributable to non-controlling interests

The net profit (loss) attributable to non-controlling interests corresponds to the share of non-controlling interests in the profit (loss) of fully consolidated entities and companies controlled by the Group. It breaks down as follows:

In thousands of euros	2021	2020
HBPO GmbH and its subsidiaries	5,581	-6,197
Beijing Plastic Omnium Inergy Auto Inergy Co. Ltd	1,335	631
Plastic Omnium Auto Inergy Manufacturing India Pvt Ltd	173	333
DSK Plastic Omnium Inergy	2,400	3,475
DSK Plastic Omnium BV	-284	-182
Total attributable to non-controlling interests	9,206	-1,940

4.10. Earnings per share and diluted earnings per share

Net profit attributable to owners of the parent	2021	2020
Basic earnings per share (in euros)	0.87	-1.72
Diluted earnings per share (in euros)	0.87	-1.72
Weighted average number of ordinary shares outstanding at end of period	147,339,735	148,566,107
- Treasury stock	-2,027,088	-2,949,477
Weighted average number of ordinary shares, undiluted	145,312,647	145,616,630
- Impact of dilutive instruments (stock options)	333,356	155,478
Weighted average number of ordinary shares, diluted	145,646,003	145,772,108
Weighted average price of the Plastic Omnium share during the period		
- Weighted average share price	27.06	20.62

5. NOTES TO THE BALANCE SHEET

5.1. Assets

5.1.1. Goodwill

For the 2021 fiscal year, the assumptions related to impairment tests carried out at the level of the cash-generating units (CGU) or groups of cash generating units (business segments), namely "Industries" and "Modules" are set out in Note 1.6.1.

GOODWILL In thousands of euros	Gross Value	Impairment	Net value
Goodwill at January 1, 2020	1,017,830	-	1,017,830
Goodwill HBPO Hicom	2,931	-	2,931
Translation differences	-6,392	-	-6,392
Goodwill at December 31, 2020	1,014,369	-	1,014,369
Goodwill on acquisition of Plastic Omnium New Energies Wels GmbH ⁽¹⁾	6,311	-	6,311
Translation differences	6,192	-	6,192
Goodwill at December 31, 2021	1,026,872	-	1,026,872

(1) The Group acquired the company Plastic Omnium New Energies Wels GmbH on March 1, 2021. See Note 2.2.2.1.2 in "Other significant events of the period".

5.1.2. Other intangible assets

In thousands of euros	Patents and brands	Software	Development assets	Customer contracts	Other	Total
Carrying amount published at December 31, 2020	9,916	16,082	468,167	66,680	2	560,847
Capitalized development	-	-	128,550	-	-	128,550
Increases	267	2,843	13,535	-	-	16,645
Disposals - net	-	-	-6,180	-	-	-6,180
Changes in scope of consolidation ⁽¹⁾	-	59	8,816	-	-	8,875
Other reclassifications	1,454	4,109	-7,949	-5	-	-2,391
Amortization for the period	-4,226	-8,113	-153,436	-19,157	-	-184,932
Impairment recognized and reversed	-	11	1,591	-	-	1,602
Translation adjustment	61	91	14,703	907	-	15,762
Carrying amount at December 31, 2021	7,471	15,081	467,797	48,425	2	538,777

(1) The Group acquired the company Plastic Omnium New Energies Wels GmbH on March 1, 2021 (recognition of a 'Technology' asset). See Note 2.2.2.1.2.

In thousands of euros	Patents and licenses	Software	Development assets	Customer contracts	Other	Total
Carrying amount published at December 31, 2019	12,466	21,300	579,031	111,946	2	724,747
Capitalized development	-	-	136,936	-	-	136,936
Increases	188	2,629	3,265	-	-	6,082
Disposals - net	-	-	-1,321	-	-	-1,321
Changes in scope of consolidation	-	-	299	-	-	299
Other reclassifications	1,536	2,496	-3,200	-	-	832
Amortization for the period	-4,210	-9,591	-173,171	-21,846	-	-208,818
Impairment recognized and reversed	-	-379	-55,716	-23,400	-	-79,495
Translation adjustment	-64	-373	-17,956	-20	-	-18,413
Carrying amount published at December 31, 2020	9,916	16,082	468,167	66,680	2	560,847

In thousands of euros	Patents and licenses	Software	Development costs	Customer contracts	Other	Total
Analysis of carrying amount at December 31, 2020						
Cost	49,260	161,142	1,253,980	291,543	2	1,755,927
Accumulated amortization	-35,086	-144,682	-715,140	-201,463	-	-1,096,371
Impairment	-4,258	-378	-70,673	-23,400	-	-98,709
Carrying amount at December 31, 2020	9,916	16,082	468,167	66,680	2	560,847
Analysis of carrying amount at December 31, 2021						
Cost	51,074	162,975	1,375,790	294,491	2	1,884,332
Accumulated amortization	-39,345	-147,526	-836,336	-222,666	-	-1,245,873
Impairment	-4,258	-367	-71,658	-23,400	-	-99,683
Carrying amount at December 31, 2021	7,471	15,081	467,797	48,425	2	538,777

5.1.3. Property, plant and equipment

Property, plant and equipment corresponds to property, plant and equipment owned but also, since January 1, 2019, to rights-of-use related to leases of property, plant and equipment following the application of IFRS 16 "Leases".

Impairment tests on assets led to the updating of impairment of property, plant and equipment over the period (see Notes 2.1.3 "Asset impairment tests" and 4.6 "Other operating income and expenses").

In thousands of euros	Land	Buildings	Tech. eq. & tool.	Property, plant and equipment under construction	Other property, plant and equipment	Total
Carrying amount at December 31, 2020: Wholly-owned property, plant and equipment	92,597	515,801	504,921	142,868	220,057	1,476,244
Acquisitions	278	8,101	15,570	121,872	14,280	160,101
Disposals	-1,622	-4,652	-3,590	-	-1,748	-11,612
Newly consolidated companies	-	1,175	582	82	140	1,979
Other reclassifications	1,120	7,885	62,966	-126,420	49,335	-5,114
Depreciation for the period	-1,463	-30,356	-117,181	-	-93,525	-242,524
Impairment and reversals	635	2,875	415	-1,792	677	2,811
Translation adjustment	3,465	20,545	20,173	3,789	6,933	54,906
Wholly-owned property, plant and equipment: Carrying amount at December 31, 2021 (A)	95,009	521,373	483,855	140,401	196,149	1,436,787

Carrying amount at December 31, 2020: Lease right-of-use assets	652	172,738	14,443	-	12,112	199,945
Acquisitions	1	36,901	4,561	-	6,763	48,226
Decreases	-	-9,206	-100	-	-197	-9,503
Newly consolidated companies	-	1,313	-	-	66	1,379
Depreciation for the period	-125	-32,955	-6,800	-	-7,540	-47,420
Other reclassifications	-	15	6,081	-	-14	6,082
Translation adjustment	47	2,733	432	-	202	3,414
Lease-right-of-use assets: Carrying amount at December 31, 2021 (B)	573	171,538	18,618	-	11,392	202,121

Property, plant and equipment: Carrying amount at December 31, 2021 (C) = (A)+ (B)	95,582	692,911	502,473	140,401	207,541	1,638,908
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Information on rental expense resulting from uncapitalized leases:

Rental expense on uncapitalized leases amounted to -€10.9 million at December 31, 2021 compared with -€11.4 million at December 31, 2020.

The table below, for the previous fiscal year, combines "Wholly-owned property, plant and equipment" and "Lease right-of-use assets".

In thousands of euros	Land	Buildings	Tech. eq. & tool.	Property, plant and equipment under construction	Other property, plant and equipment	Total
Carrying amount at January 1, 2020	103,175	753,073	660,920	179,579	262,172	1,958,919
Acquisitions	471	60,974	54,274	120,013	42,445	278,177
Disposals	-9	-11,402	-1,392	-	-3,260	-16,063
Changes in consolidation scope	-	-	-	-	1,385	1,385
Other reclassifications	-1,420	21,048	63,793	-148,510	64,748	-341
Depreciation for the period	-1,832	-66,350	-134,041	-	-99,748	-301,971
Impairment recognized and reversed	-2,798	-41,947	-96,381	-3,868	-25,630	-170,624
Translation adjustment	-4,339	-26,860	-27,809	-4,346	-9,946	-73,300
Carrying amount at December 31, 2020	93,249	688,539	519,364	142,868	232,169	1,676,189

In thousands of euros	Land	Buildings	Tech. eq. & tool.	Property, plant and equipment under construction	Other property, plant and equipment	Total
Analysis of carrying amount at January 1, 2021						
Gross value	108,821	1,126,388	1,914,958	146,234	739,298	4,035,699
Depreciation	-12,594	-388,192	-1,293,581	-	-470,840	-2,165,207
Impairment	-2,978	-49,657	-102,012	-3,365	-36,289	-194,302
Carrying amount at January 1, 2021	93,249	688,539	519,364	142,868	232,169	1,676,189
Analysis of carrying amount at December 31, 2021						
Gross value	112,815	1,181,689	2,040,029	142,432	781,294	4,258,259
Depreciation	-14,758	-443,081	-1,430,490	-	-536,590	-2,424,919
Impairment	-2,475	-45,697	-107,066	-2,031	-37,163	-194,432
Carrying amount at December 31, 2021	95,582	692,911	502,473	140,401	207,541	1,638,908

“Tech. eq. & tool.”: technical installations, equipment and tooling

5.1.4. Investment property

As of December 31, 2021, as for December 31, 2020, the Group no longer held any investment property except for one piece of land in the Lyon region valued at €30 thousand.

5.1.5. Non-consolidated interests and equity investments in associates and joint ventures

Non-consolidated interests:

The non-consolidated interests relate to:

- immaterial dormant companies; and
- shares in which the Group’s small stake doesn’t allow it to exercise at least significant influence (Tactotek OY).

In the context of the first-time application of IFRS 9 “Financial Instruments”, the Group opted to recognize changes in value of non-consolidated interests in the income statement.

Equity investments in associates and joint ventures:

Equity investments in associates and joint ventures correspond respectively to investments by the Group in the following companies:

In thousands of euros	2021 % interest	2020 % interest	December 31, 2021	December 31, 2020
HBPO - SHB Automotive Modules	33.34%	33.34%	16,405	15,088
JV Yanfeng Plastic Omnium and its subsidiaries - joint venture	49.95%	49.95%	184,138	151,668
B.P.O. AS - joint venture	49.98%	49.98%	7,263	13,416
EKPO Fuel Cell Technologies ⁽¹⁾	40.00%	-	96,471	-
Total investments in associates and joint ventures			304,277	180,172
Other non-consolidated equity investments			136	170
Total non-consolidated equity investments			136	170
Total investments consolidated by the equity method and non-consolidated equity instruments			304,413	180,342

(1) See note 2.2.2.1 "Company acquisition and equity investment in the German group ElringKlinger AG" in the "Other significant events of the period" and Note 4.4 "Share of profit (loss) of associates and joint ventures".

Investments in these entities include goodwill by segment for the following amounts:

In thousands of euros	December 31, 2021	December 31, 2020
Goodwill in associates and joint ventures - Industries segment ⁽¹⁾	39,131	21,080
Goodwill in associates and joint ventures - Modules segment	3,858	4,257
Total goodwill in associates and joint ventures	42,989	25,337

(1) The change over the period corresponds mainly to the recognition of the provisional goodwill on EKPO Fuel Cell Technologies for €16,909 thousand. See Note 2.2.2.1.2 in "Significant events of the period".

In view of the individual contribution of less than 10% of joint ventures and associates to the Group's main financial indicators, the summary balance sheet and income statement aggregates presented below include:

- the joint venture YFPO and its subsidiaries after elimination of internal transactions;
- the Samlip associate of HBPO;
- the BPO joint-venture; and
- the associate EKPO Fuel Cell Technologies.

In thousands of euros	December 31, 2021	December 31, 2020
Non-current assets	614,684	388,991
Current assets	1,512,819	1,163,324
Total assets	2,127,503	1,552,315
Shareholders' equity	566,919	275,321
Non-current liabilities	141,601	96,952
Current liabilities	1,418,984	1,180,042
Total equity and liabilities	2,127,503	1,552,315
Revenue	1,798,114	1,509,849

5.1.6. Non-current financial assets

The financial assets recognized under this item correspond to long-term investments in equities and funds as well as other assets such as deposits and surety bonds grouped as follows:

5.1.6.1. Long-term investments in equities and funds

- Investments in listed companies, funds or equivalents and investments in securities of listed companies, including funds invested in the "Aster" and et "AP Ventures" venture capital companies;
- The Group's investments in the "FMEA 2" fund as part of the support of the Automotive Division sub-contractors and in shell companies.

In the context of the application of IFRS 9 "Financial Instruments", the Group opted to recognize changes in the value of listed shares in non-recyclable profit and loss and changes in investments funds in the income statement.

