



STATUTORY  
ACCOUNTS

2022

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## BALANCE SHEET - ASSETS

In thousands of Euros	Note	Gross	Amort. Dépréc.	31/12/2022	31/12/2021
<b>INTANGIBLE ASSETS</b>	<b>4.1</b>				
Research and development costs		37,603	24,762	12,841	-
Software, patents		19,338	16,976	2,362	3,408
Goodwill		168	-	168	168
R&D costs Intangible assets in progress		14,423	-	14,423	-
OTHER INTANGIBLE ASSETS IN PROGRESS		2,814	-	2,814	1,458
<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>4.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		882	-	882	882
Buildings		18,597	14,420	4,177	4,671
Machinery and equipment		28,458	24,251	4,207	4,557
Other PPE		7,210	5,760	1,450	1,538
Fixed assets in progress		1,780	-	1,780	998
<b>FINANCIAL ASSETS</b>	<b>4.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Long-term investments	4.4	67,038	18,140	48,898	48,896
Receivables from investments	4.4	129,002	29,562	99,440	98,344
Other investments	4.3	13,929	7,431	6,498	9,006
Other financial assets		3,371	1,181	2,190	2,340
<b>NON-CURRENT ASSETS</b>		<b>344,613</b>	<b>142,484</b>	<b>202,129</b>	<b>176,267</b>
<b>INVENTORIES AND WORK IN PROGRESS</b>	<b>5</b>				
Raw materials		50,909	640	50,269	36,863
Work in progress		13,475	-	13,475	3,628
Finished goods		18,622	719	17,903	11,725
Trade goods		11,600	1,274	10,326	7,630
Advances paid to suppliers		713	-	713	710
<b>ACCOUNTS RECEIVABLE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Accounts receivable	6	145,875	35,571	110,303	87,851
Other receivables	7	140,106	6,461	133,645	50,515
<b>CASH AND CASH EQUIVALENT</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Marketable securities		273	-	273	343
Financial instruments	8	1,620	-	1,620	-
Cash at hand		13,615	-	13,615	9,262
<b>ACCRUALS</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Prepaid expenses	8	1,520	-	1,520	1,362
<b>CURRENT ASSETS</b>		<b>398,328</b>	<b>44,666</b>	<b>353,662</b>	<b>209,889</b>
Unrealised foreign exchange losses	8	2,567	-	2,567	1,537
<b>TOTAL</b>		<b>745,509</b>	<b>187,150</b>	<b>558,358</b>	<b>387,693</b>

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## BALANCE SHEET - LIABILITIES AND EQUITY

In thousands of Euros	Note	31/12/2022	31/12/2021
Share capital	10	4,078	4,078
Additional paid-in-capital		3,753	71,902
Legal reserves		448	448
Unavailable reserves		7,512	-
Other reserves		-	-
Retained earnings		26,542	(29,861)
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>54,211</b>	<b>(23,874)</b>
Investment grants		1	1
Regulated reserves	2.2	781	852
<b>SHAREHOLDERS' EQUITY</b>	<b>10</b>	<b>97,326</b>	<b>23,546</b>
Provisions for contingencies		10,929	7,279
Provisions for charges		2,967	4,674
<b>COMMITMENTS AND CONTINGENCIES</b>	<b>12</b>	<b>13,896</b>	<b>11,954</b>
<b>PAYABLES</b>			
Loans and debts with credit institutions (1)	13.1	261,786	150,697
Down payments received		193	405
Trade payables	14	70,653	56,534
Tax and employee-related liabilities	14	7,995	7,731
Fixed asset creditors		-	-
Other payables	14	78,079	122,140
<b>ACCRUALS</b>	<b>8</b>	<b>-</b>	<b>-</b>
Deferred revenue	8	8,391	2,541
<b>TOTAL LIABILITIES</b>		<b>427,098</b>	<b>340,047</b>
Unrealised foreign exchange gains	8	18,419	12,146
difference valuation liabilities cash instrument	8	1,620	
<b>TOTAL</b>		<b>558,358</b>	<b>387,693</b>

(1) of which less than a year : 231 171K€

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## INCOME STATEMENT

In thousands of Euros	Note	31/12/2022	31/12/2021
<b>NET SALES</b>	<b>15</b>	<b>246,666</b>	<b>210,616</b>
Change in inventories of finished goods and work in progress		16,240	(582)
Capitalised production		7,134	948
Operating grants		292	304
Reversals of provisions, depreciation and expense transfer		11,697	6,941
Other income	18	9,025	10,597
<b>OPERATING INCOME</b>		<b>291,054</b>	<b>228,823</b>
Purchase of trade goods		20,781	18,189
Change in inventories (trade goods)		(2,729)	654
Purchase of raw materials and other supplies		187,863	143,399
Change in inventories (raw materials and other supplies)		(13,036)	(18,069)
Other purchases and external charges		59,847	45,994
Taxes other than on corporate income		2,836	2,397
Wages and salaries		30,648	29,533
Social charges		12,923	12,815
Depreciation and amortisation of fixed assets	4	9,731	5,437
Increase in provisions for current assets	5-6	1,361	7,926
Provisions for contingencies and commitments	12	2,206	436
Other expenses	18	19,511	2,301
<b>OPERATING EXPENSES</b>		<b>331,940</b>	<b>251,013</b>
<b>OPERATING PROFIT (LOSS)</b>		<b>(40,886)</b>	<b>(22,190)</b>
Dividends received from subsidiaries		99,131	10,463
Interest income		8,326	4,646
Reversals of provisions		1,622	9,213
Currency gains		10,546	7,145
Net proceeds from the disposal of marketable securities			
<b>FINANCIAL INCOME</b>		<b>119,625</b>	<b>31,467</b>
Allowances for depreciation and reserves		8,328	23,833
Interest expenses		6,942	8,209
Currency losses		9,077	4,795
Net expenses from the disposal of marketable securities		2	2
<b>FINANCIAL EXPENSES</b>		<b>24,349</b>	<b>36,839</b>
<b>NET FINANCIAL PROFIT (LOSS)</b>	<b>19.1</b>	<b>95,276</b>	<b>(5,373)</b>
<b>PRE-TAX PROFIT BEFORE EXTRAORDINARY ITEMS</b>		<b>54,390</b>	<b>(27,563)</b>
Extraordinary income sundry business operations		546	309
Extraordinary income on transactions		7	262
Reversal of provisions, expenses reclassifications		2,680	3,695
<b>EXTRAORDINARY INCOME</b>		<b>3,232</b>	<b>4,266</b>
Extraordinary expenses sundry business operations		2,178	1,614
Extraordinary expenses on transactions		381	136
Depreciation and provisions		4,668	2,649
<b>EXTRAORDINARY EXPENSES</b>		<b>7,227</b>	<b>4,398</b>
<b>EXTRAORDINARY PROFIT (LOSS)</b>	<b>19.2</b>	<b>(3,995)</b>	<b>(132)</b>
Corporate income tax	20	(3,816)	(3,821)
<b>NET PROFIT (LOSS)</b>		<b>54,211</b>	<b>(23,874)</b>

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## NOTE 1 - SIGNIFICANT EVENTS DURING THE YEAR

### ***PUBLIC HEALTH CRISIS AND WAR IN UKRAINE LEAVE INDELIBLE MARK ON 2022***

Despite global markets reaching their zenith in 2022 and all regions registering growth, the entire year saw the Group face persistent supply chain issues, rising energy and transportation costs, and disruptions to its logistics, all stemming from the knock-on effects of the coronavirus pandemic and the Russian invasion of Ukraine. Toward the end of the year, there were signs of improvement in container shipping and certain commodity indices (steel).

