CONSOLIDATED FINANCIAL STATEMENT 2021

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CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED BALANCE SHEET - ASSETS

In thousands of euros	Note	31/12/2021	31/12/2020
Goodwill	8	13,006	18,411
Intangible assets	9	31,979	34,557
Property, plant and equipment	10	100,729	74,583
Right-of-use-assets	11	17,735	20,021
Financial assets	12	3,167	3,464
Deferred tax assets	26	15,102	15,165
Trade receivables from financing activities > 1 year	14	49,185	53,764
Other non current assets	15	2,629	7,845
NON CURRENT ASSETS (A)		**233,532**	**227,810**
Inventory	13	156,818	134,236
Trade receivables	14	112,008	78,372
Trade receivables from financing activities < 1 year	14	21,684	22,039
Other assets	15	26,597	29,265
Cash and cash equivalents	18	33,203	26,177
CURRENT ASSETS (B)		**350,310**	**290,089**
TOTAL ASSETS (A+B)		**583,842**	**517,899**

Notes 1 to 47 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED BALANCE SHEET - LIABILITIES

In thousands of euros	Note	31/12/2021	31/12/2020
Share capital	19	4,078	4,078
Share premiums	19	71,902	71,902
Consolidated reserves and income		148,211	144,043
SHAREHOLDERS'EQUITY BEFORE MINORITY INTERESTS (A)		**224,191**	**220,023**
Minority interests (B)		(127)	(329)
TOTAL EQUITY		**224,064**	**219,694**
Long-term borrowings	20	69,916	130,261
Non current lease liabilities	11	13,633	15,855
Deffered tax liabilities	26	10,334	8,831
Provisions	22	5,516	6,144
NON CURRENT LIABILITIES (C)		**99,399**	**161,091**
Trade payables	24	91,867	45,301
Other current liabilities	25	22,792	19,898
Current borrowings	20	130,924	58,095
Current lease liabilities	11	4,642	4,581
Provisions	22	10,154	9,239
CURRENT LIABILITIES (D)		**260,379**	**137,114**
LIABILITIES AND SHAREHOLDERS'EQUITY (A+B+C+D)		**583,842**	**517,899**

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CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED INCOME STATEMENT

In thousands of euros	Note	31/12/2021		31/12/2020	
Sales and revenue	27	497,272	100.0%	438,544	100.0%
Cost of sales	28	(389,329)	-78.3%	(338,176)	-77.1%
Selling expenses		(30,637)	-6.2%	(27,904)	-6.4%
General and administrative expenses	29	(48,321)	-9.7%	(49,824)	-11.4%
Research and development expenditures	30	(11,771)	-2.4%	(10,281)	-2.3%
Exchange gains and losses	31	384	0.1%	(1,358)	-0.3%
CURRENT OPERATING INCOME		**17,598**	**3.5%**	**11,001**	**2.5%**
Other operating income and expenses	34	(5,626)	-1.1%	(7,130)	-1.6%
OPERATING INCOME		**11,972**	**2.4%**	**3,871**	**0.9%**
Cost of net financial debt	35	(4,024)	-0.8%	(3,360)	-0.8%
Exchange gains and losses	31	9,065	1.8%	(14,666)	-3.3%
Other financial income and expenses	35	(919)	-0.2%	(1,455)	-0.3%
PROFIT BEFORE TAXES		**16,094**	**3.2%**	**(15,610)**	**-3.6%**
Income tax	36	(7,956)	-1.6%	(10,407)	-2.4%
NET PROFIT		**8,138**	**1.6%**	**(26,017)**	**-5.9%**
attributable to equity holders of the parent		7,934		(26,057)	
attributable to minority interests		204		40	
NET EARNINGS PER SHARE	**38**	**0.27**		**(0.88)**	
NET DILUTED EARNINGS PER SHARE	**38**	**0.27**		**(0.88)**	

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CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	Note	31/12/2021	31/12/2020
PROFIT / (LOSS) FOR THE YEAR (A)		**8,138**	**(26,017)**
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT AND LOSS			
Currency translation differences for cash items relating to net investments in foreign operations		6,536	(15,411)
Currency translation differences from financial statements of subsidiaries		(6,792)	270
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS			
Actuarial gains and losses on employee benefits	23	1,183	(52)
Income tax	26	(2,701)	82
Net income / (expense) recognised directly in equity (B)		**(1,774)**	**(15,111)**
Total consolidated comprehensive income (A+B)		**6,364**	**(41,128)**
attributable to equity holders of the parent		6,320	(41,171)
attributable to minority interest		44	43

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CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands of euros	Note	31/12/2021	31/12/2020
NET INCOME		**8,138**	**(26,017)**
Depreciation and amortization		**19,821**	24,343
Change in provisions (except for current assets)		**1,333**	(831)
Change in financial derivative instruments fair value		-	-
Unrealised foreign exchange gains and losses	**31**	**(9,566)**	12,490
Change in deferred taxes	**36**	**2,668**	5,489
Gains and losses from disposals of fixed assets		**41**	(1,564)
Interests on bank borrowings	**35**	**4,014**	3,360
GROSS CASH FLOWS FROM OPERATIONS		**26,449**	**17,272**
Change in operating working capital	**40**	**1,279**	34,384
Change in receivables from financing activities	**41**	**7,868**	(17,743)
Change in other non current assets		-	-
CASH FLOWS FROM OPERATING ACTIVITIES		**35,596**	**33,913**
Purchases of fixed assets		**(35,724)**	(31,200)
Proceeds from the sales of fixed assets, net of tax		**1,884**	2,245
Dividends received		-	-
Impact of changes in scope of consolidation		-	-
Change in payables on fixed assets		-	-
CASH FLOWS FROM INVESTING ACTIVITIES		**(33,840)**	**(28,955)**
Dividends paid to shareholders		**-**	(6,494)
Loans issues	**20**	**23,906**	5,048
Borrowings repayments	**20**	**(13,875)**	(7,763)
Lease liabilities repayments	**11**	**(5,949)**	(6,725)
Treasury shares		**(113)**	88
CASH FLOWS FROM FINANCING ACTIVITIES		**3,969**	**(15,846)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**5,725**	**(10,888)**
Opening cash and cash equivalents	**42**	**(10,804)**	2,112
Effect of exchange rate changes		**(828)**	(2,028)
Closing cash and cash equivalents	**42**	**(5,907)**	(10,804)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**5,725**	**(10,888)**

Notes 1 to 47 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF CHANGES IN EQUITY

In thousands of euros	Capital	Share premiums	Consolidated reserves*	Profit for the period	Treasury shares **	Free shares ***	Translation differences	Actuarial gains and losses on employee benefits	Group share	Minority Interests	Total
Balance at 31 December 2019	**4,078**	**81,627**	**211,699**	**21,387**	**(14,424)**	**853**	**(38,061)**	**(2,441)**	**264,718**	**(372)**	**264,346**
Change in capital of the parent company									**-**		**-**
Appropriation of 2019 net income		(2,823)	24,210	(21,387)					**-**		**-**
Dividends paid by the parent company		(6,494)							**(6,494)**		**(6,494)**
Net income for the period				(26,057)					**(26,057)**	40	**(26,017)**
Net income / (expense) recognised directly in equity							(15,076)	(38)	**(15,114)**	3	**(15,111)**
Total consolidated comprehensive income				(26,057)			(15,076)	(38)	**(41,171)**	43	**(41,128)**
Treasury shares					88	473			**561**		**561**
Other changes****			2,409						**2,409**		**2,409**
Balance at 31 December 2020	**4,078**	**72,310**	**237,176**	**(26,057)**	**(14,336)**	**1,326**	**(53,137)**	**(2,479)**	**220,023**	**(329)**	**219,694**
Change in capital of the parent company									**-**		**-**
Appropriation of 2020 net income			(26,057)	26,057					**-**		**-**
Dividends paid by the parent company									**-**		**-**
Net income for the period				7,934					**7,934**	204	**8,138**
Net income / (expense) recognised directly in equity							(2,620)	847	**(1,773)**	(1)	**(1,774)**
Total consolidated comprehensive income				7,934			(2,620)	847	**6,161**	203	**6,364**
Treasury shares					(40)	(1,326)			**(1,366)**		**(1,366)**
Other changes****			(627)						**(627)**	(1)	**(628)**
Balance at 31 December 2021	**4,078**	**72,310**	**210,492**	**7,934**	**(14,376)**	**-**	**(55,757)**	**(1,632)**	**224,191**	**(127)**	**224,064**

**Consolidated reserves primarily consist of retained earnings.*
***For the three periods, the amount of treasury shares has been disclosed at the book value, and the correction in consolidated reserves.*
****Following the non-achievement of the objectives set, the free share allocation plan of March 13, 2018 was fully rversed during the financial year.*
*****Other changes include hyperinflation effects in Argentina and 2020 employee benefits update following IFRS IC decision (see note 23).*

Notes 1 to 47 constitute an integral part of these consolidated financial statements

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FOR THE YEAR ENDED 31 DECEMBER 2021

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CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1 - GENERAL INFORMATION

Haulotte Group S.A. manufactures and distributes through its subsidiaries (forming the "Group") people and material lifting equipment.

Haulotte Group also operates in the rental market for these equipments.

Haulotte Group S.A. is a "société anonyme" (a French limited liability company) incorporated in Saint-Etienne (France) with its registered office in Lorette. The company is listed on Euronext Paris – Eurolist Compartment B (Mid Caps).

The annual consolidated financial statements for the period ended 31 December 2021 and the notes thereto were approved by the Board of Directors of Haulotte Group SA on March 8th 2022. Figures are expressed as thousands of euros.

NOTE 2 - MAJOR EVENTS OF THE FISCAL YEAR

2.1 A GLOBAL AERIAL WORK PLATFORM MARKET IN STRONG RECOVERY

During the fiscal year, the global aerial work patform market is recovering strongly in all geographical areas. Chinese market remains the first market globally. The strong recovery of the North-American market is confirmed after some slow-down semesters.

This commercial dynamic, in all regions, allows the Group to post an increase of its sales up +13% and a historic level of its order book.

2.2 DIFFICULTIES IN PROCURING AND COMPONENTS PRICE INCREASE

The strong business recovery of activities has generated difficulties in procuring components and has increased delivery times that lead to a significant increase of components' prices which impact on last quarter have been significant.

These various elements also had the effect of extending machine delivery time during the fiscal year.

2.3 SYNDICATED LOAN CONTRACT

On December 22nd, 2021, in order to allow Haulotte to maintain the necessary flexibility to manage its business at a time of strong recovery, Haulotte submitted to all the lenders of the Syndicated Loan a request for a waiver concerning the non-compliance with its banking ratios for the periods of December 2021 and June 2022. It was unanimously accepted on February 15, 2022. This waiver request, obtained after the annual closing date, led to the presentation of the Syndicated Loan as short-term debt as of December 31st, 2021.

The cash flow forecasts for the next twelve months do not question the Group's ability to ensure its liquidity with regard to the credit lines opened and available at December 31, 2021 and the cash flow forecasts for the first months of 2022.

Haulotte had obtained on June 30th, 2021, an extension of one more year of the syndicated loan agreement, as disclosed in the contract signed on July 17th, 2019, bringing its maturity to July 17, 2026.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied to prepare the consolidated financial statements are described below. Except where specifically stated otherwise, these policies are consistently applied to all financial periods presented herein.

3.1 STATEMENTS OF COMPLIANCE

As a publicly traded company listed in the European Union and in accordance with EC regulation 1606/2002 of 19 July 2002, the Group's consolidated financial statements for fiscal year ended 31 December 2020 have been prepared according to IFRS (International Financial Reporting Standards) as adopted by the European Union on 31 December 2021.

These standards can be consulted at the website of the European commission (http://ec.europa.eu/internal_market/ accounting/ias/index_en.htm). They include standards approved by the International Accounting Standards Board (IASB), i.e. IFRS, International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The consolidated financial statements have been prepared according to the historical cost convention, with the exception of certain items, notably assets and liabilities measured at fair value.

Amendments and interpretations of standards in issue taking effect in 2021

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2021:

Standard or interpretation	Nature of expected change on accounting principles and methods	Impact of first-time application for Haulotte Group
Amendments to IFRS 4	These amendments allow a provisional exemption from the application of IFRS 9 on insurance contracts	This new pronouncement is not applicable to the Group's financial statements.
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	These amendments complete those published in 2019 and focus on the effects on the financial statements when a company switches from the old benchmark interest rate to another benchmark rate as a result of the reform of interbank benchmark rates.	The application of these amendments does not have a significant impact on the Group's financial statements or the comparative financial statements.
Amendments to IFRS 16	These amendments allow a rents' reduction linked to Covid-19 beyond June 30, 2021	The application of these amendments does not have a significant impact on the Group's financial statements or the comparative financial statements.
Amendments to IAS 19	Decision of IFRS IC which concluded that the provision to be recognized for the benefit should only be constituted over the period covering the last 16 years of service rendered by the employee.	Impacts are disclosed in the note 23.

New standards, amendments or interpretations applicable in advance

The Group did not anticipate and does not expect to anticipate for the text adopted by the European Union at the closing date but applicable for the following exercises.

