

MANAGEMENT REPORT 2020



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MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

GENERAL COMMENTS

Definitions

In this annual financial report, except where otherwise indicated:

- The terms "**Company**" or "**HAULOTTE GROUP**" refer to **HAULOTTE GROUP**, a French public limited company (Société Anonyme) with capital of €4,078,265.62 whose registered office is located on rue Emile Zola, 42420 Lorette, France, registered in the Saint-Etienne Trade and Companies Register under No. 332 822 485.
- The term "**Group**" refers to the Company and all companies consolidated by the latter.

Forward-looking statements

This annual financial report also includes forward-looking information about the Group's objectives and development priorities. These forward-looking statements are sometimes identified by the use of the future or conditional tense or forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or variations thereof or other comparable terminology. It should be noted that these objectives and development forecasts do not represent historical data and as such should not be interpreted as providing assurance that the facts and data presented will occur, that the assumptions will be confirmed and the objectives reached. They represent objectives that by nature might not be achieved, and the information presented in this annual financial report may prove to be erroneous without the Group being subject, in any manner whatsoever, to an obligation to update these statements, subject to applicable regulations, particularly the AMF (*Autorité des Marchés Financiers*) General Regulations.

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RESPONSIBILITY FOR THE FRENCH VERSION OF ANNUAL FINANCIAL REPORT

Person making the responsibility statement

In accordance with article L.451-1-2 of the French monetary and financial code, we inform you that the person responsible for the annual financial report is Mr. Alexandre Saubot, Deputy Chief Executive Officer of Haulotte Group.

Responsibility statement

L'Horme, 30 April 2021

"I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable financial reporting standards and provide a true and fair view of the assets and liabilities, financial position and results of the operations of the Company and the Group formed by the companies included in the consolidated financial statements, and that the management report for the period, included herewith, presents business trends, the results and financial position of the company and consolidated operations and a description of the main risks and uncertainties."



Alexandre Saubot

Deputy CEO

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PART 1: ECONOMIC INFORMATION

1 - REVIEW OF OPERATIONS AND RESULTS FOR THE YEAR UNDER REVIEW

Haulotte Group ranks among the worldwide leaders in the market for self-propelled aerial work platforms both as a manufacturer of the main equipment categories (telescopic booms, articulating booms, scissor lifts, vertical masts) and as a global distributor.

In a worldwide market for aerial work platforms that has been severely affected by the health crisis, with China as the only market to demonstrate growth compared to FY 2019, Haulotte Group SA's sales fell by 35%, i.e. a decrease of -€100 million.

In Europe, almost all markets exhibited a significant drop in activity in 2020, with Group sales declining. In the Asia-Pacific region, market performance was more heterogeneous. China, which will become the world's largest market in 2020, continued to show very strong growth, while all other markets, including Europe, experienced a sharp decline. Against this backdrop, Group sales held up better in this region, but decreased nonetheless. In North America, which was also severely affected by the health crisis, the Group's annual sales in the aerial work platform business held up better than the overall market, but were also down. In Latin America, where the health and economic situation in the various markets remained particularly complicated, Haulotte recorded a steep decline in sales.

The financial year ended 31 December 2020, submitted for approval to the ordinary general meeting, is the Company's thirty-sixth year of operations since its creation.

2 - PROGRESS MADE OR DIFFICULTIES ENCOUNTERED

2020 business levels were not enough for the Company to break even in operating terms, despite the Group's implementation of measures to contain fixed costs (without restructuring and with no impact on the Group's strategic projects).

3 - PRESENTATION OF PARENT COMPANY FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – RESULTS OF OPERATIONS THE COMPANY

3.1 Presentation of parent company financial statements

Highlights of the parent company financial statements of **HAULOTTE GROUP SA** for the financial year ended 31 December 2020 are presented below (in € thousands):

RESULTS € thousands	FY 2020	FY 2019	CHANGE (%)
REVENUE	186,552	286,256	- 34.83%
OPERATING PROFIT	(17,735)	(3,812)	
NET FINANCIAL INCOME (EXPENSE)	(14,975)	(2,910)	
EXTRAORDINARY PROFIT (LOSS)	(1,718)	(298)	
NET PROFIT (LOSS)	(31,298)	(3,229)	

Please refer to the notes to the annual financial statements for all additional explanations.

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3.2 Changes in the presentation of the annual accounts or methods of valuation, applied in prior years

We inform you that the annual financial statements were prepared according to the same presentation and methods used in prior periods. Changes in accounting methods are presented in the summary of significant accounting policies in Note 2 to the separate annual financial statements.

As of 1 January 2020, the Company reclassified its current account-related receivables. Due to this change in accounting estimates, short-term current accounts are now considered cash accounts and recognised as other receivables. Long-term current accounts that are similar to financing transactions are still recognised as receivables from equity investments.

3.3 Analysis of parent company results

Driven by lower volumes, the net margin decreased by €15 million between 2019 and 2020, i.e. a decline of -33%. At the same time, structural costs were down by -€2 million (-4%) in 2020, without restructuring and with no impact on the Group's strategic projects. The level of fees received from our foreign plants was down by -€6 million due to the decline in business in all geographic areas.

Haulotte Group SA's operating result for the year came to -€18 million for FY2020 compared to -€4 million in 2019.

The financial loss reflects the deterioration in the exchange rates of the currencies to which the Group is exposed through its distribution subsidiaries, as well as the recording of impairments on assets held against subsidiaries of Haulotte Group SA.

In light of the above, FY2020 ended with a loss of -€31 million.

As required by article R.225-102 of the French commercial code, this report includes a table summarising the results of the Company over the last five years.

4 - COMPREHENSIVE ANALYSIS OF THE COMPANY'S REVENUE, EARNINGS AND FINANCIAL POSITION, AND PARTICULARLY DEBT WITH RESPECT TO THE VOLUME AND COMPLEXITY OF BUSINESS ACTIVITY

Readers are invited to refer to paragraphs 1, 2 and 3 above and 6.2 and 7 below.

5 - ANALYSIS OF KEY INDICATORS OF A FINANCIAL AND NON-FINANCIAL NATURE RELATING TO THE COMPANY'S SPECIFIC BUSINESS, AND IN PARTICULAR INFORMATION RELATING TO ENVIRONMENTAL AND STAFF ISSUES

Readers are invited to refer above to paragraphs 1, 2 and 3 and section 5 below in this report, as well as the Company's Non-Financial Statement.

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6 - KEY RISKS AND UNCERTAINTIES – THE COMPANY’S EXPOSURE TO RISKS CONCERNING PRICE, CREDIT, LIQUIDITY AND CAPITAL RESOURCES – INFORMATION ON MARKET RISKS

In accordance with the provisions of article L.225-100-1 of the French commercial code, a description of key risks and uncertainties facing the Company is presented below.

6.1 Key risks and uncertainties:

Because the company outsources a significant share of its production, the sourcing capacities of its suppliers constitute a primary risk. To prevent risks of supply chain disruptions, the strategy of diversifying suppliers, widely adopted for a number of years, must be continued. For several years, the credit situation of suppliers considered to represent greater risk has been monitored and specific measures have been taken to ensure that the industrial model remains constantly in sync with market demand.

Market risk is the second significant risk factor. On that basis, visibility has improved though caution continues to be necessary, against the backdrop of a global environment marked by continuing uncertainties.

Another significant risk is the sensitivity of sales to credit restrictions in financial markets. HAULOTTE GROUP proposes financing solutions to its customers either through a financing entity or, for a non-significant percentage of sales, direct financing, while maintaining receivable risks at a reasonable level.

6.2 The Company’s exposure to risks concerning price, credit, liquidity and capital resources

The majority of the Company’s sales is generated through its distribution subsidiaries. Despite fierce competition, these subsidiaries have successfully maintained the level of sale prices for new products.

2020 was marked by the impact of the COVID-19 health crisis, which affected the vast majority of the Group’s business in all regions.

In this unprecedented context, Haulotte submitted to all lenders participating in the Syndicated Credit Facility a request to waive compliance with the ratios for the periods of June and December 2020, as well as a request for an additional one-year extension of the maturity date of said Credit Facility. These requests were unanimously and unconditionally accepted on 30 June 2020. The maturity date of the Syndicated Credit Facility was thus deferred until 17 July 2025.

7 - USE OF FINANCIAL INSTRUMENTS - COMPANY FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

The Company does not systematically hedge interest rate and foreign exchange risk.

However, transactions are carried out according to market opportunities. In such cases, they are destined to cover existing assets or liabilities rather than for speculative purposes.

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8 - FORSEEABLE CHANGES IN THE COMPANY'S SITUATION AND OUTLOOK

In line with a recovery in business activity since early winter, driven by the Europe and Asia Pacific regions, Haulotte Group SA expects to record an increase in sales of some 14% in 2021. Despite this upturn in activity, and in a context of increasing pressure on raw material prices, operating income will likely remain negative.

Net financial income is expected to break even, the cost of debt being offset by a reversal of certain provisions on some of our subsidiaries due to an improvement in their financial situation.

In light of the above, and a research tax credit of approximately €2 million, a net loss is once again expected in 2021.

9 - IMPORTANT POST-CLOSING EVENTS BETWEEN THE END OF THE FINANCIAL PERIOD AND THE DATE OF THE MANAGEMENT REPORT

No material event with a potential significant impact on the assessment of the situation of the company has occurred or was known to exist after the end of the reporting period.

10 - RESEARCH AND DEVELOPMENT OF THE COMPANY

The Company's research and development efforts continued in the period.

2020 stood out for the launch of several new models:

- In September: expansion of the RTJ line of telescopic booms with the HT16RTJ PRO.
- In November: expansion of the vertical mast range with the STAR6 Crawler. This new electric vertical mast, equipped with caterpillar tracks, offers a working height of 6 metres.

During FY2020, the Company prepared for the launch of the new range of PULSEO all-terrain electric scissor lifts, slated for early 2021. New 15- and 18-metre models are available in two versions: HS15E and HS15E PRO, HS18E and HS18E PRO. This new range builds on the Group's "Blue Strategy".

Deliveries to European customers are expected to begin in Q1 2021.

At the same time, the Group has expanded its research focusing on optimising operator safety.

The medium-term objective of these R&D efforts is to accelerate the roll-out of new machines or renew our existing product ranges in the years ahead.

Research and development expenditures amounted to €13,719,000 in 2020.

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II - BREAKDOWN OF TRADE PAYABLES AND RECEIVABLES OF THE COMPANY BY MATURITY

In accordance with the provisions of articles L.441-14, paragraph 1 of the French commercial code, an aged trial breakdown of trade receivables and payables is provided below for the financial year ended 31 December 2020.

Trade payables	Article D.441-6 of the French commercial code*: Invoices received unpaid at the end of the reporting period in arrears					Total
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	
(A) Portion in arrears						
Number of invoices concerned						813
Total amount of invoices concerned including VAT		781,436	174,637	22,993	7,654	986,720
% of total amount of purchases for the period incl. VAT		0.51%	0.11%	0.01%	0.00%	154,690,540
(B) Invoices excluded from (A) relating to disputed receivables and subsidiaries						
Number of supplier invoices paid at the beginning of January			64			
Number of disputed supplier invoices			809			
Total number of subsidiary invoices involving a current account-related payables			127			
Number of supplier invoices paid at the beginning of January			19,560			
Amount of disputed invoices			3,120,430			
Amount of subsidiary invoices involving a current account-related payable			1,154,579			
(C) Reference payment terms used (contractual or legal terms - article L.441-6 or L.443-1 of the French commercial code)						
Payment terms used to calculate payment delays						Legal terms: 60 Days

Accounts Receivable	Article D.441-6 : Invoices issued and unpaid at the end of the reporting period in arrears					Total
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	
(A) Portion in arrears						
Number of invoices concerned						226
Total amount of invoices concerned including VAT		36,037	244,482	560,203	2,274,744	3,115,465
% of Revenue for the period excl. VAT		0.02%	0.13%	0.30%	1.22%	186,552,400
(B) Invoices excluded from (A) relating to disputed receivables and subsidiaries						
Number of disputed customer invoices						125
Total number of subsidiary invoices involving a current account-related receivable						5,601
Amount of doubtful customer invoices incl. VAT						805,768
Amount of subsidiary invoices involving a current account-related receivable incl. VAT						70,765,449
(C) Reference payment terms used (contractual or legal terms - article L.441-6 or L.443-1 of the French commercial code)						
Payment terms used to calculate payment delays						Legal terms: 60 Days

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12 - INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES ADOPTED BY THE COMPANY AND IN PARTICULAR THOSE RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

A. Objectives of the Company in the areas of internal control and risk management procedures

The purpose of internal control procedures in force in the company is to ensure that management and operating practices, as well as employee behaviour, adhere to the framework defined by the guidelines set out for Company activities by governing bodies, applicable laws and regulations, and the values, standards and internal rules of the Company, to verify that the accounting, financial and management information provided to the Company's corporate governance bodies fairly reflect the operation and situation of the Company and its subsidiaries.