In thousands of euros	December 31, 2021			December 31, 2020		
	Subscribed amounts	Non-called-up amounts	Net	Subscribed amounts	Non-called-up amounts	Net
Financial investments in the FMEA 2 fund ⁽¹⁾⁻⁽²⁾	4,000	-3,903	97	4,000	-3,563	437
Financial investments in listed securities ⁽¹⁾⁻⁽³⁾	57,687	-	57,687	-	-	-
Financial investments in the venture capital AP Ventures ⁽¹⁾⁻⁽⁴⁾	26,488	-16,690	9,798	26,896	-22,986	3,910
Investment in the venture capital company Aster ⁽¹⁾⁻⁽⁵⁾	20,000	-9,682	10,318	20,000	-16,214	3,786
Other ⁽¹⁾	-	-	173	-	-	176
Long-term investments in equities and funds			78,071			8,309

- (1) Financial investments in the FMEA 2 fund and investments in shares in listed companies are listed under long-term financial receivables in Note 5.2.6.7 "Reconciliation of gross and net financial debt".
- (2) The net value of FMEA 2 at each end of the period corresponds to the fair value of the Group's investments in the fund. Uncalled amounts include distributions of income as well as fair value adjustments.
- (3) During the period, the Group invested in listed securities (See Statement of Cash-Flows).
- (4) Total Group investments in AP Ventures, a venture capital fund dedicated to hydrogen, amounted to \$11.1 million (equivalent to €9.8 million) as of December 31, 2021 versus \$4.8 million at December, 31, 2020. See Note 2.2.3 in "Significant events of the period".
- The Group has committed to \$30 million over the life of the fund.
- (5) During the period, the Group paid €1.0 million and did not receive any financial income in return (recognized in the balance sheet over the period of full payment the amount subscribed).

5.1.6.2. Other non-current financial assets

In thousands of euros	December 31, 2021	December 31, 2020
Loans	1,359	1,488
Deposits and surety bonds	7,992	8,265
Other non-current assets and financial receivables (see Note 5.2.6.7)	9,351	9,753

Deposits and surety bonds mainly concern deposits relating to leased offices and receivables sale programs.

5.1.7. Inventories and Inventories in progress

In thousands of euros	December 31, 2021	December 31, 2020
Raw materials and supplies		
At cost (gross)	202,541	178,817
Net realizable value	184,728	160,463
Molds, tooling and engineering		
At cost (gross)	311,217	359,196
Net realizable value	306,972	350,811
Maintenance inventories		
At cost (gross)	78,835	74,207
Net realizable value	61,673	58,234
Goods		
At cost (gross)	1,771	1,646
Net realizable value	1,309	1,209
Semi-finished products		
At cost (gross)	55,417	54,466
Net realizable value	51,132	50,357
Finished products		
At cost (gross)	34,636	39,831
Net realizable value	31,865	35,738
Total net	637,678	656,812

5.1.8. Current financial receivables

In thousands of euros	December 31, 2021	December 31, 2020
	Carrying amount	Carrying amount
Current financial receivables (see Note 5.2.6.7)	3,000	6,340
<i>of which Finance receivables</i>	<i>3,000</i>	<i>6,340</i>
Other current financial assets and financial receivables (see Note 5.2.6.7)	43	301
<i>of which Other</i>	<i>43</i>	<i>301</i>
Total current financial receivables	3,043	6,641

5.1.9. Trade and other receivables

5.1.9.1. Sale of receivables

Compagnie Plastic Omnium SE and some of its European and United States subsidiaries have set up several commercial receivables sale programs with French financial institutions. These programs have an average maturity of more than two years.

These non-recourse programs transfer substantially all the risks and rewards of ownership to the buyer of the sold receivables; for these programs, only the non-material dilution risk is not transferred to the buyer.

Receivables sold under these programs, which are therefore no longer included in the balance sheet, totaled €351 million at December 31, 2021 versus €327 million at December 31, 2020.

5.1.9.2. Trade receivables – Gross values, impairment and carrying amounts

In thousands of euros	December 31, 2021			December 31, 2020		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Trade receivables	745,954	-11,677	734,277	824,214	-9,814	814,400

The Group has not identified any significant non-provisioned customer risk over the two periods (see Note 6.3.1 "Customer risk").

5.1.9.3. Other receivables

In thousands of euros	December 31, 2021	December 31, 2020
Sundry receivables	142,733	89,031
Prepayments to suppliers of tooling and prepaid development costs	13,356	26,529
Income tax receivables ⁽¹⁾	83,197	94,722
Other tax receivables	103,219	96,242
Employee advances	6,777	3,310
Prepayments to suppliers of non-current assets	5,113	8,473
Other receivables	354,395	318,307

- (1) Over the period, Compagnie Plastic Omnium SE sold tax receivables (research tax credits in France) to a financial institution in the amount of €12.2 million. See Note 2.2.6 in "Significant events of the period".

5.1.9.4. Trade and other receivables by currency

In thousands of currency units		December 31, 2021			December 31, 2020		
		Local currency	Euro	%	Local currency	Euro	%
EUR	Euro	458,834	458,834	42%	500,699	500,699	44%
USD	US dollar	380,352	335,822	31%	393,438	320,624	28%
CNY	Chinese yuan	966,108	134,281	12%	1,120,250	139,638	12%
GBP	Pound sterling	24,546	29,212	3%	59,970	66,705	6%
Other	Other currencies		130,523	12%		105,041	9%
Total			1,088,672	100%		1,132,707	100%
Of which:							
• Trade receivables			734,277	67%		814,400	72%
• Other receivables			354,395	33%		318,307	28%

Sensitivity tests on movements in currencies of “Trade and other receivables” give the following results:

In thousands of currency units	Sensitivity tests on receivables at December 31, 2021						Sensitivity tests on receivables at December 31, 2020						
	Base		Increase all currencies		Decrease all currencies		Base		Increase all currencies		Decrease all currencies		
			+10%	+20%	-10%	-20%			+10%	+20%	-10%	-20%	
	Local currency	Exchange rate	%	%	%	%	Local currency	Exchange rate	%	%	%	%	
EUR	Euro	458,834	1.0000	40%	38%	45%	48%	500,699	1.0000	42%	40%	47%	50%
USD	US dollar	380,352	0.8829	32%	33%	29%	28%	393,438	0.8149	29%	31%	27%	25%
CNY	Chinese yuan	966,108	0.1390	13%	13%	12%	11%	1,120,250	0.1247	13%	13%	12%	11%
GBP	Pound sterling	24,546	1.1901	3%	3%	3%	2%	59,970	1.1123	6%	6%	6%	5%
Other	Other currencies	-	-	12%	13%	11%	11%	-	-	10%	10%	8%	9%
Total in euros			1,088,672	1,151,675	1,214,661	1,025,704	962,719		1,132,707	1,195,913	1,259,114	1,069,511	1,006,310
Of which:													
• Trade receivables			734,277	776,670	819,146	691,717	649,241		814,400	859,841	905,282	768,960	723,520
• Other receivables			354,395	375,005	395,515	333,987	313,478		318,307	336,072	353,832	300,551	282,790

Exchange rate sensitivity tests on “Trade and other receivables” and “Trade payables and other operating liabilities by currency” (see Note 5.2.8.3) show a low sensitivity of this item to variations in exchange rates.

5.1.10. Deferred taxes

As noted in Note 1.9 of the accounting rules and principles, deferred tax assets on tax loss carryforwards, temporary differences and tax credits are assessed according to their probability of future use. For this purpose, estimates were made as part of the closing of the accounts and led to the recognition of assets based on probable use within a relatively short period of time, reflecting a prudent approach given the current economic environment.

Deferred taxes break down as follows:

In thousands of euros	December 31, 2021	December 31, 2020
Intangible assets	3,815	-9,627
Property, plant and equipment	-13,111	-12,132
Employee benefit obligations	23,228	23,245
Provisions	42,527	52,773
Financial instruments	318	-1,990
Tax loss carryforwards and tax credits	204,971	187,662
Other	37,289	34,228
Impairment of deferred tax assets	-213,144	-189,165
Total	85,893	84,994
Of which:		
Deferred tax assets	126,321	128,471
Deferred tax liabilities	40,428	43,477

Unrecognized tax assets in respect of tax losses amount to €131 million at December 31, 2021 against €110 million at December 31, 2020 and have the following characteristics:

In thousands of euros	December 31, 2021	December 31, 2020
Indefinite tax loss carryforwards	110,977	90,263
Tax loss carryforwards available for more than 5 years	3,683	8,253
Tax loss carryforwards available for up to 5 years	6,475	3,221
Tax loss carryforwards available for up to 4 years	2,700	151
Tax loss carryforwards available for up to 3 years	306	57
Tax loss carryforwards available for less than 3 years	6,917	7,575
Total	131,058	109,520

The change over the fiscal year is mainly due to changes in Germany and China.

5.1.11. Cash and cash equivalents

5.1.11.1 Gross cash and cash equivalents

In thousands of euros	December 31, 2021	December 31, 2020
Cash at banks and in hand	865,002	827,196
Short-term deposits	27,634	2,794
Total cash and cash equivalents on the assets side of the balance sheet	892,636	829,989

Cash and cash equivalents break down as follows:

In thousands of euros	December 31, 2021	December 31, 2020
Cash and cash equivalents of the Group's captive reinsurance company ⁽¹⁾	14,088	62,926
Cash and cash equivalents in countries with exchange controls ⁽²⁾	67,907	44,792
Available cash	810,641	722,272
Total cash and cash equivalents on the assets side of the balance sheet	892,636	829,989

- (1) During the period, the Group invested in securities of listed companies. See Note 5.1.6.1 "Long-term investments in equities and funds".
- (2) "Countries with exchange controls" include Brazil, China, India, Chile, Argentina, South Korea & Malaysia.

The different categories of the above table are presented on the balance sheet under current assets in the absence of any general restriction on these amounts.

5.1.11.2. Net cash and cash equivalents at end of period

In thousands of euros	December 31, 2021	December 31, 2020
Cash and cash equivalents	892,636	829,989
Short-term bank loans and overdrafts	-11,264	-12,277
Net cash and cash equivalents in the Statement of Cash-Flows	881,372	817,712

5.1.12. Statement of cash-flows - Acquisitions and disposals of financial assets, non-controlling interests and related investments

5.1.12.1 Acquisitions of equity interests, non-controlling interests and related investments

The Group's financial acquisitions were as follows:

- a – acquisitions of equity investments in consolidated companies, investments leading to a change in control, equity investments in associates and joint ventures and related investments

These are recorded under "Financial transactions" in the Statement of Cash-Flows.

At December 31, 2021:

The amount of -€43.5 million in “Acquisitions of equity investments in subsidiaries and investments leading to a change in control” corresponds to the amounts paid out for the acquisition of a 40% stake in the company EKPO Fuel Cell Technologies and the acquisition of Plastic Omnium New Energies Wels GmbH during the fiscal year.

The Plastic Omnium Group has undertaken to pay, according to a contractual schedule, an amount of €70 million by September 2024 corresponding to the remaining balance of the purchase price of the shares. See the detail in Note 2.2.2.1.1 “Acquisition price” under “Other significant events of the period”. The total value of the shares acquired therefore amounts to €113.5 million.

Plastic Omnium New Energies Wels GmbH contributed to €373 thousand of cash included in the opening balance sheet.

At December 31, 2020:

The amount of -€0.8 million under “Acquisitions of equity investments in subsidiaries and investments leading to a change in control” corresponded to the acquisition during fiscal year 2020 of an 11% equity interest in Hicom for €0.8 million with a cash contribution of €1.4 million.

5.1.13 Impact of dividends paid in the Statement of Cash-Flows

5.1.13.1 Impact on the Statement of Cash-Flows of dividends paid by the Compagnie Plastic Omnium Group

During fiscal year 2021, the dividend paid by Compagnie Plastic Omnium SE to shareholders other than Burelle SA amounted to €28,499 thousand (compared to €28,433 thousand in 2020), bringing the total amount of the dividend thus paid by Compagnie Plastic Omnium SE to €71,287 thousand (compared to €71,221 thousand in 2020).

See the corresponding amount in the Statement of Changes in shareholders’ equity and in Note 5.2.2 “Dividends approved and paid by Compagnie Plastic Omnium SE”.

5.1.13.2 Impacts in the Statement of Cash-Flows of dividends paid by other Group companies

The amount of dividends of the other Group companies, voted and approved, amounted to €13,648 thousand as of December 31, 2021 (compared to €23,578 thousand at December 31, 2020) and is shown in the Statement of Changes in Shareholders’ Equity.

The amount of dividends paid by the other Group companies, shown in the Statement of Cash-Flows at December 31, 2021, amounted to €15,744 thousand (compared to €23,069 thousand at December 31, 2020).

The difference in the Statement of Changes in Shareholders’ Equity and the Statement of Cash-Flows in 2021 corresponds to the net change in the dividend approved but not yet paid to the non-controlling interests of a Group subsidiary for an amount of €2.1 million (-€0.5 million during fiscal year 2020).

5.2. Liabilities and Shareholders' Equity

5.2.1. Group shareholders' equity

5.2.1.1 Share capital of Compagnie Plastic Omnium SE

In euros	December 31, 2021	December 31, 2020
Share capital at January 1 of the period	8,913,966	8,913,966
Capital reduction during the period	-86,637	-
Share capital at end of period, made up of ordinary shares with a per value of €0.06 each over the two periods	8,827,329	8,913,966
Treasury stock	123,685	170,054
Total share capital net of treasury stock	8,703,644	8,743,912

Shares registered on behalf of the same holder for at least two years have double voting rights.