New standards and interpretations not yet adopted by the European Union

The Group does not anticipate or plan at this stage early adoption of other new standards or interpretations published by IASB or IFRIC but not yet adopted by the European Union at the closing date.

3.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.2.1 Critical accounting estimates and assumptions

In preparing financial statements, the Group will resort to estimates and assumptions about future events. Such estimates are based on past experience and other factors considered reasonable in view of current circumstances. Actual results may differ from these estimates.

The main sources of uncertainty concerning key assumptions and assessments are:

- estimated impairment of goodwill (cf. note 4.1),
- evaluation of customer counterparty risk: evaluation of the recoverable value of trade receivables (see note 4.7) is based on credit rating procedures (see note 5 b) and, when applicable, analysis based on the Group's ability to recover the equipment in the case of customer default and proceed with their sale for a specified value. This resale value is estimated on the basis of data for the sale of used machines previously carried out by the Group over a period of several years. The consistency of these values with quoted prices for second hand assets generally accepted on the market is also verified. Today, there are no factors which might call into question the valuation of this recoverable value and notably the validity of quoted prices of second-hand equipment. Nevertheless, deterioration in the future of the market values of second-hand equipment could result in the recognition of additional impairment charges for trade receivables,
- net realizable value of inventory (cf. note 4.6): the net realizable value of work in progress and finished goods at 31 December 2020 determined on the basis of actual recorded transactions depending on each equipment's production year, remains significantly higher than the cost price,
- the assessment of the preferential nature of guarantees for residual amounts: the accounting treatment associated with transactions accompanied by such guarantees (cf. note 4.7.2) is based on the assumption that has been almost systematically verified to date of the attractiveness of the option to repurchase equipment offered to customers when compared to the current sales prices in the second-hand equipment market. If this assumption ceases to be confirmed, the accounting treatment of such future transactions should be adapted in consequence.

Use of estimates and assumptions also had an impact on the following items:

- revenue recognition, notably in the context of tripartite agreements described in notes 4.7.2 to 4.7.4
- amortization and depreciation periods for fixed assets (cf. note 4.3),
- the evaluation of provisions, notably for manufacturer warranties (cf. note 4.11) and for pension liabilities (cf. note 4.10),
- the recognition of deferred tax assets (cf. note 4.13).

The financial statements reflect the best estimates according to information available at time of finalizing production of accounts.

3.2.2 Evaluation of risks and significant uncertainties having a potential material impact on Haulotte Group

The main material risks and uncertainties that could have a material impact on the Group identified at 31 December 2021 relate on one hand to the market risk, to the monetary environment of the Group and, on the other hand, on items relating to its liquidity. Regarding the market (following variations are at constant exchange rates & excluding IAS 29 application), fiscal year 2021 was marked by an increase of turnover of +13%. Over the year, sales of equipment increased by +11%, rental sales by +40% and services by +22%.

The Group maintains its policy of a centralised management of foreign exchange as described in note 5.a) and pays specific attention to the evolution of foreign currencies on its main markets, as these could significantly affect its financial performance.

During the year, the Group continues to diversify its financing (see note 20).

The liquidity risk is described in detail in note 5.c). The cash flow forecasts for the next twelve months do not question the Group's ability to ensure its liquidity with regard to the credit lines opened and available at December 31, 2021 and the cash flow forecasts for the first months of 2022. As mentioned in note 20, at 31 December 2021, the syndicated is used for an amount of 101 M€.

3.2.3 Consideration of risks related to climate change

The Group has taken into account the financial impacts and risks associated with climate change. The Group has analyzed this risk on all of its financial information and has paid particular attention to the following aspects:

- Goodwill impairment tests;
- Recoverable value of intangible and tangible fixed assets;
- Realizable value of inventories;
- Valuation and completeness of provisions.

As of December 31, 2021, we have not identified any significant climate risk that could have an impact on the financial statements.

3.3 CONSOLIDATION

Subsidiaries over which Haulotte Group S.A. directly or indirectly exercises exclusive control are fully consolidated. They are deconsolidated from the date that control ceases.

Equity method is used for all associated companies in which the Group exerts significant influence. According to this method, Haulotte Group records in a specific caption of the consolidated income statement its share in the net income of the company consolidated using equity method. As of 31 December 2021, Haulotte Group does not have any company consolidated using the equity method.

The list of subsidiaries included in the consolidation scope is shown in note 7.

3.4 INTERCOMPANY BALANCES AND TRANSACTIONS

All intercompany balances and transactions between fully consolidated companies are eliminated .

3.5 FOREIGN CURRENCY TRANSLATION OF FOREIGN SUBSIDIARIES FINANCIAL STATEMENT

The consolidated financial statements are presented in euro (€), which is the parent company's, Haulotte Group S.A., functional and the Group's presentation currency.

Financial statements of foreign subsidiaries are measured using the functional currency, their local currency.

The results and financial position of foreign entities that have a functional currency different from the presentation currency (euro) are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of balance sheet;
- Income statement items are translated at the average exchange rate for the period (average for 12 monthly rates) except if exchange rates experience significant fluctuations. In the latter case, applying an average exchange rate for a period would not be appropriate. Thus, to apply IAS 29, the income statement of the entities Haulotte Argentina S.A. and Horizon High Reach Limited were converted using the closing rate.

Exchange differences resulting from the translation of the subsidiaries' financial statements are recognized as a separate component of equity and broken down between the parent company share and minority interests.

In the case of the disposal of an entity, translation differences that were recognized under components of comprehensive income items are reclassified from equity to income of the period (as a reclassification adjustment) when a gain or loss resulting from the disposal is recognized. These amounts are then included in the disposal result in the 'other income and expenses' line.

Goodwill is accounted for in the currency of the subsidiary concerned. It must consequently be stated in the functional currency of the subsidiary and translated at year-end.

3.6 TRANSLATION OF TRANSACTIONS IN FOREIGN CURRENCY

Foreign currency transactions are translated by the subsidiary into its functional currency using the exchange rates prevailing at the date of the transaction. At year-end, monetary items of the balance sheet denominated in foreign currencies are translated at closing exchange rates.

Gains and losses on translation are recorded directly in the income statement under operating income as "exchange gains and losses" except net foreign investments as defined under IAS 21 for which exchange differences are recognized as other comprehensive income items. In the event of the prepayment of a current account balance considered equivalent to a net investment in a foreign operation, the reduction of the associated investment is assessed on the basis of relative value and implies a decrease of interest rates. According to this methodology, no recycling in the result of exchange differences is done in case of reimbursement of the loan. This one does not constitute a partial exit since it does not reduce the interest rate in the foreign subsidiary.

3.7 BUSINESS COMBINATIONS

Business combinations occurring after 1 January 2010 are accounted for using the acquisition method, in accordance with IFRS 3 (Revised) – Business Combinations:

- The acquired identifiable assets and assumed liabilities and contingent liabilities are measured at acquisition-date fair value, provided that they meet the accounting criteria in IFRS 3 (Revised). An acquired non-current asset (or disposal group) that is classified as held for sale at the acquisition date is measured at fair value less costs to sell. Only the liabilities recognized in the acquirees's balance sheet at the acquisition date are taken into account. Restructuring provisions are therefore not accounted for as a liability of the acquiree unless it has an obligation to undertake such restructuring at the acquisition date. Acquisition-related costs are recognized as expenses in the period in which the costs are incurred.
- The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the Group's share in the fair value of the acquired identifiable net assets exceeds the cost of acquisition, that difference is recognized directly in the income statement (see note 4.1).
- For each acquisition, the Group has the option of using the full goodwill method, where goodwill is calculated by taking into account the acquisition-date fair value of minority interests, rather than their share of the fair value of the assets and liabilities of the acquiree.
- Contingent consideration is measured at its acquisition-date fair value and is subsequently adjusted through goodwill only when additional information is obtained after the acquisition date about facts and circumstances that existed at that date. Such adjustments are made only during the 12-month measurement period that follows the acquisition date. All other subsequent adjustments are recorded as a receivable or payable through profit or loss (line "Other operating income and expenses").
- In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if material, is recognized as "Other operating income and expenses".

3.8 SEGMENT REPORTING

The Group has determined that the primary operating decision-making body of the entity is the Executive Committee. The Committee reviews internal reporting of the Group, evaluating its performance and making decisions for the allocation of resources. The operating segments have been adopted by management on the basis of this reporting.

The Executive Committee analyses activity both according to geographic markets and the Group's businesses. These businesses are:

- the manufacture and sale of lifting equipment,
- the rental of lifting equipment,
- services (spare parts, repairs and financing).

The column « Others » includes items not allocated to the Group's three business segments as well as inter-segment items.

Internal reporting used by the Executive Committee is based on a presentation of the accounts according to IFRS principles, including all Group activities.

The main indicators for performance reviewed by the Executive Committee are revenue and current operating income. In addition, the Executive Committee monitors the main balance sheet captions: trade receivables and inventories.

The Group has not identified any customer accounting for more than 10% of revenue.

NOTE 4 - PRINCIPLES AND METHODS FOR THE VALUATION OF KEY BALANCE SHEET AGGREGATES

4.1 GOODWILL

Goodwill related to consolidated companies is booked to balance sheet assets under "Goodwill". They result from the application of the principles of business combinations described in note 3.7 above.

Negative Goodwill (or badwill) is recognized immediately under other operating income and expenses during the year of acquisition and no later than 12 months after the acquisition, after the correct identification and valuation of acquired assets and liabilities has been verified.

Goodwill is not depreciated but is instead subject to impairment testing whenever there exists an indicator of impairment and at least once a year. For the purpose of impairment testing, goodwill is allocated to Cash Generating Units (CGU) or groups of CGU that may benefit from business combinations.

The Group has defined different CGUs:

- The North America CGU including the subsidiaries Haulotte US and BilJax,
- Group rental company subsidiaries each representing an independent CGU, NDU (out of consolidation perimeter since November 2021) and Horizon Argentina
- Manufacturing and distribution subsidiaries (Excluding North America and Turkey) of the Group included within a single CGU.
- CGU for Acarlar Makine, related to the distribution in Turkey .

An impairment loss is recognized when the carrying value is higher than the recoverable value, defined as the higher of value in use and fair value. Value in use is determined in reference to five-year business plans for which future flows are extrapolated and discounted to present value, or for some rental subsidiaires, using the market value of the rental assets.

Goodwill impairment charges are irreversible.

Income and expense arising respectively from the recognition of negative goodwill (badwill) and the impairment of positive goodwill are recognized under the "other operating income and expenses".

4.2 INTANGIBLE ASSETS

Developpement expenditures

Research expenditure is expensed as incurred. Development expenditure in connection with projects (for the design of new products or improvement of existing products) is recognized as intangible asset when the following criteria are met:

- the technical feasibility of completing the project,
- the intention of management to complete the project,
- the ability to use or sell the intangible asset,
- the intangible asset will generate probable future economic benefits for the group,
- the availability of adequate technical, financial and other resources to complete the project,
- the ability to measure reliably the costs.

Other development expenditures that do not meet these criteria are expensed in the period incurred. Development expenditure previously expensed is not recorded as an asset in subsequent periods.

Development expenditure is amortized from the date the asset is commissioned using the straight-line method over the estimated useful life of 2 to 5 years.

In compliance with IAS 36, development expenditure recognized under assets not yet fully amortized is tested for impairment annually or as soon as any impairment indicator is identified (when the inflow of economic benefits is less than initially anticipated). The carrying value of capitalised development expenditure is compared with expected cash flows projected over 2 to 5 years to determine the impairment loss to be recorded.

Customer Portfolio

The customer portfolio had been determined at the purchase price allocation of Acarlar.

The price paid for this acquisition includes customer relationship of the company. Only the relationship existing at the date of acquisition were evaluated.

The fair value of the customer portfolio had been determined using the excess earnings method. Usefull life of the portfolio was set at 10 years.

Other intangible assets

Other intangible assets (software, patents, etc.) are recognized at purchase cost excluding incidental expenses and financial charges.

Software is amortized using a straight-line method over 3 to 7 years.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recognized on the balance sheet at purchase cost (less discounts and all costs necessary to bring the asset to working condition for its intended use) or production cost. Finance costs are not included in the cost of fixed assets.

The basis for depreciation of fixed assets is their gross value (cost less residual value). Depreciation starts from the date the asset is ready to be commissioned. Depreciation is recorded over the useful life that reflects the consumption of future economic benefits associated with the asset that will flow to the Group.

When the asset's carrying value is greater than the estimated recoverable amount, an impairment is immediately recorded for the difference.

Component parts are recognized as separate assets and subject to different depreciation rates if the related assets have different useful lives. The renewal or replacement costs of components are recognized as distinct assets and the replaced asset is written off.

Land is not depreciated. Other depreciation on assets is calculated using the straight-line method over their estimated useful lives as follows:

	Depreciation period
Plant buildings :	
Main component	**30 to 40 years**
Other components	**10 to 30 years**
Buildings fixtures and improvements:	
Main component	**10 to 40 years**
Other components	**5 to 20 years**
Plant equipment	**5 to 20 years**
Other installations and equipment	**3 to 20 years**
Transportation equipment	**5 years**
Computer and office equipment	**3 to 10 years**
Office furniture	**3 to 10 years**

The assets' residual value and useful lives are reviewed and adjusted, if appropriate, at each balance-sheet date.