One of the objectives of internal control is to prevent and manage the risks arising from the business operations of the company and its subsidiaries and the risk of error or fraud, in particular in the accounting and financial areas (operating, financial, compliance or other risks).

As with any control system, it is not possible to provide an absolute guarantee that these risks have been completely eliminated.

B. Summary of procedures in place

a) General organisation for internal control and risk management procedures at the Company level

Each department at the head office and in subsidiaries is responsible for implementing and monitoring internal control procedures.

These internal control procedures are placed under the responsibility of the Group Finance Department and the Secretariat General, which draw up the procedures, promote their application and ensure their consistency and proper functioning. A core body of written internal procedures is available for consultation on the Company's intranet.

Accordingly, the different participants in the internal control process within the Company include:

- the Finance and Information Systems Division (including Internal Control, Management Control, Credit Management, Consolidation and Reporting, Group Accounting and Information Systems),
- the Secretariat General (including the Legal and Human Resources Departments),
- the Industrial Division (including the Quality and Operational Excellence Department).

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b) Presentation of summarised internal control and risk management procedures adopted by the Company

Finance Division:

The Finance Division draws up written procedures covering the main subjects and financial flows within the Group. These procedures are disseminated to all financial contacts at the head office and subsidiaries, and updated on a regular basis.

The Finance Division includes the following departments

• **Internal control**

The Group's internal control is placed under the responsibility of the Executive Committee (COMEX).

It extends to all Group subsidiaries and concerns the entire organisation (administrative, accounting and financial, functional and operational processes).

Main missions include:

- Ensuring that risks are controlled and managed
- Implementing internal procedures and contributing to improvement thereof
- Implementing a continuous improvement approach

• **Management Control Department:**

This department includes two units :

- an industrial management control unit represented at each production site, and by a dedicated team at headquarters for R&D, purchasing and quality functions,
- a management control unit for distribution subsidiaries, spearheaded from the head office, ensuring financial oversight for the Group's different distribution and service subsidiaries in coordination with the regional financial controllers.

In addition, the regional financial controller acts as intermediary between the Group and the controller for each subsidiary in its region. This division ensures management control for the support and equipment rental business functions.

These teams contribute to implementing the internal control procedures by:

- ensuring the security of assets, particularly through inventory procedures,
- ensuring and assisting in the dissemination of the Group's accounting and management rules,
- ensuring that expenditures are incurred in accordance with the budget set out at the beginning of each period and within the framework of the rules for incurring expenses and delegations of authority defined by the Group.

• **Cash Management Department:**

This department is responsible for the following activities:

- cash management,
- management of banking relations and bank balancing transactions, management of multi-currency cash positions,
- credit management.

Missions include:

- ensuring that the principles set out for managing customer credit risk are properly applied and controlling the exposure of the Group's main customers. To this end, it monitors accounts receivable developments for all subsidiaries, controls the levels of outstanding balances and reconciles the cash budget with outstanding trade receivables of subsidiaries,
- organising collection, monitoring outstanding financing amounts and consolidating all Group financial commitments.

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• Consolidation and Reporting Department :

This department is responsible for producing the consolidated annual and interim financial accounts and the corresponding financial communications as well as monthly reporting.

This department assists the local financial managers in applying financial reporting procedures in accordance with IFRS. It also conducts a number of visits to the subsidiaries to ensure these procedures are applied.

• Group Accounting Department:

This department is responsible for accounting for Haulotte Group SA. It is also responsible for coordinating and managing the transfer pricing policy at the Group level.

• Information Systems department:

In 2017, this department implemented a Single sign-on (SSO) system for which the first applications included email, Sharepoint Online, Skype, Foederis, Teams and proxy-web.

In addition, it continues to set out security policies, focusing mainly on safeguarding access to systems and restricting access to select individuals identified by name, ensuring the security of printing and information exchanges: an IT system security plan (ISSP) will soon be implemented, an IT charter is currently in force and distributed to all new arrivals, and communications initiatives on best practices targeting specific users are currently being developed.

The Information Systems Department continues to actively participate in the working group for combating fraud and scamming (management of fraudulent emails, "fake president" frauds, etc.). On that basis, many scamming attempts were prevented in 2020.

The ticketing tool (EasyVista) makes it possible to process 100% of user requests (request = change request) subject to dual validation (by the requesting manager and the IT department). A ticket priority system has been implemented to ensure that consequential change requests are known to all.

In the current context, with the development of remote working and SaaS tools, security and control are among the strategic areas to be developed in 2021 within the IT & Solutions department.

Secretariat General:

• Group Legal Division

Established several years ago, the company's Legal Department operates at many levels within the company and assists the various departments in managing their projects, in terms of partnership development (drafting legal instruments, analysing contracts, drawing up standard documents, etc.), advising operational staff (R&D, intellectual property, sales departments, etc.), managing disputes and monitoring the legal status of subsidiaries.

In this respect, the Legal department continues to participate in various internal working groups, including:

- "Safety Committees": held on a regular basis (every two months, or whenever necessary), these meetings bring together all parties concerned by effective management of technical and legal monitoring initiatives regarding incidents and accidents known to the Group and involving one of our products.
- "Intellectual Property (IP) Committees", which regularly bring together the Secretariat General, the Marketing Department and the Group Intellectual Property Manager. These periodic meetings provide a mechanism for monitoring filings and intellectual property disputes for the Group as a whole. They also serve as a means to notify different participants of the existence of prior rights.

Plusieurs actions de communications internes sont mises en place par la Direction Juridique, en collaboration avec les équipes financières, la communication et la Direction des Services Informatiques, afin d'informer et alerter les collaborateurs sur les risques de fraude à l'ingénierie sociale et de lutter contre cette dernière.

More broadly, the Legal Division collaborates with all departments concerned with legal matters and provides its support to all divisions within the Company.

Finally, the Legal Division regularly participates in meetings organised by Middennext, providing a forum for exchange and discussion of legislative and regulatory developments concerning listed companies and new obligations to be met by the Company. It also participates in working meetings organised by the trade associations of its industry sector (FIM, EVOLIS).

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• Human Resources Department

The Human Resources Department features a central support service and operational human resources managers who work closely with each site manager on all HR issues, including occupational health and safety.

A QSE policy, applied in all Group entities, sets out Management's various commitments in terms of safety.

A safety committee led by the Human Resources Department meets regularly throughout the year to discuss the various safety indicators (number of accidents, frequency and severity) and best practices in terms of prevention.

A "safety challenge" agreement aimed at enhancing prevention of work-related accidents was renewed in 2020 and will be renewed again in 2021.

Regarding recruitment and human resources management, the Human Resources department complies with the "Ten Golden Rules and Management Group", which sets out the fundamental regulatory principles applicable to employees of all Group entities.

Country reviews take place regularly with all subsidiaries and industrial sites, with a view to strengthening links and encouraging exchanges among teams. They also provide an opportunity to discuss relations between employees and management at each site. The country review also serves to allow each subsidiary to present its organisational structure, operating procedures and Key Performance Indicators for different departments.

Finally, the Human Resources Department uses a forward-looking employment and skills management tool (Foederis), which has been rolled out in all Group companies.

Industrial Division

The Chief Quality and Operational Excellence Officer determines and implements the quality strategy, determines the applicable frames of reference (system, ISO, procedures, etc.) and manages a continuous improvement approach at every level of the Company.

In this respect, a programme known as "Yello" was launched in April 2020, the aim of which is to engage employees in defining for themselves the way they want to work in the future by building a reference framework combining the following two dimensions: company's performance and improvement of working conditions.

Forty-five (45) employees have already been trained and will implement this programme throughout the Group's departments.

2020 was devoted to building this programme and carrying out first initiatives. The objective will be to enhance the implementation and maturity of the programme during 2021.

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c) Risks associated with producing financial and accounting information

The Reporting & Consolidation Department is responsible for producing the interim and annual consolidated financial statements, under the oversight of the Group Finance Department and Executive Management.

This department ensures the quality of the monthly accounting closings for the different Group companies, managed, according to the case, by local accounting departments or chartered accountants for small size subsidiaries, and their restatement according to applicable IFRS standards.

Consistent application of Group accounting principles is ensured by this same department, which is also responsible for monitoring changes in standards.

The most important accounting principles, and namely those which may have a material impact on the Group's accounts, are documented and distributed to all subsidiaries. These concern standards for recognising financing transactions, revenue recognition, the impairment or non-collection of trade receivables, provisions for inventories, rules for the depreciation and amortisation of fixed assets.

In accordance with local regulations, financial and accounting information is verified by local auditors. The Group's joint statutory auditors review the consolidated financial statements with the assistance of local auditors or undertake their own audit assignments if necessary.

In the final phase, financial and accounting information is approved by the Board of Directors for the first six-month period and annually, after being presented to the Board of Directors convened in the capacity of Audit Committee.

The Board of Directors also fulfils the functions of the Audit Committee. It ensures the efficacy of the internal control and risk management systems for financial areas, in addition to monitoring the process for producing financial information. It reports on its mission to the Board of Directors.

The entire process for producing and processing financial and accounting information described above contributes to managing and limiting risks in this area.

13 - SUMMARY OF DEALINGS IN THE PERIOD ENDED IN OWN SHARES BY EXECUTIVES AND PARTIES MENTIONED IN ARTICLE L.621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

In accordance with article L.621-18-2 of the French monetary and financial code and article 223-26 of the General Regulation of the AMF (*Autorité des Marchés Financiers*), the French financial market authority, the Company was informed of the following transactions covered by article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse for the period ended 31 December 2020.

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Parties concerned:	Type of transaction	Number of transactions	Month of transaction	Volume	Unit price (€)
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	112,631	3.5370
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	38,884	3.7250
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	12,390	3.7560
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	61,521	3.6070
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	151,264	3.7610
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	166,253	3.3810
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	25,517	3.4720
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	32,771	3.8970
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	10,411	3.7700
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	5,078	3.8230
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	3,790	3.8750
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	22,070	3.9450
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	March 2020	60,932	3.9410
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	April 2020	51,213	4.0000
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	May 2020	178,915	3.9825
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	May 2020	10,000	3.9900
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	May 2020	3,000	3.9730
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	May 2020	2,000	3.9800
SOLEM SAS Legal person associated with Mr Alexandre Saubot, (Deputy Chief Executive Officer)	Acquisition	1	September 2020	22,297	4.0000

14 - PRESENTATION OF THE BOARD OF DIRECTORS' ANNUAL REVIEW ON REGULATED AGREEMENTS REMAINING IN FORCE AND ITS FINDINGS

In accordance with proposition No. 4.8 of AMF recommendation 2012-05, we hereby inform you of the conclusions of the Board of Directors' meeting of 9 March 2021 regarding its annual review of regulated agreements in accordance with article L. 225-40-1 of the French commercial code entered into and authorised in prior periods and remaining in force in the period ended 31 December 2020.

