GROUPE GORGÉ

2020

UNIVERSAL REGISTRATION DOCUMENT

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2020 Universal Registration Document

INCLUDING ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document was filed on 7 April 2021 with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) as the competent authority pursuant to EU Regulation No. 2017/1129, without prior approval in accordance with article 9 of said regulation. The Universal Registration Document can be used for the purpose of an offer of securities to the public or the admission of securities to trading on a regulated market if it is accompanied by a securities note and, where applicable, a summary and all the modifications made to the Universal Registration Document. The entire document is approved by the AMF in accordance with Regulation (EU) No. 2017/1129.

INCORPORATED BY REFERENCE

In application of article 19 of Regulation (EU) 2017/1129, the following items are incorporated by reference in this Universal Registration Document:

- for the financial year ended 31 December 2019: the management report, the consolidated and separate financial statements and the corresponding Statutory Auditors' reports are included in the Universal Registration Document filed with the AMF on 15 April 2020 (file number D.20-0297). This document does not incorporate XBRL tags;
- for the financial year ended 31 December 2018: the management report, the consolidated financial statements and individual financial statements and the corresponding Statutory Auditors' reports are included in the 2018 registration Document filed with the AMF on 17 April 2019 (file number D.19-0353). This document does not incorporate XBRL tags.

Copies of this Universal Registration Document are available free of charge at the Company's registered office at 19 rue du Quatre-Septembre, 75002 Paris until 1 July 2021, thereafter at 30 rue de Gramont, 75002 Paris upon request to the Company, on the website www.groupe-gorge.com and on the AMF website at www.amf-france.org.

The information provided on the www.groupe-gorge.com website and accessed *via* the hypertext links on page 163 of this Universal Registration Document, with the exception of any information incorporated by reference, does not constitute part of this Universal Registration Document. Accordingly, this information has neither been reviewed nor approved by the AMF.

MESSAGE FROM

RAPHAËL GORGÉ, THE CHAIRMAN & CEO

Dear Shareholders,

The year 2020 was marked by major progress for GROUPE GORGÉ in achieving its strategic objectives. The reinforcement of the Group in its Drones and Systems activity, the refocusing of its Engineering and Protection Systems activity and the acceleration of the synergies plan in 3D Printing give the company a new dimension.

The major event of the year was the merger of GROUPE GORGÉ with its subsidiary ECA, finalized on 30 December 2020. This structuring transaction allows the company to strengthen its position in a high-tech activity with very strong growth potential, in line with the strategy implemented for several years. It also has the effect of simplifying the Group's structure, increasing its free float capital and improving the share's liquidity.

GROUPE GORGÉ's diversified business model has shown its resilience in a context of unprecedented crisis. After a first half of the year heavily impacted by the health crisis, the recovery in business was already visible in the second half of the year, as evidenced by the improvement in profitability and the increase in cash flow generated by the business.

The year 2020 was also marked by the acceleration of the CSR strategy thanks to the efforts made at each level by all the teams and the increasing involvement of the Board of Directors in monitoring these topics. This momentum will continue in the years to come and will support progress on environmental, social and governance aspects.

The economic crisis that affected our markets in 2020 does not call into question the solid fundamentals of our business sectors. GROUPE GORGÉ can rely on deep and structurally sound markets to support future performance. The sales momentum and the execution of the order book provide good visibility for the current financial year, for which the Group has set itself ambitious revenue and profitability targets. GROUPE GORGÉ is thus continuing its growth trajectory and confirming its ability to create value for all shareholders and stakeholders.

Raphaël Gorgé
Chairman and Chief Executive Officer

2020 KEY FIGURES

FINANCIAL INCOME

€231 MILLION

-14% ON A LIKE-FOR-LIKE SCOPE

EBITDA [1]

€24 MILLION

-22% ON A LIKE-FOR-LIKE SCOPE

BACKLOG

€623 MILLION

UP 3%

EMPLOYEES

1,850

NET DEBT [2]

€30.6 MILLION

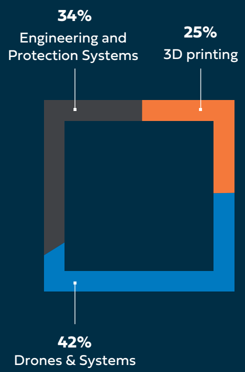
NET DEBT (IN € PER SHARE)

€0.32

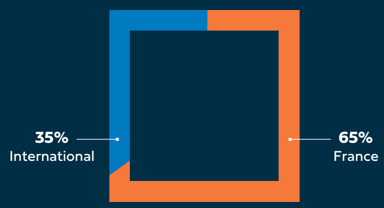
STABLE COMPARED TO 2019

1 Operating income effort "depreciation, atomization and provisions", "other items of operating income" and Group share of the earnings of affiliated companies
2 Excluding IFRS and including treasury shares

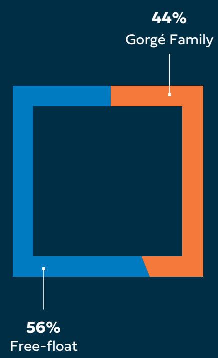
BREAKDOWN OF REVENUE BY BUSINESS



BREAKDOWN OF REVENUE BY GEOGRAPHICAL AREA



SHAREHOLDING (AT 31 DECEMBER 2020)



2020 HIGHLIGHTS

APRIL 2020
Signing of long-term contracts in 3D printing for the sale of liquid resins

Fight against Covid-19: the Group participates in the manufacture of protective visor supports for the face

JULY 2020
Withdrawal from the Oil & Gas sector with the merger of the subsidiary VAN DAM with its competitor INTERDAM

SEPTEMBER 2020
GROUPE GORGÉ wins an international call for tenders of €20million for the modernization of mine hunters of the Latvian Navy

First nuclear contract for a power plant project using Russian VVER nuclear technology

Launch of StedY in the field of technology consulting

DECEMBER 2020
Merger-absorption of ECA by GROUPE GORGÉ

GROUPE GORGÉ IS AN ENTREPRENEURIAL GROUP

OUR RESOURCES

HUMAN CAPITAL

- Nearly 1,850 qualified employees in seven countries
- 51% executives and engineers

INDUSTRIAL/ SOCIETAL CAPITAL

- 19 technology centers
- A solid network of industrial and university partnerships

INTELLECTUAL CAPITAL

- 6.5% of revenue invested in R&D

FINANCIAL CAPITAL

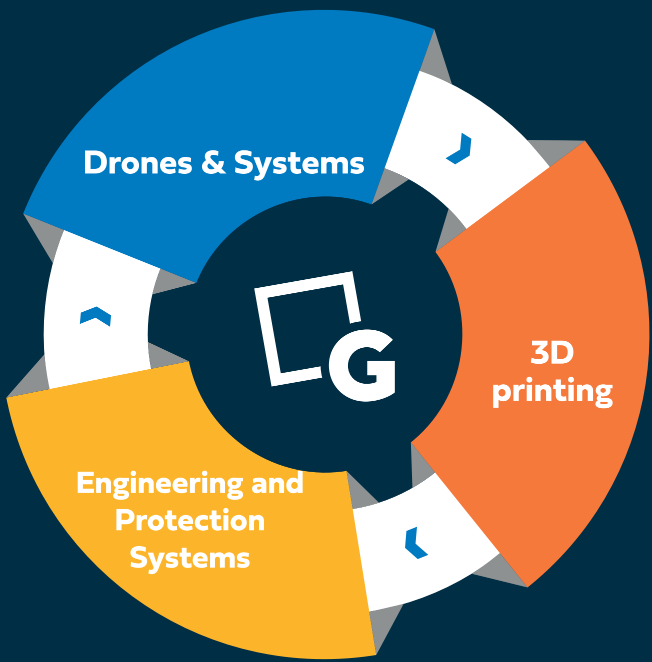
- Stability guaranteed by long-term family shareholders
- A robust financial structure

ENVIRONMENTAL CAPITAL

- 5,334 MWh of electricity consumed
- 1,128 MWh of gas consumed

OUR BUSINESS MODEL OUR STRENGTHS

Leader on niche markets	Experience in developing technological companies	In-depth market knowledge	Agile and close to customers	Strong entrepreneurial culture



Develop innovative robotic and aerospace solutions to ensure the safety of people and sites

- Robotic solutions for sensitive missions in all environments (land, sea, underwater, air, underground)
- Support our aerospace customers throughout the aircraft's life cycle From design:assembly lines and test benches To flight:distress beacons, on-board equipment
- And all the way to maintenance: diagnostic tools and ground equipment

Offer turnkey solutions for 3D printing to meet the problems of manufacturers

- Distribution and integration of 3D design software
- Product development and manufacture of parts using 30 multi-material machines
- Product development and manufacture of parts using 30 multi-material machines
- Sale of 3D-printed products directly to healthcare professionals (dental, chiropody and audiology)

Offer an Engineering and Technology Consulting service and protect high-risk sites

- Engineering and risk management consultancy
- Fire protection systems (sprinklers and water mist), firebreak partitions and windows
- Special doors and walls for nuclear

SPECIALISING IN CUTTING-EDGE INDUSTRIES

OUR MARKETS

MEDICAL

AEROSPACE

DEFENCE AND SECURITY

INDUSTRY

MARITIME

NUCLEAR

OUR VALUE CREATION

Attracting and training talent

- 374 hires of which 305 are permanent hires
- 13,347 hours of training

Working to achieve gender parity

25% women (25% in 2019)

Innovation for the protection of people and property

- Protecting people and property
- Helping our clients innovate and guiding them through their digital transformation

Acting as an effective, responsible, and ethical group

- 65 employees received anti-corruption training in 2020

Building a top player in terms of technology innovation

- Many patents filed
- Innovative new product launches across all divisions

Create long-term value

- Increase in profitability and cash generation
- Dividend of €0.32, stable compared to last year

Reduce our impact on the environment and limit our consumption of resources

- A modest environmental footprint
- 3D printing: a technology that reduces a material consumption

OUR CONTRIBUTION TO THE SDGS

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
5 GENDER EQUALITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
3 GOOD HEALTH AND WELL-BEING
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

13 CLIMATE ACTION
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

1

OVERVIEW OF THE GROUP AND ITS BUSINESSES

1.1 KEY FIGURES

The key figures have been extracted from the consolidated financial statements. The 2018 figures have been restated as detailed in the notes to the 2019 consolidated financial statements (Note 1.3 "Restatement of prior-period financial disclosures").

1.1.1 MAIN AGGREGATES FROM THE CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	**2020**	2019	2018
Revenue	231,114	274,641	253,170
EBITDA[(1)]	24,099	31,681	16,153
Operating income	(9,050)	4,910	(575)
Financial income and expenses	(1,662)	(1,140)	(1,003)
Tax	201	(2,225)	(2,173)
NET INCOME FROM CONTINUING OPERATIONS	**(10,510)**	**1,546**	**(3,752)**
NET INCOME FROM DISCONTINUED ACTIVITIES	**(1,000)**	**21,574**	**1,717**
NET INCOME	**(11,510)**	**23,119**	**(2,035)**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**(5,811)**	**20,894**	**(1,917)**

(1) EBITDA: operating income before depreciation, amortization and provisions, other items of operating income and share of profit from associates. This indicator, which is not strictly accounting, is detailed in Note 3 to the consolidated financial statements.

1.1.2 KEY FINANCIAL DATA

(in millions of euros)	**2020**	2019	2018
Equity[(1)]	94.89	108.55	95.94
Available cash and cash equivalents (A)	80.87	59.31	42.00
Borrowings (B)	(112.86)	(70.15)	(70.84)
Treasury shares (C)	1.39	2.68	0.94
NET CASH INCLUDING TREASURY SHARES (A) + (B) + (C)	**(30.60)**	**(8.16)**	**(27.89)**

(1) Group share.

1.1.3 WORKFORCE

	2020	2019	2018(1)
Drones & Systems	708	640	614
Engineering and Protection Systems	668	625	921
3D printing	466	505	460
Structure	7	7	7
TOTAL WORKFORCE	**1,849**	**1,777**	**2,002**

(1) The workforce of discontinued operations beyond 2019 is included, representing 313 employees in 2018.

1.2 OVERVIEW OF THE GROUP AND ITS BUSINESSES

GROUPE GORGÉ is an entrepreneurial group that specializes in high-tech industries. Today, the Group is active in robotics, protection in extreme environments as well as in the 3D printing sector. The Group employs around 1,850 people and operates in six countries and directly exports around 35% of its business. The Group has always enjoyed a strong entrepreneurial and family culture. It was founded in 1990 by Jean-Pierre GORGÉ, the father of the current Chairman and CEO, Raphaël GORGÉ. The GORGÉ family currently owns 43.79% of the share capital of GROUPE GORGÉ, which is listed on EURONEXT Paris.

1.2.1 HISTORY AND DEVELOPMENT OF GROUPE GORGÉ

In its more than 25-year history, GROUPE GORGÉ has always developed and driven the latest technological and industrial innovations.

1990: FINUCHEM is created by Jean-Pierre GORGÉ (it becomes GROUPE GORGÉ in 2009).

1990-2005: ECA and industrial robotics.

1992: Acquisition of ECA.

1998: Listing on the secondary market of the Paris stock exchange.

1999: Acquisition of CIMLEC INDUSTRIE.

2004: Listing of ECA on the secondary market of the Paris stock exchange.

2005-2009: Move into new business sectors.

2005: Raphaël GORGÉ joins the Group and is appointed Deputy CEO. He embarks on a strategic reorientation of the Group to reduce its dependence on the automotive sector and investment in high potential sectors, in particular semi-conductors and naval construction, security and protection.

2006: Acquisition of ECA FAROS in the simulation sector.

2008: Raphaël GORGÉ is appointed Chief Executive Officer.

2009-2013: Development of the security and protection sectors.

2009: The Group diversifies into the safety of people and property with the acquisitions of BAUMERT and CLF-SATREM in particular.

2011: Raphaël GORGÉ is appointed Chairman and Chief Executive Officer. BPIFRANCE (at the time, Fonds Stratégique d'Investissement, FSI) acquires a stake in the Group.

2013: The Group enters the 3D printing sector and extends the mobile robotics offering.

2013: The Group enters the field of 3D printing with the purchase of PHIDIAS TECHNOLOGIES (since renamed PRODWAYS).

2014: The Group acquires DELTAMED and INFOTRON.

In September 2014, the Group was proud to receive the Prix de l'Audace Créatrice (Audacity and Creativity Prize) presented by the President of the French Republic.

2015: Growth accelerates in the 3D Printing division: €10 million raised in a round of financing from the FIMALAC group; acquisition of the companies INITIAL, NORGE SYSTEMS and EXCELTEC; signing of a strategic partnership with the Chinese company FARSOON; creation of a US subsidiary (PRODWAYS AMERICAS).

In April, the Group received the visit of the French Minister of the Economy, Emmanuel MACRON, to the site of its PRODWAYS subsidiary.

2016: Acquisitions for two of the Group's three divisions:

- for the Drones and Systems division: capacity-building for the Aerospace and Robotics and Integrated Systems divisions with the acquisitions of ELTA and BUREAU D'ÉTUDES MAURIC;
- for the manufacturing of high-security doors for the nuclear facilities of the Engineering and Protection Systems division: acquisition of the nuclear business of PORTAFEU.

The French President visited the Group's PRODWAYS subsidiary. The President had previously presented the Group with the 2014 Prix de l'Audace Créatrice award.

In September, BPIFRANCE sold its entire stake in GROUPE GORGÉ for around €21 million.

2017: IPO of PRODWAYS GROUP, the "3D Printing" division of GROUPE GORGÉ, on Euronext Paris.

The 3D printing range was enhanced with the acquisition of AVENAO and INTERSON PROTAC and the development of the Rapid Additive Forging (RAF) technology, offering 3D metal printing for large-scale parts.

The French Minister of Defense, visiting ECA for the 14th annual French Defense Conference, hailed the Group's excellence and innovative ability.

2018: NAVAL GROUP and ECA ROBOTICS propose an innovative mine-hunting solution in Belgium and the Netherlands and ECA sets up in Belgium with the creation of the subsidiary ECA ROBOTICS BELGIUM.

ECA restructures. In the "Robotics" division, three of its subsidiaries merge, and subsidiary EN MOTEUR is disposed of. In the simulation division ECA closes ECA SINDEL and disposes of the goodwill of its subsidiary SSI.

In the "3D Printing" division: PRODWAYS GROUP takes over 70% of the capital of the American service bureau VARIA 3D, in which it had taken a minority stake in 2015.

PRODWAYS GROUP acquires the American company SOLIDSCAPE, a subsidiary of STRATASYS specializing in 3D printing machines for precision casting applications, in particular for the jewelry market. This acquisition increases sales of machines and the Group's presence in North America and internationally through an expanded distributor network.

2019: PRODWAYS GROUP acquires 100% of the share capital of SURDIFUSE-L'EMBOUT FRANÇAIS, a major player in custom earmolds, a portion of which are produced using 3D printing.

Along with NAVAL GROUPE ECA was awarded a flagship contract worth nearly €2 billion for the supply of 12 mine-hunting ships to the Belgian and Dutch navies. GROUPE ECA's share of around €450 million concerns the delivery of some 10 drone systems that will equip the ships, or a total of about 100 drones.

In July, GROUPE GORGÉ completes the sale of the CIMLEC group to SPIE, generating a capital gain of more than €20 million. This historical activity no longer had many synergies with the Group's other activities.

GROUPE GORGÉ reorganizes the share capital of its Fire Protection France activity (CLF SATREM, SVF and AMOPSI) through a leveraged transaction in which management would own up to 30% of the share capital of the activity; GROUPE GORGÉ remains the reference shareholder, retaining 70% of the share capital.

2020: In 2020, the Group was impacted by the Covid-19 health crisis. This crisis had an unfavorable effect on the level of activity of the Group, in particular on that of the aeronautical activities of the Drones and Systems division. The Group has nevertheless been able to demonstrate the strength of its model and organization; the level of activity after a penalized second quarter, has gradually approached pre-crisis levels, quarter after quarter.

A major reorganization operation was carried out, with the absorption of ECA by GROUPE GORGÉ. This rationalization operation enables GROUPE GORGÉ to facilitate flows within the Group, *de facto* ECA's stock market exit is a cost-saving factor.

GROUPE GORGÉ has updated its graphic charter and logo, as well as changed the name of two of its three divisions.

Finally, the merger of the subsidiary VAN DAM with one of its competitors is one more step in the simplification of the Engineering and Protection Systems division, which is no longer present in the cyclical Oil & Gas sector.

1.2.2 ACTIVITIES, MARKETS AND COMPETITION

The Group is structured into three divisions:

- Drones and Systems division – consisting of GROUPE ECA SA and its subsidiaries, often referred to as "GROUPE ECA" or "ECA";
- Engineering and Protection Systems division – VIGIANS PROTECTION INCENDIE and its subsidiaries (CLF-SATREM, AMOPSI, SVF), NUCLÉACTION and its subsidiaries (BAUMERT) and SERES TECHNOLOGIES and StedY;
- 3D Printing division: PRODWAYS GROUP and its subsidiaries.

The subsidiaries are in direct contact with their markets and competitors. The divisions bring together the subsidiaries depending on their businesses and sectors of activity. This organizational structure enables GROUPE GORGÉ is positioned in a field of disruptive technologies: advanced robotics, autonomous vehicles and 3D printing.

1.2.2.1 Drones and Systems division – GROUPE ECA

ECA is a world-class player recognized for its expertise in robotics, specialized automation systems and simulation. Since 1936, ECA has been developing complete, innovative technological solutions for complex missions in hostile and confined environments.

Its product offering is designed for an international client base that is demanding, both in terms of safety and effectiveness. The Group's main markets are in the defense, maritime, aeronautics, nuclear, energy, transportation and industrial equipment sectors.

ECA offers its solutions in two business segments: Robotics and Aerospace.

In 2020, GROUPE ECA's revenue totaled €96.2 million, *i.e.* around 42% of GROUPE GORGÉ's overall revenue.

Robotics division

Nine of the world's ten leading armies are equipped with solutions developed by ECA. With world-renowned know-how and expertise, ECA has combined its design skills in the field of mobile underwater, sea, land and airborne drones and in integrated systems development for a complete line of solutions aimed at the defense, maritime, nuclear, oil, gas and manufacturing markets. GROUPE ECA also has a comprehensive range of civil and military driver training simulators and state-of-the-art mission training simulators.

Robotics Markets

The global market for mobile robotics is currently growing strongly for a number of reasons:

- the increase in armed conflicts around the world has led governments to allocate new resources to assure the safety and security of their armed forces and reduce their exposure to threats and risks. This effect is being heightened by, on the one hand, "mature armies" which are seeking to limit human losses through the use of drone and robot systems and, on the other, "new armies" which are striving to access the most modern solutions straight away;
- the increase in terrorist acts and threats is encouraging governments to provide maximum security for their sensitive sites (nuclear, petrochemical, etc.);
- dwindling natural resources are leading industrialists to turn to advanced technologies to access new reserves in increasingly extreme environments at optimum cost.

ECA is meeting these new challenges as one of the few players in the world with a complete, mobile robotics offering that can operate in all environments (under and on water, on land and in the air). This unique competitive advantage enables it to address very specific needs in the different mobile robotics markets. ECA offers both mobile robotics and robot systems designed for specific missions. Naval architecture, the core business of MAURIC, gives the Group control over the design of its forthcoming range of unmanned surface vehicles (USVs). At the same time, faced with the increasingly specific requirements of its external clients, BUREAU D'ÉTUDES MAURIC is meeting new challenges, specifically in designing hulls (speed and seaworthiness considerations) as well as developing new concepts using combined energy or alternatives to all-diesel (hybrid electric, LNG, Hydrogen or sail propulsion). MAURIC's expertise in complex system integration aboard vessels and its technical ability in the field give the Group excellent prospects and ensure ECA's clients the best possible integration of the Group's robotic systems on their ships.

The group's simulation activities and skills will contribute to the development of future drone systems.

Defense and Security

For 80 years, ECA's mobile robotics, training simulation and remote-control systems solutions have been meeting the specific needs of internal security and special forces in numerous countries, as well as the needs of naval, air and land forces. This is GROUPE ECA's most important market and accounts for about 55% of its revenue.

For instance, the ECA is involved in:

- underwater combat (mine disposal and submarine systems);
- tactic reconnaissance missions (protection of sensitive infrastructure, inland protection, protection of armies and bases, surveillance and protection of territorial waters).

Financial analysts who monitor the Group believe that in this segment of underwater demining, in particular, ECA is positioned in an identified addressable market of over €2.0 billion over the next 15 years, adding up the next addressable markets in this area (France/UK/United Arab Emirates/Australia, etc.). This forecast underestimates reality, as it does not take into account the maintenance/support work generated by these contracts and the multitude of small contracts that the Group could also win.

Maritime

GROUPE ECA's advanced robotic offering perfectly meets the different requirements and specificities of the maritime sector's activities both on and under water. Its Autonomous Underwater Vehicles (AUV), Remotely Operated Vehicles (ROV), and Unmanned Surface Vehicles (USV) solutions equipped with cameras, sensors and articulated arms meet a wide range of mission requirements such as:

- ocean floor exploration (search for new underwater reserves, hydrographic and oceanographic research, inspection and study of underwater deposits);
- monitoring of sensitive zones (offshore platforms);
- search and rescue operations.

Energy and Industry

The solutions developed by the Group are particularly well-suited for the energy and industrial sectors which need to do work in close quarters in environments that are hazardous and difficult for people. Some of the Group's drones are equipped with cameras or articulated arms and can also be radiation-resistant or equipped with a variety of sensors.

Thanks to the Group's expertise in these areas, it can contribute to missions such as:

- inspection, protection and maintenance of water and industrial networks;
- infrastructure monitoring (dams, refineries, wind farms, nuclear plants, etc.);
- decommissioning of nuclear plants;
- radioactive or hazardous waste management.

Simulation

The Group's offer covers all environments and is designed for both defense and civilian customers for:

- flight simulation training for AIRBUS and BOEING aircraft;
- land driving simulation (motorcycles, cars, buses and trucks – civilian or military).

The clients for these solutions include airlines, driver training centers and schools, and the armies and navies of a number of countries.

The Group also offers solutions that provide training for a range of different situations likely to be encountered by police forces, firefighters and armed forces, etc. without any risk to their personnel.

These solutions cover missions involving:

- internal security (police, firefighting);
- defense (exploration of hazardous zones, underwater mine disposal).

Competition

The mobile robotics market includes a large number of applications. GROUPE ECA has different competitors depending on the type of application. They are nearly all large international groups. They include:

- for complete mine warfare solutions, the Group's main competitors are: ATLAS ELEKTRONIK, ELBIT SYSTEMS, THALES, ULTRA ELECTRONICS, KRAKEN and SAAB. None of these competitors offer the full range of drone solutions. Thus, KONGSBERG and BLUEFIN ROBOTICS offer Autonomous Underwater Vehicles (AUV), ATLAS ELEKTRONIK and BAE SYSTEMS offer underwater demining robots, SAAB SEAEYE offers Remotely Operated Vehicles (ROV), while ELBIT SYSTEMS and L3 offer a range of Unmanned Surface Vehicles (USV);
- for land robots – NEXTER, IROBOT and TELEROB;
- for airborne drones – AIRBUS, AIRROBOT, MICRODRONES, AERYON LABS and AEROVIRONMENT.

R&D skills are critical in adapting the delivery systems, payloads, data analysis and systems to mission requirements. ECA's ability to provide this integrated offer in all environments distinguishes the Group from its competitors.

The simulation market is competitive and includes large multinational firms as well as low-cost local companies:

- the larger competitors focus on the military driving simulation and tactical simulation markets. They include BAE SYSTEMS, THALES SIMULATION, LOCKHEED MARTIN, SAAB and L3;
- competitors in the civilian driving simulation market are essentially national companies, the number of which varies depending on the country. They include EDISER and DEVELTER in France and DORON and L3 in the United States;
- competitors in the flight simulation market include CAE in Canada, L3 LINK SIMULATION TRAINING, AEROSIM and INDRA in the United States, and SIM INDUSTRIE in the Netherlands.

R&D is of critical importance in this competitive market to be able to provide the most realistic driving conditions possible. In addition, the global nature of the market means that the regulations in effect in each country for road and air safety must be monitored closely to be able to offer simulation software meeting the latest regulations.

Our products and solutions are widely-recognized in the marketplace

Many of the solutions developed by the Group are now amongst the most widely-recognized in the mobile robotics marketplace. Here are a few examples:

- PAP MK6

The PAP MK6 is part of the range of self-propelled ROVs for mine disposal. It has a large payload capacity. Its robust and reliable design and its propulsion system enable it to maneuver in strong currents and withstand harsh environmental conditions.

The command and control software includes autopilot functions. The PAP system has become a reference in underwater mine disposal and has been met with worldwide success in its market, equipping over 30 navies. Some navies still use it today and maintain it in operational condition, some for several decades of service.

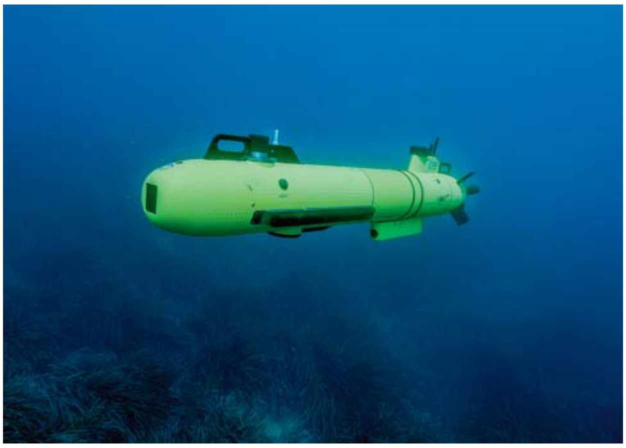
- UMIS™

GROUPE ECA has developed UMIS™ an integrated Mine CouMeasures (MCM) system. UMIS™ is a complete system that combines the new generation UMISOFT™ software suite with the actions of Unmanned Surface Vehicles (USVs), Autonomous Underwater Vehicles (AUVs), Unmanned Airborne Vehicles (UAVs) and Remotely Operated Vehicles (ROVs). UMIS™ has many advantages over traditional maritime MCMs: it is safer since the mother vessel no longer has to enter the minefield, more effective in detecting mines since the AUVs are very stable and navigate at an ideal altitude above the seabed, and faster, enabling robots to carry out tasks such as detection and identification at the same time and to work in collaborative mode.

This system has already been sold to several navies, including the Belgian and Dutch navies in early 2019 to equip 12 mine-hunters.

- AUV line

ECA possesses know-how and a complete range of underwater drones, the AUV. From the most compact and portable with the A9, to the largest with the A27, the ALISTAR 3000 or the latest project for IFREMER within the CORAL framework, which can operate up to a depth of 6,000m. They share the same IT architecture, autonomous software and supervision interface. Their size and their performance are calibrated according to their missions (inspection, detection, survey, etc.) and the environment in which they operate, which is often very poor. They are designed for the most demanding missions. The AUV A27 will be used by the French and British navies in particular as part of their mine disposal programs. The latest generation A18 AUV is available for civil applications such as hydrography or offshore, as well as military applications such as modern mine disposal.



INSPECTOR line

With its INSPECTOR range of Unmanned Surface Vehicles (USVs), ECA offers maritime inspection and surveillance solutions applicable in the fields of maritime mine disposal, internal security and the protection of critical or strategic infrastructures such as port areas or oil platforms. When using these surface drones, navies or security operators get an accurate view of the situation, conduct deterrence or mine disposal missions, deploying other robots from the USV, in poor conditions without exposing their crews to the risks associated with these missions.

IGUANA E

The IGUANA land mine disposal robot is a robust solution for dealing with hazardous situations on the battlefield or in urban areas. The next-generation robot features a large number of tools and performs complex operations (such as inspecting cars or drop ceilings, opening packages and retrieving ammunition). This robot is used by police units and will also equip the French Armed Forces.

CAMELEON LG

This land robot is designed to be carried in a backpack along with the standard equipment of an infantry soldier deployed in OPEX (external operations). The CAMELEON LG is a real partner that multiplies the capacities of a unit deployed in the field without slowing it down or disturbing its tactical movements. This new-generation land robot has been selected for use by the French and Canadian Armed Forces.

UAVs

The IT180 airborne drone is part of the Unmanned Autonomous Vehicle (UAV) range. It is an autonomous solution for tactical inspection and reconnaissance missions. This drone offers long endurance (120 min) and can cover a distance of up to 10km. With a carrying capacity of up to 5kg, it can carry cameras and provide high volumes of data. Its resistance to wind (up to 60km/h) and extreme climatic conditions (cold, heat, sand, etc.) and its acoustic discretion are the major advantages for which it was chosen by the French Armed Forces and those of other countries for their interventions to support their troops on the battlefields. When used in naval environments, on naval vessels, for example, equipped with magnetometers, it can provide magnetic signature measurements of vessels and contribute to the management of magnetic risk, a key parameter for protection against mines or other threats. This innovative solution called STERNA is unique on its market and combines the Group's know-how in robotics and magnetic signature management. It received an award from the French Ministry of the Armed Forces and won its first customer, the Indonesian Navy, in its first year on the market.


© MINDEF / DGA

- Military land vehicle driving simulator

The simulator enables armies to train under the conditions they would find in a real theatre of operations.

Aerospace

The Aerospace division of GROUPE ECA offers a range of solutions historically intended for civil and military aviation; today, with its range of AGVs, the division addresses wider markets, such as logistics and the mining sector. Its expertise in the field, combined with its robotics and automation know-how, enables it to respond to the requirements of aircraft manufacturers, airline companies, maintenance and repair centers, as well as those of industrialists and scientists in the space sector and the defense industry.

Aerospace markets

ECA is involved throughout the aircraft's life cycle and designs assembly stations, production and maintenance tools, on-board electronic equipment (distress beacons, connectivity equipment, and power inverters), and test equipment for aircraft manufacturers, as well as mechatronic repair and maintenance equipment (GSE – Ground Support Equipment) for aircraft operators. The Group has also developed Automated Guided Vehicle (AGV) activity, with indoor and outdoor operations for autonomous and hybrid transport in an industrial environment, in particular for in-plant logistics and transportation of aircraft sub-assemblies.

In the space sector, the division offers ground stations and balloon systems (platform gondola and associated ground station), as well as electronic equipment (radio-frequency, microwave and signal processing).

The AGV activity also addresses non-aerospace sectors, particularly the logistics sector on industrial sites requiring heavy loads, particularly for the steel, defense and agri-food markets.

Competition

Thanks to its recognized expertise in its different businesses, ECA is able to guarantee technical innovation and economic effectiveness to its clients. The Group is now a leading supplier to aircraft manufacturers and operators. It is faced with larger or smaller players such as NEXEYA and SPHEREA for its test equipment solutions; ACTEMIUM and HYDRO for production and maintenance tools, and REEL, BROETJE, ARITEX, LATECIS and AIT for all of GROUPE ECA's business lines in this division (test equipment, assembly lines, production tools).

In the fields of electronic security, radio transmission and measurement, ECA competes against the likes of French group OROLIA, specializing in GPS applications, and HONEYWELL, which supplies black boxes and specializes in measurement, control and detection devices.

The Group's AGV offering is quite unique in its market, as it can operate both indoors and outdoors; very few players offer comparable solutions.

Our products and solutions are widely-recognized in the marketplace

ECA's expertise is recognized by its clients, to which it provides proven products and solutions including:

- Manufacturing & Testing Means

The Group designs and delivers production lines and automated testing equipment to aircraft manufacturers, and robotic production stations to major aeronautic OEMs. The Aerospace division develops Autonomous Ground Vehicle (AGV) solutions for logistics and the transportation of aircraft sub-assemblies between industrial sites.

- On-Board Electronics

The Group develops and markets Emergency Locator Transmitter (ELT) beacons and Wireless Access Point (WAP) connectivity equipment for the commercial and business aviation sector. The Group is the commercial aviation leader in the ELT market (more than 40% of the worldwide ELT market for the AIRBUS and BOEING aircraft families with its ADT406 and ELITE products).

- MGSE (Mechanical Ground Support Equipment)

ECA supplies repair and maintenance tools for the global fleet of AIRBUS and ATR aircraft in operation, as well as for PRATT & WHITNEY CANADA engines. The Group designs, manufactures, repairs and calibrates all ground support equipment tools for aircraft maintenance.

- Electrical Ground Support Equipment (EGSE) and Testing Means

The Group develops and markets a line of troubleshooting equipment for on-board avionics systems based on proprietary technology (T-Cell) with over 99% availability to meet the maintenance imperatives of all types of aircraft.

- RF Equipment (Radiofrequency Equipment)

The Group develops and markets a range of satellite radio transmission equipment such as Compact Tracking Receivers (CTR) and Tracking Down-Converters (TDC) for satellite reception ground stations. On the strength of its expertise in radiofrequency and digital signal processing, GROUPE ECA is a partner of choice for THALES ALENIA SPACE on the next-generation ground station program MEOLUT. Pairing its RF expertise and its experience developing on-board avionics systems, the Aerospace division has been working on an on-board satellite card product for actors in the aerospace sector for the past two years.

1.2.2.2 Engineering and Protection Systems division – CLF-SATREM, AMOPSI, SVF, BAUMERT and SERES TECHNOLOGIES

Specializing in large projects and services alike, the Engineering and Protection Systems division of GROUPE GORGÉ designs, assembles, installs, optimizes and maintains integrated solutions in the areas of protection against industrial, natural or terrorist hazards (*e.g.* fire, explosion, flood), whatever the activity: nuclear, oil, natural gas, chemicals, manufacturing or tertiary.

The division offers its solutions in three business areas: Fire Protection (through VIGIANS PROTECTION INCENDIE), Nuclear Protection (through BAUMERT and its subsidiaries) and Engineering (through SERES TECHNOLOGIES and StedY).

The Engineering and Protection Systems division generated revenue of €78.1 million in 2020, *i.e.* around 34% of GROUPE GORGÉ's overall revenue.

Fire Protection business

The Fire Protection business, which is essentially French, is grouped within VIGIANS PROTECTION INCENDIE, whose subsidiaries CLF SATREM, SVF and AMOPSI have complementary activities:

- fixed active fire protection systems for the tertiary sector and general industries (CLF-SATREM);
- project management assistance for fire safety and training projects (AMOPSI);
- design of fire-resistant glazed doors (SVF).

Fire Protection markets

VIGIANS PROTECTION INCENDIE targets the fire protection market for the consumer goods and energy sectors, as well as for the industrial and service sectors in France.

Fixed active fire protection systems

CLF-SATREM's core business is the installation and maintenance of fire extinguishing systems. Innovative related solutions complement the services offering. Its solutions range from traditional fixed systems (sprinklers, RIA) to more specialized systems for special risks (deluge, foam, water mist and gas systems). The company covers all of France through ten regional agencies.

CLF-SATREM operates in the active fire protection market in the industrial and tertiary sectors in France. About 60% of its revenue comes from new and extension work and the other 40% from recurring maintenance work on installed systems at over 500 client sites. The company is also growing in the residential fire protection market. It was the first to install a residential sprinkler system in a retirement home in France.

Passive fire protection

Through its SVF subsidiary, VIGIANS PROTECTION INCENDIE offers high-performance and creative fire-resistant glazed joineries, custom-designed by its design office, guaranteed by the most demanding laboratories and then manufactured in its workshops in Eastern France. Thanks to the cladding of the system in stainless steel, aluminum or high-end metals, they are appreciated by architects for high-end buildings.

Competition

CLF SATREM is the fifth largest player in France behind three international groups (VINCI ÉNERGIES, ENGIE AXIMA and TYCO) and a local firm (ATLANTIQUE AUTOMATISMES INCENDIE) and ahead of AIRESS and MINIMAX. Together, these seven actors account for 80% of the French market, estimated at €360 million.

Our products and solutions are widely-recognized in the marketplace

- Sprinkler network

A sprinkler is a device that detects excessive heat and automatically releases water (sometimes with additives) when a fire breaks out. Sprinkler systems are networked above the zone to be protected. An abnormal increase in temperature will burst the bulb or melt the fuse that keeps the sprinkler head closed. Sprinkler systems are activated without human intervention.

Nuclear Protection business

Through its subsidiary BAUMERT, the Engineering and Protection Systems division offers its clients high-performance partition systems (*e.g.* doors and walls) with maximum protection against all types of risk. These high-security partition systems are primarily intended for nuclear plants, but are also used in research centers, reprocessing plants, sensitive industrial sites (petrochemical and pharmaceutical), etc.

SERES TECHNOLOGIES provides complementary consultancy services specialized in studies and research for nuclear installation safety, as well as for petrochemical sites and energy innovation industries.

Nuclear Protection markets

Protection in nuclear environments

The Group has developed a complete offering in the field of nuclear environment protection and safety through its BAUMERT subsidiary. This subsidiary designs, produces and installs high-performance partition systems:

- special and technical doors: neutron, biological, blast-resistant, soundproof, firebreak, air and watertight, etc.;
- special walls: anti-radiation, firebreaks, blast and airplane crash-resistant, etc.;
- related services and maintenance.

BAUMERT is now the world leader in special and technical doors for nuclear power plants. Thanks to its leadership and international presence, BAUMERT is well-positioned to play an important role in these post-Fukushima projects in France and internationally. According to The World Nuclear Supply Chain Outlook 2040, published at the end of 2020, the construction of 109 new nuclear reactors is in the pipeline, knowing that 442 are now operational and 50 are under construction, bringing the market for nuclear power plant equipment to between $6 and $10 billion per year. The Group is thus positioning itself on major ongoing or future programs in Europe (Hinkley Point program in the United Kingdom), the United States, Western Asia, Russia, South Africa and Saudi Arabia. In addition to these construction projects for new plants, numerous maintenance and upgrade projects for existing plants are underway or planned, particularly within the EDF Grand Carénage project to update French nuclear plants to EPR standards.

Through its subsidiary SERES TECHNOLOGIES, an engineering and consulting group specializing in the management of nuclear, petrochemical and industrial risks in the same market as BAUMERT, the Group offers solutions to its clients for nuclear power plants, operators, nuclear defense, etc.

Competition

BAUMERT operates in high value-added niche markets with high barriers to entry (technical barriers, patents, vendor lists, etc.). Since the signature in September 2020 of the contract for the supply of special doors as part of a project to build a nuclear power plant in West Asia, the first reference in Russian VVER nuclear technology, BAUMERT is the only player present in all nuclear power plant technologies: French (EPR), American (WESTINGHOUSE AP1000) and Russian (VVER) (internal source).

BAUMERT's main competitor in Europe is the German company SOMMER. The competition is generally positioned on less technical and/or local products.

In its specific market of engineering consulting in risk management and operational safety, SERES TECHNOLOGIES enjoys an excellent reputation for expertise, particularly in the nuclear market, and thus stands out from general engineering firms.

Our products and solutions are widely-recognized in the marketplace

BAUMERT has developed a wide range of high-security partition systems recognized globally and used by nuclear programs around the world. Among these solutions, the most frequently installed products are:

- Neutron doors

Neutron doors installed in EPR plants (3rd generation reactors) are designed to enable secure interventions by professionals in the reactor building without the need to shut down operations.

- Fire doors

Fire doors and fire protection systems help to contain fires by preventing their spread in buildings by creating confinement zones.

- Blast-resistant doors

A blast deflector door is an airtight door built to specifications that make it strong enough to resist the pressure created by an explosion inside or outside of a nuclear building.

- Pneumatically-operated doors

1.2.2.3 3D Printing division – PRODWAYS GROUP and its subsidiaries

PRODWAYS GROUP is one of the European leaders in 3D printing, an additive manufacturing process consisting of creating physical objects by superimposing different layers of material. PRODWAYS GROUP is a specialist in industrial and professional 3D printing uniquely positioned as an integrated European player. The Group has developed operations throughout the entire 3D printing value chain (software, printers, materials, parts & services), offering a technological and high value-added industrial solution.

Through its Systems division, PRODWAYS GROUP provides its clients with the means to produce parts in 3D. The Group is one of the leading manufacturers of industrial 3D printers, with a wide range of multi-technology 3D printing systems (lost wax, DLP® resin, laser sintering), and a major player in the development and sale of related materials. The Group also integrates DASSAULT SYSTÈMES' SOLIDWORKS design, simulation and optimization software. The 3D printers developed by PRODWAYS GROUP target a large number of sectors, including medical, jewelry and industry, to provide the necessary levers for innovative companies wishing to direct their production towards 3D printing.

Through its Products division, PRODWAYS GROUP produces 3D parts directly. The Group is one of the largest European players in the production of plastic and metal parts, with a large fleet of 3D printers for all 3D printing technologies. In parallel, PRODWAYS GROUP develops and markets medical applications using 3D printing for chiropody, dentistry and audiology, which are sold directly to healthcare professionals.

The 3D Printing division generated revenue of €57.2 million in 2020, *i.e.* around 25% of GROUPE GORGÉ's overall revenue.

Systems division

PRODWAYS GROUP develops, assembles, and sells different types of 3D printers and associated materials, and distributes and integrates 3D SOLIDWORKS design software by DASSAULT SYSTÈMES. This complementary offering establishes PRODWAYS GROUP as a major player in the 4.0 industry. It also generates a recurring revenue stream for the Group, by selling the materials customers need to use the machines they have purchased. PRODWAYS GROUP has identified three key areas: medical, jewelry, and aeronautics.

3D printers

PRODWAYS GROUP is one of the leading manufacturers of 3D printers. The Group develops several ranges of 3D printing machines based on different technologies:

- stereolithography with DLP® MOVINGLight® proprietary technology for 3D printing of resins and ceramics:
  - plastic DLP® MOVINGLight®: an L range designed to produce detailed prototypes. This range is particularly suitable for industrial applications such as dental models or surgical guides, injection molding, injection and blow molding, thermoforming models, insole models, or more recently jewelry design,
  - ceramic DLP® MOVINGLight®: a V range using proprietary DLP® MOVINGLight® technology for the industrial production of ceramic parts. The ProMaker V series is designed to produce ceramic parts for biomedical applications such as bone substitutes and R&D activities;
- plastic laser sintering: the selective laser sintering P range is designed for industrial rapid prototyping and mass production and came out of the acquisition of NORGE SYSTEMS and the in-house R&D of PRODWAYS. This technology is designed for a wide range of sectors, including aerospace, automotive, healthcare, design and architecture, consumer products, education and research;
- precision casting: the product lines developed by SOLIDSCAPE are dedicated to direct manufacture of high-precision wax parts. This technology applies to precision casting and the manufacture of molds for sectors such as jewelry, in which SOLIDSCAPE is the market leader, plus medical and aeronautics;
- Rapid Additive Forging (RAF Technology): this machine, used for 3D printing of large-scale metal parts, employs a robot equipped with a head depositing molten metal in an atmosphere of inert gas. This innovative process makes it possible to quickly manufacture blank parts in titanium that are close to the geometry of the final part, which will then be sent for final machining. These blanks are then finish-machined, thus avoiding considerable losses of material as shavings which can represent up to 95% of the metal block with traditional machining processes. The aeronautics sector offers high potential for this technology.

The majority of machines designed by PRODWAYS with these kinds of technology are operated in a production environment, most often replacing conventional production methods. PRODWAYS sells its printers for between €15 thousand and €400 thousand, with a life expectancy of up to 10 years.

Associated materials

The Group produces high-quality resins for 3D printing based on DLP® technology and polymer powders used with the powder sintering technology, in its PRODWAYS MATERIALS and DELTAMED subsidiaries.

PRODWAYS GROUP offers a range of hybrid and composite materials in the form of liquid resins and polymer powders with a high ceramic, metal, fiber or nanoparticle content. These materials have been designed to be particularly efficient and offer distinctive characteristics in terms of mechanical, physical and aesthetic properties and stability over time. These materials can be used with the Group's printers as well as with those of other manufacturers.

Certified in accordance with the most recent medical standards or regulations (MDSAP standard, EU Regulation No. 2017/745 on medical devices, or approval by the U.S. Food and Drug Administration for certain), prerequisites for the marketing of medical devices. The 3D printing materials produced by the Group are mainly used for cosmetic and restorative dentistry and hearing aid devices. They also address the jewelry, prototyping and aviation sectors.

PRODWAYS GROUP manufactures and sells proprietary materials, and to a lesser extent third-party materials.

- **3D design software (CAD)**

Through its subsidiary AVENAO, PRODWAYS GROUP integrates and distributes the SOLIDWORKS 3D design and development applications and DASSAULT SYSTÈMES' new 3DEXPERIENCE® Cloud solutions platform. AVENAO handles all issues relating to the functioning of the design office and offers 3D design consulting solutions and 3D printing solutions integration.

By offering organizations a complete solution from project design to parts manufacturing, AVENAO strengthens the Group's integration strategy and the partnership between DASSAULT SYSTÈMES and PRODWAYS GROUP in the industry of the future.

Products division

With its Products division, PRODWAYS GROUP is today one of the largest European players in the production of plastic and metal parts, with a large fleet of 3D printers for all 3D printing technologies. At the same time, PRODWAYS GROUP develops and markets medical applications for podiatry (orthopedic insoles), dental (dental impressions, mouthpieces) and audiology (hearing aid tips and custom-made hearing protection), which are sold directly to healthcare professionals.

This division also makes it possible to achieve several objectives:

- use market watch to identify new trends in the sector;
- optimize value by capturing more margins;
- accelerate the uptake rate.

This division is a showcase for potential customers.

- **INITIAL, manufacturer of 3D printed parts**

Acquired by PRODWAYS GROUP in 2015, INITIAL is the French market leader in the design and production of additive manufacturing and thermoplastic injection parts.

INITIAL offers a wide range of solutions for the design and production of industrial parts using 3D printing. Prototype or series parts are intended for the industrial, aeronautics and space, medical, dental, automotive and luxury sectors.

Based in Annecy, INITIAL is the PRODWAYS GROUP entity specialized in product innovation, accelerating development and producing small and medium series. INITIAL operates more than 40 high-tech machines thanks to a unique multi-brand fleet. It has 24 plastic additive manufacturing machines, 8 metal additive manufacturing machines, 8 machining centers, 6 injection molding machines and a vacuum duplication workshop, covering the most mature technologies in 3D printing (MOVINGLight®, SLS®, SLA®, FDM®, DMLS®). With an unrivaled range of offerings, from mechanical engineering design to 3D scanning and digital simulation, and its expertise in the manufacture of plastic and metal technical parts, INITIAL is dimensioned to support its clients in mass production, which already represents 30% of the activity, on 3D printing technologies or more traditional ones. INITIAL produced nearly 1,200,000 parts across all technologies in 2020. With 30 years of experience, ISO 9001 and EN9100 certification, and the energy of 100 employees, INITIAL serves more than 4,000 corporate clients, both large and small companies, in the fields of medical, the diversified industry and the aeronautics/defense industry, which it supports from the drafting of specifications, to the production of pre-series and series, including prototyping.

INITIAL also has a design office with high-definition 3D scanners that capture the geometry of any object and offer its clients reverse engineering or dimensional inspections.

- **Medical (dental, audiology, and chiropody) applications for positioning itself on activities transformed by 3D printing**

INITIAL identifies key sectors and applications where 3D printing could revolutionize conventional industrial processes. Once these key markets are identified, PRODWAYS GROUP develops and sells *via* dedicated, specialized entities such as CRISTAL, PODO 3D (which markets Scientifeet®) and INTERSON PROTAC. For all of these medical applications, additive manufacturing has replaced long and costly customization processes while offering greater prostheses quality and precision.

- **CRISTAL, an in-house dental laboratory which markets PRODWAYS GROUP applications to the dental sector**

PRODWAYS GROUP set up CRISTAL in June 2016 to take over the assets of a French dental laboratory (SOCALAB) with the aim of expediting the development of 3D printing applications in dentistry. The dental laboratory CRISTAL has built up a portfolio of over 150 dental surgeons. The dental laboratory also works closely with health insurance companies. CRISTAL offers dental surgeons a comprehensive range of dental devices, including models, surgical guides, splints and impression trays.

PRODWAYS GROUP is keen to transform CRISTAL into a centre of excellence, demonstrating the advantages of 3D printing in the dental sector.

- **Scientifeet® (a PODO 3D entity), an offering that aims to revolutionize the orthopedic insoles market**

The Scientifeet® by PRODWAYS GROUP offer is revolutionizing the orthopedic insole sector. The market is already being disrupted by 3D printing, with 3D insoles proving highly profitable compared with conventional designs. Lead times have also been reduced along the entire production chain.

The manufacturing process of a 3D insole is broken down into four distinct stages: the realization of a scan of the patient's foot and the virtualization of the impression, the 3D modeling, the printing and the delivery of the pair of insoles.

The insoles are 3D printed by INITIAL in Annecy using SLS® technology, before being shipped to the chiropodists, who then hand them to patients. To date, PODO 3D has sold nearly 180,000 Scientifeet® insoles.

- **INTERSON PROTAC, the French leader in custom hearing aid tips**

Since the acquisitions of INTERSON PROTAC in 2017 and then of SURDIFUSE-L'EMBOUT FRANÇAIS, which merged in 2020, PRODWAYS GROUP is a French leader in audiology, and offers hearing aid professionals and industrial eartips for hearing aids and protective eartips made to measure according to the impressions of the ear canal of each user.

INTERSON PROTAC produces 50% of its production of hearing aids using 3D printing.

Markets

3D printing enables direct finished part and product creation from a virtual 3D file without the need for intermediate processing steps. This technique reduces inventories, limits materials waste and, especially, provides access to radically new designs and shapes. 3D printing is already playing a key role in some applications, particularly in the medical field (hearing aids, implants, etc.). Its users are drawn by the many benefits of this new manufacturing process and, in particular, by the improved quality of complex parts and products, the reduced product development time and costs and access to mass personalization.

The industrial market for 3D printing represents nearly €10 billion[1] This industrial market is divided into two branches: the printing of the final part (direct approach) or the printing of a mold which then makes it possible to design the final part (indirect approach).

Conventional mold design is a lengthy process (going back and forth on the technical specifications, making several attempts before arriving at the perfect mold). Indirect printing represents a considerable time saving when producing molds to be used for industrial applications. With 3D printing, the mold is rapidly designed to the exact technical specifications enabling the finished part to be produced. The indirect approach is also used to design metal parts. By initially producing a plastic mold that will be used to manufacture the metal part (*e.g.* aircraft engine parts developed by PRODWAYS GROUP). There are three main types of 3D printing [1]:

- rapid prototyping (39% of the B2B market).

  Rapid prototyping refers to the production of models and prototypes derived from 3D computer aided design (CAD) data;
- functional parts (28% of the B2B market).

  In this segment, 3D printing is used to manufacture custom and spare parts and limited editions. It is also suitable for short production runs as well as mass production, particularly in the healthcare and aviation markets;
- instruments and molds (19% of the B2B market).

  Instruments and tools are produced directly by the 3D printer, whereas molds involve the indirect approach. This consists of using a standard template to produce the mold, which will then be used to make the part;
- other (14% of the B2B market).

  This mainly concerns activities relating to research and education. 3D printers have been immensely popular with technical colleges and research institutes.

The diversity of materials, technologies used, printing systems and products designed using 3D printing makes it possible to handle a growing number of constraints specific to each sector of activity.

Competition

The market is divided into four segments:

- integrated players (offering all three types of 3D printing: manufacture of machines, materials and parts), and non-integrated players;
- rapid prototyping and rapid manufacturing players;
- mono-technology and multi-technology players;
- generalist players in the B2C and B2B market and specialist players in the industrial market (B2B).

PRODWAYS GROUP is an integrated, multi-technology player. It is present in rapid manufacturing and specializes in the industrial market.

3D printing is a particularly dynamic market. It has strong barriers to entry (technology, patents). However, the major players are still quite limited in number and relatively small.

No player competes with PRODWAYS GROUP for its entire offering; competition is generally vertical.

- In 3D printers and related materials, PRODWAYS GROUP's main competitors are the "legacy" players 3DSYSTEMS (US), STRATASYS (US/Israel), EOS (Germany) and CARBON 3D (US), as well as the German companies RAPIDSHAPE and ENVISIONTEC for certain applications.
- In the parts production market, INITIAL is the French leader competing with companies such as ERPRO (France). The international player MATERIALISE NV (Belgium) also offers software solutions, industrial 3D printing services, and medical applications, while PROTOLABS (US) specializes in rapid prototyping, on-demand production, CNC machining and injection.
- In the distribution of computer-aided design software, AVENAO's main competitor in France is the listed company VISIATIV (France). In the medical parts markets (audiology, chiropody, dental), competition is fragmented and diversified.