Gains and losses arising from the disposal of fixed assets are recognized under other operating income and expenses.

4.4 LEASE CONTRACTS

Lease contracts, as defined by IFRS 16 "Leases", are recorded in the balance sheet, which leads to the recognition of:

- An asset representing a right of use of the asset leased during the lease term of the contracts;
- A liability related to the payment obligation.

At the commencement date, the right of use asset is measured at cost which includes the debt initial amount and can comprise, when applicable, any lease payments made at or before the commencement date, any initial direct costs incurred for the conclusion of the contracts and estimated costs for restoration and dismantling of the leased asset according to the terms of the contract.

The right of use asset is depreciated over the useful life of the underlying assets (the duration chosen is the first expiry date; unless specific information leads to choose a longer period).

At the commencement date, the lease liability is recognized for an amount equal to the present value of the lease payments over the lease term.

The right of use asset and the lease liability may be remeasured in the following situations:

- Change in the lease term;
- Modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option;
- Adjustment to the rates and indices when according to which the rents are calculated when rent adjustments occur.

The key assumptions that the Group uses for the implementation of the standard are:

- Durations : The Group has decided to retain the contractual terms of the contracts. The duration chosen is the first expiry date; unless specific information leads to choose a longer period taking into account the options for leaving and renewing the contract.
- Discount rate : The Group wished to use the simplification measures recommended by the standard and thus use the marginal borrowing rate of the contract taking into account the asset class, the duration of the contract and the economic environment.

4.5 OTHER FINANCIAL ASSETS

In the IFRS 9 standard, financial assets are classified in three different categories according to their nature and the intended investment period:

- Held-to-maturity investments
- Financial assets measured at fair value through profit and loss
- Financial assets measured at fair value through other comprehensive income.

The "other financial assets" of the Group are essentially loans. They are recognized at the fair value of the price paid less transaction costs at initial recognition and subsequently at amortized cost at each balance sheet date. All impairment losses on these assets (excluding account receivables, see Note 4.7) are immediately recognized in the income statement through "other financial income and expenses". The fair value of these financial assets corresponds to its accounting value.

This caption also includes deposits and sureties.

4.6 INVENTORIES AND WORK IN PROGRESS

Inventories are stated at the lower of cost or net realizable value:

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit,
- The cost of finished goods and work in progress includes direct production costs and factory overhead (based on normal operating capacity);
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines).

The net realizable value is the estimated selling price in the ordinary course of business less applicable expenses to sell or recondition the goods.

Impairment is recognized when the net realizable value is less than the carrying value of inventories defined above.

4.7 TRADE RECEIVABLES

There are four categories of trade receivables:

- Receivables resulting from transactions with customers obtaining financing directly (4.7.1) with no guarantee given by the Group to the financial institution providing the financing;
- Receivables resulting from transactions for which Haulotte Group grants guarantees to the financial institution providing financing to the customer (4.7.2);
- Receivables resulting from finance leases with financing or credit sales provided by Haulotte Group (4.7.3);
- Receivables resulting from back-to-back arrangements (4.7.4).

The accounting treatment for each transaction category is described below.

4.7.1 Sales without Group financing or guarantees

These receivables are recognized at fair value of the compensation received or to be received. They are subsequently recognized at amortized cost according to the effective interest rate method, less provisions for impairment.

When there exists serious and objective evidence of collection risks, a provision for impairment loss is recorded. The provision represents the difference between the asset's carrying amount and the estimated resale value of the equipment representing the receivable on the date the risk of non-collection is determined. This policy is based on the following factors:

- assets representing receivables may be repossessed by Haulotte Group in the event of customer default, when provided for by contractual terms and conditions
- a precise knowledge of the equipment's market value.

These market values are estimated on the basis of second-hand equipment sales realized by the Group over several years and corroborated by listed values for second-hand equipment.

4.7.2 Sales including guarantees granted by the Group

In line with industry practice, Haulotte Group grants guarantees to financial institutions offering financing to Group customers. Under such arrangements, Haulotte Group sells equipment to the financial institution that in turn contracts with the end user customer through one of two options:

- the credit sale of the equipment, or
- the conclusion of a finance lease.

Haulotte Group may grant several types of guarantees depending on the framework of agreements concluded with financial institutions and the level of risk assigned to the customer by this institution. Those guarantees are:

Guarantee in the form of a commitment to continue lease payments: Haulotte Group guarantees the financial institution payment if the debtor defaults and pays said institution in the event of default, the entire outstanding capital balance owed by the defaulting client. Haulotte Group has a right to repossess the equipment in exchange for its substitution in the place of the defaulting customer.

Guarantee in the form of a contribution to a risk pool: In this case, a portion of the amount of the sale to the financial institution is contributed to a guarantee fund that will cover potential risk of future customer default until a maximum amount defined contractually. In the event of default of a customer qualifying for the pool, the financial institution is assured of the recovery of its debt as defined in the contract (difference between the amounts owed by the customer at the time of default and a contractually defined value expressed as a percentage of the initial sale price of the financed good and decreasing in the time).

Specific guarantee covering a determined amount for a given receivable: In this case, the recourse of the financial institution is defined receivable by receivable. The financial institution confirms at each accounting closing the amount of its specific recourse for each receivable having been the object of this specific guarantee.

The accounting treatment of the first three types of guarantees associated with the different lease agreements concluded between the financial institution and the end-user customer are determined based on the analysis of the substance of the transaction as follows:

- as a loan granted to the end customer by Haulotte Group, the contract being transferred to the financial institution in order for the sale to be financed (case of a credit sale);
- as a finance lease between Haulotte Group and the end-customer, the contract being transferred to the financial institution in order for the sale to be financed (case of a finance lease).

The analysis of the above contracts in accordance with the provisions of IFRS 9 indicates that Haulotte Group is in a situation known as "involvement retention"; the share of receivables maintained on the balance sheet in this regard corresponds to the maximum amount that may be repaid by Haulotte under the guarantee given.

Accordingly, for such contracts, the following accounting treatment is applied: recognition of a receivable (under “receivables from financing activities” in the balance sheet) for the amount of the guarantee given to to the financial institution as a counterpart of a financial liability (under “Guarantees”). These receivables and payables are discharged as the customer makes the lease payments to the financial institution.

However, in the case of a guarantee with a contribution to a risk pool covering a fixed amount per receivable, the amount recognized under receivables and payables is capped to the financial institution amount of recourse towards Haulotte Group and not expanded to the full amount of the “assigned” receivable.

Haulotte Group measures at each closing the risk of the guarantees granted being activated by reviewing payment default that would have been reported by financial institutions. In this case a provision for impairment loss is recorded, determined as described in note 4.7.1.

Other guarantees given by Haulotte Group are disclosed in off-balance sheet commitments in note 44.

4.7.3 Financial leases and credit sales

Haulotte Group concludes credit sales or leasing contracts directly with its customers with no intermediary financial institutions.

Credit sales are analyzed according to the standard IFRS 15 (see note 6.1).

Analysis of these financial leases contracts according to provisions of IFRS 16, these agreements are classified as finance leases, as a significant portion of the risks and rewards of ownership are transferred to the lessees.

The accounting treatment for these agreements is as follows:

- equipment sales are recognized under “sales and revenue” in the income statement on the date the parties sign the lease agreement,
- a trade receivable (under “receivables from financing activities” in the balance sheet) is recognized vis-a-vis the end customer broken down between current assets for the portion of lease payments due within one year and non-current assets for the balance,
- for the following periods, payment received from the customer as per the lease agreement or the credit sale is allocated between financial income and repayment of the receivable and finance charge.

4.7.4 Back-to-back lease arrangements

Haulotte Group can sometimes use that type of financing.

The Back to back leasing consists for the manufacturer in selling the equipment to a financial institution that will lease the equipment to him, along with a sub-lease contract signed between the manufacturer and his customer. Based on the analysis of these transactions, both upstream and downstream structures, they have been considered as Finance leases. The analysis in substance of upstream and downstream operations leads to recognize:

- the sale of the good to a customer, recorded in return for a receivable on financing operations.
- a financial debt with the financial institution.

4.8 CASH AND CASH EQUIVALENTS

"Cash and cash equivalents" includes cash at hand and other short-term investments. The latter consists primarily of money market funds and term deposits.

Cash equivalents consist of short-term high liquidity investments that are readily convertible to known amounts of cash and present insignificant risk of change in value.

Accrued interest has been calculated for term deposits for the period between the subscription and closing date.

4.9 TREASURY SHARES

Shares of Haulotte Group S.A. acquired in connection with the Group share buyback programs (liquidity contract allocated to ensure an orderly market in the company's shares and buyback program) are recorded as a deduction from consolidated shareholders' equity at acquisition cost. No gain or loss is recognized in the income statement from purchases, sales or impairment of treasury shares.

4.10 EMPLOYEES BENEFITS

The Group records provisions for employee benefits and other post-employment obligations as well as long service awards. The Haulotte Group has only defined benefit plans. The corresponding obligation is measured using the projected unit credit method with end-of-career wages. The calculation of this obligation takes into account the provisions of the laws and collective bargaining agreements and actuarial assumptions concerning notably staff turnover, mortality tables, salary increases and inflation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized among equity items in other comprehensive income for the period in which these gains or losses are incurred. Previously, these actuarial gains and losses were recognized in the income statement of the period in which they were generated.

4.11 PROVISIONS AND CONTINGENT LIABILITY

In general, a provision is recorded when:

- the Group has a present legal or constructive obligation as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and,
- the obligation has been reliably estimated.

Warranty Provision

The Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data (number of materials under warranty, average intervention rate related to this parc and average intervention cost). The warranty period is usually one to two years. When necessary, a provision is recognized on a case-by-case basis to cover specific warranty risks identified.

Litigation

Other provisions are also recorded in accordance with the above principles to cover risks related to litigations, site closures (when applicable) or any other event meeting the definition of a liability. The amount recognized as a provision represents the best estimate of the expenditure required to settle the obligation.

All material lawsuits involving the company were reviewed at year-end, and based on the advice of legal counsel, the appropriate provisions were recorded, when necessary, to cover the estimated risks.

Contingent liability

The Group can, in some cases, identify the existence of a contingent liability defined as follows:

- a potential obligation resulting from past events and that will be confirmed by the occurrence of (or not) of one or several future and uncertain events that are not under the total control of the entity or
- a current obligation resulting from past events but not accounted for because:
  - it is not probable that a resources output representing an economic benefit will be necessary to settle the obligation or,
  - the amount of the obligation cannot be evaluated with sufficient accuracy.

4.12 BORROWINGS

Borrowings are initially recognized at fair value of the amount received less transaction costs. Borrowings are subsequently stated at amortized cost calculated according to the effective interest rate method.

4.13 DEFERRED TAXES

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements as well as on tax losses carried forward. They are calculated using the liability method, for each of the Group's entity, using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets from temporary differences or tax loss carryforwards are recognized only to the extent it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and liabilities are offset if the entities of the same tax group are entitled to do so under enforceable provisions.

NOTE 5 - MANAGEMENT OF FINANCIAL RISK

Foreign exchange risk and Interest rate risk

A significant portion of Haulotte Group sales are in currencies other than the euro including notably the US dollar, Australian Dollar, Renminbi and British pound sterling. Because sales of Group subsidiaries are primarily in their functional currency, transactions do not generate foreign exchange risks at their level.

The primary source of foreign exchange risks for Haulotte Group consequently results from intercompany invoicing flows when Group companies purchase products or services in a currency different from their functional currency (exports of manufacturing subsidiaries located in the euro area and exporting in the local currency of a sale subsidiary).

The Group favours floating-rate debt which provides it greater flexibility. To hedge against interest rate risks, the Group seeks to take advantage of market opportunities according to interest rate trends. There is no recourse to systematic interest rate hedging.

Such exposures are managed by Haulotte Group SA. For the main currencies, foreign exchange trading positions in the balance sheet are partially hedged using basic financial instruments (forward exchange sales and purchases against the euro).

To cover market risks (interest rate and foreign exchange exposures), Haulotte Group has recourse to financial instrument derivatives. These derivatives are designed to cover the fair value of assets or liabilities (fair value hedges) or future cash flows (cash flow hedges).

In compliance with the provisions of IAS 32 and IFRS 9, derivatives are recorded at fair value. The fair value of those contracts is determined based on valuation models given by the banks with which the instruments were traded, and can be considered as level 2 valuations as defined in IFRS 7 (level 2: quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data).

There is also a translational risk due to the geographic diversification of the Group's activities. Haulotte Group is exposed to the risk of conversion of the financial statements of its subsidiaries outside the Euro zone. Thus, an unfavorable change in exchange rates could deteriorate the balance sheet, the income statement and consequently the Group's financial structure ratios, when the accounts of foreign subsidiaries outside the Euro zone are converted into euros in the Group's consolidated accounts.

Credit risk

Credit risk results primarily from exposure to customer credit and notably outstanding trade receivables and transactions.

To limit this risk, the Group has implemented rating procedures (internal or independent) to evaluate credit risk for new and existing customers on the basis of their financial situation, payment history and any other relevant information.