The Board of Directors reviewed these regulated agreements at its meeting of 9 March 2021. After determining that these agreements continued to meet the criteria providing the basis for their initial authorisation, this authorisation was unanimously maintained by the Board.

Readers are invited to refer to the Auditors' special report on agreements and commitments referred to in Article L. 225-38 of the French commercial code.

In addition, please refer to Note 43 to the consolidated financial statements for the period ended 31 December 2020 on related-party transactions.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

15 - INFORMATION ON DEALINGS BY THE COMPANY IN ITS OWN SHARES

The Company's ordinary and extraordinary general meeting of 26 May 2020 granted authority to the Board of Directors, which it may in turn delegate in accordance with applicable laws, for a period of eighteen months as from the date of the general meeting, to acquire or cause to be acquired shares of the Company in accordance with the provisions of articles L.225-209 et seq. of the French commercial code.

In accordance with article L.225-211, paragraph 2 of the French commercial code, we inform you that in the financial year ended 31 December 2020, information on trading by the Company in its shares is provided below:

Number of shares purchased in FY2020	175,460
Average purchase price of own shares in FY2020	4.62
Execution fees	N/A
Number of shares sold in the period	189,851
Average sale price of own shares in the period	4.74
Number of shares cancelled in the period	0
Number of treasury shares recorded in the name of the Company at 31 December 2020	1,839,251
Percentage of treasury shares held at 31 December 2020	5.86%
Net carrying value of treasury shares at 31 December 2020	10,622,093
Nominal value of treasury shares at 31 December 2020	239,103
Market value of treasury shares at 31 December 2020 (share price of €6.07 at that date)	11,164,254

The breakdown according to purpose for the use of own shares at 31 December 2020 was as follows:

Purposes of share buy-backs	Number of shares
Ensuring the liquidity of the Company's shares through a liquidity agreement entered into with an investment services provider, in compliance with a code of conduct recognised by the AMF (<i>Autorité des Marchés Financiers</i>), the French financial market regulator, and the market practices permitted by the same	140,846
Meeting the obligations resulting from stock option programs or other share grants to employees or directors or executives of the Company or affiliated companies	0
Meeting the obligations arising from debt securities exchangeable into ownership interest	0
Holding the shares for subsequent remittance to be tendered in payment or exchange in connection with possible acquisitions, spin-offs or contributions in accordance with market practices permitted by the AMF	1,629,558
Cancelling all or part of the shares thus acquired	68,847
TOTAL	1,839,251

No shares of the Company were reallocated for other purposes or objectives.

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ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

PART 2: INFORMATION ON SUBSIDIARIES AND ASSOCIATES

1 - OPERATIONS OF SUBSIDIARIES AND CONTROLLED COMPANIES

In accordance with the provisions of article L.233-6 paragraph 2 of the French commercial code, we hereby report to you on the operations and results of the Company and the subsidiaries that it controls by business division.

At year-end, HAULOTTE GROUP exercised controlling interests in 34 subsidiaries. The results of these subsidiaries are summarised below (€ thousands):

Subsidiary	Percentage of holding	2020 revenue in € thousands	2019 revenue in € thousands	2020 net profit (loss) in € thousands	2019 net profit (loss) in € thousands
HAULOTTE FRANCE. SARL.	99.99%	73,982	97,953	2,212	2,687
HAULOTTE SERVICES France SARL	100% by HAULOTTE FRANCE SARL	- 0	- 0	- 0	- 0
TELESCOPELLE SAS	100.00%	120	123	65	66
HAULOTTE ACCESS EQUIPMENT MANUFACTURING (CHANGZHOU) CO. Ltd.	100.00%	49,335	53,107	4,109	3,940
HAULOTTE ARGENTINA SA	100.00%	4,000	8,824	- 1,160	- 1,905
HAULOTTE ARGES SRL	100.00%	75,959	114,101	4,407	7,439
HAULOTTE AUSTRALIA Pty Ltd	100.00%	38,108	51,697	- 43	- 1,019
HAULOTTE DO BRAZIL Ltda	99.98%	6,036	10,015	- 8,529	- 1,826
HAULOTTE HUBARBEITSBUHNEN GmbH	100.00%	35,739	54,936	1,476	2,009
HAULOTTE IBERICA S.L	98.71%	21,611	35,314	1,287	2,443
HAULOTTE ITALIA S.r.l.	99.00%	27,362	35,520	1,111	1,826
HAULOTTE MEXICO SA DE CV (2)	99.99%	4,864	9,150	- 173	178
HAULOTTE MIDDLE EAST FZE	100.00%	1,923	4,597	- 1,343	1,368
HAULOTTE NETHERLANDS B.V	100.00%	14,579	20,643	496	623
HAULOTTE POLSKA SP ZOO	100.00%	13,242	24,043	871	1,236
HAULOTTE SCANDINAVIA AB	100.00%	16,786	29,305	158	1,023
HAULOTTE SINGAPORE Ltd	100.00%	9,782	17,861	- 490	374
HAULOTTE TRADING (SHANGHAI) CO LTD	100.00%	18,789	17,778	1,276	- 2,179
HAULOTTE UK Ltd	100.00%	14,981	15,012	518	581
HAULOTTE US Inc	100.00%	45,015	59,417	- 9,224	- 400
HAULOTTE VOSTOK OOO	100.00%	28,822	30,864	706	1,570
HORIZON HIGH REACH LIMITED	100.00%	4,450	8,791	- 732	1,440
LEVANOR MAQUINARIA DE ELEVACION SA	91.00%	- 0	- 0	- 14	- 17
MUNDIELEVACAO, ALUGER E TRANSPORTE DE PLATAFORMAS LDA	90% by LEVANOR	- 0	- 0	- 3	- 0
N.D.U MAQUINARIA Y PLATAFORMAS ELEVADORAS, SL	100% by HAULOTTE IBERICA SL	- 0	- 0	- 86	- 150
EQUIPRO / BIL-JAX (1)	100% by HAULOTTE US Inc.	24,299	39,719	- 1,585	1,385
Haulotte North America Manufacturing L.L.C.	100% by BIL-JAX	25,049	28,636	- 2,130	- 4,007
HAULOTTE CHILE SPA	100.00%	2,384	5,134	- 218	892
HORIZON HIGH REACH CHILE SPA	100.00%	2,096	6,176	- 224	- 1,367
HAULOTTE INDIA PRIVATE LTD	100.00%	5	9	32	33
ACARLAR DIS TICARET VE MAKINA SANAYI A.S.	100.00%	6,643	10,375	616	504
HAULOTTE DIGITAL SUPPORT CENTER	100.00%	975	1,282	- 16	2
HAULOTTE JAPAN	100.00%	1	- 0	- 19	8
HAULOTTE CANADA	100.00%	- 0	- 0	- 0	- 0

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

2 - ACQUISITIONS OF SHAREHOLDINGS OR CONTROLLING INTERESTS

In accordance with articles L.233-6 paragraph 1 and L.247-1, I-1° of the French commercial code, we hereby inform you that the Company has not acquired any holdings in the period under review in any other company having its registered office in France representing more than one twentieth, one tenth, one fifth, one third, one half or two thirds of the capital or voting rights of the company or acquiring a controlling interest in such company, must notify the Company.

3 - DISPOSALS OF SHAREHOLDINGS RELATED TO ADJUSTMENTS OF CROSS-SHAREHOLDINGS

In accordance with article R.233-19, paragraph 2 of the French commercial code, we inform you that the Company has not divested any shares for the purpose of eliminating cross-shareholdings prohibited by articles L.233-29 and L.233-30 of the French commercial code.

4 - OWN SHARES HELD THROUGH CONTROLLED COMPANIES

In accordance with article L.233-13 of the French commercial code, we inform you that no company directly or indirectly controlled by the Company holds own shares.

5 - LIST OF EXISTING BRANCH OFFICES

In compliance with article L.232-1, II of the French commercial code, the list of branch offices as of today is disclosed below:

Address	City
La Péronnière	L'Horme (42)
Quartier Serve Bourdon	Lorette (42)
Rue d'Harfleur	Le Creusot (71)
104 rue de Courcelles	Reims (51)

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

PART 3: INFORMATION ON CAPITAL HOLDINGS

1 - CHANGES IN THE COMPANY'S SHARE CAPITAL DURING THE PERIOD

None.

2 - IDENTITY OF HOLDERS OF SIGNIFICANT SHAREHOLDINGS

In accordance with the provisions of article L 233-13 of the French commercial code and based on the information and notifications received pursuant to articles L.233-7 and L.233-12 of the French Commercial Code, the identity of shareholders directly or indirectly owning over 5%, 10%, 15%, 20%, 25%, 30%, 33%, 50%, 66%, 90% or 95% of the share capital or voting rights on the closing date, i.e. at 31 December 2020, and any modifications made in the period, are disclosed below:

Thresholds	Name of the shareholder	Percentage of holding	
		Capital	Voting rights
5% to 10%			
10% to 15%			
15% to 20%			
20% to 25%			
25% to 33% 1/3			
33% 1/3 to 50%			
50% to 66% 2/3	SOLEM SAS ¹	57.50%	
66% 2/3 to 90%			74.90 %
90% to 95%			
More than 95%			

By letter dated 13 January 2020, Federal Finance Gestion (1 Allée Louis Lichou, 29480 Le Relecq-Kerhuon), reported having crossed below the threshold of 1% of Haulotte Group's capital on 2 January 2020 and no longer holds shares in the Company.

By email dated 4 June 2020, Norges Bank Investment Management (Bankplassen 2, Oslo 0151, Norway), reported having crossed below the disclosure thresholds, provided for under the Articles of Association, of 3% of the capital of Haulotte Group on 3 June 2020, and in consequence holding 917,373 shares in the Company, representing 2.92% of its share capital.

3 - EMPLOYEE STOCK OWNERSHIP

In accordance with the provisions of article L.225-102 of the French commercial code, we hereby inform you that no shares making up the Company's share capital were held by employees of the Company or by employees of affiliated companies within the meaning of article L.225-180 as part of an employee stock ownership plan provided for by articles L.443-1 to L.443-9 of the French labour code, and by employees and former employees in connection with a company savings plan (Plan d'Epargne d'Entreprise) governed by chapter III of Law 88-1201 of 23 December 1988 on collective investment undertakings and the creation of debt investment funds. Also taken into account are registered shares held directly by employees in accordance with articles L.225-187 and L.225-196 of said Code according to the version previous to the entry into force of Law 2001-152 of 19 February 2001 on employee stock savings plans, article L.225-197-1 of this Code, article L.3324-10 of the French labour code, article 31-2 of Ordinance 2014-948 of 20 August 2014 on governance and equity transactions on companies with public participation and article 11 of the Privatisation Act 86-912 of 6 August 1986 in its version prior to implementation by the aforementioned Ordinance 2014-948 of 20 August 2014.

¹ Based on a share capital made up of 31,371,274 shares representing 48,707,691 theoretical voting rights.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

4 - STOCK OPTIONS TO SUBSCRIBE FOR NEW SHARES OR PURCHASE EXISTING SHARES

We inform you that a restricted stock unit plan for ordinary shares was implemented by the Board of Directors on 13 March 2018 for the benefit of employees of the Company and eligible subsidiaries.

This plan concerns 70,000 shares awarded to seven employees, or 10,000 shares per beneficiary which represents 0.22% (rounded) of the share capital. Details of this award are provided in the special report attached hereto.

Please be informed that the Board of Directors decided on 17 July 2020, in the context of the COVID-19 health crisis, to modify the free share allocation plan adopted on 13 March 2018, extending the vesting period from three (3) to four (4) years as from the acquisition date. As such, shares will be fully vested on 14 March 2022 rather than 14 March 2021.