(1) *Source: Wohlers report 2019.*

Our products and solutions are widely-recognized in the marketplace

The Group now offers a range of 15 machines, 21 materials and a Service Bureau. Its flagship products include:

- ProMaker LD-10

The ProMaker LD-10 3D printer retains the strengths of MOVINGLight® technology, combining very high resolution and precision with increased productivity through its motion DLP® optimized cost-per-part and compact design.

- PLASTCure Model 300 resin

Perfect for the manufacture of dental models, the PLASTCure Model 300 resin is suited to a wide range of dental applications from prosthesis models to orthodontics. It provides high precision and excellent resolution as well as excellent properties.

- SOLIDSCAPE S300 series

Number one in the jewelry market, SOLIDSCAPE-designed 3D printers create high-precision lost-wax models. S300-series 3D printers give jewelers ultra-precise wax models with complex geometries and an unmatched surface finish.

- Mass production

INITIAL mass produces polymer and metal parts using additive manufacturing technology, in particular for the aeronautical sector.

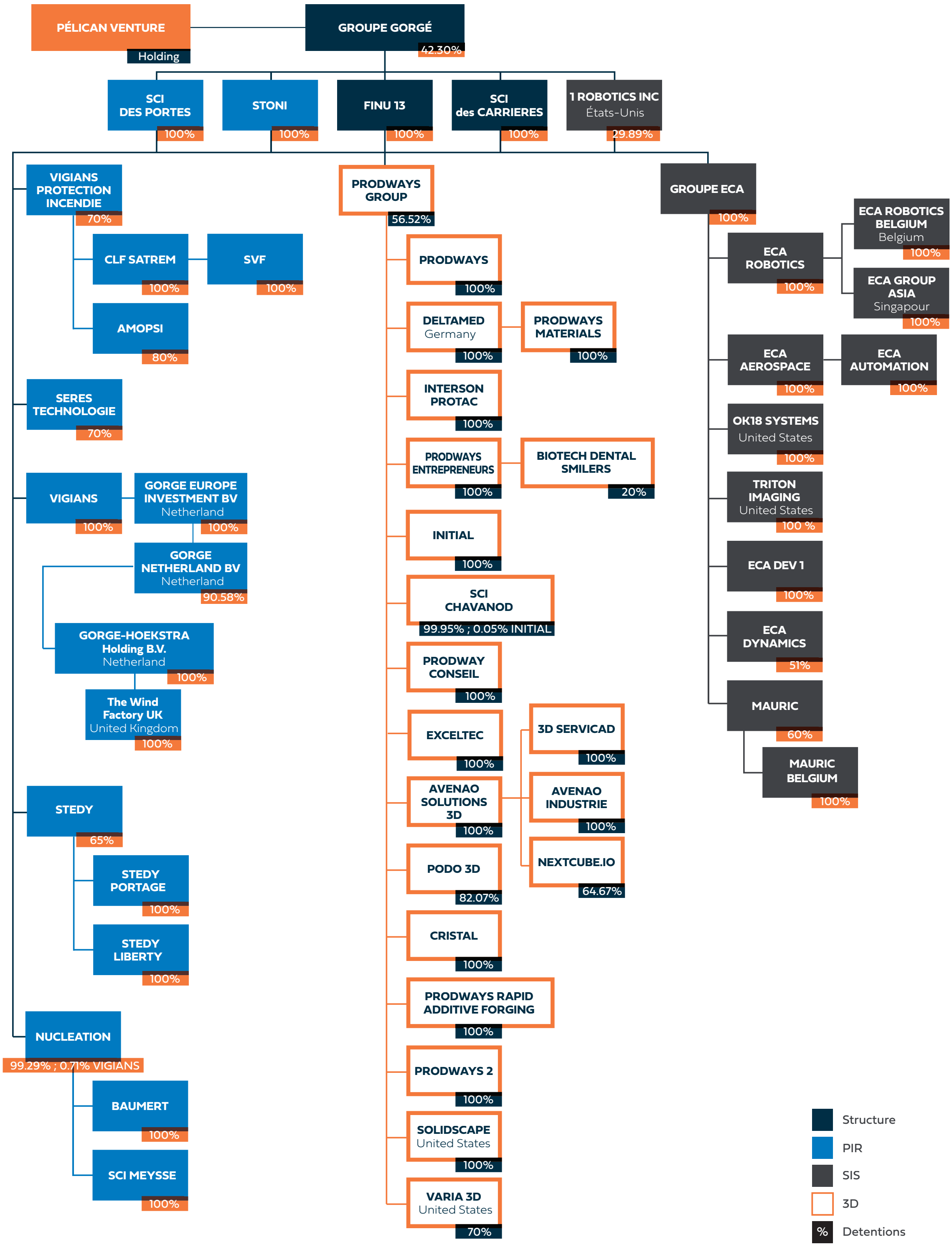
TPU-70A

The TPU-70A powder is an elastomer material used for the printing of flexible rubber parts suitable for a wide range of applications, including gaskets, hoses or even sports shoe insoles and luxury goods. Its excellent stretch capacity enables ultra-flexible objects to be printed with a high level of precision and resolution.

PASSTOP®

The Passtop® patented customized hearing protector is a personal protection equipment that is especially innovative in its design. Passtop® uses a selective noise attenuation chamber that stands out from the usual simple holes.

1.2.3 MAIN SUBSIDIARIES AND ORGANIZATIONAL STRUCTURE AS AT 16 MARCH 2021



The rates indicated correspond to the percentage share capital holding. The shareholding is different from the voting rights in two cases: PÉLICAN VENTURE holds 42.30% of the share capital and 58.76% of the voting rights of GROUPE GORGÉ (with the members of the GORGÉ family, these rates increase to 43.79% and 60.23%). GROUPE GORGÉ holds 56.52% of the share capital and 67.23% of the voting rights of PRODWAYS GROUP.

The major changes (acquisitions and disposals) in the organizational structure over the past three years were as follows:

	Newly consolidated	Deconsolidated
2020	-	VAN DAM and its subsidiaries [1]
2019	SURDIFUSE L'EMBOUT FRANÇAIS STEDY	CIMLEC and its subsidiaries NTS HOEKSTRA
2018	VARIA 3D SOLIDSCAPE	BAUMERT CHINA AI GROUP EN ENGINES ECA MIDDLE EAST ECA SINDEL SSI business assets

(1) VAN DAM merged with a competitor; GROUPE GORGÉ has become a minority shareholder of the group.

The full list of the Group's companies, grouped by division, can be found in Note 14 to the consolidated financial statements. The table showing GROUPE GORGÉ SA's subsidiaries and equity interests can be found in Note 6 to the Company's separate financial statements. The consolidated financial statements can be found in Section 4.1 of this document, and the separate financial statements of GROUPE GORGÉ SA in Section 4.2.

1.2.4 HIGHLIGHTS

The Group was affected overall, but in a differentiated manner depending on the divisions and activities, by the global Covid-19 pandemic in 2020. At the height of the crisis, during the second quarter, the Group took part in the collective effort: PRODWAYS made available its fleet of professional 3D printers, in association with its network of clients, to manufacture protective visor supports, while GROUPE ECA teams mobilized to keep the equipment used by the French Army in operational condition to ensure the safety of men and the effectiveness of operations on the ground. During the first lockdown, some of the employees also had to be placed on partial unemployment work, while GROUPE GORGÉ's executives reduced their remuneration.

Despite this crisis, the Group has nevertheless continued its developments, won major contracts and created new activities to prepare for the future and continue to benefit from its positioning.

A major reorganization operation was carried out, with the merger of ECA by GROUPE GORGÉ. This rationalization operation enables GROUPE GORGÉ to facilitate flows within the Group, while the *de facto* exit of ECA from the stock market is a cost-saving factor.

GROUPE GORGÉ has also updated its graphic charter and logo as well as changed the name of two of its three divisions.

At division level, the main highlights are as follows.

1.2.4.1 Drones and Systems division

In Robotics, GROUPE ECA managed to be moderately impacted by the Covid-19 crisis. While the export activity was made more complex by travel constraints and studies disrupted by the disruption linked to the lockdown, ECA benefited from its large order book. The year 2020 was marked by the ramp-up of the Belgian-Dutch contract won in 2019 in the field of mine clearance at sea: massive recruitment, completion of studies, completion of key milestones in April and December, deployment in Belgium. With this emblematic order, the Belgian navy being a reference in underwater mine clearance within NATO, ECA signed new orders in this area in 2020: in May, the Group won a contract worth €20 million in export for the modernization of mine countermeasures robots, and in September GROUPE ECA was awarded a contract of more than €20 million for the modernization of three mine-hunting vessels of the Latvian navy equipped with conventional mine hunting equipment, following an international competition.

During the year, ECA continued to develop new products to complement its robot systems offering, in particular with the launch of its H300V ROV, a compact and lightweight ROV designed for search and rescue operations, a product that was sold to a public institution in the Middle East.

In Aerospace, ECA was severely impacted by the pandemic and its impact on the entire aerospace sector. Despite this, the Group continued to develop its AGV range with the launch of the LS 1PT AGV, an autonomous electric vehicle for multi-purpose use inside and outside buildings dedicated to the transport of pallets. This new vehicle was sold to the logistics company IDEA LOGISTIQUE as a launch client in 2020. GROUPE ECA also strengthened its position as a provider of EGSE and Test means solutions, notably with the order of more than €3 million received in 2020 to provide its integrated "T-Cell® Technology" solution which will enable validation of the compliance of the integration of all on-board systems installed in the aircraft before the first flight. Lastly, ECA maintains and develops its leading position in ELT beacons for commercial aviation; in 2020 it launched its ELITE SC, an improved version of the ELITE SURVIVAL emergency locator transmitter (ELT), which will be ETSO/TSO-C126c certified (certification which is becoming mandatory for new programs) in the first half of 2021.

1.2.4.2 Engineering and Protection Systems division

GROUPE GORGÉ sold its subsidiary VAN DAM to its competitor INTERDAM in the summer of 2020; following this merger, GROUPE GORGÉ remains a minority shareholder of the new entity and holds 15% of the share capital, alongside its main shareholder, the Amsterdam-based equity investment company VALUE ENHANCEMENT PARTNERS BV. With this transaction, GROUPE GORGÉ ended its withdrawal from the Oil & Gas market and continued the refocusing on its strategic activities initiated in 2019 with the sale of the CIMLEC group and of 30% of the share capital of the Fire Protection France activity to its management.

In September 2020, GROUPE GORGÉ launched StedY.io, a new generation digital service offering that rethinks the engineering and technology consulting business with a more emancipatory vision. The objective is to empower companies and consultants by injecting more transparency, efficiency and commitment into the relationship of trust between them; Artificial Intelligence and Machine Learning are at the heart of this solution, which rapidly matches engineers and tailor-made assignments.

This division has shown a certain resilience in the face of the global crisis. Among business and operating plans, there were several large-scale projects during the year. In September, BAUMERT won a contract worth more than €6 million for the supply and installation of nearly 500 special doors as part of a project to build a nuclear power plant in Western Asia, the first major success as part of a project based on Russian VVER technology. In December, CLF SATREM was awarded a contract worth nearly €7 million to design and build a fire protection system on the largest site equipped with sprinklers in Europe.

1.2.4.3 3D Printing division

Like many industrial players, PRODWAYS GROUP was affected by the Covid-19 global pandemic. During the first lockdown, the medical customers of the Products division were largely closed, significantly impacting the activity of this division. Throughout the year, the activity of both the Products and Systems divisions was impacted by the postponement of investment from industrial customers, particularly in the aerospace and automotive sectors.

Nevertheless, in January the Group continued its development strategy by launching a business for the integration of the new Cloud solutions of DASSAULT SYSTÈMES' 3DEXPERIENCE® platform in Europe and by taking a minority stake in the share capital of XD INNOVATION, a major partner of DASSAULT SYSTÈMES in North America. It also continued to expand its range of machines and added new features. In October, it announced the development and integration of new innovative features in its range of compact MOVINGLight® ProMaker LD Series 3D printers.

The Group also continued to assert its strong positioning in the dental field, both for its machines and its materials, as well as in the field of 3D printing for industrial applications. In particular, it recorded significant orders for the sale of liquid resins to new European dental specialist clients (which must together consume several dozen tonnes of materials once their production has stabilized), the sale of MOVINGLight® ProMaker LD-20 machines for dental applications (for example, to the Polish company BRIGHTALIGN), or sales of machines from the ProMaker range based on powder sintering technology to industrial export clients, in the steel and food packaging sectors in particular.

Lastly, the Group continued to strengthen its ties with three leading chemical companies with the sale of several machines to DSM and BASF, notably for R&D and production applications.

The Products division has also scaled up this year to meet anticipated demand. In November, PRODWAYS GROUP inaugurated the new head office of INITIAL and the production site for 3D parts in Annecy, a site that brings together around a hundred people. In December, PRODWAYS GROUP merged all of its audiology activities, INTERSON PROTAC, SURDIFUSE and EMBOUT FRANÇAIS under the name Interson-Protac by Prodways, in order to offer a service of the highest standards to its customers and to optimize its operations.

1.3 STRATEGY AND OUTLOOK, INVESTMENT POLICY AND R&D

1.3.1 STRATEGY

GROUPE GORGÉ supports, develops and promotes the companies and entrepreneurs of tomorrow, towards a sustainable performance because its model is part of the long term:

- a stable family shareholding structure;
- a robust financial structure;
- high-tech businesses with strong barriers to entry and growth drivers over the long term;
- technological and industrial activities at different levels of maturity.

GROUPE GORGÉ is developing in high-tech businesses that aim to transform their industries. These transformations involve new products or services, innovative manufacturing methods, or new business models. Today, the Group is active in cutting-edge technologies such as drones and systems, engineering and protection systems as well as 3D printing.

GROUPE GORGÉ draws on the expertise of the men and women of the Group and invests significantly in research and development to develop its business lines and create leaders in their cutting-edge markets. In particular, it intends to:

- consolidate its leadership in autonomous drone systems, particularly in underwater demining solutions;
- become the European leader in production 3D printing in the priority sectors of healthcare, precision casting, aerospace and industry;
- strengthen its position as a leading player in nuclear power plant protection doors and active fire protection;
- increase its market share in engineering and technology consulting by digitizing the industry for the benefit of its clients.

The Group is pursuing its strategy, through internal and external growth, by positioning itself in the markets and technologies of the future, at different levels of maturity, in order to deploy at a time when innovations are being transformed into industrial realities and create synergies between its business lines. The Group's diversified activities enable it to allocate its financial and human resources at the right time and to cope with the time required to adopt disruptive technologies. GROUPE GORGÉ's successes in drone systems and 3D printing illustrate this know-how.

1.3.1.1 Drones and Systems division

Ongoing efforts to consolidate GROUPE ECA's positions in its core markets, such as mobile robotics and robot systems, are bearing fruit, and the Group is seeing the size of the contracts it is addressing increase over the years.

ECA is implementing a strategy of integrating its various activities and technological skills in order to create a stronger group, valuing its various areas of expertise and strengthening its positions in the targeted markets, particularly in the naval field.

For many years, GROUPE ECA has pursued a strategy of developing and marketing drone systems operating underwater, on the surface, on land and in the air, specializing in the detection, classification, identification and neutralization of mines remotely, keeping crews out of danger zones. The mine warfare contract awarded in 2019 by the Belgian and Dutch navies to the BELGIUM NAVAL & ROBOTICS consortium bringing together ECA ROBOTICS and NAVAL GROUP is the culmination of this strategy for ECA and a major asset for exports, just like the tripartite minehunter program 40 years ago which generated sales of PAP robots to several dozen navies over twenty years. Several large navies including France, Canada, Australia and the UK will be updating their fleet of mine-hunters in the next few years. The drone systems proposed by ECA can also be used by navies that do not wish to renew their entire fleet (such as the Latvian order), and the Group is thus expanding its potential market. Moreover, ECA believes that most navies will also equip themselves with transportable drone systems that can be used from the coast or systems with smaller vessels that can be developed by its naval design office MAURIC. The Group also hopes to deploy its know-how in other markets such as offshore, protection or maritime safety. In simulation, the Group continues to focus on the area of mission training, in particular for the defense and security sectors.

While the Aerospace division is likely to be permanently impacted by current circumstances, the Group continues to consolidate its leadership positions in the RF on-board equipment market with its distress beacons (ELT) and connectivity products (AWAP). The division continued to grow in the EGSE and Testing Means market through its "T-Cell Technology" solutions, while deploying new solutions in autonomous indoor-outdoor AGVs for Plant 4.0, once again demonstrating its positioning as a high-tech player.

In the majority of its activities, GROUPE ECA benefits from several favorable factors, in particular the growth of the advanced robotics markets and the reinforcement of simulation in training and training.

1.3.1.2 Engineering and Protection Systems division

The Engineering and Protection Systems division is continuing its transformation. In 2018, the Group initiated the divestment of activities that had become non-strategic with, in 2019, the sale of the CIMLEC group and NTS and the reorganization of the capital of VIGIANS PROTECTION INCENDIE by selling 30% of its share capital to its management in order to boost the performance of the activity, and in 2020 the sale of VAN DAM to its direct competitor.

In **fire protection**, the division has set its sights on becoming a major player in passive and active fire protection in the energy sector (particularly oil & gas) and in the industrial and service sectors in France. The recurring industrial and service activity in France makes it possible to balance the cyclical effect of these energy sectors. To achieve this objective, our two fire protection and security subsidiaries are working to:

- support our historical clients in their new projects;
- expand their product offerings, solutions and services;
- develop in the international market.

In **nuclear protection**, the division is continuing to develop with a triple focus:

- consolidate its position as the leading global supplier of special doors for nuclear plants;
- to expand and standardize its offering in the protection and safety of nuclear power plants;
- diversify its end markets, notably by successfully addressing the defense segment since 2019/2020.

The division is focusing on structuring and expanding its offer in the protection and safety of nuclear power plants in France and abroad.

Finally, Engineering's activity continued to grow, driven by the increasing demand in its core businesses and expansion into new geographical areas (opening of offices in Quebec, Nantes, Rouen) and new sectors of activity (compliance and life sciences). The launch of StedY.io in 2020, a new breakthrough in the field of engineering, more transparent and based on automated and optimized matching for the needs of customers and talents, shows the dynamism of this engineering activity.

1.3.1.3 3D Printing division

The 3D Printing division is pressing ahead with its ambitious development strategy focused around a number of key goals:

- leverage its positioning as the sole company integrated throughout the entire 3D printing value chain and developing synergies between its various activities;
- become a major player in the 3D printing market by offering printers that are among the best performing for professional and industrial uses;
- continue to develop priority markets, such as healthcare, jewelry, and aeronautics, for which the Group's products and expertise are well-suited, and seize growth opportunities in all other sectors.

PRODWAYS GROUP is the only consolidated player offering its clients, both industrial and professional, not only 3D design, simulation, and optimization software, but also a wide range of 3D printers and associated materials. This is a mutually supportive offering, guaranteeing clients the solution best suited to their needs and guaranteeing PRODWAYS GROUP recurring revenue thanks to the building up of dedicated machine fleets, sales of associated materials, and service and maintenance contracts.

Basing its strategy on a new industrial cycle, PRODWAYS GROUP has decided to concentrate its activities on the industrial 3D printing market and more specifically on rapid manufacturing, 3D printing applied to industrial series. The priority and promising sectors in which PRODWAYS GROUP is more specifically developing this strategy are healthcare (and more specifically dental, the leading global application of 3D printing for production), jewelry and aeronautics. The global positioning of PRODWAYS GROUP, and its strengthened presence in the United States since the acquisition of SOLIDSCAPE, enables it to effectively address these global and growing markets.

PRODWAYS GROUP now has the capacity to manufacture parts and solutions covering all sectors where 3D printing has developed and will benefit from the acceleration of mass production. Rapid prototyping and mass production services are provided by the INITIAL entity, which has expertise in each sector. INITIAL brings its knowledge to the development of PRODWAYS machines and offers market intelligence services, helping to detect new trends in the sector and acting as a showcase for potential customers who may then go on to purchase machines, materials, or software.

The Group has also developed a portfolio of healthcare applications in the dental, chiropody and audiology sectors. These applications help optimize value by capturing a greater margin in markets being transformed by 3D printing.

1.3.2 OUTLOOK

GROUPE GORGÉ begins the year 2021 with an order book of €623 million at 31 December 2020, *i.e.* more than two years of revenue and a solid financial situation despite a year in 2020 complicated by the global pandemic.

1.3.2.1 Drones and Systems division

At 31 December 2020, the division's backlog stood at €540 million, higher than at 31 December 2019.

The ramping-up of mine-disposal programs on a global scale against the backdrop of rising military spending, is a major growth driver in robotics. Numerous major calls for tender are expected in the coming years, offering significant development prospects for the sector (programs for France, Australia, the United Kingdom, Canada, India, the United Arab Emirates, etc.). The commercial momentum is already underway, as evidenced by the order book to be executed. The contract with the Belgian and Dutch navies, which represents a significant portion of the book, should accelerate in the coming years.

In addition, GROUPE GORGÉ's expertise in robotics opens up prospects in other markets thanks to the adaptation of existing solutions, such as hydrography, port protection or Automated Guided Vehicles (AGV). In this last market, a contract was signed in 2020 with IDEA, a logistics company, following the contract already completed with RIO TINTO.

Lastly, the Aerospace business, which was severely affected in 2020, has most likely reached its low point and is expected to recover very gradually in the coming years.

1.3.2.2 Engineering and Protection Systems division

The division's backlog amounted to €77 million at 31 December 2020.

Business prospects are expected to be good in all its markets. In the Engineering and Technology Consulting business, the Group expects good commercial momentum in the coming years, particularly with the launch of StedY, which strengthens this division. The Fire Protection division benefits from the reinforcement of safety standards on sensitive sites and GROUPE GORGÉ, through its Vigians brand, is one of the few players able to offer complete offers, from design to construction, with active and passive protection solutions. The design and manufacture of technical doors for nuclear sites benefits from long cycles and therefore high visibility on future revenues. The outlook is good thanks to the large order book, in addition to recurring revenues from services and maintenance.

1.3.2.3 3D Printing division

In 2020, despite the global pandemic that affected the Group, it continued to consolidate its activities as an integrated player positioned across the entire value chain of digital manufacturing.

The 3D printing market is structurally well-oriented, with strong growth. The crisis that affected all economic activities in 2020 does not call into question its structural fundamentals. The market will grow with the adoption of 3D solutions for the production of functional components, and applications can affect all production processes.

Projections (source Wohlers report 2020) anticipate a global size of the 3D printing market of $100 billion by 2029, compared to around $10 billion in 2020.

PRODWAYS GROUP is very well positioned in this context thanks to its strategy based on three axes:

- control of the entire value chain of 3D printing: machines, materials, software, production of parts;

- excellence of the technologies offered for industrial production, with unique performances in terms of precision and speed;

- development of new partnerships, aiming to address new large-scale applications in the coming years. A second machine was installed at ESSILOR as part of a partnership to adapt PRODWAYS technology for the printing of eyeglass lenses.

1.3.2.4 Objectives for 2021

All of GROUPE GORGÉ's markets are doing well and the execution of the order book expected in 2021 gives good visibility for the current financial year. As a result, excluding any further deterioration in the health situation, the Group has set itself a revenue growth target for 2021 of close to 15% on a like-for-like basis, or nearly €265 million. At the same time, the Company's profitability should improve significantly, starting in the first half of 2021.

1.3.2.5 Recent information

Moreover, GROUPE GORGÉ successfully secured its first syndicated corporate loan with an impact of €145 million to optimize its financing. This transaction is described in more detail in Section 1.4.2 of this document.

1.3.3 INVESTMENT POLICY AND R&D

1.3.3.1 R&D policy

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group files patent applications when necessary in protecting a technical, technological or commercial breakthrough. The Group's Research and Development policy is described in Note 6.2 to the consolidated financial statements.

1.3.3.2 Invention protection policy

The Group protects its inventions and know-how through non-disclosure agreements and patent applications.

Given the cost of filing and maintaining in force patents, the Group regularly assesses the opportunity for filing a patent application for a given invention and the need to maintain in force patents and patent applications, as well as the suitability of their geographic coverage in relation to the Group's current and/or future activities.

The Company's subsidiaries generally initially file a national patent application. Each subsidiary then takes advantage of the priority period granted following this initial patent application to further research patent clearance and assess in-house the potential for extending the protection to other countries.

1.3.3.3 Main investments made in 2020

In addition to research and development, the Group's ongoing investments include IT equipment, software, workshop tools and the fitting and installation of premises and industrial sites.

In 2020 the Group made several real estate investments:

- continuation and completion of work on a site in Chavanod (38) to relocate the INITIAL and PODO 3D subsidiaries of the 3D Printing division (PRODWAYS GROUP) to a single building. The total investment (acquisition of the site and works) was estimated at around €4.5 to €5 million and finally reached €5.25 million;
- carrying out work on the land acquired in Montpellier in 2019, to construct a building for the ECA ROBOTICS establishment in Montpellier. The total budget of around €3.6 million is expected to be met and the project is expected to be completed by mid-2021;
- launch of a construction project in Ostend (Belgium) to meet the needs of the Drones and Systems division under the contract with the Belgian and Dutch navies. The budget amounts to approximately €10 million, less than €0.5 million was invested in 2020.

The Group's investments totaled €18.4 million. Nearly half consisted of intangible investments (R&D, software). The real estate investments were particularly substantial in 2020, more than €5 million (including ongoing investments) on three sites (Chavanod, Montpellier, Ostend). Industrial investments are mainly funded out of own resources, and occasionally through leasing. Real estate investments, which are infrequent but significant at the moment, are financed by traditional debt or could be in the form of finance leases.

The value of the investments made over three years breaks down as follows:

(in millions of euros)	**2020**	2019	2018
Research and development [(1)]	8.9	7.2	6.5
Other intangible assets [(2)]	1.1	2.0	1.3
Land and buildings	3.0	0.9	0.3
Technical installations, equipment	2.5	4.0	7.1
Other property, plant and equipment [(3)]	2.9	3.4	0.2
TOTAL	**18.4**	**17.5**	**15.4**

(1) Only capitalized R&D.
(2) Excluding costs of obtaining and performing contracts.
(3) Only advance payments and non-current assets in progress. Advances and down payments included €2.6 million in 2019 relating to buildings and reclassified as buildings in 2020. The ongoing real estate projects amounted to a total of €3.5 million at the end of 2020.

In 2020 the Group did not carry out any external growth transactions.

There is no other significant investment for which firm commitments have already been made. No planned Group investment is conditional on receipt of anticipated significant funding.

1.3.3.4 Major property, plant and equipment/property leases

The Group's fixed assets comprise of certain real estate assets as described below, fittings and installations and IT equipment. The vehicle fleet is for the most part leased from specialized agencies. The Group only has a limited amount of production machinery as its business is not one of large-scale industrial production. However, it does have tooling for which it has not measured the usage rate.

With respect to real estate, the Group mainly leases its sites under standard leasing agreements.

The Group owns premises used for the Group's activities in La Garde (near Toulon, 83, GROUPE ECA's main site), in Lannion (22, ECA FAROS site) and in Schaeffersheim (67, two operating sites of the Engineering and Protection Systems division), in addition to the three projects described below. The premises at Les Mureaux (78, PRODWAYS and CLF-SATREM site), which the Group acquired under a finance lease agreement in 2019, were sold in July 2020 for a price of €6.95 million. The sites that are currently being leased do not present any risk in terms of their extended availability or that of other similar operating sites.

The real estate projects underway or completed in 2020 (Annecy, Montpellier, Ostend) are intended to bring together activities spread over three sites (Annecy), and to relocate the ECA ROBOTICS establishment to premises better adapted to its activity (Montpellier) and to meet the needs related to the growth of the activity (Ostend).

1.3.4 EVENTS AFTER THE REPORTING PERIOD

The major events that occurred between the closing of the financial year and the date of issue of the financial statements (16 March 2021) are described in Note 13.3 to the consolidated financial statements.

1.4 ANALYSIS OF CONSOLIDATED PERFORMANCE AND BUSINESS SECTORS

1.4.1 ANALYSIS OF GROUP RESULTS

The Board of Directors approved the 2020 consolidated financial statements on 16 March 2021, which showed:

- revenue of €231,114 thousand;
- net loss of -€11,510 thousand;
- net loss for the period attributable to the owners of the parent of -€5,811 thousand.

The consolidated financial statements were drawn up in accordance with International Financial Reporting Standards (IFRS) rules and interpretations on measuring and presenting financial information as adopted by the European Union and published in its Official Journal on 13 October 2003. The figures presented below are from the financial statements for 2020 and 2019. The data can be compared only by taking into account the changes in the scope of business reported in the notes to the consolidated financial statements.

Apart from operating activities, which were notably marked by the health crisis (see Note 1.1 to the consolidated financial statements), the most significant events of the financial year having an impact on the financial statements are as follows:

- the disposal of VAN DAM and VAN DAM MAINTENANCE & REPAIR in early July 2020. The purchaser was FPB HOLDING BV, which also owns INTERDAM, the historic competitor of VAN DAM. As part of the disposal agreements, a capital gain of €4.7 million was recognized in other items of operating income, as well as a provision of €0.7 million for an asset guarantee. The sale price was not received and the Group became a shareholder in FPB HOLDING BV with a 15% stake. FPB HOLDING BV will not be consolidated in the Group's accounts;
- the merger of ECA and GROUPE GORGÉ, following the completion by ECA of a simplified public tender offer for just under 10% of its capital. The completion of this transaction has an impact on the Group's equity.

The consolidated net profit (loss) for the period breaks down as follows:

- Group share: -€5.81 million;
- non-controlling interests: -€5.70 million.

The Group also uses non-GAAP adjusted measures. This information makes it possible to better assess the performance of the Group's long-term activities, notably due to the sale in 2019 of CIMLEC INDUSTRIE and its subsidiaries. Note 3.1 to the consolidated financial statements reconciles the adjusted measures and the financial statements for the period.

1.4.1.1 Main aggregates from the consolidated income statement

(in thousands of euros)	**2020**	2019	2018
Revenue	231,114	274,641	253,170
EBITDA [(1)]	24,099	31,681	16,153
Operating income	(9,050)	4,910	(575)
Financial income and expenses	(1,662)	(1,140)	(1,003)
Tax	201	(2,225)	(2,173)
NET INCOME FROM CONTINUING OPERATIONS	**(10,510)**	**1,546**	**(3,752)**
NET INCOME FROM DISCONTINUED ACTIVITIES	**(1,000)**	**21,574**	**1,717**
NET INCOME	**(11,510)**	**23,119**	**(2,035)**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**(5,811)**	**20,894**	**(1,917)**

(1) Operating income before depreciation, amortization and provisions, other items of operating income and share of profit (loss) of associates, see Note 3.1 to the consolidated financial statements.

Performance is analyzed by division in the following tables.

2020 financial year – Segment information

(in thousands of euros)	Engineering and Protection Systems	Drones and Systems	3D printing	Structure and disposals	**Segment total**	Adjustments[1]	**Consolidated**
Backlog at the start of the period	73,833	526,343	6,143	(166)	606,154	-	606,154
Backlog at the end of the period	77,425	539,730	6,566	(212)	623,509		623,509
REVENUE	**78,122**	**96,206**	**57,206**	**(420)**	**231,114**	**-**	**231,114**
Capitalized production	987	7,848	1,150	-	9,985	-	9,985
Inventories and work in progress	(87)	2,172	85	-	2,170	-	2,170
Other income from operations	851	4,794	897	-	6,542	-	6,542
Purchases consumed	(44,032)	(51,154)	(30,177)	3,067	(122,296)	-	(122,296)
Personnel expenses	(33,452)	(42,298)	(25,280)	(2,724)	(103,754)	-	(103,754)
Tax and duties	(1,092)	(842)	(758)	(168)	(2,860)	-	(2,860)
Other operating income and expenses	3,676	(631)	219	(67)	3,197	-	3,197
EBITDA	**4,973**	**16,096**	**3,342**	**(312)**	**24,099**	**-**	**24,099**
% revenue	6.4%	16.7%	5.8%	n/s	10.4%		10.4%
Depr., amort. and prov. (net of reversals)	(4,608)	(9,095)	(7,174)	(682)	(21,559)	-	(21,559)
OPERATING RESULTS	**364**	**7,001**	**(3,832)**	**(994)**	**2,540**	**-**	**2,540**
% revenue	0.5%	7.3%	-6.7%	n/s	1.0%		1.0%
Payment in shares	-	-	(269)	-	(269)	-	(269)
Restructuring costs	-	(474)	(3,246)	-	(3,720)	-	(3,720)
Amort. of intangible assets recognized at FV during acquisitions	-	(23)	(765)	-	(788)	-	(788)
Impact of the VAN DAM/CIMLEC disposals	3,283	-	-	(745)	2,538	1,000	3,538
Exceptional provisions for impairment of asset values	(1,967)	(1,736)	(6,397)	-	(10,100)	-	(10,100)
Other	3	-	(258)	-	(255)	-	(255)
TOTAL OTHER OPERATING ITEMS	**1,319**	**(2,233)**	**(10,936)**	**(745)**	**(12,595)**	**1,000**	**(11,595)**
Group share of the earnings of associates	-	-	5	-	5	-	5
OPERATING INCOME	**1,683**	**4,768**	**(14,762)**	**(1,739)**	**(10,050)**	**1,000**	**(9,050)**
% revenue	2.2%	5.0%	-25.8%	n/s	-4.3%	-	-3.9%
R&D expenses capitalized over the period	603	7,159	1,116	-	8,878	-	8,878
Other property, plant and equipment and intangible investments [2]	1,234	4,216	3,942	127	9,519	-	9,519

(1) The adjustments column contains provisions for liability guarantee relating to the disposal of CIMLEC, integrated in the segment information but classified in the consolidated income statement on the line "Net income from discontinued activities" in application of IFRS 5.
(2) Does not include the costs of obtaining and performing contracts (IFRS 15, integrated in the WCR), nor the new rights of use (IFRS 16).

2019 financial year – Segment information

(in thousands of euros)	Engineering and Protection Systems [1]	Drones and Systems	3D printing	Structure and disposals	**Segment total**	Impact IFRS 5 [2]	Adjust-ments	**Con-solidated**
Backlog at the start of the period	103,043	120,267	7,493	(354)	230,449	(16,498)	-	213,951
Backlog at the end of the period	73,833	526,343	6,143	(166)	606,154	-	-	606,154
REVENUE	**114,004**	**112,486**	**71,284**	**(1,349)**	**296,425**	**(21,784)**	**-**	**274,641**
Capitalized production	2,160	3,580	3,094	5	8,840	(83)	-	8,757
Inventories and work in progress	247	2,877	(16)	-	3,109	(265)	-	2,844
Other income from operations	538	4,496	986	-	6,019	(13)	-	6,006
Purchases consumed	(65,511)	(62,154)	(39,034)	1,991	(164,708)	11,057	-	(153,651)
Personnel expenses	(42,930)	(41,044)	(29,849)	(1,705)	(115,527)	8,729	-	(106,799)
Tax and duties	(1,314)	(1,101)	(680)	(33)	(3,128)	326	-	(2,803)
Other operating income and expenses	(467)	1,614	(473)	1,484	2,158	528	-	2,686
EBITDA	**6,727**	**20,754**	**5,312**	**393**	**33,187**	**(1,505)**	**-**	**31,681**
% revenue	5.9%	18.5%	7.5%	n/s	11.2%	6.9%		11.5%
Depr., amort. and prov. (net of reversals)	(4,977)	(10,823)	(6,843)	(217)	(22,860)	642	-	(22,218)
OPERATING RESULTS	**1,750**	**9,932**	**(1,531)**	**176**	**10,327**	**(864)**	**-**	**9,463**
% revenue	1.5%	8.8%	-2.1%	n/s	3.5%	4.0%		3.4%
Payment in shares	-	-	(420)	-	(420)	-	-	(420)
Restructuring costs	(385)	(398)	(578)	-	(1,360)	-	-	(1,360)
Amort. of intangible assets recognized at FV during acquisitions	-	(223)	(888)	-	(1,111)	-	-	(1,111)
Acquisition costs	(90)	-	(35)	(86)	(211)	-	-	(211)
Impact of the disposal of HOEKSTRA	(703)	-	-	-	(703)	-	-	(703)
Impact of the disposal of the CIMLEC Group [2]	22,475	-	-	-	22,475	(22,475)	-	-
Impact of the liquidation of ECA SINDEL	-	-	-	-	-	-	288	288
Exceptional provisions for impairment of asset values	(495)	-	(408)	(157) -	(1,059)	-	-	(1,059)
Other	-	-	(50)	-	(50)	-	-	(50)
TOTAL OTHER OPERATING ITEMS	**20,803**	**(620)**	**(2,378)**	**(243)**	**17,561**	**(22,475)**	**288**	**(4,626)**
Group share of the earnings of associates	-	-	73	-	73	-	-	73
OPERATING INCOME	**22,552**	**9,311**	**(3,836)**	**(66)**	**27,961**	**(23,339)**	**288**	**4,910**
% revenue	19.8%	8.3%	-5.4%	n/s	9.4%	107.1%	n/s	1.8%
R&D expenses capitalized over the period	1,388	3,448	2,383	-	7,219	(71)	-	7,148
Other property, plant and equipment and intangible investments [3]	2,538	3,079	4,718	160	10,495	(186)	-	10,310

(1) The contribution of CIMLEC and its subsidiaries in the first half of 2019 is included in the Engineering and Protection Systems column to the extent that these companies were consolidated into the operational reporting until their disposal in the early days of July 2019.
(2) The adjustments concern the contribution of CIMLEC and its subsidiaries, included in the segment information but classified in the consolidated income statement on the line "Net income from discontinued operations", in accordance with IFRS 5.
(3) Does not include the costs of obtaining and performing contracts (IFRS 15, integrated in the WCR), nor the new rights of use (IFRS 16).

1.4.1.2 Drones and Systems

The Drones and Systems division generated revenue of €96.2 million compared to €112.5 million in 2019. Revenue was therefore down by 14.5% over the financial year. This decline is due to the Aerospace activities (-40.9%) due to the crisis in the aeronautics sector triggered by the health crisis. The Robotics business was stable (-0.2%), with the decline in activity in the first half of the year (-18.9% with the lockdown triggered in mid-March) being offset by the growth in the second half (+20.0%). The backlog is slightly up to €540 million compared to €526 million at the end of 2019.

In the second half of the year, EBITDA was stable despite the decline in revenue of 4%. This is mainly due to the relative share of Robotics activities compared to Aerospace. Over the full financial year, the EBITDA margin was 16.7%, compared with 18.5% in 2019. Profitability was maintained in 2020 thanks to cost reductions (partial unemployment working, travel and travel expenses, trade shows) which offset the decline in revenue. EBITDA amounted to €16.1 million compared to €20.8 million in 2019.

The division's operating profit amounted to €7.0 million, compared with €9.9 million in 2019. The division's operating income amounted to €4.8 million, compared with €9.3 million in 2019. In 2019, non-recurring items were not significant (-€0.6 million), while in 2020 there were €2.2 million in costs (€0.5 million in restructuring costs and €1.7 million in provisions for impairment of intangible assets) recognized as part of the closing of the interim financial statements.

1.4.1.3 Engineering and Protection Systems

The division's revenue amounted to €78.1 million, compared to €91.8 million in 2019. In 2019 VAN DAM contributed all year but only in the first half of 2020. As a result, the decline of 15% over the year was only -8% excluding the contribution of VAN DAM.

The division's EBITDA was stable over the financial year at €5.0 million, compared with €5.2 million in 2019, as was its operating profit at €0.4 million, compared to €0.9 million in 2019. The decline in revenue had an unfavorable impact but was partially offset by cost reductions (partial unemployment working, travel expenses). The launch of the new StedY activity also contributed negatively to the result but the division benefited from the capital gain on the sale of a real estate asset in Les Mureaux.

The division's operating income amounted to €1.7 million. Penalized by a provision of €2.0 million for impairment of assets (mainly intangible assets of the nuclear activity) and a provision of €1.0 million relating to the sale in 2019 of CIMLEC, it benefited from the capital gain on the sale of VAN DAM (€4.3 million net of costs). In 2019, excluding the contribution of CIMLEC, the operating income amounted to €0.8 million.

The division's backlog stood at €77.2 million at 31 December 2020, up by more than €3 million despite the change in scope (the backlog at 1 January 2020 included that of VAN DAM), which reflects the good commercial momentum of the division.

1.4.1.4 3D Printing

The 3D Printing division's revenue amounted to €57.2 million, compared to €71.3 million in 2019. The first half of the year was heavily impacted by the health crisis (-€8.5 million), whereas the trend improved in the second half (-€5.6 million). The division's activities related to the medical sector were significantly affected when the medical practices were closed, notably during the first lockdown and a little less during the second.

EBITDA amounted to €3.3 million for the financial year, compared to €5.3 million in 2019. Cost savings (partial unemployment working, trade shows, travel and travel expenses) cushioned the decline in revenue. The division's EBITDA margin was 5.8% in 2020, compared to 7.5% in 2019.

The operating results amounted to -€3.8 million, down by €2.3 million compared to 2019.

After taking into account -€10.9 million of expenses in "Other items of operating income", the operating income was -€14.8 million, compared to -€3.8 million in 2019. Restructuring costs were recognized in the amount of €3.2 million (mainly due to the reorganization of the machinery activities) and impairment losses on assets in the amount of €6.4 million, mainly at the closing of the half-year financial statements and due to the health crisis.

The backlog stood at €6.6 million. Unlike our other businesses, however, it should be noted that the order book for this division is unlikely to account for a large share of revenue given that lead times between the placing and delivery of orders is considerably shorter.

1.4.2 GROUP'S FINANCIAL POSITION (CASH AND CASH EQUIVALENTS, FINANCING AND CAPITAL)

Consolidated equity stood at €126.3 million at 31 December 2020, compared with €176.7 million at 31 December 2019. The decrease in equity is the result of the merger between ECA and GROUPE GORGÉ.

At 31 December 2020, consolidated net debt (financial debt of €112.9 million and bank overdrafts of €1.8 million minus €82.7 million in cash) amounted to €31.9 million. At 1 January 2020, net debt amounted to €10.8 million. The treasury shares held by PRODWAYS GROUP, and GROUPE GORGÉ are not included in these figures. Net debt adjusted for treasury shares amounted to €30.6 million (compared with net debt of €8.2 million at 1 January 2020).

The operating cash flow (cash flow from operations and change in working capital requirements) increased significantly from €30.4 million in 2019 to €37.5 million in 2020. The change in working capital requirement was particularly favorable for €26.3 million, while cash flow decreased from €28.1 million in 2019 to €13.8 million in 2020. These changes are the result of the decrease in revenue and good control of working capital at the end of the year, in a context of an increase in revenue.

Cash flows related to the investment cycle amounted to -€11.9 million in 2020 compared to +€7.8 million in 2019. In fact, the level of cash flows in 2020 is the result of a sustained high level of intangible investments (€10 million compared to €9.3 million in 2019), a significant disposal of a real estate asset (+€6.9 million), a high level of tangible investments with two real estate projects underway (€8.3 million over the year) and a negative flow of €0.7 million related to the deconsolidation of VAN DAM. The cash flows of +€7.8 million in 2019 benefited from €21.8 million in positive flows related to changes in the scope of consolidation, mainly with the proceeds from the sale of the CIMLEC group.

In 2020 debts increased significantly with €26.5 million in State Guaranteed Loans (EMP) outstanding at the reporting date. More than €32 million were paid out with the acquisition of PRODWAYS and ECA shares by GROUPE GORGÉ in the first half (€6.0 million) and the buyback of shares by ECA for €24.5 million and by GROUPE GORGÉ for €1.2 million in the second half.

The Group has five confirmed lines of credit. These lines are granted to GROUPE GORGÉ SA (€10 million), ECA (two lines, €10 million and €15 million), ECA ROBOTICS (€15 million) and PRODWAYS GROUP SA (€5 million). At the end of December 2020, these lines were partially used, amounting to €20.0 million.

Detailed information about the Group's financial liabilities and any related covenants is provided in the notes to the consolidated financial statements (Note 8 "Financing and financial instruments").

In February 2021 the Group restructured its debt. A syndicated loan was signed with four banking partners and two institutional investors. The loan comprises a confirmed part of €120 million and an "unconfirmed external growth loan" part of €25 million which can be rapidly mobilized if needed. The confirmed portion of €120 million is broken down into three tranches: a tranche amortizable over five years of €42.5 million, an *in fine* tranche of €24.5 million over six years and €18.0 million over seven years and a Revolving Credit Facility of €35 million. The set-up of this loan enables the refinancing of €46 million of existing debt at 31 December 2020 (including €9.0 million in PGEs repaid in advance), the refinancing of the ECA simplified public tender offer (*offre publique d'achat simplifiée* – OPAS) carried out in 2020 and the consolidation and renewal over 5 years of €50 million of RCF (which was drawn on average only to the tune of €10 to €15 million). The loan is subject to covenants (net debt/EBITDA and net debt to equity). The margin grid is flexible depending on the leverage. In addition, in 2021 ESG indicators will be rapidly put in place. The achievement of the ESG indicators will add additional flexibility to the margin. The implementation of this loan confirms the Group's good financial health and clearly shows the support of its financial partners.

1.5 ACTIVITIES AND RESULTS OF GROUPE GORGÉ SA

1.5.1 GROUPE GORGÉ SA'S ROLE IN THE GROUP

The organization of the Group is as follows:

GROUPE GORGÉ SA is a holding company, whose assets are made up of the stakes in its subsidiaries. The Company does not carry out any industrial activities; its purpose is to:

- implement the Group's strategy;
- supervise the management of its subsidiaries (human resources, communications, transactions, etc.);
- liaise with financial stakeholders such as banks and investors;
- provide technical assistance in areas such as management control and legal affairs;
- develop and maintain common procedures in areas such as reporting, management control and accounting.

Its funding is ensured by the dividends that it receives and a contract for the provision of services based on the invoicing of actual costs concluded between GROUPE GORGÉ SA and its subsidiaries.

GROUPE GORGÉ SA has also entered into a service agreement with PÉLICAN VENTURE (holding company of the GORGÉ family and majority shareholder of GROUPE GORGÉ). Under this agreement, PÉLICAN VENTURE assists and supports GROUPE GORGÉ with the development of the Group's general policy and strategy, particularly in terms of organization, external growth, recruitment, financial reporting and finance. Accordingly, PÉLICAN VENTURE invoiced €63 thousand to GROUPE GORGÉ in 2020. The agreement is valid indefinitely, but may be terminated by either party and would automatically lapse in the event of a change of control of GROUPE GORGÉ.

GROUPE GORGÉ also provides administrative, financial and legal services to PÉLICAN VENTURE. Finally, although not of material impact, GROUPE GORGÉ sub-lets offices to PÉLICAN VENTURE. In total, GROUPE GORGÉ invoiced €63 thousand to PÉLICAN VENTURE in 2020.

Jean-Pierre GORGÉ (Director and former Chairman of GROUPE GORGÉ) is paid exclusively by PÉLICAN VENTURE. Raphaël GORGÉ (Chairman and CEO) was previously paid by PÉLICAN VENTURE (but is now paid by GROUPE GORGÉ and PRODWAYS GROUP). The remuneration of Raphaël GORGÉ from GROUPE GORGÉ companies is determined by the Board of Directors on the proposal of the Remuneration Committee.

PÉLICAN VENTURE is an SAS (simplified joint-stock company) with a capital of €3,309,778.08. Its consolidated shareholders' equity (2019) was €218 million, with its main asset being its stake in GROUPE GORGÉ. Its other assets are:

- SOPROMEC PARTICIPATIONS SA, a private equity firm managing around €20 million in assets;
- a group of three companies operating in the fields of BIM and EDM software and generating around €10 million in revenue;
- real estate and financial assets.

1.5.2 ACTIVITIES AND RESULTS

At its meeting of 16 March 2021, the Board of Directors approved the separate financial statements of GROUPE GORGÉ SA.

GROUPE GORGÉ SA merged with its subsidiary ECA on 30 December 2020. The merger had a retroactive accounting and tax effect as of 1 January 2020. Immediately after this merger, GROUPE GORGÉ transferred the shares of the former ECA subsidiaries to ECA, wholly owned by GROUPE GORGÉ. In November 2020, ECA contributed the real estate complex held in La Garde (83) to its subsidiary ECA ROBOTICS. GROUPE GORGÉ's income statement for 2020 is therefore not comparable to that of 2019, as the one for 2020 includes the transactions carried out by ECA. The accounting effects of the merger are detailed in the introduction to GROUPE GORGÉ's separate financial statements.

The income statement therefore shows:

- revenue of €5,602 thousand;
- net income of €14,239 thousand.

The financial statements were prepared using the same principles and rules as for previous years.

Revenue came to €5.60 million *versus* €3.91 million in 2019.

The operating loss for the financial year was -€1.0 million *versus* a loss of -€1.1 million in 2019.

Income from continuing operations before tax was +€8.09 million *versus* +€2.64 million in 2019. Financial income of GROUPE GORGÉ in 2020 was €9.09 million (€3.75 million in 2019), including €9.53 million in dividends (€2.46 million in 2019).

After taking into account non-recurring income of +€5.19 million (-€0.1 million in 2019) and tax income of €0.95 million arising from the tax consolidation grouping of which GROUPE GORGÉ SA is the lead company (expense of €0.2 million the previous year), the financial year ended 31 December 2020 generated a profit of €14.24 million, compared with €2.32 million in 2019.

The non-recurring profit notably comprises a profit of €4.98 million related to the contribution of the ECA building to the subsidiary ECA ROBOTICS.

We are also asking the shareholders to approve the non tax-deductible expenses and charges that we incurred during the past financial year, amounting to a total of €36,628, as well as the corresponding theoretical tax amount of €10,256.

1.5.3 PROPOSED ALLOCATION OF INCOME

The Company's income for the financial year ended 31 December 2020 showed a profit of €14,239,360.19. At its meeting on 16 March 2021, the Board of Directors decided to propose to the shareholders' meeting the payment of a dividend of €0.32 per share, *i.e.* a total dividend of €5,575,919.04 taken from the year's income and the balance from the retained earnings account.

We would like to remind you that the dividend distributions made for the last three financial years were as follows:

	Dividend per share *(in euros)*	Number of shares comprising the share capital (1)	Total dividend (2) *(in euros)*
2017	0.32	13,502,843	4,320,909.76
2018	0.32	13,502,843	4,320,909.76
2019	0.32	13,502,843	4,320,909.76

(1) At the date of the shareholders' meeting held to approve the financial statements.
(2) These sums include the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.

1.5.4 STANDARD PAYMENT TERMS

In compliance with article D.441-6 of the French Commercial Code, we would like to specify that at 31 December 2020 the balance of GROUPE GORGÉ SA's trade accounts payable amounted to €1,744 thousand (€676 thousand at 31 December 2019). These trade payables are not yet due and in general are payable at 30 days (in 2020 as in 2019).

1.5.5 OTHER FINANCIAL AND ACCOUNTING INFORMATION

Portfolio of transferable securities at 31 December 2020

Company	Net asset values *(in euros)*
I – Equity securities	
1. French companies	
a/ Listed equity securities	
PRODWAYS GROUP	28,374,618
b/ Unlisted equity securities	
GROUPE ECA	33,271,875
MARINE INTÉRIM	-
NUCLÉACTION	37,463
SCI DES CARRIÈRES	1,255,834
SCI DES PORTES	999
SERES TECHNOLOGIES	990,000
STEDY	1,009,600
STONI	4,770,000
VIGIANS	275,000
VIGIANS PROTECTION INCENDIE	2,100,000
FINU 13	5,000
2. Foreign companies	
WANDERCRAFT	500,008
1ROBOTICS LLC	-
TOTAL I	**72,590,396**
II – Other long-term investments	
1. French companies	
a/ Listed securities	
None	
b/ Unlisted securities	
VIGIANS PROTECTION INCENDIE convertible bonds	6,500,000
2. Foreign companies	
a/ Listed securities	
None	
b/ Unlisted securities	
None	
TOTAL II	**6,500,000**
III – TRANSFERABLE securities	
a/ Money market funds (SICAVs) and term deposits	5,799,327
b/ Listed French shares	
None	
c/ Listed foreign shares	
d/ Treasury shares	1,233,094
TOTAL III	**7,032,421**
GRAND TOTAL (I + II + III)	**86,122,817**

Financial table – article R.225-102 of the French Commercial Code

Nature of information	**2020**	2019	2018	2017	2016
Share capital	€17,424,747	€13,502,843	€13,502,843	€13,502,843	€13,495,843
Number of shares	17,424,747	13,502,843	13,502,843	13,502,843	13,495,843
Par value per share	€1	€1	€1	€1	€1
Revenue excluding taxes	5,602,249	3,913,722	3,467,444	3,289,653	3,458,396
Earnings before taxes, depreciation, amortization & provisions	6,083,289	(2,066,349)	70,421	18,528,323	3,242,814
Income tax	(955,597)	210,720	(219,428)	(611,022)	(1,517,036)
Earnings after taxes but before depreciation, amortization & provisions	7,038,886	(2,277,069)	289,849	19,139,345	4,759,850
Earnings after taxes, depreciation, amortization & provisions	14,239,360	2,320,492	338,116	20,080,409	5,181,090
Distributed earnings (1)	4,319,124	4,319,578	4,319,831	-	-
Earnings per share after taxes but before depreciation, amortization & provisions	0.40	(0.17)	0.02	1.42	0.35
Earnings per share after taxes, depreciation, amortization & provisions	0.82	0.17	0.03	1.49	0.38
Net dividend per share (1)	0.32	0.32	0.32	-	-
Average number of employees	15	7	7	8	7
Total payroll	1,797,268	1,163,331	812,314	922,357	823,824
Social security contributions and employee benefits	774,514	541,713	377,759	421,382	389,131

(1) *Dividend paid during the year, in respect of the previous financial year.*

2

RISK FACTORS

Risk management is an integral part of the Group's overall strategy as it continues to build and continuously improve its risk management system.

Its purpose is to anticipate the threats to which the Group is exposed and identify future opportunities in order to:

- preserve its employees, assets and reputation;
- promote the achievement of its objectives; and
- ensure its continuity.