Risk is also limited by Haulotte Group’s ability in the event of default by one of its customers to repossess the equipment representing the receivable. The provisions for impairment loss on trade receivables are determined based on this principle (cf note 4.7).

Liquidity risk

Haulotte Group cash management is centralized. The corporate team manages current and forecasted financing needs for the parent company and subsidiaries.

All cash surpluses are invested in risk-free products at market conditions by the parent company comprised of money market funds and time deposit accounts.

All the decisions taken during this crisis and the resilience of the business model should allow Haulotte not to face any liquidity problem in the coming months.

Status of the syndicated credit facility:

On December 22nd, 2021, in order to allow Haulotte to maintain the necessary flexibility to manage its business at a time of strong recovery, a waiver request with respect to bank ratios for twoperiods (December 2021 and June 2022) was submitted and unanimously accepted by all the lenders without any condition, on February 15th, 2022.

On June 30th, 2020, the Group has obtained a one-year extension provided in the loan contract, according to the contracts clauses signed on July 17th, 2019, extanding its maturity to July 17th, 2026.

Other financings:

Haulotte Group subscribed in 2021 new financing lines (outside the banking syndicate loan) for 20 M€ with reimbursements from 7 to 10 years.

The Group had subscribed in 2019 a loan from banks outside the syndicated loan pool of a total amount of 5M€ with repayments over 5 years. Two another bilateral lines have been subscrived for a total amount of 10 M€, with a maturity of 10 years, also obtained from an institution outside the pool of the credit loan. Haulotte Group also obtained in 2018, from banks outside the banking syndicate loan, loans for an amount of 8 M€ (reimbursement on 5 years) and 5 M€ (reimbursement on 7 years).

NOTE 6 - PRINCIPLES AND METHODS OF MEASUREMENT FOR THE INCOME STATEMENT

6.1 REVENUE RECOGNITION

« Sales and Revenue » includes the goods and services sales comprising notably:

- sales self-financed by the customer,
- sales funded through back-to-back arrangements and the corresponding financial income (cf note 4.7),
- sales including financial guarantees given by Haulotte Group S.A. to allow the customer to obtain financing (cf. note 4.7),
- sales within remarketing agreements with financial institution after they had taken back equipment from defaulting clients,
- equipment rental,
- services offers.

Revenue from the sale of goods reflect the transfer to the customer of the control of a good or service, in an amount that reflects the consideration to which the seller expects to be entitled when the contractual obligations are fulfilled. Sales of goods are recorded without VAT.

Sales financing income is the result of sales financing transactions carried out with some of our customers. These financings are constituted of loans and, consequently, are recorded on the balance sheet at amortized cost using the effective interest rate method, less any impairment recorded. Income on these contracts is calculated to generate a constant interest rate over the period. They are included in the turnover.

Accounting treatments applied in function of the type of contracts and according to IFRS 15 standard are the followings:

Contract type	Accounting treatment IFRS15
Sale of machines	Recognition of revenue upon delivery of the good according to IFRS 15.
Financed sales of machines	Recognition of revenue upon delivery of the good according to IFRS 16.
Machine rental	Recognition of revenue upon the rental of the good according to IFRS 16.
Service agreement involving the provision of a service - basic sale / service	Recognition of revenue upon performance of the service according to IFRS 15.
Services – Long-term contracts	Recognition of revenue on a straight-line basis over the term of the contract according to IFRS 15.

6.2 COST OF SALES

The cost of sales includes direct production costs, factory overhead, changes in inventory, provisions for inventory losses, warranty costs, fair value adjustments of currency hedges and interest expense paid in connection with back-to-back arrangements.

6.3 SELLING EXPENSES

This item includes notably costs related to sales and commercial activity.

6.4 GENERAL AND ADMINISTRATIVE EXPENSES

This item includes indirect leasing costs, administrative and management expenses, changes in the provision on trade receivables and the write-off of bad debts.

6.5 RESEARCH AND DEVELOPMENT EXPENDITURES

Research expenditures are expensed in the period they are incurred.

Development expenditures are expensed in the period except when they meet the criteria defined under IAS 38 (cf. 4.2.a) for recognition as intangible assets. This concerns expenditures incurred in connection with development projects for new categories of machines or components considered technically viable with a probability of generating future economic benefits.

6.6 OTHER OPERATING INCOME AND EXPENSES

This heading includes:

- gains or losses from disposals (excluding those by rental companies treated as sales of second-hand equipment and recognized consequently under revenue),
- amortization of capitalized development expenditures,
- income or expenses related to litigations of an unusual, abnormal or infrequent nature,
- impairment losses on goodwill.

6.7 OPERATING INCOME

Operating income covers all income and expenses directly relating to Group activities, whether representing recurring items of the normal operating cycle or events or decisions of an occasional or unusual nature.

6.8 COST OF NET FINANCIAL DEBT

Cost of net financial debt includes total finance costs consisting primarily of interest expense (according to the effective interest rate) as well as the fair value adjustments of interest rate hedges.

6.9 OTHER FINANCIAL INCOME AND EXPENSES

This item includes income from cash and cash equivalents (interest income, gains and losses from the disposal of short-term securities, etc.) and the exchange gains and losses on the financial current accounts. This caption also includes the depreciation of financial assets (allocation / reversal) and the updating .

6.10 EARNINGS PER SHARE

Earnings per share presented at the bottom of the income statement is determined by dividing the net income of Haulotte Group S.A. for the period by the weighted average number of ordinary shares outstanding during the period excluding treasury shares.

Diluted earnings per share are calculated on the basis of the average number of shares outstanding during the year adjusted for the dilutive effects of equity instruments issued by the company such as stock options

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NOTE 7 - SCOPE OF CONSOLIDATION

Companies consolidated at 31 December 2021 are:

Entity	Country	Interest %	Consolidation method as at 31 DECEMBER 2021	Consolidation method as at 31 DECEMBER 2020
Haulotte Group S.A.	L'Horme (France)	Mother company		
Acarlar Dis Ticaret Ve Makina Sanayi A. s.	Istanbul (Turquie)	100%	Full consolidation	Full consolidation
Bil Jax Service, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Bil Jax, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Equipro, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd.	Changzhou (Chine)	100%	Full consolidation	Full consolidation
Haulotte Argentina S.A.	Buenos Aires (Argentine)	100%	Full consolidation	Full consolidation
Haulotte Arges S.R.L.	Arges (Roumanie)	100%	Full consolidation	Full consolidation
Haulotte Australia Pty. Ltd.	Dandenong (Australie)	100%	Full consolidation	Full consolidation
Haulotte Canada	Vancouver (Canada)	100%	Full consolidation	Full consolidation
Haulotte Chile SPA	Santiago (Chili)	100%	Full consolidation	Full consolidation
Haulotte Do Brazil LTDA	Sao Paulo (Brésil)	99.98%	Full consolidation	Full consolidation
Haulotte DSC	Pitesti (Roumanie)	100%	Full consolidation	Full consolidation
Haulotte France Sarl	St Priest (France)	99.99%	Full consolidation	Full consolidation
Haulotte Hubarbeitsbühnen GmbH	Eschbach (Allemagne)	100%	Full consolidation	Full consolidation
Haulotte Iberica S.L.	Madrid (Espagne)	98.71%	Full consolidation	Full consolidation
Haulotte India Private Ltd.	Mumbai (Inde)	100%	Full consolidation	Full consolidation
Haulotte Italia S.R.L.	Milan (Italie)	99%	Full consolidation	Full consolidation
Haulotte Japan	Osaka (Japon)	100%	Full consolidation	Full consolidation
Haulotte Mexico SA de CV	Mexico (Mexique)	99.99%	Full consolidation	Full consolidation
Haulotte Middle East FZE	Dubaï (Emirats Arabes Unis)	100%	Full consolidation	Full consolidation
Haulotte Netherlands B.V.	Oosterhout (Pays-Bas)	100%	Full consolidation	Full consolidation
Haulotte North America Manufacturing	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation

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Entity	Country	Interest %	Consolidation method as at	
			31 DECEMBER 2021	31 DECEMBER 2020
Haulotte Polska SP Z.O.O.	Janki (Pologne)	100%	Full consolidation	Full consolidation
Haulotte Scandinavia AB	Mölndal (Suède)	100%	Full consolidation	Full consolidation
Haulotte Services France	St Priest (France)	99.99%	Full consolidation	Full consolidation
Haulotte Services SA de CV	Mexico (Mexique)	99.99%	Full consolidation	Full consolidation
Haulotte Singapore Ltd.	Singapour (Singapour)	100%	Full consolidation	Full consolidation
Haulotte Trading (Shanghai) co. Ltd.	Shanghai (Chine)	100%	Full consolidation	Full consolidation
Haulotte U.S., INC.	Virginia Beach (Etats-Unis)	100%	Full consolidation	Full consolidation
Haulotte UK Limited	Wolverhampton (Angleterre)	100%	Full consolidation	Full consolidation
Haulotte Vostok	Moscou (Russie)	100%	Full consolidation	Full consolidation
Horizon High Reach Chle SPA	Santiago (Chili)	100%	Full consolidation	Full consolidation
Horizon High Reach Limited	Buenos Aires (Argentine)	100%	Full consolidation	Full consolidation
Levanor Maquinaria de Elevacion S.A.	Madrid (Espagne)	91.00%	Full consolidation	Full consolidation
Mundilevaçao, Aluger e Transporte de Plataformas LDA	Paio Pires (Portugal)	81.90%	Full consolidation	Full consolidation
N.D.U Maquinaria y Plataformas Elevadoras, S.L.	Madrid (Espagne)	0.00%	Liquidated	Full consolidation
Scaffold Design & Erection	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Seaway Scaffold & Equipment	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Telescopelle S.A.S	L'Horme (France)	100%	Full consolidation	Full consolidation

The closing date for financial statements of consolidated companies for each period presented is 31 December except for Haulotte India Private Ltd. which closes books on 31 March of each year.

N.D.U Maquinaria y Plataformas Elevadoras, S.L. owned at 99% and without activity was wound up in November 2021, having no impact on the Group's consolidated financial statements.

NOTE 8 - GOODWILL

	31/12/2020	Increase	Decrease	Translation adjustment	31/12/2021
North America CGU	16,241			1,355	17,596
Acarlar CGU	14,243			(5,722)	8,521
Horizon CGU	154			(18)	136
N.D.U CGU	772		(772)		-
Manufacturing and Distribution CGU (excluding North America and Turkey)	54				54
Haulotte France	54				54
GROSS VALUE	**31,464**	**-**	**(772)**	**(4,385)**	**26,307**
North America CGU	(12,227)	-		(1,020)	(13,247)
N.D.U CGU	(772)		772		-
Manufacturing and Distribution CGU (excluding North America and Turkey)	(54)				(54)
Haulotte France	(54)				(54)
DEPRECIATION	**(13,053)**	**-**	**772**	**(1,020)**	**(13,301)**
NET VALUE	**18,411**	**-**	**-**	**(5,405)**	**13,006**

	31/12/2019	Increase	Decrease	Translation adjustment	31/12/2020
North America CGU	17,740			(1,499)	16,241
Acarlar CGU	19,418			(5,175)	14,243
Horizon CGU	234			(80)	154
N.D.U CGU	772				772
Manufacturing and Distribution CGU (excluding North America and Turkey)	54				54
Haulotte France	54				54
GROSS VALUE	**38,218**	**-**	**-**	**(6,754)**	**31,464**
North America CGU	(8,905)	(4,381)		1,059	(12,227)
N.D.U CGU	(772)				(772)
Manufacturing and Distribution CGU (excluding North America and Turkey)	(54)				(54)
Haulotte France	(54)				(54)
DEPRECIATION	**(9,731)**	**(4,381)**	**-**	**1,059**	**(13,053)**
NET VALUE	**28,487**	**(4,381)**	**-**	**(5,695)**	**18,411**

North America CGU

The last impairment test for the "North America" region considered as a cash generating unit (CGU) was performed on 31 December 2020. A new impairment test was performed on 31 December 2021 on the CGU that includes the US entities of the Group.

The recoverable value of the « North America » CGU was based on calculations of value in use. These calculations were carried out using forecast future cash flows for a five-year period based on budgets approved by management.

The main assumptions used to perform this impairment test were as follows:

- significant growth in market share in the sector of the sale of aerial work platforms in the “North American” market, on a 5 years horizon;
- an assumption of long-term growth of 1.7% and a discount rate (WACC) of 10.1%.

As a reminder, the following impairments has been accounted:

- 5 000 KUSD as at 31 December 2013 on the basis of the impairment test performed at that date;
- 5 000 KUSD as at 31 December 2018 on the basis of the impairment test performed at that date;
- 5 000 KUSD as at 31 December 2020 on the basis of the impairment test performed at that date.

On the basis of this impairment test, the value in use of the “North America” CGU is higher than its accounting value leading to the conclusion that no further depreciation is neded.

Sensitivity analysis have been carried out on the following key assumptions:

- Assumptions sales forecast in the business plan: a decrease by 38,5% would not result an obligation to record a goodwill impairment change for this CGU.
- Discount rate: increase of this rate by 5,7 points would not result an obligation to record a goodwill impairment change for this CGU.
- Long-term growth rate: no long-term growth rate would not result an obligation to record a goodwill impairment change for this CGU.