5 - INFORMATION ON THE COMPANY'S SHARE

At 31 December 2020, the Company's share capital was comprised of 31,371,274 shares. The market capitalisation at 31 December 2020 was €190 million.

Information on share price trends and trading activity for the period is provided below:

Date	High (price)	High (date)	Low (price)	Low (date)	Closing price	Average price (opening)	Average price (closing)	Trading volume (number of shares)	Capital (€m)	Number of trading sessions
Jan.-20	5.6	02/01/2020	4.82	31/01/2020	4.82	5.240	5.223	755,025	3.98	22
Feb.-20	5.08	05/02/2020	3.9	28/02/2020	4	4.555	4.530	1,060,446	4.74	20
Mar.-20	4.42	30/03/2020	3.27	16/03/2020	4.135	3.893	3.882	1,245,417	4.66	22
Apr.-20	4.285	17/04/2020	3.71	03/04/2020	3.99	4.064	4.018	358,755	1.45	20
May-20	4.6	27/05/2020	3.93	04/05/2020	4.51	4.151	4.147	398,332	1.69	20
Jun.-20	5.78	08/06/2020	4.505	01/06/2020	5.03	5.181	5.186	830,584	4.35	22
Jul.-20	5.09	14/07/2020	4.38	31/07/2020	4.555	4.842	4.848	274,060	1.31	23
Aug.-20	4.845	04/08/2020	4.15	28/08/2020	4.4	4.642	4.635	141,944	0.64	21
Sep.-20	4.53	03/09/2020	3.955	11/09/2020	4.035	4.224	4.205	236,968	0.98	22
Oct.-20	5	08/10/2020	3.47	28/10/2020	3.94	4.278	4.295	485,865	2.15	22
Nov.-20	5.3	23/11/2020	3.8	05/11/2020	5.17	4.555	4.579	789,262	3.67	21
Dec.-20	6.2	30/12/2020	5.13	01/12/2020	6.07	5.762	5.788	914,758	5.24	22

In the period under review, the HAULOTTE GROUP share traded between a range of a high of €5.78 (8 June 2020) and a low of € 3.27 (16 March 2020).

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

PART 4: TAX INFORMATION

1 - SUMPTUARY EXPENSES AND DISALLOWED DEDUCTIONS

In compliance with the provisions of article 223, point 4 of the French general tax code, financial statements for the period in question include non-deductible expenses of €121,869 according to article 39-4 of the French general tax code and on that basis the corresponding theoretical tax or €34,123 based on a theoretical tax rate of 28%.

2 - DIVIDENDS DISTRIBUTED BY THE COMPANY IN THE LAST THREE FINANCIAL YEARS

As required by article 243 bis of the French general tax code, information on dividends paid for the last three financial years is disclosed below:

	Dividends distributed (excl. treasury shares)	Distributed amount eligible for the 40% tax basis reduction provided for under article 158-3-2 of the French general tax code.	Distributed amount not eligible for the 40% tax basis reduction provided for under article 158-3-2 of the French general tax code.
Financial year ended 31 December 2019	€6,493,979.58	€6,493,979.58	None
Financial year ended 31 December 2018	€6,495,638.38	€6,495,638.38	None
Financial year ended 31 December 2017	€ 6,507,391.22	€ 6,507,391.22	None

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

PART 5: GROUP MANAGEMENT REPORT

In accordance with the provisions of articles L.233-16 and L.225-100-1 of the French commercial code, we hereby report to you on the management of the Group for the period ended 31 December 2020.

1 - PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

Companies included in the scope of consolidation are listed in paragraph 1 of section 2 of this report. The situation of these companies is described in paragraph 1 of part 1 and in the table contained in paragraph 1 of part 2 of this report.

The Group's financial statements at 31 December 2020 have been prepared in accordance with IFRS standards as adopted by the European Union.

2 - CHANGES IN THE PRESENTATION OF THE ANNUAL ACCOUNTS OR METHODS OF VALUATION APPLIED IN PRIOR YEARS

No changes were made in the presentation of the consolidated financial statements or methods of valuation applied in prior years. Changes in accounting methods are presented in the summary of significant accounting policies in Note 3 to the consolidated financial statements.

3 - REVIEW OF OPERATIONS AND RESULTS OF THE GROUP FOR THE YEAR UNDER REVIEW:

In a worldwide market that has been severely affected by the health crisis, with China as the only market to demonstrate growth compared to FY 2019, Haulotte's cumulative sales fell between the two periods.

In the end, the Group posted a lower current operating result for the year compared to 2019. This was mainly due to the pronounced slowdown in sales, but the impact was softened thanks to better control of fixed costs in the second half of the year, without any restructuring and with no impact on the Group's strategic projects.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

4 - COMPREHENSIVE OBJECTIVE ANALYSIS OF REVENUE, EARNINGS AND FINANCIAL POSITION OF CONSOLIDATED OPERATIONS, AND PARTICULARLY DEBT WITH RESPECT TO THE VOLUME AND COMPLEXITY OF THEIR BUSINESS ACTIVITY.

Group results for the period break down as follows:

In € millions	FY 2020	FY 2019
Revenue	438.5	609.8
Current operating income	11.0	33.9
Operating profit	3.9	29.2
Profit before tax	(15.6)	26.7
NET INCOME OF CONSOLIDATED COMPANIES	(26.0)	19.5
Net profit attributable to owners of the Group	(26.1)	19.5

Total revenue for 2020 came to €438.5 million compared to €609.8 million in 2019, representing a decrease of -27% at constant exchange rates from the prior year.

Annual cumulative sales in Europe fell by -29%.

The Asia-Pacific Region proved more resilient, with sales down -14%.

Sales in the Americas dropped by -26%.

Over the year, equipment sales were down -28%, while the equipment rental business registered a decrease of -41% and the Service business saw a -16% decline in sales.

Current operating income for the Group came to €11.0 million compared to €33.9 million in 2019. This was due in large part to the pronounced slowdown in sales, but the impact was softened thanks to better control of fixed costs in the second half of the year, without any restructuring and with no impact on the Group's strategic projects.

In 2020, non-current items mainly concerned additional goodwill impairment of €(4.3) million for the North America CGU.

Operating profit came to €3.9 million, down from €29.2 million the previous year.

At 31 December 2020, consolidated net income for the period was €(26.0) million compared to €19.5 million in 2019.

Group net debt (including guarantees) increased in the period from €150.4 million at 31 December 2019 to €162.2 million at 31 December 2020. This debt is primarily carried by HAULOTTE GROUP S.A., with in particular the Group's syndicated credit facility, of which €94 million had been drawn down at 31 December.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

5 - DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES FOR THE COMPANY'S SUBSIDIARIES

The main material risks and uncertainties that could have a material impact on the Group identified at 31 December 2020 relate on the one hand to market risk and the foreign exchange environment in which the Group operates and, on the other hand, items relating to its liquidity situation.

In Europe, where pronounced declines were observed in nearly all markets, Haulotte recorded a decrease in sales.

In the Asia-Pacific region, market performance was more heterogeneous. China, which became the Group's number one market in 2020, continued to show very strong growth, while all other markets experienced a sharp decline. Against this backdrop, Group sales held up better in this region, but decreased nonetheless over the year.

In North America, which also suffered greatly from the health crisis, the trend observed in previous months was borne out: annual sales for the AWP business proved resilient, despite a slight decline over the period. Overall sales, all activities combined, remained down in this region.

In Latin America, where the health and economic situation in the various markets remained particularly complicated, Haulotte recorded a decline in sales for the year.

The equipment rental business saw a pronounced downturn over the period.

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

Based on the level of cash resources and credit lines open and available at 31 December 2020 compared with cash forecasts for the first few months of 2021, the Group's ability to cover its liquidity requirements remains intact. Information on borrowings and payables is provided in note 20 to the consolidated financial statements.

6 - THE EXPOSURE OF SUBSIDIARIES TO RISK CONCERNING PRICE, CREDIT, LIQUIDITY AND CAPITAL RESOURCES

The Group exposure is largely limited to credit and liquidity risk.

6.1 Credit risk

The exchange rate (credit) risk is described in note 5 to the consolidated financial statements.

6.2 Liquidity risk

The liquidity risk is described in note 5 to the consolidated financial statements.

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ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

7 - INFORMATION ABOUT THE USE OF FINANCIAL INSTRUMENTS WHEN THIS IS RELEVANT FOR THE MEASUREMENT OF ITS ASSETS, LIABILITIES, FINANCIAL POSITION AND PROFITS OR LOSSES

Financial instruments used by the Group are intended to cover its foreign exchange and interest rate risks.

7.1 Exchange rate risk

The exchange rate risk as described in notes 5 and 17 to the consolidated financial statements.

7.2 Interest rate risk

The interest rate risk as described in note 5 to the consolidated financial statements.

8 - FORESEEABLE CHANGES IN THE GROUP'S SITUATION AND OUTLOOK

Buoyed by the rebound in the aerial work platform market and despite the tensions in the supply chain, which the Group hopes to see resolved during the summer, Haulotte expects to grow its sales by more than +15% in 2021

9 - SIGNIFICANT EVENTS BETWEEN THE CLOSING DATE AND THE DATE OF PUBLICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

No material event with a potential significant impact on the assessment of the situation of the Group has occurred or was known to exist after the end of the reporting period.

10 - RESEARCH AND DEVELOPMENT OF THE GROUP

Research and development have remained an important focus of Group efforts for several years. Innovation processes have been defined as one of the strategic processes of the Group.

The objective of this process is to propose new products or renew existing lines addressing the needs of its customers. Paragraph 10 of section 1 provides detailed information on the most important achievements of the period concerning Haulotte Group S.A.. R&D expenditures were also incurred for the Group's other plants. Research and development expenditures by the Group in the period amounted to €16,411,000.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

APPENDIX 1 - FIVE-YEAR FINANCIAL SUMMARY

Closing date	31/12/2020	31/12/2019	31/12/2018	31/12/2017	31/12/2016
Length of the financial year (months)	12	12	12	12	12
SHARE CAPITAL AT YEAR-END					
Common stock	4,078,266	4,078,266	4,078,266	4,078,266	4,078,266
Number of shares					
- ordinary shares	31,371,274	31,371,277	31,371,274	31,371,274	31,371,274
- treasury shares:	1,839,251	1,853,642	1,836,567	1,777,898	1,812,230
- dividend-right shares	29,532,023	29,517,635	29,534,707	29,593,376	29,559,044
Maximum number of future shares to be created					
- from the conversion of bonds					
- from subscription rights					
OPERATIONS AND RESULTS					
Sales ex-VAT	186,552,400	286,256,556	279,519,047	244,466,351	215,588,260
Profit before income tax, profit-sharing, depreciation and provisions	- 18,772,589	12,275,616	-4,400,505	-23,071,567	-3,993,457
Corporate income tax	- 3,130,979	- 3,791,511	-2,908,722	-2,802,161	-2,335,951
Employee profit-sharing	- 0				
Allowances and Reversals of depreciation, amortisation and provisions, expense reclassifications	15,655,902	19,296,382	4,870,294	-29,551,919	1,319,162
Net income	- 31,297,512	- 3,229,255	-6,362,077	9,282,513	-2,976,667
Distributed profit		6,493,980	6,495,638	6,507,391	6,506,409
EARNINGS PER SHARE					
Profit after income tax, profit-sharing, and before depreciation, amortisation and provisions	- 0.50	0.51	- 0.05	- 0.65	- 0.05
Profit after income tax, profit-sharing, depreciation, amortisation and provisions	- 1.00	- 0.10	- 0.20	0.30	- 0.09
Distributed dividends		0.22	0.22	0.22	0.22
PERSONNEL					
Average number of employees for the financial year	676	676	643	618	598
Total payroll	28,538,810	31,091,823	27,776,208	25,641,354	25,212,616
Benefits paid (social security, welfare benefits, etc.)	12,257,418	13,145,674	13,247,689	12,335,070	12,005,087

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2020

APPENDIX 2 - BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

Dear shareholders,

In accordance with the provisions of the last paragraph of article L. 225-37 of the French commercial code, we hereby present in this report on corporate governance, the disclosure required by regulations in force and notably those of articles L. 225-37-4 and L22-10-8 of the French commercial code.