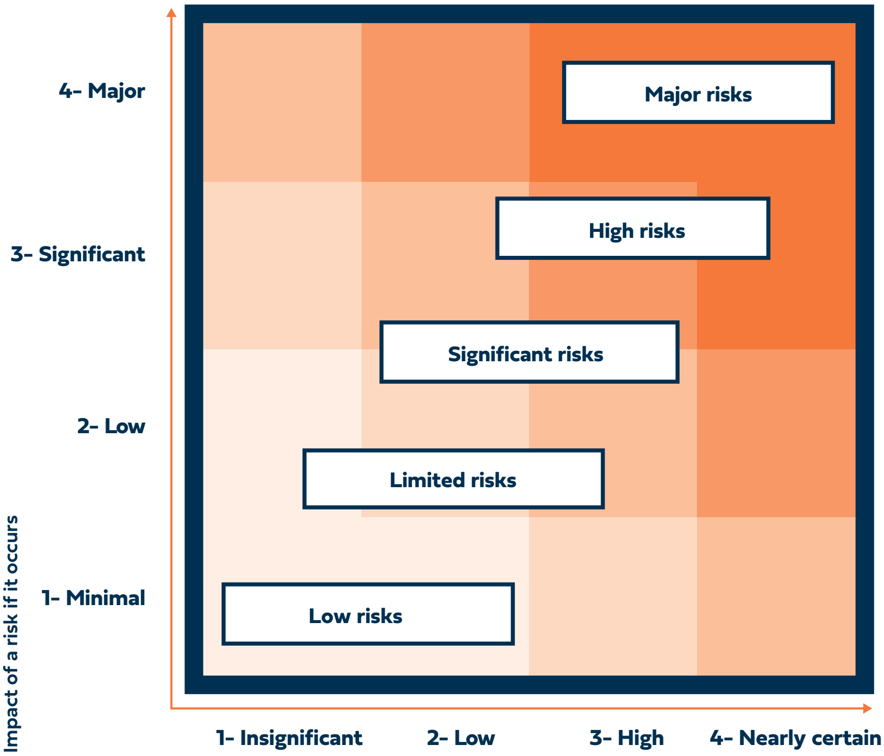
At the end of 2019 and in early 2020, the Group once again carried out in-depth risk mapping of each of its three divisions and global mapping for all of GROUPE GORGÉ.

2.1 METHODOLOGY

The GROUPE GORGÉ mapping process involves representatives of all of the Group's main subsidiaries and functions using the following method:

- identification of risks: the first step is to identify the risks likely to affect the ability of the Group and its divisions to achieve their objectives through a survey and interviews with key stakeholders;
- assessment of risks: the risks to which the Group is exposed have been assessed according to their probability of occurrence and their potential impact if the risk were to materialize, on three multi-level scales:
  - probability of occurrence over a three-year horizon: insignificant, low, high, almost certain,
  - impact (personal, financial, reputational and legal): minimal, low, significant and major,
  - level of risk control: high, partial, low;
- ranking of risks: by cross-referencing the probability and impact of the risk, a positioning of the net criticality of the risk is obtained: major risk, high risk, significant risk, limited risk and low risk.

Net Risk Criticality Matrix



The matrices thus developed for each division and the Group were discussed and reviewed by the Executive Management of the divisions and the Group. At GROUPE GORGÉ level, the following risk matrix was prepared:

	Assessment of residual risk
STRATEGIC RISKS	
Risk related to the deterioration of the Group's brand image and positive momentum	Strong
Risk associated with faulty strategic positioning	Significant
Risks associated with technological developments and R&D investments	Significant
CROSS-FUNCTIONAL RISKS	
Organization and governance	
Risk related to failures of management in a subsidiary	Major
Risk associated with difficulties integrating acquired companies	Strong
Risk of unreliability of financial data used within the Group	Significant
Risk associated with a misalignment of interests between the Group and its subsidiaries	Significant
Legal	
Risk associated with failures to comply with applicable regulations	Major
Risk associated with inadequate protection of intellectual property or infringement of third-party patents	Significant
IT	
IT risks	Strong
fraud or external attacks	Strong
OPERATING RISKS	
Risks associated with divergences from contracts	Strong
Risks associated with difficulties in attracting or retaining employees at the expected level of skill	Strong
Risks associated with employee safety and security	Strong
Risks associated with the inadequacy of employee skills with regard to the Group's transformation	Strong
Inappropriate business practices	Significant
Insufficient quality and performance of the partners or subcontractors used	Significant
Customer default	Significant
Risk associated with cash generation levels	Significant

The following paragraphs describe the main risks identified at the end of 2019, divided into three categories: strategic risks, operational risks and cross-functional risks. In each category, the risk factors are presented in decreasing order of importance as determined by the Group as of the date of this Universal Registration Document.

A comprehensive understanding of the risks faced by the Group requires a full reading of the consolidated financial statements (in particular the sections relating to financial risks and litigation) and the Universal Registration Document as a whole, in addition to this chapter.

Covid-19 crisis

The year 2020 was marked by the "Covid-19" health crisis, which had a strong impact on the Group's business and remains a risk in 2021 and even beyond.

The impacts observed in 2020 reveal the following risks:

- an inevitable dependence on the macroeconomic context and in particular on the health of industrial sectors, including aeronautics. Industry accounted for nearly 25% of the Group's revenue in 2020, including aeronautics (around 10% of the Group's revenue).

  Thus, a decline in these markets has a direct impact on the Group's business, and in particular the aeronautics activities of ECA and PRODWAYS GROUP, which are suffering from deferred investments by industrial customers and the weakness of their new product development efforts;
- a decrease in activity during the implementation of the lockdown measures; in particular, the aeronautical activities are directly affected by stoppages or severe slowdowns in travel, and the medical activities of PRODWAYS GROUP, which are directly and very largely penalized by the total or partial closure of their clients and the practices of practitioners. The Group's other activities were also impacted, albeit to a lesser extent, during these periods, either because of the disorganization of the research teams (teleworking, absences) or because of difficulty or impossibility of access to client sites (Engineering and Protection Systems division).

These risks have a significant impact on certain activities when they are proven, and can thus affect the Group's revenue, results and financial position.

GROUPE GORGÉ has real assets to absorb these risks, to a certain extent. On the one hand, a large part of the Group's activities are less dependent on these cycles or affected markets; this is notably the case for the defense sector, which accounts for 25% of the Group's revenue. In addition, some of the Group's activities, even those positioned in impacted sectors, are recurring. These include the materials business for 3D printing, which benefits, even in times of moderate client investments, from the good use of the installed base of machines, or the maintenance activities of the Engineering and Protection Systems division. Lastly, the Group is able to implement initiatives to reduce costs and adjust its manufacturing facilities. For example, in the second half of 2020, the Group initiated a reorganization of the Machines business at PRODWAYS GROUP and an adaptation of the workforce of its Software business, as well as a resizing of the Aerospace business of the GROUPE ECA division. These actions mitigate the business slowdown to some extent, while the Group continues to invest in technologies to support future growth. Finally, it should be noted that such crises are also drivers of an acceleration of trends that support the development of the Group's markets, whether in the field of robotics or 3D printing, the Covid-19 crisis highlighting the benefits of relocating and having agile production tools.

2.2 STRATEGIC RISKS

2.2.1 RISK RELATED TO THE DETERIORATION OF THE GROUP'S BRAND IMAGE AND POSITIVE MOMENTUM

The Group's reputation has grown considerably over the last five years and was driven by favorable momentum, thanks in particular to successful developments in 3D printing and robotics. The positive image enjoyed by the Group has been strengthened as a result. This positive image is an advantage for attracting talent, promoting employee retention, making contacts and presenting the Group favorably to investors or financial or commercial partners.

This favorable context could be marred by unfavorable events such as significant disasters, failure to meet the expectations generated by the Group, destabilizing actions taken by competitors, etc. Such events could lead to loss of opportunities or customers, unfavorable media coverage, or loss of partner confidence.

To limit these risks, the Group tries first and foremost to expose itself as little as possible to criticism by ensuring that it does not raise expectations that exceed its projections and that it complies with rules and practices. In order to maintain positive dynamics, the Group has put several actions in place:

- strengthening relationships, in particular with national, regional and local public authorities, to present the Group, its activities and facilities and its challenges and potential risks. This preventive action makes it possible to gain understanding and proximity in times of crisis, in situations where the involvement of these services is necessary;
- development of regular communication with targeted media and on social networks to facilitate understanding of the Group and engage in quality dialogue;
- informing and training of the Group's managers, communicators and spokespersons. Specific media training sessions may be organized with Group managers;
- distribution of press procedures intended for GROUPE GORGÉ subsidiaries that enable them to follow up on and monitor media coverage;
- specific press and web oversight (social media, websites, blogs, press, etc.).

In addition, to support GROUPE GORGÉ employees, who are the primary vectors of the Group's image, and to guide them in their actions and behavior out of concern for integrity and ethics, tools and training are made available, the most important of which is the Anti-Corruption Code of Conduct.

2.2.2 RISK ASSOCIATED WITH FAULTY STRATEGIC POSITIONING

The markets in which the Group operates (3D printing, Robotics, Defense) are undergoing rapid and far-reaching changes that require the Group to review the relevance of its strategic choices for the trajectory of its activities and commercial policy regularly to detect and penetrate the new markets that are the most promising and value-creating for the Group. Its strategic choices may also be impacted by changes in its relationships with strategic partners, distributors or suppliers.

At the same time, the competitive landscape is itself changing.

In 3D printing, for example, the competitive landscape is changing and the resources of competitors are significant. Alongside traditional additive manufacturing players (STRATASYS or 3D Systems) and large groups that have developed their 3D printing business and have significant resources (HP, GENERAL ELECTRIC), competition is structured around companies that have achieved very significant fundraising initiatives such as CARBON 3D or DESKTOP METAL/ENVISIONTEC. The Group therefore faces many competitors, some of which have very extensive resources and/or high profiles (see Section 1.2.2 "Activities, markets and competition" of this document). The proliferation of players in the 3D printing market, some of which have significant resources, may enable manufacturers and professionals to become more aware of 3D printing technologies. However, this also means increasing competitive pressure for the Group, which could lead to a drop in demand for the Group's products and force the Group to reduce its selling prices or make additional investments.

In the field of robotics and defense, major competitor companies are attempting to "lock in" market segments with integrated or extremely attractively priced offers, which may compromise the Group's ability to continue its development in those markets. Finally, profound changes in trends in some of our markets, in particular the large-scale introduction of digital technology consistently in all areas of activity (research, production, marketing) may present a real risk that the services sought by our customers will be transformed.

Against this backdrop of changes in its competitive and technological environment, misinterpretations and a failure to foresee market developments may cause the Group to take unwise strategic positions or, on the contrary, fall behind in occupying new growth segments. As a result, the Group's income could be affected by changes in market or competitive conditions.

To anticipate these potential upheavals, the Group can rely on its diverse activities and a presence at various points in the value chain. The Group also monitors these trends on an active, forward-looking basis and, as part of its budget process, conducts threat/opportunity analyzes by activity that provide a cross-functional perspective and are a decision-making aid for Executive Management. In addition, once a year, discussions are organized with the members of the Board of Directors to present a forward-looking vision and explore new themes to support the Group's growth in terms of activities and products. Thanks to these analyses and its positioning, GROUPE GORGÉ has demonstrated its agility and its capacity to update its strategy, but cannot guarantee that its choices will always be the most relevant in evolving markets like 3D printing.

2.2.3 RISKS ASSOCIATED WITH TECHNOLOGICAL DEVELOPMENTS AND R&D INVESTMENTS

The Group operates in areas that require advanced techniques or technologies. Research and development and innovation activities are a key element of the Group's strategy. In order to develop the products of tomorrow and thus ensure its future growth, the Group constantly invests in research and development projects. These investments represented 6.7% of the Group's revenue in 2020 (see Note 6.2 to the consolidated financial statements in Section 4.1.6 of this Universal Registration Document).

These efforts with regard to innovation policy must be maintained for the Group to retain its position as a key player in technological innovation, remain in a position to adapt to any future technological innovations in the sectors in which it operates and continue to gain market share.

The Group's competitiveness and medium-term development could be strongly impacted if:

- R&D projects are inadequate for future market needs, given the long duration of some R&D cycles;
- there is an imbalance in the distribution of investments allocated to R&D projects due to insufficiently diversified targets or targeting towards markets with no proven growth potential or milestones that are poorly staggered over time;
- emerging technologies that may impact our product improvement processes are identified too late;
- R&D results do not comply with the performance, deadline or price objectives sought;
- a breakthrough innovation by a competitor in terms of technology or, more broadly, business model is launched that would expose the Group to the loss of a competitive advantage in one of its business segments.

The Group is working on several topics simultaneously and is careful not to focus all its development efforts on a single technology. To secure its investments in R&D, the Group focuses its system on several axes:

- continuous scientific, technological and competitive watch and numerous partnerships with academic players, research institutes and professional organizations alike enable it to identify emerging trends and the disruptions with which the Group and its environment must contend in the future. The R&D partnerships entered into by the Group are presented in Section 6.5 "Building a top player in terms of technology innovation" of this Universal Registration Document.

- Furthermore, the Group has a selective approach in each of its activities and develops only certain projects within project portfolios, taking into account the expectations expressed by clients, accessible financing, market trends and the expected profitability of programs in progress.

- Finally, the Group operates in a variety of activities, which enables it to naturally diversify its risk exposure to any of the technologies or R&D projects.

2.3 CROSS-FUNCTIONAL RISKS

2.3.1 RISK RELATED TO FAILURES OF MANAGEMENT IN A SUBSIDIARY

The execution of the Group's strategy is highly dependent on the way in which operations are conducted by the subsidiaries. GROUPE GORGÉ's decentralized model, which is based on a high degree of subsidiary autonomy, is an undeniable aspect of its success. It also creates a risk in the event that any of the subsidiaries were to be insufficiently managed at certain critical moments. A failure of management in a subsidiary may result in insufficient performance levels by the subsidiary, or even the Group if the event is significant enough, or adversely affect the Group's development strategy.

This difficulty in oversight may be caused by faulty or fraudulent management, insufficiently deployed internal control principles that may lead to unreliable forecasts or accounting errors, a divergent assessment of risks and issues between the management of the subsidiary and that of the Group, or insufficient exchanges of information between the subsidiary and the Group.

The Group is aware of this potential risk and has put structures in place capable of limiting it. Firstly, the Group ensures that the managers of its subsidiaries are perfectly selected and prepared for the responsibilities entrusted to them. Periodic meetings take place between the Group's Executive Management and the managers of subsidiaries. During these reviews, the commercial, technical, human resources and financial aspects of the subsidiaries are discussed. Particular attention is paid to the main contracts or the most significant R&D projects. Finally, the Group has developed an internal control framework that subsidiaries must apply, including monthly reporting, a two-stage budget preparation process and budget revisions three times a year. This process helps to identify situations that are out of line with subsidiaries' expected trajectories and lead to the implementation of in-depth identification of the causes and corrective actions.

2.3.2 RISK ASSOCIATED WITH FAILURES TO COMPLY WITH APPLICABLE REGULATIONS

In a context of constantly changing and increasingly complex regulatory constraints and compliance procedures, and given the diversity of the Group's activities, its geographical locations and its many subsidiaries of various sizes and structures, the Group's activities may be impacted by the legal risks associated with compliance with the laws and regulations applicable in France and in all jurisdictions in which the Group has interests. This involves subjects as broad as taxation, labour law, security standards, anti-corruption measures, protection of personal data, business confidentiality, or stock market regulations.

To limit these risks, the Group strives to establish appropriate structures, special procedures and employee training. The Group also takes pains to surround itself with internal or external skills adapted to its activities. Group companies rely on the Group's legal experts and its network of external advisors (lawyers, consultants, experts). Cross-functional actions have been carried out within the Group or the divisions on the topic of anti-corruption measures. Finally, the internal control framework provides for the implementation of controls and the necessary compliance with all applicable regulations, which is the heart of Executive Management's concerns, and it is reiterated with the managers of subsidiaries during business reviews.

2.3.3 RISK ASSOCIATED WITH DIFFICULTIES INTEGRATING ACQUIRED COMPANIES

The Group's development strategy is based on a combination of organic and external growth. The Group has regularly acquired businesses or third-party companies in the course of its development and intends to continue with this strategy as opportunities are identified. Given the context, the year 2020 was unusually inactive in this area of external growth, which normally constitutes a key aspect of the Group's strategy.

Any acquisition involves risks associated with the price of the acquisition in a context of scarcity of potentially relevant targets and strong competition between potential acquirers, the integration into the Group of the company or activity acquired, the existence of unanticipated costs and the risk of the departure of key personnel of those companies. Difficulties in the acquisition and integration process (analysis, structuring, integration, preservation of skills and know-how, adoption of the Group's procedures and guidelines, and implementation of the business plan and expected synergies within or between the various divisions) might affect the value of an external growth operation and generate economic and accounting losses for the Group.

To meet these challenges, building on the strength of its extensive experience in acquisitions, the Group has developed a mergers and acquisitions process, from the identification of targets to their integration, which involves numerous functions at both the Group and divisional levels. Each stage of the acquisition process is monitored and approved by the Group's management bodies; the integration of targets is handled through operational collaboration between the relevant divisions and the Group departments that prepared the acquisition, as adapted to each target. A particular effort is made at the beginning of the integration processes to identify upstream the key success factors and potential risks on which to focus. Finally, the Group also strives to retain the individuals identified as key personnel for its business ventures, thus ensuring the long-term future of those companies.

2.3.4 RISKS ASSOCIATED WITH FAILURES IN IT SECURITY

Despite increased awareness of and attention to cybersecurity, the number, cost and complexity of cyber incidents continues to increase worldwide and the Group regularly faces attempts to steal or breach the security of its sensitive and confidential data. A computer attack or failure in the infrastructure that supports information systems, inefficient backup processes or disaster recovery plans, or information systems that are inadequate cyberthreats may result in a service disruption of information systems, interrupt operations for extended periods of time and allow data to be stolen by third parties.

Any attack on the availability, integrity, confidentiality or traceability of the Group's information systems and data, whether malicious, accidental or technical, could have an immediate negative impact on the activities, reputation and results of the relevant subsidiary or division. In addition, the deployment of major software (ERP) or the implementation of new infrastructures can cause malfunctions at each of the various stages of project management (organization, design defect, user defect, technical defect).

Recognizing the importance of IS-related risks, the Group's three divisions strive to implement specific governance based on a cross-functional organizational structure.

The Group has focused in particular on implementing charters relating to the use of IT tools, raising awareness of and providing training for cybersecurity risks, setting up procedures for controlling authorizations and access, and performing audits and intrusion tests.

This work to improve cybersecurity will continue, and the purchasing of a cyber insurance policy will be studied.

Faced with these risks, the Group is putting in place an infrastructure, tools and methodology aimed at reducing these risks, and, more specifically, it is gradually taking action in the following areas:

- assessment and monitoring of network and computer technology security and system vulnerabilities. Audits were conducted in 2019 in some Group subsidiaries;
- strengthening of information security rules, guidelines and procedures to ensure that employees are more aware of and trained in information security issues and that personal information is better protected;
- reviewing the terms and conditions of access and limiting access to personal information. In 2019, the Group's holding company thus amended the terms and conditions of access to the network to strengthen its security.

2.3.5 FRAUD OR EXTERNAL ATTACKS

In both frequency and severity, the risk of fraud and cybercrime has been increasing in France in recent years. As is the case with more than seven out of ten companies in France, the Group is subject to fraud attempts, in particular attempts to embezzle funds or steal strategic data (CEO fraud, cyberattacks, etc.). In addition, the year 2020 saw a resurgence of these increasingly sophisticated fraud attempts, which were all foiled. These attempts, if successful, could harm the Group's competitive advantage, damage its image or impact its cash flow. The Group's decentralized structure may make it more susceptible to such attacks.

The Group ensures that its subsidiaries apply effective internal control systems. A Group internal control framework was crafted for this purpose. Information and training initiatives for employees who are particularly exposed to fraud are conducted on a regular basis. Each attack identified in a subsidiary is systematically reported to the holding company, which in turn informs the rest of the Group of the *modus operandi* of the attack and recalls the appropriate prevention rules.

2.3.6 RISK ASSOCIATED WITH INADEQUATE PROTECTION OF INTELLECTUAL PROPERTY OR INFRINGEMENT OF THIRD-PARTY PATENTS

The products created by the Group's subsidiaries use advanced technologies. The Group invests heavily in research and development to ensure that its products enjoy competitive advantages, all for the benefit of its customers. This positioning allows the Group to operate in markets with high barriers to entry but exposes the Group to risks of loss of market share in the event of the infringement of its innovations. Conversely, even in the absence of deliberate action to that effect, the Group cannot totally exclude the possibility that it may find itself in a situation where it infringes the patents of third parties, thus incurring a legal and financial risk.

The Group's subsidiaries pursue an active policy of protecting the value of their innovative ideas. To this end, they rely on their teams of specialists and intellectual property attorneys. Patent applications are reviewed by the competent local or international bodies. It takes a number of years before a patent is granted. The review process may also result in a patent being granted with narrower claims than initially sought or in a patent being refused in certain jurisdictions. Furthermore, intellectual property rights registered in certain jurisdictions do not afford complete protection.

Finally, in the context of its partnerships, the Group must frequently provide its co-contractors with certain elements of its know-how that are not protected by patents or sensitive commercial information. Even if this information is covered by confidentiality undertakings, the Group cannot rule out the possibility that its know-how or commercial data may be misappropriated and used by third parties.

The occurrence of one of these events (invalidity of a patent, infringement by a third party, use of patented technology by a third party, leaking of know-how, litigation, etc.) could have an adverse effect on the competitive advantage of the Group's product offering and therefore on its business prospects, reputation, development and future results.

To address these risks, training and information initiatives have been put in place so that patents can be filed to protect the Group's technological and commercial advances. The latter manages and maintains its technological lead compared to its competitors, the patents being exploited, maintained and extended according to established internal procedures, and according to the prospects of application of these innovations (see Sections 6.4 and 6.5 of this Universal Registration Document, as well as Note 6.2 to the consolidated financial statements, in Section 4.1.6). The subsidiaries, with their internal teams, monitor their competitors' activities (with regard to patent filings especially) and assess (through freedom to operate studies) the risk of infringement of third-party patents during the course of their research or development programs. External advice may be sought for occasional evaluations of the activities of entities outside the Group. In addition, even though the Group holds patents for various types of products, most of the Group's revenue is not dependent on any particular patent or license.

Finally, each division has set up internal structures and procedures to assess the risks of infringement of third-party patents when conducting R&D programs within the Group. These structures are coordinated by the Legal Department and examine the various projects, verify that the solutions selected respect the rights of third parties and ensure, if necessary, the patentability of those solutions. There is, however, a risk that a third party may bring an action against the Group with regard to industrial property.

2.3.7 RISK OF UNRELIABILITY OF FINANCIAL DATA USED WITHIN THE GROUP

The Group is the product of its history, and in particular of its diverse backgrounds. As a result, reporting systems and accounting and financial organization may have diverged in the past. In addition, the complexity and frequent changes in accounting standards create an unfavorable environment for easy comprehension of the financial statements and comparisons between years. Unavailability, inaccuracy or inconsistency of financial data could lead the Group to take inappropriate decisions or even result in financial losses.

In this context, the Group is working to harmonize the methods and tools of its subsidiaries and is supported by a centralized Finance Department, which has set up a single reporting system that each subsidiary completes monthly, manages the consolidation and monitoring of the updating of standards in subsidiaries and prepares the Group's consolidated financial statements.

2.3.8 RISK ASSOCIATED WITH A MISALIGNMENT OF INTERESTS BETWEEN THE GROUP AND ITS SUBSIDIARIES

The Group has experienced strong growth since its creation as a result of organic growth and successive acquisitions. Because of their different positions and their sometimes separate histories, the Group's companies enjoy a great deal of autonomy. These characteristics are the strength of the Group but also create a certain level of complexity that can lead to strategic alignment challenges between the parent company and its subsidiaries or between subsidiaries. Occurrence of this risk could result in failure in the development strategy or loss of opportunities for the Group.

The Group is aware of these characteristics and attentive to dialogue with its subsidiaries. At the end of 2019, it hired a Deputy CEO to, among other things, facilitate the implementation of its strategy and promote cross-fertilization and the development of a sense of belonging, without disrupting the dynamics specific to each activity. In 2020, new mutually beneficial partnerships were established, for instance between GROUPE ECA, which is experiencing strong growth, and SERES TECHNOLOGIES, the Group's engineering subsidiary.

2.4 OPERATING RISKS

2.4.1 RISKS ASSOCIATED WITH DIVERGENCES FROM SIGNIFICANT CONTRACTS

Some of the Group's activities enjoy good visibility thanks to significant multiannual contracts, such as the contract signed in 2019 by ECA for the supply of mine-hunting drones for the Belgian and Dutch Navies.

Due to the size of some of these contracts and their challenges in terms of technology, strategy and business model development, any deviation in the management or operational execution of the contracts can have significant financial impacts even at Group level: decrease in the margin level, payment of late payment penalties, termination of contract, even loss of customers, calling of parent company guarantees.

The causes of such a deviation can be manifold: underestimation of the complexity of the project, lack of skills on the part of project managers, team turnover and loss of knowledge or know-how resulting in poor contractual management of the changes requested by the customer, errors of assessment, poor management, especially financial. They may also be caused by weaknesses in the industrialization process that involves product reliability, non-compliance with procedures, contractual commitments that are not clearly defined or respected, management tools that are not suited to project monitoring or are poorly used, poor qualification of customer needs, poor management of subcontracting, supplier failures, etc.

The Group cannot therefore totally discount the risk that it might have problems meeting a performance obligation it has contractually promised a customer or achieving its financial objectives in order to do so.

The Group has long-standing experience in the management of this risk, which is at the heart of its activities. It implements control procedures at the time of contract approval, monitoring and verification procedures to detect possible defects, delays or difficulties during the performance of the contract, financial control procedures appropriate for its activities, the size and duration of contracts.

The business managers in charge of monitoring the technical, contractual and financial aspects of contracts are regularly trained and rely on the technical expertise present in the subsidiaries as well as the financial and legal support services. These experienced teams may rely on proven methodologies developed in similar cases, or even resort to external specialist advice when necessary. The monthly business reviews that take place between the subsidiaries and the Group are moments dedicated to anticipating or detecting divergences and implementing corrective actions. For major contracts, the Group may also call on external consultants to carry out progress and follow-up audits in order to anticipate potential problems and implement preventive solutions or resolve proven difficulties.

Finally, the performance of these significant contracts complies with the Group's general rules concerning the maintenance of constructive and transparent business relationships with customers and partners, which should make it possible to anticipate and correct deviations.

It should also be noted that the Group is by nature not dependent on a single key contract, being present in multiple activities.

2.4.2 RISKS ASSOCIATED WITH DIFFICULTIES IN ATTRACTING OR RETAINING EMPLOYEES AT THE EXPECTED LEVEL OF SKILL

Against a backdrop of strong growth in some of the Group's activities (especially in the field of robotics), a tight job market for certain sought-after skills, sometimes in competition with large and reputable players, the ability to attract and retain employees with strong and constantly evolving technical skills is essential to the achievement of our strategic objectives.

Any difficulty in recruiting or retaining a sufficient number of employees with the required level of skills could therefore result in a lack of performance or slow the Group's growth. Highly qualified professionals are scarce and the market is booming, as competition has intensified around the population of advanced mechanical, software and electronic engineers necessary for the successful completion of our projects. Despite 2020 seeing a reduction in competition for certain types of expertise, the competition for software and critical electronics experts remains tense.

Group employees are naturally motivated by the commercial or technical appeal of the projects on which they work. In addition, the Group's subsidiaries have put in place a human resources policy whose purpose is to build employee loyalty and facilitate recruitment (see Section 6.6 "The Group's commitments to its employees" of this Universal Registration Document) that includes:

- reinforcement of the Human Resources teams;
- implementation of profit-sharing and employee shareholding plans, which are often additional motivating factors;
- actions to promote the development of employer brands are carried out within the divisions, which also work on the integration process for new employees;
- an attractive remuneration policy adapted to market conditions;
- premises offering a pleasant working environment – recent or ongoing relocations have taken place for sites that no longer met employees' expectations (*e.g.* ECA in Montpellier and PRODWAYS in Annecy);
- a permanent, certification-based training policy;
- the introduction of teleworking; in this respect, the year 2020 was a real accelerator in the implementation of teleworking and the provision of the necessary tools;
- a policy of recognition of individual and collective performance, with, for example, the creation of an "Expert" program at ECA;
- an internal mobility policy;
- the implementation of partnerships with schools, universities and other training institutions;
- access in certain companies to day care for our employees' children.

These assets, combined with the Company's culture and its known successes, should make it possible to make the hires needed to carry out the development plan and help limit the turnover rate.

At the same time, the Group's decentralized structure is based on the Directors of key subsidiaries or divisions in the pursuit of development. An inadequate succession plan or a failure to transfer know-how could adversely affect the Group's performance. The GROUPE GORGÉ management team also endeavors to ensure that a subsidiary's or division's success is not built around an overly small group of people and that managers at subsidiaries consider drawing up succession plans for key people.

2.4.3 RISKS ASSOCIATED WITH EMPLOYEE SAFETY AND SECURITY

The Group operates in industry in general and more specifically in certain areas of activity that may present specific risks to the physical safety of employees (nuclear environment, construction sites, handling of hazardous products, etc.). A serious accident on a construction site, an accident related to handling, electrical risks, the working environment, exposure to noxious materials, a traffic accident, or the kidnapping of an employee during a business trip to a high-risk country could result in bodily or psychological harm to employees, the payment of significant damages or the payment of a ransom. If the occurrence of these risks remains low, a proven risk could have significant consequences for the Group's cash position or management.

The Group places the safety and working conditions of its employees at the forefront of its priorities. To achieve this, the subsidiaries are taking steps to develop and harmonize their safety culture, strengthen their approach to safety and professionalize their practices (see Section 6.6.3 "Health and safety: a commitment to all employees" of this Universal Registration Document).

The Group has also set up a monitoring and alert procedure for high-risk countries to limit the exposure of employees travelling abroad. This monitoring is supplemented by procedures for employees working away from their usual workplace. Finally, reactive repatriation solutions are in operation.

2.4.4 RISKS ASSOCIATED WITH THE INADEQUACY OF EMPLOYEE SKILLS WITH REGARD TO THE GROUP'S TRANSFORMATION

The Group's business lines and technologies are evolving rapidly. In this context, internal skills that are poorly adapted to changes in the Group's business lines or activities, a lack of training or anticipation of the necessary skills, or poorly organized knowledge transfer may hinder the Group's growth and the success of its ongoing development.

The quality and skills of the Group's employees are at the heart of its key success factors. The mission of the Human Resources Departments in the various divisions and subsidiaries is to support Executive Management and anticipate the departure of employees with key knowledge and skills, especially when founders or historical leaders leave. They are also in charge of monitoring employees' internal training and succession plans with the purpose of encouraging the transmission of skills and knowledge by experts, the recruitment of highly specific in-demand skills, and the career development of employees (see Section 6.6 "The Group's commitments to its employees" of this Universal Registration Document).

2.4.5 INAPPROPRIATE BUSINESS PRACTICES

The Group has highly developed activity internationally. It deals with markets involving more or less significant unit values and is in contact with a multiplicity of private and public players. Business practices differ from one geographical area to another and decision-making processes can sometimes be long and complex. Inappropriate practices, even without a deliberate intent to obtain an undue advantage, are severely punished by anti-corruption laws. For these reasons, it is critical for the Group to be extremely vigilant about the compliance of its practices with ethical principles and anti-corruption laws. This vigilance on the part of the Group is important to ensure that neither it nor its employees are exposed to financial penalties and/or criminal sanctions.

The Group deploys measures to combat corruption and influence peddling in accordance with the Sapin II Act. Based on a mapping of the corruption risks to which it may be exposed, the Group drafted and deployed an Anti-Corruption Code of Conduct that strengthens the guiding principles of the fight against corruption. A whistleblowing system open to the Group's employees and stakeholders, and training for the managers and employees most exposed to the risk, reinforce the measures to identify and combat corruption (see Section 6.7.2 "Building an efficient, responsible and ethical Group" of this Universal Registration Document).

2.4.6 INSUFFICIENT QUALITY AND PERFORMANCE OF THE PARTNERS OR SUBCONTRACTORS USED

To conduct its activities, the Group mainly handles the most strategic and confidential parts of its business internally, in particular those relating to product design. On the other hand, it relies on a network of partners, suppliers and subcontractors, in particular for all aspects of production, which enables it to have a more variable and flexible cost structure, but generates a risk of experiencing difficulties in meeting an obligation of result that it would have contractually accepted vis-à-vis a customer, due not to an internal default but to a default by a third party with whom the Group has contracted for the performance of the contract in question. Key contracts (including the contract signed in 2019 by ECA for the supply of mine-hunting drones for the Belgian and Dutch Navies) rely in part on major subcontractors that are carefully selected and subject to customer approval. This situation may cause dependence on said subcontractors.

The products or services purchased by the Group may be complex and may contain design or production defects. These defects may also be caused by parts bought from suppliers. The Group may receive complaints concerning the quality of its products and these could lead to costs. This product complexity can also lead to dependency on certain key suppliers, as the required skills are not readily available on the market. A default by these major partners or a change in contractual terms may result in delivery delays to the client or pressure on margins and thus have a significant impact on the Group's performance.

The Group has lengthy experience in managing this risk and applies risk assessment procedures when entering into contracts with customers and control procedures when approving contracts with third parties. It regularly conducts audits of its suppliers to select its partners or identify upstream difficulties and strives to have access to several sources for the same service or key component. Control and verification procedures are also put in place by the Group to detect any such faults, but these may not be sufficient to detect hidden defects. The Group ultimately strives to ensure that its contracts allow it, in the event of a customer's claim caused by the default of one of its partners, to implement proportionate claims against that partner.

2.4.7 CLIENT DEFAULT

Changes to the economic situation around the world may affect the Group's partners, customers and suppliers due to economic slowdowns and financial, geopolitical or social difficulties, or any other factors. The Group has a very wide variety of customers and has the capacity to obtain an increasing number of new references. It is therefore not exposed to any particular customer risk, but it may be heavily impacted if the international economic situation were to significantly weaken its customers or suppliers in general. In 2020, despite the global crisis, the Group did not experience any significant default by any of its customers.

The Group as a whole is not highly dependent on any one client, as shown by the respective shares of the top five clients as a percentage of consolidated revenue (see Note 4.5 in Section 4.1.6 of the consolidated financial statements).

Internationally, the Group is present directly or through distributors in a large number of countries. There is no strong concentration of international revenue in any particular country. An alteration in the quality of country risk would significantly affect the Group.

2.4.8 RISK ASSOCIATED WITH CASH GENERATION LEVELS

The Group's activities require the financing of investments in research and development, which is carried out mainly through equity capital and the use of the French research tax credit.

If the research tax credit were to be called into question in the future, it would threaten the level of R&D expenditure that the Group can reasonably finance and would therefore have an unfavorable impact on the Group's business, financial position and outlook. In addition, even if the Group ensures the compliance and quality of its supporting documentation, it cannot be excluded that the tax authorities may question the methods used by the Company to calculate its research and development expenses. A tax audit of the Group on this subject could have an unfavorable impact on the Group's results and cash flow.

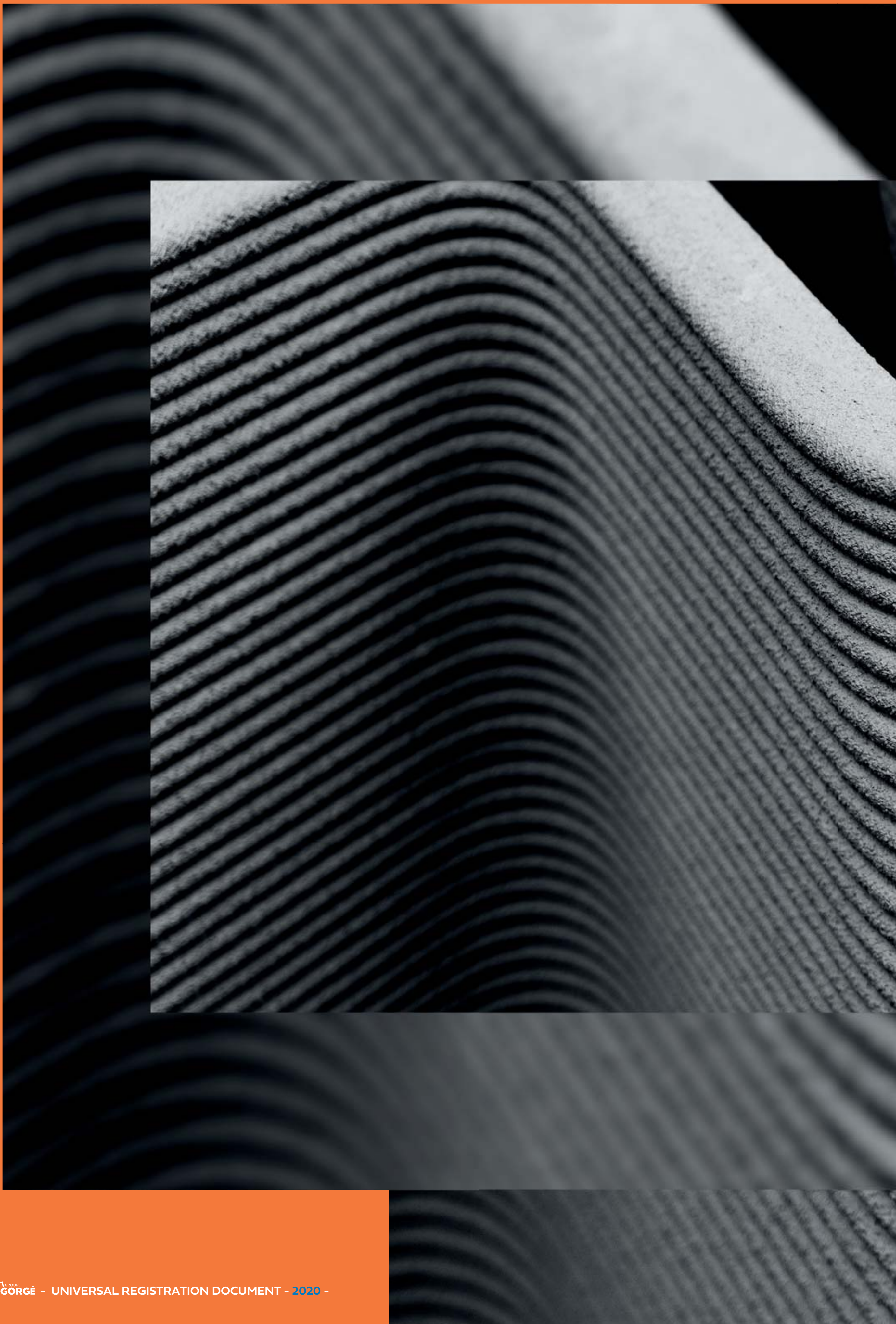
In addition, certain activities may generate significant changes in working capital requirements within a short period of time. These changes are caused by changes in order intake over short periods (since contracts can be large, order intake is not linear) with an impact on the level of down payments on orders, and they are caused by the contract completion cycle (invoicing and payment milestones of clients or suppliers disconnected from cost completion). Changes in working capital requirements can be favorable to the Group but can also be unfavorable and consequently generate cash flow pressures. Tensions that are too frequent or significant or a Group cash position that is too fragile can have an inhibiting impact on the implementation of new development actions.

To limit this risk, the Group pays particular attention to the invoicing and payment terms of customers and suppliers negotiated for contracts. Since the pace of order intake cannot be controlled by the Group or the Group's ability to negotiate payment terms is limited, it is necessary for the Group to acquire the means to finance its activities by means other than cash flow from operations. The Group therefore has access to bank debt as soon as the nature of the investments made allows (full bank financing of real estate investments in particular), so that self-financing is not immobilized whenever possible.

To keep close track of its cash and cash equivalents, the Group monitors changes in the cash position of its subsidiaries on a monthly basis, drives initiatives to improve the cash positions of the divisions and maintains long-term relationships of trust with its bankers, which ensure support if needed. In 2020, the Group made use of the various sources of public funding granted in the context of Covid-19 (State guaranteed loans, subsidies as part of recovery plans). The liquidity risk is described in the notes to the consolidated financial statements (Note 8.3.1 "Liquidity risk").

2.5 OTHER RISKS

Other risks have been identified, namely those related to the loss of professional certifications (APSAD, EDF-UTO, medical certifications) or confidential-defense authorizations, geopolitical risks and foreign exchange risk, insufficient understanding of complex legal commitments or new sectors of activity in which skills are lower. Nevertheless, the analysis of those risks over a three-year period in the context of the Group, which enjoys a high level of dispersion of those risks due to the multiplicity of activities and environments in which it operates, did not lead to the conclusion that those risks were significant or major at the Group level. Obviously, these conclusions were drawn at a given date and in a given environment and could be subject to change.



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CORPORATE GOVERNMENT

This section on corporate governance includes the corporate governance report pursuant to article L.225-37 of the French Commercial Code, which was approved by the Board of Directors on 16 March 2021.

3.1 GOVERNANCE INFORMATION

3.1.1 COMPOSITION OF THE BOARD OF DIRECTORS AND SPECIAL-PURPOSE COMMITTEES

The composition of the Board of Directors reflects the GORGÉ family's control of the Company. However, the Company also promotes democratic and collective representation of all shareholders and the recognition of the prevalence of the Company's corporate interest in the event of conflicts of interest, thanks to the presence of Independent Directors.

The Board endeavors to find Directors with complementary skills that add value to the Board's work, and achieve gender balance.

Thus, at 31 December 2020, the Board of Directors of GROUPE GORGÉ consisted of three Directors representing the majority shareholder of GROUPE GORGÉ, two Independent Directors, and one Director chosen by the employees.

Raphaël GORGÉ (Chairman and Chief Executive Officer), Jean-Pierre GORGÉ and Catherine BENON-GORGÉ represent the majority shareholder of GROUPE GORGÉ, namely PÉLICAN VENTURE. Jean-Pierre GORGÉ is the father of Raphaël GORGÉ and Catherine GORGÉ is the wife of Raphaël GORGÉ.

Sylvie LUCOT and GALI SASU, represented by GRIFFON-FOUCO, are Independent Directors within the meaning of the Middlenext Governance Code (*i.e.* these Directors do not have any links to the Company, its Group or its Management, such as might compromise the exercise of their freedom of judgment). Each year, the Board reviews the independence of each of the Independent Directors with regard to the independence criteria included in the Middlenext Governance Code.

The next shareholders' meeting, to be held on 18 June, will be asked to appoint a new Director: Hervé GUILLOU. Despite his rich career and his independence of mind, Mr GUILLOU cannot be considered independent because he is Chairman of the Board of Directors of GROUPE ECA and he receives remuneration from GROUPE ECA, a wholly-owned subsidiary of GROUPE GORGÉ.

In 2018, the Company appointed a salaried Director (Céline LEROY) pursuant to article L.225-27 of the French Commercial Code. The statutory duration of the terms of office of the Directors is six years. They may be terminated at any time in accordance with the law and legal precedent.

Two Board committees (the Audit Committee and the Remuneration Committee) were established. The roles and composition of these committees are presented below (see 3.1.8 and 3.1.9). The Board also meets once a year in the form of a Strategy Committee (see 3.1.10).

At 1 January 2021, the composition of the Board of Directors and the special-purpose Committees was as follows:

Name	Inde-pendent	Audit Committee	Remuneration Committee	Date of first appointment	Term expires	Relevant experience and expertise contributed
Raphaël GORGÉ CEO	No	/	/	SM of 17 June 2004	SM approving the financial statements for the financial year ending 31/12/2021.	Strategy, Executive Management, finance, financial reporting, industry, and technology
Jean-Pierre GORGÉ Director	No	Member	/	SM of 11 March 1991	SM approving the financial statements for the financial year ended 31/12/2020. The renewal of the term of office will be proposed at the SM of 18 June 2021.	Strategy, Executive management, industry, defense
Catherine GORGÉ Director	No	/	/	SM of 8 June 2012	SM approving the financial statements for the financial year ending 31/12/2023.	Project management, 3D printing, luxury
Martine GRIFFON-FOUCO (GALI SASU) Director	Yes	/	Chairwoman	SM of 8 June 2012	SM approving the financial statements for the financial year ending 31/12/2023.	Nuclear industry, Corporate management, remuneration
Sylvie LUCOT Director	Yes	Chairwoman	Member	SM of 18 June 2006	SM approving the financial statements for the financial year ending 31/12/2022.	Defense, financial reporting, finance
Céline LEROY Employee Director	No	/	/	Elected in December 2018	SM approving the financial statements for the financial year ending 31/12/2023.	Legal

3.1.2 PRESENTATION OF THE MEMBERS OF THE BOARD

At 1 January 2021:

Raphaël GORGÉ

Chairman of the Board of Directors and Chief Executive Officer

Main function: Chairman and Chief Executive Officer of GROUPE GORGÉ

Raphaël GORGÉ joined GROUPE GORGÉ (named FINUCHEM at the time) in 2004 after a ten-year career in finance and technology. He initiated and implemented the Group's withdrawal from the automotive sector (70% of its revenue in 2004), then steered its development toward new areas of business. Raphaël GORGÉ has been the Chief Executive Officer of the Group since 2008. He has an engineering degree from the École Centrale de Marseille and holds an advanced degree in molecular modelling.

First appointment: SM of 17 June 2004

Term expires: SM approving the financial statements for the year ending 31 December 2021

Other offices and positions held within the Group:

Chairman of the Board of Directors of PRODWAYS GROUP SA*

Chairman of the Board of Directors of ECA SA* until 30 December 2020

Director of GROUPE ECA (since 31 December 2020)

Legal representative of GROUPE GORGÉ SA as Chairman of VIGIANS SAS (formerly BALISCO)

Manager of SCI DES CARRIÈRES

Chairman of STONI SAS

General Manager of GORGÉ EUROPE INVESTMENT BV

Legal representative of GROUPE GORGÉ SA as Chairman of VIGIANS PROTECTION INCENDIE SAS

Other offices and positions held outside the Group:

Deputy CEO of PÉLICAN VENTURE SAS

Chairman of the Supervisory Board of SOPROMEC PARTICIPATIONS SA

Manager of SOCIÉTÉ CIVILE COMPAGNIE INDUSTRIELLE DU VERDELET

Manager of SCI AUSSONNE

Legal representative of PÉLICAN VENTURE SAS as Chairman of VIBRANIUM SAS

Legal representative of PÉLICAN VENTURE SAS as Chairman of INTRASEC HOLDING SAS (since 07/02/2020)

Legal representative of INTRASEC HOLDING SAS as Chairman of INTRASEC SAS (since 26/02/2020)

Legal representative of VIBRANIUM SAS as Chairman of WAKANDA SAS (since 01/07/2020)

Legal representative of WAKANDA SAS as Chairman of RESOLVING GROUP SAS (since 01/07/2020)

Legal representative of RESOLVING GROUP SAS as Chairman of RESOLVING SAS (since 01/07/2020)

Legal representative of PÉLICAN VENTURE SAS as Chairman of PÉLICAN 1 SAS (since 21/06/2020)

Offices held during the past five years in which Raphaël GORGÉ is no longer serving:

Director and Chairman of the Board of ECA SA* until 30 December 2020

Chairman of PORTAFEU NUCLÉAIRE SAS (until 13 May 2016)

Member of the Executive Committee of LA VÉLIÈRE CAPITAL SAS (until 18 October 2016)

Chairman of NUCLÉACTION SAS (until 31 January 2017)

Chairman of FINU 10 SAS (until 10 April 2018)

Chief Executive Officer of PRODWAYS GROUP SA* (separation of the roles of Chief Executive Officer and Chairman of the Board of Directors in October 2018)

Legal representative of PRODWAYS GROUP SA* as Chairman of CRISTAL SAS, PRODWAYS SAS, PRODWAYS DISTRIBUTION SAS, PRODWAYS RAPID ADDITIVE FORGING SAS (formerly PRODWAYS 1), PRODWAYS 2 SAS, PODO 3D SAS, PRODWAYS ENTREPRENEURS SAS, PRODWAYS CONSEIL SAS, AVENAO INDUSTRIE SAS, 3D SERVICAD SAS, AVENAO SOLUTIONS 3D SAS, IP GESTION SAS, INTERSON PROTAC SAS (until 4 October 2018)

Manager of SCI MEYSSE (until 28 June 2019)

Manager of SCI THOUVENOT (until 27 December 2019)

* *Listed company.*

Jean-Pierre GORGÉ Director and Founder of GROUPE GORGÉ Member of the Audit Committee	**Main function:** Chairman of PÉLICAN VENTURE SAS Before founding GROUPE GORGÉ (previously named FINUCHEM) in 1988, Jean-Pierre GORGÉ held various positions in public administration, including deputy Director of the Chemical Industries Department of the French Ministry of Industry as well as SMI delegate and head of the Regional Affairs Department at the Ministry of Industry. Jean-Pierre GORGÉ has an armament engineering degree from the École Polytechnique (X62) and a degree from the Institut d'Études Politiques in Paris (1967). **First appointment:** Board meeting of 11 March 1991 **Term expires:** SM approving the financial statements for the year ended 31 December 2020. The renewal of his term of office will be proposed at the SM of 18 June 2021 **Other offices and positions held within the Group:** Director of ECA SA* until 30 December 2020 Director of GROUPE ECA (since 31 December 2020) **Other offices and positions held outside the Group:** Chairman of PÉLICAN VENTURE SAS Vice-Chairman of the Supervisory Board of SOPROMEC PARTICIPATIONS SA Manager of SOCIÉTÉ CIVILE G21 Manager of SARL TROIDEM Manager of SCI BÉTHUNE 34 Legal representative of PÉLICAN VENTURE SAS as Chairman of VIBRANIUM SAS Legal representative of PÉLICAN VENTURE SAS as Chairman of INTRASEC HOLDING SAS (since 07/02/2020) Legal representative of INTRASEC HOLDING SAS as Chairman of INTRASEC SAS (since 26/02/2020) Legal representative of VIBRANIUM SAS as Chairman of WAKANDA SAS (since 01/07/2020) Legal representative of WAKANDA SAS as Chairman of RESOLVING GROUP SAS (since 01/07/2020) Legal representative of RESOLVING GROUP SAS as Chairman of RESOLVING SAS (since 01/07/2020) Legal representative of PÉLICAN VENTURE SAS as Chairman of PÉLICAN 1 SAS (since 21/06/2020) **Offices held during the past five years in which Jean-Pierre GORGÉ is no longer serving:** Director of ECA SA* until 30 December 2020 Permanent representative of PÉLICAN VENTURE as Chairman of FRANCEOLE HOLDING SAS (until July 2017)
Catherine GORGÉ Director	**Main function:** Chairwoman of CBG CONSEIL SAS Catherine GORGÉ began her career as a process engineer at ATLANTIC RICHFIELD, then joined the TECHNIP Group as a project engineer. After working at GROUPE GORGÉ's Industrial Projects and Services division, she joined the luxury sector. There, she held the position of Director of Development and Operations at the PUIG group, first for the PACO RABANNE brand, then for the MAJE brand. She currently runs the company CBG CONSEIL, specializing in business consulting. Between 2014 and 2019, she conducted consulting assignments within the PRODWAYS GROUP. Catherine GORGÉ is also a Director of GROUPE ECA (a subsidiary of GROUPE GORGÉ) and PRODWAYS GROUP*. Catherine GORGÉ has an engineering degree from École Centrale de Marseille and holds an advanced degree in project management. **First appointment:** SM of 8 June 2012 **Term expires:** SM approving the financial statements for the financial year ending 31 December 2023 Other offices and positions held within the Group: Director of ECA SA* (until 30 December 2020) Director of PRODWAYS GROUP SA* Director of GROUPE ECA (since 31 December 2020) **Other offices and positions held outside the Group:** Chairwoman of CBG CONSEIL **Offices held during the past five years in which Catherine GORGÉ is no longer serving:** Director of ECA SA* until 30 December 2020

* *Listed company.*

Sylvie LUCOT Independent Director Chairwoman of the Audit Committee Member of the Remuneration Committee	**Main function:** None Sylvie LUCOT was Vice-President of International Corporate Affairs at the THALES group from 2008 until her retirement in February 2014. From 1986 to 1997, she was the Director of Investor Relations at the THOMSON Group and THOMSON-CSF, and then from 1998 to 2008, at the THOMSON-CSF Group, which became the THALES Group in 2000. From 1974 until joining the THOMSON Group in 1984, she was a financial analyst at DAFSA and the French Ministry of Industry. Between 2011 and early 2019, Sylvie LUCOT was an employee shareholders' representative on the Board of the AMF. **First appointment:** SM of 18 December 2006 **Term expires:** SM approving the financial statements for the year ending 31 December 2022 **Other offices and positions held within the Group:** None **Other offices and positions held outside the Group:** None **Offices held during the past five years in which Sylvie LUCOT is no longer serving:** Member of the Board of the AMF (until January 2019) Member of the AMF Retail Investors Consultative Commission Member of the Office of the FAS (until 2020)
Gali SASU, represented by Martine GRIFFON-FOUCO Then SASU GALI (represented by Martine GRIFFON-FOUCO) Independent Director Chairwoman of the Remuneration Committee	**Main function:** Chairwoman of GALI SASU (personal holding company) Martine GRIFFON-FOUCO has been a Director of SETEC NUCLÉAIRE within GROUPE D'INGÉNIERIE SETEC since 2016. Previously she was a member of the Executive Board, Executive Vice President and Head of Corporate & Business Development at ASSYSTEM SA from 2007 to 2014. Before that she held various positions at CEGELEC, EDF and the French CEA (Atomic Energy Commission). At EDF, Martine GRIFFON-FOUCO was a member of the Executive Committee as the Director of Communications and the Director of the Blayais Nuclear Power Plant from June 1994 to November 1998. During the 1980s, she created the first "human factor" teams in the nuclear industry while at EDF and the CEA. Martine GRIFFON-FOUCO has a degree in engineering (ENSMA in Poitiers) along with, among others, a degree in psychology. **First appointment**: SM of 8 December 2012 **Term expires:** Ms GRIFFON-FOUCO resigned from her mandate. Her company, SASU GALI, was co-opted to replace her on 23 March 2020. The term expires at the SM approving the financial statements for the financial year ending 31 December 2023 **Other offices and positions held within the Group:** None **Other offices and positions held outside the Group:** Director of ISAE-ENSMA Manager of SCI LAUFRED Manager of SCI GALA Director of KEDGE Director of RESOLIS Legal representative of GALI SASU as a member of the Supervisory Board of ORAPI (since July 2020) **Offices held during the past five years in which Martine GRIFFON-FOUCO is no longer serving:** GIAT INDUSTRIES (until December 2015)

* *Listed company.*

Hervé GUILLOU

Non-independent Director whose candidacy will be submitted to the SM of 18 June 2021

Main function: see mandates below.