Capital structure at December 31, 2021

Compagnie Plastic Omnium SE's share capital was reduced on February 17, 2021 by 1,443,954 shares with a par value of €0.06 compared to December 31, 2020, bringing the total number of shares comprising the share capital to 147,122,153 shares.

At December 31, 2021, the share capital amounted to €8,827,329.18 comprising 147,122,153 shares with a par value of €0.06 per share.

Treasury shares amounted to 2,061,413 shares, *i.e.* 1.40% of the share capital, compared to 2,834,235 shares, or 1.91% of the share capital at December 31, 2020.

Capital structure at December 31, 2020

At December 31, 2020, Compagnie Plastic Omnium's share capital was made up of shares with a par value of €0.06, bringing the Company's share capital to €8,913,966.42, with 2,834,235 treasury shares, representing 1.91% of the share capital, compared with 2,388,499 shares, representing 1.61% of the share capital at December 31, 2019.

5.2.1.2 Voting rights of the main shareholder Burelle SA in Compagnie Plastic Omnium SE

The 400,000 Plastic Omnium shares acquired by Burelle SA during the first quarter of 2019 hold double voting rights since the end of March 2021, that explains the change of more than +0.5 points over the period.

Voting rights of the main shareholder Burelle SA over the reference periods:

	December 31, 2021	December 31, 2020
Voting rights of Burelle SA	73.28%	72.77%

5.2.1.3 Note to the Statement of Other Comprehensive Income - Net profit (loss) of the period attributable to owners of the parent Compagnie Plastic Omnium SE

Net profit (loss) of the period:

Net profit of the period attributable to owners of the parent amounted to €76,076 thousand at December 31, 2021 compared with -€150,466 thousand at December 31, 2020.

Net other comprehensive income of the period:

Net other comprehensive income in the period attributable to owners of the parent amounted to €115,455 thousand at December 31, 2021 compared with -€178,137 thousand at December 31, 2020.

5.2.1.4 Breakdown of “Other reserves” in the Consolidated Statement of Changes in Equity

<i>In thousands of euros</i>	Actuarial gains/(losses) relating to defined-benefit plans	Cash-flow hedges – interest rate instruments	Cash-flow hedges – currency instruments	Fair value adjustments	Retained earnings and other reserves	Attributable to owners of the parent
At January 1, 2020	-62,220	-1,554	-2,107	28,894	2,081,762	2,044,775
Movements in 2020	-2,852	165	2,118	-4,031	197,787	193,187
At December 31, 2020	-65,072	-1,389	11	24,863	2,279,549	2,237,962
1st - time application of IFRIC June 2021 - IAS 19 ⁽¹⁾	-	-	-	-	3,123	3,123
At January 1, 2021	-65,072	-1,389	11	24,863	2,282,672	2,241,085
Movements in 2021	11,883	193	-301	12,532	-355,497	-331,190
At December 31, 2021	-53,189	-1,196	-290	37,395	1,927,175	1,909,895

(1) See Notes 1.1 "Accounting standards applied", policy 1.4.2 "Provisions for pensions and similar", 5.2.4 "Provisions" and 5.2.5 "Provisions for pensions and other post-employment benefits".

5.2.1.3 Breakdown of “Changes in the scope of consolidation and reserves” in the “Consolidated Statement of Changes in Equity”

The takeover of HBPO Hicom, fully consolidated as from October 1, 2020, had no impact on the reserves “Attributable to the owners of the parent” but led to the recognition of non-controlling interests

<i>In thousands of euros</i>	Shareholders' equity		Total shareholders' equity
	Attributable to owners of the parent	Attributable to non-controlling interests	
Takeover of HBPO Hicom with consolidation of non-controlling interests	-	1,157	1,157
Changes in the scope of consolidation at December 31, 2020	-	1,157	1,157
None	-	-	-
Changes in the scope of consolidation at December 31, 2021	-	-	-

5.2.2. Dividends approved and paid by Compagnie Plastic Omnium SE

<i>Amounts in thousands of euros</i> <i>Dividends per share in euros</i> <i>Number of shares in units</i>	December 31, 2021		December 31, 2020	
	Number of shares in 2020	Dividend	Number of shares in 2019	Dividend
Dividends per share (in euros)		0.49 ⁽¹⁾		0.49 ⁽¹⁾
Total number of shares outstanding on the dividend payment date	147,122,153 ⁽²⁾		148,566,107	
Total number of shares outstanding at the end of the previous year	148,566,107		148,566,107	
Total number of shares held in treasury on the dividend payment date	1,637,740 ⁽³⁾		3,216,987 ⁽²⁾	
Total number of shares held in treasury at year-end (for information)	2,834,235 ⁽³⁾		2,388,499 ⁽²⁾	
Dividends on ordinary shares		72,090		72,797
Dividends on treasury stock (unpaid)		-803 ⁽²⁾		-1,576 ⁽²⁾
Total net dividends		71,287		71,221

(1) In 2021, Compagnie Plastic Omnium SE paid a dividend of €0.49 per share on the fiscal year 2020 net profit as well as on the 2019 net profit in 2020.

- (2) See Notes 2.2.1.1 "Compagnie Plastic Omnium SE capital decrease by cancellation of treasury shares" in the « Other significant events of the period » and 5.2.1.1 "Share capital of Compagnie Plastic Omnium SE".
- (3) **At December 31, 2021:** 2,834,235 treasury shares were taken into account at December 31, 2020 to determine the provisional total dividend. The number of treasury shares at the time of the dividend's payment during the first-half 2021 amounted to 1,637,740 shares, decreasing the dividends attached to these shares from €1,389 thousand to €803 thousand.

At December 31, 2020: 2,388,499 treasury shares were taken into account at December 31, 2019 to determine the provisional total dividend. The number of treasury shares at the time of the dividend's payment during the first-half 2020 increased to 3,216,987 shares, increasing the dividends attached to these shares from €1,170 thousand to €1,576 thousand.

Distribution of a dividend of €0.28 per share in respect of 2021 (total amount of €41,194 thousand corresponding to 147,122,153 outstanding shares before subtracting treasury shares at December 31, 2021) will be proposed to the Combined Shareholders' Meeting on April 21, 2022.

5.2.3. Share-based payments

Stock options plan:

2020 and 2021: no new stock option plans were introduced in the 2020 and 2021 fiscal years.

Free Share Award Plan:

Plan of May 2, 2019:

A performance share grant (valued using IFRS 2 accounting principles) was awarded by the Board of Directors of February 19, 2019 to employees and executive corporate officers of Compagnie Plastic Omnium, related companies, or groups linked to Compagnie Plastic Omnium, subject to performance conditions and with a four-year vesting period.

Plan of December 11, 2020:

A performance share grant was awarded by the Board of Directors of December 11, 2020, with retroactive effect from April 30, 2020, to employees and executive corporate officers of Compagnie Plastic Omnium, related companies, or groups linked to Compagnie Plastic Omnium, subject to performance conditions and with a four-year vesting period ending on April 30, 2024.

Plan of April 23, 2021:

A performance share grant was awarded by the Board of Directors of February 17, 2021, to executive corporate officers of Compagnie Plastic Omnium (two beneficiaries), with a four-year vesting period ending on April 23, 2025.

The main assumptions used for the valuation of the plans using the principles of IFRS 2 are provided in the following tables:

The overall cost of the plan was valued at the time of its implementation for the December 31, 2021 financial statements. The overall expense amounts to €1,286,516, amortized on a straight-line basis over the four-year vesting period, of which €222,632 at December 31, 2021 (for an annual expense of €321,629).

The performance share plan is subject to a 20% social security contribution for the employer, as a French subsidiary. This contribution is due the month following the date of vesting by the beneficiary, i.e. in May 2025. It is subject to a provision for expenses, calculated on the nominal value of the shares according to the market price at the award date, spread over the term of the plan, i.e. four years. As of December 31, 2021, the provision for expenses in this regard, amounted to €45 thousand.

Outstanding options at the end of the fiscal year and expense for the period of option plans

The vesting period of each plan is four years.

Outstanding options Stock options <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
August 6, 2015 plan								
Number of options	887,040			-9,000	-286,200		591,840	591,840
Share price at the grant date	26.33						26.33	
Exercise price	24.72						24.72	
Term	7 years						7 years	
Unrecognized cost at period-end	-						-	
Remaining life	1.6 year						0.6 year	

Outstanding options Stock options <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
March 10, 2017 plan								
Number of options	363,500			-61,000			302,500	None
Share price at the grant date	33.71						33.71	
Exercise price	32.84						32.84	
Term	7 years						7 years	
Unrecognized cost at period-end	-						-	
Remaining life	3.2 years						2.2 years	

Outstanding options Performance share plan <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
May 2, 2019 plan								
Number of shares allocated to the plan	400,000	-44,487 ⁽²⁾		-34,560	-1,000		319,953	None
Number of shares after application of the real abandons for the valuation of the fiscal year expenses ⁽¹⁾	233,000	23,690		-34,560 ⁽³⁾	-1,000		221,130	
Share price at the grant date	26.65						26.65	
Average share value	23						23.00	
Term	4 years						4 years	
Unrecognized cost at period-end	3,126,083					-1,157,743	1,968,340	
Remaining life	2.3 years						1.3 year	

Outstanding options Performance share plan <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
May 2, 2019 plan								
Number of shares allocated to the plan	400,000	-44,487 ⁽²⁾		-34,560	-1,000		319,953	None
Number of shares after application of the real abandons for the valuation of the fiscal year expenses ⁽¹⁾	233,000	23,690		-34,560 ⁽³⁾	-1,000		221,130	
Share price at the grant date	26.65						26.65	
Average share value	23						23.00	
Term	4 years						4 years	
Unrecognized cost at period-end	3,126,083					-1,157,743	1,968,340	
Remaining life	2.3 years						1.3 year	

Outstanding options Performance share plan <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
May 2, 2019 plan								
Number of shares allocated to the plan	400,000	-44,487 ⁽²⁾		-34,560	-1,000		319,953	None
Number of shares after application of the real abandons for the valuation of the fiscal year expenses ⁽¹⁾	233,000	23,690		-34,560 ⁽³⁾	-1,000		221,130	
Share price at the grant date	26.65						26.65	
Average share value	23						23.00	
Term	4 years						4 years	
Unrecognized cost at period-end	3,126,083					-1,157,743	1,968,340	
Remaining life	2.3 years						1.3 year	

(1) Used to determine "Diluted earnings per share".

(2) The adjustments correspond to the transfer of 9,447 shares to the Performance share plan of April 23, 2021 and 35,040 shares canceled as part of the capital reduction of February 25, 2021. See Note 2.2.1.1 in "Significant events of the period".

(3) The 34,560 shares forfeited, were also canceled as part of the capital reduction of February 25, 2021. See Note 2.2.1.1 in "Significant events of the period".

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Outstanding options Performance share plan <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
December 11, 2020 plan ⁽¹⁾								
Number of shares	228,373						228,373	None
Number of shares after application of the headcount turnover rate (22%) applied to the Plan concerning the employees ⁽²⁾	188,113						188,113	
Share price at the grant date	17.36						17.36	
Average share value	15						15.00	
Term	4 years						4 years	
Unrecognized cost at period-end	2,351,412					-705,424	1,645,988	
Remaining life	3.3 years						2.3 years	

(1) The December 11, 2020 plan has retroactive effect from April 30, 2020.

(2) Used to determine "Diluted earnings per share".

Outstanding options Performance share plan <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2021	Revaluations/adjustments	Increases Options granted during the fiscal year	Decreases		Cost for the period	Options outstanding at December 31, 2021	
				Options forfeited during the fiscal year	Options exercised during the fiscal year		Total	Of which, options exercisable at December 31, 2021
April 23, 2021 plan								
Number of shares			45,947				45,947	None
Number of shares after application of the headcount turnover rate (22%) applied to the Plan concerning the employees ⁽¹⁾			45,947				45,947	
Share price at the grant date			29.88				29.88	
Average share value			27.92				27.92	
Term			4 years				4 years	
Unrecognized cost at period-end			1,286,516				1,063,884	
Remaining life			4 years				3.3 years	
Total expense for the fiscal year						-2,085,799 in euros		

(1) Used to determine "Diluted earnings per share".

5.2.4. Provisions

In thousands of euros	December 31, 2020	1st - time application of IFRIC June 2021 - IAS 19 ⁽¹⁾	January 1, 2021	Allocations	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Changes in scope of consolidation	Translation adjustment	December 31, 2021
Customer warranties	28,713	-	28,713	21,719	-13,118	-7,331	-709	-	-	258	29,532
Reorganization plans ⁽²⁾	48,266	-	48,266	3,520	-27,219	-	-	-	-	12	24,579
Provisions for taxes and tax risks	954	-	954	4,049	-387	-	-43	-	-	83	4,656
Contract risks	22,262	-	22,262	14,008	-8,908	-4,958	-99	-	-	237	22,542
Provisions for claims and litigation	11,269	-	11,269	1,222	-1,692	-639	-	-	-	70	10,230
Other	7,348	-	7,348	1,617	-2,125	-193	-131	-	-	-2	6,514
Provisions	118,814	-	118,814	46,135	-53,449	-13,121	-982	-	-	658	98,055
Provisions for pensions and other post-employment benefits	100,331	-3,466 ⁽¹⁾	96,865	11,433	-10,025	-	-	-13,361 ⁽³⁾	4	1,636	86,552
TOTAL	219,145	-3,466	215,679	57,568	-63,474	-13,121	-982	-13,361	4	2,294	184,607

(1) See Notes 1.1 "Accounting standards applied", 1.4.2 "Provisions for pensions and similar" and 5.2.5 "Provisions for pensions and other post-employment benefits".