The terms of this report were prepared and adopted by the Board of Directors on 9 March 2021.

1 - CORPORATE GOVERNANCE

In accordance with the provisions of article L.22-10-10 of the French commercial code, we hereby report to you on:

- the preparation and organisation of the Board's work;
- the reasons justifying the absence of a diversity policy applied to members of the Board of Directors as well as information on how the Company seeks to achieve balanced gender representation on the Management Committee established by executive management for the purpose of regularly assisting the performance of its general missions and results in terms of gender diversity for the 10% category of senior positions;
- limitations on the powers of the Chief Executive Officer that may exist;
- in the event that the provisions of the Middlednext Code of corporate governance to which the Company refers would have been set aside, the reasons for this; and
- special procedures for the participation of shareholders in general meetings or provisions of the articles of association providing for such procedures.

1.1 Composition of the Board of Directors and the diversity policy applied to its members

1.1.1 Choice of the Middlednext Corporate Governance Code

The Company has decided to refer to the Middlednext Code of December 2009 and revised in September 2016 as its reference for corporate governance in accordance with the provisions of article L.22-10-10, 4° of the French commercial code. The Company considered that this code was best suited to its size and shareholder structure.

This code can be consulted at the Middlednext website (www.middlednext.com).

In accordance with the Middlednext Code recommendation 19, the Board of Directors duly noted on 9 March 2021 the specific items calling for vigilance listed therein.

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1.1.2 Composition of the Board of Directors

The composition of the Company's Board of Directors includes the following eight directors, of which three are independent:

Last name, first name, title or function of the directors	Year of first appointment	Expiration date of office in progress	Independent Director	Audit Committee member
Pierre Saubot Chair of the Board of Directors - Chief Executive Officer Director	1989	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	No	-
	1985	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023		
Alexandre Saubot Deputy Chief Executive Officer Director	1999	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021	No	-
	1999	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		
Elisa Savary Director	1998	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021	No	Member
Hadrien Saubot Director	2004	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021	No	Member
José Monfront Director	2004	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021	No	Member
Michel Bouton Director	2001	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021	Yes	Member
Anne Danis-Fatôme Director	2018	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	Yes	Member
Elodie Galko Director	2018	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	Yes	Member

On the date of this report, the Board of Directors has not considered it opportune to implement a diversity policy within the meaning of article L.22-10-10, 2° of the French commercial code, in light of the family composition, reduced size and current operations of the Board. However, it is noted that the Board of Directors has been committed over the last years to open up its membership to figures from the outside contributing a different perspective on the Board's decisions, in particular by appointing independent directors within the meaning of the Middlednext Code recommendation 3.

With respect to the company's efforts to achieve balanced gender representation on the company's management board, the last recruitment concerned a member of the Executive Committee at the end of 2016 (assumption of duties in February 2017). This recruitment was in line with the Company's goal of increasing the executive Committee's international profile and the membership of women resulting in selection of a specialised firm to that purpose. To date, no woman has applied for this position.

If the recruitment of a new member to the committee should be considered in the future, the Company will the same policy with respect to expanding its international profile and the membership of women.

With respect to its results in the area of gender diversity for the 10% category of senior positions, women represented 9.38% at 31 December 2020, a decrease of 1.56% from the previous year.

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1.1.3 Application of the principle of balanced gender representation on the Board of Directors

In compliance with articles L.225-18-1 and L.22-10-3 of the French commercial code, we inform you that the breakdown of directors by gender is as follows:

- Number of male directors: 5;
- Number of female directors: 3.

1.1.4 Independent directors

The notion of independent member adopted is that provided by Recommendation 3 of the Middlednext Code, and namely:

- they must not have been during the last five years an employee or executive officer of the company or a company in its group;
- they must not have had any material business relationship with the company or its group for the last two years (as a client, supplier, competitor, service provider, creditor, banker, etc.);
- they must not be reference shareholders of the Company or hold a significant percentage of voting rights;
- they must not have a close relationship or close family ties with a corporate officer or a reference shareholder;
- they must not have been an auditor of the company in the course of the previous six years.

On 9 March 2021, the Board of Directors examined the situation of its membership with respect to these criteria of independence. On that basis, it was determined that three were independent under the definition of the MiddleNext code: Mr. Michel Bouton, Ms. Anne Danis-Fatôme and Ms. Elodie Galko

1.1.5 Terms of office

The term of office of members of the Board of Directors is set at six (6) years. This term was considered by the company to be in compliance with Recommendation 9 of the Middlednext Code. To date, the Company has not considered it useful to propose a modification to the articles of association providing for the staggered renewal of the terms of office of directors, in light of its size and membership.

1.1.6 Conduct of business rules

In accordance with Recommendation 1 of the Middlednext Code, each member of the Board of Directors is made aware of the obligations arising from his or her appointment and encouraged to adhere to the rules of conduct relating to his or her appointment. At the beginning of their term of office, each director signs the board's internal rules of procedure and undertakes notably to:

- comply with the provisions of statute relating to holding multiple offices,
- comply with applicable regulations,
- inform the Board in the event of a conflict of interest arising following appointment to the office,
- demonstrate diligence in attending meetings of the Board and General Meetings,
- ensure that they possess all necessary information for the agenda of the meetings of the Board before making any decision, and
- Respect the principle of professional confidentiality.

On the date of this report, the Chair-CEO and the Deputy CEO have not accepted other directorships in listed companies, including foreign companies, outside the Group.

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1.1.7 Review of known conflicts of interest

In accordance with article 4.3 of the Company's rules of procedure, each director is required to disclose any situation actually or potentially giving the appearance of a conflict of interest between the corporate interest and his or her direct or indirect personal interest or the interest of the shareholder or a group of shareholders he or she represents.

In the event of such situation, the director concerned must:

- inform the Board of Directors as soon as he or she becomes aware of such conflict of interest,
- draw all resulting conclusions regarding the exercise of his or her office. And on this basis, according to the case he or she must:
 - either refrain from participating in the vote on the proceedings in question,
 - or refrain from attending the meeting of the Board of Directors during which the conflict of interest exists,
 - or, as an extreme measure, resign from his or her position as director.

On 9 March 2021, in accordance with Middlednext Code Recommendation 2, the Company's Board of Directors reviewed the known conflicts of interests and no situation of a potential or proven conflict of interest was brought to its attention.

1.1.8 Choice of members of the Board of Directors

When each member of the Board of Directors is appointed or reappointed, information about their experience, expertise and the list of offices exercised is provided in the report presented by the Board of Directors to the general meeting presenting the draft resolutions submitted for your approval. This information is also made available online on the Company's website. The appointment or renewal of each member of the Board of Directors is subject to a specific resolution, in accordance with Recommendation 8 of the Middlednext Code.

1.1.9 Mission of the Board of Directors

In accordance with article 2 of the Board's rules of procedure, the Board's missions, in addition to the powers recognised by the law and the articles of association, are as follows:

- Represent all shareholders,
- Issue opinions about all decisions relating to the major strategic, economic, social, financial or technological priorities of the Company and ensure they are implemented by executive management,
- Consider proposals calling for an audit or verification by the Chairman or the audit committee,
- Review items calling for vigilance as set out in the Middlednext Code.

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1.1.10 Evaluation of the Board's work and practices

The Board of Directors has been studying for several years the advisability of adopting an evaluation procedure in line with Recommendation 11 of the Middlednext Code on corporate governance in its version of September 2016,

To that end, the Board of Directors adopted the following procedure for self-assessment, carried out at the end of each meeting of the Board called to approve the Company's annual accounts.

- a self-assessment questionnaire, prepared by the Company's legal department, which is sent to each director in advance of the Board meeting,
- each questionnaire will be returned to the Legal department following completion in order to prepare a summary of responses on an anonymous basis to be presented to the Board meeting,
- on the basis of this summary, the Board will be asked to consider measures for improvement to be implemented in connection with its work for the period in progress.

Following the most recent questionnaire submitted to the directors, it appeared that, besides some improvement topics, the composition and functioning of the Board of Directors and the Audit Committee are in line with members' expectations.

1.1.11 Creation of committees:

In accordance with Recommendation 6 of the Middlednext Code we hereby report to you on the Company's choice with respect to special committees.

1.1.11.1 Audit Committee

On 9 March 2011 the Board of Directors decided to create an Audit Committee in accordance with article L.823-20, 4° of the French commercial code for a limited period.

The functioning and the attributes of the Company's Audit Committee are described in article 6 of the Company's rules of procedures available for consultation on the Company's website.

1.1.11.2 Composition

On the date of this report, the Board of Directors, when it meets for the purpose of exercising the missions of Audit Committee, is comprised of the following six members:

- Mr. Michel Bouton, independent director, audit committee chair,
- José Monfront,
- Hadrien Saubot,
- Elisa Savary,
- Anne Danis-Fatôme
- Elodie Galko.

1.1.11.3 Number of audit committee meetings in the period ended 31 December 2020

The audit committee met four (4) times with an average attendance rate of 75 %.

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1.2 Conditions of preparation and organisation of the Board of Directors' work

Meetings are conducted and decisions voted according to the conditions of quorum and majority provided for by statute and the Company's articles of association.

In accordance with Recommendation 7 of the Middlednext Code, the Board of Directors has internal rules of procedures divided into the eight areas covered by this recommendation and available for consultation at the Company's website.

The internal rules of procedures initially adopted by the Board of Directors on 11 March 2009, and subsequently modified by the Board on 9 March 2011 and 20 January 2017, provide that except for transactions covered by articles L.232-1 and L.233-16 of the French commercial code and, as applicable, by the Company's articles of association, directors who take part in a meeting of the Board through videoconferencing or electronic means allowing for their identification and effective participation are deemed present for determining the quorum and majority.

The means adopted must be capable of permitting the identification of participants and guaranteeing their effective participation.

1.2.1 Meeting convening procedures

Directors are called to meetings according to the procedures authorised by article 13 of the Company's articles of association.

In accordance with article L.823-17 of the French commercial code, the statutory auditors were called to the Board meetings that reviewed and adopted the interim and also the annual accounts.

1.2.2 Procedures for remitting documents and information required to make decisions

Board members have received in advance of each meeting, all documents and information that are useful for making informed decisions and the performance of their duties

1.2.3 Report on the Board of Directors' activities in the period ended 31 December 2020

The minutes of each meeting are drawn up under the responsibility of the Chair of the Board of Directors and the Deputy CEO. These minutes are transcribed into the record after being signed by the chair of the meeting and one director.

During the period ended 31 December 2020, the Company's Board of Directors met five (5) times, on the dates indicated below.