Acarlar CGU

The last impairment test for "Acarlar" considered as a cash generating unit (CGU) was performed on 31 December 2020. A new impairment test was performed on 31 December 2021 on the CGU.

The recoverable value of the « Acarlar » CGU was based on calculations of value in use. These calculations were carried out using forecast future cash flows for a five-year period based on budgets approved by management.

The main assumptions used to perform this impairment test were as follows:

- Recovery of the industrial equipment market at medium term with an average annual growth rate of turnover of 20% to 30% over the projected horizon;
- An assumption of long-term growth of 3,3% and a discount rate (WACC) of 15%.

Based on the new impairment test performed, as at 31 December 2021, the value in use of this CGU is higher than its accounting value leading to the conclusion that no further depreciation is needed; therefore, depreciation is maintained at that amount.

Sensitivity analysis have been carried out on the following key assumptions:

- Assumptions sales forecast in the business plan: a decrease by 27,9 points would not result an obligation to record a goodwill impairment change for this CGU.
- Discount rate: increase of this rate by 4,9 points would not result an obligation to record a goodwill impairment change forthis CGU.
- Long-term growth rate: no long-term growth rate would not result an obligation to record a goodwill impairment change for this CGU.

The Group also carried out an additional sensitivity analysis, in the context of uncertainty described in the major events, relating to the percentage decline in sales and margin. A drop in the business growth rate (4 points) combined with a drop in the margin rate (5 points) would lead to a value in use equal to the recoverable value.

Horizon CGU

Regarding entitity and CGU Horizon, the value in use, which is taking into account the fair value of the rental equipment (disposal costs deducted), is higher than its accounting value.

NOTE 9 - INTANGIBLE ASSETS

	31/12/2019	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2020
Development expenditure	31,232	6,503	-	-	(251)	37,484
Customers portfolio	8,914	-	-	-	(2,375)	6,539
Concessions, patents, licenses	16,961	972	-	1,034	(52)	18,915
Other intangible and in progress	2,674	714	-	(1,041)	(91)	2,256
GROSS VALUE	**59,781**	**8,189**	**-**	**(7)**	**(2,769)**	**65,194**
Depreciation / impairment of development expenditure	12,563	2,460	-	-	-	15,023
Depreciation of customers portfolio	1,115	741	-	-	(384)	1,472
Depreciation of concessions, patents, licenses	11,564	2,242	-	(37)	(42)	13,727
Depreciation of other intangibles and in progress	327	117	-	-	(30)	414
ACCUMULATED DEPRECIATION AND IMPAIRMENT	**25,569**	**5,560**	**-**	**(37)**	**(456)**	**30,636**
NET VALUE	**34,213**	**2,629**	**-**	**30**	**(2,315)**	**34,557**

**Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.*

	31/12/2020	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2021
Development expenditure	37,484	3,491	-	-	237	41,212
Customers portfolio	6,539	-	-	-	(2,627)	3,912
Concessions, patents, licenses	18,915	198	(7)	723	45	19,874
Other intangible and in progress	2,256	1,040	(92)	(644)	65	2,625
GROSS VALUE	**65,194**	**4,729**	**(99)**	**79**	**(2,280)**	**67,623**
Depreciation / impairment of development expenditure	15,023	2,555	-	-	10	17,588
Depreciation of customers portfolio	1,472	569	-	-	(769)	1,272
Depreciation of concessions, patents, licenses	13,727	2,511	(7)	-	62	16,293
Depreciation of other intangibles and in progress	414	62	(3)	-	19	492
ACCUMULATED DEPRECIATION AND IMPAIRMENT	**30,636**	**5,697**	**(10)**	**-**	**(678)**	**35,645**
NET VALUE	**34,557**	**(968)**	**(89)**	**79**	**(1,602)**	**31,977**

**Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.*

Acquisitions recorded in 2021 are mainly linked to the capitalization of development costs for 3 491 K€ (see note 30).

Amortization on developments costs for 2 555 K€ are included in “research and development expenditures” in the P&L .

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NOTE 10 - TANGIBLE ASSETS

	31/12/2019	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2020
Land	7,373	4,747	-	15	(179)	11,956
Building	48,666	438	(189)	13,809	(1,296)	61,428
Plant machinery	40,497	1,779	(391)	262	(761)	41,386
Equipment for rental	22,347	1,098	(1,883)	(27)	(3,207)	18,328
Other PPE	14,792	2,272	(591)	512	(790)	16,195
Fixed assets in progress	11,963	11,595	(63)	(14,757)	(218)	8,520
GROSS VALUE	**145,638**	**21,929**	**(3,117)**	**(186)**	**(6,451)**	**157,813**
Depreciation/impairment of building	29,145	2,363	(1,505)	(12)	(957)	29,034
Depreciation/impairment of plant machinery	31,720	2,151	(346)	(57)	(564)	32,904
Depreciation/impairment of equipment for rental	9,123	1,924	(1,179)	(31)	(926)	8,911
Depreciation/impairment of other PPE	11,768	1,738	(541)	20	(604)	12,381
ACCUMULATED DEPRECIATION AND IMPAIRMENT	**81,756**	**8,176**	**(3,571)**	**(80)**	**(3,051)**	**83,230**
NET VALUE	**63,883**	**13,753**	**454**	**(106)**	**(3,401)**	**74,583**

**Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.*

	31/12/2020	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2021
Land	11,956	(36)	-	(1,693)	482	10,709
Building	61,428	283	-	(26)	743	62,428
Plant machinery	41,386	898	(565)	2,957	703	45,379
Equipment for rental	18,328	8,077	(1,113)	1,395	5,457	32,144
Other PPE	16,195	1,055	(687)	83	377	17,023
Fixed assets in progress	8,520	21,624	(83)	(4,490)	1,400	26,971
GROSS VALUE	**157,813**	**31,901**	**(2,448)**	**(1,774)**	**9,162**	**194,654**
Depreciation/impairment of building	29,034	2,216	93	8	787	32,138
Depreciation/impairment of plant machinery	32,904	2,294	(600)	(31)	394	34,961
Depreciation/impairment of equipment for rental	8,911	2,385	(613)	-	2,220	12,903
Depreciation/impairment of other PPE	12,381	1,707	(441)	-	291	13,939
ACCUMULATED DEPRECIATION AND IMPAIRMENT	**83,230**	**8,602**	**(1,561)**	**(23)**	**3,692**	**93,941**
NET VALUE	**74,583**	**23,299**	**(887)**	**(1,751)**	**5,470**	**100,713**

**Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.*

Change in the caption "land" is mainly explained by a subsidy received in 2021 in the framework of the construction of our new Chinese plant.

In 2020, decrease in this caption concerns mainly machines in rental entities and scaffolding renting machines.

Increase of the caption "fixed assets in progress" concerns mainly the construction of our new Chinese plant.

The amortization accruals of rental equipments are booked in costs of sales in the P&L. The amortization accruals of Land, building and other PPE are booked in cost of sales and/or commercial and administrative costs in the P&L.

A provision for impairment is recorded when the carrying value of an intangible asset falls below its recoverable value. The recoverable value of rental equipment is based on the estimated realizable inventory value on the market.

NOTE 11 - IFRS 16

Balance sheets impacts of the application of IFRS 16 standard are the following:

- **Right of use assets:**

	31/12/2020	Increase	Decrease	Translation adjustment	31/12/2021
Building	23,589	340	(187)	533	24,275
Machinery equipment	1,565	158	(88)	34	1,669
Other tangible fixed assets	4,402	1,288	(280)	65	5,475
GROSS VALUE	**29,555**	**1,786**	**(555)**	**632**	**31,419**
Depreciation of building	6,676	3,605	(389)	129	10,021
Depreciation of machinery equipment	799	384	(104)	7	1,086
Depreciation of other tangible fixed assets	2,059	1,123	(638)	32	2,576
DEPRECIATION AND PROVISIONS	**9,535**	**5,112**	**(1,131)**	**168**	**13,684**
NET VALUE	**20,021**	**(3,325)**	**576**	**463**	**17,735**

- **Lease liabilities:**

	31/12/2021
Non-current lease liabilities	13,633
Current lease liabilities	4,642
LEASE LIABILITIES	**18,274**

- **The variation of lease liabilities is disclosed in the following table, according to IAS7:**

		cash flow			non cash flow		
K€	**31/12/2020**	**Issue / Refund**	**interests**	**overdrafts**	**conv.**	**other**	**31/12/2021**
Current and non-current lease liabilities	20,436	(6,624)	675	-	-	3,787	18,274

P&L impacts are the following :

	31/12/2021
Lease liabilities' financial expenses	(675)
Right-of-use assets amortization	(5,432)
Impact on consolidated net result	(158)

The Group is using the exception for the short-term contracts or low value assets.

Impacts are the following:

	31/12/2021
Short terms contracts lease expenses	(270)
Lease expenses linked to low value assets contracts	(195)

The weighted average marginal debt rate amounts to 3.7% for 2021.

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NOTE 12 - OTHER FINANCIAL ASSETS

Financial assets include loans, deposits and guarantees to non-Group entities. Their changes over the period are as follows:

	31/12/2020	Increase	Decrease	Reclassification	Translation adjustment	31/12/2021
Financial assets	3,464	837	(1,103)	(62)	31	3,167

Increase corresponds to deposits done during the year.

Decrease corresponds to receivables reimbursements received during the year.

NOTE 13 - INVENTORY

	31/12/2020	Changes of the period	Translation adjustment	31/12/2021
Raw materials	43,260	30,594	1,361	75,215
Work in progress	2,310	5,520	27	7,857
Semi finished and finished goods	73,549	(13,433)	1,582	61,697
Trade goods	19,600	(2,663)	182	17,120
GROSS VALUE	**138,719**	**20,018**	**3,152**	**161,889**
Raw materials	(953)	(855)	(27)	(1,835)
Work in progress	(4)	1	(0)	(3)
Semi finished and finished goods	(928)	120	(13)	(821)
Trade goods	(2,598)	212	(25)	(2,412)
PROVISION	**(4,483)**	**(522)**	**(66)**	**(5,071)**
NET VALUE	**134,236**	**19,496**	**3,086**	**156,818**

The inventory valuation does not include idle capacity .

The decrease in inventory of 22 582 K€ on 31 December 2021 versus an increase of (57 341) K€ at 31 December 2020 is recognized under the cost of sales in the income statement.

Provisions for inventory impairment losses break down as follows:

	31/12/2020	Increase	Decrease	Translation adjustment	31/12/2021
Provision for inventory impairment losses	4,483	2,320	(1,798)	66	5,071

NOTE 14 - TRADE RECEIVABLES

31/12/2021	**Gross value**	**Provision**	**Net value**
NON-CURRENT ASSETS			
Receivables from financing activities exceeding one year	49,185	-	49,185
including finance lease receivables	30,981		30,981
including guarantees given	18,204		18,204
SUB-TOTAL	**49,185**	**-**	**49,185**
CURRENT ASSETS			
Trade receivables	127,785	(15,777)	112,008
Receivables from financing activities less than one year	21,684	-	21,684
including finance lease receivables	13,200		13,200
including guarantees given	8,484	-	8,484
SUB-TOTAL	**149,469**	**(15,777)**	**133,693**
TOTAL	**198,654**	**(15,777)**	**182,877**

31/12/2020	**Gross value**	**Provision**	**Net value**
NON-CURRENT ASSETS			
Receivables from financing activities exceeding one year	54,205	(441)	53,764
including finance lease receivables	35,375	(441)	34,934
including guarantees given	18,830		18,830
SUB-TOTAL	**54,205**	**(441)**	**53,764**
CURRENT ASSETS			
Trade receivables	92,326	(13,954)	78,372
Receivables from financing activities less than one year	22,486	(447)	22,039
including finance lease receivables	12,184	(447)	11,737
including guarantees given	10,302	-	10,302
SUB-TOTAL	**114,812**	**(14,401)**	**100,411**
TOTAL	**169,017**	**(14,842)**	**154,175**

As at At 31 December 2021, receivables assigned, for the balance factoring contract, amounted 8.4 M€ compared to 8.4 M€ as at 31 December 2020.

Assignments of receivables are carried out once or twice a month. These receivables are derecognized to the extent that the contractual rights realating to cash flows have been transferred, as well as most of the risks and rewards associated with these receivables.

The fair value of “Trade receivables” recorded under current assets equals the carrying value given their short maturity (less than one year).

Fair value of receivables from back-to-back equipment leases and finance leases represents the lower of the fair value of the item at the inception (cash sales price net of rebates) or the discounted value of lease payments at the lease’s implicit interest rate.

As described in note 4.7, the fair value of receivables guarantees granted by Haulotte Group to the lending institution of the customer, represents:

- either the amount of capital remaining due by the customer of Haulotte Group to the financial institution
- or the maximum amount of the risk incurred by Haulotte Group,

The corresponding receivables and payables are discharged as customers make lease payments to the financial institution.

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On an outstanding sold to financial institution amounting to 135 M€ to date, the residual risk kept by Haulotte amounts to 15.2 M€ and is disclosed in Trade receivables from financing activities in the balance sheet and in Borrowings under the lines " Guarantees ".