(2) The utilizations of reorganizations provisions mainly concern significant restructuring occurred in Germany and Belgium from the "Industries" segment.

(3) The decrease in the actuarial difference during the period is mainly explained by the increase in the discount rate in the two main regions i.e. Europe (up from 0.35% to 0.90%) and the United States (up from 2.46% to 2.73%).

In thousands of euros	December 31, 2019	Allocations	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2020
Customer warranties	33,974	11,662	-8,806	-7,670	42	-	-489	28,713
Reorganization plans ⁽¹⁾	31,015	26,827	-8,875	-310	-338	-	-53	48,266
Provisions for taxes and tax risks	804	224	-74	-	-	-	-	954
Contract risks	20,113	16,267	-9,919	-4,176	127	-	-150	22,262
Provisions for claims and litigation ⁽²⁾	7,964	4,881	-1,157	-122	427	-	-724	11,269
Other	6,460	2,976	-1,265	-237	-384	-	-203	7,348
Provisions	100,332	62,837	-30,096	-12,515	-126	-	-1,619	118,814
Provisions for pensions and other post-employment benefits	107,670	-2,153	-5,774	-	-	3,659 ⁽³⁾	-3,071	100,331
TOTAL	208,002	60,684	-35,870	-12,515	-126	3,659	-4,690	219,145

(1) Provisions for reorganization relate primarily to significant restructuring in the "Industries" segment in Germany and Belgium.

(2) The increase during the period corresponds to operating disputes unrelated to the Covid-19 crisis and to labor disputes.

(3) The increase in the actuarial difference during the period is mainly explained by the decrease in the discount rate in the two main regions i.e. Europe (down from 0.75% to 0.60%) and the United States (down from 3.20% to 3.11%) over the period.

5.2.5. Provisions for pensions and other post-employment benefits

Post-employment benefits:

The generic term “post-employment benefits” covers both pension and other employee benefits.

Provisions for pensions:

Provisions for pensions mainly concern:

- end of career benefits;
- supplementary pension plans; and
- healthcare coverage plans.

In France, social benefits relate to supplementary pension plans only for executive corporate officers and end-of-career benefits (“IFC”). Supplementary pension plans, when they related to the other geographical regions, concern all employees.

A supplementary defined-benefit pension plan with certain rights was set up within Plastic Omnium Gestion in December 2021, with retroactive effect from January 1, 2020. Under this new plan, pension rights are not conditional on the completion of the participants' careers in the Group. The beneficiaries are all corporate officers and employees of Plastic Omnium Gestion whose employment corresponds to coefficient 940 of the National Collective Agreement for the Plastics Industry from the implementation of this new plan until the valuation date, subject to having completed a minimum of three years' service with the companies offering the scheme and being under 60 years of age on January 1, 2020.

The implementation of this new plan was accompanied by a modification of the existing plan so that the sum of these two pensions cannot exceed 10% of the reference compensation at the time of retirement.

The net impact of these two changes is an increase in actuarial debt of €2.7 million.

Plans for the payment of healthcare costs mainly concern the North America region (United States).

Other long-term employee benefits:

Other long-term employee benefits cover long-service awards and other service awards within the Group.

Post-employment benefit plans are subject to the regulations applicable in each country. The benefits recognized in the financial statements are therefore not a function of the number of employees by region.

The regions identified and presented are those for which the regulations are consistent, allowing data to be aggregated. Where no such aggregation is possible, no reference actuarial rate is given, as a mismatch in the parameters does not enable an average to be calculated. Similarly, sensitivity tests are carried out on significant, homogeneous data and by region.

5.2.5.1 Actuarial Assumptions

The increase in discount rates in 2021 led the Group to revalue its employee-related commitments for the Euro zone and the United States. The rates used at December 31, 2021 were respectively:

- 0.90% for the Euro zone (0.35% at December 31, 2020)
- 2.73% for the United States (2.46% at December 31, 2020)

The main significant actuarial assumptions used to value post-retirement and long-term benefits are the following:

	December 31, 2021		December 31, 2020	
	France	United States	France	United States
	Managers and non-managers		Managers and non-managers	
Minimum age for receiving a full pension	60-62 years	65 years	60-62 years	65 years
Age from which no reduction applies	65-67 years		65-67 years	
Annual discount rate – post-employment benefits	0.90%	2.73%	0.35%	2.46%
Annual discount rate – long-service awards	0.60%		0.25%	
Inflation rate	1.70%	2.00%	1.70%	2.00%
Rate of future salary increases	2.70%	3.50%	2.70%	3.50%
Rate of increase in healthcare costs				
For those under 65 years old		7.25%		8.00%
For those over 65 years old		4.75%		5.50%
Expected long-term rate of return on pension plan assets	0.90%	2.73%	0.35%	2.46%

Annual discount rate of post-employment benefits:

The Group uses, as a reference, the rate of bonds issued by good quality (AA) commercial and industrial companies and with maturity equal to the length of the commitment being valued.

Inflation rates:

In France, benefits are linked to inflation rates. The impact of inflation rates is not material in the United States.

Average rate of future salary increases:

The average rates of future salary increases are weighted between "managers" and "non-managers" and the age of employees.

Expected long-term rate of return on pension plan assets:

These rates are based on long-term market forecasts and take account of each plan's asset allocation. For other foreign subsidiaries, rate differentials are determined based on local conditions.

5.2.5.2. Changes in balance sheet commitments and benefit costs corresponding to defined-benefit plans

The balance sheet amounts for these benefits are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2021	December 31, 2020	December 31, 2019
Projected benefit obligation at December 31	176,400	172,547	154,484	3,768	3,691	3,233	180,168	176,238	157,717
1st - time application of IFRIC June 2021 - IAS 19 ⁽¹⁾	-3,466	-	-	-	-	-	-3,466	-	-
Projected benefit obligation at January 1	172,934	172,547	154,484	3,768	3,691	3,233	176,702	176,238	157,717
Service cost	7,066	6,857	8,055	353	285	272	7,419	7,142	8,327
Interest cost	2,838	2,980	4,016	19	15	66	2,857	2,995	4,082
Curtailments, settlements and other	-862	-2,409	-14,160	-281	-	-	-1,143	-2,409	-14,160
Actuarial gains and losses	-6,821	9,835	21,839	196	-	433	-6,625	9,835	22,272
<i>Of which, experience adjustments</i>	<i>-838</i>	<i>-1,042</i>	<i>58</i>	<i>147</i>	<i>-158</i>	<i>71</i>	<i>-691</i>	<i>-1,200</i>	<i>129</i>
Benefits paid from plan assets	-1,553	-786	-1,685	-27	5	5	-1,580	-781	-1,680
Benefits paid by the Company	-2,402	-4,792	-1,501	-331	-180	-327	-2,733	-4,972	-1,828
Translation adjustment	6,513	-7,832	1,499	49	-48	9	6,562	-7,880	1,508
Projected benefit obligation at December 31	177,713	176,400	172,547	3,746	3,768	3,691	181,459	180,168	176,238
<i>Change in projected benefit obligation</i>	<i>1,313</i>	<i>3,853</i>	<i>18,063</i>	<i>-22</i>	<i>77</i>	<i>458</i>	<i>1,291</i>	<i>3,930</i>	<i>18,521</i>
Fair value of plan assets at January 1	79,628	68,568	52,533	209	-	-	79,837	68,568	52,533
Return on plan assets	1,568	1,546	1,787	-	-	-	1,568	1,546	1,787
Employee and employer contributions	3,406	11,711	7,727	-	-	-	3,406	11,711	7,727
Actuarial gains and losses	6,735	5,966	6,740	-	209	-	6,735	6,175	6,740
Benefit payments funded by plan assets	-1,565	-3,355	-845	-	-	-	-1,565	-3,355	-845
Reclassifications	209	-	-	-209	-	-	-	-	-
Translation adjustment	4,926	-4,808	624	-	-	-	4,926	-4,808	624
Fair value of plan assets at December 31	94,907	79,628	68,568	-	209	-	94,907	79,837	68,568
<i>Change in fair value of plan assets</i>	<i>15,279</i>	<i>11,060</i>	<i>16,035</i>	<i>-209</i>	<i>209</i>	<i>-</i>	<i>15,070</i>	<i>11,269</i>	<i>16,035</i>
Excess of projected benefit obligation over plan assets = net provision recorded in the balance sheet	82,806	96,772	103,979	3,746	3,559	3,691	86,552	100,331	107,670
- of which France	45,305	47,473	48,064	2,433	2,252	2,270	47,738	49,725	50,334
- of which Europe excluding France	7,368	10,651	12,069	462	747	750	7,830	11,398	12,819
- of which United States	15,711	25,458	31,257	732	560	670	16,443	26,018	31,927
- of which other regions	14,422	13,190	12,589	119	-	-	14,541	13,190	12,589

(1) See Notes 1.1 "Accounting standards applied", 1.4.2 "Provisions for pensions and other post-employment benefits" and 5.2.4 "Provisions".

The present value of partially hedged commitments amounted to €122,782 thousand at December 31, 2021, including €18,682 thousand for French plans and €83,737 thousand for the United States. At December 31, 2020, it amounted to €121,220 thousand, including €17,351 thousand for France and €81,166 thousand for the United States.

In 2021:

The decrease in the value of commitments is due to the increase in discount rates in the two regions of Europe and United States.

In 2020:

The increase in the value of commitments was linked to the fall in discount rates in the two regions of Europe and the United States.

As of December 31, 2020, the Group had reviewed the valuation methods of one of the Belgian plans, including in the pension plan only the residual obligation of the employer and excluding that of the insurer. However, this plan retains its nature as a "defined-contribution" plan treated as a "defined-benefit" plan because of the underlying guarantee on the returns on the contributions paid. The change in the valuation method had an impact of -€1.6 thousand on the total Belgian obligation, recognized in actuarial gains and losses under "Other income items".

5.2.5.3 Analysis of net obligations by region

Details of net obligations by region are presented in the table below:

In thousands of euros	December 31, 2021				December 31, 2020			
	France	Europe excluding France	United States	Other	France	Europe excluding France	United States	Other
Post-employment benefit plan								
Indemnity payable on retirement	42,703	2,764	-	14,214	44,557	2,188	-	13,042
Supplementary pension plans	2,602	4,604	12,115	-	2,916	8,463	21,349	-
Healthcare plans			3,595	208			4,109	148
Total post-employment benefit obligations	45,305	7,368	15,711	14,422	47,473	10,651	25,458	13,190
Other long-term benefits	2,433	462	732	119	2,252	747	560	-
Total Other post-employment benefit obligations	2,433	462	732	119	2,252	747	560	-
Net obligations recognized in the balance sheet	47,738	7,830	16,443	14,541	49,725	11,398	26,018	13,190

		December 31, 2021		December 31, 2020	
		France	United States	France	United States
Average maturity of obligations	In years	12	19	13	19
Amount of obligations	In thousands of euros	58,657	83,737	59,292	81,169
<i>of which:</i>					
Retirement obligations		-	15,458	-	10,599
Vested deferred obligations		-	21,269	-	16,328
Active obligations		58,657	47,010	59,292	54,242

5.2.5.4 Sensitivity tests on retirement obligations

The retirement obligation sensitivity tests on the main external variable, the discount rate, in 2021 and in 2020 show the following impacts:

In thousands of euros	December 31, 2021						December 31, 2020					
	Basis	Increase		Decrease		Basis	Increase		Decrease			
		+ 0,25%	- 0,25%	+ 0,25%	- 0,25%		+ 0,25%	- 0,25%				
		Amount	%	Amount	%		Amount	%	Amount	%		
France												
Effect on service cost and interest cost	7,371	6,448	-12.53%	6,689	-9.26%	3,604	3,541	-1.75%	3,505	-2.77%		
Effect on projected benefit obligation	57,172	55,658	-2.65%	58,750	2.76%	57,049	55,231	-3.19%	58,399	2.36%		
United States												
Effect on service cost and interest cost	1,926	1,998	3.74%	1,843	-4.30%	2,346	2,421	3.21%	2,258	-3.76%		
Effect on projected benefit obligation	83,470	79,699	-4.52%	87,430	4.74%	81,009	77,334	-4.54%	84,867	4.76%		

5.2.5.5 Changes in net balance sheet benefit positions

Changes in net balance sheet positions related to the full range of benefits are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2021	December 31, 2020	December 31, 2019
Net projected benefit obligation at December 31	96,772	103,979	101,950	3,559	3,691	3,234	100,331	107,669	105,184
1st - time application of IFRIC June 2021 - IAS 19 ⁽¹⁾	-3,466	-	-	-	-	-	-3,466	-	-
Net projected benefit obligation at January 1	93,306	103,979	101,950	3,559	3,691	3,234	96,865	107,669	105,184
<u>Expense/income for the year</u>									
Service cost	7,066	6,857	8,055	353	285	272	7,419	7,142	8,327
Curtailments, settlements and other	-862	-2,409	-14,160	-281	-	-	-1,143 ⁽¹⁾	-2,409	-14,160
Benefits paid by the Company	-2,402	-4,792	-1,500	-331	-180	-328	-2,733	-4,972	-1,828
Benefit payments funded by assets	12	2,569	-840	-27	5	5	-15	2,574	-835
Employee and employer contributions	-3,406	-11,711	-2	-	-	-	-3,406	-11,711	-2
Net non-recurring post-employment benefit plan costs recorded in operating expenses	408	-9,486	-8,447	-286	110	-51	122	-9,376	-8,498
Interest cost	2,838	2,980	4,016	19	15	66	2,857	2,995	4,082
Expected return on plan assets	-1,568	-1,546	-1,787	-	-	-	-1,568	-1,546	-1,787
Interest costs of post-employment benefit obligations ⁽²⁾	1,270	1,434	2,229	19	15	66	1,289 ⁽¹⁾	1,449	2,295
<u>Balance sheet impact</u>									
Pension plan asset contribution	-	-	-7,727	-	-	-	-	-	-7,727
Reclassification	-209	-	-	209	-	-	-	-	-
Actuarial gains and losses	-13,556	3,868	15,099	196	-209	433	-13,360	3,659	15,532
Translation adjustment	1,587	-3,023	875	49	-48	9	1,636	-3,071	884
Balance sheet impact	-12,178	845	8,247	454	-257	442	-11,724	588	8,689
Net projected benefit obligation at December 31	82,806	96,772	103,979	3,746	3,559	3,691	86,552	100,331	107,670

(1) See Notes 1.1 "Accounting standards applied", 1.4.2 "Provisions for pensions and other post-employment benefits" and 5.2.4 "Provisions".