Given this unprecedented backdrop, Haulotte Group SA posted 17% revenue growth between 2022 and 2021, and an operating loss of €41 million for 2022 (-17% of revenue).

On 28 June, the Group obtained from all its syndicated lenders, as well as BPI France, a state guaranteed loan of €96 million (note 13 sets out the conditions and covenants relating to the different loans taken out by the Group). This state-backed loan is being used to support the Group's strong increase in business and provide flexibility in the face of the many operational disruptions described above.

The loan follows on from the Group's decisions to ramp up production so that it could meet the large increase in its orderbook. However, due to the above complicated operational context, this has led to a significant increase in inventory.

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## NOTE 2 - ACCOUNTING POLICIES

The company's annual financial statements have been prepared in accordance with the laws and regulations applicable in France and with regulation 2014-03 of France's national Accounting Standards Body (Autorité des Normes Comptables).

Accounting conventions of establishment and presentation of the annual accounts have been applied in compliance with the prudence concept, in accordance with the following basic assumptions:

- the going concern concept,
- the time period concept,
- the consistency principle.

The statutory accounts have been prepared according to the historical cost convention.

Only significant information is disclosed.

### 2.1 INTANGIBLE FIXED ASSETS

Intangible assets are recognised at their purchase price, excluding financial charges. Software is depreciated on a straight-line basis over 3 to 7 years according to its useful life.

Models and designs are depreciated over 5 years.

Goodwill is not subject to depreciation. An impairment is recorded when its value in use is less than the amount initially recognised. Under regulation 2015-06 of ANC, it was considered that this goodwill had an indefinite useful life.

#### ***Change in accounting method: Development costs***

Haulotte Group has followed the accounting change on how it should record development costs; they are now recorded under intangible assets if they meet the precise conditions for capitalization. This accounting change adjusts the accounts for non-current assets against the counterpart retained earnings on 1 January 2022, as detailed below:

En K€	Loss carry forward	Intangible assets in progress	Fixed Assets	Depreciation
Research and development costs	26 128	10 589	35 441	(19 902)
<b>Total</b>	26 128	10 589	35 441	(19 902)

Research costs are expensed as they occur. Costs incurred for development projects (design of new or improved products) are capitalized as intangible assets where the following criteria are met:

- the technical feasibility needed to accomplish the project is established,
- management shows its intention to complete the project,
- the company can use or sell the asset,
- it is probable that the future economic benefits attributable to the development costs will flow to the company,
- there are adequate technical, financial resources for completing the project,
- the cost of the asset can be reliably measured.

Development costs that do not fulfill these criteria are expensed in the year in which they are incurred. Any development costs expensed in any year are not recorded under intangible assets in progress in later periods.

Capitalized development costs are amortized on a straight-line basis over the asset's useful life from the date on which the asset can be put into service (usually 2-5 years).

Any capitalized development costs that have not yet been completely amortized are subject to an annual impairment test where indicators for a loss of value (economic benefits obtained lower than initially projected) are identified. The value of capitalized development costs and the anticipated cash flow over 2-5 years are compared to determine the impairment to be recorded.

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**FISCAL YEAR ENDED 31 DECEMBER 2022**

## 2.2 PROPERTY, PLANT AND EQUIPMENT

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

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

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

Subsequent costs are recognised as separate assets and subject to different depreciation rates if the related assets have different useful lives. The carrying amount of the renewed or replaced part is derecognised, the new costs incurred being separately capitalised.

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

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

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

The gains or losses on disposals of fixed assets are recognised within 'Extraordinary income/expenses on transactions'.

- **Regulated tax reserves**

Regulated reserves include in particular additional tax depreciation allowances calculated by utilising the most favourable tax option. This mainly concerns depreciation on residual values of equipment recorded as fixed assets.



# STATUTORY ACCOUNTS

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## 2.3 FINANCIAL ASSETS

### • *Equity Investments*

Investments are recognised in the balance sheet at historical cost, including transaction costs such as transfer rights, commissions and fees directly attributable to the acquisition of the securities. These expenses are included in the cost of securities and are subject to special accelerated depreciation over five years.

At year-end, their balance sheet value is compared with their value in use, determined with reference to the share in net equity owned and the earnings prospects. When applicable, a provision for impairment is recorded. When necessary (notably for subsidiaries with negative net equity), additional provisions are recognised first against intra-group assets (receivables, current accounts) and further as a provision for charges if necessary.

Most of the long-term investment are valued in relation with the share in net equity owned, this approach does not use sensitive estimation assumptions. Regarding Acarlar, shares value have been determined using the multiple valuation method.

### • *Receivables from investments*

Receivables from investments relate to current account advances and loans granted to subsidiaries.

These items are recognised at face value. Long-term current accounts and loans granted to our subsidiaries in foreign currencies are translated into Euros at the year-end exchange rate. Gains arising on translation are recognised as 'unrealised foreign exchange gains' and recorded in the balance sheet. Losses arising on translation result in the recognition of a provision for foreign exchange losses and go therefore through the income statement.

Long-term current accounts are subject to impairment in the cases described in the preceding paragraph. There is no translation adjustment recorded for the impaired portion of foreign currency current accounts.

### • *Other receivables*

Short-term current accounts in foreign currencies are converted into euros at the closing rate. Any exchange gains and losses are recognized in currency gains or losses.

The depreciated portion of current accounts in foreign currencies does not lead to book currency gains or losses.

### • *Treasury shares*

Treasury shares acquired in connection with the Group's share buy-back program are recorded as financial assets. They are recognised at purchase price. At the end of the year, their carrying value is determined on the basis of the average quoted price of the shares for the last month of the year. If the carrying value is lower than the purchase price, an impairment loss is recorded for the difference.

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## 2.4 INVENTORIES AND WORK IN PROGRESS

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

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit,
- The cost of finished products and work in progress includes direct production costs and factory overhead (based on normal operating capacity),
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines),
- The net realisable value is the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods.

Impairment is recognised when the net realisable value corresponding to the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods, is less than the carrying value of inventories defined above.

The materials and spare parts inventories are eventually impaired following the last buying date and the turnover rate.

## 2.5 RECEIVABLES AND PAYABLES

Receivables and payables are recognised at their face value.

A provision for impairment is recorded when their collection value, determined on a case-by-case basis, is estimated to be lower than the carrying value.

As soon as there are indications of a real and serious collection risk, a provision for impairment is recorded.

## 2.6 TRANSLATION OF TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currencies are translated at the exchangerate on the transaction date. At the end of the period, receivables and payables balances are translated at the closing rate. The resulting translation differences for payables and receivables in foreign currency at the end of the period are recognised in the balance sheet under the cumulative translation adjustment. For unrealised foreign exchange losses, a provision for contingencies is recorded.

For receivables for which impairment has been recorded, only the remaining balance is translated at the year-end exchange rate.