Due receivables are analyzed on a case-by-case basis with particular attention to customer quotations established by the Group (see note 5.b). In light of these elements and the resulting risk analysis, the Group determines the relevance of bokking a depreciation. Where applicable, depreciations are recorded in order to cover the difference between the book value of the receivable and the estimated resale value of the machine assessed on the basis of sales history and market conditions at the closing date.

Provisions for trade receivables break down as follows:

	31/12/2020	Increase	Decrease	Translation adjustment	31/12/2021
Provisions for trade receivables	(14,842)	(1,600)	1,508	(843)	(15,777)

Decrease is mainly due to the write-off of some receivables with no impact on the result of the year.

The provisions for trade receivables correspond mainly to receivables due over 120 days.

The trade receivables net amount split as follows by maturity date:

	Total	Not due or less than 30 days	Due		
			less than 60 days	60 to 120 days	more than 120 days
Net trade receivables 2021	182,877	173,534	1,940	1,756	5,647
Net trade receivables 2020	154,175	144,955	2,700	1,807	4,713

NOTE 15 - OTHER ASSETS

	31/12/2021	31/12/2020
Other current assets	22,201	26,439
Advances and instalments paid on orders	1,333	1,263
Prepaid expenses	3,283	1,783
Depreciation of other current assets	(220)	(220)
TOTAL OTHER CURRENT ASSETS	**26,597**	**29,265**
Other non-current assets	2,629	7,845
TOTAL OTHER ASSETS	**29,226**	**37,110**

The caption « Other current assets » includes mainly:

- VAT receivables for 16 366 K€,
- tax credits for 829 K€,
- tax receivables for 497 K€ ,
- various debtors for 4 509 K€ of which an accrued income from an insurance policy of 2 649 K€ for the payment (virtually certain) of a claim

Other non-current assets are corresponding to tax credits non usable at short term.

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NOTE 16 - RECEIVABLES BY MATURITY

31/12/2021	Amount	Less than 1 year	1 to 5 years
Trade receivables*	112,008	112,008	-
Trade receivables from financing activities	70,869	21,684	49,185
Other assets	29,226	26,597	2,629
TOTAL	**212,103**	**160,289**	**51,814**

**Including receivables overdue of more than 30 days for € 9 343 thousand (cf. note 14)*

31/12/2020	Amount	Less than 1 year	1 to 5 years
Trade receivables*	78,372	78,372	-
Trade receivables from financing activities	75,803	22,039	53,764
Other assets	37,110	29,265	7,845
TOTAL	**191,285**	**129,676**	**61,609**

**Including receivables overdue of more than 30 days for € 9 220 thousand (cf. note 14)*

NOTE 17 - FOREIGN EXCHANGE RISK MANAGEMENT

The following table presents the foreign currency exposures of trade receivables and payables:

Au 31/12/2021 - in thousands of euros	EUR	AUD	GBP	USD	RMB	Others	TOTAL
Trade receivables	69,539	18,753	5,524	44,477	46,587	13,774	198,654
Trade payables	(59,254)	(794)	(501)	(12,740)	(14,888)	(3,690)	(91,867)
NET AMOUNT	**10,285**	**17,959**	**5,023**	**31,737**	**31,699**	**10,084**	**106,787**

Au 31/12/2020 - in thousands of euros	EUR	AUD	GBP	USD	RMB	Others	TOTAL
Trade receivables	58,597	15,109	5,200	32,079	47,002	11,030	169,017
Trade payables	(27,542)	(926)	(459)	(8,106)	(5,919)	(2,349)	(45,301)
NET AMOUNT	**31,055**	**14,183**	**4,741**	**23,973**	**41,083**	**8,681**	**123,716**

A 10 % increase in the value of the euro against the pound sterling would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 457 K€.

A 10 % increase in the value of the euro against the US dollar would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 2 885 K€.

A 10 % increase in the value of the euro against the Australian dollar would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 1 663 K€.

A 10 % increase in the value of the euro against the Renminbi would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 2 882 K€.

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NOTE 18 - CASH AND CASH EQUIVALENTS

	31/12/2021	31/12/2020
Cash at bank and in hand	32,860	25,740
Money market funds	343	437
TOTAL	**33,203**	**26,177**

NOTE 19 - SHARE CAPITAL AND PREMIUMS

	31/12/2021	31/12/2020
Number of shares	31,371,274	31,371,274
Nominal value in euros	0.13	0.13
SHARE CAPITAL IN EUROS	**4,078,266**	**4,078,266**
SHARE PREMIUMS IN EUROS	**71,901,865**	**71,901,865**

Treasury shares are as follows:

	31/12/2021	31/12/2020
Number of treasury shares	1,862,120	1,839,251
Treasury shares as a percentage of capital	5.94%	5.86%
Market value of treasury shares in K€*	8,938	11,164
* based on quoted value of the last business day of the year		

Since 14 April 2015, Haulotte Group S.A appointed Exane BNP Paribas for the implementation of a liquidity contract on its shares. This liquidity contract complies with the Charter of Ethics established by the AMAFI and approved by the "Autorité des Marchés Financiers". This contract is yearly renewable by tacit agreement.

For the implementation of this contract, the following resources have been allocated to the liquidity account:

- 102 171.80 Euros in cash,
- the equivalent of 11 524.85 Euros in money market funds,
- 139 418 Haulotte Group S.A. shares.

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Change in treasury shares during the years 2021 and 2020 was as follows:

Type		2021	2020
Liquidity agreement	Number of shares purchased	184,774	175,460
	Purchase price of shares (*)	1,124,857	811,308
	Average price per share	6.1	4.6
	Number of shares sold	161,905	189,851
	Original value of shares sold	781,645	1,134,205
	Sale price of shares sold (*)	1,012,142	899,384
	Net gain/(loss)	230,496	(234,822)
	Number of shares cancelled	-	-
	Number of shares	**163,715**	**140,846**
	Original value of shares	**1,048,737**	**705,526**
Buyback autorisation	Number of shares purchased		
	Purchase price of shares		
	Average price per share		
	Number of shares sold		
	Original value of shares sold		
	Selling price of shares sold		
	Net gain/(loss)		
	Number of shares cancelled		
	Number of shares	**1,698,405**	**1,698,405**
	Initial value of shares	**13,183,551**	**13,183,551**
Global	**Number of shares**	**1,862,120**	**1,839,251**
	Original value of shares	**14,232,288**	**13,889,077**
	Provision for treasury shares		
	Closing quoted value of shares	4.80	6.07

(*) : Cash flows generated from treasury shares correspond to the sale price of the shares less the purchase price of shares purchased. This amounted to (112) K€ for the year ended 31 December 2021.

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NOTE 20 - BORROWINGS AND FINANCIAL LIABILITIES

	31/12/2021	31/12/2020
Syndicated loan	-	69,381
Other borrowings	44,751	33,995
Other advances	6,962	8,053
Guarantees	18,204	18,832
NON-CURRENT FINANCIAL LIABILITIES	**69,916**	**130,261**
Syndicated loan	71,521	-
Other borrowings	10,606	9,673
Other advances	1,013	1,013
Guarantees	8,484	10,301
Others	191	127
Syndicated loan - overdrafts	29,050	24,610
Other overdrafts	10,060	12,371
CURRENT FINANCIAL LIABILITIES	**130,924**	**58,095**
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	**200,840**	**188,356**

Movements in the syndicated credit facilities in the 2021 financial period may be summarized as follows:

	31/12/2020	Repayment schedule	Net change of the revolving credit line	Net change of the bank overdraft	Amortization of fees	31/12/2021	Balance avalaible for future drowing on at 31 december 2021
Revolving credit limit	70,000		2,000			72,000	18,000
TOTAL EXCLUDING OVERDRAFTS	**70,000**		**2,000**			**72,000**	**18,000**
Overdrafts	24,610	-	-	4,440	-	29,050	10,950
Commissions and fees	(619)	-	-	-	140	(479)	
TOTAL	**93,991**	**-**	**2,000**	**4,440**	**140**	**100,571**	**28,950**

As part of the contract signed on 17 July 2019, no commitment has been granted to the banking syndicate. This syndicated credit facility provides for compliance by the company with a certain number of standard obligations during the term of the facility. A certain number of ratios will be measured every six months based on the selected ratios derived from the consolidated financial statements for the half-year periods ended 30 June and 31 December of each year (notably Group EBITDA, shareholders' equity, net debt).

A waiver request with respect to bank ratios for two periods (December 2021 and June 2022) has been submitted to the lenders. This request has been unanimously accepted by all the lenders on February 15, 2022.

Regarding the purchase in substance of the new Group headquarters, the corresponding liability amounts to 13.5 MEUR as at December 31, 2021 and is disclosed in the caption other borrowings.

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Group debt is denominated in the following currencies (excluding guarantees given):

Translated value in thousands of euros	**31/12/2021**	**31/12/2020**
Euros	164,604	150,545
Others	9,550	8678
TOTAL	**174,154**	**159,223**

The variation of financial debts is disclosed in the following table, according to IAS 7:

		Cash flow			**Non cash flow**		
	31/12/2020	**Issue / Refund ***	**Interests**	**Overdraft**	**Conv.**	**Other**	**31/12/2021**
Short Term	58,095	1,484		1,143	967	69,235	130,924
Long Term	130,261	(4,000)	3,339		11,997	(71,681)	69,916
TOTAL	**188,356**	**(2,516)**	**3,339**	**1,143**	**12,964**	**(2,446)**	**200,840**

**The difference between the amount of issues and refunds of borrowings disclosed in the table above and the amount disclosed in the consolidated statement of cash flow comes from flows on financial assets (deposits or loans).*

Non-cash flows are mainly impacted by the change in guarantees on financing operations (disclosed as “other”).

NOTE 21 - MANAGEMENT OF INTEREST-RATE RISKS

Borrowings, excluding guarantees given, break down as follows:

	31/12/2021	**31/12/2020**
Fixed rate borrowings	71,922	56,648
Variable rate borrowings	102,232	102,575
TOTAL	**174,154**	**159,223**

A 1 % rate increase would result in a maximum additional interest expense, excluding hedges, of 1 022 K€.

NOTE 22 - PROVISIONS

	31/12/2020	Allowance	Provision used in the period	Reversal of unused provision	Translation adjustment	31/12/2021
Provisions for product warranty	6,249	1,182	(834)	(459)	145	6,283
Restructuring provision	-	2,174				2,174
Provisions for litigation	2,972	443	(1,544)	(255)	61	1,679
Short-term portion of pensions provisions	18	-	-	-	-	18
CURRENT PROVISIONS	**9,239**	**3,603**	**(2,415)**	**(483)**	**208**	**10,154**
Long-term portion of pensions provisions	6,144	730	(119)	(1,186)	(53)	5,516
NON-CURRENT PROVISIONS	**6,144**	**730**	**(119)**	**(1,186)**	**(52)**	**5,516**
TOTAL PROVISIONS	**16,525**	**4,333**	**(2,534)**	**(1,669)**	**156**	**15,670**

Customer warranties

Customer warranties provision remains stable explained by the effects of quality indicators improvement over the year.

Restructuring provision

During the year, a provision was recognized in connection with the industrial reorganization of a French production site on which a job protection plan was implemented. The costs related to this operation are disclosed in note 34.

Other provisions

During the period, the Group has reversed (with utilization) the provision of 1,1 M€ booked in December 2020 following a warranty call.

Other amounts booked as at December 31,2021 are considered as non significants.

Contingent liabilities

In the purpose of its current activities, the Group is involved in various procedures inherent to its activities. The Group considers that the provisions made for these risks, disputes or contentious situations known or in progress at the balance sheet date, are of a sufficient amount so that the consolidated financial situation is not significantly affected in the event of an unfavorable outcome.

- Since 2017 closing, the Group has identified financial assets relating to a customer for who a reimbursement would not take place according to the original schedules. During the second half of 2018, a litigation situation has been identified and resulted in a summons in May 2019. As of today, the progress of the legal litigation leads the Group to consider it as a contingent liability, in connection with the note 34.
- The distribution subsidiary of Haulotte Group in Brazil, Haulotte do Brazil is currently being the subject of a proceeding concerning the settlement of import tax duties prior to 2010. The Group is currently studying with its counsel the actual risk of this proceeding. At 31 December 2021, it was not possible to reliably measure this risk (notably as the amounts cited were considered as very excessive) and this litigation is in consequence classified as a contingent liability .

NOTE 23 - PENSION AND RELATED BENEFITS

Main assumptions used for the valuation of liabilities

The only post-employment benefits of Group employees correspond to retirement severance benefits and long-service awards, mainly in the French entities.

Provisions are recorded for retirement liabilities according to the principles described in paragraph 4.9, taking into account the following assumptions:

	31 December 2021	31 December 2020
Turnover rate	**based on historical data available to the Group with no changes between the two periods**	
Rate of wage increases (according to seniority, the projected career profile, collective bargaining agreements, and long-term inflation rate)	**based on seniority, expected career profile, collective labor agreements and long-term inflation rate calculated on a historical basis**	
Discount rate	1.00%	0.39%
Retirement age	Employees born before 1 January 1950	
	Management	62 years old
	Supervisors / office employees and workers 60 years old	60 years old
	Employees born after 1 January 1950	
	Management	65 years old
	Supervisors / office employees and workers	63 years old

With respect to retirement severance payments, the scenario adopted is voluntary departure of employees whereby social charges are taken into account (45 %). This calculation method complies with the framework of the Fillon Law (enacted on 21 August 2003, and amended by Law 2010-1330 of 9 November 2010 for the reform of retirement systems published in the French official journal on 10 November 2010).