(2) See "Interest on post-employment benefit obligations" in Note 4.7 on "Net Financial Income (expense)".

5.2.5.6 Healthcare cost sensitivity tests in the United States

The following table shows the impact of a 1-point change in the rate of increase of healthcare costs in the United States:

In thousands of euros	December 31, 2021		December 31, 2020	
	Increase	Decrease	Increase	Decrease
Effect on provisions for post-employment benefit obligations	506	-614	597	-758

5.2.5.7 Breakdown of plan assets by category

The plan assets at fair value break down by category as follows:

In thousands of euros	December 31, 2021	December 31, 2020
Equities	53,011	36,812
Bonds	24,219	22,558
Real estate	919	5,128
Other	16,758	15,339
Total	94,907	79,837

5.2.5.8 Contributions paid in respect of defined-contribution plans

Contributions paid in respect of defined contribution plans amounted to €10,195.8 thousand in 2021 compared with €10,196.7 thousand in 2020.

5.2.6. Current and non-current borrowings

5.2.6.1 Definition of debt within the Group

Net debt is an important notion for the day-to-day management of Plastic Omnium's treasury cash. It is used to determine the Group's debit or credit position in relation to third parties and outside of the operating cycle. Net debt is determined as:

- long-term borrowings:
 - drawdowns on traditional lines of credit,
 - private placement notes,
 - bonds;
- minus loans, negotiable debt securities and other long-term financial assets;
- plus short-term loans;
- plus overdraft facilities; and
- minus cash and cash equivalents.

5.2.6.2 Borrowings: private placement notes and bonds

At December 31, 2021:

The main terms of the bonds and private placements as at December 31, 2021 are summarized in the following table:

December 31, 2021	"Schuldscheindarlehen" private placement of June 16, 2016	Private placement bond issue of June 26, 2017	"Schuldscheindarlehen" private placement of December 21, 2018
Issue - Fixed rate (in euros)	300,000,000	500,000,000	300,000,000
Interest rate / annual coupon	1.478%	1.250%	1.632%
Investors	International (Asian, German, Dutch, Swiss, Luxembourg, Belgian) and French investors	European investors	International (German, Chinese, Belgian, Swiss, Austrian) and French investors
	No covenant or rating obligations		
Maturity	June 17, 2023	June 26, 2024	December 21, 2025

5.2.6.3 Bank loans

The Group has not made any new drawdowns in fiscal year 2021 compared to December 31, 2020.

See Note 2.2.7.1 in "Other significant events of the period".

5.2.6.4. Short-term borrowings: issuance of "Negotiable European Commercial Paper" (Neu-CP)

The Group increased its issuance of Negotiable European Commercial Paper (Neu-CP) over fiscal year 2021.

The characteristics are presented in the table below:

December 31, 2021	Neu-CP during the period
Issuance (in euros)	322,500,000
Investors	European investors
Maturity	Less than 1 year

5.2.6.5 Reform of interbank rates – Disappearance of LIBOR since December 31, 2021

The London Interbank Offered Rate (LIBOR), the benchmark interest rate used to calculate the average rate at which banks grant short-term loans to each other, ended on December 31, 2021. It has been removed from the international monetary system.

At December 31, 2021, the Group has no positions or bank line drawdowns based on LIBOR. Its lines of credit are on contracts based on alternative rates without any exposure linked to the disappearance of LIBOR.

5.2.6.6 Confirmed medium-term credit lines

During fiscal year 2021, the Group benefited from several confirmed bank credit lines whose amount exceeds the Group's needs.

At December 31, 2021, these confirmed bank lines of credit amounted to €1,930 million, nearly all of which was undrawn, compared with €1,960 million at December 31, 2020. The average maturity is four years at December 31, 2021 compared to five years at December December 31, 2020.

5.2.6.7 Reconciliation of gross and net financial debt

In thousands of euros	December 31, 2021			December 31, 2020		
	Total	Current portion	Non-current portion	Total	Current portion	Non-current portion
Finance lease liabilities ⁽¹⁾⁽²⁾	214,730	48,750	165,980	222,013	48,330	173,683
Bonds and bank loans	1,539,381	422,179	1,117,202	1,434,828	300,830	1,133,998
<i>of which the 2018 "Schuldscheindarlehen" private placement</i>	299,257	148	299,109	299,120	148	298,972
<i>of which the bond issue in 2017</i>	501,177	3,238	497,939	500,375	3,238	497,137
<i>of which the 2016 "Schuldschein" private placement</i>	302,069	2,405	299,664	301,843	2,405	299,438
<i>of which Neu-CP ⁽³⁾</i>	322,500	322,500	-	200,500	200,500	-
<i>of which bank lines of credit ⁽⁴⁾</i>	114,377	93,888	20,490	132,990	94,539	38,451
Current and non-current borrowings and other debt (+)	1,754,111	470,929	1,283,182	1,656,841	349,160	1,307,681
Other current and non-current debt related to the acquisition of a stake in EKPO (+) ⁽⁵⁾	70,000	30,000	40,000	-	-	-
Hedging instruments - liabilities (+) ⁽⁶⁾	1,434	1,434	-	116	116	-
Total borrowings (B)	1,825,545	502,363	1,323,182	1,656,957	349,276	1,307,681
Long-term investments in equity instruments and funds (-) ⁽⁷⁾	-78,071	-	-78,071	-8,309	-	-8,309
Other financial assets (-)	-12,351	-3,000	-9,351	-16,093	-6,340	-9,753
<i>of which non-current financial receivables ⁽⁸⁾</i>	-9,351	-	-9,351	-9,753	-	-9,753
<i>of which finance receivables ⁽⁸⁾⁽⁹⁾</i>	-3,000	-3,000	-	-6,340	-6,340	-
Other current financial assets and receivables (-) ⁽⁹⁾	-43	-43	-	-301	-301	-
Hedging instruments - assets (-) ⁽⁶⁾	-91	-91	-	-7,625	-7,625	-
Total financial receivables (C)	-90,555	-3,133	-87,422	-32,328	-14,266	-18,062
Gross debt (D) = (B) + (C)	1,734,990	499,230	1,235,760	1,624,629	335,010	1,289,619
Cash and cash equivalents (-) ⁽¹⁰⁾	892,636	892,636	-	829,989	829,989	-
Short-term bank loans and overdrafts (+)	-11,264	-11,264	-	-12,277	-12,277	-
Net cash and cash equivalents as recorded in the Statement of Cash-Flows (A) ⁽¹¹⁾	-881,372	-881,372	-	-817,712	-817,712	-
NET FINANCIAL DEBT (E) = (D) + (A)	853,618	-382,142	1,235,760	806,917	-482,702	1,289,619

(1) During fiscal year 2021, the change of net debt from lease contracts amounted to -€10.7 million, including +€56.4 million in increases related to new contracts and -€67.2 million related to repayment on active assets contracts versus a change in net debt of +€1.7 million during fiscal year 2020 (+€67.5 million on new contracts and -€69.2 million in repayments on active contracts).

(2) At December 31, 2021, the position includes a total amount of €1,376 thousand (of which €1,218 thousand in non-current and €158 thousand in current) contributed by Plastic Omnium New Energies Wels GmbH in its opening balance sheet. See Note 2.2.2.1.3 in the "Other significant events of the period".

(3) See Note 5.2.6.4 "Short-term borrowings: issuance of "Negotiable European Commercial Paper" (Neu-CP)".

(4) See Notes 2.2.7.1 in "Significant events of the period", 5.2.6.3 "Bank loans" and 5.2.6.6 "Confirmed medium-term credit lines".

(5) See Note 2.2.2.1.1 "The acquisition price" in "Other significant events of the period".

(6) See Note 5.2.7 "Interest rate and currency hedges".

(7) See Note 5.1.6.1 "Long-term investments in equity instruments and funds".

(8) See Note 5.1.6.2 "Other non-current financial assets".

(9) See Notes 5.1.8 "Current financial receivables" and 5.2.6.3 for the principal amount.

(10) See Note 5.1.11.1 "Gross cash and cash equivalents".

(11) See Note 5.1.11.2 "Net cash and cash equivalents at end of period".

5.2.6.8 Analysis of gross financial debt by currency

The table below shows the gross financial debt after taking into account the swap transactions that allowed the conversion from euros into foreign currency.

<i>As a % of financial debt</i>	December 31, 2021	December 31, 2020
Euro	58%	48%
US dollar	29%	39%
Chinese yuan	7%	7%
Pound sterling	2%	2%
Japanese yen	1%	-
Brazilian real	1%	1%
Indian rupee	1%	1%
Polish zloty	-	1%
Other currencies ⁽¹⁾	1%	1%
Total	100%	100%

(1) "Other currencies" concerns various currencies, which taken individually account for less than 1% of total financial debt over the two periods.

5.2.6.9 Analysis of gross financial debt by type of interest rate

<i>As a % of financial debt</i>	December 31, 2021	December 31, 2020
Hedged variable rates	-	-
Unhedged variable rates	27%	19%
Fixed rates	73%	81%
Total	100%	100%

5.2.7. Interest rate and currency hedges

The Group does not have any interest rate contracts.

<i>In thousands of euros</i>	December 31, 2021		December 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives	91	-1,434	7,625	-116
Total balance sheet	91	-1,434	7,625	-116

5.2.7.1 Currency hedges

The Group uses derivatives to hedge its exposure to currency risk.

The Group has chosen a hedging policy to cover the highly probable future transactions in its entities' foreign currencies. Hedging instruments implemented in this respect are forward purchases of foreign currencies. The Group has applied to these instruments the accounting treatment of cash-flow hedges as planned by the applicable IFRS: instruments are measured at fair value and changes in value are recognized in equity for the effective portion. These amounts recognized in equity are reported in profit or loss when the hedged forecast cash-flows affect income.

At December 31, 2021, the fair value of the instruments subscribed and thus recognized was -€1,342 thousand, including -€323 thousand recognized in equity.

Changes in the fair value of currency hedging instruments are recognized in net financial income.

5.2.7.1.1. Portfolio of currency hedges

	December 31, 2021				December 31, 2020			
	Fair value (in thousands of euros)	Notional amount (in thousands of currency units)	Medium-term exchange rate	Exchange rate at December 31, 2021	Fair value (in thousands of euros)	Notional amount (in thousands of currency units)	Medium-term exchange rate	Exchange rate at December 31, 2020
			Currency / Euro	Currency / Euro			Currency / Euro	Currency / Euro
Net sell position (net buy position if >0)								
USD / EUR - Forward exchange contract	-40	-885	1.2004	1.1326	+91	-1,922	1.1667	1.2271
GBP / EUR - Forward exchange contract	-282	-2,973	0.9134	0.8403	-8	-3,952	0.9050	0.8990
USD / EUR - Forward currency swap	-973	-317,300	1.1375	1.1326	+5,868	-529,300	1.2110	1.2271
GBP / EUR - Forward currency swap	+6	-5,000	0.8394	0.8403	+14	-30,000	0.8987	0.8990
CHF / EUR - Forward currency swap	-21	-2,500	1.0419	1.0331	-43	-9,750	1.0851	1.0802
RUB / EUR - Forward currency swap	+5	-22,000	83.9385	85.3004	+18	-58,100	89.1435	91.4671
CNY / EUR - Forward currency swap	-117	-390,000	7.2475	7.1947	+1,232	-438,000	7.9219	8.0225
CNY / USD - Forward currency swap	+25	-85,067	6.3960	6.3524	-42	-87,707	6.5945	6.9760
JPY / EUR - Forward currency swap	+55	-1,450,000	129.7406	130.3800	+379	-3,600,000	124.8294	126.4900
IDR / EUR - Forward currency swap	+0	-16,205,000	16,300.0000	16,100.4200	-	-	-	-
TOTAL	-1,342				+7,509			

5.2.7.1.2. Impact of unsettled foreign exchange hedges on income and equity

In thousands of euros	December 31, 2021	December 31, 2020
Impact of change in foreign exchange hedging portfolio on income (ineffective portion) ⁽¹⁾	-8,447	2,893
Impact of change in foreign currency hedging portfolio on equity (effective portion)	-405	2,855
Total	-8,852	5,748

(1) See “Gains or losses on interest rate and currency hedges” in Note 4.7 “Net financial income”.