Following the ANC regulation No.°2015-5 of 2 July and applicable as from 1 January 2017, allowances and reversals for foreign exchange losses are recognized under operating income for trade receivables and payables, and as financial result for financing operations.

## 2.7 MARKETABLE SECURITIES

Marketable securities are initially recognised at their purchase price excluding incidentals. Carrying value of the securities is measured based on quoted values at the closing date. An impairment is recorded when this quoted value is lower than purchase price.

## 2.8 FINANCIAL INSTRUMENTS

As of 31 December 2022, the company held an isolated open position of €1,619 thousand in forward currency contracts. Isolated open positions are all the operations not categorized as hedges. Unrealized gains are recorded in the balance sheet but not in the income statement.

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## 2.9 PROVISIONS

When a contingent liability is identified, for which no reliable estimation can be determined, there is no provision recognized. If applicable, a description of the identified risk is included in a dedicated paragraph within the notes relating to provisions for contingencies and charges (Note 12) or contingent liabilities.

In general a provision is recorded when:

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

### • **Warranty provision**

Haulotte Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data. The warranty period is generally two years. When necessary, a provision is recognised on a case-by-case basis to cover specific warranty risks identified.

### • **Litigations**

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

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

Orders booked at the balance sheet date for some of the Group's distribution subsidiaries (based on transfer prices) as well as the cost evaluation should generate a negative margin at the time of their deliveries. Haulotte Group SA has recorded a Net Realizable Value provision of €3,811K in its accounts.

### • **Pension**

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the income statement in the period incurred.

As of January 1, 2021, Haulotte applied the new method relating to provisions for retirement according to ANC recommendation no. 2013-02 amended on November 5, 2021 following a decision of IFRS IC taken in April 2021 which concluded that the provision to be recognized for the benefit should only be constituted over the period which covers the last 16 years of service rendered by the employee.

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## 2.10 OPERATING PROFIT

- **Revenue recognition**

“Net sales” includes the goods and services sales comprising notably:

- Equipment sales to the distribution and renting subsidiaries of the group
- Direct sales to certain customers
- Spare parts sales
- Services.

Sales of goods are recorded net of value added tax at the date of transfer of risks and benefits of ownership. Revenues related to services are recognised over the period during which the services are rendered.

- **Operating expenses**

Operating expenses include notably material costs, production costs and overheads.

## 2.11 FINANCIAL INCOME

Financial income consists primarily of changes in provisions on investments and on intercompany current accounts, exchange gains and losses (except those relating to commercial receivable and debt), interest income and expenses on current accounts and financial costs associated with borrowing.

## 2.12 EXTRAORDINARY INCOME

Items that are exceptional in nature or that do not occur in the normal course of business are recognised under extraordinary profit or loss. In accordance with the French National Accounting Code (Plan Comptable Général), extraordinary profit or loss also includes allowances and reversals of special tax depreciation provisions.

## NOTE 3 - POST-CLOSING EVENT

At the accounts closing date by the Board of Directors, the 22nd of March 2023, no subsequent events have occurred.

Regarding the earthquakes in Turkey, no impact has been identified for the group's Turkish subsidiary, ACARLAR.

Concerning elements related to the continuity of the Group's financing, please see note 13.

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## NOTE 4 - FIXED ASSETS

### 4.1 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

#### Gross amounts

In thousands of Euros	31/12/2021	Increase	Decrease	31/12/2022
Research and development costs <sup>(1)</sup>	-	37,603	-	37,603
Software	18,663	675	-	19,338
Goodwill / business goodwill <sup>(2)</sup>	168	-	-	168
R&D costs Intangible assets in progress <sup>(1)</sup>	-	14,423	-	14,423
Intangible assets in progress	1,458	1,356	-	2,814
Total Intangible assets	20,289	54,057	-	74,346
Land	882	-	-	882
Building	2,848	-	-	2,848
General installations	15,534	227	12	15,749
Machinery and equipment	26,872	1,618	32	28,458
Other PPE	7,084	377	252	7,210
Fixed assets in progress	998	799	18	1,780
Total Fixed assets	54,218	3,021	313	56,926
<b>TOTAL</b>	<b>74,507</b>	<b>57,078</b>	<b>313</b>	<b>131,272</b>

(1) Following a change in method, R&D costs meeting the precise conditions for activation are now recorded as intangible assets. The opening amount was impacted by €46,030k. See paragraph 2.1.

(2) They also include goodwill of 168 thousand€. The goodwill originated from the creation of Haulotte S.A. in 1995. No depreciation or impairment has been recorded.

#### Accumulated depreciation and impairment

In thousands of Euros	31/12/2021	Increase	Decrease	31/12/2022
Research and development costs <sup>(1)</sup>	-	24,762	-	24,762
Intangible assets	15,255	1,722	-	16,976
Total Intangible assets	15,255	26,484	-	41,738
Building	1,369	-	-	1,369
General installations	12,343	721	12	13,052
Machinery and equipment	22,314	1,963	27	24,251
Other PPE	5,546	465	251	5,760
Total Fixed assets	41,572	3,149	290	44,431
<b>TOTAL</b>	<b>56,827</b>	<b>29,633</b>	<b>290</b>	<b>86,170</b>

(1) Following a change in the method of capitalizing part of the R&D costs, the opening amount of depreciation was impacted by 19,902K€.

Research and development expenditure, recorded in operating expenses, totalled 14,172 thousand € for the fiscal year .

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## 4.2 FINANCIAL ASSETS

Financial assets break down as follows on a cost basis :

In thousands of Euros	31/12/2021	Increase	Decrease	31/12/2022
Equity investments <sup>(1)</sup>	66,601	437	-	67,038
Current accounts & loans to subsidiaries <sup>(2)</sup>	126,002	6,770	3,769	129,002
Treasury shares <sup>(3)</sup>	14,232	616	919	13,929
Other financial assets	3,452	76	157	3,371
<b>TOTAL GROSS VALUE</b>	<b>210,288</b>	<b>7,899</b>	<b>4,846</b>	<b>213,341</b>

(1) The increase in equity investments is mainly due to the additional acquisition of securities from our subsidiary Haulotte Argentina following a capital increase.

(2) The increase mainly concerns the granting of a new loan to our subsidiary H.Brazil, the increase in the current account of H Singapore and the revaluation of the LT current account of H US. The decrease mainly concerns a decrease in the LT account of H UK.

(3) The number of treasury shares owned at year end 1 876 529 (Voir §4.3)

In thousands of Euros	31/12/2021	Allowances	Reversals	31/12/2022
Provisions on Equity investments <sup>(4)</sup>	17,704	437	2	18,140
Provisions on Current accounts & loans <sup>(5)</sup>	27,659	2,231	327	29,563
Provisions on Treasury shares	5,226	2,205	-	7,431
Provisions on Other financial assets	1,112	69	-	1,181
<b>TOTAL PROVISIONS</b>	<b>51,701</b>	<b>4,943</b>	<b>329</b>	<b>56,315</b>

**TOTAL NET VALUE** **158,586** **157,026**

(4) Haulotte Group as recorded additional provisions of its securities of its subsidiaries H.Argentina (€0.4 million).

(5) The increase in the provisions for receivables attached to holdings is mainly explained by additional provision on Haulotte US.