The Group does not hold any plan assets.

A general decline in the discount rate of 0.25 points would result in a 4.0 % increase in benefit obligations.

Following the decision of IFRS IC which concluded that the provision to be recognized for the benefit should only be constituted over the period which covers the last 16 years of service rendered by the employee (or between the date of employment and the date of retirement, if the duration determined is less than 16 years), an impact of 1.1 M€ has been recognized in the opening equity.

Change in accumulated benefit obligations

	31/12/2021	31/12/2020
PRESENT VALUE OF THE COMMITMENT AT THE BEGINNING OF THE PERIOD	**7,304**	**6,845**
Service costs of the year	558	485
Discount costs	23	51
SUBTOTAL OF AMOUNTS RECOGNISED IN PROFIT OR LOSS	**581**	**536**
Benefits paid in the period	(9)	(97)
SUBTOTAL OF OUTFLOWS (BENEFITS AND CONTRIBUTIONS PAID BY THE EMPLOYER)	**(9)**	**(97)**
Changes in assumptions	(935)	111
Actuarial (gains) and losses arising from experience adjustments	(248)	(59)
Translation adjustments	-	-
Change of method	(1,142)	-
SUBTOTAL AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE INCOME	**(2,325)**	**52**
Change in consolidation scope	-	-
CURRENCY TRANSLATION	**(18)**	**(33)**
PRESENT VALUE OF THE COMMITMENT AT THE END OF THE PERIOD	**5,533**	**7,304**

CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Total amounts recognized in Other Comprehensive Income (excluding deffered taxes)

	31/12/2021	31/12/2020
TOTAL AMOUNTS RECOGNISED IN OCI AT THE BEGINNING OF THE PERIOD	**3,525**	**3,473**
Revaluation of net liabilities / assets of the period	(2,325)	52
TOTAL AMOUNTS RECOGNISED IN OCI AT THE END OF THE PERIOD	**1,200**	**3,525**

NOTE 24 - PAYABLES BY MATURITY

31/12/2021	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Bank borrowings	161,730	91,814	52,777	17,139
Including guarantees given	26,688	8,484	18,204	
Bank overdrafts	39,110	39,110	-	-
Trade payables	91,867	91,867	-	-
Lease liabilities	18,275	4,642	9,949	3,683
Other current liabilities	22,792	22,792	-	-
TOTAL	**333,774**	**250,225**	**62,726**	**20,822**

31/12/2020	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Bank borrowings	151,375	21,114	117,467	12,794
Including guarantees given	29,132	10,302	18,830	
Bank overdrafts	36,981	36,981	-	-
Trade payables	45,301	45,301	-	-
Lease liabilities	20,436	4,581	10,989	4,867
Other current liabilities	19,898	19,898	-	-
TOTAL	**273,991**	**127,875**	**128,456**	**17,661**

NOTE 25 - OTHER CURRENT LIABILITIES

	31/12/2021	31/12/2020
Down payments received	2,136	931
Tax and employee-related liabilities	18,407	16,276
Prepaid income	1,406	1,039
Others	843	1,652
TOTAL	**22,792**	**19,898**

NOTE 26 - DEFERRED TAXES

Deferred tax assets are offset by deferred tax liabilities generated in the same tax jurisdiction.

Deferred tax assets resulting from temporary differences or tax losses carried forward are recognized only to the extent that is really probable that future taxable profit will be available against which the temporary differences can be utilized over the next five years. When this probability cannot be demonstrated, deferred tax assets are capped to the amount of deferred tax liabilities recognized on the same tax jurisdiction and deferred tax assets on tax losses carried forward are not recognized.

The global amount of tax losses carried forward for which no deferred tax assets were recorded amount to 100 549 K€ for the Group at 31 December 2021 (107 343 K€ at 31 December 2020) and the major part can be indefinitely carried forward.

The change in net deferred tax breaks down as follows:

	31/12/2021	31/12/2020
Deferred taxes from adjustments of the fair value of rental equipment	325	315
Deferred taxes from adjustments on finance leases and back-to-back leases	(57)	2
Deferred taxes from provisions of pensions	1,270	1,880
Deferred taxes from adjustments of internal margin on inventory and fixed assets	2,249	3,586
Deferred taxes from non-deductible provisions	4,019	3,472
Deferred taxes from differences in depreciation periods and R&D costs	(5,424)	(5,338)
Deferred taxes on Acarlar customers portfolio	(581)	(1,115)
Deferred taxes from tax losses	6,725	6,357
Deferred taxes from other consolidation adjustments	819	1,372
Deferred taxes from other temporary differences	(663)	766
Impact of the capping of deferred tax assets	(3,915)	(4,963)
TOTAL	**4,768**	**6,335**

The change in net deferred tax breaks down as follows:

	31/12/2021	31/12/2020
OPENING NET BALANCE	**6,335**	**11,623**
Income / (loss) from deferred taxes from continued activities	(2,668)	(5,489)
Deferred taxes recognised in other comprehensive income	(2,701)	82
Other	2,295	-
Translation adjustment	1,507	119
CLOSING NET BALANCE	**4,768**	**6,335**

Deferred taxes recognized in other comprehensive income concerned mainly the net impact of unrealized foreign exchange losses and gains on current accounts classified as net investments.

CONSOLIDATES FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 27 - SALES AND REVENUE

Note 39 on segment reporting provides with details on sales and revenue.

NOTE 28 - COST OF SALES

	31/12/2021	31/12/2020
Production cost of sales	(382,726)	(332,540)
Change in inventory provisions	(175)	196
Warranty costs	(6,428)	(5,832)
TOTAL	**(389,329)**	**(338,176)**

NOTE 29 - GENERAL AND ADMINISTRATIVE EXPENSES

	31/12/2021	31/12/2020
Administrative expenses	(40,177)	(39,573)
Provision for depreciation of trade receivables	256	(1,503)
Management expenses	(8,400)	(8,748)
TOTAL	**(48,531)**	**(49,824)**

NOTE 30 - RESEARCH AND DEVELOPMENT EXPENDITURES

	31/12/2021	31/12/2020
Development expenditures recognised as intangible assets	5,348	6,559
Amortisation of development expenditures	(3,744)	(2,647)
Research tax credit	2,479	2,218
Development expenditures	(15,854)	(16,411)
TOTAL	**(11,771)**	**(10,281)**

NOTE 31 - EXCHANGE GAINS AND LOSSES

In current operating income	**31/12/2021**	**31/12/2020**
Realised exchange gains and losses	(845)	21
Unrealised exchange gains and losses	1,230	(1,379)
TOTAL	**385**	**(1,358)**

In financial income	**31/12/2021**	**31/12/2020**
Realised exchange gains and losses	728	(3,556)
Unrealised exchange gains and losses	8,336	(11,110)
TOTAL	**9,064**	**(14,666)**
TOTAL	**9,449**	**(16,024)**

Foreign exchange gains and losses related to underlying considered as financing items (mainly of our subsidiaries) are presented within the financial result.

For the year ended 31 December 2021, the application of IAS 29 for Argentinian entities (reevaluation of the accounts in pesos and conversion of the income statement at closing rate) generated a profit of 2.4 M€ in foreign exchange gains and losses and recognized as a financial income

NOTE 32 - EXPENSES BY NATURE OF CURRENT OPERATING INCOME

	31/12/2021	31/12/2020
Purchases of raw materials and other consumablesand changes in finished products inventory	(278,233)	(250,769)
External charges	(80,621)	(64,474)
Taxes and related items	(4,561)	(4,900)
Staff costs	(97,170)	(87,145)
Net depreciation, impairment and provisions	(19,515)	(13,570)
Currency gains and losses	384	(1,358)
Other operating income and expenses	43	(5,326)
TOTAL	**(479,674)**	**(427,543)**

NOTE 33 - STAFF COSTS

	31/12/2021	31/12/2020
Salaries and wages	(69,997)	(65,412)
Social security and related expenses	(25,418)	(21,702)
Employee profit-sharing	(710)	(26)
Pensions costs	(1,045)	(5)
TOTAL	**(97,170)**	**(87,145)**

Staff costs are allocated to the appropriate captions of the income statement by function.

NOTE 34 - OTHER OPERATING INCOME AND EXPENSES

	31/12/2021	31/12/2020
Industrial reorganization costs	(3,575)	
Cost of litigation net of increases/ decreases in provisions	(1,343)	(3,513)
Goodwill depreciation		(4,381)
Others	(708)	764
TOTAL	**(5,626)**	**(7,130)**

Over the period, costs were recognized in connection with the industrial reorganization mentioned in Note 22. They consist of a provision for restructuring of (2.2) M€, a provision of (0.9) M€ for the scrapping of intangible and tangible assets and (0.5) M€ of other expenses which were settled during the year.

Cost of litigations are mainly composed of legal fees for 0.5 M€, assets depreciation for 0.8 M€ and 0,7 M€ of other charges.

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NOTE 35 - COST OF NET FINANCIAL DEBT, OTHER FINANCIAL INCOME AND EXPENSES

	31/12/2021	31/12/2020
Interest expenses and fees on loans and bank overdrafts	(2,956)	(2,408)
Cost of transfers of financial assets	(154)	(178)
Interests on leasing contracts	(914)	(774)
COST OF NET FINANCIAL DEBT	**(4,024)**	**(3,360)**
Gains and losses on realization of financial instruments	-	-
Others	(919)	(1,455)
OTHER FINANCIAL INCOME AND EXPENSES	**(919)**	**(1,455)**
TOTAL	**(4,943)**	**(4,815)**

NOTE 36 - CORPORATE INCOME TAX

	31/12/2021	31/12/2020
Current tax	(5,288)	(7,648)
Deferred tax	(2,668)	361
TOTAL	**(7,956)**	**(7,287)**

NOTE 37 - EFFECTIVE INCOME TAX RECONCILIATION

The difference between the effective tax rate of 49.44% (-66.67% in December 2020) and the standard rate applicable in France of 28.41 % breaks down as follows:

		31/12/2021		31/12/2020
Consolidated income before tax	16,094		(15,610)	
TAX (INCOME)/ EXPENSE CALCULATED AT THE TAX RATE APPLICABLE TO THE PARENT COMPANY'S PROFIT	**4,572**	**28.41%**	**(4,514)**	**28.92%**
Effect of differential in tax rates	(836)		1,517	
Effect of permanently non-deductible expenses or non-taxable income	30		(2,233)	
Effect of use of loss carry forwards previously not recognised	(854)		(737)	
Effect of tax assets not recognised	1,854		3,737	
Effect of loss carry forwards not recognised	5,913		17,153	
Effect of tax consolidation and income tax credits	(3,821)		(913)	
Effect of the reversal of unused deferred tax assets	3,408		(3,259)	
Tax relating to previous years	-		264	
Others	(2,310)		(608)	
EFFECTIVE TAX (INCOME)/ EXPENSE	**7,956**	**49.44%**	**10,407**	**-66.67%**

NOTE 38 - EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit or loss of the Group for the period by the weighted average number of shares outstanding during the period, excluding treasury shares acquired.

Diluted earnings per share are calculated by adjusting the weighted number of shares outstanding in order to take into account all shares issued on conversion of potentially dilutive securities, and notably stock options. A calculation is made to determine the number of shares acquired at fair value (the annual average for traded shares) according to the monetary value of rights attached to outstanding stock options. The resulting number of shares is then compared with the number of shares that would have been issued if the options have been exercised.

In Euros	31/12/2021	31/12/2020
NET INCOME FOR THE GROUP IN THOUSANDS OF EUROS	**7,934**	**(26,057)**
Total number of shares	31,371,274	31,371,274
Number of treasury shares	1,862,120	1,839,251
NUMBER OF SHARES USED FOR THE EARNINGS PER SHARE AND THE DILUTED EARNINGS PER SHARE CALCULATION	**29,509,154**	**29,532,023**
Earnings per share attributable to shareholders		
- basic	0.27	(0.88)
- diluted	0.27	(0.88)

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NOTE 39 - SEGMENT REPORTING

39.1 SALES BREAKDOWN

Sales by business segment	31/12/2021	%	31/12/2020	%
Sales of handling and lifting equipment*	423,981	85	380,748	87
Rental of handling and lifting equipment	17,541	4	12,280	3
Services	55,749	11	45,517	10
CONSOLIDATED SALES	**497,272**	**100**	**438,544**	**100**

** Financed sales amount to 67.3 M€ (versus 92 M€ as per 31 December 2020) and interests income on financed sales amount 3,3 M€ (versus 2.0 M€ as per 31 December 2020).*

39.2 MAIN INDICATORS BY BUSINESS SEGMENT

The column « Others » includes items not allocated to the Group's three business segments as well as inter-segment items.