5.2.8. Operating and other liabilities

5.2.8.1. Trade payables

In thousands of euros	December 31, 2021	December 31, 2020
Trade payables	1,190,948	1,278,933
Due to suppliers of fixed assets	73,478	92,817
Total	1,264,426	1,371,750

5.2.8.2. Other operating liabilities

In thousands of euros	December 31, 2021	December 31, 2020
Employee benefits expense	169,061	164,095
Income taxes	24,992	17,888
Other taxes	130,824	128,337
Other payables	323,088	328,378
Customer prepayments - Deferred revenues	311,674	319,711
Total	959,639	958,409

5.2.8.3. Trade payables and other operating liabilities by currency

In thousands of currency units	Liabilities at December 31, 2021			Liabilities at December 31, 2020		
	Local currency	Euro	%	Local currency	Euro	%
EUR Euro	1,211,802	1,211,802	54%	1,354,833	1,354,833	58%
USD US dollar	605,714	534,799	24%	595,983	485,684	21%
GBP Pound sterling	88,557	105,390	5%	115,655	128,644	6%
CNY Chinese yuan	1,099,715	152,851	7%	1,296,548	161,614	7%
BRL Brazilian real	225,527	35,741	2%	161,472	25,335	1%
Other Other currencies		183,482	8%		174,049	7%
Total		2,224,065	100%		2,330,159	100%
<i>Of which:</i>						
• Trade payables		1,264,426	57%		1,371,750	59%
• Other operating liabilities		959,639	43%		958,409	41%

Sensitivity tests on changes in foreign exchange rates of “Trade payables and other liabilities” give the following results:

In thousands of currency units	Sensitivity tests on liabilities at December 31, 2021						Sensitivity tests on liabilities at December 31, 2020					
	Base		Increase – all currencies		Decrease – all currencies		Base		Increase – all currencies		Decrease – all currencies	
			+10%	+20%	-10%	-20%			+10%	+20%	-10%	-20%
	Local currency	Conversion rate	%	%	%	%	Local currency	Conversion rate	%	%	%	%
EUR Euro	1,211,802	1.0000	52%	50%	57%	60%	1,354,833	1.0000	56%	54%	61%	63%
USD US dollar	605,714	0.8829	25%	26%	23%	21%	595,983	0.8149	22%	23%	20%	18%
GBP Pound sterling	88,557	1.1901	5%	5%	4%	4%	115,655	1.1123	6%	6%	5%	5%
CNY Chinese yuan	1,099,715	0.1390	7%	8%	6%	6%	1,296,548	0.1247	7%	8%	7%	6%
BRL Brazilian real	225,527	0.1585	2%	2%	2%	1%	161,472	0.1569	1%	1%	1%	1%
Other Other currencies			9%	9%	8%	8%			8%	8%	7%	6%
Total in euros		2,224,065	2,325,274	2,426,499	2,122,825	2,021,599		2,330,159	2,427,690	2,525,223	2,232,625	2,135,093
Of which:												
• Trade payables		1,264,426	1,321,974	1,379,523	1,206,877	1,149,328		1,371,750	1,429,167	1,486,584	1,314,333	1,256,917
• Other operating liabilities		959,639	1,003,300	1,046,976	915,948	872,271		958,409	998,523	1,038,639	918,292	878,176

Foreign exchange sensitivity tests on “Trade payables and other liabilities” and “Trade and other receivables” (see Note 5.1.9) show an immaterial net sensitivity to exchange rate fluctuations as of December 31, 2021.

6. CAPITAL MANAGEMENT AND MARKET RISKS

Compagnie Plastic Omnium has set up a global cash management system centralized within its subsidiary Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on behalf of all subsidiaries. The market risk strategy, which may take the form of on- and off-balance sheet commitments, is validated quarterly by the Group's Senior Executives.

6.1. Capital management

The Group's objective is to have, at all times, sufficient financial resources to enable it to carry out its current business, fund the investments required for its development and also to respond to any exceptional events.

This goal is achieved through the use of the capital markets, leading to capital and financial debt management.

As part of its capital management strategy, the Group compensates its shareholders primarily through the payment of dividends and may make adjustments in line with changes in economic conditions.

The capital structure may be adjusted by paying ordinary or special dividends, through share buybacks and cancellation of treasury stock, returning a portion of capital to shareholders or issuing new shares and/or securities giving rights to capital.

Gearing:

The Group uses the gearing ratio, corresponding to the ratio of consolidated net debt to equity, as an indicator of the Group's leverage. The Group includes in net debt all financial liabilities and commitments, other than operating payables, interest-bearing liabilities, less cash and cash equivalents and other non-operating financial assets, such as marketable securities and loans.

At December 31, 2021 and December 31, 2020, the gearing ratio was as follows:

In thousands of euros	December 31, 2021	December 31, 2020
Net financial debt ⁽¹⁾	853,618	806,917
Equity (including non-current grants)	2,058,254	1,950,069
Gearing ratio	41.47%	41.38%

(1) See Note 5.2.6.7 "Reconciliation of gross and net financial debt".

None of the Group's bank loans or financial liabilities contains covenants providing for early repayment in the event of non-compliance with financial ratios.

As part of its capital management, the liquidity account shows the following positions:

- at December 31, 2021:
 - 139,300 securities (shares); and
 - €3,004,264 in cash
- at December 31, 2020:
 - 12,500 securities (shares); and
 - €6,241,823 in cash

6.2. Commodities risk - Exposure to plastics risk

Plastic Omnium's business requires the purchase of large quantities of plastic, steel, paint and other raw materials subject to price changes that could have an impact on its operating margin.

To limit the risks associated with such price fluctuations, the Group has negotiated selling price indexation clauses with most of its automotive customers or, failing that, regularly renegotiates selling prices.

In view of these measures, the Group considers that raw material price fluctuations do not have a material impact on its operating margin.

6.3. Credit risk

Credit risk covers customer credit risk and bank counterparty risk.

6.3.1. Customer risk

At December 31, 2021, 3.6% of the Group's trade receivables were past due, versus 3.8% at December 31, 2020. Trade receivables break down as follows:

Ageing analysis of net receivables:

At December 31, 2021:

In thousands of euros	Total outstanding	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	More than 12 months
Industries	587,072	561,645	25,427	9,108	5,657	8,227	2,435
Modules	137,047	136,198	849	99	750	-	-
Unallocated items	10,158	10,158	-	-	-	-	-
Total	734,277	708,001	26,276	9,207	6,407	8,227	2,435

At December 31, 2020:

In thousands of euros	Total outstanding	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	More than 12 months
Industries	632,522	602,093	30,428	17,780	5,789	5,643	1,216
Modules	183,384	182,668	717	275	442	-	-
Unallocated items	-1,506	-1,506	-	-	-	-	-
Total	814,400	783,255	31,145	18,055	6,231	5,643	1,216

The risk of non-recovery of trade receivables is low and involves only an immaterial amount of receivables more than twelve months past due.

6.3.2. Bank counterparty risk

The Group invests its cash surplus with leading banks and/or in highly-rated securities.

6.4. Liquidity risk

The Group must at all times have sufficient financial resources to finance the current business and the investments required to support its development, but also to withstand any exceptional events.

This objective is mainly achieved by using medium-term lines of credit with banking institutions but also by short-term bank resources.

The cash position of the Group is monitored daily for each business division and at central level, and a weekly summary report is submitted to the Group's Senior Executives.

6.4.1. Other long-term financial receivables - carrying amounts and undiscounted values

Undiscounted values can be reconciled with the information in the table in Note 6.4.2 on “Liquidity risk by maturity”. None at December 31, 2021.

6.4.2. Liquidity risk by maturity

Liquidity risk by maturity is calculated on the basis of the undiscounted contractual cash-flows of financial assets and liabilities. The liquidity risk analysis shows the following:

At December 31, 2021:

In thousands of euros	December 31, 2021	Less than 1 year	1 to 5 years	More than 5 years
FINANCIAL ASSETS				
Non-consolidated equity interests	136	-	136	-
Long-term investments in equities and funds	78,071	-	78,071	-
Other financial assets	9,351	-	9,351	-
Finance receivables ⁽¹⁾	3,000	3,000	-	-
Trade receivables ⁽²⁾	734,277	731,842	2,435	-
Other current financial assets and financial receivables	43	43	-	-
Hedging instruments	91	91	-	-
Cash and cash equivalents	892,636	892,636	-	-
Total financial assets	1,717,605	1,627,612	89,993	-
FINANCIAL LIABILITIES				
Non-current borrowings ⁽³⁾	1,358,561	-	1,302,370	56,191
Bank overdrafts	11,264	11,264	-	-
Current borrowings ⁽⁴⁾	516,509	516,509	-	-
Hedging instruments	1,434	1,434	-	-
Trade payables	1,264,426	1,264,426	-	-
Total financial liabilities	3,152,194	1,793,633	1,302,370	56,191
FINANCIAL ASSETS AND FINANCIAL LIABILITIES - NET⁽⁵⁾	-1,434,589	-166,021	-1,212,377	-56,191

- (1) Undiscounted amounts (see Notes 5.1.8 "Current financial receivables" and 6.4.1 "Other long-term financial receivables").
- (2) "Trade receivables" includes €26,275 thousand past due at December 31, 2021 against €31,145 thousand at December 31, 2020. See Note 6.3.1 on "Customer risk".
- (3) "Non-current borrowings" includes the amounts reported in the balance sheet and interest payable over the remaining life of the borrowings.
- (4) "Current borrowings" includes the amounts reported in the balance sheet and interest due within one year.
- (5) See Note 5.2.6.6 on confirmed medium-term credit lines compared to usage: in 2021 and 2020, the confirmed and unused bank lines amply covered the Group's cumulative medium-term financing requirements.

At December 31, 2020:

In thousands of euros	December 31, 2020	Less than 1 year	1 to 5 years	More than 5 years
FINANCIAL ASSETS				
Non-consolidated equity interests	170	-	170	-
Long-term investments in equities and funds	8,309	-	8,309	-
Other financial assets	9,753	-	9,753	-
Finance receivables ⁽¹⁾	6,340	6,340	-	-
Trade receivables ⁽²⁾	814,400	813,184	1,216	-
Other current financial assets and financial receivables	301	301	-	-
Hedging instruments	7,625	7,625	-	-
Cash and cash equivalents	829,989	829,989	-	-
Total financial assets	1,676,887	1,657,439	19,448	-

FINANCIAL LIABILITIES				
Non-current borrowings ⁽³⁾	1,357,663	-	1,295,567	62,096
Bank overdrafts	12,277	12,277	-	-
Current borrowings ⁽⁴⁾	371,844	371,844	-	-
Hedging instruments	116	116	-	-
Trade payables	1,371,750	1,371,750	-	-
Total financial liabilities	3,113,650	1,755,987	1,295,567	62,096
FINANCIAL ASSETS AND FINANCIAL LIABILITIES - NET⁽⁵⁾	-1,436,763	-98,548	-1,276,119	-62,096

- (1) Undiscounted amounts (see Notes 5.1.8 “Current financial receivables” and 6.4.1 “Other long-term financial receivables”).
- (2) “Trade receivables” includes €31,145 thousand past due at December 31, 2020, against €63,053 thousand at December 31, 2019. See Note 6.3.1 on “Customer risk”.
- (3) “Non-current borrowings” includes the amounts reported in the balance sheet and interest payable over the remaining life of the borrowings.
- (4) “Current borrowings” includes the amounts reported in the balance sheet and interest due within one year.
- (5) See Note 5.2.6.6 on confirmed medium-term credit lines compared to usage: in 2020 and 2019, the confirmed and unused bank lines amply cover the Group’s cumulative medium-term financing requirements.

6.5. Currency risk

Plastic Omnium’s business is based for the most part on local plants: by producing locally what is sold locally, the Group has little exposure to currency fluctuations, except for the translation of financial statements of companies whose functional currency is not the euro.

The Group’s policy is to minimize the currency risk arising from transactions that will result in future payment or future revenue. If a transaction does give rise to a material currency risk, it is hedged with a forward currency contract. The subsidiary involved places this hedge with the Group Treasury Department or, with the latter’s approval, locally.

6.6. Interest rate risk

Interest rate risk relates to the possibility of an increase in variable rates for variable rate debt, which would adversely affect net financial income. Interest rate risk is managed on the basis of the Group’s consolidated debt with the main objective of maintaining a durably low consolidated financing cost in light of the Group’s operating profitability.

At December 31, 2021 as at December 31, 2020, the Group’s core funding was at fixed rates (see Notes 5.2.6.9 “Analysis of gross financial debt by type of interest rate”).

Financial transactions, particularly interest rate hedges, are carried out with a broad panel of leading financial institutions. A competitive bidding process is carried out for any significant financial transactions and maintaining a satisfactory diversification of resources and participants is a selection criterion.