Main function: In 1978, Hervé GUILLOU began his career at the Naval Construction Department in Cherbourg, as an engineer specializing in diving safety on Ruby-type nuclear submarines. He was then responsible for the nuclear propulsion project for Le Triomphant-type nuclear submarines at DCN Indret (1981-1989).

In 1989, he joined the Directorate General for Armaments (DGA), on the staff of Yves Sillard, then Delegate General for Armaments, as an advisor and then Chief of Staff. From 1993 to 1996, he was Director of the Joint Project Office Horizon, an anti-aircraft frigate program, where he set up the tripartite program office in London (United Kingdom, Italy, France).

From 1996 to 2003, he was Deputy Chief Executive Officer of TECHNICATOME, an engineering and project management company specializing in naval propulsion reactors and nuclear research facilities. At the same time, from 1999 to 2003 he was Chairman of PRINCIPIA (scientific engineering solutions in the naval, offshore and energy sectors) and of TECHNOPLUS INDUSTRIES (high-precision engineering).

In 2003, he joined the EADS group as CEO of Space Transportation, the French-German division specializing in Ariane launchers, orbital infrastructures and missiles for the French deterrent force.

From 2005 to 2011, he was CEO of DEFENCE AND COMMUNICATIONS SYSTEMS, now CASSIDIAN SYSTEMS, a division based in Munich, established in six countries, specializing in telecommunication and security command systems. Co-Chairman of ATLAS ELECTRONIK and member of the Board of PATRIA.

In 2011, he founded CASSIDIAN CYBERSECURITY, where he became CEO, before being appointed Corporate Executive, Defense & Security within EADS. From 2012 to 2014, he was Senior Advisor Defense and Security at EADS.

In July 2014, he was appointed CEO of NAVAL GROUP, a position he held for six years.

In 2017, he took over as Chairman of GICAN and of the Strategy Committee for the Marine Industry.

In March 2020 he was appointed Vice-Chairman of the French General Council for Armaments.

In January 2021 he was appointed Chairman of the Board of Directors of GROUPE ECA.

Hervé GUILLOU is a graduate of École Polytechnique (X73), ENSTA Paris and INSTN. He is also a graduate of INSEAD and a certified director of IFA Sciences Po.

First appointment: first appointment submitted to the SM of 18 June 2021

Term expires: SM approving the financial statements for the financial year ending 31 December 2026.

Other offices and positions held within the Group:

Chairman of the Board of Directors of GROUPE ECA SA

Member of the Supervisory Board of BE MAURIC

Other offices and positions held outside the Group:

Chairman of GICAN

Vice-Chairman of the French General Council for Armaments

Chairman of 3CAP Advisor SAS

Director of COMEX SA

Director of GROUPE SNEF SA

Director of ORTEC EXPANSION SA

Director (Board of Directors) of NAVIRIS SpA (Italy)

Offices held during the past five years of which Hervé GUILLOU is no longer serving:

Chairman and Chief Executive Officer of NAVAL GROUP

Chairman of CICS (Conseil des Industries de la Confiance et de la Sécurité)

Member of the Board of Directors of CHANTIERS DE L'ATLANTIQUE and Chairman of the Audit Committee

* *Listed company.*

Céline LEROY Employee Director	**Main function:** General Counsel of GROUPE GORGÉ Céline LEROY has been General Counsel of GROUPE GORGÉ since 2007. She earned a CAPA (Certificate of Aptitude for the Legal Profession) and a DESS (advanced degree) in corporate law and taxation at Université Paris I, then practiced as an attorney at the firm of FRESHFIELDS BRUCKHAUS DERINGER in the Finance and M&A Departments before spending a year on secondment in the Legal Department of DANONE. **First appointment:** election of 18 December 2018 **Term expires:** SM approving the financial statements for the financial year ending 31 December 2023 **Other offices and positions held within the Group:** Director of ECA SA* until June 2020 Director of PRODWAYS GROUP SA* (since June 2019) Non-voting Board member of GROUPE ECA SA (since 31 December 2020) **Other offices and positions held outside the Group:** None **Offices held during the past five years in which Céline LEROY is no longer serving:** Director of ECA SA* until June 2020

* *Listed company.*

The business address of the Directors is the registered office of the Company.

3.1.3 GENDER BALANCE ON THE BOARD OF DIRECTORS AND SPECIAL-PURPOSE COMMITTEES

The Board of Directors follows the principle of gender balance with four women and two men on the Board at this time.

When electing an employee Director, every candidacy should include, in addition to the candidate's name, the name of his or her potential replacement, and the candidate and replacement must be of different genders.

In view of the size and composition of the Board, the composition of the special-purpose committees is guided more by the skills of its members than by the goal of perfect gender balance on the committees. The Remuneration Committee is currently composed of two women, and the Audit Committee is composed of one man and one woman.

The choice of Directors (other than employee Directors) is guided primarily by the search for skills that complement those already represented on the Board, knowledge of the markets in which the Group is active, and issues the Group may face.

3.1.4 INFORMATION ON SECURITIES TRANSACTIONS BY CORPORATE OFFICERS

To the best of the Company's knowledge, the corporate officers, the Group's executives and the persons mentioned in article L.621-18-2 of the French Monetary and Financial Code, subject to spontaneous declaration of their securities transactions, carried out no securities transactions during the 2020 financial year.

As part of the merger-absorption of ECA on 30 December 2020, Jean-Pierre GORGÉ received 189 GROUPE GORGÉ shares in consideration for the 106 ECA shares he held directly. PÉLICAN VENTURE received 33,255 GROUPE GORGÉ shares in consideration for the 18,476 ECA shares it held. Catherine GORGÉ received 22,779 GROUPE GORGÉ shares in consideration of the 12,655 ECA shares she held.

3.1.5 NON-CONVICTION AND CONFLICTS OF INTEREST

To the best of the Company's knowledge, at the date of preparation of this document, no member of the Board of Directors or any executive corporate officer has been, during the last five years, convicted of fraud, involved in a bankruptcy, receivership, liquidation or placing of companies under judicial administration by virtue of having served as a member of an administrative, management or supervisory body thereof, the target of official public questioning and/or sanctioned by a statutory or regulatory authority (including designated professional bodies), barred by a court of law from serving as a member of an administrative, management or supervisory body of an issuer or from participating in the management or conduct of the affairs of an issuer.

To the best of GROUPE GORGÉ's knowledge, at the date of preparation of this document, no potential conflict of interest has been identified between the private interests and/or other duties of any of the members of the administrative, management or supervisory bodies and their duties to the issuer (with the potential exception of non-independent agents as specified in Section 3.1.1 above).

To the best of GROUPE GORGÉ's knowledge, at the date of preparation of this document, there are no arrangements or agreements entered into with the main shareholders or with customers, suppliers or others by virtue of which a corporate officer has been selected (except in the case of non-independent agents with links to the majority shareholder as specified in Section 3.1.1 above).

To the best of GROUPE GORGÉ's knowledge, at the date of preparation of this document, the persons who are members of an administrative, management or supervisory body have not accepted any restrictions on the transfer, within a certain period of time, of the securities of the issuer that they hold.

3.1.6 EXECUTIVE MANAGEMENT

3.1.6.1 Choice of procedures for exercising Executive Management

At its 14 September 2011 meeting, the Board of Directors resolved that the positions of Chairman of the Board of Directors and of Chief Executive Officer would be held by a single person.

3.1.6.2 Scope of the powers of the Chief Executive Officer

No restrictions were placed on the powers of the CEO when he was appointed. The CEO is therefore vested with the broadest powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly assigned by law to the general shareholders' meeting and to the Board of Directors.

3.1.6.3 Terms of office

Executive corporate officers currently in office were appointed for an indeterminate term.

They may be terminated at any time in accordance with the law and legal precedent.

3.1.7 CONDITIONS FOR THE PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS DURING THE PERIOD

The rules governing the operation of the Board of Directors can be found in the Articles of Association and are set out in detail in the Board's Internal Regulations.

3.1.7.1 Frequency of Board meetings and attendance record

Over the past financial year, the Board of Directors met ten times. Directors have a very strong attendance record (90%).

3.1.7.2 Calling of Board meetings

In accordance with article 15 of the bylaws, Board meetings may be called by any means, including verbally.

In 2020, Board meetings were called by email.

Pursuant to article L.225-238 of the French Commercial Code, the statutory auditors were invited to attend the Board meetings held to review and approve the interim and annual financial statements.

3.1.7.3 Provision of information to Directors

Directors were provided with all the papers, technical dossiers and information required to carry out their duties either when meetings were called or prior to Board meetings.

3.1.7.4 Holding of Board meetings

Meetings of the Board of Directors are held at the registered office. The Internal Regulations approved by the Company's Board of Directors allow the use of video-conferencing or other telecommunications technologies subject to the regulatory requirements for holding the meetings of the Board of Directors.

3.1.7.5 Decisions taken

In the course of the past year, the Board of Directors took routine decisions that were in the Company's best interests.

The Board met several times during the year to review the progress of the Group's activity in the context of the Covid-19 health crisis and the impact on the Group's projects. In particular, the Board revised downwards the amount of the dividend initially envisaged to take account of the uncertainties related to the health crisis.

The Board also authorized the merger-absorption of ECA by GROUPE GORGÉ, preceded by a simplified public tender offer initiated by ECA, then the transfer to FINU12 (renamed GROUPE ECA) of the shares in the operating companies of ECA received by GROUPE GORGÉ on the occasion of the merger.

3.1.7.6 Minutes of Board meetings

Minutes of Board of Directors meetings are drawn up following each meeting and sent to all Directors at the latest before the next Board meeting.

3.1.7.7 Assessment of the work of the Board

In order to comply with Recommendation No. 11 of the Middlenext Governance Code, the Directors are invited to express their views on the functioning of the Board and on the preparation of its work at the Board meetings' approving the annual financial statements.

3.1.8 AUDIT COMMITTEE

The Audit Committee was set up in 2012. As of 31 December 2020, it was composed of Sylvie LUCOT (Chairwoman) and Jean-Pierre GORGÉ.

Pursuant to article L.823-19 of the French Commercial Code and without prejudice to the powers of the Board, the Audit Committee has the following duties:

- follow the financial reporting preparation process and, where required, formulate recommendations to ensure the integrity thereof;
- monitor the efficiency of internal control and risk management systems and, where applicable, internal audit systems with regard to procedures for preparing and processing accounting and financial information, without impacting its independence;
- make a recommendation on the proposed appointment of the statutory auditors by the shareholders' meeting to the Board in accordance with regulations, and make a recommendation on the proposed reappointment of the statutory Auditor(s) to the Board in accordance with regulations;
- monitor the statutory auditors' audit of the financial statements and take the comments and findings of the H3C (French auditing oversight body) into account following the audits conducted in accordance with regulations;

- ensure the statutory auditors' compliance with the independence criteria under the terms and in accordance with the procedures set out by the applicable regulations;
- approve the provision of services by the statutory auditors other than the certification of the financial statements pursuant to the applicable regulations;
- regularly report to the Board on the performance of its duties (including on certifying the financial statements, on how said certification contributed to the integrity of financial reporting, and on the role it played in this process); promptly inform the Board of any difficulties encountered.

In the course of preparing the interim and annual financial statements, the Audit Committee meets with the Company's statutory auditors to finalize the interim and annual financial statements and to get updates from the statutory auditors on their work. In this respect, it ensures the independence of the statutory auditors.

The Audit Committee was not required to vote during the past financial year on the provision of services by the statutory auditors other than the certification of the financial statements. It took part in discussions with the Company and the statutory auditors during the preparation of the statutory auditors' report to the Audit Committee.

The Board of Directors followed the Audit Committee's recommendations.

3.1.9 REMUNERATION COMMITTEE

The Remuneration Committee was set up in 2012. Currently, it consists solely of Independent Directors, namely Martine GRIFFON-FOUCO (Chairwoman) and Sylvie LUCOT.

The Remuneration Committee is responsible for making all recommendations to the Board regarding the remuneration and benefits that corporate officers of GROUPE GORGÉ receive. These proposals involve the balance of the various components of overall remuneration (including any remuneration received from affiliates) and their allocation conditions, specifically in terms of performance.

In 2019-2020, this committee also issued recommendations concerning the remuneration of the executive corporate officers of ECA SA.

3.1.10 STRATEGY COMMITTEE

Given its size, the Board did not decide to create a Strategy Committee separate from the Board of Directors. However, in addition to meetings relating to the review and approval of specific development or external growth projects, the Company's Board of Directors meets every year, generally in June, to review the Group's trajectory and discuss its development strategy.

3.2 CORPORATE OFFICER REMUNERATION POLICY

(7th to 9th resolutions of the shareholders' meeting of 18 June 2021)

The determination, review and implementation of the remuneration policy for each of the corporate officers are conducted by the Board of Directors on the recommendation of the Remuneration Committee, which is composed exclusively of Independent Directors. Furthermore, the corporate officer in question does not take part in the deliberations or the vote on these matters.

The Remuneration Committee meets each year to discuss a number of issues, including the remuneration of the corporate officers for the current year, the calculation of their bonuses for the past year based on the performance achieved, and bonus criteria for the future.

For its work, the Remuneration Committee may rely on external studies that indicate market practices for comparable companies. It takes into account any remuneration received by the corporate officers elsewhere in companies controlled by GROUPE GORGÉ (in particular GROUPE ECA and PRODWAYS GROUP SA) or the company controlling GROUPE GORGÉ.

In addition, pursuant to the recommendations of R13 of the Middlenext Corporate Governance Code, the Remuneration Committee takes the following principles into account:

- **Comprehensiveness:** the remuneration determined for executive corporate officers must include the fixed portion, variable portion (bonus), stock options, free shares, Directors' fees, conditions for retirement and special benefits in its overall value;
- **Balance:** each remuneration component must be justified and be in the best interests of the Company;
- **Benchmark:** to the extent possible remuneration must be valued in relation to a benchmark business and market and be proportional to the Company's position, taking into account the inflationary effect;
- **Consistence:** the remuneration of the executive corporate officer must be consistent with that of the Company's other executives and employees;
- **Clarity:** the rules must be simple and transparent, meaning the performance criteria used to determine the variable portion of remuneration or any stock options or free shares allocated must be in line with the Company's performance, correspond to its objectives, be demanding and easily explained, and be as sustainable as possible. They must be described without bringing the confidentiality of certain components into question;
- **Moderation:** remuneration must be determined and stock options or free shares allocated in a sensible manner and take into account the Company's best interests, market practices and executive performance;
- **Transparency:** annual presentation to the shareholders of all remunerations.

Lastly, as part of the decision-making process followed for the determination and review of the remuneration policy, the conditions of remuneration and employment of the company's employees were taken into account by the Remuneration Committee and the Board.

Following the work of the Remuneration Committee, the Board of Directors chooses the criteria for the variable remuneration of the executive corporate officers in line with the Group's strategy as described in Section 1.3, taking into account the interests of all stakeholders while respecting the corporate interest and the Company's continued existence.

No remuneration components of any nature whatsoever may be determined, allocated or paid by the Company, nor any commitment made by the Company if it is not in accordance with the approved remuneration policy or, in its absence, with the remuneration or practices existing within the Company. However, in the event of exceptional circumstances, the Board of Directors, on the recommendation of the Remuneration Committee, may depart from the application of the remuneration policy if such departure is temporary, in accordance with the Company's interests and necessary to ensure the Company's continued existence or viability in accordance with the second paragraph of Section III of article L.225-37-2 of the French Commercial Code. These justifications shall be brought to the attention of the shareholders in the next corporate governance report. Furthermore, the executive corporate officer in question does not take part in the deliberations or the vote on these matters.

In the event of a change in governance, the remuneration policy shall be applied to the Company's new corporate officers, with, if needed, the necessary adaptations to take into account the executive's missions, the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group and independence and the practices of other similar and comparable companies.

3.2.1 REMUNERATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF GROUPE GORGÉ

Currently, the offices of Chairman of the Board of Directors and Chief Executive Officer are held by a single person, Raphaël GORGÉ.

In the event that these functions are separated in the future, the Board shall set the compensation of the Chairman of the Board of Directors and the Chief Executive Officer, adapting the Group's compensation principles if necessary.

In particular, the Board shall take into account the executive's duties, the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group and independence and the practices of other similar and comparable companies.

If the functions are separated, the Chairman would be entitled to fixed remuneration, any variable remuneration based on special or executive assignments, remuneration as a Director (provided that he or she is also an Independent Director) and the standard benefits in kind.

The variable remuneration principles and criteria applicable to the Chairman and Chief Executive Officer and to the Deputy Chief Executive Officer detailed below would be applicable to the Chief Executive Officer if the functions are separated, with any necessary adaptations, to take into account the new executive's missions, the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group and independence and the practices of other similar and comparable companies.

3.2.1.1 Fixed remuneration

The Chairman and Chief Executive Officer receives annual fixed remuneration from GROUPE GORGÉ in respect of his office.

The total fixed remuneration of the Chairman and Chief Executive Officer is determined by taking into account the remuneration received, where applicable, by both GROUPE GORGÉ and the controlling and controlled companies.

This remuneration is also appraised in light of executive remuneration at firms of similar size or business, the Group's overall performance, and the remuneration of the senior executives of GROUPE GORGÉ subsidiaries.

For the 2021 financial year, the Board of Directors decided to keep the overall fixed remuneration of Raphaël GORGÉ unchanged.

3.2.1.2 Variable remuneration

The Chairman and Chief Executive Officer receives annual variable remuneration from GROUPE GORGÉ in respect of his office.

The variable remuneration of the Chairman and Chief Executive Officer is determined by taking into account the remuneration received, where applicable, by both GROUPE GORGÉ and the controlling and controlled companies.

On a proposal by the Remuneration Committee, the Board of Directors determines the overall amount of variable remuneration and the applicable performance criteria as stated in Section 3.2 above.

Concerning the amount of variable remuneration, the Board of Directors considers that the Chairman and Chief Executive Officer, as a significant shareholder in GROUPE GORGÉ, is more motivated by his equity interest in the Group than by the variable portion of his remuneration. However, the Board of Directors also believes that allocating variable remuneration based on performance criteria remains a good practice.

As such, since the 2019 financial year, the Board of Directors has decided that the total variable remuneration of Raphaël GORGÉ will be limited to a maximum of one third of his total fixed remuneration.

The variable remuneration is linked to the achievement of performance criteria established by the Board of Directors on the proposal of the Remuneration Committee. For 2021, the objectives concern the levels of revenue, operating income and cash generation, as well as the levels of the CSR indicators. These variable remuneration criteria contribute to the objectives of the remuneration policy by aligning the interests of the Director with the Group's strategy and objectives.

The expected level of achievement of the quantitative criteria was pre-established by the Board of Directors on the proposal of the Remuneration Committee but is not made public for reasons of confidentiality.

To determine the extent to which the performance criteria for variable remuneration have been met, the Board of Directors, on the recommendation of the Remuneration Committee, reviews the Group's performance over the past financial year.

No multiannual variable remuneration is set, but it could be in the future.

3.2.1.3 Exceptional remuneration

Under unusual circumstances or in the event of exceptional success, the Board of Directors may decide to allocate exceptional remuneration to the Chairman and Chief Executive Officer. The reasons for this decision would be explained. This exceptional remuneration would be capped at the amount of the executive's total fixed remuneration.

In the event of the appointment of new executive corporate officers, the Board of Directors may decide to grant exceptional remuneration related to the assumption, termination or change of functions based on market practices and the executive's experience.

3.2.1.4 Stock options and free shares

The Board of Directors may also grant stock options or free shares to executive corporate officers under the conditions provided by law. To do this, it is granted the necessary authorizations as voted by the shareholders' meeting.

Any possible allocation will be subject to the achievement of performance criteria set by the Board of Directors and the establishment of a percentage of shares to be retained by the executive.

To date, no stock options or free shares have been granted to the Chairman and Chief Executive Officer.

3.2.1.5 Other commitments and benefits of all kinds

The Chairman and Chief Executive Officer is the beneficiary of the following commitments:

Commitments made by the Company or by a controlled or controlling company	Main features	Criteria for allocation	Conditions of termination
Retirement benefits	N/A	N/A	N/A
Non-compete compensation	N/A	N/A	N/A
Defined-benefit pension commitments	N/A	N/A	N/A
Defined-contribution pension commitments	The Chairman and Chief Executive Officer has the same supplementary pension contract as all GROUPE GORGÉ executives. The contributions paid by the company amount to 2.5% of his gross remuneration.	N/A	N/A
Other commitments corresponding to remuneration components, indemnities or benefits that are or may be due as a result of termination or change of functions, or subsequent thereto	N/A	N/A	N/A

The Chairman and Chief Executive Officer is also the beneficiary of mandatory collective retirement, mutual insurance and provident insurance plans in accordance with the Company's policy in this regard (for management grade).

The Chairman and Chief Executive Officer is entitled to standard benefits in kind (company car, executive unemployment insurance, etc.).

The Chairman and Chief Executive Officer may not receive remuneration as a Director, in accordance with the Company's remuneration policy: the Board of Directors has decided that only Directors who are independent and not otherwise remunerated by a significant shareholder would receive compensation as a member of the Board.

In the event that new executive corporate officers are appointed, the Board of Directors may also decide to grant other benefits in kind, complementary pension schemes or exceptional remuneration, (including compensation or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof) in accordance with market practices, the personal situation of the executive and his or her experience.

3.2.2 REMUNERATION POLICY FOR THE DEPUTY CEO OF GROUPE GORGÉ

In 2019 the Board of Directors appointed Ms de COINTET as Deputy Chief Executive Officer. This function has not been filled in recent years.

The remuneration policy for the Deputy CEOs, which is set by the Board on the recommendations of the Remuneration Committee, is as follows:

3.2.2.1 Fixed remuneration

The Deputy CEO receives annual fixed remuneration from GROUPE GORGÉ in respect of her office.

The fixed remuneration of the Deputy CEO is assessed in light of the level of difficulty of her responsibilities, experience in the position, length of service in the Group, remuneration of senior executives of companies comparable in terms of size or business, the Group's overall performance and the remuneration of the Chairman and Chief Executive Officer of GROUPE GORGÉ and the main executives of GROUPE GORGÉ's subsidiaries.

3.2.2.2 Variable remuneration

The Deputy CEO receives annual variable remuneration from GROUPE GORGÉ in respect of her office.

The variable remuneration of the Deputy CEO is determined taking into account the remuneration received, where applicable, both by GROUPE GORGÉ and by the controlling and controlled companies, the level of difficulty of her responsibilities, her experience in the position, seniority in the Group and equity interests in the Group, as well as the practices of other similar and comparable companies.

On a proposal by the Remuneration Committee, the Board of Directors determines the overall amount of variable remuneration and the applicable performance criteria as stated in Section 3.2 above.

The annual variable remuneration is capped at a maximum of 50% of the annual fixed remuneration.

The criteria for determining the variable remuneration adopted by the Board of Directors for 2021 concern objectives in terms of operating income and cash generation, objectives concerning CSR indicators and qualitative objectives linked to the implementation of structuring contracts.

The expected level of achievement of the quantitative criteria was pre-established by the Board of Directors on the proposal of the Remuneration Committee but is not made public for reasons of confidentiality.

To determine the extent to which the performance criteria for variable remuneration have been met, the Board of Directors, on the recommendation of the Remuneration Committee, reviews the Group's performance over the past financial year.

These variable remuneration criteria contribute to the objectives of the remuneration policy in that they align the remuneration of the executive corporate officer with the performance of the Group and the achievement of strategic projects.

If it is appropriate and in the interest of the Company, the Deputy CEO could receive multiannual variable remuneration.

3.2.2.3 Exceptional remuneration

Under unusual circumstances or in the event of exceptional success, the Board of Directors may decide to allocate exceptional remuneration to the Deputy CEO. The reasons for this decision would be explained. This exceptional remuneration would be capped at the amount of the executive's total fixed remuneration.

In the event of the appointment of new executive corporate officers, the Board of Directors may decide to grant exceptional remuneration related to the assumption, termination or change of functions based on market practices and the executive's experience.

3.2.2.4 Stock options and free shares

The Board of Directors may also grant stock options or free shares to the Deputy CEO, under the conditions provided by law. To do this, it is granted the necessary authorizations as voted by the shareholders' meeting.

Any possible allocation will be subject to the achievement of performance criteria set by the Board of Directors and the establishment of a percentage of shares to be retained by the executive.

To date, no stock options or free shares have been granted to the Deputy CEO.

3.2.2.5 Other commitments and benefits of all kinds

The current Deputy CEO is the beneficiary of the following commitments:

Commitments made by the Company or by a controlled or controlling company	Main features	Criteria for allocation	Conditions of termination
Retirement benefits	None	N/A	N/A
Non-compete compensation	None	N/A	N/A
Defined-benefit pension commitments	None	N/A	N/A
Defined-contribution pension commitments	The Deputy CEO has the same supplementary pension contract as all GROUPE GORGÉ executives. The contributions paid by the company amount to 2.5% of her gross remuneration.	N/A	N/A
Other commitments corresponding to remuneration components, indemnities or benefits that are or may be due as a result of termination or change of functions, or subsequent thereto	The Deputy CEO is covered by executive unemployment insurance (70% insurance for a coverage period of two years).	None	Automatic allocation of unemployment benefits under the GSC in the event of dismissal of the manager after at least one year of contributions

The Deputy CEO is the beneficiary of mandatory collective retirement, mutual insurance and provident insurance plans in accordance with the Company's policy in this regard (for management grade).

The Deputy CEO is entitled to standard benefits in kind (company car, etc.). He or she is covered by executive unemployment insurance (70% insurance for a coverage period of two years).

If the Deputy CEO is a Director, he or she may not receive remuneration as a Director in accordance with the company's Director remuneration policy, according to which only Independent Directors may receive remuneration as members of the Board.

In the event that new Deputy CEOs are appointed, the Board of Directors may also decide to grant other benefits in kind, complementary pension schemes or exceptional remuneration, (including remuneration or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof) in accordance with market practices, the personal situation of the executive and his or her experience.

3.2.3 SAY ON PAY ON THE VARIABLE AND EXCEPTIONAL REMUNERATION FOR THE EXECUTIVE CORPORATE OFFICERS

It should be noted that the payment of variable and, as the case may be, exceptional remuneration for the past financial year is subject to the approval by the ordinary shareholders' meeting of the elements comprising the remuneration and benefits of all kinds for each executive corporate officer paid during the past financial year or allocated for said financial year (*ex post* vote).

3.2.4 REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD

(9th resolution of the shareholders' meeting of 18 June 2021)

The shareholders' meeting of 8 June 8 2012 set the remuneration of the members of the Board at the annual sum of €60,000, which is valid for the current financial year and until the shareholders' meeting decides otherwise.

Since 2018, only Independent Directors from outside the Group receive remuneration.

From 2021, the non-independent Directors participating in a committee may receive remuneration for this participation.

The criteria for allocating the fixed annual sum allocated by the shareholders' meeting to the members of the Board are set by the Board, on the proposal of the Remuneration Committee, taking into account the chairmanship of and participation in the various committees of the Company (Remuneration Committee, Audit Committee, *ad hoc* committees).

3.3 INFORMATION REFERRED TO IN ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE FOR EACH CORPORATE OFFICER OF THE COMPANY

(10th resolution of the shareholders' meeting of 18 June 2021)

The tables below present the remuneration and benefits paid to each of the corporate officers by the Company, companies controlled by GROUPE GORGÉ or the controlling company of GROUPE GORGÉ, during the past year.

Raphaël GORGÉ (Chairman and Chief Executive Officer) is remunerated as set out in Sections 3.2 and 3.4.

Jean-Pierre GORGÉ (Director) receives remuneration from PÉLICAN VENTURE in his capacity as Chairman of PÉLICAN VENTURE, the company that controls GROUPE GORGÉ. This remuneration is not in connection with his term of office as Director at GROUPE GORGÉ.

Furthermore, the total remuneration of each corporate officer complies with the remuneration policy approved by the previous shareholders' meeting.

Table 1 – Summary table of the remuneration paid and the options and shares granted to each executive corporate officer

Raphaël GORGÉ, Chairman and Chief Executive Officer	**2020**	2019
Remuneration granted for the financial year (details in Table 2)	€280,660	€304,548
Remuneration due by a controlling company for the financial year (details in Table 2)	None	€6,092
Remuneration due by a controlled company for the financial year (details in Table 2)	€85,562	€92,750
Value of the multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year	None	None
Value of free shares granted	None	None
TOTAL FOR RAPHAËL GORGÉ	**€366,222**	**€403,390**

Hélène de COINTET, Deputy CEO (1)	**2020**	2019
Remuneration granted for the financial year (details in Table 2)	€281,455	€33,333
Value of the multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year	None	None
Value of free shares granted	None	None
TOTAL FOR HÉLÈNE DE COINTET	**€281,455**	**€33,333**

(1) Ms de COINTET's term of office began on 4 November 2019.

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These remuneration components have contributed to the long-term performance of the Company by creating a link between Management's variable remuneration and the Group's strategy and objectives.

Table 2 – Summary table of the remuneration of each executive corporate officer

	Amounts for 2020		Amounts for 2019	
Raphaël GORGÉ, Chairman and Chief Executive Officer	**Granted (7)**	**Paid (8)**	Granted (7)	Paid (8)
• fixed remuneration (1)	€207,750	€207,750	€188,550	€188,550
• fixed remuneration from a controlling entity (2)	None	None	€3,600	€3,600
• fixed remuneration from a controlled entity (3)	€68,750	€68,750	€81,250	€81,250
• annual variable remuneration (4)	€63,000	€0	€0	€28,630
• annual variable remuneration from a controlling entity	None	None	None	None
• annual variable remuneration from a controlled entity (5)	€16,812	€11,500	€11,500	€45,000
• multiannual variable remuneration	None	None	None	None
• exceptional remuneration	None	€109,000	€109,000	None
• remuneration granted as a member of the Board	None	None	None	€10,000
• benefits in kind (6)	€9,910	€9,910	€9,490	€9,490
TOTAL	**€366,222**	**€406,910**	**€403,390**	**€366,520**

(1) The Board of Directors of GROUPE GORGÉ having decided on a remuneration of €225,000 for the period, Raphaël GORGÉ voluntarily waived €17,250 in the second quarter, in solidarity with the employees on partial unemployment work due to the health crisis.
(2) This remuneration was paid by PÉLICAN VENTURE, the company that controls GROUPE GORGÉ.
(3) This remuneration was paid by PRODWAYS GROUP, a company controlled by GROUPE GORGÉ. The Board of Directors of PRODWAYS GROUP having decided on a remuneration of €75,000 for the period, Raphaël GORGÉ voluntarily waived €6,250 in the second quarter, in solidarity with the employees on partial unemployment work due to the health crisis.
(4) The Board of Directors decided to allocate variable remuneration of up to €75,000 gross to Raphaël GORGÉ for 2020 (as for 2019), depending on criteria established in 2020 by the Board of Directors on the proposal of the Remuneration Committee. These criteria, taking into account the health crisis, concerned the achievement of objectives concerning the level of the operating results as a percentage of revenue, the level of cash generation and a qualitative assessment of the actions implemented to manage the effects of the health crisis on the Group.
(5) The Board of Directors of PRODWAYS GROUP decided to allocate variable remuneration to Raphaël GORGÉ of up to €25,000 gross (as for 2019), depending on the achievement of quantitative and qualitative criteria linked to the Group's performance and projects. The criteria were precisely defined at the beginning of the year by the Board of Directors of PRODWAYS GROUP. These were quantitative criteria concerning revenue and operating results aswell as qualitative criteria concerning the implementation of actions aimed at improving the financial performance of the Machinery business and actions concerning the structuring and renewal of the management teams of the subsidiaries.
(6) Benefits in kind paid in 2019 in part (€2,492) by PÉLICAN VENTURE, company controlling GROUPE GORGÉ, and in full by GROUPE GORGÉ in 2020.
(7) Remuneration due to the corporate officer during the financial year, the amount of which cannot be changed regardless of the payment date.
(8) Remuneration due to the corporate officer during the financial year.

For 2020, the relative proportion of the total variable and exceptional remuneration amounts to 29% of fixed remuneration.

	Amounts for 2020		Amounts for 2019	
Hélène de COINTET, Deputy CEO [1]	**Granted**	**Paid**	Granted	Paid
• fixed remuneration [2]	€193,750	€193,750	€33,333	€33,333
• annual variable remuneration [3]	€84,000	None	None	None
• multiannual variable remuneration	None	None	None	None
• exceptional remuneration	None	None	None	None
• benefits in kind	€3,705	€3,705	None	None
TOTAL	**€281,455**	**€197,455**	**€33,333**	**€33,333**

(1) Ms de COINTET's term of office began on 4 November 2019.
(2) The Board of Directors of GROUPE GORGÉ having decided to pay a remuneration of €200,000 for the period, Hélène de COINTET voluntarily waived €6,250 in the second quarter, in solidarity with the employees on partial unemployment work due to the health crisis.
(3) Due to the starting date of the term of office, no variable remuneration was awarded for 2019. The Board of Directors decided to allocate variable remuneration to Hélène de COINTET of up to €100,000 gross for 2020, depending on the achievement of criteria established by the Board of Directors on the proposal of the Remuneration Committee. These criteria, taking into account the health crisis, concerned the achievement of objectives concerning the level of operating results as percentage of revenue, the level of cash generation and a qualitative assessment of the actions implemented to monitor structuring contracts and for the completion of mergers and acquisitions.

Table 3 – Table of the remuneration received by non-executive corporate officers

Members of the Board of Directors	**Paid in 2020**	Paid in 2019
Jean-Pierre GORGÉ		
Remuneration for Board membership	-	-
Other remuneration [2]	€69,515	€68,841
Sylvie LUCOT		
Remuneration for Board membership [1]	€15,000	€15,000
Other remuneration	-	-
Martine GRIFFON-FOUCO		
Remuneration for Board membership [1]	n/a	€15,000
Other remuneration	n/a	-
GALI SASU (represented by Martine GRIFFON-FOUCO)		
Remuneration for Board membership [1]	€15,000	n/a
Other remuneration	-	n/a
Catherine GORGÉ		
Remuneration for Board membership	-	-
Other remuneration [3]	-	€12,720
Hugues SOUPARIS		
Remuneration for Board membership [1]	€10,000	€10,000
Other remuneration	-	-
Céline LEROY		
Remuneration for Board membership	-	-
Other remuneration [4]	€114,530	€154,589

(1) Remuneration granted for the financial year preceding the year of payment.
(2) The remuneration paid to Jean-Pierre GORGÉ was paid by PÉLICAN VENTURE, the company that controls GROUPE GORGÉ SA.
(3) The "Other remuneration" paid to Catherine GORGÉ corresponds to fees, exclusive of tax, billed to INITIAL (a PRODWAYS GROUP subsidiary) by her firm CBG CONSEIL.
(4) Céline LEROY is an employee of GROUPE GORGÉ.

Table 4 – Share subscription or purchase options granted during the financial year to each executive corporate officer by the issuer and by any Group company

None

Table 5 – Share subscription or purchase options exercised during the financial year by each executive corporate officer

None

Table 6 – Free shares granted to each corporate officer

None

Table 7 – Free shares made available to each corporate officer

None

Table 8 – History of share subscription or purchase options

None

Table 9 – Share subscription or purchase options granted to the top ten employees who are not corporate officers and options exercised by them.

None

Table 10 – History of free share allocations

Date of shareholders' general meeting	18/12/2006	08/06/2010	08/06/2014
Date of Board of Directors' meeting	22/02/2008	06/06/2011	12/05/2014
Total number of free shares distributed [1]	62,000	49,000	30,000
including corporate officers	31,000	-	-
Raphaël GORGÉ	*31,000*	-	-
Acquisition date of the shares	22/04/2010	06/06/2013	12/05/2016 and 31/12/2016
Date of end of the lock-up period	22/04/2012	06/06/2015	12/05/2018 and 31/12/2018
Number of shares acquired	20,668	42,000	15,000
including corporate officers	10,334	-	-
Raphaël GORGÉ	*10,334*	-	-
Number of canceled shares	41,332	7,000	15,000
Free shares with ongoing acquisition period	-	-	-

(1) Distribution subject to performance conditions associated with the profits of the Group and/or of the subsidiaries.

Table 11 – Information relating to the employment contract, supplementary pension plans and indemnities for each executive corporate officer

Executive corporate officers	Raphaël GORGÉ, Chairman and Chief Executive Officer
Employment contract	no
Supplementary pension scheme	yes [1]
Compensation or benefits due or likely to be due on account of the end or change of office	no
Compensation relating to a non-compete clause	no

(1) Supplementary defined-contribution pension contract equal to 2.5% of the gross salary paid by GROUPE GORGÉ.

Executive corporate officers	Hélène de COINTET, Deputy CEO
Employment contract	no
Supplementary pension scheme	yes [1]
Compensation or benefits due or likely to be due on account of the end or change of office	no [2]
Compensation relating to a non-compete clause	no

(1) Supplementary defined-contribution pension contract equal to 2.5% of the gross salary paid by GROUPE GORGÉ.
(2) The Company undertook not to revoke the term of office of the Deputy Chief Executive Officer before the first anniversary of her term of office in 2020.

Table 12 – Equity ratios (6)

Financial year 2020	Chairman and Chief Executive Officer	Deputy CEO
Average remuneration of employees (1) excluding corporate officers (2)	90,870	90,870
Median remuneration of employees (1) excluding corporate officers (2)	65,038	65,038
Remuneration of the executive corporate officer (3)	280,660	281,452
Ratio with average employee remuneration (4)	3.09	3.10
Ratio with median employee remuneration (5)	4.32	4.33
Financial year 2019		
Average remuneration of employees (1) excluding corporate officers (2)	100,886	100,886
Median remuneration of employees (1) excluding corporate officers (2)	70,608	70,608
Remuneration of the executive corporate officer (3)	304,548	200,000
Ratio with average employee remuneration (4)	3.02	1.98
Ratio with median employee remuneration (5)	4.31	2.83
Financial year 2018		
Average remuneration of employees (1) excluding corporate officers (2)	105,597	NA
Median remuneration of employees (1) excluding corporate officers (2)	64,011	NA
Remuneration of the executive corporate officer (3)	88,030	NA
Ratio with average employee remuneration (4)	0.83	NA
Ratio with median employee remuneration (5)	1.38	NA
Financial year 2017		
Average remuneration of employees (1) excluding corporate officers (2)	94,246	NA
Median remuneration of employees (1) excluding corporate officers (2)	57,894	NA
Remuneration of the executive corporate officer (3)	27,600	NA
Ratio with average employee remuneration (4)	0.29	NA
Ratio with median employee remuneration (5)	0.48	NA
Financial year 2016		
Average remuneration of employees (1) excluding corporate officers (2)	88,060	NA
Median remuneration of employees (1) excluding corporate officers (2)	50,659	NA
Remuneration of the executive corporate officer (3)	56,750	NA
Ratio with average employee remuneration (4)	0.64	NA
Ratio with median employee remuneration (5)	1.12	NA

(1) Average remuneration on a full-time equivalent basis for the Company's employees.
(2) The average remuneration excludes those of the Chairman and Chief Executive Officer, the Deputy CEO and the Directors.
(3) Includes all remuneration and benefits paid (fixed remuneration and benefits in kind) or granted (variable remuneration and exceptional remuneration) by the Company.
(4) Ratio between the amount of the remuneration of the executive corporate officer and the average remuneration of the Company's employees.
(5) Ratio between the amount of the remuneration of the executive corporate officer and the median remuneration of the Company's employees.
(6) For the 2020 financial year, the workforce of ECA, who joined and left during the year, were not taken into account for the preparation of the table. Moreover, the evolution of the Company's performance over these last five financial years can be assessed in light of GROUPE GORGÉ SA's separate financial statements (see Section 4.2 of this Universal Registration Document) or of the Group's consolidated financial statements (see Section 4.1 of this annual report for the last two financial years and Section 3.1 of the Registration Documents for the prior financial years).

3.4 REMUNERATION OF THE CORPORATE OFFICERS FOR THE 2020 FINANCIAL YEAR

3.4.1 FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR ALLOCATED FOR THE FINANCIAL YEAR ENDED TO RAPHAËL GORGÉ, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

(11th resolution of the shareholders' meeting of 18 June 2021)

The remuneration package and benefits of all kinds paid or allocated to Raphaël GORGÉ as Chairman and Chief Executive Officer of the Company for the 2020 financial year are summarized in the table below.

The shareholders' meeting of 18 June 2021 (11th resolution) will be asked to approve the fixed, variable or exceptional components of the total remuneration and benefits of all kinds paid or allocated to Raphaël GORGÉ for the 2020 financial year in his capacity as Chairman and Chief Executive Officer of GROUPE GORGÉ SA:

Remuneration components paid or allocated for the financial year ended	Amounts or book value submitted for approval	Presentation
Fixed compensation from GROUPE GORGÉ	€207,750	Fixed remuneration paid by GROUPE GORGÉ in 2020.
Fixed remuneration from a controlling entity	None	
Fixed remuneration from a controlled entity	€68,750	Fixed remuneration paid by PRODWAYS GROUP in 2020.
TOTAL FIXED REMUNERATION FOR 2020	**€276,500**	
Annual variable remuneration from GROUPE GORGÉ	€63,000 (amount to be paid after approval of the shareholders' meeting)	In 2020, Raphaël GORGÉ did not receive any variable remuneration in respect of 2019. The Board of Directors of GROUPE GORGÉ decided to allocate variable remuneration of up to €75,000 gross for 2020, depending on the achievement of criteria established by the Board of Directors on the proposal of the Remuneration Committee. In the context of the health crisis, the objectives for 2020 concerned operating results, cash generation and the actions implemented to manage the effects of the health crisis on the Group.
Variable compensation from controlling entities	None	
Variable compensation from controlled entities	€16,812 (amount to be paid after approval of the PRODWAYS GROUP shareholders' meeting)	In 2020, Raphaël GORGÉ received variable remuneration of €11,500 for 2019. The Board of Directors of PRODWAYS GROUP decided to allocate variable remuneration of up to €25,000 gross to Raphaël GORGÉ in his capacity as Chairman of the Board for 2020, depending on the achievement of criteria established by the Board of Directors of PRODWAYS GROUP. The objectives related to revenue and operating results as well as qualitative criteria concerning the implementation of actions aimed at improving the financial performance of the Machinery business and actions concerning the structuring and renewal of the management teams of the subsidiaries.
TOTAL VARIABLE REMUNERATION FOR 2020	**€79,812**	
Multiannual variable remuneration in cash	None	Raphaël GORGÉ does not receive any multiannual variable remuneration in cash from GROUPE GORGÉ nor from controlling or controlled companies.
Stock options allocated	None	The Board did not grant any stock options in 2020.
Free shares allocated	None	The Board did not grant any free shares in 2020.
Exceptional compensation	None	No exceptional remuneration was paid in 2020 for 2019.
Remuneration for a Director's term of office	None	GROUPE GORGÉ does not pay any remuneration to non-independent Directors.
Compensation, allowances or benefits for taking office	None	Not applicable.
Remuneration components paid on account of the cessation or change of duties, retirement commitments and non-compete commitments	None	No compensation is due on account of the cessation or change of duties, retirement commitments and non-compete commitments.
Remuneration components and benefits of all kinds under agreements entered into with the Company by virtue of office, or any entity controlled by the Company, or any entity that controls it, or any entity controlled by the entity that controls it	None	No such agreements exist. The service agreement between GROUPE GORGÉ and PÉLICAN VENTURE is unconnected to Raphaël GORGÉ's office.
Other components of remuneration granted in respect of the term of office	Supplementary defined-contribution pension	Raphaël GORGÉ has a supplementary pension contract for 2.5% of his gross salary at GROUPE GORGÉ.
Benefits of all kinds	€9,910 (accounting valuation)	Raphaël GORGÉ received a benefit in kind in respect of his mandate at GROUPE GORGÉ.

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3.4.2 FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR ALLOCATED FOR THE FINANCIAL YEAR ENDED TO HÉLÈNE DE COINTET, DEPUTY CEO

(12th resolution of the shareholders' meeting of 18 June 2021)

The remuneration components and benefits of all kinds paid or allocated to Hélène de COINTET as Deputy CEO of the Company for the 2020 financial year are summarized in the table below.

The shareholders' meeting of 18 June 2021 (12th resolution) will be asked to approve the fixed, variable or exceptional components of the total remuneration and benefits of all kinds paid or allocated to Hélène de COINTET for the 2020 financial year in her capacity as Deputy CEO of GROUPE GORGÉ SA:

Remuneration components paid or allocated for the financial year ended	Amounts or book value submitted for approval	Presentation
Fixed compensation from GROUPE GORGÉ	€193,750	Fixed remuneration paid by GROUPE GORGÉ.
Fixed remuneration from a controlling entity	None	
Fixed remuneration from a controlled entity	None	
TOTAL FIXED REMUNERATION FOR 2020	**€193,750**	
Annual variable remuneration from GROUPE GORGÉ	€84,000	The Board of Directors of GROUPE GORGÉ decided to allocate variable remuneration of up to €100,000 gross for 2020, based on criteria established by the Board of Directors on the proposal of the Remuneration Committee. In the context of the health crisis, the objectives for 2020 concerned the level of operating results and cash generation as well as qualitative objectives concerning the monitoring of structuring contracts and the implementation of actions aimed at mergers and acquisitions.
Variable compensation from controlling entities	None	
Variable compensation from controlled entities	None	
TOTAL VARIABLE REMUNERATION FOR 2020	**€84,000**	
Multiannual variable remuneration in cash	None	Hélène de COINTET does not currently receive any multiannual variable remuneration in cash from GROUPE GORGÉ or from its controlled or controlling companies.
Stock options allocated	None	The Board did not grant any stock options in 2020.
Free shares allocated	None	The Board did not grant any free shares in 2020.
Exceptional compensation	None	No exceptional remuneration is due in respect of 2020.
Remuneration for a Director's term of office	None	GROUPE GORGÉ does not pay any remuneration to non-independent Directors. Ms de COINTET is not a Director.
Remuneration, allowances or benefits for taking office	None	Not applicable.
Remuneration components paid on account of the cessation or change of duties, retirement commitments and non-compete commitments	None	No compensation is due on account of the cessation or change of duties, retirement commitments and non-compete commitments. GROUPE GORGÉ undertook not to terminate the term of office of Ms de COINTET before its first anniversary, which took place in 2020.
Remuneration components and benefits of all kinds under agreements entered into with the Company by virtue of office, or any entity controlled by the Company, or any entity that controls it, or any entity controlled by the entity that controls it	None	No such agreements exist.
Other components of remuneration granted in respect of the term of office	Supplementary defined-contribution pension	Hélène de COINTET has a supplementary pension contract for 2.5% of her gross salary at GROUPE GORGÉ.
Benefits of all kinds	€3,705 (accounting valuation)	Hélène de COINTET received a benefit in kind in respect of her mandate at GROUPE GORGÉ.

3.5 COMPANY REFERENCE TO A CORPORATE GOVERNANCE CODE AND ITS APPLICATION BY THE COMPANY

At the Board of Directors meeting held on 7 April 2010, the Company decided to adhere to the Corporate Governance Code for Middlenext VaMPa. Middlenext updated its Code in 2016. This Code can be consulted on the Middlenext website (www.middlenext.com).

The Board of Directors took note of the items in the "Items requiring careful attention" section. Most of the recommendations are respected:

Code recommendation	Compliant	Non-compliant
Recommendation 1 (ethics of Board members)	x	
Recommendation 2 (conflict of interest)	x	
Recommendation 3 (composition of the Board – presence of independent members)	x	
Recommendation 4 (information for Board members)	x	
Recommendation 5 (organization of Board and committee meetings)	x	
Recommendation 6 (establishment of committees)	x	
Recommendation 7 (establishment of Board rules of procedure)	x	
Recommendation 8 (choice of each Director)	x	
Recommendation 9 (term of office of Board members)	x	
Recommendation 10 (remuneration of Board members)	x (1)	
Recommendation 11 (implementation of an evaluation of the Board's work)	x	
Recommendation 12 (relationship with shareholders)	x	
Recommendation 13 (definition and transparency of the remuneration of executive corporate officers)	x	
Recommendation 14 (preparation of executive succession)		x (2)
Recommendation 15 (combination of employment contract and corporate office)	x	
Recommendation 16 (severance pay)	x	
Recommendation 17 (supplementary pension schemes)	x	
Recommendation 18 (stock options and free share allocations)	x	
Recommendation 19 (review of points of vigilance)	x	

(1) *Recommendation 10 (remuneration of Board members): since the Directors have an excellent attendance record at Board meetings and the total amount of remuneration for service as Board members remains relatively modest, the distribution of remuneration in accordance with the attendance record was not adopted. From 2021, the remuneration of Directors will be indexed to their attendance in order to comply with best practices in this area.*

(2) *Recommendation 14 (preparation of executive succession): there is no formal succession plan. The Remuneration Committee or the Board of Directors will have to reflect on this issue.*

3.6 SPECIAL ARRANGEMENTS, IF ANY, REGARDING SHAREHOLDER PARTICIPATION IN SHAREHOLDERS' MEETINGS

The bylaws do not contain any provision waiving the ordinary legal provisions governing the arrangements for shareholder participation in shareholders' meetings.

3.7 REGULATED AGREEMENTS AND AGREEMENTS RED IN ARTICLES L.225-38 AND L.225-37-4 2 OF THE FRENCH COMMERCIAL CODE

3.7.1 PRESENTATION OF THE AGREEMENTS

Regulated agreements

A new agreement such as those referred to in article L.225-38 of the French Commercial Code was signed during the 2020 financial year: in September 2020, the Company's Board of Directors authorized the Company to grant a current account advance of €12.5 million to its subsidiary ECA SA. The amount of this advance being significant and in view of the context of the merger and the simplified public tender offer of ECA, the Board was asked to authorize this agreement for an advance on the current account. This current account advance was in theory remunerated by an interest rate set at E3M (in the event of a negative rate, zero will be retained) plus a margin of 0.45%. These conditions, which are comparable to those of ECA SA's existing credit lines, enabled GROUPE GORGÉ, which had available cash, and its subsidiary ECA SA to save on financial expenses. The details of this agreement have been published on the Company's website. This agreement expired on 30 December 2020 with the merger between GROUPE GORGÉ and ECA.

An agreement entered into in 2018 continued during the 2019 financial year and ended at the beginning of 2020: during the 2018 financial year the Board of Directors of the Company had authorized the conclusion of an absorption agreement between PRODWAYS GROUP, GROUPE GORGÉ and Olivier STREBELLE, pursuant to which it was noted the suspension until January 2020 of the employment contract of Olivier STREBELLE at GROUPE GORGÉ following his appointment as Chief Executive Officer of PRODWAYS GROUP. This agreement stipulated that at the end of the suspension period, Olivier STREBELLE's employment contract would automatically be terminated. With regard to Olivier STREBELLE's change in status from an employee of GROUPE GORGÉ to corporate officer of a subsidiary of the Group, the need to provide him with unemployment insurance, and the Group's interest in seeing Olivier STREBELLE assume leadership of PRODWAYS GROUP, the Board of Directors of GROUPE GORGÉ had authorized entry into this regulated agreement.

In addition, at its meeting to approve the 2020 financial statements, the Board of Directors noted that there were no more regulated agreements in force from previous financial years.

Related-party agreements

No agreement of the kind referred to in article L.225-37-4-2 of the French Commercial Code remains in force.

Standard agreements

The Group treats intra-group service agreements, real estate leases and sublets between Group companies, Directors' employment contracts (apart from significant promotions or exceptional salary increases), cash management agreements, and tax consolidation agreements as standard agreements entered into under normal conditions, specifically as regards the terms and remuneration applied.

Concerning the service agreements entered into between GROUPE GORGÉ and PÉLICAN VENTURE, they are detailed in Section 1.5.1 of this Universal Registration Document.

The Company has put a procedure in place to regularly assess whether agreements relating to current operations entered into under arm's length conditions meet those conditions. This assessment procedure provides for a review of the terms and conditions of current agreements entered into no later than the Board of Directors meeting called to approve the separate financial statements. Persons with a direct or indirect interest in one of those agreements do not participate in the assessment thereof. This procedure was implemented at the Board meeting held to approve the financial statements for the past financial year. The Board considers that the standard agreements operating in 2020 were concluded under arm's length conditions.

3.7.2 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2020

To the Shareholders' Meeting,

In our capacity as your Company's Statutory Auditors, we hereby report to you on the regulated agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our assignment, without commenting on their relevance or substance or seeking any undisclosed agreements. It is the responsibility of the shareholders, in accordance with article R.225-31 of the French Commercial Code, to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code in relation to the implementation, during the past financial year, of the agreements already approved by the Shareholders' Meeting.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this assignment. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

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Agreements subjected to the approval of the shareholders' meeting

Agreements authorized and concluded during the past financial year

In accordance with article L.225-40 of the French Commercial Code, we have been informed of the following agreements entered into during the past financial year which were subject to the prior authorization of your Board of Directors.

Purpose: current account advance agreement in the amount of €12.5 million granted by GROUPE GORGÉ to ECA

Date of authorization: Board of Directors of GROUPE GORGÉ on 22 September 2020

Contracting parties: ECA and GROUPE GORGÉ

Interested persons: Raphaël GORGÉ (Chairman and CEO of GROUPE GORGÉ SA and Chairman of the Board of Directors of PRODWAYS GROUP SA), Catherine GORGÉ, Jean-Pierre GORGÉ (Directors common to GROUPE GORGÉ and ECA).

Under this agreement, a current account advance is recognized with an interest rate set at E3M (in the event of a negative rate, zero will be used) plus a margin of 0.45%. These conditions, which are comparable to those of ECA's existing credit lines, enable GROUPE GORGÉ, which has available cash, and its ECA subsidiary to save on financial expenses.

After reviewing its terms and conditions, the Board of Directors of GROUPE GORGÉ authorized the conclusion of this related-party agreement on 22 September 2020.

This agreement did not generate any financial interest during the financial year.