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Meeting dates	Number of directors present or represented	Rate of participation	Main items of business on the agenda
3 March 2020	6	75.00%	<p>Examination of the conclusions of the Audit Committee meeting of 3 March 2020</p> <p>Review and approval of the separate parent company and consolidated financial statements for the period ended 31 December 2019</p> <p>Proposal for the appropriation of net income for the period ended 31 December 2019 – Proposal for the distribution of dividends to shareholders</p> <p>Annual review of agreements covered by article L.225-38 et seq. of the French commercial code entered into and authorised in prior periods and remaining in force in the year in question</p> <p>Implementation of a procedure serving to assess, on a regular basis, whether the ordinary agreements entered into under normal conditions properly fulfil these conditions.</p> <p>Review of conflicts of interest known to the Company (R2 Middennext)</p> <p>Review of the independence of members of the Board of Directors (R3 Middennext)</p> <p>Annual review of the Middennext “items calling for vigilance” (R19 Middennext)</p> <p>Evaluation of activities of the Board of Directors (R11 Middennext)</p> <p>Annual meeting on the company’s policy on workplace and wage equality on the basis of indicators relating to workplace gender equality, as well as the workplace gender equality plan</p> <p>Establishment of the compensation policy applicable to the Chair and chief executive officer, the Deputy Chief Executive Officer and directors, in application of the new article L.225-37-2 of the French commercial code</p> <p>Review of information relating to compensation of corporate officers referred to in article L.225-37-3, I of the French commercial code</p> <p>Review of the components of compensation paid or granted for the period ended 31 December 2019 to Messrs. Pierre Saubot and Alexandre Saubot on the basis of their offices of Chair and Chief Executive Officer and Deputy Chief Executive Officer, respectively</p> <p>Review and adoption of the management report and the Group management report for the period ended 31 December 2019</p> <p>Review and adoption of the Board of Directors’ report on corporate governance</p> <p>Review and adoption of forward-planning documents</p>
14 April 2020	8	100.00%	<p>Approval of the principle of holding the general meeting scheduled for 26 May 2020 in closed session - Delegation of authority to be granted to the Chair and Chief Executive Officer and the Deputy Chief Executive Officer to decide to hold the general meeting of 26 May 2020 in closed session</p> <p>Appointment of a director to chair the meeting in accordance with article 16 of the articles of association and article R.225-100 of the French commercial code, in the absence of Mr Pierre Saubot at the general meeting to be held on 26 May 2020.</p>
26 May 2020	7	87.50%	<p>Implementation of the authorization granted to the Board by the general meeting for the purchase by the Company of its own shares</p> <p>Relocation of the Company’s registered office - Corresponding modification to article 4 of the articles of association - Powers granted to the Chair and Deputy CEO</p>
17 July 2020	7	87.50%	<p>Proposals to modify the free share allocation plan, adopted on 13 March 2018, in the context of the COVID-19 health crisis</p>
8 September 2020	6	75.00%	<p>Review and approval of the interim consolidated accounts established on 30 June 2020</p> <p>Preparation of the interim report in compliance with article L.451-1-2 III of the French monetary and financial code;</p> <p>Production of forward-planning documents in accordance with articles L. 232-2, R. 232-2 and R. 232-3 of the French commercial code</p>

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1.3 Restrictions imposed by the Board of Directors on the powers of the Chief Executive Officer

The powers of the Chair and Chief Executive Officer of the Company are not subject to any limits other than those imposed by law.

As such, he is vested with the broadest powers to act in all circumstances in the name of the Company. He exercises his powers within the limits of the corporate purpose and subject to the powers expressly granted to shareholders' meetings and the Board of Directors. He represents the Company in its dealings with third parties.

1.4 Shareholders' participation in the shareholders' meetings

In accordance with article L.22-10-10, 5° of the French commercial code, article 16 of the Company's articles of association sets out special procedures for the participation of shareholders in general meetings (copies of the articles of association are available at the Company's registered office and the registrar of the commercial court).

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2 - LIST OF OFFICES AND FUNCTIONS EXERCISED BY EACH CORPORATE OFFICER FOR THE PERIOD ENDED 31 DECEMBER 2020

To comply with the provisions of article L.225-37-4, 1° of the French commercial code, a list of the offices and functions exercised in any company during the period ended 31 December 2020 by each corporate officer is provided below;

Corporate offices concerned:	Offices and functions exercised in the Company	Offices and functions exercised outside the Company
Pierre Saubot	<ul style="list-style-type: none"> - Chair of the Board of Directors - Chief Executive Officer - Director 	<ul style="list-style-type: none"> - General Manager of Solem SAS - Managing Partner of Société Commerciale du Cinquau, - Co-Manager of SCI Lancelot
Alexandre Saubot	<ul style="list-style-type: none"> - Deputy Chief Executive Officer - Director 	<ul style="list-style-type: none"> - Chair of the Board of Solem SAS, - Representative of Haulotte Group, Chair of Telescopelle SAS, - Managing Partner of Haulotte France SARL, - Managing Partner of Haulotte Services France SARL, - Co-Manager of SCI Lancelot - Director of Haulotte Netherlands BV, - Director of Haulotte Iberica, - Director of Haulotte Scandinavia, - Director of Haulotte Italia, - Manager of Haulotte GmbH, - Director of Haulotte Polska, - Director of Haulotte UK, - Director of Haulotte Australia, - Chair of Haulotte US, - Director of Haulotte Singapore, - Director of Haulotte Arges, - Chair of Haulotte Trading (Shanghai) Co. Ltd, - Director of Haulotte Mexico, - Director of Haulotte Middle East, - Representative of Haulotte Group, sole director of Horizon High Reach Limited, - Director of Haulotte India, - Director of Levanor - Director of MundiElevacao - Chair of the Board of Directors of Haulotte Access Equipment Manufacturing (Changzhou), - Chair of the Board of Directors of Acarlal - Chairman-CEO of Haulotte Canada - Managing Director of Haulotte Japan
Elisa Savary	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - None
Hadrien Saubot	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - None
José Monfront	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - Director of Haulotte Access Equipment Manufacturing (Changzhou)¹, - Chair of JM Consulting.
Michel Bouton	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - None
Anne Danis-Fatôme	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - Participation in research groups under the auspices of the Legal High Committee for Financial Markets of Paris (<i>Haut Comité Juridique de la Place Financière de Paris</i> or HCJP)² - University professor and Chair of the Private Law department at Paris Nanterre University (appointed on 1 September 2020)
Elodie Galko	<ul style="list-style-type: none"> - Director 	<ul style="list-style-type: none"> - Regional director of Duval group in Toulouse

1 The directorship of Mr José Monfront at Haulotte Access Equipment Manufacturing (Changzhou) ended on 1 April 2020
 2 This assignment, carried out by Ms Anne Danis-Fatôme, was concluded at the end of June 2020

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3 - COMPENSATION POLICY ESTABLISHED BY THE BOARD OF DIRECTORS (ARTICLE L. 22-10-8 OF THE FRENCH COMMERCIAL CODE)

In accordance with articles L.22-10-8 et R.22-10-14 of the French commercial code as amended by Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020, a description is provided in this section of the compensation policy of the Company applicable to all officers for the period ending 31 December 2021.

As a reminder, Mr Pierre Saubot and Mr Alexandre Saubot received compensation solely for their respective offices of Chair and Chief Executive Officer of Solem, a simplified French joint stock company (société par actions simplifiée) with share capital of €476,735.25 having its registered office at 187 Route de Saint Leu in Epinay-sur-Seine (93806) and registered in Bobigny (RCS No. 332 978 162) (hereafter "**Solem**"). Solem is the controlling company of the Company within the meaning of article L.233-16 of the French commercial code.

Concerning directors, the Company's historic compensation policy has been to not provide compensation to the latter as board members. In particular, directors do not receive the compensation referred to in articles L.225-45 and L.22-10-14 of the French commercial code.

In consequence, officers of the Company do not receive any compensation, in any form whatsoever (fixed, variable, exceptional or in shares) for the offices they hold within the Company. The officers of the Company do not benefit from any commitments made by the latter or by any company that it controls or that is controlled by it within the meaning of II and III of Article L. 233-16 of the French commercial code, and the corresponding components of compensation or benefits in connection with the termination or a change in function or subsequent thereto, or contingent rights granted pursuant to defined retirement benefit obligations meeting the characteristics of the plans mentioned in Articles L. 137-11 and L. 137-11-2 of the French social security code.

In light of the above, the information referred to in 4° à 6° and 8° of Article R.22-10-14, I and 1° to 4° and 7° of Article R.22-10-14, II of the French commercial code are not applicable.

This officer compensation policy is set in strict compliance with the Company's corporate interests and in reference to its commercial strategy. The Board of Directors considers that compensation determined and set exclusively at the level of Solem makes it possible to provide fair compensation to the officers concerned based on the parent company's larger scope of consolidation, by taking into account in particular the performance of not only the Company but also its sister companies and subsidiaries.

This compensation policy of the Company is determined by the Board of Directors, acting on a proposal by executive management. This compensation policy is revised at least once a year at the time of the review of the annual accounts and, at any time during the financial year, at the initiative of the Board of Directors, should circumstances require.

The proposal of executive management takes into account in particular the conditions of compensation and employment of the Company's employees.

The implementation of the compensation policy is verified at least once a year by the Board of Directors at the time of the review of the annual accounts.

The compensation policy applies by operation of the law under the supervision of the Board of Directors to newly appointed corporate officers or those whose appointment has been renewed.

In order to prevent conflicts of interest in connection with the determination, revision and implementation of the compensation policy, the Board of Directors has appointed three independent directors as defined by the Middenext corporate governance code. In addition, the Board of Directors' charter includes a procedure for preventing conflicts of interest.

The length of directors' terms of office is presented in section 1.1.5 of this report. In addition, it is noted that on the date of this special report, there exists no employment contract or service agreement contract has been entered into directly between an officer and the Company. With respect to intragroup service agreements entered into between Solem and the Company, please refer to the Auditors' special report on regulated agreements prepared in accordance with Article L. 225-40 of the French commercial code.

This compensation policy is defined in a draft resolution submitted for the approval of the shareholders' general meeting to be held on 25 May 2021 in accordance with Article L. 225-10-8, II of the French commercial code.

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4 - COMPENSATION OF OFFICERS PAID IN THE PERIOD ENDED 31 DECEMBER 2020 (ARTICLES L. 22-10-9 AND L. 22-10-34 OF THE FRENCH COMMERCIAL CODE)

For the purpose of complying with the provisions of Article L.22-10-9 of the French commercial code (as amended pursuant to Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020), information required thereunder is presented in this section for each officer.

In application of Article L.22-10-34 of the French commercial code (as amended pursuant to Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020), it is hereby requested that you vote on a draft resolution concerning the information referred to in Article L. 22-10-9 of the French commercial code and, on the other hand, to vote by means of distinct resolutions on the fixed, variable or exceptional components making up the total compensation and benefits of any nature paid in or granted for the period ended for the Chairman-CEO and Deputy CEO.

The tables presented below were prepared in reference to the Middlednext code of corporate governance issued in September 2016 Any heading not included in the following tables in relation to the table templates proposed by the MiddleNext Code corporate governance is considered as not applicable.

• Table 1: Summary of compensation for each executive officer

Mr Pierre Saubot Chairman and CEO	Financial year ended 31 December 2019		Financial year ended 31 December 2020	
	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation
Fixed annual compensation paid by Solem for the office of chief executive officer exercised within this company	€90,506	99%	€ 91,773,11	99%
Variable annual compensation paid by Solem ¹ for the office of chief executive officer exercised within this company	€500	1%	€350	1%
TOTAL	€91,006	100%	€92,123.11	100%

Mr Alexandre Saubot Deputy Chief Executive Officer	Financial year ended 31 December 2019		Financial year ended 31 December 2020	
	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation
Fixed annual compensation paid by Solem for the office of chairman exercised within this company	€341,055	78%	€345,829.77	78%
Fixed annual compensation ² paid by Solem for the office of chairman exercised within this company	€95,000	22%	€95,000	22%
TOTAL	€436,055	100%	€440,829.77	100%

¹ The criteria used to calculate the amount of variable annual compensation to be paid is set each year by Solem in reference to the quality of and improvements to the results of Haulotte Group, as presented in the consolidated financial statements of Solem, for the previous financial year.