6.7. Additional information about financial assets and liabilities

Most derivatives are traded over-the-counter for which there are no listed prices. Therefore, their valuation is based on models commonly used by traders to value these financial instruments (models for discounting future cash-flows or option valuation models).

Financial assets and liabilities by category and fair value break down as follows:

2021									
In thousands of euros	At amortized cost	At fair value			Total carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through profit or loss	Through shareholders' equity	Through shareholders' equity (CFH) ⁽²⁾					
ASSETS									
Non-consolidated equity interests	-	-	136	-	136	136	-	-	-
Long-term investments in equities and funds	-	-	78,071	-	78,071	-	78,071	-	-
Other non-current financial assets	9,351	-	-	-	9,351	-	-	-	-
Finance receivables	3,000	-	-	-	3,000	-	-	-	-
Trade receivables	734,277	-	-	-	734,277	-	-	-	-
Other current financial assets and receivables	43	-	-	-	43	-	-	-	-
Hedging instruments	-	91	-	-	91	-	-	91	-
Cash and cash equivalents	-	892,636	-	-	892,636	-	-	892,636	-
LIABILITIES									
Non-current borrowings ⁽¹⁾	1,323,182	-		-	1,323,182	-	-	-	-
Bank overdrafts	11,264	-		-	11,264	-	-	-	-
Current borrowings	500,929	-		-	500,929	-	-	-	-
Hedging instruments	-	1,209		405	1,434	-	-	1,434	-
Trade payables	1,264,426	-		-	1,264,426	-	-	-	-

In 2021, as in 2020, there was no transfer between fair value levels.

2020									
In thousands of euros	At amortized cost	At fair value			Total carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through profit or loss	Through shareholders' equity	Through shareholders' equity (CFH) ⁽²⁾					
ASSETS									
Non-consolidated equity interests	-	-	170	-	170	170	-	-	-
Long-term investments in equities and funds	-	-	8,309	-	8,309	-	8,309	-	-
Other non-current financial assets	9,753	-	-	-	9,753	-	-	-	-
Finance receivables	6,340	-	-	-	6,340	-	-	-	-
Trade receivables	814,400	-	-	-	814,400	-	-	-	-
Other current financial assets and receivables	301	-	-	-	301	-	-	-	-
Hedging instruments	-	7,625	-	-	7,625	-	-	7,625	-
Cash and cash equivalents	-	829,989	-	-	829,989	-	-	829,989	-
LIABILITIES									
Non-current borrowings ⁽¹⁾	1,307,681	-		-	1,307,681	-	-	-	-
Bank overdrafts	12,277	-		-	12,277	-	-	-	-
Current borrowings	349,160	-		-	349,160	-	-	-	-
Hedging instruments	-	2,971		-2,855	116	-	-	116	-
Trade payables	1,371,750	-		-	1,371,750	-	-	-	-

(1) See Note 5.2.6.7 "Reconciliation of gross and net financial debt". This item includes "Finance lease liabilities" and "Bonds and bank loans".

(2) CFH: "Cash-Flow Hedge".

In 2020, as in 2019, there was no transfer between fair value levels.

The fair value of financial assets and liabilities at amortized cost was close to the carrying amount, except for borrowings.

In thousands of euros	Balance sheet values at December 31, 2021			Fair value at December 31, 2021		
	Total	Current	Non-current	Total	Current	Non-current
Bonds and bank loans ⁽¹⁾	1,539,381	422,179	1,117,202	1,568,187	422,320	1,145,867

In thousands of euros	Balance sheet values at December 31, 2020			Fair value at December 31, 2020		
	Total	Current	Non-current	Total	Current	Non-current
Bonds and bank loans ⁽¹⁾	1,434,828	300,830	1,133,998	1,463,608	300,970	1,162,638

(1) See Note 5.2.6.7 “Reconciliation of gross and net financial debt”.

Methods for measuring fair value:

- The fair value of listed bonds is determined on the basis of quoted prices (level 1). The fair value of other borrowings is determined for each loan by discounting future cash-flows at a rate corresponding to the Euribor yield curve at year-end, corrected for the Group’s credit risk (level 2).
- The fair value of monetary and non-monetary UCITS is measured according to their last known net asset value (level 1). The fair value of interest rate products (certificates of deposit, time-deposit accounts, negotiable medium-term notes, etc.) is based on discounted future cash-flows from coupons and coupons excluding accrued interest (principal and interest) for the remaining duration of the product on the balance sheet date (level 2). The discount rate used in this case is the market rate matching the maturity and products’ characteristics.
- Other financial assets and finance receivables: items consisting mainly of finance receivables recorded on the basis of a discounted value when their maturity is more than one year.
- Most of the derivatives are traded over-the-counter, for which there are no listed prices. As a result, their valuation is based on models commonly used by traders to evaluate financial instruments using discounted cash-flow models or option valuation models (level 2).

7. ADDITIONAL INFORMATION

7.1. Headcount at end of year of controlled companies

	December 31, 2021			December 31, 2020			Changes/Total
	Excluding temporary	Temporary	Total	Excluding temporary	Temporary	Total	
France	2,858	412	3,270	2,850	389	3,239	1%
%	13.1%	12.7%	13.1%	12.6%	10.3%	12.3%	
Europe excluding France	10,375	1,291	11,666	10,949	1,839	12,788	-9%
%	47.6%	39.8%	46.6%	48.4%	48.6%	48.4%	
North America	5,173	395	5,568	5,358	581	5,939	-6%
%	23.8%	12.2%	22.3%	23.7%	15.4%	22.5%	
Asia and South America ⁽¹⁾	3,368	1,146	4,514	3,479	974	4,453	1%
%	15.5%	35.3%	18.0%	15.4%	25.7%	16.9%	
Total	21,774	3,244	25,018	22,636	3,783	26,419	-5%

(1) The “Asia and South America” region includes South Africa and Morocco.

7.2. Off-balance sheet commitments

7.2.1. Commitments granted / received

At December 31, 2021:

In thousands of euros	Total	On intangible assets	On property, plant and equipment	On financial assets and liabilities	On other non-financial current assets/liabilities
Surety bonds granted ⁽¹⁾	-96,322	-	-1,110	-89,208 ^(1.bis)	-6,004
Commitments to purchase assets ⁽²⁾	-27,609	-10	-27,599	-	-
Other off-balance sheet commitments ⁽³⁾	-5,394	-	-4,013	-1,381	-
Total commitments given	-129,325	-10	-32,722	-90,589	-6,004
Surety bonds received ⁽⁴⁾	9,290	-	-	-	9,290
Total commitments received	9,290	-	-	-	9,290
Total commitments – net	-120,035	-10	-32,722	-90,589	3,286

At December 31, 2020:

In thousands of euros	Total	On intangible assets	On property, plant and equipment	On financial assets and liabilities	On other non-financial current assets/liabilities
Surety bonds granted ⁽⁵⁾	-22,979	-	-1,548	-15,668	-5,763
Commitments to purchase assets ⁽⁶⁾	-24,894	-8	-24,886	-	-
Other off-balance sheet commitments ⁽⁷⁾	-8,079	-	-6,698	-1,381	-
Total commitments given	-55,952	-8	-33,132	-17,049	-5,763
Total commitments – net	-55,952	-8	-33,132	-17,049	-5,763

At December 31, 2021:

(1) The surety bonds granted are mainly related to:

- €11.4 million from Compagnie Plastic Omnium SE to Société Générale Frankfurt;
- €6.0 million on financial assets and liabilities of HBPO Germany GmbH to Deutsche Bank;
- €6.0 million in bank guarantees on non-financial current assets/liabilities of Plastic Omnium Auto Exteriors (India) Pvt Ltd to Crédit Agricole CIB.

(1.bis): this amount includes the €70 million bank surety bond related to the remaining payable in respect of the acquisition of a 40% stake in EKPO Cell Technologies. See Note 2.2.2.1 in « Significant events of the period ».

(2) The commitments to purchase assets are mainly related to:

- €15.2 million from Plastic Omnium Auto Inergy (USA) LLC;
- €6.8 million from Plastic Omnium Auto Extérieur SA;
- €3.7 million from Plastic Omnium Equipamientos Exteriores SA.

(3) The other off-balance sheet commitments are mainly:

- €2.1 million of credit letter for Plastic Omnium New Energies France;
- €1.8 million of credit letter for Plastic Omnium New Energies Herentals.

(4) The security bonds received mainly related to:

- €9.3 million from Komercni Banka for Plastic Omnium Auto Exteriors S.R.O.

At December 31, 2020:

(5) The surety bonds granted are mainly related to:

- €8.9 million from Compagnie Plastic Omnium SE to Société Générale Frankfurt ;
- €6.0 million on financial assets and liabilities of HBPO Germany GmbH to Deutsche Bank ;
- €5.8 million on other non-financial current assets/ liabilities of Plastic Omnium Auto Exteriors (India) Pvt Ltd to Credit Agricole CIB ;

- €1.1 million in bank guarantees from Plastic Omnium Auto Exteriors SP Z.O.O to BNP Paribas.

(6) The commitments to purchase assets are mainly related to:

- €12.1 million from Plastic Omnium Auto Inergy (USA) LLC ;
- €6.5 million from Plastic Omnium Auto Exterieur SA ;
- €3.3 million from Plastic Omnium Equipamientos Exteriores SA.

(7) The other off-balance sheet commitments are mainly:

- €4.4 million in credit letters for Plastic Omnium Auto Exteriors S.R.O.;
- €2.3 million in credit letters for Plastic Omnium Auto Exteriors (India) Pvt Ltd.

7.3. Related-party transactions

7.3.1. Compensation paid to executives and other corporate officers

Executive corporate officers are, in accordance with IAS 24 “Persons with the authority and responsibility for planning, directing and controlling the activities” of Compagnie Plastic Omnium and its subsidiaries.

Under a bonus share award plan, the Board of Directors’ meeting on February 17, 2021 granted 45,947 shares to the executive corporate officers of Compagnie Plastic Omnium. See Note 5.2.3 "Share-based payments" on the terms of allocation.

The total amount of compensation paid to members of the Board of Directors and senior executives is presented in the table below:

<i>In thousands of euros</i>	Paid or payable by...	2021	2020
Directors’ fees	Paid by Compagnie Plastic Omnium	145	172
Directors’ fees	Paid by companies controlled by Compagnie Plastic Omnium (excl. Compagnie Plastic Omnium) and by Burelle SA	84	284
Gross compensation	Payable by the Plastic Omnium Group	3,501	5,742
Supplementary pension plans	Payable by the Plastic Omnium Group ⁽¹⁾	-	124
Cost of stock option and share purchase plans and bonus share plan	Payable by the Plastic Omnium Group	650	310
	<i>Cost to be spread over the vesting period</i>	393	174
	<i>Social contributions related to the new plan of the period ⁽²⁾</i>	257	136
Total compensation		4,380	6,632

(1) The Group made no payment over the period related to the supplementary pension plan.

(2) These are social contributions over the entire vesting period of each plan rights, i.e. four years. The cost over the period is €45 thousand.

7.3.2. Transactions with Sofiparc SAS, Burelle SA and Burelle Participations SA

At December 31, 2021:

<i>In thousands of euros</i>	Direct and indirect costs	Royalties and management fees	Proceeds from disposal of property, plant and equipment including Investment property	Other Operating income and expenses	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Other debtors
Sofiparc SAS	-	-6,311	-	-	-	-	1,126	1,570	6	-	1,472
Burelle SA	2	565	-	-	6	-	-	-	289	-	11
Burelle Participations SA	-	120	-	-	5	-	-	-	-	-	-

At December 31, 2020:

In thousands of euros	Direct and indirect costs	Royalties and management fees	Proceeds from disposal of property, plant and equipment including Investment property	Gain on disposal of property, plant and equipment including Investment property	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Other debtors
Sofiparc SAS	-	-6,148	2	-184	8	-	1,254	1,955	5	-	1,583
Burelle SA	2	-139	-	-	9	-	-	592	-	-	11
Burelle Participations SA	-	120	-	-	7	-	-	-	-	-	-

7.4. Fees paid to the Statutory Auditors

In thousands of euros	2021		
	Mazars	EY	Total
Audit services	-2,234	-2,307	-4,541
<i>of which:</i>			
<i>Compagnie Plastic Omnium SE</i>	<i>-436</i>	<i>-436</i>	<i>-872</i>
<i>Subsidiaries</i>	<i>-1,798</i>	<i>-1,871</i>	<i>-3,669</i>
Fees other than certification of financial statements⁽¹⁾	-175	-552	-727
<i>of which:</i>			
<i>Compagnie Plastic Omnium SE</i>	<i>-159</i>	<i>-36</i>	<i>-195</i>
<i>Subsidiaries</i>	<i>-16</i>	<i>-516</i>	<i>-532</i>
Total	-2,409	-2,859	-5,268

(1) The "Fees other than certification of financial statements" are related to the review of the consolidated social, environmental and societal information provided in the management report, tax compliance audit, certificates, agreed procedures and due diligence.