This agreement did not generate any financial interest during the financial year as it ended with the merger-absorption of ECA with GROUPE GORGÉ on 30 December 2020.

Agreements already approved by the Shareholders' Meeting

Agreements approved during prior financial years

In application of article R.225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the Shareholders' Meeting during prior financial years, remained in effect during the past financial year.

Purpose: Authorization to enter into an employment contract absorption agreement between PRODWAYS GROUP, GROUPE GORGÉ and Olivier STREBELLE, the new Chief Executive Officer of PRODWAYS GROUP, under which the employment contract of Olivier STREBELLE at GROUPE GORGÉ shall be suspended until January 2020.

Contracting parties: PRODWAYS GROUP, GROUPE GORGÉ and Mr. Olivier STREBELLE

Person concerned: Mr. Olivier STREBELLE (Chief Executive Officer of PRODWAYS GROUP)

Persons concerned: Mr. Olivier STREBELLE (Chief Executive Officer of PRODWAYS GROUP), Mrs. Catherine GORGÉ (Director of PRODWAYS GROUP SA and GROUPE GORGÉ SA) and Mr. Raphaël GORGÉ (Chairman and Chief Executive Officer of GROUPE GORGÉ SA and Chairman of the Board of Directors of PRODWAYS GROUP SA).

This agreement provides for the suspension of the employment contract of Mr. Olivier STREBELLE at GROUPE GORGÉ until January 2020, following his appointment as Chief Executive Officer of PRODWAYS GROUP, and that after this suspension period, Olivier STREBELLE's employment contract shall automatically end.

After reviewing his terms and conditions and in view of the change of status of Olivier STREBELLE from an employee of GROUPE GORGÉ to corporate officer of PRODWAYS GROUP, and due the need to provide him with unemployment coverage and the interest of the Group in seeing Olivier STREBELLE assume management of PRODWAYS GROUP, the Board of Directors of PRODWAYS GROUP has authorized the signing of this regulated agreement in 2018.

Neuilly-sur-Seine and Paris, 6 April 2021

The statutory auditors

PricewaterhouseCoopers Audit	**RSM Paris**
David CLAIROTTE	Stéphane MARIE

3.8 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Our Company has developed internal control procedures with a view to achieving, to the extent possible, strict financial management and risks control, and preparing the information provided to shareholders on the financial position and financial statements.

The main risks facing the Group are described in Chapter 2 of the Universal Registration Document ("Risk factors").

The internal control system is built around the following organization and methodologies:

3.8.1 GENERAL ORGANIZATION OF INTERNAL CONTROL

The Chairman and Chief Executive Officer, assisted by the Chief Financial Officer, established the Company's internal control system with a view to ensuring:

- the safeguarding and integrity of assets;
- the reliability of information flows.

This internal control system primarily encompasses:

- oversight of the Group's business by the introduction of a procedure for monthly reporting of sales, profit (loss) and cash flow;
- a procedure for organizing the closing of accounts and the preparation of consolidated financial statements every half-year;
- special reporting procedure for the quarterly preparation of consolidated revenue figures.

3.8.2 GROUP ORGANIZATION

GROUPE GORGÉ SA does not carry out any industrial activities and its purpose is to:

- define and implement the Group's strategy;
- supervise the management of its subsidiaries;
- liaise with financial stakeholders such as banks and investors;
- develop and maintain common procedures in areas such as reporting, management control and accounting.

The Group is organized into three areas of activity which are: Drones and Systems (formerly Smart Safety Systems), Engineering and Protection Systems (formerly Protection of High-Risk Installations) and 3D Printing. Each entity is autonomous and has a complete operational organization (Executive Management, Finance Department, Management Control, etc.).

Management at the Group's main operating subsidiaries reports directly to the Group's Executive Management.

3.8.3 IMPLEMENTING INTERNAL CONTROL

3.8.3.1 Activity report

All direct and indirect subsidiaries of GROUPE GORGÉ complete the Group's reporting scorecards which include the following indicators:

- monthly and year-to-date sales;
- monthly order intakes;
- significant events.

These scorecards, once approved by the Executive Management and Financial Management in the operating entities, are sent on the 5th of each month together with any notes or commentaries required to analyze and understand them.

3.8.3.2 Performance report

All direct and indirect subsidiaries of GROUPE GORGÉ prepare a monthly income statement in the Group's format with a comparison against the budget. The cash flow position and a three-month cash flow forecast are also included. These reports also include information on working capital requirements (WCR), capital expenditure, a statement of cash flows and significant events.

This information, together with any commentary required for understanding it and following approval by Management, is sent on the 18th of each month.

Monthly meetings are held between Group Management and the Management of the three divisions to discuss the information sent and to consider any corrective measures taken or to be taken and to update forecasts.

These monthly reports are accompanied by an end-of-year income statement, which is updated several times during the year.

3.8.3.3 Close of accounting period

All the Group's subsidiaries close their annual and interim financial statements on 31 December and 30 June.

The interim and annual financial statements as well as the consolidation reporting are audited or partially reviewed by the statutory auditors.

Preparation meetings between Group Management and Management at subsidiaries are held at each accounting close in order to agree the relevant options for said accounting closes.

The data required for preparing the consolidated financial statements entered in a decentralized input system. The software used is SAP BFC, with an automatic module that immediately reconciles reported intra-group transactions. An internal manual details the principles and policies applied by the Group for the purposes of preparing the consolidation reporting.

The Group's consolidated financial statements are prepared internally in accordance with applicable principles and are audited by the statutory auditors.

Following these accounting closes, all legal disclosure requirements satisfied.

The SAP BFC software package is used for the consolidation of the financial statements as well as all budgets, reports and forecasts.

3.8.3.4 Quarterly business reports

The Group publishes its quarterly consolidated revenue. These numbers are prepared in the same way as for the preparation of the consolidated financial statements. The press releases disclosing quarterly revenue numbers are prepared on the basis of the business and profit (loss) reports as well as discussions with management at the subsidiaries.

3.8.3.5 Assessment of internal control

At the end of 2019, the Group performed a complete risk mapping review. The previous risk mapping dated back to 2016, the year in which the Group's internal control framework was built. The objective was then to stabilize a robust and sustainable internal control system, taking into account the specificities of the Group, and to provide a reasonable level of assurance for control of the main risks. The work conducted by the Group in 2016 (mapping and internal control framework) had been reviewed by one of our statutory auditors, PwC. In 2019, the Group prepared the new mapping using its internal resources and then sent it to the two statutory auditors.

With regard to risk, the project began with risk identification, which took place through a set of maintenance actions. The identified risks were sorted, categorized and evaluated in terms of impact and likelihood of occurrence. The risks were regrouped on a map by division and then for the Group as a whole. Risk mapping is intended to be updated periodically for each division and at Group level.

Strengthening and dissemination of internal control actions remains one of the first actions for improving risk management.

The Group internal control framework common to all GROUPE GORGÉ subsidiaries was developed to facilitate the dissemination and monitoring of good internal control practices. Critical processes were identified (accounting closure, cash, purchases, sales, inventories, HR/payroll, project management, legal and tax, R&D, control environment and general computer controls). An internal control framework was built for each process and then adapted and validated in cross-functional workshops. The sum of the frameworks for each process constitutes the Group's internal control framework. For each process and sub-process, this framework defines the risks to which the Group is exposed, the objectives of the controls to be carried out, the control activities, their frequency, responsible persons and proof of achievement.

The dissemination of the internal control framework within the Group was accompanied by self-assessment questionnaires that focused on the controls deemed to be priorities.

The use of the internal control framework within the Group is the responsibility of the entire management chain, starting with the managers (division M or CEOs of subsidiaries) who rely for this on the Administrative and Financial Managers or Directors.

3.8.4 PREPARATION AND CONTROL OF ACCOUNTING AND FINANCIAL INFORMATION FOR SHAREHOLDERS

The Chairman and CEO, assisted by the Chief Financial Officer, establish the financial communications policy.

Presentations of highlights, outlook and interim and annual financial statements are put up on the Group's website when results are published. The Company also takes part in investor meetings.

3.8.5 LEGAL AND REGULATORY COMPLIANCE

In order to ensure that their businesses are in compliance with applicable regulations, Group companies have recourse to the Group's legal resources and to external advisers (lawyers, labor law experts and intellectual property experts).


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FINANCIAL AND ACCOUNTING INFORMATION

4.1 2020 CONSOLIDATED FINANCIAL STATEMENTS

The Group's consolidated financial statements are prepared in accordance with IFRS published by the International Accounting Standards Board (IASB) as approved by the European Union. The accounting policies are detailed in the notes to the consolidated financial statements, in Note 4.1.6.

4.1.1 CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2020	2019
Revenue	**4.1**	**231,114**	**274,641**
Capitalized production		9,985	8,757
Inventories and work in progress		2,170	2,844
Other income from operations	4.2	6,542	6,006
Purchases and external charges		(122,296)	(153,651)
Personnel expenses	5.2	(103,754)	(106,799)
Tax and duties		(2,860)	(2,803)
Depreciation, amortization and provisions (net of reversals)	4.3	(21,559)	(22,218)
Other operating income and expenses		3,197	2,686
Operating results		**2,540**	**9,463**
Group share of the earnings of affiliated companies		5	73
Non-recurring items in operating income	3.1	(11,595)	(4,626)
Operating income		**(9,050)**	**4,910**
Interest on gross debt		(1,356)	(1,341)
Interest on cash and cash equivalents		26	91
Net borrowing cost (A)	**8.2**	**(1,330)**	**(1,250)**
Other financial income (B)		540	514
Other financial expense (C)		(872)	(404)
Financial income and expenses (D = A + B + C)	**8.2**	**(1,662)**	**(1,140)**
Income tax	9.1	201	(2,225)
Net income from continuing operations		**(10,510)**	**1,546**
Net income from discontinued operations	12	(1,000)	21,574
Consolidated net income		**(11,510)**	**23,119**
Income attributable to parent company shareholders		**(5,811)**	**20,894**
Income attributable to non-controlling interests [(1)]		(5,700)	2,226
Average number of shares	10.2	13,524,747	13,507,608
Net earnings per share, in euros	10.2	(0.430)	1.547
Net diluted earnings per share, in euros	10.2	(0.359)	1.547
Net earnings per share from continuing operations, in euros	10.2	(0.430)	0.021
Diluted net earnings per share from continuing operations, in euros	10.2	(0.359)	0.021

(1) Concerns the non-controlling interests of the PRODWAYS GROUP.

4.1.2 STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	2020	2019
Net income	**(11,510)**	**23,119**
Currency translation adjustments	(154)	191
Tax relating to currency translation adjustments	-	-
Actuarial gains and losses on defined benefit plans	(179)	(1,104)
Tax relating to actuarial gains and losses on defined benefit plans	45	276
Group share of gains and losses recognized directly in equity of equity-accounted companies	-	-
Total other comprehensive income	**(288)**	**(637)**
of which can be reclassified subsequently to profit and loss	(154)	191
of which cannot be subsequently reclassified to profit and loss	(134)	828
Comprehensive income	**(11,798)**	**22,484**
Comprehensive income attributable to parent company shareholders	**(5,954)**	**20,382**
Comprehensive income attributable to non-controlling interests	**(5,844)**	**2,102**

4.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

(in thousands of euros)	Notes	31/12/2020	31/12/2019
Non-current assets		**169,696**	**167,996**
Goodwill	6.1	63,245	64,078
Other intangible assets	6.2	41,371	43,579
Property, plant and equipment	6.3	47,038	51,304
Investments in affiliated companies	8.1.5	1,139	1,128
Other financial assets	8.1.5	12,090	5,080
Deferred tax assets	9.2	4,813	2,826
Other non-current assets		-	-
Current assets		**259,300**	**252,557**
Net inventories	4.4	33,400	32,255
Net trade receivables	4.5	44,443	63,975
Contract assets	4.5	63,393	49,513
Other current assets	4.6	21,334	17,698
Tax receivables payable	9.1.1	14,061	24,848
Other current financial assets		2	16
Cash and cash equivalents	8.1.2	82,668	64,252
Assets held for sale		-	-
TOTAL ASSETS		**428,996**	**420,554**

Equity and liabilities

(in thousands of euros)	Notes	31/12/2020	31/12/2019
Equity attributable to owners of the parent		**94,887**	**108,553**
Capital (1)	10.1	17,425	13,503
Share premiums (1)		28,614	26,914
Retained earnings and consolidated net income (2)		48,849	68,136
Stakes attributable to non-controlling interests (3)		**31,401**	**68,175**
Non-current liabilities		**89,389**	**79,679**
Long-term provisions	5.3	7,978	7,612
Long-term liabilities – portion due in more than one year	8.1.1	60,304	48,101
Lease liabilities – portion due in more than one year	8.1.3	18,187	20,467
Other financial liabilities	8.1.4	2,133	1,702
Deferred tax liabilities	9.2	447	1,366
Other non-current liabilities	4.7	341	430
Current liabilities		**213,319**	**164,147**
Short-term provisions	11	8,810	6,114
Long-term liabilities – portion due in less than one year	8.1.1	54,357	27,009
Lease liabilities – portion due in less than one year	8.1.3	5,945	5,862
Other current financial liabilities		-	-
Operating payables	4.7	49,529	49,968
Contract liabilities	4.5	38,749	22,934
Other current liabilities	4.7	55,423	51,403
Tax liabilities payable	9.1.1	506	858
Liabilities held for sale		**-**	**-**
TOTAL LIABILITIES		**428,996**	**420,554**

(1) Of the consolidating parent company.
(2) Including net profit (loss) for the period.
(3) Mainly concerns the non-controlling interests of the PRODWAYS GROUP.

4.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	Notes	**2020**	2019
Net income from continuing operations		**(10,510)**	**1,546**
Accruals		31,471	21,426
Capital gains and losses on disposals		(8,274)	400
Group share of income of equity-accounted companies		(5)	(73)
Cash flow from operations (before neutralization of the net borrowing cost and taxes)	**7.1**	**12,681**	**23,299**
Expense for net debt	8.2	1,330	1,250
Tax expense	9.1	(201)	3,568
Cash flow (after neutralization of the net borrowing cost and taxes)		**13,810**	**28,117**
Tax paid		(2,611)	(4,188)
Change in working capital requirements	7.2	26,315	6,423
Net cash flow from operating activities (A)		**37,514**	**30,352**
Investing activities			
Payments/acquisition of intangible assets		(9,986)	(9,275)
Payments/acquisition of property, plant and equipment		(8,334)	(8,366)
Proceeds/disposal of property, plant and equipment and intangible assets		7,300	3,577
Payments/acquisition of non-current financial assets		(425)	(534)
Proceeds/disposal of non-current financial assets		273	643
Net cash inflow/outflow on the acquisition/disposal of subsidiaries [(1)]	7.3	(729)	21,769
Net cash flow from investing activities (B)		**(11,902)**	**7,814**
Financing activities			
Capital increase or contributions		-	1,100
Dividends paid to parent company shareholders		(4,319)	(4,320)
Dividends paid to non-controlling interests		(1,484)	(1,583)
Other equity transactions	7.4	(32,633)	(5,521)
Proceeds from borrowings	8.1.1	52,288	15,823
Repayment of borrowings	8.1.1-8.1.3	(16,582)	(16,808)
Cost of net debt		(1,235)	(965)
Net cash flow from financing activities (C)		**(3,965)**	**(12,274)**
Cash FLOW generated by continuing operations (D = A + B + C)		**21,647**	**25,892**
Cash flow generated by discontinued operations	**12**	**-**	**(3,050)**
Change in cash and cash equivalents		**21,647**	**22,842**
Effects of exchange rate changes		(88)	142
Cash and cash equivalents at the beginning of the year	**8.1.2**	**59,308**	**35,626**
Restatement of cash and cash equivalents [(2)]		-	(2,349)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**8.1.2**	**80,868**	**59,308**

(1) The presentation of the table was slightly modified in 2020, in 2019 the "Net cash flows on acquisitions and disposals of subsidiaries" were combined with the "Other equity transactions", see Notes 7.3 and 7.4.
(2) Impact of the flows with discontinued operations.

4.1.5 STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(in thousands of euros)	Capital	Share capital reserves	Treasury shares	Retained earnings and consolidated net income	**Equity – attributable to parent company shareholders**	Equity – attributable to non-controlling interests	**Total equity**
	Group share or owners of the parent company						
2018 equity	**13,503**	**26,914**	**(667)**	**56,189**	**95,939**	**65,573**	**161,511**
Share capital transactions	-	-	-	-	-	-	-
Free share allocation plan and stock option plan	-	-	-	210	210	163	373
Treasury share transactions	-	-	22	-	22	21	43
Equity instruments (1)	-	-	-	615	615	342	957
Dividends	-	-	-	(4,323)	(4,323)	(1,583)	(5,906)
Net income for the period	-	-	*(134)*	*21,029*	*20,895*	*2,226*	*23,120*
Gains and losses recognized directly in equity	-	-	-	*(512)*	*(512)*	*(124)*	*(636)*
COMPREHENSIVE INCOME	**-**	**-**	**(134)**	**20,517**	**20,382**	**2,101**	**22,484**
Changes in scope	-	-	(7)	(4,285)	(4,292)	1,558	(2,735)
2019 CLOSING EQUITY	**13,503**	**26,914**	**(786)**	**68,923**	**108,553**	**68,175**	**176,728**
Share capital transactions	3,922	1,700	-	(5,622)	-	-	-
Free share allocation plan a nd stock option plan	-	-	-	139	139	107	247
Treasury share transactions	-	-	(130)	-	(130)	-	(130)
Equity instruments (1)	-	-	-	(431)	(431)	-	(431)
Dividends	-	-	-	(4,319)	(4,319)	(262)	(4,581)
Net income for the period	-	-	*30*	*(5,840)*	*(5,810)*	*(5,700)*	*(11,510)*
Gains and losses recognized directly in equity	-	-	-	*(144)*	*(144)*	*(144)*	*(288)*
COMPREHENSIVE INCOME	**-**	**-**	**30**	**(5,984)**	**(5,954)**	**(5,844)**	**(11,798)**
Changes in scope (2)	-	-	(405)	(2,566)	(2,970)	(30,776)	(33,746)
2020 closing equity	**17,425**	**28,614**	**(1,291)**	**50,140**	**94,887**	**31,401**	**126,288**

(1) Concern options to purchase minority interests (see Note 8.1.4).
(2) Mainly related to the acquisition of minority interests and merger-absorption of ECA SA.

4.1.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Sommaire de note

NOTE 1 Accounting principles

The consolidated financial statements of GROUPE GORGÉ for the financial year ended 31 December 2020 include:

- the financial statements of GROUPE GORGÉ;
- the financial statements of its subsidiaries;
- the proportion of the net assets and the net income of the companies accounted for using the equity method (joint ventures and partnership businesses).

The consolidated financial statements of GROUPE GORGÉ for the 2020 financial year were approved by the Board of Directors on 16 March 2021. They will be subject to approval by the next ordinary shareholder's meeting.

Note 1.1 Impacts of the health crisis on the financial statements for the financial year

The year 2020, in particular its first half, was strongly affected by the crisis caused by the Covid-19 pandemic. The crisis affects the Group, like most companies.

In this context, several decisions were taken to support our activities. These various measures were implemented with the priority of protecting the health and safety of all our employees and stakeholders, adapting our activities to continue serving our customers while preserving the Group's cash flow and liquidity.

1.1.1 Impacts on activity

As in the vast majority of companies, the pandemic affected our business, especially in the first half of the year.

The closure of many of our clients' sites or the unavailability of required contacts at client sites as well as productivity losses (reorganizations, delays) caused delays on several of our projects. As a result, deliveries were sometimes delayed.

The most significant impacts for the Group were:

- ECA's Aerospace division: several orders and deliveries were postponed or even canceled due to a lack of visibility with our customers. The aeronautics sector is one of those most affected by the crisis. Customers in the sector slowed down orders. Many of their investments initially planned for 2020 or 2021 were postponed or canceled;
- the subsidiaries operating in the medical sector of the 3D Printing division were significantly affected by the lockdown measures which led to the total closures of dental practices, chiropody practices and audiology centers during the period.

1.1.2 Adaptation of the production tool

With the aim of ensuring business continuity and service to our customers, several measures have been taken to adapt our working methods and maintain employment within the Group.

The teleworking of our employees has been encouraged and adopted wherever possible. When this was not feasible (work on customer sites or production activities), the activity was carried out with absolute respect for the health and safety of employees, in particular:

- the implementation of strict barrier measures in our working methods (reorganization of common areas, workspaces, directions of movement in the premises, working hours, etc.);
- the purchase of health protection equipment (surgical masks, hydroalcoholic gels, etc.).

In addition, in order to adapt the cost structure as much as possible to the adjustments in production caused by the crisis, the Group was able to use the various existing support mechanisms put in place by the government. The subsidiaries were able to take advantage of partial unemployment working arrangements in order to deal with the decline in activity or the inability to work of some of our employees, particularly from mid-March to the end of May. The benefits of partial unemployment working are recorded as a reduction in personnel costs.

1.1.3 Impacts on other current items of business

The impact of the health crisis was taken into consideration on our day-to-day business by preparing cost reduction plans. In the second half of the year, restructuring costs were recorded for the aeronautics activities of the Drones and Systems division and in the 3D Printing division. Conversely, other expenses decreased, sometimes significantly, in the context of the crisis. These savings, which are directly included in operating income, mainly concern (i) travel expenses, which were significantly reduced, particularly in international markets, and (ii) trade fair costs that were postponed or canceled, as well as communication costs and related marketing.

The Group's executives voluntarily lowered their remuneration during the lockdown of the first half of the year, in solidarity with employees on partial unemployment work. The savings will be donated to family support associations in the armed forces.

The 3D Printing division contributed to the crisis efforts by providing its fleet of professional 3D printers, by associating its network of clients, to manufacture protective visor supports. A dozen clients from several countries in Europe and North America took part in this initiative, using their PRODWAYS machines to manufacture more than 5,000 visors intended for medical personnel, some of which operated the machines at night to be able to provide assistance in addition to their usual production. In addition to sharing best practices and contributing teams, PRODWAYS provided its clients with the necessary 3D files (STL), the nesting, *i.e.* the optimized placement of parts to optimize production, and the assembly procedure.

1.1.4 Monitoring of asset values

The impact of the health crisis was taken into account in the valuation tests of our assets in accordance with the procedures described in Note 6.4 to the consolidated financial statements. The results of the analyses are detailed in the note mentioned above.

Careful monitoring was also carried out on the possible impacts of the pandemic on the valuation of trade receivables, inventories and deferred tax assets. Provisions for inventories were recorded as indicated in Note 4.2. No other significant new risk were identified in this respect.

1.1.5 Strengthening the Group's liquidity

As soon as the first lockdown measures were taken, the Group took the necessary steps to strengthen its liquidity:

- drawdowns were made as a precaution on all available confirmed credit lines (€57.5 million). These draws were not then systematically renewed;
- several subsidiaries used Government Guaranteed Loans (EMP) for a total of €29.98 million, of which €3.5 million were repaid early in the second half of the year;

- in the United States, our subsidiary SOLIDSCAPE benefited from the Paycheck Protection Program (PPP) set up by the US government under the Coronavirus Aid, Relief and Economic Security Act (CARES), $800 thousand was collected in this respect in the second half of the year and it is still possible that this financial debt could turn into a subsidy;
- numerous tax and social security deferrals were also immediately implemented with the public authorities. These deferrals, requested as of March, began to be regularized before 30 June.

Lastly, the Board of Directors proposed to the shareholders' meeting in June 2020, which accepted it, a stable dividend compared to the previous financial year, whereas the proposal initially communicated was an increase to €0.35 per share.

Note 1.2 Standards applied

The accounting standards used to prepare the consolidated financial statements comply with the regulations and interpretations of the International Financial Reporting Standards (IFRS) as adopted by the European Union as of 31 December 2020. These accounting standards are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2019, with the exception of the new standards, revised standards and interpretations applicable from 1 January 2020.

The Group has applied all standards, amendments and interpretations with mandatory application from 1 January 2020, without significant impact:

- amendments to IAS 1 and IAS 8 – Definition of "significant";
- amendments to IFRS 9, IAS 39 and IFRS 7 – *Reform of reference interest rates – Phase 1*;
- amendments to IFRS 3 – *Business combinations – Definition of an Enterprise*;
- temporary amendment to IFRS 16 relating to offsetting rents in the context of the Covid-19 pandemic (applied early during the financial year).

The Group has not applied the following standards and interpretations, which had not been adopted by the European Union by 31 December 2020 or for which application was not mandatory as of 1 January 2020:

- amendment to IFRS 3 – *Conceptual framework update*;
- amendment to IAS 37 – *Costs of performing a contract*, clarification of the costs to be used in the analysis of onerous contracts;
- amendment to IAS 1 concerning the classification of current/non-current liabilities;
- amendments to IFRS 9, IAS 39 and IFRS 7 – *Reform of reference interest rates – Phase 2*;
- amendment to IAS 16 – *Income from the pre-use of a tangible asset*;
- amendments to the annual improvements to IFRS 2018-2020.

These interpretations and amendments should have no material impact on the Group's financial statements.

Note 1.3 Basis of preparation

The financial statements are presented in euros and are rounded to the nearest thousand.

The financial statements are prepared on a historical cost basis, with the exception of derivative instruments and non-consolidated securities, which have been measured at their fair value. Financial liabilities are measured at amortized cost. The carrying amount of hedged assets and liabilities and the related hedging instruments corresponds to their fair value

The preparation of the financial statements requires that Executive Management of the Group or the subsidiaries make estimates and assumptions that affect the reported amounts of assets and liabilities on the consolidated statement of financial position, the reported amounts of income and expense items on the income statement and the commitments relating to the period under review. The actual results could be different if the reality differs from the assumptions and estimates used.

The above-mentioned assumptions mainly concern:

- the calculation of the recoverable amounts of assets;
- the evaluation of the research and development costs (see Notes 6.2 and 6.4);
- the measurement of provisions for risks and charges (see Note 11);
- the calculation of income upon completion of work in progress;
- the calculation of pension and other post-employment benefit obligations (assumptions set out in Note 5.3);
- the valuation of deferred taxes (see Note 9.2).

As the Group's consolidated companies operate in different sectors, the valuation and impairment methods used for certain items may vary according to the sector.

NOTE 2 Scope of consolidation

Note 2.1 Accounting principles related to the scope of consolidation

2.1.1 Consolidation method

The companies that are either directly or indirectly controlled by the Group are fully consolidated. Companies over which the Group exercises significant influence are accounted for using the equity method. Significant influence is assumed to exist when the Group holds more than 20% of the voting rights.

Acquisitions or disposals of companies during the year are recognized in the consolidated financial statements from the date on which the Group took direct or indirect control or gained significant influence or until the date on which control or significant influence was lost.

All significant transactions between consolidated subsidiaries are eliminated, as is income that is internal to the Group (capital gains, profits on stocks and dividends).

Consolidation is carried out with reference to the financial statements or positions as of 31 December.

The list of consolidated subsidiaries and equity interests is shown in Note 14. Certain subsidiaries, which are not significant in terms of the Group, may not be consolidated.

2.1.2 Translation of the financial statements of foreign companies

The currency in which the consolidated financial statements are prepared is the euro.

The financial statements of subsidiaries that have a different functional currency are translated into euros using:

- the official exchange rate on the reporting date, in the case of assets and liabilities;
- the average exchange rate for the year, in the case of income statement and cash flow statement items.

The average exchange rates for the year may be calculated using monthly exchange rates prorated in relation to revenue.

Translation differences arising from the application of these exchange rates are recognized under the item "Cumulative translation reserves" in consolidated equity.

2.1.3 Transactions in foreign currencies

Transactions in foreign currencies are recognized using the exchange rate applicable on the date the transactions are recognized or the hedging rate. At closing, payables or receivables denominated in foreign currencies are converted into euros at the closing exchange rate or at the hedging rate. Currency exchange rate differences on foreign currency transactions are recognized in financial income.

2.1.4 Business combinations

As part of the application of the revised IFRS 3 – *Business combinations*, business combinations are accounted for using the purchase method:

- the cost of an acquisition is valued at the fair value of the consideration transferred, including any price adjustment, on the date of taking control. Any subsequent variation in the fair value of a price adjustment is recognized in the income statement or in other items of the overall net income, in accordance with the standards applicable;
- the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities taken over as at the date of taking control represents the goodwill, recognized in the assets in the report on the financial position.

Adjustments to the fair value of identifiable assets acquired and liabilities taken over recognized on a provisional basis (as a result of expert assessment work in progress or additional analyses) are recognized as retrospective adjustments to the goodwill if they occur within a period of one year with effect from the date of acquisition and if they result from facts or circumstances existing at the date of acquisition. Beyond this deadline, the effects are recognized directly in the income statement, as are any changes in estimates or error corrections.

For each takeover of control which involves the taking of an equity stake of less than 100%, the interest fraction which is not required (equity stakes which do not give control) is valued:

- either at fair value, in which case goodwill is recognized for the proportion relating to equity stakes which do not give control (full goodwill method);
- or at its proportion of the net identifiable assets of the acquired entity, in which case only goodwill in respect of the proportion acquired is recognized (partial goodwill method).

The costs directly attributable to the acquisition are recognized in expenses over the period during which they are incurred.

Note 2.2 Changes in the consolidation scope

2.2.1 Transactions carried out in 2020

Changes in scope over the year are as follows:

- the sale by the subsidiary THE WIND FACTORY of its goodwill in early March 2020 (transaction with a very marginal impact on the financial statements);
- the disposal of VAN DAM and VAN DAM MAINTENANCE & REPAIR in early July 2020. The purchaser was FPB HOLDING BV, which also owns INTERDAM, the historic competitor of VAN DAM. As part of the disposal agreements, the Group became a 15% shareholder in FPB HOLDING BV. FPB HOLDING BV will not be consolidated in the Group's financial statements;

In addition, the following transactions were carried out, with no impact on the consolidated financial statements:

- the merger of the ECA FAROS and ECA ROBOTICS subsidiaries in June 2020;
- the creation of MAURIC BELGIUM, a subsidiary of MAURIC;
- the merger of two PRODWAYS GROUP subsidiaries, PRODWAYS CONSEIL and PRODWAYS DISTRIBUTION, which were no longer active;
- the merger of the companies IP GESTION, INTERSON PROTAC, SURDIFUSE and EMBOUT FRANÇAIS, to bring together all of PRODWAYS GROUP's audiology activities;
- the merger of ECA and GROUPE GORGÉ: this transaction, concluded on 30 December 2020, was preceded by a simplified public tender offer by ECA for 875,000 of its shares within the framework of its share buyback program. In consideration for the contribution of ECA, GROUPE GORGÉ issued 3,921,904 new shares. Immediately after the merger, GROUPE GORGÉ transferred the shares of the subsidiaries of the former ECA company to GROUPE ECA, which is wholly owned and which is now the new parent company of the GROUPE ECA. ECA was fully consolidated prior to the merger, so the impact on the financial statements of these transactions only concerns the distribution of income and equity between Group interests and minority interests.

The full list of consolidated companies is included in Note 14.

Note 2.3 Off-balance sheet commitments related to the consolidation scope

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In 2017, PRODWAYS GROUP acquired 75% of the shares comprising the share capital of IP GESTION SAS, which was itself the sole shareholder of INTERSON PROTAC. The vendors granted an assets and liabilities guarantee with a term of three years. This guarantee, which was capped at €733 thousand for the first 18 months, then reduced to €367 thousand for the following 18 months, was terminated in the first half of 2020.

In 2017, PRODWAYS GROUP acquired all of the shares comprising the share capital of AS3D, 3D SERVICAD, and AVENAO INDUSTRIE. The vendors granted an assets and liabilities guarantee with a term of two to three years depending on the nature of any claim. This guarantee, expired in 2020, was capped at €2 million.

In July 2018, PRODWAYS GROUP acquired all the shares making up the share capital of SOLIDSCAPE. The vendors granted an assets and liabilities guarantee with a term of 18 months to 8 years depending on the nature of any claim. This guarantee is capped at US$1 million or the acquisition price, depending on the nature of any claim.

For the disposal of FIS (August 2018), the Group granted an asset and liability guarantee of an amount capped at €350 thousand. This commitment expired in February 2020 except with regard to tax and social matters, and at the end of May 2020 for tax considerations.

For the disposal of AI GROUP (November 2018), the Group granted a limited liability guarantee on the existence of a dispute with a former employee. This commitment ended with the resolution of the Labor Tribunal proceedings, which resulted in a favorable decision for AI GROUP. The purchaser of AI GROUP has a commitment to pay an earn-out, determined according to the company's future performance from 2021.

For the disposal of EN MOTEURS (December 2018), the Group granted an asset and liability guarantee of an amount capped at half the disposal price. This commitment expired on 10 December 2020 except with regard to tax and social matters. For these, the guarantee will end when the relevant administrations' statute of limitations expires. The amount was reduced by 40% at the end of one year, and will be reduced by one-third until the end of the statute of social and tax limitations. In support of this guarantee, the Group has provided a first-demand bank guarantee in an amount equal to half of the asset and liability guarantee and with the same degression.

In 2019, PRODWAYS GROUP acquired all the shares making up the share capital of L'EMBOUT FRANÇAIS and SURDIFUSE. The sellers granted an asset and liability guarantee for a two to three year period (or even longer for some tax and social items that may have longer statutes of limitation) depending on the types of claims. This guarantee is capped at €300,000, and gradually decreases over time.

HOEKSTRA SUWALD TECHNIEK BV was sold on 12 April 2019, with a one-year guarantee granted to the buyer capped at €51 thousand.

In April 2019, CIMLEC INDUSTRIE sold its subsidiary NTS. Within the context of this disposal, CIMLEC INDUSTRIE granted the buyer a liability guarantee capped at €0.07 million and valid for three years or until the expiry of the applicable statute of limitation for fiscal and social guarantees.

In July 2019, the Group sold CIMLEC INDUSTRIE and its subsidiaries (COMMERCY ROBOTIQUE, TENWHIL, CIMLEC INDUSTRIAL and COMMERCY ROBOTICA) to the SPIE INDUSTRIE ET TERTIAIRE group. Within the context of this disposal, the Group granted an asset and liability guarantee capped at €3.7 million for general guarantees and at €1 million for specific guarantees, with durations ranging from 18 months to 3 years (or the duration of the applicable social and fiscal statutes of limitation) depending on the subject. In 2020, SPIE INDUSTRIE ET TERTIAIRE sent several complaints to GROUPE GORGÉ (see Note 13.2).

In August 2019, GROUPE GORGÉ reorganized the capital of the its fire protection businesses in France (CLF-SATREM, SVF, AMOPSI). Management now owns 30% of the share capital of a leveraged entity (VIGIANS PROTECTION INCENDIE).

In July 2020, the Group sold its subsidiary VAN DAM to FPB HOLDING BV, a company wholly owned by RYDER TOPCO BV. FPB HOLDING BV also owns INTERDAM, a competitor of VAN DAM. On this occasion, GORGÉ NETHERLANDS BV became a minority shareholder of RYDER TOPCO BV. An asset and liability guarantee was granted for a maximum amount of €6.2 million and a maximum term of two to five years depending on the subject. In the event that the guarantee is called into play, GORGÉ NETHERLANDS may decide to deduct the guarantees from the claims that the Group holds against VAN DAM or RYDER TOPCO BV, as the case may be. As guarantee calls are likely for measurable amounts, impairment losses on receivables were recognized for an amount of €0.7 million, within other items of operating income.

In PODO 3D, VARIA 3D, SERES TECHNOLOGIES, StedY, MAURIC, GORGÉ NETHERLANDS and VIGIANS PROTECTION INCENDIE, the Group partners with minority shareholders who are managers of these companies. Shareholders' agreements provide for the possible liquidity of their holdings.

NOTE 3 Segment information

In accordance with IFRS 8 – *Operating Segments*, the segment information presented below is based on the internal reporting used by General Management to assess the performance of and allocate resources to the various segments. The General Management is the principal operational decision maker within the meaning of IFRS 8.

The three divisions defined as operating segments are as follows:

- engineering and Protection Systems division (formerly Protection of High-Risk Installations): VIGIANS PROTECTION INCENDIE and its subsidiaries (CLF-SATREM, AMOPSI and SVF), NUCLÉACTION and its subsidiaries (in particular BAUMERT), SERES TECHNOLOGIES and StedY, STONI;
- drones and Systems division (formerly Smart Safety Systems): GROUPE ECA and its subsidiaries;
- 3D Printing division: PRODWAYS GROUP and its subsidiaries.

The key indicators by division presented in the tables below are the following:

- the backlog, which corresponds to revenue yet to be recognized in respect of orders recorded;
- revenue includes revenue made with other divisions;
- EBITDA;
- operating results;
- operating income;
- the Research and Development expenses recognized in the assets during the financial year;
- other tangible and intangible investments.

Note 3.1 Reconciliation of the non-IFRS indicators and segment indicators with the consolidated operating income

The Group uses non-IFRS financial information for the purposes of information, management and planning because they offer a better assessment of its long-term performance. This additional information is not a substitute for any IFRS measures of operating and financial performance. The data presented by the Group are always non-adjusted consolidated data, like the segment data, unless expressly stated otherwise.

Operating income includes all income and expenses other than:

- interest income and expenses;
- other financial income and expenses;
- corporate income tax.

To make it easier to compare financial years and monitor operating performance, the Group has decided to isolate certain items of operating income and present "operating results" (formerly "current operating income"). It also uses an EBITDA indicator. These indicators are not strictly accounting indicators and do not constitute IFRS financial aggregates as defined under IFRS and may not be comparable to indicators of a similar name used by other companies.

- other items of operating income include costs associated with the allocation of free shares, restructuring costs, recognized or fully provisioned if they are liabilities arising from a Group obligation to third parties, which stem from a decision taken by a competent body, and which materialize before the reporting date through the announcement of said decision to third parties and provided the Group no longer expects consideration for these costs. These costs consist primarily of compensation for termination of employment contracts, severance pay, as well as miscellaneous expenses. Other items included on this line of the income statement concern the costs of acquisition and disposal of activities, amortization of acquired intangible assets recorded under business combinations impairment of goodwill, and all unusual items by their occurrence or amount.
- Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) is defined by the Group as operating income before "Net depreciation, amortization and provisions", "Group share of the earnings of associates" and "Other items of operating income".

The 2020 and 2019 segment income statements are reconciled below with the Group's consolidated financial statements. They are prepared in accordance with the Group's operating reporting. The differences between the segment information (internal reporting) and the consolidated financial statements concern in particular the scope of continuing operations. During the entire first half of 2019, conversely, the Group's reporting integrated CIMLEC and its subsidiaries, despite the planned disposal, which was ultimately concluded in July 2019. CIMLEC and its subsidiaries comply with the conditions for applying IFRS 5 – *Non-current assets held for sale and discontinued operations*. The reclassification of the contribution of CIMLEC and its subsidiaries on a specific line of the income statement thus creates a discrepancy between the operating reporting and the consolidated financial statements.

2020 financial year – segment information

(in thousands of euros)	Engineering and Protection Systems	Drones and Systems	3D Printing	Structure and disposals	**Segment total**	Adjust-ments [1]	**Consolidated**
Backlog at the start of the period	73,833	526,343	6,143	(166)	606,154	-	606,154
Backlog at the end of the period	77,156	539,730	6,566	(212)	623,240		623,240
REVENUE	**78,122**	**96,206**	**57,206**	**(420)**	**231,114**	**-**	**231,114**
Capitalized production	987	7,848	1,150	-	9,985	-	9,985
Inventories and work in progress	(87)	2,172	85	-	2,170	-	2,170
Other income from operations	851	4,794	897	-	6,542	-	6,542
Purchases consumed	(44,032)	(51,154)	(30,177)	3,067	(122,296)	-	(122,296)
Personnel expenses	(33,452)	(42,298)	(25,280)	(2,724)	(103,754)	-	(103,754)
Tax and duties	(1,092)	(842)	(758)	(168)	(2,860)	-	(2,860)
Other operating income and expenses	3,676	(631)	219	(67)	3,197	-	3,197
EBITDA	**4,973**	**16,096**	**3,342**	**(312)**	**24,099**	**-**	**24,099**
% revenue	6.4%	16.7%	5.8%	n/s	10.4%		10.4%
Depr., amort. and prov. (net of reversals)	(4,608)	(9,095)	(7,174)	(682)	(21,559)	-	(21,559)
OPERATING RESULTS	**364**	**7,001**	**(3,832)**	**(994)**	**2,540**	**-**	**2,540**
% revenue	0.5%	7.3%	-6.7%	n/s	1.0%		1.0%
Payment in shares	-	-	(269)	-	(269)	-	(269)
Restructuring costs [2]	-	(474)	(3,246)	-	(3,720)	-	(3,720)
Amort. of intangible assets recognized at FV during acquisitions	-	(23)	(765)	-	(788)	-	(788)
Impact of the disposal of VAN DAM/CIMLEC	3,283	-	-	(745)	2,538	1,000	3,538
Exceptional provisions for impairment of asset values [3]	(1,967)	(1,736)	(6,397)	-	(10,100)	-	(10,100)
Other	3	-	(258)	-	(255)	-	(255)
TOTAL OTHER OPERATING ITEMS	**1,319**	**(2,233)**	**(10,936)**	**(745)**	**(12,595)**	**1,000**	**(11,595)**
Group share of the earnings of affiliated companies	-	-	5	-	5	-	5
OPERATING INCOME	**1,683**	**4,768**	**(14,762)**	**(1,739)**	**(10,050)**	**1,000**	**(9,050)**
% revenue	2.2%	5.0%	-25.8%	n/s	-4.3%	-	-3.9%
R&D expenses capitalized over the financial year	603	7,159	1,116	-	8,878	-	8,878
Other property, plant and equipment and intangible investments [4]	1,234	4,216	3,942	127	9,519	-	9,519

(1) *The adjustments column contains provisions for liability guarantee relating to the disposal of CIMLEC, integrated in the segment information but classified in the consolidated income statement on the line "Net income from discontinued activities" in application of IFRS 5.*
(2) *The restructuring costs mainly concern the 3D Printing division, a reorganization of the printer design and manufacturing activities was launched at the end of 2020, involving staff departures, transfers of staff between Group sites and the scheduled closure of the Les Mureaux site (part of the cost is provisioned in the form of a provision for expenses, see Note 11)*
(3) *he provisions for asset impairment losses mainly relate to intangible assets for Û7.9 million (see Notes 6.2 and 6.4), inventories for Û1.5 million (see Note 4.4) and right-of-use assets for Û0.6 million (see Note 4.8).*
(4) *Does not include the costs of obtaining and performing contracts (IFRS 15, integrated in the WCR), nor the new rights of use (IFRS 16).*

2019 financial year – Segment information

(in thousands of euros)	Engineering and Protection Systems [1]	Drones and Systems	3D Printing	Structure and disposals	**Segment total**	IFRS 5 impact [2]	Adjust-ments	**Consolidated**
Backlog at start of period	103,043	120,267	7,493	(354)	230,449	(16,498)	-	213,951
Backlog at the end of the period	73,833	526,343	6,143	(166)	606,154	-		606,154
REVENUE	**114,004**	**112,486**	**71,284**	**(1,349)**	**296,425**	**(21,784)**	**-**	**274,641**
Capitalized production	2,160	3,580	3,094	5	8,840	(83)	-	8,757
Inventories and work in progress	247	2,877	(16)	-	3,109	(265)	-	2,844
Other income from operations	538	4,496	986	-	6,019	(13)	-	6,006
Purchases consumed	(65,511)	(62,154)	(39,034)	1,991	(164,708)	11,057	-	(153,651)
Personnel expenses	(42,930)	(41,044)	(29,849)	(1,705)	(115,527)	8,729	-	(106,799)
Tax and duties	(1,314)	(1,101)	(680)	(33)	(3,128)	326	-	(2,803)
Other operating income and expenses	(467)	1,614	(473)	1,484	2,158	528	-	2,686
EBITDA	**6,727**	**20,754**	**5,312**	**393**	**33,187**	**(1,505)**	**-**	**31,681**
% revenue	5.9%	18.5%	7.5%	n/s	11.2%	6.9%		11.5%
Depr., amort. and prov. (net of reversals)	(4,977)	(10,823)	(6,843)	(217)	(22,860)	642	-	(22,218)
OPERATING RESULTS	**1,750**	**9,932**	**(1,531)**	**176**	**10,327**	**(864)**	**-**	**9,463**
% revenue	1.5%	8.8%	-2.1%	n/s	3.5%	4.0%		3.4%
Payment in shares	-	-	(420)	-	(420)	-	-	(420)
Restructuring costs	(385)	(398)	(578)	-	(1,360)	-	-	(1,360)
Amort. of intangible assets recognized at FV during acquisitions	-	(223)	(888)	-	(1,111)	-	-	(1,111)
Acquisition costs	(90)	-	(35)	(86)	(211)	-	-	(211)
Impact of the disposal of HOEKSTRA	(703)	-	-	-	(703)	-	-	(703)
Impact of the disposal of the CIMLEC Group [2]	22,475	-	-	-	22,475	(22,475)	-	-
Impact of the liquidation of ECA SINDEL	-	-	-	-	-	-	288	288
Exceptional provisions for impairment of asset values	(495)	-	(408)	(157)	(1,059)	-	-	(1,059)
Other	-	-	(50)	-	(50)	-	-	(50)
TOTAL OTHER OPERATING ITEMS	**20,803**	**(620)**	**(2,378)**	**(243)**	**17,561**	**(22,475)**	**288**	**(4,626)**
Group share of the earnings of associates	-	-	73	-	73	-	-	73
OPERATING INCOME	**22,552**	**9,311**	**(3,836)**	**(66)**	**27,961**	**(23,339)**	**288**	**4,910**
% revenue	19.8%	8.3%	-5.4%	n/s	9.4%	107.1%	n/s	1.8%
R&D expenses capitalized over the financial year	1,388	3,448	2,383	-	7,219	(71)	-	7,148
Other property, plant and equipment and intangible investments [3]	2,538	3,079	4,718	160	10,495	(186)	-	10,310

(1) The contribution of CIMLEC and its subsidiaries in the first half of 2019 is included in the Engineering and Protection Systems column to the extent that these companies were consolidated into the operational reporting until their disposal in the early days of July 2019.
(2) The "IFRS 5 impact" column concernsthe contribution of CIMLEC and its subsidiaries, included in the segment information but classified in the consolidated income statement on the line "Net income from discontinued operations", in accordance with IFRS 5.
(3) Does not include the costs of obtaining and performing contracts (IFRS 15, integrated in the WCR), nor the new rights of use (IFRS 16).

Note 3.2 Reconciliation of segment assets and liabilities

Segment assets are current assets used within the operational businesses (inventories, receivables, advances from suppliers, other operating debtors such as social and tax receivables), property, plant and equipment, and intangible assets (including goodwill); segment liabilities are trade and other payables, accrued liabilities, expenses payable, customer advances, provisions for guarantee and expenses related to goods and services sold.

The total segment assets and liabilities are reconciled as follows with the total assets and liabilities of the Group:

2020 financial year

(in thousands of euros)	Engineering and Protection Systems	Drones and Systems	3D Printing	Structure	Disposals	**Consolidated**
Segment assets	64,764	163,784	82,008	21,224	(10,691)	321,090
Other current financial assets	-	-	-	2	-	2
Deferred tax assets	588	(588)	1,276	3,536	-	4,813
Tax receivables payable	572	155	2,091	11,244	-	14,061
Other current and non-current assets	8,922	15,569	818	40,982	(59,929)	6,362
Cash and cash equivalents	11,786	21,764	22,500	26,617	-	82,668
TOTAL CONSOLIDATED ASSETS	**86,632**	**200,685**	**108,695**	**103,604**	**(70,620)**	**428,996**
Segment liabilities	41,374	80,601	19,115	3,592	(2,988)	141,694
Long-term provisions	1,249	5,416	1,120	193	-	7,978
Long-term debt	26,277	23,580	16,773	55,704	(7,673)	114,661
Lease liabilities	7,814	8,525	7,572	234	(13)	24,132
Financial instruments and derivatives	-	-	-	2,133	-	2,133
Other current and non-current liabilities	23,091	25,573	2,316	20,126	(59,946)	11,158
Deferred tax liabilities	-	-	447	-	-	447
Tax liabilities payable	105	30	371	-	-	506
TOTAL CONSOLIDATED LIABILITIES (1)	**99,910**	**143,725**	**47,712**	**81,981**	**(70,620)**	**302,708**

(1) *Total liabilities less shareholders' equity and non-controlling interests.*

2019 financial year

(in thousands of euros)	Engineering and Protection Systems	Drones and Systems	3D Printing	Structure	Disposals	**Consolidated**
Segment assets	78,923	148,391	97,348	11,057	(11,751)	323,968
Other current financial assets	-	12	-	4	-	16
Deferred tax assets	(217)	2,636	3	403	-	2,826
Tax receivables payable	376	15,672	1,758	7,042	-	24,848
Other current and non-current assets	9,155	2,317	1638	19,209	(27,677)	4,642
Cash and cash equivalents	7,460	15,667	15,890	25,235	-	64,252
TOTAL CONSOLIDATED ASSETS	**95,698**	**184,695**	**116,638**	**62,950**	**(39,428)**	**420,553**
Segment liabilities	42,524	57,183	18,783	1,913	(2,110)	118,292
Long-term provisions	1,131	5,298	1,061	122	-	7,612
Long-term debt	20,769	22,310	6,427	33,150	(7,545)	75,110
Lease liabilities	7,600	9,652	10,762	417	(2,101)	26,329
Financial instruments and derivatives	-	516	-	1,186	-	1,702
Other current and non-current liabilities	23,145	5,331	3,094	8,665	(27,679)	12,556
Deferred tax liabilities	184	-	1,182	-	-	1,366
Tax liabilities payable	255	121	255	228	-	858
TOTAL CONSOLIDATED LIABILITIES (1)	**95,606**	**100,410**	**41,563**	**45,680**	**(39,435)**	**243,826**

(1) *Total liabilities less shareholders' equity and non-controlling interests.*

Note 3.3 Revenue by geographical area

2020 financial year

(in thousands of euros)	France	%	Europe	%	Other	%	Total
Engineering and Protection Systems	67,721	87%	6,423	8%	3,979	5%	78,122
Drones and Systems	43,958	46%	34,579	36%	17,669	18%	96,206
3D Printing	37,653	66%	12,925	23%	6,629	12%	57,206
Structure and disposals	(154)	37%	(267)	63%	-	-	(420)
TOTAL	**149,178**	**65%**	**53,660**	**23%**	**28,276**	**12%**	**231,114**

2019 financial year

(in thousands of euros)	France	%	Europe	%	Other	%	Total
Engineering and Protection Systems	89,662	79%	15,839	14%	8,503	7%	114,004
Drones and Systems	57,516	51%	18,766	17%	36,205	32%	112,486
3D Printing	48,447	68%	13,880	19%	8,958	13%	71,284
Structure and disposals	(1,339)	99%	(10)	1%	-	-	(1,349)
IFRS 5 impact	(18,277)	84%	(2493)	11%	(1,014)	5%	(21,784)
TOTAL	**176,008**	**64%**	**45,981**	**17%**	**52,651**	**19%**	**274,641**

NOTE 4 Operational data

Note 4.1 Recognition of income

The Group applies IFRS 15 on revenue from contracts with customers. Its revenues comprise sales of goods, the provision of services and in large part the completion of projects.

The percentage of completion method applies to project activities. For these activities, solutions are determined for the specific and unique needs of each customer. The method is applicable as long as the good sold has no alternative use and that the Group has an irrevocable right to payment regarding the work completed to date (corresponding to the costs incurred to date, plus a reasonable profit margin) in the event of termination for a reason other than the Group's failure to perform. In addition, revenue from the majority of service contracts is recognized over time since the customer receives and uses the benefits from the services provided simultaneously.

Proceeds from contracts may include items that may increase or decrease (rebates, revisions, indexation, penalties, claims, etc.). Claims are taken into account when they can be assessed reliably and when the Group's negotiations with the customer reach a point where the claims are likely to be accepted.

The Group has not identified any situations in its contracts that would require the segmentation of some contracts by service obligation, with different rate margins, as can notably be the case for contracts combing construction and operation.

The estimates of revenue and termination costs are regularly reviewed by operational and financial managers. If profit forecasts at the end of a project indicate a loss, a provision for termination losses is recognized independently of the project's completion. Provisions for losses on completion are presented on the liabilities side of the statement of financial position. The calculation method for completion is based on cost (the rate of completion is equal to the ratio between the cost recognized to date and the total estimated costs at the end of the project).

The backlog corresponds to the amount of customer contracts for which revenue has not yet been recognized. The Group expects a significant portion of the backlog existing at end-2020 to be used within three years. A portion of the backlog of the Drones and Systems division will be completed over a longer period that may stretch up to around seven years.

In 2020, the Group's revenue was down by 15.8% due to the health crisis that affected the Group and most companies (see Note 1.1).

Note 4.2 Other income from operations

The other income from operations consists mainly of public subsidies and research tax credit (CIR).

These subsidies and research tax credits (RTC), which partially or totally cover the cost of an asset, are recognized in the income statement at the same rate as the asset's depreciation.

In 2020, the research tax credit for the period stood at €5.0 million, of which €2.1 million was recognized directly as deferred income and €2.9 million in the income statement. In 2019 these amounts were respectively €4.1 million, €1.5 million and €2.5 million. The research tax credit recorded as deferred income in previous years was also recognized in the income statement in 2020 for €1.8 million (€1.6 million in 2019). The income deferred which appears in liabilities includes €5.3 million in research tax credits and €1.0 million in grants funding non-current assets not yet amortized (see Note 4.7).

(in thousands of euros)	2020	2019
Subsidies	1,704	1,837
Research tax credit	4,838	4,169
TOTAL OF OTHER INCOME FROM OPERATIONS	**6,542**	**6,006**

The tax credits recognized in the income statement not deductible from tax payable appear under assets in the consolidated statement of financial position under the heading "Tax receivables payable". They amount to €14.1 million, including €10.0 million of research tax credit and €4.0 million of tax credit for competitiveness and employment (see Note 9.1.1).