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## 4.3 CHANGES IN TREASURY SHARES

Type	In €	2022	2021	
Liquidity agreement	Number of shares purchased	163,588	184,774	
	Purchase price of shares (€)	616,121	1,124,857	
	Average price per share (€)	3.77	6.09	
	Number of shares sold	149,179	161,905	
	Original value of shares sold (€)	919,176	781,645	
	Sale price of shares sold (€)	561,578	1,012,142	
	Net gain / (loss) (€)	(357,598)	230,496	
	Number of shares cancelled			
	<b>Number of shares at December 31</b>		<b>178,124</b>	<b>163,715</b>
	<b>Original value of shares at December 31 (€)</b>		<b>745,682</b>	<b>1,048,737</b>
Buyback authorisation	Number of shares purchased			
	Purchase price of shares (€)			
	Average price per share (€)			
	Number of shares sold			
	Number of shares cancelled			
	<b>Number of shares at December 31</b>		<b>1,698,405</b>	<b>1,698,405</b>
<b>Original value of shares at December 31(€)</b>		<b>13,183,551</b>	<b>13,183,551</b>	
Global	<b>Number of shares at December 31</b>		<b>1,876,529</b>	<b>1,862,120</b>
	<b>Initial value of shares at December 31(€)</b>		<b>13,929,233</b>	<b>14,232,288</b>
	Provision for treasury shares at December 31* (€)		(7,431,304)	(5,225,918)
	Closing price of shares at December 31 (€)		3.465	4.8

\* On the basis of the average price of shares for the last month

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## 4.4 LIST OF SUBSIDIARIES AND AFFILIATES

Company	Share capital	Ownership interest (%)	Reserves and retained earnings	Gross value	Advances and Loans	Dividends received	Revenue
Registered office	Shareholders' equity <sup>(1)</sup>			Net value of shares			Net income
In thousands of Euros							
Haulotte France Sarl	1,046	99.99%	7,782	3,804	(25,566)		104,819
69 St Priest - France	12,383			3,804			3,535
Telescopelle SAS	37	100.00%	1,086	37	(1,121)		113
L'Horme - France	1,192			37			69
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd.	32,376	100.00%	20,353	26,300	34,844		60,188
Chine	50,359			26,300			(2,408)
Haulotte Argentina SA	158	100.00%	(630)	5,968	462		8,284
Argentine	(1,574)						(678)
Haulotte Arges SRL	789	100.00%	11,748	1,100	67,764	60,003	133,511
Roumanie	14,332			1,100			1,801
Haulotte Australia Pty Ltd	0	100.00%	1,350	0	35,220		72,837
Australie	2,650			0			1,338
Haulotte Canada	0	100.00%		0	9		
Canada				0			
Haulotte Do Brazil Ltda	80	99.98%	(29,235)	201	3,874		15,385
Brésil	(26,844)						2,679
Haulotte Digital Support Center	0	95.00%	(602)	0	1,367		(11)
Roumanie	(613)			0			(10)
Haulotte Hubarbeitsbunnen GmbH	30	100.00%	25,325	30	(30,223)		46,235
Allemagne	27,071			30			1,716
Haulotte Iberica SL	310	98.71%	5,311	3	(2,022)	11,845	31,728
Espagne	7,915			3			2,294
Haulotte India	56	99.99%	189	62			5
Inde	259			62			14
Haulotte Japon	34	100.00%	11	46			2
Japon	64			46			21
Haulotte Italia Srl	100	99.00%	4,345	10	(1,289)	10,890	34,005
Italie	7,234			10			2,789
Haulotte Mexico SA de CV	866	99.99%	(1,039)	1,113	1,202		6,328
Mexique	(248)						(82)
Haulotte Middle East FZE		100.00%	849	199	5,148		2,793
Emirats Arabes	1,197			199			116
Haulotte Netherlands BV	20	100.00%	264	20	(1,002)	1,800	32,327
Pays-Bas	1,285			20			1,001
Haulotte Polska SP Z.O.O.	87	100.00%	2,804	105	(4,273)		14,446
Pologne	3,916			105			1,006
Haulotte Scandinavia AB	10	100.00%	4,346	11	(6,881)	13,758	21,805
Suède	4,922			11			546
Haulotte Singapore Ltd.	-	100%	4,294	0	1,895	-	19,388
Singapour	4,274			0			(21)



# STATUTORY ACCOUNTS

## FISCAL YEAR ENDED 31 DECEMBER 2022

Company	Share capital	Ownership interest (%)	Reserves and retained earnings	Gross value	Advances and Loans	Dividends received	Revenue
Registered office	Shareholders' equity <sup>(1)</sup>			Net value of shares			Net income
In thousands of Euros							
Haulotte Trading (Shanghai) co. Ltd.	-	100%	(11,068)	550	-	-	17,426
Chine	(4,045)			-			6,334
Haulotte UK Ltd	1	100%	(590)	2	2,558	-	20,557
Angleterre	410			2			985
Haulotte US Inc	3	100%	(60,721)	3	86,670	-	88,541
Etats Unis	(27,512)			-			(371)
Haulotte Vostok	34	100%	3,573	80	-	322	4,455
Russie	3,370			80			(273)
Horizon High Reach Limited	1,315	100%	13,420	5,065	-	-	7,858
Argentine	15,020			5,065			176
Levanor Maquinaria de Elevacion S.A.	100	91%	586	300	1,378	-	-
Espagne	646			-			(40)
Haulotte Chile	0	100%	645	0	-	-	4,102
Chili	1,272			0			657
Horizon High Reach Chile SPA	0	100%	(3,442)	5	-	-	2,113
Chili	(3,716)			-			(288)
Acarlar	244	100%	1,551	22,024	-	513	9,366
Turquie	4,177			12,024			1,818

(1) Including Capital and Net income

For foreign subsidiaries, figures presented are translated at the year-end closing exchange rate except for revenue and net income which are translated at the average exchange rate of the period.

The amount of balance sheet commitments are presented in notes 24 and 25.

## NOTE 5 - INVENTORIES

In thousands of Euros	Inventories at 31/12/2022			Inventories at 31/12/2021		
	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials	50,909	(640)	50,269	38,023	(1,160)	36,863
Work in progress	13,475	-	13,475	3,628	-	3,628
Finished goods	18,622	(719)	17,903	12,230	(505)	11,725
Trade goods	11,600	(1,274)	10,326	8,871	(1,241)	7,630
<b>TOTAL</b>	<b>94,606</b>	<b>(2,633)</b>	<b>91,973</b>	<b>62,751</b>	<b>(2,905)</b>	<b>59,846</b>

The increase in inventories relates mainly to components and Work in progress

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 6 - TRADE RECEIVABLES

In thousands of Euros	31/12/2022	31/12/2021
<b>Trade receivables</b>	<b>145,875</b>	<b>129,019</b>
of which Group receivables	140,929	123,679
<b>Provisions</b>	<b>(35,571)</b>	<b>(41,168)</b>
of which Group provisions	(34,412)	(40,043)
<b>NET TRADE RECEIVABLES</b>	<b>110,303</b>	<b>87,851</b>

The reversal of the impairment relates mainly to receivables from our subsidiary Haulotte Shanghai.

## NOTE 7 - MATURITY OF RECEIVABLES AND PAYABLES

The receivables are as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Current accounts & loans to subsidiaries	129,002	45,476	-	83,526
Trade receivables	145,875	144,722	-	1,153
Other receivables	140,106	134,922	5,184	-

The other receivables mainly concern short-term current accounts, income tax, VAT.