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• Table 2: Other compensation received by non-executive officers

Ms Elisa Savary Director	Financial year ended 31 December 2019		Financial year ended 31 December 2020	
	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation
Fixed annual compensation paid by Solem for the office of chief executive officer exercised within this company	None	N/A	None	N/A
Variable annual compensation ² paid by Solem for the office of chief executive officer exercised within this company	€500 (variable compensation owed in connection with the functions of chief executive officer terminated on 31/12/2018)	N/A	None	N/A
TOTAL	None	N/A	None	N/A

Mr Hadrien Saubot Director	Financial year ended 31 December 2019		Financial year ended 31 December 2020	
	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation	Amounts paid (Gross base compensation before tax)	Percentage relative to the fixed and variable compensation
Fixed annual compensation ¹ paid by Solem for the office of chief executive officer exercised within this company	None	N/A	None	N/A
Variable annual compensation ³ paid by Solem for the office of chief executive officer exercised within this company	€500 (variable compensation owed in connection with the functions of chief executive officer terminated on 31/12/2018)	N/A	None	N/A
TOTAL	None	N/A	None	N/A

¹ The criteria used to calculate the amount of variable annual compensation to be paid is set each year by Solem in reference to the quality of and improvements to the results of Haulotte Group, particularly as established in the consolidated financial statements of Solem, for the prior financial period.

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Mr José Monfront Director	Financial year ended 31 December 2019	Financial year ended 31 December 2020
	Amounts paid (Gross base compensation before tax)	Amounts paid (Gross base compensation before tax)
None	None	None
TOTAL	None	None

Mr Michel Bouton Director	Financial year ended 31 December 2019	Financial year ended 31 December 2020
	Amounts paid (Gross base compensation before tax)	Amounts paid (Gross base compensation before tax)
None	None	None
TOTAL	None	None

Ms Anne Danis-Fatôme Director	Financial year ended 31 December 2019	Financial year ended 31 December 2020
	Amounts paid (Gross base compensation before tax)	Amounts paid (Gross base compensation before tax)
None	None	None
TOTAL	None	None

Ms Elodie Galko Director	Financial year ended 31 December 2019	Financial year ended 31 December 2020
	Amounts paid (Gross base compensation before tax)	Amounts paid (Gross base compensation before tax)
None	None	None
TOTAL	None	None

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• Table 3: Other indemnities or benefits granted to corporate officers

The following table provides details on the compensation and benefits of company officers:

Corporate officers	Employment contract		Supplemental retirement scheme		Compensation or benefits owed or potentially due upon termination or a change in function		Payments relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Pierre Saubot Chair and Chief Executive Officer Beginning of the renewed term of office: 13/03/2018 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023 Director Beginning of the renewed term of office: 29/05/2018 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023		X		X		X		X
Alexandre Saubot Deputy Chief Executive Officer Beginning of the renewed term of office: 13/03/2018 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021 Director Beginning of the renewed term of office: 24/05/2016 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		X		X		X		X
Elisa Savary Director Beginning of the renewed term of office: 24/05/2016 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		X		X		X		X
Hadrien Saubot Director Beginning of the renewed term of office: 24/05/2016 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		X		X		X		X
José Monfront Director Beginning of the renewed term of office: 24/05/2016 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		X		X		X		X
Michel Bouton Director Beginning of the renewed term of office: 24/05/2016 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2021		X		X		X		X
Anne Danis-Fatôme Beginning of term of office: 29/05/2018 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023		X		X		X		X
Elodie Galko Beginning of term of office: 29/05/2018 End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023		X		X		X		X

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- Ratio between the level of compensation of the Chair-CEO and Deputy CEO and, 1) the average compensation on a full-time equivalent basis of employees of the Company other than the corporate officers, and 2) the median compensation on a full-time equivalent basis of employees of the company other than corporate officers (French commercial code, art. L.22-10-9, 6°)

	Financial year ended 31 December 2020	
	Pierre Saubot Chair and chief executive officer	Alexandre Saubot Deputy Chief Executive Officer
Ratio between the compensation of the corporate officer concerned and the average compensation of employees on a full-time equivalent basis	2.19	10.50
Ratio between the compensation of the corporate officer concerned and the median compensation of employees on a full-time equivalent basis	2.65	12.69
Ratio between the compensation of the corporate officer concerned and the minimum wage	4.94	23.63

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- Changes in annual compensation, performances of the Company, average compensation of employees of the Company on a full-time equivalent basis, other than executive officers, and the above ratios, over the last five years (French commercial code, art. L.22-10-9, 7°)

Financial year	31/12/2016		31/12/2017		31/12/2018		31/12/2019		31/12/2020	
	Pierre Saubot	Alexandre Saubot	Pierre Saubot	Alexandre Saubot	Pierre Saubot	Alexandre Saubot	Pierre Saubot	Alexandre Saubot	Pierre Saubot	Alexandre Saubot
Corporate offices concerned:										
Total gross compensation received within Solem	€88,132.00	€408,521.00	€88,132.00	€408,521.00	€91,374.00	€428,060.00	€91,006.00	€436,055.00	€92,123.11	440,829.77
<i>Change in compensation between N-1 and N</i>	-0.16%	5.48%	0.00%	0.00%	3.68%	4.78%	-0.40%	1.87%	1.23%	1.10%
Average compensation of HGSA employees (full-time, excluding senior executives, gross amount)	€41,801.00		€41,060.00		€42,551.00		€42,932.00		€41,993.00	
<i>Change in the average compensation of employees between N-1 and N</i>	0.99%		-1.77%		3.63%		0.90%		-2.19%	
Median compensation of HGSA employees (full-time, excluding senior executives, gross amount)	€32,986.00		€32,888.00		€33,785.00		€33,822.00		€34,743.00	
<i>Change in the median compensation of employees between N-1 and N</i>	-0.11%		-0.30%		2.73%		0.11%		2.72%	
Amount of the minimum wage	€17,599.44		€17,763.24		€17,981.64		€18,254.64		€18,655.00	
<i>Change in the minimum wage between N-1 and N</i>	0.62%		0.93%		1.23%		1.52%		2.19%	
Ratio between the compensation and the average compensation paid to HGSA employees	2.11	9.77	2.15	9.95	2.15	10.06	2.12	10.16	2.19	10.50
<i>Change in ratio between N-1 and N</i>	-1.14%	4.45%	1.80%	1.80%	0.05%	1.11%	-1.29%	0.96%	3.30%	3.35%
Ratio between the compensation and the median compensation paid to HGSA employees	2.67	12.38	2.68	12.42	2.70	12.67	2.69	12.89	2.65	12.69
<i>Change in ratio between N-1 and N</i>	-0.05%	5.60%	0.30%	0.30%	0.93%	2.00%	-0.51%	1.76%	-1.49	-1.55%
Ratio between the compensation and the minimum wage	5.01	23.21	4.96	23.00	5.08	23.81	4.99	23.89	4.94	23.63
<i>Change in ratio between N-1 and N</i>	-0.78%	4.83%	-0.92%	-0.92%	2.42%	3.51%	-1.81%	0.34%	-1.00	-1.09
Indicators of the Company's performance (on a consolidated basis)										
EBIT (current operating income)	€27,700,000.00		€42,400,000.00		€35,600,000.00		€33,877,000.00			€11,001,000.00
<i>Change in EBIT between N-1 and N</i>	-14.51%		53.07%		-16.04%		0.84%			-67.5%
Revenue excl. VAT	€457,800,000.00		€499,400,000.00		€555,900,000.00		€609,800,000.00			€438,544,000.00
<i>Change in revenue excl. VAT between N-1 and N</i>	2.81%		9.09%		11.31%		9.70%			-28.08%

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Note on methodology:

1. Procedures for calculation of ratios referred to in article L.22-10-9 6° of the French commercial code:

- Numerator: total compensation based on the gross pre-tax compensation received by the Chairman & CEO (or the Deputy CEO) within Solem in the absence of compensation received within the Company.
- Denominator:

For average compensation, the Company has calculated the average compensation of employees of the Company on an equivalent full-time basis.

for median compensation, the Company has calculated the median compensation of employees of the Company on an equivalent full-time basis.

2. Scope of employees concerned: Within the meaning of article L.22-10-9 6° of the French commercial code, only employees of the Company, on a non-consolidated basis, i.e. at 31 December 2020, 2 employees (40.37% of Group employees based on the consolidated accounts at 31 December 2020).

3. Performance indicators selected in accordance with Article L.22-10-9 7° of the French commercial code:

As indicators of performance, the Company has selected revenue and current operating income (EBIT) as these aggregates are presented in the consolidated financial statements of the Company for the last five years.

5 - AGREEMENTS COVERED BY ARTICLE L.225-37-4 2° OF THE FRENCH COMMERCIAL CODE

For the purpose of complying with the provisions of article L.225-37-4 2° of the French commercial code, we remind you that this report must mention, except for ordinary agreements entered into under normal conditions, those agreements entered into either directly or through a third party, between:

- on the one hand, one of the directors or shareholders possessing more than 10% of the voting rights of a company,
- and, on the other hand, another company controlled by the first within the meaning of article L.233-3 of the French commercial code.

No agreements of this type were entered into in the period ended 31 December 2020.

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6 - PROCEDURES IMPLEMENTED BY THE BOARD OF DIRECTORS IN APPLICATION OF ARTICLE L.22-10-12 OF THE FRENCH COMMERCIAL CODE

To comply with article L.22-10-10, 6° of the French commercial code, we remind you that the Board of Directors implemented a procedure serving to regularly assess if the ordinary agreements entered into under normal conditions properly fulfil these conditions.

A method for identifying financial flows between Group companies has already been adopted by the Finance Division, notably in connection with the transfer pricing policy.

To supplement this method, the Finance Division and Legal Division developed the following procedure to be applied once a year when the annual financial statements are reviewed.

- Identification of all ordinary agreements entered into under normal conditions which remain applicable, or newly entered into during the period under review;
- A summary of their main terms and conditions and features;
- A presentation of all agreements to the Board of Directors to be convened in order to approve the annual financial statements in order to determine if these agreements continue to meet the criteria of ordinary agreements entered into under normal conditions. Persons directly or indirectly concerned by an agreement do not participate in its evaluation.

7 - ITEMS HAVING A POTENTIAL IMPACT IN THE EVENT OF PUBLIC OFFERINGS

In application of article L.22-10-11 of the French commercial code, we report to you on those items which we consider likely to have an impact in the case of a public takeover bid or exchange offer.

7.1 Shareholder base

On 31 December 2020, the share capital and voting rights of the Company were majority-held by Solem that is itself held by the Saubot family.

We invite you to refer to part 3 of the Board of Directors' management report to which this report is attached.

7.2 Restrictions under the Articles of Association on the exercise of voting rights and the transfer of shares or the provisions of agreements reported to the company in compliance with article L.233-11 of the French commercial code

Article 9 (Transfer and transmission of shares) of the Company's articles of association, provides that legal entities or natural persons that acquire or cease to hold an amount equal to 1% of the share capital or the voting rights or any multiple thereof, must notify the company within fifteen days of crossing such thresholds.

Under its Articles of Association, if the company has not been thus notified, shares that exceed the amount to be reported under this disclosure requirement shall be deprived of voting rights at the request of one or more shareholders holding 5% of the share capital (with such request recorded in the minutes of the General Meeting).

7.3 List of direct or indirect shareholdings in the Company's capital of which it has knowledge by virtue of articles L.233-7 and L.233-12 of the French commercial code

We invite you to refer to part 3 of the Board of Directors' management report to which this report is attached.

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7.4 Holders of shares conferring special control rights and description thereof

All shares of the Company confer upon shareholders a right to participate in shareholders' meetings under the conditions and subject to the provision provided for by law and regulations.

Shares shall confer a right to a percentage of the company's assets, the distribution of earnings and proceeds after liquidation, equal to the proportion of the share capital they represent.

In accordance with article 16 of the bylaws, a double voting right is granted to all fully paid-up shares in proportion to the capital they represent subject to proof that they have been registered for at least four (4) years in the name of the same shareholder.

This right is also granted pursuant to the capitalisation of reserves, earnings or additional paid-in capital to free registered shares granted on the basis of existing shares entitled to the same right.

7.5 Powers of the Board of Directors, in particular for the issuance or repurchasing of shares

We invite you to refer to part 3 of the Board of Directors' management report to which this report is attached as well as the table summarising the delegations of authority and powers granted to the Board of Directors by the shareholders' general meeting.