Note 4.3 Depreciation, amortization and provisions

(in thousands of euros)	**2020**	2019
Depreciation, amortization and provisions		
Intangible assets	(6,590)	(6,668)
PROPERTY, PLANT AND EQUIPMENT	**(4,682)**	**(6,267)**
Costs of obtaining and performing contracts	(1,303)	(1,261)
Rights of use	(6,671)	(6,621)
Subtotals	(19,246)	(20,817)
Charges to provisions, net of reversals		
Inventory and work in progress	(1,001)	(1)
Current assets	(491)	344
Liabilities and expenses	(821)	(1,745)
Subtotals	(2,313)	(1,401)
TOTAL NET CHARGES TO AMORTIZATION AND PROVISIONS	**(21,559)**	**(22,218)**

Depreciation and amortization have increased sharply since 2019 mainly due to new depreciation related to rights of use (IFRS 16).

Significant asset impairments were recorded in 2020 (see Notes 1.1.4 and 6.4). These impairments have been recorded in the income statement under "Other items of operating income" (see Note 3.1).

Note 4.4 Inventories and work in progress

Inventories of raw materials and semi-finished and finished goods are valued at the lower of their acquisition cost or their estimated net realizable value. The cost price is calculated using the FIFO or weighted average cost method.

The methods for valuing and impairing work in progress are tailored to the context of each consolidated company. However, the valuation principles generally accepted in the field are followed, including:

work in progress is valued at direct and indirect production costs, excluding all sales and financial costs;

hourly production rates are based on normal activity excluding any sub-activity cost;

when, based on the forecast revenue and cost estimates, a termination loss is probable, said loss is covered by an impairment provision for the portion included in work in progress and a provision for liabilities and expenses for the part of the costs yet to be committed.

Movements in inventories in the consolidated statement of financial position are as follows:

	2020			2019		
(in thousands of euros)	**Gross value**	**Impairment losses**	**Net value**	Gross value	Impairment losses	Net value
Raw materials	26,159	(5,570)	20,590	22,393	(4,539)	17,855
Work in progress	8,604	-	8,604	6,927	-	6,927
Semi-finished and finished goods	3,666	(625)	3,041	4,688	(812)	3,875
Goods	3,242	(2,076)	1,166	3,989	(390)	3,599
TOTAL INVENTORY AND WORK IN PROGRESS	**41,671**	**(8,271)**	**33,400**	**37,996**	**(5,741)**	**32,255**

Over the period, impairment net of reversals recognized in the income statement was €2.5 million

Exceptional impairments were recorded in the amount of €1.5 million. They concerned the 3D Printing division and appear in the income statement under "Other operating income items".

Note 4.5 Trade receivables, contract assets and liabilities

Trade receivables are invoiced receivables entitling the issuer to payment.

(in thousands of euros)	**2020**	2019
Trade receivables	48,352	67,383
Impairment losses	(3,910)	(3,408)
TRADE RECEIVABLES, NET VALUES	**44,443**	**63,975**

Trade receivables are impaired in accordance with the simplified FRS 9 model. As soon as impairment arises, the trade receivables are impaired for the expected losses over the remaining term.

Measurement of the credit risk of trade receivables is undertaken at customer level. Provisions for expected losses are therefore measured by using historic default rates among comparable customers, the ageing of receivables and the Group's risk assessment receivable by receivable. When it becomes certain that a receivable will not be collected, the receivable and its impairment are recorded as a loss on the income statement.

The Group as a whole is not over-reliant on any one client, as can be seen from the percentage of consolidated revenue generated from each of the top five clients in 2020 (and for the sake of comparison, in 2019):

	2020	2019
• Customer A:	10.7%	3.2%
• Customer B:	3.5%	3.2%
• Customer C:	3.0%	3.1%
• Customer D:	2.9%	3.1%
• Customer E:	2.6%	3.1%

In 2020, the top five customers accounted for 22.6% of the Group's revenue (compared with 17.6% for the top five in 2019). The top 15 customers represented 36.2% of the Group's 2020 revenue (compared with 32.9% for the top 15 in 2019).

The risk of customer default is the main credit risk to which the Group is exposed. The Group has implemented a policy of monitoring its credit risk at all of its subsidiaries.

Overdue trade receivables for which there is no provision amounted to €14.3 million, including €5.7 million for the Drones and Systems division, and break down as follows:

Overdue (in thousands of euros)	2020	(In%)
Trade receivables not yet due	30,171	68%
< 1 month overdue	5,990	13%
1-2 months overdue	2,254	5%
2-3 months overdue	720	2%
> 3 months overdue	5,308	12%
NET TRADE RECEIVABLES	**44,443**	**100%**

Of total receivables, almost €5.6 million was paid at 8 March 2021. The Group is not aware of additional difficulties which might justify a provision.

"Contract assets" and "contract liabilities" are determined on a contract-by-contract basis. "Contract assets" correspond to contracts in force for which the value of created assets exceeds the advances received. "Contract liabilities" correspond to all contracts in a situation where the assets (receivables in progress) are less than the liabilities (advances from clients and deferred income recorded when the invoices issued exceed the revenue recognized to date).

The backlog (revenue to be recognized) is indicated by division in Note 3.1.

(in thousands of euros)	2020	2019
Work in progress (A)	1,653	1,380
Receivables in progress (B)	103,975	74,488
Down-payments received (C)	42,235	26,355
Deferred income (D)	-	-
CONTRACT ASSETS (A) + (B) - (C) - (D)	**63,393**	**49,513**

(in thousands of euros)	2020	2019
Work in progress (A)	457	479
Receivables in progress (B)	827	6,014
Down-payments received (C)	6,798	15,631
Deferred income (D)	32,715	12,770
Other liabilities (E)	520	1,026
CONTRACT LIABILITIES – (A) - (B) + (C) + (D) + (E)	**38,749**	**22,934**

Note 4.6 Other current assets

	2020			2019
(in thousands of euros)	Gross value	Depreciation	Net value	Net value
Advances and down-payments made	5,442	-	5,442	3,308
Other receivables(1)	2,649	(556)	2,093	2,747
Social and tax receivables	9,530	-	9,530	9,747
Current accounts receivable	-	-	-	3
Prepaid expenses	4,269	-	4,269	1,892
TOTAL OTHER CURRENT RECEIVABLES	**21,891**	**(556)**	**21,334**	**17,698**

(1) *Including subsidies receivable for €132 thousand, royalties for €360 thousand and €625 thousand in receivables from VAN DAM.*

Note 4.7 Other current and non-current liabilities

(in thousands of euros)	2020	2019
Suppliers	49,483	49,956
Fixed asset suppliers	46	12
TOTAL TRADE PAYABLES	**49,529**	**49,968**
Advances and down-payments received	740	32
Social security liabilities	24,181	20,562
Tax liabilities	19,731	18,693
Miscellaneous debts	2,122	3,519
Deferred income	8,649	8,595
TOTAL OTHER CURRENT LIABILITIES	**55,423**	**51,403**
Conditional advances	341	430
TOTAL OTHER NON-CURRENT LIABILITIES	**341**	**430**

Trade payables are paid on their normal due dates, provided the services from the suppliers are fully completed and in the absence of litigation.

The deferred income corresponds to subsidies and research tax credits that will be recognized as income concurrent with the amortization of the corresponding assets (€6.3 million, see Note 4.2).

Note 4.8 Summary of leases

The Group implements IFRS 16 – *Leases* which became applicable as of 1 January 2019. As the Group opted for the simplified retrospective method, the opening statement of financial position at 1 January 2019 was adjusted.

The new standard on leases, IFRS 16, places more focus on controlling the leased asset. IFRS 16 replaces existing standards on leases. Under IFRS 16, the Group must recognize assets (corresponding to the rights of use of underlying assets) and lease liabilities with respect to its obligations to pay the rent due on all its leases. The value of the lease asset (right of use) and liability is measured initially at the discounted value of future lease payments, as well as estimated payments at the end of the lease. The lease term is defined on a lease-by-lease basis and corresponds to the firm commitment period, taking into account option periods that are reasonably certain to be carried out. The right-of-use asset is amortized over the remaining lease period. The Group applies the exemptions provided by the standard for leases with a term of 12 months or less, and for leases where the underlying asset has a low value when it is new. These lease payments are recognized directly as expenses.

The discount rates applied are based on the Group's marginal borrowing rates by type of asset. The average marginal rate used for the 2020 financial year was 1.01%.

Leases entered into by the Group and falling within the scope of this standard concern primarily:

- property leases;
- vehicle and other equipment leases.

The leases treated under IFRS 16 had a total asset value of €23.2 million and an impact on the income statement (Group share) of €681 thousand. Since 1 January 2019, the nature of the expenses related to these leases has changed as the application of IFRS 16 has replaced the recognition on a straight-line basis of expenses in respect of operating leases with a depreciation expense for "Right-of-use assets" amounting to €6,672 thousand, without distinction between operating leases and finance leases, and by an interest expense for lease liabilities amounting to €320 thousand for 2020. Impairment losses relating to a machine and underused buildings were recognized in the amount of €564 thousand.

The impacts of IFRS 16 on the financial statements are detailed in the table below:

(in thousands of euros)	Property	Other property, plant and equipment	Prepaid payments	**Total net assets**	**Lease liabilities on the liabilities side of the statement of financial position**
At 1 January 2020	**22,216**	**4,107**	**(289)**	**26,034**	**26,329**
New leases	5,604	2,219	-	7,823	7,825
Changes in scope	-	-	-	-	-
Amortization of rights of use	(4,266)	(2,406)	-	(6,672)	-
Impairment of right-of-use assets	(453)	(112)	-	(564)	-
Interest expenses	-	-	-	-	317
Payments (lease expenses canceled)	-	-	(14)	(14)	(6,911)
Change in accrued interest	-	-	-	-	(3)
Departures	(3,183)	(183)	-	(3,366)	(3,340)
Currency translation adjustments	(86)	-	-	(86)	(86)
AT 31 DECEMBER 2020	**19,833**	**3,626**	**(303)**	**23,155**	**24,132**
of which lease liabilities due in less than one year					5,945
of which lease liabilities due in more than one year					18,187

The application of IFRS 16 therefore has a significant impact on EBITDA as defined by the Group (see Note 3.1), with no significant impact on operating income and even less significant on net income. EBITDA for 2020, which amounted to €23,946 thousand, would have amounted to €17,071 thousand without the application of IFRS 16.

Note 4.9 Off-balance sheet commitments related to operations

(in millions of euros)	2020	2019
Endorsements, security deposits and guarantees given	59.9	54.9
Other commitments given	-	-
TOTAL	**59.9**	**54.9**

Furthermore, GROUPE GORGÉ SA and ECA SA have given certain clients individual performance guarantees on contracts awarded to Group companies; the value of these guarantees cannot be measured.

There are no other significant commitments related to operating activities that are not included in the financial statements.

NOTE 5 Employee expenses and benefits

Note 5.1 Workforce

	31/12/2020	31/12/2019
Total workforce	1,849	1,777
Average workforce	1,773	1,732

The workforce of CIMLEC and its subsidiaries, which were sold in 2019, is not included in the calculation of the average workforce in 2019.

At 31 December 2020, approximately 5% of the total workforce was based abroad.

Note 5.2 Employee expenses and benefits

The employee benefits are estimated in accordance with the revised IAS 19. They are broken down between short term and long term benefits.

The employees of the Group receive short term benefits such as holiday pay, sickness pay, bonuses and other benefits (other than contract termination payments) payable within the 12 months following the end of the period during which the employees provided the corresponding services.

These benefits are recognized in current liabilities and recorded in the expenses in the year in which the service is provided by the employee.

The long-term benefits cover two categories of employee benefits:

the benefits subsequent to employment, which include the allowance paid on retirement;

the other long term benefits (during employment), which mainly concern long service awards.

The various benefits offered to each employee depend on the local legislation and the conventions and agreements in effect in each Group company.

Employee expenses include the following items:

(in thousands of euros)	2020	2019
Salaries and benefits	(73,642)	(75,531)
Social security contributions	(27,648)	(27,989)
Shareholding plans and profit-sharing	(288)	(862)
Other [(1)]	(2,176)	(2,416)
TOTAL	**(103,754)**	**(106,799)**

(1) *Mainly includes contributions to Works Council, occupational health, luncheon vouchers, etc.*

Note 5.3 Provisions for pensions and similar commitments

The Group makes provisions for post-employment benefits (retirement pay) and long term employee benefit plans (awards). The cost of retirement and related benefits (awards) is provisioned for the remaining obligations. It is estimated for the entire workforce on the basis of accrued rights and a projection of current salaries, taking into account the risk of mortality, staff turnover and a discounting assumption.

The discount rates are determined by reference to the yields on bonds issued by first class corporations over terms equivalent to those of the commitments on the date of valuation

Actuarial variances are generated where differences are recorded between the actual data and the forecasts made previously, or as a result of changes in actuarial assumptions. The actuarial variances generated are recognized in the overall income statement, net of deferred taxes.

The expense recognized in the income statement includes:

the costs of services provided during the financial year, the cost of past services, as well as any effects of any reduction or liquidation of the scheme;

the net interest expense on bonds and hedging assets.

The provision for claims is updated annually on the basis of the prevailing fee schedules, changes to the assessment base, staff turnover and mortality assumptions and discount rates.

The main parameters used for the year are as follows:

departure at the employee's initiative (voluntary departure);

calculation of compensation under the collective agreement in force in each of the companies (metallurgy, SYNTEC, other);

assumed retirement age 67;

IBOXX discount rate in the euro zone 0.40% (0.77% in 2019);

loading rate 50%;

turnover: differs from one entity to another depending on the type of work, seniority and the average age of employees;

rate of revaluation of salary calculation bases: differs from one entity to another depending on various factors;

INSEE mortality table 2016-2018.

Change in the obligation *(in thousands of euros)*	2020	2019
Opening provision	**7,587**	**8,771**
IFRS 5 impact	-	(1,989)
Provision restated at opening	**7,587**	**6,782**
Cost of services provided for the period	634	493
Interest on discounting	54	85
Cost of services provided	-	-
First consolidation/(deconsolidation)	-	63
Profit/(Loss) relating to liquidation or curtailment	(200)	(173)
Actuarial losses/(gains) generated on the obligation	179	627
Benefits paid	(299)	(289)
CLOSING PROVISION	**7,956**	**7,587**

With respect to retirement and other post-employment benefits, a 0.5 point increase in the discount rate would reduce the amount of the obligation by approximately €532 thousand. An equivalent decrease would raise the obligation by €464 thousand.

Provisions for long-term service awards amounted to €19 thousand for the financial year (versus €21 thousand in 2019, restated for discontinued activities).

Note 5.4 Payments in shares (stock options, share subscription warrants, allocation of free shares)

Certain employees of the Group receive a remuneration in equity instruments, for which the payment is based on shares. The costs of free share allocation plans, and share subscription or purchase options are recognized under other items of operating income. This expense, which corresponds to the fair value of the instrument issued, is spread over the vesting period for the rights, counterbalanced by a corresponding adjustment to the shareholders' equity. The Group periodically re-examines the number of potential shares. Where applicable, it recognizes the consequences of the revision of its estimates in the income statement.

PRODWAYS GROUP had set up free share allocation schemes in 2016. Vesting of 261,900 new PRODWAYS GROUP shares for which the vesting conditions were met became final in April 2019.

On 31 January 2019, the Board of Directors of PRODWAYS GROUP issued a new free share plan. Under this plan, 802,800 PRODWAYS GROUP shares could be created depending on the presence and performance conditions for the 2019 to 2021 financial years. The potential value of the shares that may be created given the objectives and departures amounted to €589 thousand. An expense of €246 thousand (excluding social security contributions) was recognized during the financial year (total expense amounted to €547 thousand).

The fair value of free shares is calculated using valuation models. Changes in values subsequent to the grant dates have no impact on the initial valuation of the shares, and the number of potential shares taken into account to value the plans is adjusted at each closing date to take account of the probability of achieving the objectives of beneficiaries' performance and attendance.

Free share allocation plans	FSA 01-2019 PRODWAYS	FSA 02-2016 PRODWAYS	FSA 12-2016 PRODWAYS
Original number of recipients	446	200	239
Support share	PRODWAYS GROUP	PRODWAYS GROUP	PRODWAYS GROUP
Potential number of shares	802,800	632,200	488,500
Final allocations in the year/cancelations	- / 49,025	- / -	261,900 / 480
Cumulative final allocations/cancelations	- / 210,725	- / 632,200	261,900 / 226,600
Potential share balance	592,075	-	-
Date of establishment	January 2019	February 2016	December 2016
Start of the vesting period	January 2019	February 2016	December 2016
End of the vesting period	February 2021 to February 2023	15 April 2019	15 April 2019
End of the lock-up period	February 2021 to February 2023	15 April 2019	15 April 2019
Total expense recognized *(in thousands of euros)*	547	-	703
Potential value of the shares (*in thousands of euros*)	589	-	-

With regard to the 2019 plan, out of 592,075 potential shares at the reporting date, 186,408 potential shares were definitively vested on 1 February 2021 and 202,834 shares were canceled on the same date for failure to meet the performance conditions for the 2020 financial year (see Note 13.3 "Subsequent events").

Note 5.5 Remuneration of executives and related parties

5.5.1 Executive remuneration

The members of the Board of Directors of GROUPE GORGÉ received remuneration in 2020 for a total amount of €40,000.

The Chairman and Chief Executive Officer was paid by GROUPE GORGÉ and by the controlled company PRODWAYS GROUP (and marginally by PÉLICAN VENTURE, a company controlling GROUPE GORGÉ, for the first three months of 2019). GROUPE GORGÉ paid him total gross remuneration of €326,660 in 2020 (fixed remuneration of €207,750, taking into account a voluntary reduction of €17,250 in the second quarter, €109,000 in exceptional remuneration for 2019 and €9,910 in benefits in kind). PRODWAYS GROUP paid him an overall gross remuneration of €80,250 (€68,750 in fixed remuneration, taking into account a voluntary reduction of €6,250 in the second quarter, and €11,500 in variable remuneration for 2019). The variable remunerations of the Chairman for 2020 were set at €63,000 and €16,812 by the Boards of Directors of GROUPE GORGÉ and PRODWAYS GROUP, respectively.

GROUPE GORGÉ paid the Deputy Chief Executive Officer gross remuneration of €197,455 (fixed remuneration of €193,750, taking into account a voluntary reduction of €6,250 in the second quarter and €3,705 in benefits in kind). The variable remuneration of the Deputy Chief Executive Officer in respect of 2020 was set at €84,000 by the Board of Directors of GROUPE GORGÉ.

5.5.2 Related parties

Related parties are persons (Directors, managers of GROUPE GORGÉ or of its principal subsidiaries) or companies owned or managed by such persons (except for subsidiaries of GROUPE GORGÉ). The following transactions with related parties conducted during the year have been identified in the GROUPE GORGÉ financial statements:

(in thousands of euros)	PÉLICAN VENTURE	SOPROMEC
2020 income statement		
Revenue	98	22
Other income	-	-
Purchases and external charges	(64)	-
Financial income	-	-
2020 statement of financial position		
Trade accounts receivable	-	-
Debtors	3	-
Suppliers	-	-
Creditors	-	-
Deposits and guarantees received	5	5

PÉLICAN VENTURE is a holding company, and the main shareholder of GROUPE GORGÉ. It is chaired by Jean-Pierre GORGÉ, a Director of GROUPE GORGÉ. SOPROMEC is a subsidiary of PÉLICAN VENTURE.

NOTE 6 Intangible assets and property, plant and equipment

Note 6.1 Goodwill

Goodwill is initially recognized at the time of a combination of businesses as described in Note 2.1.

Goodwill corresponds to the difference between the cost of an acquisition and the fair value of the Group's share in the identifiable net assets acquired. Positive differences are recognized under "Goodwill" on the assets side of the statement of financial position, while negative differences are recognized directly in the income statement. Goodwill is allocated to cash-generating units (CGU). The essential elements of the business are treated in the same way as goodwill. Income from the disposal of a CGU includes the exit of goodwill allocated to the business disposed of, based on the relative values of that business and the share of CGU retained.

Goodwill may be adjusted in the 12 months following the acquisition date to reflect the final calculation of the fair value of the assets and liabilities acquired.

Subsequent to their initial recognition, they are not amortized but are the subject of an impairment test on the appearance of indications of loss of value, and at least once a year. The processes for the impairment tests carried out in 2020 and 2019 are described in Note 6.4.

Net value (in thousands of euros)	2020	2019
At 1 JANUARY	**64,078**	**62,238**
Impact of discontinued activities	-	-
First consolidations [(1)]	-	1,963
Deconsolidated [(2)]	(834)	(122)
AT 31 DECEMBER	**63,245**	**64,078**
Of which impairment at 31 December 2020	(498)	(498)

(1) *The main entries in the consolidation scope in 2019 concerned the acquisition of L'EMBOUT FRANÇAIS and SURDIFUSE (€1,963 thousand).*
(2) *Concerning the exit of VAN DAM and its subsidiaries in 2020.*

Goodwill is distributed as follows:	
• Drones and Systems	30%
• Engineering and Protection Systems	14%
• 3D Printing	56%

Note 6.2 Other intangible assets

With the exception of brands, intangible assets are amortized on a straight-line basis over their useful life, taking into account the period of legal protection, if applicable.

Intangible assets acquired separately are recognized in the statement of financial position at their acquisition cost. They are subsequently measured at amortized cost, as recommended by IAS 38 – *Intangible assets*. Intangible assets acquired in a business combination are recognized in the statement of financial position at their fair value, determined on the basis of external valuations. These valuations are performed using generally accepted methods, based on future inflows. The value of intangible assets is tested on a regular basis for impairment.

The value of amortized intangible assets is tested when there is any indication that their recoverable amount may be less than their carrying amount. Impairment losses resulting from valuation tests are recognized in "Other items of operating income".

Intangible assets acquired in a business combination are not amortized when their useful life cannot be determined. The criteria for ascertaining whether or not the useful life of an intangible asset be determined, and the length of useful life, if applicable, are as follows:

- the reputation of the asset;
- the period over which the asset is expected to be used in the Group's operations.

The value of intangible assets with an indefinite useful life is tested for impairment at least once a year and whenever there is an indication of impairment. If applicable, an impairment loss is recognized.

The fixed assets generated internally mainly concern expenses for development of new projects. They are capitalized where the following criteria are strictly fulfilled:

- the technical feasibility necessary for the completion of the intangible assets with a view to its commissioning or its sale;
- the intention to complete the intangible assets and commission or sell it;
- the capacity to use or sell the intangible assets;
- the way in which the intangible assets will generate probable future economic benefits. The entity must demonstrate, among other things, the existence of a market for the production from the intangible assets or for the intangible assets itself or, if the latter has to be used internally, its utility;
- the availability of technical, financial and other resources necessary to complete the development and commission or sell the intangible assets;
- the capacity to reliably estimate the expenses attributable to the intangible assets during its development.

Development costs that do not meet these criteria are expensed in the period in which they are incurred. This is notably the case for research and development work that may be carried out in connection with customer orders where the costs cannot be separated from the costs involved in fulfilling the order.

Capitalized development projects are amortized over the life of the underlying technology, generally between 3 and 15 years from their completion date.

Development costs are subject to impairment tests whenever there is an indication of impairment.

Under IFRS 15, the costs of obtaining and executing a contract must be recognized as an asset and amortized if they represent incremental costs, *i.e.* costs the entity would not have incurred had that individual contract not been obtained, and which the entity expects to recover on the basis of the contract's expected profit. The Group occasionally incurs costs associated with obtaining and performing contracts (mainly fees). The application of this method reduces the rate of progress of the relevant contracts at launch, since fewer expenses are recorded and the costs to obtain the contract are recognized through amortization over the term of the contract.

(in thousands of euros)	Development projects	Costs of obtaining and performing contracts	Other intangible assets	Non-current assets in progress	**Total**
Gross value					
At 1 January 2020	**76,178**	**8,709**	**25,754**	**925**	**111,566**
Acquisitions	8,878	5,281	1,012	137	15,308
Changes in scope	(3,714)	-	-	-	(3,714)
Departures	-	-	(40)	-	(40)
Other changes	328	(7,008)	783	(890)	(6,787)
Impact of changes in exchange rates	(228)	-	(147)	-	(375)
At 31 December 2020	**81,441**	**6,982**	**27,363**	**172**	**115,958**
Depreciation, amortization and impairment					
At 1 January 2020	**46,547**	**7,216**	**14,224**	**-**	**67,987**
Depreciation and amortization	5,616	1,303	1,802	-	8,721
Changes in scope	(2,847)	-	-	-	(2,847)
Impairment losses	5,577	-	2,295	-	7,872
Departures	-	-	(40)	-	(40)
Other changes	-	(7,008)	-	-	(7,008)
Impact of changes in exchange rates	(65)	-	(33)	-	(98)
At 31 December 2020	**54,828**	**1,511**	**18,248**	**-**	**74,587**
Net value					
At 1 January 2020	29,631	1,493	11,530	925	43,579
AT 31 DECEMBER 2020	**26,613**	**5,471**	**9,115**	**172**	**41,371**

The intangible assets are tested for impairment in accordance with the procedures indicated in Note 6.4 and in the circumstances indicated in Note 1.1.4. In 2020 impairment losses were recognized for R&D projects (€5.6 million, of which €2.4 million for the 3D Printing division and €1.4 million for the Drones and Systems division) and for intangible assets recognized at fair value at the time of the acquisitions (€2.3 million, concerning the 3D Printing division). They appear in the income statement under "Other items of operating income".

Development projects and other intangible asset line items are as follows:

Net value (*in thousands of euros*)	3D Printing	Engineering and Protection Systems	Drones and Systems	Structure	**Total**
Special doors for EPR	-	1,302	-		1,302
Wrapping	-	1,288	-	-	1,288
Underwater robotics	-	-	14,344	-	14,344
Land and air robotics	-	-	821	-	821
Avionics	-	-	459	-	459
Ground support equipment (GSE)	-	-	2,341	-	2,341
Flight simulation	-	-	827	-	827
3D printers (1)	3,288	-	-	-	3,288
Other	79	544	1,319	-	1,942
Subtotal development projects	**3,367**	**3,134**	**20,112**	**-**	**26,612**
Customer relations and DELTAMED (2), INTERSON (3), SURDIFUSE (4) and SOLIDSCAPE (5) brands	2,467	-	-	-	2,467
Costs of obtaining and performing contracts	-	-	5,471	-	5,471
AVENAO distribution and branding contract (6)	3,083	-	-	-	3,083
INFOTRON patents (7)	-	-	300	-	300
Other (8)	973	1,014	788	663	3,438
TOTAL INTANGIBLE ASSETS	**9,889**	**4,148**	**26,670**	**663**	**41,370**

(1) Including revaluation of assets at fair value through acquisitions, €642 thousand.
(2) Including revaluation of assets at fair value through acquisitions, €725 thousand.
(3) Including revaluation of assets at fair value through acquisitions, €416 thousand.
(4) Including revaluation of assets at fair value through acquisitions, €596 thousand.
(5) Including revaluation of assets at fair value through acquisitions, €1,146 thousand.
(6) Including revaluation of assets at fair value through acquisitions, €3,083 thousand.
(7) Including revaluation of assets at fair value through acquisitions, €300 thousand.
(8) Including costs and purchases of licenses for ECA's new ERP for €341 thousand (direct costs).

R&D policy

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group files patent applications when necessary in protecting a technical, technological or commercial breakthrough.

In 2020, the research and development (R&D) efforts related to the three divisions. The Group's research and development was mainly focused on the following areas:

Drones and Systems division

- Continuation of the development program of compact Test Means incorporating T-Cell Technology modules to test aircraft functions as close as possible to the aircraft to limit connection harnesses as much as possible;
- Continued development of ELITE SC (application of the ELITE product complying with the new C126C regulation on lithium-ion batteries) to complete our ELT range;
- Continuation of the upstream research project for a new architecture for the front end of aircraft: Disruptive Nose Architecture (DINA). The CORAC project is financed by the DGAC in collaboration between AIRBUS, LATECOERE, HUTCHINSON, STELIA, TE-CONNECTIVITY and ECA.
- Launch of the development of a range of "autonomous outdoor-indoor AGVs" to meet the needs of markets for the automation of standard container logistics flows on industrial sites.
- The robotics division continues to invest in R&D to meet its growth ambitions around drone systems.
- Artificial Intelligence, Cybersecurity, Sensors and Algorithms, Energy, Underwater Acoustics and Magnetism are among the key skills constituting the technological base at the service of our solutions and our clients.

Engineering and Protection Systems division

- Development of a new range of modular doors initiated, allowing delayed differentiation in the production process while allowing a large range of risks to be covered.

3D Printing division

R&D work in progress pertains primarily to the following areas:

the development of new materials;

- the continued development of our solutions for the health sector, orthopedic insoles and new products for hearing aids or hearing protection and Rapid Additive Forging (RAF) technology;
- continued innovation in our range of powder sintering 3D printers;
- the next ranges and generations of MOVINGLight® 3D printers;
- the development of a new printer range for the jewelery market (Solidscape).

R&D expenditure amounted to approximately €15.4 million in 2020. The changes were as follows:

(in millions of euros)	**2020**	2019
Capitalized research and development	8.9	7.2
Research and development recognized as an expense	6.6	5.9
TOTAL RESEARCH AND DEVELOPMENT EXPENDITURE	**15.4**	**13.0**
Total research and development as% of revenue	6.7%	4.7%
Tax credits for the year	5.0	4.1
Research and development net of tax credits	10.6	9.0

The Drones and Systems (ECA and subsidiaries) and 3D Printing divisions accounted for most of the total expenses (€10.9 million and €2.9 million euros, respectively, out of €15.4 million); Capitalized expenses of €7.2 million and €1.1 million out of a total of €8.9 million.

The Group consistently seeks external financing to cover these investments (French Defense Procurement, BPIFRANCE, FUI (French Single Inter-Ministry Fund), Europe, Regional, etc.) and uses its French tax credit for research. The Group's subsidiaries obtained research tax credits amounting to a total of €5.0 million in 2020, including €2.9 million recognized as income in the income statement for the year and €2.1 million recognized as deferred income, which will contribute to future results. The Drones and Systems division recorded €4.1 million out of a total of €5.0 million in CIR.

R&D expenditures are for the most part internal costs and it is very rare that R&D work is sub-contracted.

Note 6.3 Property, plant and equipment

Property, plant and equipment primarily comprises land, buildings and production equipment, and is recognized at purchase cost, less accumulated depreciation and any impairment losses, as recommended by IAS 16 – *Property, plant and equipment*.

Each component of an item of property, plant and equipment with a useful life that differs from that of the item as a whole, is depreciated separately on a straight-line basis, without taking into account the residual values. The useful lives of items of property, plant and equipment are generally considered to be the following:

- buildings: 10 to 35 years;
- technical facilities, equipment and tools: 3 to 10 years;
- other: 3 to 12 years.

The useful life of items of property, plant and equipment used in operating activities reflect the estimated life cycles of the products. The useful life of items of property, plant and equipment are reviewed periodically, and may be adjusted prospectively, if appropriate.

Depreciation is expensed in the year incurred.

Items of property, plant and equipment are tested for impairment when there is an indication that they may be impaired. If necessary, an additional impairment is recognized in the income statement under "Other items of operating income".

(in thousands of euros)	Land and buildings	Fixtures and equipment	Rights of use – property	Rights of use – other assets	Non-current assets in progress	Advances and down-payments	**Total**
Gross value							
At 1 January 2020	**16,478**	**44,478**	**25,887**	**6,326**	**1,033**	**2,698**	**96,898**
Acquisitions	2,983	2,518	5,604	2,219	2,866	3	16,193
Changes in scope	-	(1,712)	-	-	-	-	(1,712)
Departures	(3,944)	(1,356)	(3,412)	(895)	(106)	(43)	(9,757)
Other changes	2,622	(253)	-	(7)	(274)	(2,622)	(534)
Impact of changes in exchange rates	(20)	(261)	(123)	-	(14)	-	(418)
At 31 December 2020	**18,119**	**43,414**	**27,956**	**7,642**	**3,504**	**35**	**100,670**
Depreciation, amortization and impairment							
At 1 January 2020	**6,751**	**32,954**	**3,671**	**2,219**	**-**	**-**	**45,594**
Depreciation and amortization	795	4,455	4,266	2,406	-	-	11,921
Changes in scope	-	(1,164)	-	-	-	-	(1,164)
Impairment losses	-	(43)	453	112	-	-	521
Departures	(781)	(1,162)	(229)	(719)	-	-	(2,891)
Other changes	-	(90)	-	-	-	-	(90)
Impact of changes in exchange rates	(17)	(205)	(37)	-	-	-	(260)
At 31 December 2020	**6,748**	**34,744**	**8,123**	**4,016**	**-**	**-**	**53,632**
Net value							***0***
At 1 January 2020	9,727	11,524	22,216	4,107	1,033	2,698	51,304
At 31 December 2020	**11,371**	**8,670**	**19,833**	**3,626**	**3,504**	**35**	**47,038**

In 2020, the Group sold a real estate asset in Les Mureaux for €6.9 million. The capital gain of €3.8 million is included in "Other operating income and expenses". Several significant real estate investments are underway for the Drones and Systems division (the Montpellier site, a total investment of around €3.6 million, which was significantly advanced by the end of 2020, and the Ostend site, an investment of around €10 million, which has just started in 2020) and the 3D Printing division (Chavanod site, total investment of around €5 million, started in 2019 and completed in 2020).

Note 6.4 Impairment of fixed assets

Open-ended non-current assets are not amortized and are tested for impairment at each reporting date. These assets consist of goodwill. Goodwill impairment losses are irreversible.

Non-current assets with an indefinite useful life are tested for impairment at each closing date. They are tested for impairment when, due to special events or circumstances, the probability of recovering their carrying amount comes into question. The appearance of loss factors specific to certain assets other than goodwill, especially R&D assets, may be grounds for testing and justify an impairment of these assets regardless of an impairment test on the CGU to which they were previously attached. These impairment factors may be related to internal factors (e.g. changes in the assessment of Management's ability to bring an R&D project to a conclusion or of the costs of doing so) or external events (e.g. changing commercial outlook). The sum of these factors influences Management's appraisal, asset by asset, of whether or not there are any future economic benefits or what those future economic benefits are. For non-current assets that impaired, the possible recovery of the impairment is reviewed on each reporting date.

For the purposes of measuring impairment, assets are grouped into cash-generating units (CGUs), which represent the lowest level of unit generating separate cash flow.

Impairment is accounted for to match the surplus of the carrying amount over the recoverable amount of a CGU. The recoverable amount corresponds to the higher of the fair value less costs to sell and the value in use, calculated using the discounted future cash flow method.

The CGUs used in the Group's current configuration and organization are now, within the Drones and Systems division, Aerospace and Robotics; within the Engineering and Protection Systems division, NUCLÉACTION, SERES and Fire Protection France; within the 3D Printing division, Systems and Products.

Process for the impairment tests

In the first half of 2020, the Covid-19 health crisis occurred. This crisis had an extremely significant impact on all economic activities. This impact weighed heavily on the second quarter but the repercussions on the economy will be long-term. In this context, the Group has carefully and prudently carried out impairment tests on all of its assets since the summer of 2020.

Impairment tests were carried out on all intangible assets and property, plant and equipment and resulted in the recognition of impairment losses in the amount of €7.9 million, concerning R&D projects and assets recognized at fair value upon acquisition. These impairment losses are recognized in other operating income.

As part of the closing of the accounts for 2020 and concerning the recoverable amount of the CGUs, the Group re-examined the operational assumptions used for the tests already carried out, as well as measured the change in the discount rate. It was concluded that the assumptions should not be significantly challenged, as the change in the discount rate was favorable and the margins between the recoverable value and the book value were significant, and that it was not necessary to redo all tests. As a result, only one CGU was retested.

Value in use is calculated using the discounted future cash flow method. The discount rate used is the weighted average cost of capital (WACC), calculated using the ten-year OAT (risk-free rate) rate, a market risk premium and Beta calculated based on the share price of the Company and the performance of the CAC 40 index. The after-tax cash flows are projected conservatively over the forecast period of the activity in question (six years), plus an extrapolated value and a terminal value with a growth assumption of 3% for the PRODWAYS GROUP and 1.5% for the other activities.

The key operating assumptions used include assumptions on the level of activity that are estimated to be conservative and for certain CGUs (Aerospace, Systems) that are assumed to be lagged by around one year compared to the assumptions used for the previous tests, due to the health crisis and its consequences on the economy. The Aerospace CGU's decline in activity was the most marked in 2020. Of the Group's CGUs, Aerospace is the one that will take time to return to its 2019 level of activity. As cautious assumptions were made, the specific risk premiums were not revised upwards. For the 3D Printing CGUs, we still expect the market to continue growing momentum but will be impacted in 2020 by the slowdown or delay in customer investments. The use of 3D printing in the medical sector is also an undisputed underlying trend. Certain CGUs, driven by long-term projects (Nuclear, Robotics) are less penalized by the crisis. Assumptions for improving profitability rates are based, in particular, on optimization of production costs and better absorption of fixed costs, as the crisis has justified the acceleration of the implementation of optimizations. Finally, in order to support the development of activities, it is planned to maintain a sustained level of investment (R&D) and a working capital requirement maintained at a high level.

The discount rates used for each CGU are between 6.7% and 11.4%, excluding specific risk premiums. The tests carried out take into account the measurement of the sensitivity of the key assumptions (including operational) used to calculate the recoverable amount (discount rate of +/-1.0 point, perpetual growth rate of -1.0 point, EBITDA of -1.0 point). These sensitivity measurements are identical for each of the CGUs but applied to wider ranges than during previous tests.

No goodwill impairment losses were recognized. Management does not believe that any reasonably possible change in the key assumptions used to calculate the recoverable value might lead to the carrying amount of a CGU being considerably higher than its recoverable value.

The CGUs and the discount rates used are therefore the following:

CGU	Goodwill	Discount rates, including risk premiums
Aerospace	1,332	8.7%
Robotics	17,691	9.2%
Drones and Systems	**19.023**	
Systems	23,943	14.4%
Products	11,744	14.4%
3D Printing	**35,687**	
NUCLÉACTION	3,766	9.0%
Fire Protection	3,964	9.1%
SERES	806	9.6%
Engineering and Protection Systems	**8,536**	
TOTAL GROUPE GORGÉ	**63,245**	

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NOTE 7 Details of cash flows

Note 7.1 Calculation of cash flow

(in thousands of euros)	2020	2019
Net income from continuing operations	**(10,510)**	**1,546**
Allowances for/reversals of depreciation, amortization and provisions	31,276	18,334
Cancelation of capital gains and losses on treasury shares	(52)	61
Calculated expense linked to share-based and similar payments	247	373
Earnings of equity-accounted companies	(5)	(73)
Capital gains and losses on disposals(1)	(8,274)	4,055
Revaluation of financial assets at fair value	-	(996)
CASH FLOW FROM OPERATIONS (BEFORE NEUTRALIZATION OF THE NET BORROWING COST AND TAXES)	**12,681**	**23,299**

(1) *Capital gains and losses on disposals are included in investment flows in the statement of cash flows.*

EBITDA is reconciled with the operating cash flow as follows:

(in thousands of euros)	2020	2019
EBITDA	**24,099**	**31,681**
Cancelation of capital gains and losses on treasury shares	(52)	61
Capital gains and losses on disposals(1)	(8,274)	400
Revaluation of non-consolidated securities at fair value	-	(996)
Calculated expense linked to share-based and similar payments	(23)	56
Appropriations and reversals concerning current assets	(3,570)	(255)
Appropriations and reversals concerning contract costs	(1,303)	(1,261)
Non-recurring items excluding charges and reversals	3,282	(2,563)
Financial income excluding financial charges and reversals	(1,339)	(902)
Corporation tax	201	(2,225)
Other calculated expenses	(340)	(696)
CASH FLOW FROM OPERATIONS (BEFORE NEUTRALIZATION OF THE NET BORROWING COST AND TAXES)	**12,681**	**23,299**

(1) *Capital gains and losses on disposals are included in investment flows in the statement of cash flows.*

Note 7.2 Change in working capital requirements

(in thousands of euros)	Notes	**Start of the period**	Changes in scope	Change over the year	Other changes [1]	Currency translation adjustments	**Closing**
Net inventories		32,255	(699)	1,752	208	(116)	33,400
Net receivables		63,975	(1,124)	(17,648)	(705)	(55)	44,443
Contract assets		49,513	-	13,880	-	-	63,393
Advances and down-payments		3,308	-	2,133	1	(1)	5,442
Prepaid expenses		1,892	(27)	2,417	-	(13)	4,269
Subtotals	**A**	**150,944**	**(1,851)**	**2,533**	**(496)**	**(185)**	**150,946**
Trade payables		50,011	(1,238)	750	1	(41)	49,483
Contract liabilities		22,934	-	15,817	-	(1)	38,749
Advances and down-payments		32	-	691	16	-	740
Deferred income from transactions		2,240	(14)	119	-	(31)	2,314
Subtotals	**B**	**75,218**	**(1,252)**	**17,377**	**17**	**(74)**	**91,286**
Working capital requirement	**C = A - B**	**75,726**	**(599)**	**(14,844)**	**(512)**	**(111)**	**59,660**
Costs of obtaining and performing contracts		1,493	-	3,978	-	-	5,471
Social and tax receivables		34,595	(322)	(10,704)	24	(2)	23,591
Current accounts receivable		3	1	(3)	-	-	-
Other receivables		2,218	(495)	(157)	1	-	1,566
Subtotals	**D**	**38,309**	**(817)**	**(6,887)**	**25**	**(2)**	**30,628**
Tax and social debts		40,123	(311)	4,619	24	(36)	44,419
Accrued interest		1	-	(4)	3	-	-
Other payables and derivative instruments		5,581	(1,116)	(5)	412	(277)	4,594
Current accounts payable		5	-	(4)	-	-	1
Deferred income from subsidies and research tax credit		6,355	-	(20)	-	-	6,334
Subtotals	**E**	**52,064**	**(1,427)**	**4,585**	**439**	**(313)**	**55,348**
Other items of working capital requirement	**F = D - E**	**(13,756)**	**610**	**(11,471)**	**(414)**	**311**	**(24,720)**
WORKING CAPITAL REQUIREMENT	**G = C + F**	**61,971**	**11**	**(26,315)**	**(927)**	**200**	**34,940**

Note 7.3 Acquisitions/disposals of equity holdings

The cash flows recorded on the line "Acquisitions/disposals of equity holdings" relate to acquisitions or disposals of shares in subsidiaries on the occasion of a change of control.

An amendment to the statement of cash flows was made for 2019 to reclassify flows that did not result in a change of control on the line "Other equity transactions".

(in thousands of euros)	2020	2019
Proceeds	-	24,611
Payments	-	(3,110)
Cash and cash equivalents of acquired and sold companies	(729)	268
TOTAL	**(729)**	**21,769**

In 2019, the Group acquired the companies L'EMBOUT FRANÇAIS and SURDIFUSE. The proceeds mainly include the income from the disposal of the CIMLEC Group by GROUPE GORGÉ.

In July 2020 the Group sold VAN DAM's Oil & Gas fire protection activities. VAN DAM's cash position was deconsolidated on 30 June 2020.

Note 7.4 Other equity transactions

The cash flows recorded on the line "Other equity transactions" concern the acquisitions or disposals of shares in GROUPE GORGÉ or companies controlled by GROUPE GORGÉ (flows that do not result in a change of control), as well as the cash flows related to purchases and sales of treasury shares under the liquidity agreements of ECA (before the merger), GROUPE GORGÉ and PRODWAYS GROUP.

(in thousands of euros)	2020	2019
Proceeds	22	812
Payments	(32,656)	(6,333)
TOTAL	**(32,634)**	**(5,521)**

In 2019, the Group paid an additional price relating to AVENAO and acquired minority interests in IP GESTION and VIGIANS.

In 2020 GROUPE GORGÉ acquired blocks of shares in PRODWAYS GROUP (€0.17 million) and ECA (€5.8 million). As part of its buyback program, GROUPE GORGÉ also disbursed €1.15 million. Lastly, in the second half of 2020, ECA carried out a simplified public tender offer (OPAS) for 875,000 of its own shares, for an amount of €24.5 million.

In December 2020 GROUPE GORGÉ absorbed its subsidiary ECA. The costs related to the merger, *i.e.* €1 million, were posted in full to the "Other equity transactions" line.

NOTE 8 Financing and financial instruments

The financial assets and liabilities consist mainly of the following items:

- long term financial liabilities, short term loans and bank overdrafts which make up the gross financial debt (see Note 8.1.1);
- loans and other long term financial assets and the cash and cash equivalents which are added to the gross financial debt to arrive at the net financial debt (see Note 8.1.2);
- lease liabilities measured under IFRS 16 (see Note 8.1.3);
- derivative instruments (see Note 8.1.4);
- other financial assets and liabilities (see Note 8.1.5).

Note 8.1 Financial assets and liabilities

8.1.1 Gross financial debt

Gross financial debt includes long-term financial liabilities, short-term loans and bank overdrafts.

Financial liabilities consist primarily of current and non-current financial debt contracted with credit institutions, as well as bonds. These liabilities are initially recognized at fair value, from which are deducted, if need be, any directly attributable transaction costs. They are then valued at amortized cost based on their actual interest rate.

In 2020, new loans were taken out for an amount of €46.6 million:

- the subsidiaries ECA AUTOMATION, ECA AEROSPACE, ECA FAROS, ECA ROBOTICS, MAURIC, INITIAL, SERES, BAUMERT, CLF SATREM, PRODWAYS GROUP and SVF received €30.0 million in loans guaranteed by the French State (*prêts garantis par l'état* – PGE) of which €3.5 million was repaid early in December 2020;
- the balance of a real estate loan contracted in 2019 for €5 million was drawn down for €2.58 million (Chavanod real estate project, 3D Printing division);
- the balance of a real estate loan contracted in 2019 for €3.6 million was drawn down for €2.94 million (Montpellier real estate project, Drones and Systems division);
- two loans were obtained to finance BAUMERT's innovation for a total of €0.4 million;
- GROUPE GORGÉ entered into a repayable loan of €10 million;
- SOLIDSCAPE received funding from the US government as part of the aid following the health crisis, valued at €692 thousand in the accounts.

The use of available revolving credit lines increased by €5.5 million, as follows:

- ECA had two credit facilities of €10 and €15 million respectively. They were used at 31 December 2019 for an amount of €11.5 million and at 31 December 2020 for an amount of €13.5 million (increase of €2.0 million);
- ECA ROBOTICS has a credit line of €15 million. It was used for an amount of €3 million at 31 December 2019 and €6.5 million at 31 December 2020 (increase of €3.5 million).

The funding received by SOLIDSCAPE could eventually turn into a grant.

Financing agreements were obtained in 2020 for two real estate projects (in the context of the Chavanod project for €0.25 million and the one in Ostende for €8.0 million), to be contracted in early 2021.

Changes in borrowings and financial debt

(in thousands of euros)	Bank borrowings	Other borrowings	**Financial debt**	Bank overdrafts	**Gross financial debt (2)**
At 1 January 2020	**68,796**	**1,353**	**70,150**	**4,960**	**75,110**
New loans	52,196	92	52,288	1,800	54,088
Redemptions	(9,513)	(276)	(9,789)	(4,960)	(14,749)
Other changes (1)	87	179	266	-	266
First consolidation/(deconsolidation)	-	-	-	-	-
Currency translation adjustments	(53)	-	(53)	-	(53)
At 31 December 2020	**111,513**	**1,348**	**112,861**	**1,800**	**114,661**

(1) *Changes with no impact on cash flow, related to effective interest rates and accrued interest on borrowings.*
(2) *Does not include the lease liability calculated in accordance with IFRS 16, see Note 8.1.3.*

Schedule of borrowings and financial debt

			Of which breakdown of maturities at more than one year					
(in thousands of euros)	**31/12/2020**	< 1 year	> 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Bank borrowings	111,513	52,442	59,071	14,153	24,864	7,372	6,671	6,010
Other borrowings	1,348	115	1,234	132	148	128	684	143
Long-term debt	112,861	52,557	60,305	14,285	25,012	7,500	7,355	6,153
Bank overdrafts	1,800	1,800	-	-	-	-	-	-
GROSS FINANCIAL DEBT	**114,661**	**54,357**	**60,305**	**14,285**	**25,012**	**7,500**	**7,355**	**6,153**

Borrowings at less than one year include €20.0 million in renewable drawdowns on the confirmed credit facilities. They also include €9.0 million in loans guaranteed by the French States that the Group expects to repay in 2021. The other loans guaranteed by the French State amount to €17.5 million, the assumption used is that they will not be repaid in 2021 but amortized over four years from 2022 to 2025.

"Other borrowings" include repayable advances received by the Group in respect of research and development in particular. These advances cannot be repaid, or only repaid partially according to the success of the operations on the basis of which they were granted.

In February 2021, the Group's debt was reorganized and its maturity extended (see Note 13.3 "Subsequent events").

8.1.2 Restated net cash and cash equivalents

Cash and cash equivalents presented in the statement of financial position consist of cash in hand, bank accounts, term deposits of no more than three months and transferable securities meeting the criteria in IAS 7.

Accrued interest earned on term accounts is recorded under investment income.

(in thousands of euros)	**31 December 2020**	31 December 2019
Available cash and cash equivalents (a)	82,668	64,252
Equivalent financial instruments (a')	-	16
Bank overdrafts (b)	1,800	4,960
Available cash and cash equivalents appearing on the statement of cash flows (c) = (a) + (a') - (b)	**80,868**	**59,308**
Financial debt excluding bank overdrafts (d)	112,861	70,150
NET CASH (NET DEBT) (E) = (C) - (D)	**(31,993)**	**(10,841)**
PRODWAYS GROUP treasury shares	116	122
ECA treasury shares	-	2,474
GROUPE GORGÉ treasury shares	1,276	84
ADJUSTED NET CASH (DEBT), BEFORE IFRS 16	**(30,601)**	**(8,161)**

8.1.3 Lease liabilities valued according to IFRS 16

Lease liabilities valued according to IFRS 16 have changed as follows:

(in thousands of euros)	Lease liabilities
At 1 January 2020	**26,329**
New leases	7,825
Redemptions [(1)]	(6,793)
Other changes [(2)]	(3,143)
First consolidation/(deconsolidation)	-
Impact of changes in exchange rates	(86)
At 31 December 2020	**24,132**

(1) Change with no impact on cash.
(2) Non-cash changes related to accrued interest and revaluation of contracts. The term of several real estate contracts has been reduced in the 3D Printing division due to internal reorganizations, in particular a real estate contract which was originally estimated to last nine years will finally be terminated after three years in 2022.

Schedule of lease liabilities

		Of which breakdown of maturities at more than one year						
(in thousands of euros)	**31/12/2020**	< 1 year	> 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
LEASE LIABILITIES UNDER IFRS 16	**24,132**	**5,945**	**18,187**	**4,333**	**3,508**	**2,844**	**2,478**	**5,025**

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8.1.4 Derivative financial instruments

Composite financial instruments such as convertible or redeemable bonds are recognized in accordance with IAS 32, *i.e.* separate posting of the bond component recorded as debt at amortized cost and of the share component recognized as equity (similar to selling a stock purchase option), expenses related to the issue being recognized as equity and debt respectively in proportion to the proceeds of the issue.

The Group may use, if it deems it necessary, derivative financial instruments to hedge against foreign exchange risks associated with operations. These risks mainly arise from sales in USD. The corresponding future cash flows are partially hedged by firm or optional forward exchange transactions. On initial posting, derivatives are recorded in the statement of financial position at their acquisition cost. They are then valued at their fair value calculated on the basis of market prices provided by the relevant financial institutions. The Group applies hedge accounting for foreign exchange transactions according to the criteria defined by IFRS 9. This is macro-hedging, with changes in the fair value of the hedging instrument being recognized as income.

The Group uses swaps or cap contracts to operationally manage and hedge fluctuations in interest rates.

The derivative instruments used are backed economically by the maturities, rates and currencies of the hedged loans. These contracts involve fixed and floating exchange rates. The interest differential is recognized as financial income or expense in return for interest receivable or payable as appropriate. For these rate instruments, the Group uses cash flow hedging in accordance with IFRS 9: the instruments are recognized at their cost of acquisition and then revalued at their fair value at the closing date.

The Group's financial instruments are allocated to hedging future transactions (cash flow hedge). Thus, measurement of the change in fair value is as follows:

- the effective portion of changes in fair value is recognized in the hedging reserve until the proposed transaction is closed. When the proposed transaction is completed, the amount recognized in equity is reclassified in earnings, with the income or expense being adjusted by the actual portion of the gain or loss on the fair value of the hedging instrument;
- the ineffective portion of the change in fair value is recognized as financial income.

The fair value of swap agreements is calculated using valuation techniques based on observable market data, pursuant to IFRS 7.

In October 2016, GROUPE GORGÉ took out a 1% interest rate cap to hedge the €9.5 million variable-rate loan contracted with BNP. The maturity date is October 2021 and the asset value on the statement of financial position was €2 thousand at 31 December 2020.

SERES TECHNOLOGIES' minority shareholder has a put option, and GROUPE GORGÉ has a call option, exercisable from 2021. The minority shareholder's option was measured at fair value through equity. The valuation is equivalent to the estimated current value of the option to date, which is itself a multiple of the estimated income of the subsidiary over the period in question.

MAURIC's non-controlling shareholders hold put options that are exercisable under a shareholders' pact entered into in November 2016 for a period of 10 years. The Group has a call option exercisable since 2017. These options have been valued at fair value through equity. The valuation is equivalent to the estimated current value of the option to date, which is itself a multiple of the estimated income of the subsidiary over the period in question.

(in thousands of euros)	Start of the period	In	Options exercised	Equity effect	Other	Closing
Option to purchase SERES TECHNOLOGIES	1,187	-	-	(262)	-	924
MAURIC call option	516	-	-	692	-	1,209
OTHER NON-CURRENT FINANCIAL LIABILITIES	**1,702**	**-**	**-**	**431**	**-**	**2,133**

8.1.5 Investments in associates and other non-current financial assets

IFRS 9 presents three major classes of financial assets, namely those measured at amortized cost, those measured at fair value through other comprehensive income and those measured at fair value through profit or loss. The classification of financial assets is based on the business model under which the asset is held and the characteristics of its contractual cash flows.