					31/12/2021					**31/12/2020**
In K€ (continuing operations)	**Manufacturing and Sale of equipment**	**Equipment rental**	**Services**	**Others**	**Total**	**Manufacturing and Sale of equipment**	**Equipment rental**	**Services**	**Others**	**Total**
INCOME STATEMENT HIGHLIGHTS										
Sales and revenues to external customers	423,981	17,541	55,749		**497,272**	380,748	12,280	45,517	-	**438,544**
Current operating income	30,772	2,449	7,906	(23,530)	**17,598**	23,204	2,658	3,388	(18,250)	**10,001**
ASSETS										
Inventories	144,133	-	12,685	-	**156,818**	120,075	-	14,161	-	**134,236**
Trade receivables*	165,571	5,458	11,848	-	**182,877**	138,363	3,986	11,826	-	**154,175**

** includes receivables on financing operations*

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FOR THE YEAR ENDED 31 DECEMBER 2021

Notes 40 to 42 provide with information regarding the cash flow statement

NOTE 40 - ANALYSIS OF CHANGE IN WORKING CAPITAL

	31/12/2021	31/12/2020
Change in inventories	(19,896)	48,979
Change in provision for inventories	381	82
Change in trade receivables	(32,468)	13,599
Change in provision for trade receivables	100	(5,225)
Charge in trade payables	44,897	(24,249)
Change in other assets and liabilities	8,265	1,198
CHANGE IN OPERATING WORKING CAPITAL CONTINUED OPERATIONS	**1,279**	**34,384**

NOTE 41 - ANALYSIS OF CHANGE IN RECEIVABLES FROM FINANCING ACTIVITIES

	31/12/2021	31/12/2020
Change in gross value	7,868	(18,077)
Change in provisions	0	334.00
CHANGE IN RECEIVABLES FROM FINANCING ACTIVITIES	**7,868**	**(17,743)**

Revenue from financing activities includes back-to-back arrangements, direct financing leases, lease payment obligations and risk pool commitments.

Transactions involving risk pool commitments and lease payment obligations by Haulotte Group SA represent transactions for which receivables and payables are fully offset. In consequence, they do not generate cash flow. The receivables and payables (for the same amount) are discharged as customers make lease payments to their financial institution. In consequence, these transactions are eliminated in the cash flow statement because they have no impact on net cash.

Changes in back-to-back lease arrangements and finance leases are presented as a cash component of the above business. In contrast, changes in the corresponding payable (fully matched by the receivable or resulting from a comprehensive financing arrangement after the back-to-back lease agreements were repurchased through a syndicated loan) are presented under cash flows from financing activities.

NOTE 42 - CASH COMPONENTS

	31/12/2021	31/12/2020
Cash on hand and deposit accounts	32,860	25,740
Money market funds and negotiable instruments	343	437
CASH AND CASH EQUIVALENT - BALANCE SHEET	**33,203**	**26,177**
Bank overdrafts (refer to note 20)	(39,110)	(36,981)
CASH AND CASH EQUIVALENT - CASH FLOW STATEMENT	**(5,907)**	**(10,804)**

NOTE 43 - INFORMATIONS ON RELATED PARTIES

43.1 RELATED PARTIES TRANSACTIONS

Solem S.A.S. is the majority shareholder of Haulotte Group S.A., with 57.50 % of the share capital at 31 December 2021.

Solem paid to Haulotte Group S.A. income of 30 K€ in 2021 and 30 K€ in 2020, and invoiced charges of 1 455 K€ in 2021 and 1 225 K€ in 2020 corresponding to the expenses incurred for the Group by two Directors as described in the note below.

In 2021, Telescopelle paid 57 K€ to Solem (55 K€ in 2020) under the terms of a financial recovery clause following a debt waiver granted on 31 December 2001 for 1 220 K€. The debt waiver balance for which the payment is expected amounted to 383 K€ at 31 December 2021.

43.2 FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amounts allocated to Board members paid by the Group amounts to 765 K€ for 2021 (766 K€ for 2020). This whole amount corresponds to short term advantages (fix and variable wages).

In compliance with the agreement to provide general administrative and commercial assistance signed by Solem S.A.S. the cost of the services is subject to a 10% mark-up.

No loans or advances have been granted to directors and officers. There are no other pension obligations or related commitments in favor of current or former executives.

NOTE 44 - OFF-BALANCE SHEET COMMITMENTS

Commitments given	31/12/2021	31/12/2020
Repurchase commitments*	24	57
Commitments given by Haulotte Group SA to GE Capital for the benefit of Haulotte US**	-	4,075
Guarantees on export financing***	926	1,473

(*) : Repurchase commitments cover guarantees for the residual values granted by the Group in connection with customer financing agreements.

(**) : In connection with product financing agreements executed in 2014, Haulotte Group SA is the first call guarantor in the event of default by Haulotte US Inc., for up to US$5,000 thousand, in favour of different GE Group companies (General Electric Capital Corporation US, GE Commercial Distribution Finance Corporation US, GE Canada Equipment Financing G.P.). This commitment expired on 19 December 2021.

(***) : Financing export agreements are put in place for some customers. Specialized financial institutions guarantee these agreements to the banks for a certain percentage. Then, the Group gives an additional guarantee to the financial institution for the percentage not covered.

NOTE 45 - AVERAGE NUMBER OF EMPLOYEES

	31/12/2021	31/12/2020
Average headcount for the year	1,819	1,804

NOTE 46 - AUDITORS' FEES

In euros (excluding VAT)	PricewaterhouseCoopers Audit SAS		BM&A	
Reports on financial statemns	182,861	94%	96,844	100%
Other services	12,500	6%	-	0%
TOTAL	**195,361**	**100%**	**96,844**	**100%**

Other services are related to independent report on corporate social responsability information.

NOTE 47 - SUBSEQUENT EVENTS

Regarding the recent geopolitical events in Ukraine and Russia, the Group considers that its economic exposure in this region is limited, since the level of turnover achieved by the local entity established in Russia represents approximately 5% of the group's turnover. No subsidiary of the group is established in Ukraine and the sales made in Ukraine are immaterial. Moreover, in this period of high demand, with an orderbook that reached an historical level, the Group is able to compensate the impact of a potential decrease of activity in this area.

The events listed above, as well as the sanitary situation in China, where a rebound of the Covid-19 epidemic has been important, had unfavorable impacts on the inflation on the cost of raw materials, components, energy, and transportations. In this uncertain context, the effects on operations and finances of the group linked to these impacts and the duration of the conflict in Ukraine are under analysis. The group confirms, through the implementation of the necessary resources, its ability to meet these challenges.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PricewaterhouseCoopers Audit

Grand Hôtel Dieu
3 Cour du Midi, CS 30259
69287 Lyon Cedex 02

BM&A

11 rue de Laborde,
75008 Paris

To the annual general meeting of Haulotte Group SA

Rue Emile Zola

42420 Lorette

This is a free translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and is provided solely for the convenience of English-speaking readers. This statutory auditors' report includes information specifically required by European regulations and French law, such as information about the appointment of statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Haulotte Group SA ("the Group") for the year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independance

We conducted our audit engagement in compliance with the independence with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from January 1, 2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

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

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming in our opinion thereon and we do not provide a separate opinion on specific items of the consolidated financial statements.

ASSESSMENT OF CUSTOMER CREDIT RISK

Description of risk

The Group has a diverse portfolio of customers whose financial positions may be impacted by the cyclical nature of the markets and changing geopolitical environments, which could, in the short term, result in limited liquidity and ultimately affect their ability to make payments.

At 31 December 2021, trade receivables, including receivables from financing activities, represented a gross value of €198,564 thousand and a net value of €182,877 thousand.

As indicated in Notes 4.7, 5 and 14 to the consolidated financial statements, the assessment of customer risk, and consequently the measurement of potential impairment, relies on (i) an analysis of customers' individual financial situations based primarily on past relationships with those customers and the outlook of the markets in which they operate, and (ii) the likelihood that the Group would recover underlying assets in the event of customer default.

Given the materiality of receivables with varying maturities depending on the type of financing and the judgements and assumptions made by management to measure impairment of trade receivables, we deemed the measurement of customer credit risk to be a key audit matter.

How our audit addressed this risk

Our work consisted primarily in:

- Gaining an understanding of the internal control procedures put in place by management applicable to the measurement of customer credit risk;
- Assessing the merits of the assumptions made by management in its measurement of potential customer credit risks including, where applicable, the ability to repossess equipment;
- Verifying the basic data used to measure provisions related to trade receivables when payment deadlines are exceeded by more than one year.

Measurement of the goodwill allocated to the « North America » and « Acarlar » CGU

Description of risk

At 31 December 2021, total goodwill amount to € €13,006 thousand net and goodwill for the "North America" & "Acarlar" CGU (cash-generating unit) came to € 4,349 thousand net, and € 8,521 thousand net, respectively. The procedures for the impairment tests used are described in Notes 4.1 and 8 to the consolidated financial statements.

The recoverable amounts of the "North America" & "Acarlar" CGU are determined based on their value in use, which are calculated using the discounted value of cash flows expected over a period of five years from the group of assets allocated to the "North America" & "Acarlar" CGU. Forecast data includes assumptions in terms of volume, sale price and production costs and the use of a discount rate and a long-term growth rate.

Given the use of assumptions and estimates to assess the recoverable value, we deemed the measurement of goodwill to be a key audit matter.

How our audit addressed this risk

We examined the methodology used by the Group for performing impairment tests.

Our work consisted primarily in:

- Reconciling the data underlying the "North America" & "Acarlar" CGU carrying amount with the consolidated financial statements;
- Ensuring the correct calculation of discounted cash flows;
- Verifying the mathematical accuracy of the data and reconciling forecast data with the budget approved by management;
- Assessing the consistency of the operational assumptions made by management to establish cash flow projections, including by comparing them to past performances and market outlook;
- Assessing the discount rate calculations and corroborating certain inputs of this rate with available market data, particularly in the context of the Covid-19 pandemic;
- Assessing the sensitivity of the recoverable amount to inputs such as discount rate and the assumptions used.

We also examined the appropriateness of the disclosures provided in Note 8, "Goodwill", to the consolidated financial statements.

Assessment of the going concern basis

Description of risk

Consolidated financial statements have been prepared using the going concern basis of accounting.

As indicated in Note 2 "Major events of the fiscal year" to the consolidated financial statements, the financial covenants defined in the Syndicated Loan have been breached as of December 31, 2021 due to the global strong recovery of the market cumulated with difficulties in the supply chain. A waiver has been granted by all the lenders to the Group for the year ended December 31, 2021 and for the half-year as at June 30, 2022.

The net financial debt as at December 31, 2021 amounts to € 167.6 million, including cash for € 33.2 million, financial debts and liquidity as described in Notes 18 "Cash and cash equivalent" and 20 "Borrowings and financial liabilities".

Based on :

- The net financial debt and the portion of debts to be paid within the next 12-month,

- The cash and short-term liquidity available at Group level,

- The assumptions followed by Management to prepare a budget and assess expected cash-flows,

the level of cash is considered as sufficient by Group Management to ensure the continuity of the activities.

Given the terms and conditions of the financial debts of the Group and the use of assumptions and estimates to assess the expected rentability and future cash-flows, we deemed the assessment of the going concern to be a key audit matter.

How our audit addressed this risk

As part of our audit procedures, we assessed the level of liquidity needed by the Group based on future expected cash-flows, actual cash and short-term credits available.

Our work consisted primarily in obtaining the details of future expected cash-flows and in understanding (i) procedures followed and (ii) main assumptions applied to determine these cash-flows.

We assessed their consistency with the last business plan prepared by Management and approved by the executive committee.

We also assessed their reasonableness compared to past performances and to the activity realized within the FY22 first few months taken into consideration the actual economic and financial situation of the lifting equipment manufacturing sector as well as an assessment of the on-going actions initiated by the Group as a response of the Covid-19 crisis and of the conflict in Ukraine.

We also examined the appropriateness of the disclosures included in the notes to the consolidated financial statements and related to :

- Events described in Notes 2.3 “Syndicated Loan contract” and 47 “Subsequent events”,

- The liquidity risk mentioned in Notes 3.2.2 “Evaluation of risks and significant uncertainties having a potential material impact on Haulotte Group” and 5 “Management of financial risks”,

- The details of financial debts, borrowings, overdrafts and syndicated loan in Note 20 “Borrowings and financial liabilities”.

SPECIFIC VERIFICATION

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group’s information given in the Group’s management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French commercial code (code de commerce) is included in the Group’s information given in the management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Group Managing Director, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Haulotte Group SA by the General Meetings held on 25 May 2021 for BM&A and on 2 October 1998 for PricewaterhouseCoopers Audit.

As at 31 December 2021, BM&A and PricewaterhouseCoopers Audit were in the seventh year and the twenty-fourth year of total uninterrupted engagement, which are the seventh year and the twenty-fourth year since securities of the Company were admitted to trading on a regulated market, respectively.

RESPONSABILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

· Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

· Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

· Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by management in the consolidated financial statements.

· Assesses the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion expressed therein.

· Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce)and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence and the related safeguard.

Lyon, April 29, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	BM&A
Matthieu Moussy	Pascal Rhoumy

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