## NOTE 8 - ACCRUALS

In thousands of Euros	31/12/2022	31/12/2021
<b>PREPAID EXPENSES</b>	<b>1,520</b>	<b>1,362</b>
Operating expenses	1,520	1,362
Financial expenses	-	-
<b>DEFERRED REVENUE</b>	<b>8,391</b>	<b>2,541</b>
<b>UNREALISED FOREIGN EXCHANGE LOSSES</b>	<b>2,567</b>	<b>1,537</b>
On receivables	2,480	1,415
On payables	87	122
<b>UNREALISED FOREIGN EXCHANGE GAINS</b>	<b>20,038</b>	<b>12,146</b>
On receivables	18,005	12,131
On payables	413	15
Financial instrument valuation	1,620	-

The main prepaid expenses relate mainly to IT services.

The deferred revenue relates to machines and spare parts.

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 9 - OTHER ACCRUED ASSETS AND LIABILITIES

### 9.1 ACCRUED LIABILITIES

In thousands of Euros	31/12/2022	31/12/2021
Bank borrowings	725	251
Trade payables	38,737	29,084
Tax and employee-related payables	2,966	3,248
Other payables	523	436
<b>TOTAL</b>	<b>42,951</b>	<b>33,019</b>

Other debts mainly concern credit note to be issued on spare parts and machines.

### 9.2 ACCRUED ASSETS

In thousands of Euros	31/12/2022	31/12/2021
Customer Accounts receivables	6,676	2,688
Other receivables	549	387
Accrued interests	-	-
<b>TOTAL</b>	<b>7,225</b>	<b>3,075</b>

The Trade receivables and related accounts mainly include current account interest billings to our subsidiaries.

Other receivables include credit notes to be received from various suppliers.

## NOTE 10 - SHAREHOLDERS' EQUITY

### Detail of share capital

In €	31/12/2021	Increase	Decrease	31/12/2022
Number of shares	31,371,274			31,371,274
Nominal value in Euros	0.13			0.13
Share capital in Euros	4,078,265			4,078,265

### Statement of changes in shareholders' equity (in thousands of Euros)

<b>Shareholders' equity at 31/12/2021</b>	<b>23,546</b>
Dividends distributed	(6,488)
Change in regulated reserves	(71)
Profit/(loss) for the period	54,211
investment grants	-
Other Variations*	26,129
<b>SHAREHOLDERS' EQUITY AT 31/12/2022</b>	<b>97,326</b>

\*The other variations are mainly related to the change in the method of calculating R&D costs 26 128K€ (see paragraph 2.1)

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 11 - IDENTITY OF THE PARENT COMPANY CONSOLIDATING THE FINANCIAL STATEMENTS

Company name - registered office	Legal form	Capital	Owned %
SOLEM 93 Epinay sur Seine – France	S.A.S	477	57.57

The consolidated financial statements are available at the headquarter of the company Solem.

## NOTE 12 - COMMITMENTS AND CONTINGENCIES

In thousands of Euros	31/12/2021	Reversals	Reversals	Reversal of unused provisions	31/12/2022
Warranty provisions	2,180	1,112	467	84	2,741
Provisions for foreign exchange losses	1,293	1,473	-	1,293	1,473
Provision for foreign exchange losses on commercial receivables and payables	243	1,094	-	243	1,094
Provision for pensions and other employees cost	4,674	-	102	1,606	2,967
Other contingencies and commitments*	3,562	4,667	1,394	1,214	5,621
* of which provision on negative net equity of subsidiaries	812	-	-	812	-
<b>TOTAL</b>	<b>11,954</b>	<b>8,346</b>	<b>1,963</b>	<b>4,441</b>	<b>13,896</b>

	Allowances	Reversals
Recognised under operating profit	2,206	2,502
Recognised under financial profit	1,473	1,293
Recognised under extraordinary profit	4,667	2,608
<b>TOTAL</b>	<b>8,346</b>	<b>6,404</b>

\* The increase in other provisions mainly relates to the net realizable value provision.

\* The reversal of other provisions mainly concerns the job protection plan for one of our French production sites.

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## ***Provisions for post-employment benefits***

Retirement commitments are estimated according to the projected unit credit method using end-of-career wages according to the procedures described in paragraph 2.8, on the basis of the following assumptions:

- a mortality table INSEE 16-18 (vs 2020 INSEE 15-17)
- a staff turnover rate based on available Group historical data
- a salary increase rate based on the expected length of service, career development, the terms of collective bargaining agreements and the rate of long-term inflation calculated on a historical basis
- a 3.45 % discount rate (vs 2021: 1 %)
- a retirement age for employees born before 1 January 1950 of 62 for managers, 60 for clerical staff
- a retirement age for employees born after 1 January 1950 of 65 for managers, 63 for clerical staff.

Concerning end-of-career severance benefits, the assumption retained is that of voluntary retirement that takes into account social security contributions (45 %). This method of calculation complies with the French Pension Reform Act of 21 August 2003 Loi Fillon, (amended by the law n°2010-1330 dated 9 November 2010 as published in the "Journal Officiel" dated 10 November 2010)

At 31 December 2022, the provision was split between:

- 2,675 thousand € for pensions provisions
- 291 thousand € for long-service award provisions.

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 13 - BORROWINGS

### 13.1 BANK BORROWINGS

In thousands of Euros	31/12/2021	Increase	Decrease	31/12/2022
Syndicated loan	72,000	84,000	66,000	90,000
Other loans	46,084	105,115	14,316	136,883
Overdraft on syndicated loans	29,051	3,146	2,094	30,103
Other overdrafts	3,311	764	-	4,075
Accrued interests	251	475	-	725
<b>TOTAL</b>	<b>150,697</b>	<b>193,500</b>	<b>82,410</b>	<b>261,786</b>

No collateral over real estate was required by the syndicate for the syndicated loan agreement signed in 2019 or the State Guaranteed Loan signed in 2022. These two loans, however, place a number of traditional covenants on the Group over the entire term of the agreements. A number of ratios are calculated every six months based on the consolidated financial statements at the close of 30 June and 31 December and using the aggregate figures from the statements, such as EBITDA, shareholders' equity, net debt of the Group and others.

- **Syndicated loan:**

On 31 December 2022, the Group had used €120 million of the syndicated loan that made €130 million in total available. The loan's maturity date is 17 July 2026.

In thousands of Euros	Loan Balance at 31/12/2021	Net Change of the refinancing facility	Net Change of the revolving porting	Net Change of the bank overdraft	Loan Balance at 2022	Balance available at 31/12/2022 for further drawing
Revolving	72,000	-	18,000	-	90,000	-
<b>TOTAL HORS DÉCOUVERT</b>	<b>72,000</b>	<b>-</b>	<b>18,000</b>	<b>-</b>	<b>90,000</b>	<b>-</b>
Découvert	29,051	-	-	1,052	30,103	9,897
Intérêts courus	144	-	-	40	183	
<b>TOTAL</b>	<b>101,195</b>	<b>-</b>	<b>18,000</b>	<b>1,092</b>	<b>120,287</b>	<b>9,897</b>

- **Club deal financing:**

- This loan was subscribed in July 2021 with some of the syndicated loan pool banks. As of December 31, the outstanding capital is € 10 million. The financial ratios requirements are the same as for the syndicated loan.