Net value *(in thousands of euros)*	**2020**	2019
INVESTMENTS IN ASSOCIATES	**1,139**	**1,128**
Loans	1,392	1,278
Deposits and guarantees	1,477	1,689
Non-consolidated holdings	8,004	1,617
Other long-term investments	1,218	496
OTHER FINANCIAL ASSETS	**12,090**	**5,080**

Details on investments in associates

The movements over the year are as follows:

(in thousands of euros)	Start of the period	In	Income	Currency translation adjustments	Departure	**Closing**
1ROBOTICS	3	-	-	2	-	5
BIOTECH DENTAL SMILERS	1,125	-	9	-	-	1,134
TOTAL	**1,128**	**-**	**9**	**2**	**-**	**1,139**

Breakdown of non-consolidated investments

The non-consolidated equity investments item increased due to the holding of RYDER shares for an amount of €6.2 million. RYDER is the company that acquired VAN DAM. The receivable resulting from the sale price was converted into RYDER shares for 15% of the capital and into a financial receivable.

The 3D Printing division also acquired a stake in XD INNOVATION for €0.2 million.

The Group holds a 3.91% stake in WANDERCRAFT, acquired for €0.5 million. In accordance with IFRS 9, WANDERCRAFT securities have been measured in 2019 at fair value through profit or loss. No change in fair value was identified in 2020.

The shares held by the Group in companies over which it has no significant influence are as follows:

(in thousands of euros)	% control	Capital	Equity	Gross value of securities	Net value of securities	Revenue	Net income
CEDETI (1)	10.7%	56	161	60	40	1,782	13
RYDER	15%	n/c	n/c	6,231	6,231	n/c	n/c
WANDERCRAFT (2)	3.91%	58	9,357	1,496	1,496	567	(4,993)
XD INNOVATION	5%	n/c	n/c	209	209	n/c	n/c
Other	n/a	n/a	n/a	28	28	n/a	n/a

(1) Information at 30 September 2019.
(2) Forecast data for 2020.

Note 8.2 Financial income and expenses

On the one hand, financial income and expenses comprise interest income and expense related to the cost of net financial debt and, on the other hand, financial income and expenses.

Interest expenses correspond to the amount of interest recognized in respect of the financial debts and the interest income to the amount of the interest received from cash investments.

(in thousands of euros)	**2020**	2019
Interest expense	(1,039)	(1,040)
Interest expenses on lease liabilities	(317)	(301)
Income from other securities	26	4
Net income on sales of transferable securities	-	86
Net borrowing cost	**(1,330)**	**(1,250)**
Other interest income	253	419
Net exchange gain or loss	(262)	(71)
Financial allowances net of reversals	(323)	(238)
TOTAL FINANCIAL INCOME AND EXPENSES	**(1,662)**	**(1,140)**

Note 8.3 Risk management policy

8.3.1 Liquidity risk

At 31 December 2020, the Group's net cash amounted to €80.9 million (€82.7 million in cash, minus €1.8 million in bank overdrafts). The Group also has revolving credit facilities with a total available amount of €35 million at the reporting date.

The Group has the financing it needs. A reorganization of the financing was concluded in February 2021 (see Note 13.3). There is no financing essential to the activity that is being negotiated. The Group has no bank financing that depends on the Group's rating and no significant concentration of credit risk.

The outstanding loans guaranteed by the French State (EMP) amounted to €26.5 million. These loans taken out in 2020 can be amortized until 2025. Apart from Government Guaranteed Loans (EMP), the principal loans outstanding at the end of the year are repaid as follows:

Loan *(in thousands of euros)*	Rate	Amount	Capital remaining due	Maturity
CIC	E +0.4%	15,000	10,500	RCF maturity July 2024
BRED	E3M +1.6%	10,000	10,000	12 quarterly instalments from February 2021
BNP PARIBAS	E3M +1.0%	10,000	10,000	Bullet repayment June 2021
BNP PARIBAS	E3M +1.25%	7,000	6,650	20 quarterly instalments from November 2020
LCL	E +0.45%	15,000	6500	RCF maturity October 2024
EC	1.29%	5,000	5,000	Ongoing property financing, over 15 years
LCL	E3M +1.25%	4,900	4,900	Bullet repayment October 2023
BNP PARIBAS	E3M +1.25%	4,200	4,200	Bullet repayment November 2023
CIC	1.30%	4,000	4,000	Bullet repayment July 2023
LCL	1.25%	3,600	3,600	Ongoing property financing, over 15 years
BNP PARIBAS	E +0.60%	10,000	3,000	RCF maturity September 2022
LCL	0.95%	3,000	2600	20 quarterly instalments from April 2020
BPIFRANCE	1.78%	5,000	2250	20 quarterly instalments from October 2017
BNP PARIBAS	E3M +0.8%	9,500	1,900	20 quarterly instalments from January 2017
LCL	1.55%	1,300	1,175	20 quarterly instalments from January 2020
BPIFRANCE	1.78%	3,000	1,050	20 quarterly instalments from November 2017
BPIFRANCE	1.93%	2,900	870	20 quarterly instalments from March 2017
BNP PARIBAS	0.57%	1,350	817	60 monthly payments starting in July 2018
BPIFRANCE	1.78%	1,500	675	20 quarterly instalments from October 2017
CIC	0.6%	1,300	656	24 quarterly instalments from February 2018
BPIFRANCE	0%	1,400	490	20 quarterly instalments starting in June 2017
BANQUE PALATINE	0.37%	1,668	420	20 quarterly instalments from April 2017
BANQUE PALATINE	0.37%	1,668	420	20 quarterly instalments from April 2017
CRÉDIT AGRICOLE	0.55%	700	389	60 monthly payments starting in April 2018
CRÉDIT AGRICOLE	0.60%	700	228	60 monthly payments starting in February 2017
LCL	E +0.9%	10,000	-	RCF maturity July 2024
LCL	E +0.8%	5,000	-	RCF credit facility maturing in December 2022 and decreasing by €2.5 million in July 2021

Leverage covenants (net financial debt/EBITDA) are associated with certain credits. They have all been met and for the most part are no longer relevant given the early repayment of many of these loans in 2021, as part of the Group's refinancing concluded in February (see Note 13.3). The principal borrowings of GROUPE GORGÉ as well as the principal borrowings of subsidiaries may include a change of control clause.

8.3.2 Interest rate risk

Generally, the Group's policy for managing interest rate risk is to examine on a case by case basis credit agreements concluded on the basis of a variable interest rate and to consider, with the help of its external financial advisors, whether it is opportune to use ad hoc financial instruments to hedge, where appropriate, identified rate risks. Liabilities and assets exposed to changes in interest rates are as follows, by maturity:

(in thousands of euros)	DD to 1 year	1 to 5 years	Beyond
Financial liabilities (1)	44,100	15,350	-
Financial assets (2)	-	2,137	-
Net position before hedging	44,100	13,213	-
Off-balance sheet	-	-	-
Net position after hedging	44,100	13,213	-

(1) Excluding funds that do not bear interest but including bank overdrafts amounting to €1,800 thousand.
(2) Excluding transferable securities and investments for €2,731 thousand.

Overdrafts and short-term loans (financing of trading receivables) are concluded at variable rates and therefore expose the Group to fluctuations in interest rates.

The net debt exposed to interest rate fluctuations amounted to approximately €56.7 million at 31 December 2020. A rise or fall of 100 basis points (1%) of all rates would have an impact of about +/-€567 thousand in the Group's annual pre-tax financial expense, assuming strict stability of the debt.

8.3.3 Foreign exchange risk

Foreign currency transactions are concentrated in the Drones and Systems division (mainly US dollar) and are developing in the 3D Printing division, in particular since the acquisition in 2018 of SOLIDSCAPE. The Group's share of revenue earned in foreign currencies remains limited, with the companies in the Engineering and Protection Systems division reporting the bulk of their exports in euros.

The Drones and Systems division has established a policy of monitoring foreign exchange risk by anticipating all the currency flows of the Group constituted by GROUPE ECA and its subsidiaries (receipts and payments), measuring the Group's net exposure by maturity and, if necessary, using currency hedging if the net position with an identified deadline warrants it. This requires an assessment of the risk of currency changes, which is issued by the Management advised by its banks. At the end of 2020, the division no longer had any forward sales transactions.

Financial debt in foreign currencies is marginal, only a few foreign subsidiaries having temporary bank overdrafts.

(in thousands of euros)	USD	GBP
Assets	3,597	36
Liabilities	4,153	81
Net position before hedging	(557)	(45)
Off-balance sheet position	-	-
Net position after hedging	(557)	(45)

A uniform exchange rate with a rise or decline of €0.01 against the major currencies could have an impact of +/-€4 thousand on the net position, assuming a strict stability of assets and liabilities.

8.3.4 Market risk

Treasury shares are held by GROUPE GORGÉ (100,772 shares) and PRODWAYS GROUP (50,720 shares). These shares were acquired under liquidity contracts or in order to deliver shares when exercising rights attached to securities giving access to capital through redemption, granting stock purchase options to employees, cancelling all or some of the shares thus redeemed, delivering securities in payment or exchange in the framework of external growth transactions, or regulating the share price on the stock market.

The market value of the treasury shares at 31 December 2020 was €1.39 million (€1.276 million for the treasury shares of GROUPE GORGÉ, €0.116 million for those of PRODWAYS GROUP).

A uniform change of 10% in the price of the shares could have an impact of €151 thousand on equity compared with the situation at 31 December 2020 (GROUPE GORGÉ and PRODWAYS GROUP).

The rest of the cash invested by the Group is in money market funds or deposits.

Note 8.4 Off-balance sheet commitments related to financing

8.4.1 Pledges of the issuer's assets

There was no other collateral, guarantee or security at the end of the 2020 financial year other than the pledge of assets to guarantee the loans used to finance them.

8.4.2 Commitments received

At 31 December 2020, GROUPE GORGÉ SA had a revolving credit facility of €10 million, confirmed until July 2024. This credit facility has not been used. It is accompanied by a change of control clause and a financial covenant.

At 31 December 2020, GROUPE GORGÉ SA had a revolving credit facility of €10 million, initially granted to ECA SA, confirmed until September 2022. This credit facility, used for an amount of €3.0 million at 31 December 2020, is accompanied by a financial covenant.

At 31 December 2020, GROUPE GORGÉ SA had a revolving credit facility of €15 million, initially granted to ECA SA, confirmed until July 2024. This credit facility was used for an amount of €10.5 million at 31 December 2020.

ECA ROBOTICS has a revolving credit facility of €15 million, confirmed until October 2024. This credit facility, used for an amount of €6.5 million at 31 December 2020, is subject to a change of control clause.

PRODWAYS GROUP SA has a revolving credit facility of €5.0 million, confirmed until December 2022. This facility will decline by €2.5 million per year starting in June. It is not used. It is accompanied by a change of control clause and a financial covenant.

Financing agreements were obtained in 2020 for two real estate projects (in the context of the Chavanod project for €0.25 million and the one in Ostende for €8.0 million), to be contracted in early 2021.

8.4.3 Other commitments

There was no other collateral, guarantee or security at the end of the 2020 financial year.

NOTE 9 Corporate income tax

Note 9.1 Details of corporate income tax

The tax charge on net income includes the tax payable and the deferred taxes of the consolidated companies.

The taxes related to items recognized directly in other items of total net income are recognized in other items of total net income and not in the income statement.

9.1.1 Details of corporate income tax

Breakdown of tax expense

(in thousands of euros)	**2020**	2019
Deferred tax liabilities	2,812	1,583
Taxes payable	(2,611)	(3,808)
TAX EXPENSE	**201**	**(2,225)**

The tax expense does not include research tax credits, classified as other income (see Notes 4.2 and 9.1.2). It does, however, include CVAE in the amount of €1.6 million in 2020 and €1.7 million in 2019.

Tax receivables and payable

(in thousands of euros)	**2020**	2019
Tax receivables	14,061	24,848
Tax payable	506	858
NET TAX RECEIVABLE/(DUE)	**13,556**	**23,991**

The tax receivables are mainly made up of research tax credit receivables for €10.0 million and CICE receivables for €4.0 million, which it was not possible to deduct from the tax charge payable. These receivables amounted to €17.6 million and €5.3 million respectively at the end of 2019.

9.1.2 Analysis of the tax charge

In accordance with standard practice and with IAS 12 and IAS 20, as the research tax credit is neither an element of taxable income, nor computed on the basis of taxable income and as it is neither a tax liquidation component nor limited to the amount of tax liquidated, it is classified as operating income.

Research tax credits for subsidiaries are recognized in operating results rather than as a decrease in tax expense if they are not generated by research and development expenses included in the consolidated statement of financial position. If they are generated by research and development expenses recognized in the consolidated statement of financial position, research tax credits are recognized as deferred income in liabilities and recognized in income at the rate of future amortization.

Contributions on Corporate Added Value (CVAE) are recognized in income tax accounts, this tax being based on value added. The Group's analysis is based in particular on the definition of income tax defined in IAS 12 and on an IFRIC position from 2006 that states that the term "taxable profit (loss)" implies a notion of a net rather than a gross amount, although not necessarily identical to the accounting income.

(in thousands of euros)	**2020**	2019
Net income from continuing operations	**(10,509)**	**1,548**
Tax income/(expense)	201	(2,225)
Earnings of equity-accounted companies	5	73
Earnings before tax	(10,715)	3,700
Tax rate	28%	28%
Theoretical tax charge	**3,000**	**(1,036)**
Reconciliation items		
Uncapitalized tax losses incurred for the period	(4,451)	(3,486)
Use of uncapitalized tax losses	902	-
Reassessment of deferred tax assets	431	1,681
Differential rates France/Foreign countries and reduced rates	(59)	215
CVAE	(1,604)	(1,730)
Tax impact associated with the accounting classification of the value added contribution (CVAE) and tax credits/or tax savings on the CVAE and the theoretical restatement/cancelation on tax credit	1,910	1,670
Other permanent differences	72	461
ACTUAL NET TAX INCOME/(EXPENSE)	**201**	**(2,225)**

The tax rate matches the parent company's current rate.

Note 9.2 Deferred tax liabilities

Deferred taxes corresponding to time differences between the tax and accounting bases of consolidated assets and liabilities are recognized using the liability method. Deferred tax assets are recognized when their future realization seems likely on a date which can be reasonably determined.

Future income tax breaks arising from the use of tax loss carry-forwards (including unlimited carry-forward) are recognized only when they can be reasonably anticipated.

The main timing differences are related to tax losses carried forward, to provisions for pensions and other similar benefits, to other provisions which are temporarily non tax-deductible and to capitalized development expenses. The deferred tax assets and liabilities are calculated using tax rates which will be in effect at the time of the reversal of the timing differences.

Deferred tax assets and liabilities are not discounted and are offset if they relate to the same taxable entity and have identical repayment maturities.

Breakdown of deferred taxes by type

(in thousands of euros)	**2020**	2019
Differences over time		
Retirement and related benefits	1,747	1,690
Development costs	(5,169)	(4,468)
Grants	(145)	(23)
Rights of use	272	(261)
Derivative financial instruments	33	22
Fair value – IFRS 3	(1,510)	(2,239)
Other	1,191	21
SUBTOTALS	**(3,582)**	**(5,258)**
Temporary differences and other restatements	744	193
Deficits carried forward	7,212	6,543
CVAE	(9)	(18)
TOTAL	**4,366**	**1,461**
DEFERRED TAX LIABILITIES	**(447)**	**(1,366)**
DEFERRED TAX ASSETS	**4,813**	**2,826**

Deficits carried forward are capitalized due to opportunities for rapid posting of these deficits. Some deferred tax assets resulting from these capitalizations can be charged to tax liabilities because of the net deferred tax liability position of the companies concerned.

Underlying tax position

Unactivated tax deficits carried forward *(bases in millions of euros)*	**2020**	2019
Ordinary deficits	75.7	57.3
TOTAL	**75.7**	**57.3**

As part of the merger of GROUPE GORGÉ and ECA, a request for approval was made to the tax authorities so that the tax losses carried forward from the tax consolidation of ECA existing at the end of 2019 (€10.1 million) can be used by Group companies. The request is being processed, pending the decision the deficits in question are not taken into consideration by the Group.

NOTE 10 Shareholders' equity and earnings per share

Note 10.1 Equity

10.1.1 Capital and issue premiums

At 31 December 2020, the share capital of GROUPE GORGÉ SA amounted to €17,424,747, made up of 17,424,747 shares each with a par value of €1, fully paid up and of which 7,679,099 shares have double voting rights.

Changes in capital

	Cumulative number of shares	Amount of share capital *(in euros)*
Share capital at 31/12/2018	13,502,843	13,502,843
Share capital at 31/12/2019	13,502,843	13,502,843
Share capital at 31/12/2020	17,424,747	17,424,747

In 2020, the share capital was increased by 3,921,904 shares as part of the merger between GROUPE GORGÉ and its subsidiary ECA, bringing the share capital to 17,424,747 shares.

The share premiums represent the difference between the par value of the securities issued and the amount, net of expenses, of the cash contributions received by GROUPE GORGÉ SA at the time of the issue. They amount to €26,011 thousand.

10.1.2 Dividend per share

The distributable reserves of the parent company (shareholders' equity excluding share capital and legal reserve) amount to €73,669 thousand, before appropriation of the 2020 net income. They amounted to €73,968 thousand at 31 December 2019.

The dividend distributed in 2018 and in 2019 was €0.32 per share, or a total amount of €4,320 thousand each year.

10.1.3 Treasury shares and share repurchase plan

The share purchases made in 2020 were made under the authorization granted by the shareholders' meetings of 7 June 2019 and 8 June 2020.

At 31 December 2020, GROUPE GORGÉ SA held 100,772 treasury shares, of which 6,248 were under a liquidity agreement and 94,524 under the buyback program. At 31 December 2019, it only held 4,904 treasury shares. The purpose of these shares can be:

- transfer shares when exercising the rights attached to securities giving access to the share capital by reimbursement;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- provide securities in payment or exchange for acquisitions;
- stabilize the share's stock market price.

Note 10.2 Earnings per share

Earnings per share are calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of shares outstanding during the year calculated on a *pro rata* basis, net of treasury shares, in compliance with IAS 33.

The diluted earnings per share take into account dilutive instruments. It is calculated from the weighted average on a *pro rata* basis for the number of shares equivalent to shares outstanding during the year. The dilutive effect of share subscription or purchase options is calculated using the treasury stock method, taking into account the average price over the period concerned.

	2020	2019
Weighted average number of shares	13,524,747	13,507,608
Dividend per share paid during the year *(in euros)*	ND	0.32
Earnings per share *(in euros)*	**(0.430)**	**1.547**
Earnings per share from ongoing activities *(in euros)*	**(0.359)**	**0.021**
Dilutive potential shares [(1)]	-	-
Diluted weighted average number of shares	13,524,747	13,507,608
Diluted earnings per share *(in euros)*	**(0.430)**	**1.547**
DILUTED EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(IN EUROS)*	**(0.359)**	**0.021**

(1) There are no potentially dilutive shares.

Note 10.3 Pledges of the issuer's shares

In 2020, PÉLICAN VENTURE pledged 2,250,000 GROUPE GORGÉ shares (12.9% of the share capital) in favor of banks as collateral for financing and a confirmed credit line.

The Company has no knowledge of any pledges of GROUPE GORGÉ shares outstanding at the reporting date.

NOTE 11 Other provisions and contingent liabilities

The Group recognizes a provision if it has an obligation to a third party prior to the reporting date, where the loss or liability is probable and can be reasonably estimated. In cases where such loss or liability is neither probable nor reliably measurable, but still possible, the Group reports a contingent liability in commitments (excluding the posting of contingent liabilities in the event of acquisition). Provisions are estimated on a case by case basis or on a statistical basis.

Provisions are primarily intended to cover:

- economic risks: these provisions cover tax risks (other than corporate income tax) identified during inspections carried out locally by tax authorities and financial risks arising primarily on guarantees given to third parties covering certain assets and liabilities;
- business risks and expenses; these provisions consist of:
  - statistical provisions for guarantees: Group subsidiaries provide for all guarantees which may be given on equipment sales on a statistical basis. Some guarantees may last for up to 24 months,
  - provisions for losses on completion of contracts in progress,
  - provisions for work still to be carried out on projects already delivered;
- restructuring costs, if the restructuring was covered by a detailed plan and an announcement or project launch before the reporting date.

In contrast to the foregoing definition of a provision, a potential liability is:

- a potential obligation resulting from a past event of which the existence will only be confirmed by the occurrence or otherwise of an uncertain event which is not within the control of the Group;
- or a current obligation resulting from a past event for which either the amount of the obligation cannot be reliably estimated or it is unlikely that an outflow of resources representative of economic benefits will be necessary to extinguish the obligation.

As part of business combinations, potential liabilities may be recognized as provisions in accordance with the criteria defined in the IFRS 3R standard.

Provisions for losses on completion of pending projects:

Provisions *(in thousands of euros)*	Litigation	Customer warranties	Termination losses	Fine and penalties	Other [1]	**Total**
At 1 January 2020	**1,886**	**779**	**1,447**	**730**	**1,273**	**6,114**
Appropriations	1,657	662	596	273	2,077	5,265
Provisions used	(156)	-	(36)	-	(9)	(201)
Reversals	(458)	(426)	(189)	(132)	(453)	(1,659)
Impact on income for the period	**1,043**	**235**	**370**	**141**	**1,615**	**3,404**
Changes in scope	-	-	(690)	-	(36)	(725)
Other changes	15	-	-	70	(67)	18
Impact of changes in exchange rates	-	-	-	-	(2)	(2)
AT 31 DECEMBER 2020	**2,943**	**1,015**	**1,128**	**941**	**2,783**	**8,810**

(1) Of which a provision for restructuring of €1,964 thousand, concerning mainly the 3D Printing division (€1,498 thousand).

NOTE 12 Non-current assets held for sale and discontinued operations

The Group applies IFRS 5 – Non-current assets held for sale and discontinued operations, which requires a specific recognition and presentation of assets (or groups of assets) held for sale, along with discontinued operations and operations sold or being sold.

Non-current assets or groups of assets and directly associated liabilities are deemed to be held for sale if their carrying amount is recovered primarily through a sale rather than through continued use. For that to be the case, the asset (or group of assets) must be available for immediate sale and its sale must be highly probable. These assets are no longer depreciated as from their classification as assets (or groups of assets) held for sale. They are presented on a separate line of the Group's statement of financial position, without restatement of prior periods.

An operation that is discontinued, sold or being sold is defined as a component of an entity that generates cash flows that can be clearly distinguished from the rest of the entity and represents a separate major line of business or geographical area of operations. The net income of these activities is presented on a separate line in the income statement and is adjusted in the cash flow statement for all reported periods.

In July 2019, the Group sold its subsidiary CIMLEC INDUSTRIE (Engineering and Protection Systems division) to SPIE. The contribution of CIMLEC INDUSTRIE in 2019 appears on a separate line of the income statement and the statement of cash flows, this group corresponding to a discontinued activity line. A provision for the guarantee of assets and liabilities granted to SPIE was recorded on this same line of the income statement for 2020.

The contribution of discontinued operations to the income statement and cash flow statement is as follows:

	2020	2019
Revenue	-	21,784
Operating results	**-**	**864**
Non-recurring items in operating income	(1,000)	22,475
Operating income	**(1,000)**	**23,339**
Financial income and expenses	-	(33)
Income tax	-	(1,732)
Net income from discontinued activities after tax	**(1,000)**	**21,574**

(in thousands of euros)	**2020**	2019
Net income from discontinued activities	**(1,000)**	**21,574**
Cash flow (after neutralization of the net borrowing cost and taxes)	**-**	**(983)**
Tax paid	-	(252)
Change in working capital requirements	-	(1,098)
Net cash flow from operating activities (A)	**-**	**(2,333)**
Net cash flow from investing activities (B)	**-**	**(256)**
Net cash flow from financing activities (C)	**-**	**(461)**
Change in cash and cash equivalents (D = A + B + C)	**-**	**(3,050)**
Effects of exchange rate changes	-	-
Cash and cash equivalents at the beginning of the year	**-**	**2,019**
Restatement of cash and cash equivalents(1)	-	2,347
Cash and cash equivalents at the end of the year	**-**	**1,318**

(1) Corresponds to the impact of the flows with continuing operations.

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NOTE 13 Other notes

Note 13.1 Statutory auditors' fees

Fees billed to all Group companies by the GROUPE GORGÉ SA statutory auditors' Board are the following:

2020 *(in thousands of euros)*	PricewaterhouseCoopers Audit		RSM		Total	
Statutory audits, review of financial statements	355	96.6%	419	98.5%	774	97.7%
• Parent company	125	-	125	-	250	-
• Fully consolidated companies	230	-	294	-	524	-
Services other than certification of the financial statements	12	3.4%	6	1.5%	19	2.3%
TOTAL	**367**	**100.0%**	**425**	**100.0%**	**792**	**100.0%**

2019 *(in thousands of euros)*	PricewaterhouseCoopers Audit		RSM		Total	
Statutory audits, review of financial statements	380	96.2%	306	100.0%	686	97.9%
• Parent company	89	-	74	-	163	-
• Fully consolidated companies	291	-	233	-	523	-
Services other than certification of the financial statements	15	3.8%	-	-	15	2.1%
TOTAL	**395**	**100.0%**	**306**	**100.0%**	**701**	**100.0%**

The services provided by the Statutory Auditors to the parent entity, other than the certification of the financial statements, concern a certificate on the information relating to Know Your Customer (KYC) procedures applicable to third parties; the services provided to the rest of the Group mainly consist of certificates relating to costs or revenue and legal reports.

Note 13.2 Exceptional events and litigation

The Group is involved in various legal proceedings. After reviewing each case and seeking counsel, the provisions considered necessary have, as applicable, been recorded in the financial statements.

In July 2013, a fire destroyed the DEPALOR particle board production plant in Phalsbourg. Some fire protection systems at the fire's initial break-out point are thought to have failed to function. DEPALOR and its insurance company launched a court-ordered appraisal against the various specialist companies responsible for the design, maintenance, verification and occasional work on the fire extinguishing systems of which CLF-SATREM and their respective insurers. The legal appraisal, which was required to determine the causes of the incident as well as the causes of any malfunctions of the fire safety systems and determine the impact thereof in the incident, concluded in March 2018 that the origin of the incident would come from the rupture of a pressurized hydraulic oil pipeline from a particle board press; the oil would have vaporized on contact with the elements brought to the high temperature of the press and would then have ignited spontaneously. The damage suffered by DEPALOR was estimated at €34 million (reconstruction as new value of the plant). The report indicates that several fire extinguishing systems appear to have been more or less faulty and were therefore not effective in fighting the primary outbreak. The sprinkler system was not triggered due to the presence of a check valve in the fire protection system. Liability for the check valve installation could not be attributed to anyone in particular. As such, it would appear that the network had been out of service for several years. None of the service providers (APAVE, AXIMA or CLF) working on the fire protection system had noted this anomaly during their work. The DEPALOR employees responsible for weekly checks and re-commissioning following the incident should reasonably have known about the anomaly. Moreover, the report shows that DEPALOR appears to have been negligent in monitoring the network's maintenance and the dust removal from its structures. The appraiser maintains that, in any event, "it is uncertain that the fire extinguishing systems, even in an operational condition, would have been effective in controlling a fire caused by the ignition of a mist of oil resulting from a breach in the high-pressure, high-flow pipeline, since the sprinkler system would have been designed mainly to neutralize the impact of the "disc" being manufactured". In August, DEPALOR's insurers filed a claim against DEPALOR, all those having worked on DEPALOR's fire protection system and their respective insurers, before the Nanterre Commercial Court. Without taking the findings of the legal appraisal into account, they requested the Court to hold that the failings of AXIMA, CLF and APAVE are directly responsible for the damages suffered by DEPALOR, and requested a joint order against those companies in the amount of €34 million. CLF considers that those claims contradict the findings set out in the appraisal, since the failure of the sprinkler system did not cause the fire, but was merely one of several factors aggravating the risk of a fire (DEPALOR's negligence, problem of dust removal from structures). Moreover, the appraisal could not determine who was responsible for installing the check valve that prevented the functioning of the sprinkler network, but it is probable that DEPALOR was aware of its existence. Unless the insurers manage to settle, this dispute is likely to continue for several years. CLF is covered by its insurance policy for €3 million with respect to this claim.

In 2014, BAUMERT wanted to close its establishment in Dreux in order to redeploy the business carried out on this site to its main site in Alsace in particular. Since 15 out of 16 employees refused to move, the Company was obliged to implement a plan (PSE) to safeguard the employees' jobs. Fourteen employees requested the cancelation of the PSE on the grounds that it had not been approved by the competent Regional directorate of businesses, competition, consumption, labor and employment ("DIRECCTE") and that the PSE had not been assessed by the latter with regard to the resources available to the Group to which the BAUMERT company belongs. The proceedings before the administrative courts confirmed that the DIRECCTE which approved the PSE had no jurisdiction in the area. Due to the cancelation of the PSE, the employees also initiated Labor Tribunal proceedings for dismissal without real and serious cause. BAUMERT was thus ordered by the Labor Tribunal in 2016 to pay damages to employees for an amount of approximately €460 thousand. This ruling was upheld on appeal in September 2018 for an amount finally set at €302 thousand. BAUMERT has launched legal proceedings to call into question the responsibilities of the State and its lawyer, who advised the Company on the PSE, due to the DIRECCTE's lack of jurisdiction.

In 2014 and 2015, BAUMERT designed, manufactured and installed sealed doors for nine methanation units designed by NASKEO ENVIRONNEMENT that were sold to agricultural operators. The price of this contract totaled €720 thousand for BAUMERT. Four methanation units with malfunctions affecting the expected performance of farmers are or have been the subject of legal appraisals. To date, an appraisal concerning a site in Salive (21) has ended without BAUMERT being held liable. An appraisal is in progress concerning a site in Saint George (49). An appraisal report concerning a site in Is-sur-Tille (21) and a site in Hazebrouck (59) concluded that the technical responsibilities were shared between BAUMERT and NASKEO ENVIRONNEMENT. BAUMERT currently considers that these doors were designed in compliance with the requirements of the specifications of NASKEO ENVIRONNEMENT.

In 2014, as per the specifications of a project manager and an architectural firm, CLF installed a deluge system for the Theatre of Saumur. Following a power outage in 2018 and a compressor malfunction, the deluge system was triggered and the theatre was partially flooded. A joint appraisal is under way involving everyone involved in the installation (design, installation, supply, certification, and maintenance) and their insurers, to determine each party's liability. The expertise did not increase in 2020.

ECA EN transferred its business in 2015. A property inspection report on departure was carried out in the presence of both parties with SCI FERCA, the lessor, at the end of December 2015. SCI FERCA sued ECA EN at the end of 2017 to restore the premises which ECA EN is allegedly responsible for and claimed €518 thousand from ECA EN in compensation. It is recalled that the Company was in the end obliged to move as a result of the non-completion by SCI FERCA, its former lessor, of all of the restoration work on the roof (asbestos removal) in the former premises. At the end of a nine-year legal appraisal, SCI FERCA, ECA EN's former lessor, sued the companies in charge of the unfinished asbestos removal work (and their insurers) to claim compensation for the damage suffered due to poorly executed and incomplete asbestos removal. SCI FERCA sued ECA EN, along with the companies in charge of asbestos removal, accusing it, in its capacity as former tenant, of having hampered the asbestos removal process, which ECA EN vigorously contests. In a judgment of 24 November 2020, the Paris Court of Justice ruled out the liability of ECA ROBOTICS (which came to the rights of ECA EN following the simplified merger between these companies); an appeal has since been lodged by SCI FERCA. The judgment, expected in March 2021, is not yet available.

In May 2018, GROUPE GORGÉ filed a claim for the reimbursement of a 2014 research tax credit receivable and in May 2019 filed a claim for the reimbursement of a 2015 research tax credit. In December 2019, following numerous communications and long periods of silence from the Tax Authority, GROUPE GORGÉ was notified of the very partial acceptance of its claims for reimbursement. The Tax Authority objects to €1.1 million of these receivables. An analysis of the grounds for the objection led the Group to accept the objection up to €0.1 million and to file an initial motion before the Paris Administrative Court for the purpose of obtaining the validation of the contested receivables for an amount of €1 million. It should be noted that the Tax Authority's objection concerns €0.8 million pertaining to the basis for reimbursement to GROUPE GORGÉ of a receivable that was passed to the tax consolidation group by a company (PRODWAYS) that has since exited the tax consolidation group, and not the basis of the calculation of said receivable. Finally, the Administration proceeded even before a judgment of the Administrative Court to an additional reimbursement of €0.9 million. The Group is continuing proceedings before the Administrative Court for the balance of €0.1 million.

In the in the second half of 2020, the Group received several guarantee calls from SPIE relating to the sale of the CIMLEC Group in July 2019. The sum of SPIE's claims in respect of its guarantee calls amounted to approximately €3 million. After examining with its counsel the admissibility and relevance of these guarantee calls and the follow-up to be given to any claims that would appear to be justified, the company recognized a provision for risks that it considers sufficient.

Note 13.3 Subsequent events

On 1 February 2021, the Board of Directors of PRODWAYS GROUP noted, under the free share allocation plan of 2019, that 186,408 new PRODWAYS GROUP shares could be created, the performance conditions relating to 2019 having been met and the condition of presence of the beneficiaries on 1 February 2021 having been verified. It also noted that the performance conditions for the 2020 financial year had not been met, which justified the cancelation of 202,834 potential shares; therefore, only 202,833 potential shares remain under this plan. On the same day, the Board of Directors of PRODWAYS GROUP approved a new free share allocation plan. With this plan, 550,550 PRODWAYS GROUP shares could be created depending on the presence and performance conditions for the 2021 and 2022 financial years.

At the end of February 2021 the Group restructured its debt. A syndicated loan was signed with four banking partners and two institutional investors. The loan comprises a confirmed part of €120 million and an "unconfirmed external growth loan" part of €25 million which can be rapidly mobilized if needed. The confirmed portion of €120 million is broken down into three tranches: a tranche amortizable over five years of €42.5 million, an in fine tranche of €42.5 million comprising €24.5 million over six years and €18 million over seven years and a Revolving Credit Facility of €35 million. The set-up of this loan allows the refinancing of €46 million of existing debt at 31 December 2021 (including €9 million in PGEs repaid in advance), the refinancing of the ECA simplified public tender offer completed in 2020 and the consolidation and renewal over five years. RCF lines (they amounted to €50 million and were drawn on average for between €10 and €15 million euros). The loan is subject to covenants (net debt to EBITDA and net debt to equity). The margin grid is flexible depending on the leverage. In addition, in 2021 ESG indicators will be rapidly put in place. The achievement of the ESG indicators will add additional flexibility to the margin. The implementation of this loan confirms the Group's good financial health and clearly shows the support of its financial partners.

No other significant events took place between 31 December 2020 and the date of the Board of Directors meeting that approved the consolidated financial statements.

NOTE 14 List of consolidated companies

Company	Parent company at 31 December 2020	% control 2020	% control 2019	% interest 2020	% interest 2019	Method 2020	Method 2019
Consolidating company							
GROUPE GORGÉ SA		Top	Top	Top	Top	FC	FC
Structure							
SCI DES CARRIÈRES	GROUPE GORGÉ SA	100	100	100	100	FC	FC
GORGÉ EUROPE INVESTMENT (Netherlands)	VIGIANS	100	95	100	95	FC	FC
GORGÉ NETHERLANDS	GEI	90.58	90.58	90.58	90.58	FC	FC
Drones & Systems							
GROUPE ECA [1]	GROUPE GORGÉ SA	100	100	100	100	FC	FC
ECA SA [2]	-	-	76.44	-	62.22	-	FC
ECA DEV1 [3]	GROUPE ECA	100	100	100	62.22	FC	FC
ECA AEROSPACE	GROUPE ECA	100	100	100	62.22	FC	FC
ECA AUTOMATION	ECA AEROSPACE	100	100	100	62.22	FC	FC
ECA DYNAMICS [3]	GROUPE ECA	51	51	51	31.73	FC	FC
ECA FAROS [4]	GROUPE ECA	100	100	100	62.22	FC	FC
ECA ROBOTICS	GROUPE ECA	100	100	100	62.22	FC	FC
ECA ROBOTICS BELGIUM (Belgium)	ECA ROBOTICS	100	100	100	62.22	FC	FC
ECA GROUP ASIA (Singapore)	GROUPE ECA	100	100	100	62.22	FC	FC
MAURIC	GROUPE ECA	60.06	60.06	60.06	37.37	FC	FC
MAURIC BELGIUM (Belgium) [5]	MAURIC	100	-	60.06	-	FC	-
OK18 SYSTEMS (United States) [1]	GROUPE ECA	100	100	100	62.22	FC	FC
TRITON IMAGING (United States) [3]	GROUPE ECA	100	100	100	62.22	FC	FC
1ROBOTICS (United States) [1]	GROUPE GORGÉ SA	29.89	29.89	81	50.40	EM	EM
Engineering and Protection Systems							
AMOPSI	VIGIANS P. INCENDIE	80	80	56	56	FC	FC
VIGIANS	GROUPE GORGÉ SA	100	100	100	100	FC	FC
BAUMERT	NUCLÉACTION	100	100	100	100	FC	FC
BAUMERT HONG KONG [3]	BAUMERT	100	100	100	100	FC	FC
CIMLEC INDUSTRIAL (Romania) [6]	-	-	100	-	95	-	FC
CIMLEC INDUSTRIE [6]	-	-	100	-	95	-	FC
CLF SATREM	VIGIANS P. INCENDIE	100	100	70	70	FC	FC
COMMERCY ROBOTICA (Spain) [6]	-	-	100	-	95		FC
COMMERCY ROBOTIQUE [6]	-	-	100	-	95	-	FC
GORGÉ HOEKSTRA HOLDING BV (Netherlands)	GORGÉ NETHERLANDS	100	100	90.58	90.58	FC	FC
HOEKSTRA-SUWALD TECHNIEK BV (Netherlands) [7]	-	-	100	-	87	-	FC
HOEKSTRA-SUWALD INSTALLATIE EN SOLAR BV (Netherlands) [8]	-	-	100	-	87	-	FC
NTS [6]	-	-	100	-	95	-	FC
NUCLÉACTION	GROUPE GORGÉ SA	100	100	100	100	FC	FC
BAUMERT SUD [9]	-	-	100	-	100	-	FC
SAS STONI	GROUPE GORGÉ SA	100	100	100	100	FC	FC
SCI MEYSSE	BAUMERT	100	100	100	100	FC	FC
SCI DES PORTES	GROUPE GORGÉ SA	100	100	100	100	FC	FC
SERES TECHNOLOGIES	GROUPE GORGÉ SA	70	70	70	70	FC	FC
STEDY	GROUPE GORGÉ SA	65	65	65	65	FC	FC
STEDY LIBERTY [10]	StedY	100	-	65	-	FC	-
STEDY PORTAGE [10]	StedY	100	-	65	-	FC	-
SVF	CLF SATREM	100	100	70	70	FC	FC
TENWHIL [6]	-	-	100	-	95	-	FC
THE WIND FACTORY UK LTD (Ireland)	GORGÉ HOEKSTRA	100	100	90.58	90.58	FC	FC
VAN DAM(11) (Netherlands)	-	100	100	90.58	90.58	FC	FC
VAN DAM ASIA [11] (Singapore)	-	100	100	90.58	90.58	FC	FC
VAN DAM MAINTENANCE AND REPAIR [11] (Netherlands)	-	100	100	90.58	90.58	FC	FC
VAN DAM USA(11) (United States)	-	100	100	90.58	90.58	FC	FC

Company	Parent company at 31 December 2020	% control 2020	% control 2019	% interest 2020	% interest 2019	Method 2020	Method 2019
VIGIANS PROTECTION INCENDIE	GROUPE GORGÉ SA	70	70	70	70	-	FC
3D Printing							
3D SERVICAD	AS 3D	100	100	56.52	56.32	FC	FC
AVENAO SOLUTIONS 3D	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
AVENAO INDUSTRIE	AS 3D	100	100	56.52	56.32	FC	FC
CRISTAL	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
DELTAMED (Germany)	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
BIOTECH DENTAL SMILERS	PW ENTREPRENEURS	20	20	11.30	11.26	EM	EM
EXCELTEC	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
INITIAL	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
INTERSON PROTAC (12)	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
IP GESTION (12)	-	-	100	-	56.32	-	FC
L'EMBOUT FRANÇAIS (12)	-	-	100	-	56.32	-	FC
NEXTCUBE.IO	AS3D	64.67	66.67	36.55	37.55	FC	FC
PRODWAYS AMERICAS (United States)	PRODWAYS	100	100	56.52	56.32	FC	FC
PRODWAYS GROUP	GROUPE GORGÉ SA	67.23	66.63	56.52	56.32	FC	FC
PRODWAYS DISTRIBUTION (13)	-	-	100	-	56.32	-	FC
PRODWAYS	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
PRODWAYS CONSEIL	PRODWAYS GROUP	100	90	56.52	50.69	FC	FC
PRODWAYS ENTREPRENEURS (3)	PRODWAYS GROUP	100	100	56.52	56.61	FC	FC
PODO 3D	PRODWAYS GROUP	82.07	82.07	46.38	46.22	FC	FC
PRODWAYS MATERIALS (Germany)	DELTAMED	100	100	56.52	56.32	FC	FC
PRODWAYS RAPID ADDITIVE FORGING	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
PRODWAYS 2 (3)	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
SCI CHAVANOD	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
SOLIDSCAPE (United States)	PRODWAYS GROUP	100	100	56.52	56.32	FC	FC
SURDIFUSE (12)	-	-	100	-	56.32	-	FC
VARIA 3D (United States)	PRODWAYS GROUP	70	70	39.56	39.42	FC	FC

(1) FINU 12, renamed GROUPE ECA, became the new head of the Drones and Systems division in December 2020, with the merger of ECA with GROUPE GORGÉ.
(2) Company merged with GROUPE GORGÉ on 30 December 2020 with retroactive effect from 1 January.
(3) BAUMERT HONG KONG was dissolved at the end of 2020.
(4) Company merged with ECA ROBOTICS in June 2020, without retroactive effect.
(5) Created in April 2020.
(6) Disposal in 2019, consolidation in the first half of 2019 within discontinued operations.
(7) Disposal in 2019, consolidated until 31 March 2019.
(8) Company closed in 2019.
(9) Company merged with BAUMERT at the end of December 2020 with retroactive effect from 1 January.
(10) Companies created in February 2020.
(11) Disposal in July 2020, consolidated in the first half.
(12) Companies merged with INTERSON in December 2020 with retroactive effect from 1 January.
(13) Company merged with PRODWAYS CONSEIL in October 2020 with retroactive effect from 1 January.

4.1.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2020

This is a translation into English of the statutory auditors' report on the consolidated 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 information concerning the Group presented in the management report and other documents provided to shareholders.

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

To the shareholders' meeting of GROUPE GORGÉ,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Groupe Gorgé ("the Group") for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

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

Basis for Opinion

Audit Framework

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

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

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 1st, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

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

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

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

Recognition of income from long-term projects

Risk identified

As indicated in Note 4.1 to the consolidated financial statements, GROUPE GORGÉ's consolidated revenue consists of a significant portion of income related to development and equipment projects or the provision of services to industrial customers.

For these projects, therefore, the revenue and margin are recognised according to percentage of completion of the project, taking into account the following items:

- The percentage of completion is determined for each project by comparing the costs incurred at the reporting date with the total estimated costs at the conclusion of the project;
- Proceeds from contracts may include claims when these can be assessed reliably and when the Group's negotiations with the customer reach a point where the claims are likely to be accepted.
- Estimates of revenue and termination costs are regularly reviewed by operational and financial managers.

If profit forecasts at the end of a project indicate a loss, a provision for termination losses is recognised independently of the project's completion according to the best estimates of projected profits, to the extent that these are probable and can be reliably measured. Provisions for losses on completion are presented on the liabilities side of the balance sheet

We considered this topic to be a key point of the audit given the significance of these estimates and the importance of the judgments exercised by Management to assess the completion of projects. The modification of these estimates could have a material impact on the GROUPE GORGÉ financial statements.

Our response

Firstly, we assessed and tested the internal control procedures considered key to project accounting.

We also selected projects based on essentially quantitative criteria (amount of revenue recognised over the financial year and amount of income completion) and did the following:

- conducted interviews with operational and financial managers to understand the judgments made in the determination of income at termination;
- reconciled recognised profit at termination with contract documents (contracts, amendments or purchase orders);
- examined project management documents to assess the consistency of the estimate of expenses at completion: for a selection of projects whose current estimates are significantly different from previous estimates, we looked for the origin of the change to the forecasts at completion in order to evaluate, based on our experience gained in previous years, the reliability of the process for monitoring costs incurred and estimating the costs necessary to finalise the project.

In addition, we also compared completions against previous estimates to assess the reliability of the estimates.

When applicable, we analysed the entities' interactions with their customers or any other project stakeholders and corroborated that information with the estimates used by GROUPE GORGÉ's Management.

Measurement of the recoverable amount of goodwill

Risk identified

As part of its development, the Group has carried out targeted acquisitions and recognised a certain amount of goodwill.

At 31 December 2020, goodwill recorded on the balance sheet amounted to a net carrying amount of €63.2 million, representing 14.7% of the total assets. Each year, Management ensures that goodwill is not carried at more than its recoverable amount by performing impairment tests. For the purposes of these tests, goodwill acquired through a business combination is allocated to the cash generating units (CGUs).

Determining the net recoverable amount of each CGU relies on discounted future cash flow projections and requires Management to exercise significant discretion, specifically with respect to preparing forecasts and the discount and long-term growth rates to adopt.

In light of the foregoing, we considered the recoverable amount of goodwill to be a key audit point, given the inherent uncertainty linked to certain factors, such as the likelihood of forecasts used to determine the recoverable amount actually materialising.

Our response

We carried out a critical review of the methods used by Management to analyse impairment indicators and perform impairment testing. Our work consisted in:

- taking due note of the GROUPE GORGÉ's process for preparing estimates and assumptions used as part of the impairment tests, in particular in that which concerns the taking into account the impacts of the sanitary crisis of Covid-19 on the parameters of activity and profitability;
- reviewing the impairment tests performed by Management as of June 30, 2020, by:
  - verifying that the discounted future cash flow projections used to determine the value in use of the cash generating units (CGUs) tested corresponds to those generated by elements comprising the carrying amount of the CGUs;
  - assessing the appropriateness of assumptions used, in particular cash flow projections, the discount rate and long-term growth rate, via a comparison with past performance and external analyses available on the market context;
  - reviewing the tests carried out by Management on the sensitivity of the recoverable amount of the CGUs to a reasonable change in the discount or long-term growth rates.
- Assessing, for each UGT and in accordance with IAS 36.99, that the conditions were respected for applying to year-ended December 31, 2020 the impairment tests performed on June 30, 2020 and if necessary, that the Group updated as of December 31, 2020 the UGT impairment tests.
- Reviewing the impairment tests updated on December 31, 2020 for the UGTs who need it, according to the same modalities as those described above for the impairment tests performed as of June 30, 2020.

Finally, we assessed the appropriateness of information provided in Note 6.4 to the consolidated financial statements.

Specific verifications

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

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

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

Report on Other Legal and Regulatory Requirements

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

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of 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).

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Groupe Gorgé by the Shareholders' Meeting held on June 13, 2018 for RSM Paris and on June 17, 2015 for PricewaterhouseCoopers Audit.

At December 31, 2020 RSM Paris was in the third consecutive year of their engagement and PricewaterhouseCoopers Audit was in the sixth year.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free 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 consolidated financial statements.

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

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

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

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

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

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

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) 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.

Neuilly-sur-Seine and Paris La Défense, April 6, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	**RSM Paris**
David Clairotte	Stéphane Marie

4.2 2020 SEPARATE FINANCIAL STATEMENTS

4.2.1 INCOME STATEMENT

(in thousands of euros)	**2020**	2019
Revenue	**5,602**	**3,914**
Reversals of provisions, expense transfers and other income	53	-
Total operating income	**5,655**	**3,914**
Other purchases and external charges	3,087	3,106
Taxes and similar payments	252	64
Payroll expense	2,572	1,705
Depreciation, amortization and provisions		
non-current assets	641	107
current asset	62	-
Other expenses	40	40
Total operating expenses	**6,654**	**5,022**
OPERATING RESULTS (A)	**(999)**	**(1,108)**
FINANCIAL RESULT (B)	**9,089**	**3,747**
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX (C) = (A) + (B)	**8,090**	**2,639**
NON-RECURRING INCOME (D)	**5,194**	**(108)**
Income tax (E)	955	(211)
NET INCOME (F) = (C) + (D) + (E)	**14,239**	**2,320**

4.2.2 STATEMENT OF FINANCIAL POSITION

I Assets

	2020			2019
(in thousands of euros)	**Gross**	**Depreciation, amortization & provisions**	**Net**	
Intangible assets	2,852	2,113	739	271
Property, plant and equipment	892	634	258	223
Equity securities	75,440	2,850	72,590	75,752
Receivables related to shareholdings	403	-	403	678
Other long-term investments	33,108	-	33,108	7,330
Non-current assets	112,695	5,597	107,098	84,254
Net trade receivables and related accounts	**2,930**	**189**	**2,741**	**1,815**
Other trade receivables	59,503	9,723	49,780	25,700
Treasury shares	1,233	-	1,233	81
Cash and cash equivalents	26,421	-	26,421	22,997
Current assets	**90,087**	**9,912**	**80,175**	**50,593**
Prepaid expenses	172	-	172	119
TOTAL ASSETS	**202,954**	**15,509**	**187,445**	**134,966**

Liabilities

(in thousands of euros)	**2020**	2019
Share capital	17,425	13,503
Share premiums	27,711	26,011
Legal reserve	1,350	1,350
Other reserves	290	290
Retained earnings	45,668	47,667
Income (loss) for the period	**14,239**	**2,320**
Equity	**106,684**	**91,141**
Provisions for risks and charges	**201**	**219**
Bank borrowings	55,646	33,144
Other borrowings	77	53
Suppliers	1,745	676
Tax and social debts	7,198	4,516
Other liabilities	15,894	5,217
Total debt	**80,560**	**43,606**
TOTAL LIABILITIES	**187,445**	**134,966**

4.2.3 CHANGE IN CASH AND CASH EQUIVALENTS

(in thousands of euros)	**2020**	2019
Net income	**14,239**	**2,320**
Accruals	(7,200)	(4,598)
Capital gains and losses on disposals	3,253	3,655
Other	-	-
Cash flow from operations	**10,292**	**1,377**
Change in working capital requirements	21,843	9,184
Net cash flow from operating activities (A)	**32,135**	**10,561**
Investing activities		
Payments/acquisition of intangible assets	(79)	(38)
Payments/acquisition of property, plant and equipment	(47)	(121)
Proceeds/disposal of property, plant and equipment and intangible assets	-	-
Payments/acquisition of non-current financial assets	(7,617)	(12,537)
Proceeds/disposal of non-current financial assets	1,978	29,535
Impact of the merger	(25,484)	-
Net cash flow from investing activities (B)	**(31,249)**	**16,839**
Financing activities		
Capital increase or contributions	-	-
Dividends paid	(4,319)	(4,319)
Proceeds from borrowings	12,400	-
Repayment of borrowings	(4,390)	(4,448)
Net cash flow from financing activities (C)	**3,691**	**(8,767)**
Change in cash and cash equivalents (A) + (B) + (C)	**4,577**	**18,633**
Cash and cash equivalents at the beginning of the year	**23,078**	**4,445**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**27,654**	**23,078**

4.2.4 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Sommaire de note

The notes, tables and comments referenced below in the list of contents to the notes are an integral part of the annual financial statements.

The financial year covers the 12 months from 1 January to 31 December 2020.

The financial statements (statement of financial position, income statement) presented are as follows:

- the net statement of financial position total for the financial year ended 31 December 2020 is €187,445,119.84;
- the income statement presented in list form shows a profit of €14,239,360.19.

The Board of Directors approved the separate financial statements of GROUPE GORGÉ on 16 March 2021. They will be submitted for approval to the shareholders' meeting of 18 June 2021.

Impact of the merger between GROUPE GORGÉ and its subsidiary ECA on the items of the statement of financial position and income statement

The extraordinary shareholders' meeting of 30 December 2020 approved the merger-absorption of ECA. From an accounting and tax point of view, the operations of ECA are considered to have been carried out by GROUPE GORGÉ as of 1 January 2020.

The reorganization operations took place as follows: acquisition of 875,000 of its own shares by ECA SA for €24.5 million as part of a simplified public tender offer (*offre publique d'achat simplifiée* – OPAS) launched in October, contribution of a real estate asset by ECA SA to its subsidiary ECA ROBOTICS in November, completion of the merger on 30 December, transfer of staff from ECA to the subsidiary of GROUPE GORGÉ called GROUPE ECA (formerly FINU12), contribution by GROUPE GORGÉ to GROUPE ECA of all the subsidiaries held more than 50% by the former company ECA on 31 December.

The contribution of the two merged entities to the results for 2020 breaks down as follows, by neutralizing reciprocal transactions:

(in thousands of euros)	GROUPE GORGÉ	ECA	**2020**
Revenue	**1,900**	**3,702**	**5,602**
Reversals of provisions, expense transfers and other income	-	53	53
Total operating income	**1,900**	**3,755**	**5,655**
Other purchases and external charges	1,736	1,351	3,087
Taxes and similar payments	103	149	252
Payroll expense	1,674	898	2,572
Depreciation, amortization and provisions:			
non-current assets	114	527	641
current asset	-	62	62
Other expenses	40	-	40
Total operating expenses	**3,666**	**2,988**	**6,654**
Operating results (A)	**(1,766)**	**767**	**(999)**
Financial result (B)	**5,749**	**3,340**	**9,089**
Profit (loss) from continuing operations before tax (C) = (A) + (B)	**3,983**	**4,107**	**8,090**
Non-recurring income (D)	**541**	**4,653**	**5,194**
Income tax (E)	955	-	955
NET INCOME (F) = (C) + (D) + (E)	**5,479**	**8,760**	**14,239**

The net assets of ECA as of 1 January 2020, contributed to GROUPE GORGÉ as part of the merger-absorption transaction, amounted to €51,567 thousand. It breaks down as follows:

	Gross	Depreciation, amortization & provisions	**Net**
Intangible assets	2,301	1,640	661
Property, plant and equipment	7,589	4,142	3,446
Equity securities	35,452	8,543	26,909
Receivables related to shareholdings	-	-	-
Other long-term investments	238	-	238
Non-current assets	**45,580**	**14,326**	**31,254**
Net trade receivables and related accounts	1,310	190	1,120
Other trade receivables	42,697	6,124	36,573
Treasury shares	1,043	-	1,043
Cash and cash equivalents	1,295	-	1,295
Current assets	46,345	6,314	40,031
Prepaid expenses	14	-	14
TOTAL ASSETS CONTRIBUTED	**91,939**	**20,640**	**71,299**

(in thousands of euros)	
Provisions for risks and charges	1
Bank borrowings	14,498
Other borrowings	1
Suppliers	624
Tax and social debts	432
Other liabilities	4,176
TOTAL CONTRIBUTED LIABILITIES	**19,732**

Impact of the Covid-19 pandemic

The Covid-19 pandemic has had an impact on the Company's revenue, as it is dependent on the activity of its subsidiaries. Insignificant reductions in expenses (partial unemployment working, low travel costs) were noted.