7.6 Agreements entered into by the Company which are modified or terminated in the event of a change of control of the Company

Agreements have been entered into by the Company containing clauses in the event of a change in control, and notably in the case of contracts entered into with certain service providers or financial institutions.

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8 - SUMMARY OF DELEGATIONS OF AUTHORITY IN FORCE GRANTED BY THE GENERAL MEETING OF SHAREHOLDERS TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES IN COMPLIANCE WITH ARTICLES L.225-129-1 AND L.225-129-2

To this report is attached, in accordance with the provisions of article L.225-37-4, 3° of the French commercial code, a table of delegations of authority in force granted by the general meeting of the shareholders relating to capital increases, in application of articles L.225-129-1 and L.225-129-2, and indicating the uses made thereof in the period.

Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French commercial code	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2020	Residual amounts at 31 December 2020
Grant of authority to the Board of Directors to increase the share capital by issuing ordinary shares or any securities giving access to the capital while maintaining the preferential subscription right.	28/05/2019 12 th resolution	26 months	<p>€1,223,479.69 (or the equivalent amount in the event of an issue in another currency), whereby it is specified that :</p> <ul style="list-style-type: none"> - the maximum nominal amount of capital increases that may be carried out, immediately or in the future, under this delegation of authority shall be included within the overall ceiling set forth below in the seventeenth resolution of the combined general meeting of 28 May 2019, - this amount will be increased, as necessary, by the nominal amount of shares to be issued, to preserve, in accordance with the law, and, as necessary, applicable contractual provisions, the rights of holders of securities and other rights giving access to the company's capital. 	None	Identical to the maximum nominal value
Grant of authority to the Board of Directors to increase the share capital by issuing ordinary shares or any securities giving access to the capital while cancelling the preferential subscription right and through a public offering	28/05/2019 13 th resolution	26 months	<p>€815,653.12 (or the equivalent amount in the event of an issue in another currency), whereby it is specified that:</p> <ul style="list-style-type: none"> - the maximum nominal amount of capital increases that may be carried out, immediately or in the future, under this delegation of authority shall be included within the overall ceiling set forth below in the seventeenth resolution of the combined general meeting of 28 May 2019, - these amounts may be increased, as necessary, by the nominal amount of ordinary shares to be issued, to preserve, in accordance with the law, and, as necessary, applicable contractual provisions providing for other cases for adjustments, the rights of holders of securities and other rights giving access to the company's capital. 	None	Identical to the maximum nominal value

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Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French commercial code	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2020	Residual amounts at 31 December 2020
<p>Delegation of authority granted to the Board of Directors to increase the share capital through the issuance of ordinary shares or all securities giving access to the share capital, cancelling the pre-emptive subscription rights of shareholders, in connection with an offering for the benefit qualified investors or a restricted circle of investors as provided for in section II of Article L.411-2 of the French financial and monetary code (Code monétaire et financier)</p>	<p>28/05/2019 14th resolution</p>	<p>26 months</p>	<p>€815,653.12, nor in any case, exceed the limits provided for by applicable regulations on the issue date (by way of indication, on the date of the combined general meeting of 28 May 2019, the issue of equity securities carried out by an offering covered by article L.411-2 II of the French monetary and finance code is limited to 20% of the share capital of the Company per 12-month period, where said capital is determined on the date of the decision by the Board of Directors to use this delegation of authority), whereby it is specified that:</p> <ul style="list-style-type: none"> - these amounts may be increased, as necessary, by the additional amount of shares to be issued, to preserve, in accordance with the law, and, as necessary, applicable contractual provisions providing for other cases for adjustments, the rights of holders of securities and other rights giving access to shares, - the nominal amount of all capital increases that may be carried out shall be included within the overall ceiling set forth below in the seventeenth resolution of the combined general meeting of 28 May 2019. 	<p>None</p>	<p>Identical to the maximum nominal value</p>
<p>Authorisation granted to the Board of Directors in connection with issues entailing waiver of preferential subscription rights through a public offer or a private placement referred to in Article L. 411-2-II of the French monetary and financial code in order to set the issue price according to the procedures established by the general meeting within the limit of 10% of the share capital per year</p>	<p>28/05/2019 15th resolution</p>	<p>26 months</p>	<p>In accordance with Article L. 225-136 of the French commercial code, within the limit of 10% of the Company's share capital (as determined on the date of the decision to make use of this authorisation by the Board of Directors) per 12 month period and under the conditions notably of payment, provided for by the thirteenth and fourteenth resolutions of the combined general meeting of 28 May 2019</p>	<p>None</p>	<p>Identical to the maximum nominal value</p>
<p>Delegation of authority granted to the board of directors to increase the number of shares to be issued in the event of a capital increase, with or without shareholders' preferential subscription rights</p>	<p>28/05/2019 16th resolution</p>	<p>26 months</p>	<p>In accordance with Article L.225-135-1 and R.225-118 of the French commercial code, within the limit of 15% of the initial issue.</p> <p>The nominal amount of all capital increases decided by virtue of this delegation of authority in connection with capital increases of the Company, with or without preferential subscription rights granted by virtue of the twelfth to fourteenth resolutions, will be included under the total ceiling provided for below in the seventeenth resolution of the combined general meeting of 28 May 2019,</p>		

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Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French commercial code	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2020	Residual amounts at 31 December 2020
Authority granted to the Board of Directors in accordance with article L. 225-197-1 to L. 225-197-6 of the French commercial code to award restricted stock (bonus shares) from existing or future shares for the benefit of employees and/or officers covered by article L. 225-197-1, II of the French commercial code.	26/05/2020 13 th resolution	38 months	The total number of shares that may be awarded by the Board may not exceed 0.5% of the share capital existing on the date of the grant decision.	See the special report drawn up by Board of Directors in accordance with the provisions of Article L. 225-197-4 of the French commercial code	See the special report drawn up by Board of Directors in accordance with the provisions of Article L. 225-197-4 of the French commercial code
Limitation of the total nominal amount of capital increases that may be made by virtue of the delegations of authority granted under (i) resolutions 12 and 14 adopted by the general meeting of 28 May 2019 and (ii) resolutions 13 and 14 adopted by the general meeting of 26 May 2020	26/05/2020 15 th resolution	-	The total aggregate amount of capital increases that may be carried out by virtue of these delegations of authority granted under (i) resolutions twelve to fourteen, and sixteen of the combined general meeting of 28 May 2019 and (ii) the thirteen resolution of the combined general meeting of 26 May 2020 is set at €3,900,000 (or the equivalent thereof in another currency or monetary unit calculated in reference to multiple currencies on the issue date), whereby to this maximum amount will be added, as applicable, the additional amount of shares to be issued in order to preserve, in compliance with the law and, where appropriate, applicable contractual provisions, the rights of holders of securities and other rights giving access to shares Total aggregate amount of debt securities that may be issued by virtue of the delegations granted above under the terms of resolutions twelve to fourteen adopted by the combined general meeting of 28 May 2019 is set at €2,855,000 (or the equivalent thereof in another currency or monetary unit calculated by reference to multiple currencies on the issue date), whereby this maximum amount will not apply to the amount of debt securities to be issued pursuant to a decision or authorisation by the board of directors in compliance with Article*** L. 228-40 of the French commercial code.	None	Identical to the maximum nominal value
Delegation of powers to be granted to the board of directors to increase the share capital of the company through the capitalisation of reserves, retained earnings and additional paid-in capital	26/05/2020 16 th resolution	26 months	The total nominal amount of capital increases that may be carried immediately or in the future, may not exceed €1,500,000 , to which may be added, as necessary, an additional amount to preserve, in accordance with statute or regulations and, as necessary, applicable contractual provisions, the rights of holders of securities or other rights conferring entitlement to shares, whereby it is specified that this maximum amount is set independently and separately from the maximum amount set forth above.	None	Identical to the maximum nominal value

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APPENDIX 3 - SPECIAL REPORT ON THE AWARDING OF RESTRICTED STOCK UNITS (RSU) PRESENTED TO THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 26 MAY 2020 (ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE)

To the shareholders:

In accordance with the provisions of article L.225-197-4 of the French commercial code, we hereby present you the special report on the use made by your Board of Directors of the authorization granted by resolution sixteen of the extraordinary general meeting of 30 May 2017, for a period of thirty-eight (38) months, to award without consideration, on one or more occasions and under conditions determined by said Board, restricted stock units (RSUs) to employees of the Company, or selected categories thereof, and/or corporate officers meeting the conditions set by article L. 225-197-1, II of the French commercial code, as well as employees of French or foreign companies or economic interest groups in which the Company directly or indirectly holds at least 10% of the existing capital or voting rights. Such RSUs may represent existing or future shares in the Company in a nominal amount not exceeding 0.5% of the Company's share capital on the date of the grant decision.

The different information required by regulation is reproduced below and was approved by the Board of Directors on 9 March 2021.

To date, no use has been made of the authorisation granted by resolution 13 of the extraordinary general meeting of 26 May 2020.

The Board of Directors decided on 13 March 2018 to use the delegation of authority granted to it by resolution sixteen of the extraordinary general meeting of 30 May 2017 to award shares (restricted stock units or RSUs) of the Company in accordance with the provisions of article L.225-197-1 et seq. of the French commercial code.

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Shareholders meeting date	30 May 2017 – resolution 16
Date of grant by the Board of Directors of conditional rights to receive existing or future shares of the Company	13 March 2018
Number of shares able to be awarded	70.000
Percentage of the capital (rounded) on the date of grant by the Board of Directors	0.24%
Number of RSUs awarded to corporate officers on the basis of their offices and functions exercised in the Company	0
Number granted to the ten employees of the Company or companies covered by article L.225-197-2 of the French commercial code who are not officers having received the highest number	70.000
Unit value of RSUs awarded based on the closing price of the Company's share on the grant date, i.e. 13 March 2018	€19.12
Date when the shares are fully vested (1)	14 March 2022
End of the holding period (2)	N/A
Number of shares fully vested on the date of this report	0
Number of shares cancelled or lapsed on the date of this report	0
Number of shares able to be awarded on the date of this report	0

(1) The grant of contingent rights to receive existing shares or shares to be issued on the Company will become fully vested, for each of the beneficiaries, only on condition that on the vesting date, they fulfil the conditions imposed by the plan rules, and namely:

- that each beneficiary continues to be an employee of the Company or company covered by article L.225-197-2 of the French commercial code;
- that Haulotte group has met certain performance targets according to which the number of RSUs fully vested may be subject to adjustments.

As an exception to the above, the following is provided:

- in the case where a beneficiary is affected during the vesting period by a situation of disability corresponding to the second or third categories provided for in Article L.341-4 of the French Social Security Code, such beneficiary may request to receive delivery in advance of the restricted stock units awarded at any time from the date of disability. The RSUs will thereupon become freely transferable subject to certain provisions provided for in the plan rules;
- in the case where a beneficiary dies before the end of the vesting period, his or her heirs or beneficiaries may be entitled to receive the restricted stock units by requesting their grant in advance from the Company by registered letter with acknowledgement of receipt within a period of six (6) months from the date of the beneficiary's death.

We remind you that the Board of Directors decided on 17 July 2020, in the context of the COVID-19 health crisis, to modify the free share allocation plan adopted on 13 March 2018, extending the vesting period from three (3) to four (4) years as from the acquisition date. As such, shares will be fully vested on 14 March 2022 rather than 14 March 2021.

(2) In accordance with the powers granted to it by the decision of the general meeting of 30 May 2017 as well as the provisions of article L.225-197-1 of the French commercial code, and in light of the vesting period set for three (3) years, the Board of Directors of the Company has decided to cancel the holding period. The RSUs will thereupon become freely transferable, assignable and transmissible upon the end of the vesting period in accordance with, and subject to compliance with the provisions of the plan rules, of the Company's articles of association and applicable laws and regulations whose various provisions are destined to ensure the transparency and security of financial markets and notably those relating to insider misconduct or trading.