- **State Guaranteed Loan (PGE):**

On 28 June 2022, Haulotte obtained from all its syndicated lenders, as well as BPI France, a state guaranteed loan of €96 million with a term of 6 years (i.e., June 2028).

The Group will decide on whether to exercise the extension option available in the contract by late April 2023.

# STATUTORY ACCOUNTS

**FISCAL YEAR ENDED 31 DECEMBER 2022**

## • Financial ratio monitoring:

- A waiver request concerning compliance with the ratios applicable to both of the funds described above for the period from December 2022, has been submitted to all the lenders and has been accepted unanimously without conditions, on the date of December 23, 2022.
- Haulotte has the operating levers and financial resources to meet its operational cash requirements in 2023. These cash flow projections are based on the following assumptions :
  - completion and delivery of the current backlog
  - gradual effect of price increases
  - continued recovery of component supply conditions
  - continued availability of open credit lines (as authorized by the syndicated loan terms) as of December 31, 2022

However, the Group will not be in a position to respect with its contractual financial ratios in June 2023, which according to the syndicated Loan, Club deal, and PGE terms, could result in a total of € 226 million being payable. Such a situation would jeopardize the going concern.

In this context, since December 23, 2022, the Group continues its regular exchanges with all the lenders and it has been agreed with them that a new waiver request will be submitted to them in order to ensure the going concern.

This request is based on the achievements at the end of March 2023 and on the business perspectives confirmed during the 2022 results presentation on March 23, 2023.

At the closing, the Group had not obtained the banks agreement, a necessary condition to ensure the Group's liquidity for the next 12 months. However, based on discussions with the banking pool, the Group considers that the waiver would be obtained before June 30, 2023.

## 13.2 MATURITY OF LOANS AND BORROWINGS

The maturity of borrowings and other financial debts at 31 December 2022 is as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Bank borrowings	261,786	231,171	24,345	6,271
Of which syndicated loan	90,000	-	-	-
Of which other borrowings	136,883	106,267	24,345	6,271
Of which syndicated loan overdraft	30,103	30,103	-	-
Of which other overdrafts	4,075	4,075	-	-
Of which accrued interests	725	725	-	-

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 14 - MATURITY OF CREDITORS

The maturity of creditors at 31 December 2022 is as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Trade payables	70,653	70,653		
Tax and employee related liabilities	7,995	7,995		
Payables to fixed assets suppliers	-	-		
Other liabilities	78,079	78,079		
of which current accounts		77,545		

## NOTE 15 - NET SALES

In thousands of Euros	France	Export	Total
Sales of equipment	60,805	170,527	231,332
Sales of services	2,558	12,776	15,334
<b>TOTAL</b>	<b>63,363</b>	<b>183,303</b>	<b>246,666</b>

## NOTE 16 - EXPENSE TRANSFER

	31/12/2022	31/12/2021
Expense transfer for supplier debits notes	194	117
Expense transfer for related to insurance reimbursements	655	113
Expense transfer for related to reimbursements of social charges over previous years	108	62
Expense transfer for related to reclassifications of exceptional operating expenses excluding staff charges	1,007	445
<b>TOTAL EXPENSE TRANSFER FOR OPERATING PROFIT</b>	<b>1,965</b>	<b>737</b>

	31/12/2022	31/12/2021
Expense transfer for related to supplier disputes	-	-
Expense transfer for related to insurance reimbursements	-	652
Expense transfer for related to the disposal of fixed assets in progress	-	-
<b>TOTAL EXPENSE TRANSFER FOR EXTRAORDINARY PROFIT</b>		<b>652</b>

## NOTE 17 - RELATED PARTIES STATEMENT TRANSACTIONS

Transactions between related companies were concluded under normal market conditions.



# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 18 - OTHER INCOME AND OTHER EXPENSE

In thousands of Euros	31/12/2022	31/12/2021
Other income - exchange gains on trading	3,362	975
Other income	5,663	9,622
<b>TOTAL OTHER INCOME</b>	<b>9,025</b>	<b>10,597</b>
Other expense - exchange losses on trading	1,533	862
Other losses	17,978	1,440
<b>TOTAL OTHER EXPENSE</b>	<b>19,511</b>	<b>2,301</b>
<b>TOTAL</b>	<b>(10,485)</b>	<b>8,295</b>

Other incomes mainly concern trade mark and technology licenses invoiced to our foreign plants.

Other expenses are mainly software royalties from our suppliers and a waiver of debt on our subsidiary H.Shanghai.

## NOTE 19 - FINANCIAL AND EXTRAORDINARY INCOME AND EXPENSE

### 19.1 FINANCIAL PROFIT (LOSS)

In K€	31/12/2022	31/12/2021
Change in provisions for impairment of shares and advances to subsidiaries	(4,252)	(18,840)
Change in provisions for other loans	(69)	1,544
Dividends received from subsidiaries	99,131	10,463
Interest on current account	4,775	774
Interest on borrowings bank overdraft and bank fees	(3,421)	(4,269)
<b>Foreign exchange : gains, losses, changes in provisions</b>	<b>1,289</b>	<b>6,985</b>
Details by currency :		
USD	1,466	
GBP	(367)	
AUD	(737)	
Autres	927	
	1,289	
Provisions for own share*	(2,205)	(1,959)
Income from marketable securities	(2)	(2)
Loss on receivables from investments	-	-
Late payment interests and discounts	30	(68)
<i>Financial charges and incomes on Swaps</i>	-	-
<b>TOTAL</b>	<b>95,276</b>	<b>(5,373)</b>

\* See § 4.3

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## 19.2 EXTRAORDINARY PROFIT (LOSS)

In thousands of Euros	Expense	Income		Expense	Income
	31/12/2022	31/12/2022	31/12/2021	31/12/2021	31/12/2021
Fines and penalties	5	-	24	-	-
Provisions Contingencies and commitments(1)	4,667	2,608	2,514	2,958	2,958
Other extraordinary income (expense)(2)	2,173	546	1,589	309	309
Proceeds from the disposal of PPE	23	5	119	-	-
Proceeds from the disposal of financial assets	-	-	-	-	-
Proceeds from investment securities and treasury shares	358	-	17	247	247
Exceptional depreciation expenses	-	1	134	14	14
Excess tax depreciation	1	72	1	85	85
Expense transfer	-	-	-	652	652
<b>TOTAL</b>	<b>7,227</b>	<b>3,232</b>	<b>4,398</b>	<b>4,266</b>	<b>4,266</b>

(1) The increase in the provisions is mainly explained by net realizable value provision

(2) Exceptional expenses are mainly related to a measure taken as part of the industrial reorganization of a French production site on which a job protection plan has been put in place.

## NOTE 20 - BREAKDOWN OF TAX INCOME BETWEEN CURRENT INCOME AND EXTRAORDINARY PROFIT (LOSS)

In thousands of Euros	Pre-tax income	Corporate income tax	After tax income
Current income	54,390	3,816	58,206
Extraordinary profit (loss)	(3,995)	-	(3,995)
<b>TOTAL</b>	<b>50,395</b>	<b>3,816</b>	<b>54,211</b>

The breakdown of tax between current income and extraordinary income has been determined by applying the legal tax rate respectively to a current tax income and an extraordinary tax income.