In thousands of euros	2020		
	Mazars	EY	Total
Audit services	-2,162	-2,225	-4,387
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	<i>-451</i>	<i>-451</i>	<i>-902</i>
<i>Subsidiaries</i>	<i>-1,711</i>	<i>-1,774</i>	<i>-3,485</i>
Fees other than certification of financial statements⁽¹⁾	-189	-354	-543
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	<i>-183</i>	<i>0</i>	<i>-183</i>
<i>Subsidiaries</i>	<i>-6</i>	<i>-354</i>	<i>-360</i>
Total	-2,352	-2,579	-4,930

(1) The "Fees other than certification of financial statements" are related to the review of the consolidated social, environmental and societal information provided in the management report, certificates, agreed procedures and due diligence.

7.5. Consolidating entity

Burelle SA holds 60.20% of Compagnie Plastic Omnium SE after the cancellation of the treasury stock (59.35% before cancellation of treasury stock) and fully consolidates Company Plastic Omnium SE.

Burelle SA - 19 Boulevard Jules Carteret
69342 Lyon Cedex 07 - France

7.6. Subsequent events

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at December 31, 2021 has occurred since the closing date.

LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2021

Legal name	Reportable segment			December 31, 2021			December 31, 2020			Tax group
	Industries	Modules	Un-allocated	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
France										
COMPAGNIE PLASTIC OMNIUM SE			*	Parent company			Parent company			1
PLASTIC OMNIUM GESTION SNC			*	FC	100	100	FC	100	100	1
PLASTIC OMNIUM FINANCE SNC			*	FC	100	100	FC	100	100	1
SIGNALISATION FRANCE SA			*	FC	100	100	FC	100	100	1
INERGY AUTOMOTIVE SYSTEMS FRANCE SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO EXTERIEUR SERVICES SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO EXTERIORS SA		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO INERGY SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO INERGY MANAGEMENT SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO EXTERIEUR SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM COMPOSITES SA		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO INERGY SERVICES SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM AUTO INERGY FRANCE SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM CLEAN ENERGY SYSTEMS RESEARCH	b2021	*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM NEW ENERGIES FRANCE SAS	a2021	*		FC	100	100	-	-	-	1
PLASTIC OMNIUM MODULES SAS		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM MANAGEMENT 4		*		FC	100	100	FC	100	100	1
PLASTIC OMNIUM MANAGEMENT 6	a2021	*		FC	100	100	-	-	-	
PLASTIC OMNIUM MANAGEMENT 7	a2021	*		FC	100	100	-	-	-	
South Africa										
PLASTIC OMNIUM AUTO INERGY SOUTH AFRICA (PROPRIETARY) Ltd		*		FC	100	100	FC	100	100	
Germany										
PLASTIC OMNIUM GmbH		*		FC	100	100	FC	100	100	2
PLASTIC OMNIUM AUTO COMPONENTS GmbH		*		FC	100	100	FC	100	100	2
PLASTIC OMNIUM AUTO INERGY GERMANY GmbH		*		FC	100	100	FC	100	100	2
PLASTIC OMNIUM COMPOSITES GmbH	c2020	*		-	-	-	FC	100	100	2
PLASTIC OMNIUM AUTOMOTIVE EXTERIORS GmbH		*		FC	100	100	FC	100	100	2
EKPO FUEL CELL TECHNOLOGIES GMBH	a2021	*		EM_lfrs	40	40	-	-	-	
HBPO BETEILIGUNGSGESELLSCHAFT GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO RASTATT GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO GERMANY GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO INGOLSTADT GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO REGENSBURG GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO VAIHINGEN Enz GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
HBPO Saarland GmbH		*		FC	66.67	66.67	FC	66.67	66.67	5
Argentina										
PLASTIC OMNIUM AUTO INERGY ARGENTINA SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE ARGENTINA	c2021	*		-	-	-	FC	100	100	
Austria										
PLASTIC OMNIUM NEW ENERGIES WELS GMBH	a2021	*		FC	100	100	-	-	-	
Belgium										
PLASTIC OMNIUM ADVANCED INNOVATION AND RESEARCH NV		*		FC	100	100	FC	100	100	6
PLASTIC OMNIUM AUTO INERGY BELGIUM SA		*		FC	100	100	FC	100	100	6
PLASTIC OMNIUM AUTOMOTIVE BELGIUM		*		FC	100	100	FC	100	100	
OPTIMUM CPV BVBA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM NEW ENERGIES SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM NEW ENERGIES HERENTALS SA	a2021	*		FC	100	100	-	-	-	

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021 – COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segment			December 31, 2021			December 31, 2020			Tax group
	Industries	Modules	Un-allocated	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Brazil</u>										
PLASTIC OMNIUM AUTO INERGY DO BRASIL LTDA	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM DO BRASIL Ltda	*			FC	100	100	FC	100	100	
HBPO BRASIL AUTOMOTIVE SERVICIOS Ltda		*		FC	66.67	66.67	FC	66.67	66.67	
<u>Canada</u>										
HBPO CANADA INC.		*		FC	66.67	66.67	FC	66.67	66.67	
<u>China</u>										
PLASTIC OMNIUM HOLDING (SHANGHAI) Co. Ltd			*	FC	100	100	FC	100	100	
WUHAN PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM INERGY (SHANGHAI) CONSULTING Co. Ltd	c2021	*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS CONSULTING (BEIJING) Co. Ltd	c2021	*		FC	100	100	FC	100	100	
BEIJING PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	60	60	FC	60	60	
CHONGQING PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	100	100	FC	100	100	
GUANGZHOU PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	100	100	FC	100	100	
NINGBO PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	100	100	FC	100	100	
SHENYANG PLASTIC OMNIUM AUTO INERGY Co. Ltd	*			FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM (SHANGHAI) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM YIZHENG AUTOMOTIVE EXTERIOR SYSTEM Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM (SHENYANG) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM NINGBO AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM WUHAN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM HARBIN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM HANGZHOU AUTO EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM NINGDE AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANKANG AUTO PARTS RUGAO Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
YANFENG PLASTIC OMNIUM (DAQING) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM_ifrs	49.95	49.95	EM_ifrs	49.95	49.95	
CHONGQING YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR FAWAY Co. Ltd	*			EM_ifrs	49.95	25.47	EM_ifrs	49.95	25.47	
GUANGZHOU ZHONGXIN YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR TRIM Co. Ltd	*			EM_ifrs	49.95	25.47	EM_ifrs	49.95	25.47	
CHENGDU FAWAY YANFENG PLASTIC OMNIUM Co. Ltd	*			EM	24.48	24.48	EM	24.48	24.48	
DONGFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	*			EM	24.98	24.98	EM	24.98	24.98	
CHANGCHUN HUAZHONG YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIORS Co. Ltd	*			EM_ifrs	49.95	24.98	EM_ifrs	49.95	24.98	
GUANGZHOU ZHONGXIN YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co., Ltd	a2020	*		EM_ifrs	49.95	25.47	EM_ifrs	49.95	25.47	
HBPO CHINA BEIJING Co. Ltd		*		FC	66.67	66.67	FC	66.67	66.67	
HBPO Nanjin Co. Ltd		*		FC	66.67	66.67	FC	66.67	66.67	
HBPO Shanghai Ltd	a2021	*		FC	66.67	66.67	-	-	-	
<u>South Korea</u>										
PLASTIC OMNIUM Co. Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM KOREA NEW ENERGIES Co. Ltd	a2020	*		FC	100	100	FC	100	100	
SHB AUTOMOTIVE MODULES		*		EM_ifrs	33.34	33.34	EM_ifrs	33.34	33.34	
HBPO PYEONGTAEK Ltd		*		FC	66.67	66.67	FC	66.67	66.67	
HBPO ASIA HQ Ltd	c2020	*		-	-	-	FC	66.67	66.67	

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021 – COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segment			December 31, 2021			December 31, 2020			Tax group
	Industries	Modules	Un-allocated	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Spain</u>										
PLASTIC OMNIUM EQUIPAMIENTOS EXTERIORES SA	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM AUTO INERGY SPAIN SA	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM COMPOSITES ESPANA SA	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM AUTOMOTIVE ESPANA	*			FC	100	100	FC	100	100	3
HBPO AUTOMOTIVE SPAIN SL		*		FC	66.67	66.67	FC	66.67	66.67	
<u>United States</u>										
PLASTIC OMNIUM Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM INDUSTRIES Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTO EXTERIORS LLC	*			FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTO INERGY (USA) LLC	*			FC	100	100	FC	100	100	4
HBPO NORTH AMERICA Inc.		*		FC	66.67	66.67	FC	66.67	66.67	
<u>Hungary</u>										
HBPO MANUFACTURING HUNGARY Kft		*		FC	66.67	66.67	FC	66.67	66.67	
HBPO AUTOMOTIVE HUNGARIA Kft		*		FC	66.67	66.67	FC	66.67	66.67	
HBPO SZEKESFEHERVAR Kft		*		FC	66.67	66.67	FC	66.67	66.67	
<u>India</u>										
PLASTIC OMNIUM AUTO EXTERIORS (INDIA) PVT Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDIA PVT Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MANUFACTURING INDIA PVT Ltd	*			FC	55	55	FC	55	55	
<u>Indonesia</u>										
PT PLASTIC OMNIUM INDONESIA	a2021	*		FC	100	100	-	-	-	
<u>Israel</u>										
POCellTech	c2020	*		-	-	-	EM	50	23	
<u>Japan</u>										
PLASTIC OMNIUM KK		*		FC	100	100	FC	100	100	
<u>Malaysia</u>										
HICOM HBPO SDN BHD	b2020	*		FC	51	34	FC	51	34	
PO AUTOMOTIVE SDN BHD MALAYSIA		*		FC	100	100	FC	100	100	
<u>Morocco</u>										
PLASTIC OMNIUM AUTO INERGY (MOROCCO) SARL		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIEUR		*		FC	100	100	FC	100	100	
<u>Mexico</u>										
PLASTIC OMNIUM INDUSTRIAL AUTO EXTERIORES RAMOS ARIZPE SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MEXICO SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORES SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INDUSTRIAL SRL DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SERVICIOS SA DE CV		*		FC	100	100	FC	100	100	
HBPO MEXICO SA DE CV			*	FC	66.67	66.67	FC	66.67	66.67	
HBPO SERVICES MEXICO SA DE CV	c2021		*	FC	66.67	66.67	FC	66.67	66.67	
HBPO MANAGEMENT SERVICES MEXICO SA DE CV	c2021		*	FC	66.67	66.67	FC	66.67	66.67	

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021 – COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segment			December 31, 2021			December 31, 2020			Tax group
	Industries	Modules	Un-allocated	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Netherlands</u>										
DSK PLASTIC OMNIUM BV	*			FC	51	51	FC	51	51	
PLASTIC OMNIUM AUTO INERGY NETHERLANDS HOLDING BV	*			FC	100	100	FC	100	100	
<u>Poland</u>										
PLASTIC OMNIUM AUTO INERGY POLAND Sp Z.O.O	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORS Sp Z.O.O	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO Sp Z.O.O	*			FC	100	100	FC	100	100	
<u>Czech Republic</u>										
HBPO CZECH S.R.O.		*		FC	66.67	66.67	FC	66.67	66.67	
<u>Romania</u>										
PLASTIC OMNIUM AUTO INERGY ROMANIA SRL	*			FC	100	100	FC	100	100	
<u>United Kingdom</u>										
PLASTIC OMNIUM AUTOMOTIVE Ltd	*			FC	100	100	FC	100	100	
HBPO UK Ltd		*		FC	66.67	66.67	FC	66.67	66.67	
<u>Russia</u>										
PLASTIC OMNIUM AUTO INERGY RUSSIA LLC	*			FC	100	100	FC	100	100	
DSK PLASTIC OMNIUM INERGY	*			FC	51	51	FC	51	51	
<u>Slovakia</u>										
PLASTIC OMNIUM AUTO EXTERIORS S.R.O.	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SLOVAKIA S.R.O.	*			FC	100	100	FC	100	100	
HBPO SLOVAKIA S.R.O.		*		FC	66.67	66.67	FC	66.67	66.67	
<u>Switzerland</u>										
PLASTIC OMNIUM RE AG			*	FC	100	100	FC	100	100	
SWISS HYDROGEN	*			FC	100	100	FC	100	100	
<u>Thailand</u>										
PLASTIC OMNIUM AUTO INERGY THAILAND Co. Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE Co. Ltd	*			FC	100	100	FC	100	100	
<u>Turkey</u>										
B.P.O. AS	*			EM_ifrs	50	49.98	EM_ifrs	50	49.98	

Consolidation method and special features:

FC:	Full consolidation
EM:	Companies that were already consolidated by the equity method before the application of the new consolidation standards at January 1, 2014.
EM_IFRS:	Companies consolidated by the equity method since the application of the new consolidation standards at January 1, 2014

Movements for the period:

a2021:	Companies acquired and/or created during fiscal year 2021
b2021	Companies whose name was changed during fiscal year 2021
c2021:	Companies sold and/or merged during fiscal year 2021
a2020:	Companies acquired and/or created during fiscal year 2020
b2020:	Takeover of HBPO Hicom in 2020
c2020:	Companies sold and/or merged during fiscal year 2020

Tax Group

1	France Plastic Omnium tax group
2	Germany Plastic Omnium tax group
3	Spain Plastic Omnium tax group
4	United States Plastic Omnium tax group
5	Germany HBPO tax group
6	Belgium Plastic Omnium tax group