The tax revenue which has been linked to the current result mainly comes from Tax Credit for Research.

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 21 - DEFERRED TAXES

In thousands of Euros	Basis	Deferred tax
<b>Expenses recorded not deductible for tax purposes</b>		
Employee profit-sharing		
"Organic" tax	362	91
Provision for inventory losses	1,779	445
Provision for trade receivable losses	1,159	290
Provision for pensions	2,675	669
<b>Taxable income not recorded in the accounting income</b>	<b>18,419</b>	<b>4,605</b>
<b>NET DEFERRED TAXES</b>	<b>24,395</b>	<b>6,099</b>

Haulotte Group SA has accumulated losses for tax carry forwards amounting to 120,399 thousand €:

- 28,851 thousand € acquired for the overall result 2011
- 24,549 thousand € acquired for the overall result 2012
- 1,792 thousand € acquired for the overall result 2013
- (6,170) thousand € used for the overall result 2014
- (3,654) thousand € used for the overall result 2015
- (363) thousand € used for the overall result 2016
- 1,978 thousand € acquired for the overall result 2017
- 2,020 thousand € acquired for the overall result 2018
- 2,520 thousand € acquired for the overall result 2019
- 44,019 thousand € acquired for the overall result 2020
- 13,694 thousand € acquired for the overall result 2021
- 11,162 thousand € acquired for the overall result 2022

## NOTE 22 - TAX CONSOLIDATION

Haulotte Group SA is the head of a French tax consolidation that included on 31 December 2022 the entities Haulotte France and Télescopelle .

Under this tax sharing agreement, the income tax of entities is incurred by subsidiaries as if they are not included in a tax group.

## NOTE 23 - FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amount allocated to Board members expensed by the Company totalled 739 thousand € in 2022 versus 760 thousand € in 2021.

This amount originates from funds invoiced by Solem S.A.S. for the services rendered on behalf of the Group by two executives. It includes expenses incurred by those executives on behalf of the Group.

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

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

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 24 - OFF-BALANCE SHEET COMMITMENTS

### 24.1 FINANCE LEASE COMMITMENTS

In thousands of Euros	Cost price <sup>(1)</sup>	depreciation allowances <sup>(2)</sup>		Net value
		accounting period	accrued	
Other tangible fixed assets	15,295	533	1,305	13,990
<b>TOTAL</b>	<b>15,295</b>	<b>533</b>	<b>1,305</b>	<b>13,990</b>

(1) Cost price.

(2) Allowances that would have been recorded for these assets if they had been acquired.

In thousands of Euros	Fees paid		Fees remaining to be paid			Residual purchase price <sup>(1)</sup>	
	accounting period	accrued	< 1 year	1 - 5 years	> 5 years		Total Due
Autres immobilisations corporelles	1,423	3,474	1,382	5,486	6,423	13,291	1
<b>TOTAL</b>	<b>1,423</b>	<b>3,474</b>	<b>1,382</b>	<b>5,486</b>	<b>6,423</b>	<b>13,291</b>	<b>1</b>

(1) according to contract.

### 24.2 OTHER COMMITMENTS GIVEN

#### Guarantees granted to financial institutions offering financing to group customers :

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

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

- Guarantee in the form of a commitment to continue lease payments
- Guarantee in the form of a contribution to a risk pool
- Specific guarantee covering a determined amount for a given receivable
- Guarantee in the form of commitments to repurchase the equipment.

In thousands of Euros	31/12/2022	31/12/2021
< 1 year	6,093	8,484
> 1 year	16,211	18,204
<b>TOTAL</b>	<b>22,304</b>	<b>26,688</b>

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## Repurchase commitments given to institutions providing financing to customers

This concerns commitments given by the company to financial institutions to substitute for customers who do not exercise their purchase option

of which 8 thousand € given to Haulotte France

In thousands of Euros	31/12/2022	31/12/2021
< 1 year	8	17
1 - 5 years	-	8
> 5 years	-	-
<b>TOTAL</b>	<b>8</b>	<b>24</b>

## Guarantees for export credit financing

Export credit agreements were arranged for selected customers whereby specialised organisations provide the banks guarantees for a percentage of these agreements and the Group then issues an additional counter-guarantee to the financial institution for the uncovered portion. At the end of December 2022, this commitment amounted to € 573,000 (compared to € 926,000 at 31 December 2021).

## Other commitments

This concerns commitments given by the company to suppliers :

In thousands of Euros	31/12/2022	31/12/2021
< 1 year	10	10
<b>TOTAL</b>	<b>10</b>	<b>10</b>

It is guarantees given by the Company to clients :

In thousands of Euros	31/12/2022	31/12/2021
< 1 year	133	181
<b>TOTAL</b>	<b>133</b>	<b>181</b>

It is guarantees given by the Company to the Romanian tax authorities as part of a tax audit of our subsidiary:

In thousands of Euros	31/12/2022	31/12/2021
< 1 year		362
<b>TOTAL</b>		<b>362</b>

## NOTE 25 - RECEIVED COMMITMENTS

In thousands of Euros	31/12/2022	31/12/2021
Commitment received from Télescopelle as a beneficiary of a debt waiver with a repayment clause	1,450	1,450

# STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2022

## NOTE 26 - AVERAGE HEADCOUNTS

	31/12/2022	31/12/2021
Managers	276	283
Office employees, technicians	146	159
Workers	198	210
<b>TOTAL</b>	<b>621</b>	<b>651</b>

## NOTE 27 - FOREIGN EXCHANGE RISKS EXPOSURE

The Company is mainly exposed to foreign exchange risks with receivables in US dollars, Australian dollars and pound sterling. A portion of this exposure is hedged by forward purchases of the relevant currencies and by a specific hedging instrument in US dollars.

### Significant receivables (net of provisions), payables, cash positions and commitments in foreign currency not hedged

Foreign exchange exposure	Currencies								
	AUD	SEK	GBP	USD	PLN	RMB	TRY	INR	Other s
<b>BALANCE SHEET</b>									
<b>Receivables <sup>(1)</sup></b>	<b>37,691</b>	<b>-</b>	<b>4,352</b>	<b>175,010</b>	<b>-</b>				<b>9</b>
of which Group receivables	37,691	-	4,349	171,296	-				
of which non-Group receivables	-	-	3	3,713	-				9
<b>Debit Cash positions <sup>(2)</sup></b>	<b>4,100</b>	<b>165</b>	<b>403</b>	<b>7,511</b>	<b>321</b>				
<b>Payables <sup>(3)</sup></b>	<b>58</b>	<b>5,182</b>	<b>6</b>	<b>7,879</b>	<b>4,273</b>				<b>3</b>
of which Group payables	58	5,182	-	2,862	4,273				
of which non-Group payables	-	-	6	5,017	-				3
<b>Creditor Cash positions <sup>(2)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>				
<b>OFF-BALANCE SHEET COMMITMENTS <sup>(4)</sup></b>									
Non-group commitments given	1,566	-	-	4,569		4,269	1,488	1,628	-

(1) Financial receivables, operating receivables.

(2) Cash positions.

(3) Financial debts, operating debts, other.

(4) These are the commitments to continue rents and risk pools mentioned in paragraph 23.2.

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

## FISCAL YEAR ENDED 31 DECEMBER 2022

### **PricewaterhouseCoopers Audit**

Grand Hôtel-Dieu  
3 Cour du Midi  
CS 30259 - 69287 LYON CEDEX 02

### **BM&A**

11, rue de Laborde  
75008 Paris

*This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.*

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

To the annual general meeting,

## **OPINION**

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Haulotte SA for the year ended December, 31<sup>st</sup> 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December, 31<sup>st</sup> 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

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

## **BASIS FOR OPINION**

### **Audit Framework**

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

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

### **Independence**

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from January, 1<sup>st</sup> 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

## **EMPHASIS OF MATTER**

We draw attention to :

- The Note 13 "Borrowings" to the financial statements which outlines the company's financing situation regarding the expected breach of its financial covenants as of June 30, 2023. This situation could trigger the demand for total debts of 226 million euros. The continuation of these financial arrangements depends on obtaining a new waiver agreement from the lenders regarding the breach of ratios. Failure to obtain such an agreement could cast significant doubt on the Company's ability to continue as a going concern.
- The Note 2.1 "Intangible fixed assets" to the financial statements relating to the impact of the change in accounting method applied for development costs.

Our opinion is not modified in respect of these matters.

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**FISCAL YEAR ENDED 31 DECEMBER 2022**

## JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

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

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

## MEASUREMENT OF EQUITY INVESTMENTS, RECEIVABLES FROM INVESTMENTS AND GROUP TRADE RECEIVABLES

### *Identified risk*

Haulotte Group SA holds equity in Group companies and operates a manufacturing business. As part of the development of the Group, it carries out cash advances to finance its subsidiaries. In addition, it sells equipment to its sales subsidiaries and provides services to the Group as a whole.

Equity investments, loans, receivables from investments and Group trade receivables recognized at 31 December 2022 represent some of the largest entries on the balance sheet. Equity investments are carried at cost and may be impaired based on their value in use. Receivables from investments and Group trade receivables are recognized at par value and may be written down on the basis of their recoverability.

As indicated in Note 2.3 to the financial statements, the value in use of shares in subsidiaries is estimated by management based on equity at the closing date, forecast earnings for the concerned entities and/or the EBITDA multiple method for the shares owned in the Acarlar subsidiary. These same inputs are used to evaluate the recoverability of receivables from investments and trade receivables at Group level.

In order to estimate the value in use of equity investments, management is required to exercise judgement to decide which inputs to use for each investee. These inputs either correspond to historical data (equity) or forecast data (profitability outlook or the economic environment in the countries in which the investees operate).

The geographic location of certain subsidiaries and the competitive and economic environment in which they operate could lead to a drop in their business activity and therefore affect their operating income.

Accordingly, due to the significant amounts at stake and the decisive impact of these measurements on the assessment of the financial situation, assets and liabilities of Haulotte Group SA, we deemed the correct measurement of equity investments, receivables from investments, Group trade receivables and provisions for contingencies to be a key audit matter.

### *How our audit addressed this risk*

Our audit work consisted primarily in verifying that the estimated values determined by management were based on an appropriate measurement method and underlying data and, depending on the investment:

For valuations based on historical data:

- verifying that the equity values used were consistent with the financial statements of the entities for which an audit or analytical procedures were performed and that any adjustments to equity were based on documentary evidence.

For valuations based on the multiple method:

- ensuring the consistency of the panel of entities taken into consideration based on the review of our specialists.



# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**FISCAL YEAR ENDED 31 DECEMBER 2022**

For valuations based on forecast data:

- obtaining the cash and operating cash flow projections for the activities of the entities concerned, as prepared by their operational management teams, and assessing their consistency with the forecast data taken from strategic plans drawn up by general management for each of their activities and approved, where applicable, by the Board of Directors,
- verifying the consistency of the assumptions used with the economic environment at the closing date and at the date on which the financial statements were prepared, particularly in the context of inflationist pressure.

In addition to assessing the values in use of the investees, our work also consisted in:

- assessing the recoverability of receivables from investments in light of the analyses conducted of equity investments,
- verifying the recognition of provisions for contingencies where the Company is exposed to the losses of a subsidiary with negative equity.

We also examined the appropriateness of the disclosures provided in the notes to the statutory financial statements.

## ASSESSMENT OF THE CORRECT VALUATION OF INVENTORY

### **Description of risk**

At 31 December 2022, inventory represented a net value of € 91,973 thousand and a gross value of €94,606 thousand including raw materials for €50,909 thousand, work-in-progress for € 13,475 thousand and finished goods for € 18,622 thousand.

As indicated in Note 2.4 to the financial statements, the value of raw materials is based on the weighted average unit cost and the value of work-in-progress and finished goods includes direct and indirect production based on normal operating capacity. A depreciation is accounted for when the net realizable value, corresponding to the estimated selling price in the ordinary course of business less applicable expenses to sell or recondition the goods, is lower than the net value.

Given the context of inflationary pressure and the difficulties in the supply chain with an impact on the quantities, on the delay of production and on the value of inventory, we deemed the valuation of inventory to be a key audit matter.

### **How our audit addressed this risk**

Our work consisted primarily in:

- Gaining an understanding of the internal control procedures and assessing the correct design and the efficiency of key internal controls designed by the company and related to the valuation of the different natures of inventory,
- Assessing the correct valuation of raw materials
  - Analysis of the consistency of the evolution of the weighted average unit price compared to the previous year and to the rise in purchase costs,
  - Tests of detail on an extended sample.
- Assessing the compliance of direct and indirect production costs included in the valuation of work-in-progress and finished goods with the applicable accounting principles,
- Assessing the correct valuation of work-in-progress and finished goods
  - Analysis of actual direct and indirect production costs without the impact of under activity
  - Tests of detail on an extended sample.
- Verifying the correct calculation of depreciation for all the different type of inventory based on the Group method and verifying the absence of additional depreciation to be recognized based on margins realized by the company during the subsequent period.
- Verifying the absence of litigations with suppliers of raw materials regarding purchase prices with a potential significant impact on the value of inventory.

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2022

We also examined the appropriateness of the disclosures provided in Notes 2.4 and 5 "Inventory" to the consolidated financial statements.

## SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

### ***Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders***

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-46 of the French Commercial Code (Code de commerce).

### ***Report on corporate governance***

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4, L.22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received or awarded by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (code de commerce), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

### ***Other information***

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**FISCAL YEAR ENDED 31 DECEMBER 2022**

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

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

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

## ***Appointment of the Statutory Auditors***

We were appointed Statutory Auditors of Haulotte Group SA by the General Meetings held on 28 May 2015 for BM&A and on 2 October 1998 for PricewaterhouseCoopers Audit.

As at 31 December 2021, BM&A and PricewaterhouseCoopers Audit were in the eight year and the twenty-fifth year of total uninterrupted engagement.

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The financial statements were approved by the Board of Directors.

## **STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

### ***Objectives and audit approach***

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

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

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

## FISCAL YEAR ENDED 31 DECEMBER 2022

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

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Report to the Audit Committee**

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

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

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Lyon, May 2<sup>nd</sup>, 2023  
The Statutory Auditors

**PricewaterhouseCoopers Audit**

**BM&A**

Matthieu Moussy

Pascal Rhoumy