NOTE 1 Accounting principles

The annual financial statements have been prepared in accordance with the provisions of the French Commercial Code and the accounting rules and principles generally accepted in France in accordance with the provisions of the French General Accounting Plan (*Plan comptable général* – PCG) (ANC Regulation No. 2014-03 relating to the PCG). The basic assumptions are as follows:

- going concern;
- consistency of accounting methods;
- conservative approach;
- separateness of accounting periods.

The recommendations of the French Accounting Standards Authority (Autorité des Normes Comptables), the French Association of Chartered Accountants (Ordre des Experts-Comptables) and the French National Institution of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) have been applied.

The basic method used to value items in the financial statements is the historical cost method.

Generally accepted accounting principles have been applied in accordance with French legislation in effect on the reporting date.

The accounting rules and methods applied are identical to those used in the previous financial year.

NOTE 2 Notes to the income statement

Note 2.1 Revenue

Revenue comprises the invoicing of services provided to Group subsidiaries for €3,304 thousand and the invoicing of ancillary services or sub-letting of offices to affiliated companies (parent, sister) for €2,298 thousand.

Note 2.2 Statutory auditors' fees

The fees for GROUPE GORGÉ's two statutory auditors to certify the 2020 financial statements amounted to €249 thousand.

Note 2.3 Total payroll

The average workforce for the year breaks down as follows:

	2020	2019
Average workforce used	15	7
of which higher managerial and professional positions	14	6
of which technicians and supervisors	1	1

As regards the corporate officers:

- the remuneration of the members of the Board of Directors of GROUPE GORGÉ totaled €40,000;
- the officers and Directors received gross remuneration of €524 thousand (fixed and variable remuneration of Raphaël GORGÉ and remuneration of the Deputy CEO) in 2020. One Director (Jean-Pierre GORGÉ) is paid by PÉLICAN VENTURE, linked to GROUPE GORGÉ by a service agreement. PÉLICAN VENTURE paid him total gross remuneration of €66,000 and €3,515 in benefits in kind.

Note 2.4 Financial result

(in thousands of euros)	**2020**	2019
Investment income (1)	10,066	2,952
Net income from financial investments	785	348
Interest expense	(850)	(461)
FINANCIAL INCOME BEFORE PROVISIONS	**10,001**	**2,839**
Reversals of provisions for impairment of equity securities	10	908
Reversals of provisions for impairment of securities held short-term	-	-
Provisions for impairment of equity securities (2)	921	-
Provisions for impairment of transferable securities	-	-
FINANCIAL INCOME	**9,089**	**3,747**

(1) *In 2020, investment income mainly consisted of dividends received from VIGIANS, ECA ROBOTICS, SERES TECHNOLOGIES, BE MAURIC and interest on bonds subscribed with VIGIANS PROTECTION INCENDIE.*
(2) *Mainly relates to the impairment of STONI shares.*

Note 2.5 Non-recurring income

(in thousands of euros)	**2020**	2019
Capital gains and losses on asset disposals [1]	(3,253)	(3,655)
Non-recurring income from management operations [2]	(316)	(249)
NON-RECURRING INCOME BEFORE PROVISIONS	**(3,569)**	**(3,904)**
Reversals of provisions [1][3]	8,763	4,015
Provisions	-	(219)
NON-RECURRING INCOME	**5,194**	**(108)**

(1) The net capital loss is mainly related to the Group's restructuring operations with: a capital gain of €4,983 thousand on the contribution of real estate assets to ECA ROBOTICS, a carrying amount reduction of €8,236 thousand recognized at the time of the contribution of the shares to GROUPE ECA. This loss is offset by a provision reversal on the securities concerned.
(2) Mainly includes in 2020 a charge of €324 thousand related to a VAT adjustment generated by the contribution of real estate assets.
(3) Mainly includes a reversal of a provision of €8,236 thousand related to certain shares contributed to GROUPE ECA.

Note 2.6 Corporation tax

GROUPE GORGÉ is solely liable for corporation tax as the parent company of the tax consolidation group comprising itself and the following subsidiaries:

Company	Date of inclusion
STONI	1 January 2005
BAUMERT	1 January 2010
NUCLÉACTION	1 January 2010
VIGIANS	1 January 2014
BAUMERT SUD	1 January 2015
SCI MEYSSE	1 January 2018
GROUPE ECA	1 January 2019
ECA AUTOMATION [1]	1 January 2020
ECA ROBOTICS [1]	1 January 2020
ECA AEROSPACE(1)	1 January 2020
ECA DEV1 [1]	1 January 2020

(1) The entry of these entities was recorded on 1 January 2020 in connection with the merger-absorption of ECA.

At 31 December 2020, the taxable income of the consolidated entity was a deficit of €6,867 thousand.

The remaining deficit to be carried forward in respect of the tax group amounts to €44,700 thousand.

At the same time, income of €936 thousand was recognized as a result of the tax consolidation.

A request for tax approval was filed by GROUPE GORGÉ to benefit from the transfer of the tax losses that existed at 31 December 2019 to the tax consolidation of ECA. The request is being processed and the deficits in question are not included in the overall deficit of GROUPE GORGÉ.

NOTE 3 Notes to the statement of financial position

Note 3.1 Non-current assets

Property, plant and equipment and intangible assets are recorded at their acquisition cost.

Depreciation and amortization are calculated on a straight-line basis using the following main useful lives:

- software: 3 to 10 years;
- office and computer equipment: 3-5 years;
- transport equipment: 5 years;
- fixtures and fittings: 5-10 years.

Equity securities are recognized on the statement of financial position at their acquisition cost less any necessary estimated impairment.

Impairment may be recognized based on the value after tax of the securities, which represents the acceptable value payable to acquire the securities. Value after tax is estimated according to the value of the share of equity of the relevant entities at year-end as well as their income and short-term earnings outlook. This involves using cash flow projections. When the shares have been listed on the stock exchange, the market capitalization of the last months is also considered.

When the equity securities and related receivables have a present value lower than their carrying amount, the equity securities are written down before the related receivables are written down (unless a specific situation justifies a different order of impairment).

Loans and other long-term investments are recognized at their original value less any necessary estimated impairment.

Gross values *(in thousands of euros)*	Start of the period	Contribution of ECA at 1 January	Increase	Decrease	**End of period**
INTANGIBLE ASSETS					
Other intangible assets	472	2,301	101	22	2,852
TOTAL	**472**	**2,301**	**101**	**22**	**2,852**
PROPERTY, PLANT AND EQUIPMENT					
Other property, plant and equipment (1)	532	7,589	47	7,277	892
TOTAL	**532**	**7,589**	**47**	**7,277**	**892**
NON-CURRENT FINANCIAL ASSETS					
Equity securities (2)(3)	77,383	35,452	47,297	84,691	75,440
Receivables related to shareholdings	678	-	403	678	403
Loans	12	87	729	21	807
Other long-term investments (4)	7,318	151	24,895	63	32,301
TOTAL	**85,391**	**35,690**	**73,324**	**85,453**	**108,951**

(1) *The decrease in this item is mainly due to the disposal of a real estate asset contributed to the subsidiary ECA ROBOTICS.*
(2) *The upward change in this item is mainly due to the following transactions: the contribution of real estate assets to ECA ROBOTICS (+€8,074 thousand), the remuneration of the contribution of shares to GROUPE ECA (+€33,267 thousand) and the acquisition of ECA shares by GROUPE GORGÉ prior to the merger (+€5,781 thousand).*
(3) *The downward change in this item is mainly due to the following transactions: the contribution of equity securities to GROUPE ECA (-€42,718 thousand) and the cancelation of ECA shares as part of the merger (-€41,973 thousand).*
(4) *The increase in this item is mainly justified by the merger loss of €24,355 thousand recognized as part of the merger with ECA.*

Depreciation and amortization for the financial year amounted to €641 thousand. Total depreciation and amortization at 31 December 2020 was €2,747 thousand.

The technical loss of €24,355 thousand, generated by the merger with ECA, is allocated to the stake in GROUPE ECA. The cumulative carrying amount of GROUPE ECA's equity investments amounted to €57,627 thousand.

Note 3.2 Schedule of receivables

(in thousands of euros)	**Gross amount**	Due in less than one year	Due in more than one year
Loans	807	20	787
Receivables related to shareholdings	403	3	400
Other long-term investments	7,945	-	7,945
Other trade receivables	2,930	2,741	189
Social Security and other organizations	6	6	-
State and other government authorities:			
• income tax (1)	12,143	6,134	6,009
• value-added tax	279	279	-
• other	8	8	-
Group and associated companies	46,805	37,082	9,723
Other receivables	259	259	-
Prepaid expenses	171	171	-
TOTAL	**71,756**	**46,703**	**25,053**

(1) *This item includes tax credits from the tax consolidation group for €11,241 thousand (research tax credit and employment competitiveness tax credit). Research tax credit receivables maturing from 2021 to 2023 were sold to a financial institution for €8.4 million. The portion at <1 year corresponds to tax credits repayable in 2021.*

Receivables due in more than one year mainly relate to bonds subscribed to the subsidiary VIGIANS PROTECTION INCENDIE, impaired receivables from subsidiaries and tax credit receivables from the tax consolidation group.

Receivables and payables are valued at their nominal value. Where applicable, receivables are written down to take into account any collection difficulties to which they may give rise.

Foreign currency receivables are valued at the closing rate on 31 December 2020. These receivables correspond to current account advances granted to the subsidiaries TRITON IMAGING and OK18 SYSTEMS.

Accrued income by statement of financial position item:

(in thousands of euros)	Amount
Other trade receivables	26
State and other government authorities:	-
Other receivables	-
Cash and cash equivalents	-
TOTAL	**26**

Note 3.3 Equity

(in thousands of euros)	Start of the period	Share capital increase or decrease	Allocation of income	Distribution of dividends	**End of period**
Capital	13,503	3,922	-	-	17,425
Share premiums	26,011	1,700	-	-	27,711
Legal reserve	1,350	-	-	-	1,350
Other reserves	290	-	-	-	290
Retained earnings	47,667	-	2,320	(4,319)	45,668
N-1 income	2,320	-	(2320)	-	-
Total	**91,141**	**5,622**	**-**	**(4,319)**	**92,444**
Income (loss) for the period					14,239
TOTAL EQUITY AT END OF PERIOD					**106,684**

The share capital consists of 17,424,747 shares with a nominal value of €1, which was increased as part of the merger with ECA.

Note 3.4 Provisions

(in thousands of euros)	Start of the period	Contribution of ECA at 1 January	Increase	Decrease	**End of period**
Provisions for risks and charges	219	1	1	21	201
Total (1)	**219**	**1**	**1**	**21**	**201**
Impairment of:					
• equity securities	1,631	8,543	920	8,244	2,850
• non-current financial assets	-	-	-	-	-
• other receivables	3,589	6,314	62	52	9,912
• treasury shares	-	-	-	-	-
Total (2)	**5,220**	**14,857**	**982**	**8,296**	**12,762**
GRAND TOTAL (1) + (2)	**5,439**	**14,858**	**983**	**8,317**	**12,963**

The impairment of equity securities and other non-current financial assets at year-end relates to:	
• Shares in SCI DES CARRIÈRES	€1,588 thousand
• Shares in STONI	€920 thousand
• Shares in 1ROBOTICS	€308 thousand
• Shares in MARINE INTÉRIM	€34 thousand

Impairment of other receivables has been recorded for several years and relates to advances granted to companies in liquidation (BEMA INGÉNIERIE, ECA SINDEL, SSI and TRITON).

Note 3.5 Net financial debt

3.5.1 Available cash and cash equivalents

Transferable securities are recognized on the statement of financial position at their acquisition cost. Accrued interest earned on term accounts is recorded under investment income. A provision for impairment is recognized when the net asset value is less than the acquisition cost.

The "Liquidities" item in assets at 31 December 2020, reflecting an amount of €26,421 thousand, comprised cash for €26,346 thousand, transferable securities for €48 thousand, accrued interest acquired on term account for €25 thousand, and an interest rate cap premium for €2 thousand.

In 2016 the Company entered into a variable interest rate hedge for a new loan. The hedge chosen was an interest rate cap of 1% for a nominal initial amount of €9.5 million. The premium amount (originally €10 thousand) was recorded under financial instruments and is recognized as a financial expense for the duration of the hedge. The final maturity date is October 2021.

GROUPE GORGÉ holds 100,772 treasury shares under its liquidity agreement and buyback agreements. At 31 December 2020, the value of the treasury shares was €1,276 thousand.

3.5.2 Financial debt

	Gross amount	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Bank borrowings:							
• originally due within 1 year	-	-	-	-	-	-	-
• originally due in more than one year	55,646	32,189	5,928	17,123	123	124	159
Other borrowings and financial debt	77	65	-	-	-	-	12
TOTAL	**55,723**	**32,254**	**5,928**	**17,123**	**123**	**124**	**171**

Note 3.6 Operating payables and other liabilities

Schedule of debts

(in thousands of euros)	**Gross amount**	Due in less than one year	Due in more than one year
Trade payables	1,745	1,745	-
Personnel and related accounts	407	407	-
Social Security and other social services	439	439	-
State and other government authorities:			
• income tax [(1)]	5,552	892	4,660
• value-added tax	744	744	-
other taxes and similar payments	56	56	-
Group and associated companies	15,416	15,416	-
Other liabilities	127	127	-
TOTAL	**24,486**	**19,826**	**4,660**

(1) This item includes payables to Group subsidiaries arising from the tax consolidation. The share due in more than one year corresponds to outstanding tax credits for loss-making subsidiaries that are not repayable in 2021.

Accrued liabilities by statement of financial position item

(in thousands of euros)	Amount
Other borrowings	65
Suppliers	429
Tax and social security liabilities	658
Other liabilities	60
TOTAL	**1,212**

NOTE 4 Transactions with affiliate companies and related parties

Related parties are persons (Directors, managers of GROUPE GORGÉ or of its principal subsidiaries) or companies owned or managed by these persons. PÉLICAN VENTURE is the parent company of GROUPE GORGÉ.

The net amounts for related undertakings included in GROUPE GORGÉ SA's statement of financial position and income statement items for the financial year ended 31 December 2020 are as follows:

(in thousands of euros)	Directors	Subsidiaries	PÉLICAN VENTURE
Receivables related to shareholdings	-	403	-
Trade accounts receivable	-	2,930	-
Current accounts receivable	-	46,805	-
Receivables related to tax consolidation	-	902	-
Other receivables	-	-	3
Deposits and guarantees received	-	5	7
Trade payables	-	35	-
Current accounts payable	-	15,416	-
Liabilities related to tax consolidation	-	5,552	-
Other liabilities	-	-	-
Revenue	-	5,075	98
Purchases and external charges	-	233	64
Gross remuneration	327	-	-
Remuneration of members of the Board of Directors	40	-	-
Investment income	-	9,532	-
Other financial income	-	955	-
Financial expense	-	122	-
Non-recurring expenses	-	-	-

Related-party transactions are concluded under arm's length conditions.

NOTE 5 Off-balance sheet commitments

NOTE 5.1 Off-balance sheet commitments related to ordinary activities

- €11.8 million in guarantees given to banking institutions for loans granted to BAUMERT.
- €490 thousand in guarantees given to a banking institution to secure an interest-free loan for PRODWAYS.
- €85 thousand in guarantees given to a banking institution for loans granted to STEDY PORTAGE.
- €6.6 million in guarantees given to a banking institution for a loan granted the subsidiary VIGIANS PROTECTION INCENDIE.
- €3.2 million of guarantees given to financial institutions to guarantee loans granted to ECA SINDEL.
- €15.1 million of guarantees given to financial institutions to guarantee loans granted to ECA ROBOTICS.

In addition, the Company may have to deliver comfort letters or parent company guarantees to subsidiary customers or partners, under particular circumstances.

Note 5.2 Complex commitments

GROUPE GORGÉ, which owns 70% of the capital of SERES TECHNOLOGIES, has commitments to purchase the remainder of the share capital from minority shareholders. These commitments are exercisable starting in 2021.

As a result of the merger with ECA, GROUPE GORGÉ now carries the commitments made as part of the acquisition of 60% of MAURIC's share capital. GROUPE GORGÉ is therefore committed, under certain conditions, to buy back the shares of minority shareholders. The commitment is valid for a period of ten years from the date of signature of the shareholders' agreement concluded on 21 November 2016. In December 2017 options were exercised by executive shareholders, the shares were acquired before being sold to other MAURIC executives, at the same price. No other transaction has taken place since. The liability guarantee granted to ECA expired on 31 December 2019, without being called into play.

Note 5.3 Financial covenants

ECA SA had two RCF lines of €10 and €15 million. These lines were accompanied by a change of control clause and a leverage covenant (net financial debt / EBITDA, within the scope of GROUPE ECA). As part of a reorganization of its financing, GROUPE GORGÉ waived its two lines in February 2021 (see Note 7.2 on subsequent events).

Several bank loans taken out by GROUPE GORGÉ in 2017, 2018 and 2020 were also subject to a leverage covenant. These loans were also repaid early in March 2021, as part of the Group's refinancing (see Note 7.2 on subsequent events).

Note 5.4 Commitments received

GROUPE GORGÉ has a confirmed credit facility for €10 million to finance general requirements or acquisitions. This line of credit is not used. GROUPE GORGÉ waived it in the context of the reorganization of its financing (see Note 7.2 on subsequent events).

Note 5.5 Pledges, guarantees and sureties

None.

Note 5.6 Retirement pay

Retirement pay was estimated at €144 thousand at the reporting date.

The assumptions used to estimate the compensation are as follows:

- Departure at the employee's initiative (voluntary departure);
- Assumed retirement age: 67;
- Discount rate: 0.40%
- Loading rate: 50%
- Turnover: -35 years old 10%; 35-45 years old 7%; 45-55 years old 2%; +55 years old 0%
- Salary increase rate: 2.50%
- Life table: 2016-2018

Note 5.7 Financial instruments

In October 2017, GROUPE GORGÉ took out an interest rate hedge in the form of an interest rate cap of 1%. The original nominal amount was €9,500 thousand. The final maturity date is October 2021.

NOTE 6 Subsidiaries and equity interests

(in thousands of euros)	Capital Equity	Share Dividends	Gross value of securities Net value of securities	Loans, advances Warranties	Revenue Income
NUCLÉACTION	273	99.29%	37	17,038	328
	2,491	-	37	-	(158)
STONI	38	100%	5,690	-	634
	4,770	-	4,770	-	4,140
SCI CARRIÈRES	1	100%	2,844	-	-
	1,256	-	1,256	-	8
SCI DES PORTES	1	99%	1	246	75
	31	-	1	-	4
SERES TECHNOLOGIES	80	70%	990	-	10,160
	1,017	280	990	-	308
VIGIANS	5	100%	275	-	8
	9,672	6,067	275	-	(962)
PRODWAYS GROUP	25,539	56.52%	28,375	-	1,473
	81,574	-	28,375	490	3,315
GROUPE ECA	3,359	100%	33,272	-	-
	33,235	-	33,272	-	(2)
STEDY	200	65%	1,010	1,413	158
	(716)	-	1,010	-	(1,308)
VIGIANS PROTECTION INCENDIE	3,000	70%	2,100	-	-
	8,481	-	2,100	7,270	5,802
1ROBOTICS	407	81%	308	-	-
	6	-	-	-	-
WANDERCRAFT [1]	58	3.91%	500	-	567
	9,357	-	500	-	(4,993)
FINU 13	5	100%	5	-	-
	4	-	5	-	(1)

(1) Concerning WANDERCRAFT, the data are forecast.

NOTE 7 Other information

Note 7.1 Exceptional events and litigation

The Group is involved in various legal proceedings. After reviewing each case and having consulted its advisers, the provisions considered necessarily have, as applicable, been recorded in the financial statements

Note 7.2 Subsequent events

In February 2021 GROUPE GORGÉ restructured its debt, including the debt of fully-owned subsidiaries and sub-subsidiaries. A syndicated loan has been signed with four banking partners and two institutional investors. The loan comprises a confirmed part of €120 million and an "unconfirmed external growth loan" part of €25 million which can be rapidly mobilized if needed. The confirmed portion of €120 million is broken down into three tranches: a tranche amortizable over five years of €42.5 million, an *in fine* tranche of €42.5 million comprising €24.5 million over six years and €18 million over seven years and a Revolving Credit Facility of €35 million. The set-up of this loan allows the refinancing of €46 million of existing Group debt at 31 December 2020 (including €9 million in PGEs repaid in advance), the refinancing of the ECA simplified public tender offer completed in 2020 and the consolidation and renewal over five years of the RCF lines (they amounted to €50 million and were drawn on average for between €10 and €15 million). The loan is subject to covenants (net debt to EBITDA and net debt to equity). The margin grid is flexible depending on the leverage. In addition, in 2021 ESG indicators will be rapidly put in place. The achievement of the ESG indicators will add additional flexibility to the margin. The implementation of this loan confirms the Group's good financial health and clearly shows the support of its financial partners.

No other major events took place between 31 December 2020 and the date of the meeting of the Board of Directors which approved the separate financial statements.

4.2.5. STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

Financial year ended 31 December 2020

This is a translation into English of the statutory auditors' report on the annual 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 information concerning the Group presented in the management report and other documents provided to shareholders.

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

To the Shareholders' Meeting

Opinion

In application of the assignment entrusted to us by your Shareholders' Meeting, we have conducted an audit of the GROUPE GORGÉ annual financial statements for the financial year ended 31 December 2020, appended to this report.

We hereby certify that the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2020 and of the results of its operations for the financial year then ended in accordance with French accounting principles.

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

Basis for the opinion

Audit framework

We conducted our review 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 audit opinion.

Our responsibilities in view of these standards are set out in the section entitled "Statutory Auditors' responsibilities regarding the audit of the annual financial statements" in this report.

Independence

We conducted our audit in accordance with the rules of independence governing our assignments, laid down by the French Commercial Code and by the Code of Ethics governing statutory auditors, for the period from 1 January 2020 to the date on which our report was issued; in particular, we did not render any services prohibited by Article 5, paragraph 1 of EU Regulation No. 537/2014.

Justification of our assessment – Key audit points

The global crisis linked to the COVID-19 pandemic creates special conditions for the preparation and audit of the financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have multiple consequences for companies, particularly on their activity and their financing, as well as increased uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organization of companies and the way in which audits are carried out.

It is in this complex and changing context that, in accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the annual financial statements for the financial year, as well as the responses we have provided to these risks.

These assessments were made as part of the audit of the annual financial statements, taken as a whole, and of the opinion we formed and expressed above. We have not expressed an opinion on individual elements contained in these financial statements.

Assessment of equity securities

As at 31 December 2020, equity securities were recorded on the statement of financial position with a total net carrying amount of €72.6 million, representing 39% of total assets. They are recognized on the date of purchase at their acquisition cost.

When the value in use of securities is lower than their net carrying value, a provision for impairment is recorded for the difference. Value in use is determined, where applicable, based on:

- the value of the share of equity of the investment;
- an analysis of their short and medium-term results and profitability outlook of the investment, in particular through the use of cash flow projections;
- when equity securities are listed on the stock exchange, the market capitalization of the last months.

Estimating the value in use of these securities therefore requires Management to exercise its judgement in selecting the items to consider, depending on the investments concerned.

In this respect, we considered the estimation of the value in use of equity securities a key audit point, given the representation of equity securities on the statement of financial position and inherent uncertainty linked to the likelihood of forecasts used to determine the value in use actually materializing.

Audit procedures implemented to address identified risks

Our work consisted in:

- familiarizing ourselves with the value testing process implemented by Management, particularly with regard to the consideration of the impacts of the Covid-19 health crisis;
- assessing the appropriateness of the valuation method applied by Management, and figures used;
- comparing the data used to conduct impairment testing of equity securities with accounting data or market capitalization of last months where applicable;

Where applicable, analyzing the consistency of Management's future cash flow projections with past achievements and our knowledge of the subsidiaries' activities. Furthermore, we are assured of the appropriateness of the information presented in section 3.1 "Non-current assets" of the notes to the separate financial statements.

Specific verification

We also performed, in accordance with professional standards applicable in France, the specific verifications required by French legal and regulatory texts.

Information provided in the management report and in the other documents sent to shareholders with respect to the financial position and the annual financial statements

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the other documents on the financial position and the annual financial statements sent to the shareholders.

In accordance with the law, we hereby inform you that the information on payment times for trade receivables set forth in Article D.441-6 of the French Commercial Code, are not mentioned in full in the management report. As a result, we are unable to attest to their true and fair nature and their consistency with the annual financial statements.

Corporate governance information

We hereby certify the inclusion, in the Board of Directors' report on corporate governance, of information required by Articles L.225-37-4, L.22-10-10 and L-22-10-9 of the French Commercial Code.

With regard to the information provided pursuant to the provisions of Article L.22-10-9 of the French Commercial Code on compensation and benefits paid or awarded to corporate officers, as well as the commitments granted to them, we verified that they were consistent with those of the Company's financial statements or with the data used to prepare these financial statements and, where applicable, with the information collected by your company from the companies controlled by it that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to factors that your company considers likely to have an impact in the event of a public tender or exchange offer, provided in application of the provisions of Article L.22-10-11 of the French Commercial Code, we verified its compliance with the documents from which it was taken and which were provided to us. On the basis of this work, we have no observations to make regarding this information

Other information

Pursuant to French law, we have ensured that the various information concerning the acquisition of equity interests and control has been communicated to you in the management report.

Pursuant to French law, we have verified that the various information relating to the identity of the holders of share capital or voting rights were communicated to you in the management report.

Other verifications or information required by laws and regulations

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

In accordance with III of Article 222-3 of the AMF General Regulation, the Management of your Company has informed us of its decision to postpone the application of the single electronic information format as defined by Delegated European Regulation No. 2019/815 of 17 December 2018 to the financial years beginning on or after 1 January 2021. Consequently, this report does not contain any conclusions on compliance with this format in the presentation of the annual financial statements to be included in the annual financial report referred to in section I of Article L.451-1-2 of the French Monetary and Financial Code.

Appointment of Statutory Auditors

RSM Paris was appointed the Statutory Auditors of GROUPE GORGÉ by your Shareholders' Meeting of 13 June 2018 and PricewaterhouseCoopers Audit by the Shareholders' Meeting of 17 June 2015.

As of 31 December 2020, RSM Paris was in the third consecutive year of its mission and PricewaterhouseCoopers Audit was in the sixth year.

Responsibilities of the Management and those in charge of corporate governance in relation to the annual financial statements

It is the Management's responsibility to prepare fair and accurate annual financial statements in compliance with French accounting principles, and to implement the internal control procedures that it deems necessary for the preparation of annual financial statements free of any material misstatements, whether resulting from fraud or errors.

In preparing the annual financial statements, it is up to the Management to assess the Company's ability to continue as a going concern, to present, where relevant, the necessary information relating to the going concern and to apply the going concern principle of accounting, unless there are plans to liquidate or cease the Company's activity.

It is the responsibility of the Audit Committee to monitor the preparation of financial information and to verify the effectiveness of internal control and risk management systems and, where applicable, of internal audit, with regard to procedures for preparing and processing accounting and financial information.

These annual financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities regarding the audit of the annual financial statements

Audit objective and approach

We are tasked with preparing a report on the annual financial statements. Our objective is to obtain reasonable assurance that the financial statements, taken as a whole, are free of material misstatements. Reasonable assurance means a high level of assurance, however without any guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may be the result of fraud or errors, and are considered material when, individually or combined, they can be reasonably expected to impact economic decisions taken based on the financial statements.

As set out in Article L.823-10-1 of the French Commercial Code, our assignment to certify the financial statements does not involve guaranteeing the sustainability or quality of the management of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditors exercise their professional judgment throughout the entire audit. In addition:

- it identifies and assesses the risk of material misstatement in the annual financial statements, whether the result of fraud or errors, defines and implements audit procedures to address such risks, and gathers adequate and appropriate information on which to form an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, given that fraud may imply collusion, falsification, willful omissions, false statements or the circumvention of internal control;
- it takes note of internal control processes relevant to the audit, in order to define suitable audit procedures, and not for the purpose of expressing an opinion on the effectiveness of such internal control;
- it assesses the appropriateness of the accounting policies adopted and the soundness of accounting estimates made by Management, as well information concerning them provided in the annual financial statements;
- it assesses the appropriateness of Management's application of the going concern principle and, based on the information obtained, whether there is significant uncertainty with regard to events or circumstances that could jeopardize the Company's ability to continue as a going concern. This assessment is founded on information obtained up until the date of the report, it being specified, however, that subsequent circumstances or events may jeopardize business continuity. If the auditor identifies significant uncertainty, they highlight such uncertainty in their report by drawing readers' attention to the corresponding information presented in the financial statements, or, if this information has not been provided or is not relevant, issues certification with reserves or a refusal to certify;
- it assesses the overall presentation of the annual financial statements and determines whether they provide a true and fair reflection of the underlying transactions and events.

Report to the Audit Committee

We have submitted a report to the Audit Committee in which we present the scope of the audit assignment carried out, the work plan followed, and our conclusions. We also highlight the significant internal control discrepancies identified, with regard to procedures for the preparation and processing of financial and accounting information.

The information provided in the report to the Audit Committee includes the risks of material misstatements that we deemed to be the most significant for the audit of the annual financial statements for the financial year, and which constitute key audit points, which we are required to include in this report.

We have also provided the Audit Committee with the statement referred to in Article 6 of EU Regulation No. 537-2014 confirming our independence, pursuant to regulations applicable in France, as set out in Articles L.822-10 to L.822-14 of the French Commercial Code and the Code of Ethics governing statutory auditors in particular. Where necessary, we discuss the potential risks to our independence and the safeguard measures applied with the Audit Committee.

Paris and Neuilly-sur-Seine, 6 April 2021

The Statutory Auditors

RSM Paris	**PricewaterhouseCoopers Audit**
Stéphane Marie	David Clairotte

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5

INFORMATION ABOUT THE COMPANY, ITS SHARE CAPITAL AND SHAREHOLDERS

5.1 INFORMATION ABOUT THE COMPANY

5.1.1 GENERAL INFORMATION

Company name

GROUPE GORGÉ SA

Place of registration and registration number

RCS Paris 348 541 186

Code ISIN FR0000062671 – GOE

Date of incorporation and term

GROUPE GORGÉ was formed on 3 November 1988. Its term is 99 years, to expire on 3 November 2087.

Registered office, legal form and applicable law

Head office address:

19 rue du Quatre-Septembre – 75002 Paris
(move to 30 rue de Gramont, 75002 as of 8 July 2021)

Telephone: +33 (0) 1 44 77 94 77

The Company is a French public limited company (société anonyme) under French law with a Board of Directors.

Legal Entity Identifier (LEI)

549300EWC06TYV07XE53

5.1.2 ARTICLES OF INCORPORATION AND BYLAWS

Corporate object

As set forth in article 3 of the bylaws, the Company's purpose is to:

- undertake any transaction directly or indirectly related to managing the securities portfolio, buying and selling securities and any related transactions, and investing liquidities;
- acquire, manage and transfer by any means holdings in any commercial or industrial companies;
- generally undertake any transaction directly or indirectly related to these purposes or to similar or related purposes.

Provisions of the bylaws, a charter or regulations related to the members of administrative, management and supervisory bodies

Pursuant to GROUPE GORGÉ's bylaws, the Board of Directors consists of 3 to 18 members subject to the exceptions provided for by law in the event of a merger. The term of office of the Directors is six years and is renewable.

Directors can be natural or legal persons. At the time of appointment, legal persons must appoint a permanent representative who is subject to the same conditions and obligations and incurs the same liability as if he or she were a Director in his/her own name, without prejudice to the joint and several liability of the legal entity he or she represents.

Rights, privileges and restrictions attaching to each class of the existing shares.

There are no privileges or restrictions attached to certain shares or classes of shares.

"With respect to the percentage of share capital that they represent, double voting rights are conferred upon all fully paid-up shares which have been held in registered form for at least four (4) years in the name of the same holder. In the event of a share capital increase by incorporating reserves, profits or premiums, this double voting right will be attached on the date of their issuance to the new registered shares allotted free of charge to a shareholder in consideration for the old shares giving rise to such right".

(Extract from article 12 of the bylaws)

general shareholders' meetings

"The shareholders' meetings are convened and hold deliberations as provided for by the law.

Shareholder resolutions are made at ordinary, extraordinary or special shareholders' meetings depending on the type of decision.

Shareholders' meetings are convened by the Board of Directors, or, failing that, by those individuals named by the French Commercial Code, particularly the statutory auditors or a court-appointed agent as provided by law.

Meetings are held at the head office or in any other location stated in the convocation.

Shareholders' meetings are convened as provided by the regulations in force.

Any shareholder, regardless of the number of shares he or she holds, has the right to attend and vote at the shareholders' meetings, whether in person, by proxy, or by remote voting, under the conditions and within the time limits laid down by the regulations in force.

Shareholders may, under the conditions laid down by the legislation in force, send their voting form by mail for any shareholders' meeting, either as a printed paper copy or, on a decision by the Board of Directors recorded in the meeting notice and the convening notice, as an electronic copy.

Shareholders may, on a decision by the Board of Directors, attend and vote at any shareholders' meeting by means of video-conference or any means of telecommunication, under the conditions laid down by the regulations in force. This decision is included in the meeting notice published in the *Bulletin des Annonces Légales Obligatoires* (BALO). These shareholders are thereupon considered to be in attendance at the meeting, for the purpose of counting the quorum and majority.

Remote voting forms and proxies granted to be represented at a meeting may include an electronic signature by the shareholder or his or her legal or court-appointed representative, in the form of a process in compliance with the requirements of article 1 316-4, paragraph 2, of the French Civil Code, namely a reliable identification process guaranteeing its connection with the instrument to which it relates.

All shareholders have the right to access the documents required to be able to make an informed decision on the Company's management and situation.

The laws and regulations determine the type of documents as well as how they are sent and made available to shareholders.

The officers of the meeting certify as accurate the attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-mail forms.

The meetings are presided over by the Chairman of the Board of Directors or, in his or her absence, by a Deputy Chairman or another Director specially appointed for this purpose by the Board. Failing such measures, the shareholders' meeting appoints the Chairman of the meeting itself.

The duties of scrutineer shall be performed by the two shareholders, present and accepting such duties, who hold the largest number of shares, either on their own behalf or as proxy-holders. The officers appointed shall appoint the Secretary, who does not need to be a shareholder.

The minutes of the meetings will be prepared and copies or excerpts of the proceedings will be certified in accordance with law.

Ordinary and extraordinary shareholders' meetings, acting according to the corresponding conditions of quorum and majority required by legal provisions, shall exercise the powers conferred on them by law."

(Extract from article 22 of the bylaws)

Crossing of ownership thresholds

The Company's bylaws include an obligation to report threshold crossings of 2%, 3%, and 4%.

"In addition to governing the crossing of thresholds, any physical or legal person who, alone or together, comes to hold or ceases to hold, in any manner whatsoever, a number of shares representing more than 2%, 3% or 4% of the share capital or voting rights, is required to notify the Company within a period of 10 calendar days from the crossing of one of these thresholds, of the number of shares, securities giving access to the share capital and voting rights attached thereto that it holds. For the purposes of application of this statutory obligation, the participation thresholds are determined under the same conditions as legal participation thresholds.

In the event of non-compliance with the statutory requirement, the shares exceeding the undeclared fraction shall be deprived of voting rights for any shareholders' meeting held up until the expiry of a period of two years following the date of regularization, at the request, recorded in the minutes of the shareholders' meeting, of one or more shareholders holding 5% at least of the share capital."

(Extract from article 10 of the bylaws)

5.2 SHARE CAPITAL

5.2.1 TOTAL SUBSCRIBED SHARE CAPITAL AND POTENTIAL SHARE CAPITAL

At 31 December 2020, the Company's share capital comprised 17,424,747 fully-paid up shares with a nominal value of €1 each.

There are no potential shares relating to stock option, stock warrant or bonus share allocation plans, or other securities that may be convertible, exchangeable or associated with stock warrants, or acquisition rights and/or obligations attached to subscribe but not paid-up capital.

5.2.2 TREASURY SHARES

Share buybacks

The share buyback in 2020 took place under the authorizations granted by the shareholders' meetings of 7 June 2019 and 8 June 2020.

a) Number of shares bought and sold during the financial year in accordance with articles L.225-208, L.225-209 and L.225-209-1 of the French Commercial Code and average purchase and sale price

In 2020, within the framework of the liquidity contract, 133,672 GROUPE GORGÉ shares were repurchased by the Company under the authorization granted by the shareholders' meetings of 7 June 2019 and 8 June 2020. These shares were repurchased at an average price of €13.67 per share, for a total cost of €1,826,955.26. In addition, 132,328 GROUPE GORGÉ shares were sold in 2020 at an average price of €13.64 per share (total of €1,804,719.10).

In addition, GROUPE GORGÉ purchased 94,524 shares in 2020 outside its liquidity contract, with the aim of canceling the shares. These shares were acquired for €1,151,491.10, *i.e.* an average price of €12.18.

b) Trading charges

In 2020, the trading costs consisted of the liquidity contract fees, which amounted to €30,000, and transaction costs outside the liquidity contract of approximately €21,000.

c) The number of shares registered in the Company's name at the end of the financial year and their value at purchase price – Fraction of the share capital that they represent

At 31 December 2020, GROUPE GORGÉ held 6,248 treasury shares (0.036% of its share capital), valued at €81,603.33 on the statement of financial position (€79,099 at the stock market price of €12.66 on 31 December 2020), in order to regularize the share price. GROUPE GORGÉ also held 94,524 treasury shares (0.542% of its share capital), valued at €1,151,491.10 on the statement of financial position (€1,196,674 at the stock market price of €12.66 on 31 December 2020), for cancelation.

The above number of shares and figures are given on the basis of a nominal value of €1 per share and 17,424,747 shares making up the share capital at 31 December 2020.

The treasury shares are recorded in the statement of financial position of GROUPE GORGÉ SA under "Cash and cash equivalents".

d) Cancelation of Company shares during the 2019 financial year

In 2020, the Company did not use the authorizations granted by the combined shareholders' meetings of 7 June 2019 and 8 June 2020 to reduce the share capital by canceling shares owned by the Company up to 10% of the share capital for every 24-month period.

e) Number of shares potentially used

The purpose of the repurchase shares may be:

- transfer shares when exercising the rights attached to securities giving access to the share capital by reimbursement;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- provide securities in payment or exchange for acquisitions;
- stabilize the share's stock market price.

f) Potential reallocation for other purposes decided during the 2020 financial year

None.

Renewal of the share repurchase program – Description of the share repurchase program

Shareholders will be asked at the shareholders' meeting of 18 June 2021 to authorize the Board of Directors, with power to subdelegate, to renew the Company's share repurchase program (fifteenth resolution).

The purpose of this authorization is to enable the Company to trade in its own shares, as provided for by law, in order to:

- stimulate the secondary market or the liquidity of Company shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices permitted by the regulations in effect. It should be noted that in this context, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased, after deduction of the number of shares resold;
- retain the purchased shares and subsequently allocate them in exchange or payment during external growth transactions, if any;
- provide coverage for stock option plans and/or bonus share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for securities giving the right to the allocation of Company shares under current regulations;

potentially cancel acquired shares, in accordance with the authorization granted or to be granted by the extraordinary shareholders' meeting;

- and more generally, carry out operations in accordance with any objective authorized by law or any market practice approved by market authorities.

This authorization falls within the legal scope of article L.225-209 of the French Commercial Code:

- it would be valid for a maximum period of 18 months and, as from its adoption by the shareholders' meeting and for the remaining balance, it would cancel and replace any prior delegation of authority to the Board of Directors to allow the Company to trade in its own shares;
- the maximum amount of shares which the Board of Directors may acquire cannot exceed 10% of the total number of shares forming the share capital, with the understanding that the Company may not hold more than 10% of the shares forming the share capital at any time;
- the maximum purchase price per share would be set at €50.

In the event that the share capital is increased through capitalization of reserves and allocation of free shares, as well as in the event of a share split, reverse share split or any other transaction affecting equity, the shareholders' meeting would delegate to the Board of Directors the power to adjust the aforementioned prices in such a way as to allow for the impact of such transactions on the share value.

It is understood that these transactions should be performed in compliance with the rules laid down by articles 241-1 to 241-7 of the General Regulations of the French Financial Markets Authority (AMF) on market trading conditions and timing.

5.2.3 ADDITIONAL INFORMATION ON THE SHARE CAPITAL

Table of the history of the development of the Company's share capital

Date	Transactions	Number of shares before	Number of shares after	Nominal value *(in euros)*	Additional paid-in capital *(in euros)*	Share capital after *(in euros)*
24 February 1998	Share capital increase (listing on secondary market).	900,000	1,050,000	FRF 10	FRF 29,822,332	FRF 10,500,000
25 February 2000	Share capital increase by incorporating an amount deducted from the issuance premium line item	1,050,000	1,050,000	FRF 32.79	FRF (23,937,742.50)	FRF 34,429,500
25 February 2000	Conversion of share capital into euros and a share capital increase to take into account the exchange rate.	1,050,000	1,050,000	5	(3,649,285.32)	5,250,000
18 February 2005	Stock split to reduce the nominal value from €5 to €1	1,050,000	5,250,000	1	-	5,250,000
24 November 2005	Share capital increase following a conversion of bonds.	5,250,000	6,183,689	1	12,183,158.06	6,183,689
25 July 2007	Share capital increase following a dividend payment in shares	6,183,689	6,323,321	1	2,073,535.20	6,323,321
30 June 2009	Reduction of share capital by allocation to a share premium account	6,323,321	6,323,321	0.01	6,260,087.79	63,233.21
	Share capital increase resulting from the merger of BALISCO	6,323,321	11,553,735	0.01	689,581.79	115,537.35
27 July 2009	Increase in the nominal value of the Company's shares by incorporating the premium	11,553,735	11,553,735	1	(11,438,197.65)	11,553,735
22 April 2010	Share capital increase resulting from the acquisition of shares granted under a free share allocation plan	11,553,735	11,574,403	1	-	11,574,403
27 December 2011	Share capital increase in cash	11,574,403	12,731,843	1	7,500,211.20	12,731,843
8 June 2012	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(1,363,158.42)	12,731,843
6 June 2013	Charging of a portion of 2012 losses against additional paid-in capital.	12,731,843	12,731,843	1	(1,422,063.89)	12,731,843
6 June 2013	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(4,074,189.76)	12,731,843
11 March 2014	Share capital increase following the exercise of share issue warrants	12,731,843	12,781,843	1	1,011,167.45	12,781,843
26 March 2014	Share capital increase following the exercise of share issue warrants	12,781,843	12,881,843	1	1,769,798.00	12,881,843
3 April 2014	Share capital increase following the exercise of share issue warrants	12,881,843	12,981,843	1	1,852,223.10	12,981,843
15 July 2014	Share capital increase following the exercise of share issue warrants	12,981,843	13,031,843	1	854,808.15	13,031,843
8 December 2014	Share capital increase following the exercise of share issue warrants	13,031,843	13,081,843	1	934,437.50	13,081,843

Date	Transactions	Number of shares before	Number of shares after	Nominal value *(in euros)*	Additional paid-in capital *(in euros)*	Share capital after *(in euros)*
9 April 2015	Share capital increase following the exercise of share issue warrants	13,081,843	13,156,843	1	1,519,302.30	13,156,843
15 April 2015	Share capital increase following the exercise of share issue warrants	13,156,843	13,181,843	1	506,434.10	13,181,843
8 July 2015	Share capital increase following the exercise of share issue warrants	13,181,843	13,231,843	1	1,123,978.95	13,231,843
15 July 2015	Share capital increase following the exercise of share issue warrants	13,231,843	13,281,843	1	1,122,971.95	13,281,843
7 October 2015	Share capital increase following the exercise of share issue warrants	13,281,843	13,311,843	1	600,921.67	13,311,843
14 October 2015	Share capital increase following the exercise of share issue warrants	13,311,843	13,366,843	1	1,100,697.89	13,366,843
30 March 2016	Share capital increase following the exercise of share issue warrants	13,366,843	13,409,843	1	861,951.80	13,409,843
30 May 2016	Share capital increase resulting from the acquisition of shares granted under a free share allocation plan	13,409,843	13,424,843	1	-	13,424,843
31 May 2016	Share capital increase following the exercise of share issue warrants	13,424,843	13,439,843	1	296,033.70	13,439,843
10 October 2016	Share capital increase following the exercise of share issue warrants	13,439,843	13,444,843	1	90,543.40	13,444,843
20 October 2016	Share capital increase following the exercise of share issue warrants	13,444,843	13,449,843	1	89,163.00	13,449,843
21 October 2016	Share capital increase following the exercise of share issue warrants	13,449,843	13,454,843	1	89,163.00	13,454,843
25 October 2016	Share capital increase following the exercise of share issue warrants	13,454,843	13,459,843	1	89,360.20	13,459,843
9 December 2016	Share capital increase following the exercise of share issue warrants	13,459,843	13,469,843	1	179,509.20	13,469,843
14 December 2016	Share capital increase following the exercise of share issue warrants	13,469,843	13,474,843	1	89,163.00	13,474,843
26 December 2016	Share capital increase following the exercise of share issue warrants	13,474,843	13,484,843	1	179,312.00	13,484,843
28 December 2016	Share capital increase following the exercise of share issue warrants	13,484,843	13,489,843	1	89,656.00	13,489,843
29 December 2016	Share capital increase following the exercise of share issue warrants	13,489,843	13,495,843	1	108,947.88	13,495,843
27 January 2017	Share capital increase following the exercise of share issue warrants	13,495, 843	13,502,843	1	114,913.02	13,502,843
30 December 2020	Capital increase resulting from the merger-absorption of ECA	13,502,843	17,424,747	1	1,699,881.27	17,424,747

Table of delegations valid on 16 March 2021 granted by the shareholders' meeting to the Board of Directors in the area of capital increases

Date	Delegation	Validity	Maximum nominal amount	Use
Combined shareholders' meeting of 07/06/2019 (9th resolution)	Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums	26 months	€5,000,000	None
Combined shareholders' meeting of 07/06/2019 (10th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company) with maintenance of shareholders' pre-emptive subscription rights.	26 months	€5,000,000 (1) €50,000,000 (2) (transferable securities representing receivables giving access to share capital)	None
Combined shareholders' meeting of 08/06/2020 (14th resolution)	Delegation of authority to issue ordinary shares giving access to ordinary shares (of the Company or a Group company) or to the allocation of debt securities, and/or transferable securities giving access to ordinary shares to be issued (by the Company or by a Group company), with cancelation of the shareholders' preferential subscription right, by public offering (excluding the offers referred to in article L.411-2-1 of the French Monetary and Financial Code) and/or in consideration of securities in the context of a public exchange offer	26 months	€5,000,000 (3) €50,000,000 (3) (transferable securities representing receivables giving access to share capital)	None
Combined shareholders' meeting of 08/06/2020 (15th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company), with cancelation of the shareholders' preferential subscription right, by an offer referred to in article L.411-2-1 of the French Monetary and Financial Code (private placement).	26 months	€3,000,000 legal limit (3) €30,000,000 (3) (transferable securities representing receivables giving access to share capital)	None
CSM of 08/06/2020 (16th resolution)	Determining the terms for setting the subscription price in the case of waiver by shareholders of their pre-emptive subscription rights, subject to the annual limit of 10% of the share capital.	26 months	10% of share capital per year, for an issue of ordinary shares or transferable securities pursuant to the 14th and 15th resolutions of the CSM of 08/06/2020	None
Combined shareholders' meeting of 07/06/2019 (14th resolution)	Delegation of authority to increase the number of securities to be issued in the event of excess demand during a capital increase pursuant to the 10th resolution of the CSM of 7 June 2019	26 months	15% of the original issue amount (per articles L.225-135-1 and R.225-118 of the French Commercial Code)	None
CSM of 08/06/2020 (18th resolution)	Authorization to increase the amount of issues decided pursuant to the fourteenth, fifteenth and seventeenth resolutions of the CSM of 8 June 2020	26 months	15% of the original issue amount (per articles L.225-135-1 and R.225-118 of the French Commercial Code)	None
Combined shareholders' meeting of 08/06/2020 (17th resolution)	Delegation of powers to increase the share capital through the issue of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, with cancelation of the shareholders' preferential subscription rights, in favor of a category of persons who will underwrite the Company's capital securities that might result therefrom in connection with an equity line of financing	18 months	€3,000,000 €30,000,000 (3) (transferable securities representing receivables giving access to share capital)	None
Combined shareholders' meeting of 13/06/2018 (13th resolution)	Authorization to grant stock options to employees and/or certain company officers	38 months	5% of the Company's share capital	None
Extraordinary shareholders' meeting of 13/06/2018 (14th resolution)	Authorization to allocate existing or future free shares to employees and/or certain company officers	38 months	5% of the Company's share capital	None

(1) With deduction from the maximum nominal amount of capital increases that may be carried out in application of the 14th, 15th and 17th resolutions of the CSM of 8 June 2020.
(2) With deduction from the overall ceiling provided for in the 14th and 15th resolutions of the CSM of 8 June 2020.
(3) With deduction from the ceiling provided for in the 10th resolution of the SM of 7 June 2019.

5.3 SHAREHOLDING

5.3.1 BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

The breakdown of the share capital and voting rights is the following:

	31 December 2020				31 December 2019			
	Shares	**% of share of capital**	**Voting rights exercisable at shareholders' meetings (2)**	**% of voting rights exercisable at shareholders' meeting**	Shares	% of share of capital	Voting rights exercisable at shareholders' meetings (2)	% of voting rights exercisable at shareholders' meeting
GORGÉ family (1)	7,630,100	43.79%	15,013,045	60.04%	7,596,656	56.26%	14,953,157	71.36%
Treasury shares	100,772	0.58%	-	-	4,904	0.04%	-	-
Public	9,693,875	55.63%	9,900,029	39.96%	5,901,283	43.70%	6,002,607	28.64%
TOTAL	**17,424,747**	**100%**	**25,003,074**	**100%**	**13,502,843**	**100%**	**20,955,764**	**100%**

(1) *"GORGÉ Family" refers to shares held directly by Jean-Pierre GORGÉ, founder of the Group, i.e. 115,408 shares, and those held directly by Raphaël GORGÉ, i.e. 193,865 shares, as well as shares held by PÉLICAN VENTURE SAS, a holding company controlled by three members of the GORGÉ family.*
(2) *The voting rights exercisable at the shareholders' meeting do not include treasury shares. The number of theoretical votes may be obtained by adding the number of votes exercisable at the shareholders' meeting to the number of treasury shares.*

AXA INVESTMENT MANAGERS (for the entirety of the portfolios managed by its subsidiaries) declared on 4 February 2020 that it had exceeded the threshold of 2% of the share capital and 3% of the voting rights. The Egepargne Croissance investment fund managed by AXA INVESTMENT MANAGERS had previously declared in February 2019 that it had exceeded the statutory 2% threshold in GROUPE GORGÉ's share capital.

In December 2020, the GORGÉ family received 33,444 GROUPE GORGÉ shares in consideration as part of the merger-absorption of ECA shares held by Jean-Pierre GORGÉ (189 GROUPE GORGÉ shares) or by PÉLICAN VENTURE (33,255 GROUPE GORGÉ shares), of which 6,444 shares with double voting rights.

On the occasion of this merger-absorption, the GORGÉ family group declared that it had crossed below the thresholds of 50% of the share capital and two thirds of the voting rights and that it held 43.79% of the capital and 59.80% of the voting rights.

In January 2021, Raphaël GORGÉ declared that he had sold 50,000 shares to PÉLICAN VENTURE, the holding company of the GORGÉ family. These shares then lost their double voting rights.

In January 2021:

- FINANCIÈRE ARBEVEL, acting on behalf of the funds it manages, declared that it had crossed above the threshold of 5% of the share capital and held 5.98% of the capital and 4.53% of the voting rights of the company;
- AMUNDI, as part of its UCITS management activities, declared that it had crossed above the statutory threshold of 3% of the share capital (3.44%) and the statutory threshold of 2% of the voting rights (2.59%);
- AXA INVESTMENT MANAGERS, as part of its portfolio management activities of its subsidiaries, declared that it had crossed below the statutory threshold of 3% of the share capital and held 2.63% of the capital and 1.83% of the voting rights.

In February 2021, QUAERO CAPITAL FUNDS, managed by QUAERO CAPITAL SA, announced that it had crossed above, on 12 February 2021, the statutory threshold of more than 4% of the share capital (4.006%).

In March 2021, AXA INVESTMENT MANAGERS declared that it had crossed above the statutory thresholds of 3% of the share capital and 2% of the voting rights and that it held 3.41% of the share capital and 2.37% of the voting rights.

To the Company's knowledge, since the reporting date, no significant changes in shareholding have occurred and there are no shareholders, other than those mentioned above, directly or indirectly holding 2% or more of the Company's share capital or voting rights.

5.3.2 VOTING RIGHTS OF THE MAJOR SHAREHOLDERS

In accordance with the Company's bylaws, GROUPE GORGÉ shares that have been held in registered form for more than four years carry double voting rights. As such, PÉLICAN VENTURE holds a certain number of shares with double voting rights (see table above).

To the Company's knowledge no shareholder's or other agreement exists that could result in a change of control of the Company.

5.3.3 CONTROLLING SHAREHOLDERS

The Company is controlled by the GORGÉ family through PÉLICAN VENTURE.

Two Independent Directors sit on GROUPE GORGÉ's Board of Directors. Having Independent Directors (who have no association with the Company, its group or its management that is such as to influence their free judgement) ensures that there is no abuse or misuse of power as these Independent Directors could take the appropriate action if any such abuse were discovered. One of these Directors is also Chairman of the Company's Audit Committee.

5.3.4 INFORMATION LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

Holders of shares registered in their names for more than four years enjoy double voting rights.

The Company is controlled by the GORGÉ family through PÉLICAN VENTURE.

5.3.5 EMPLOYEE SHAREHOLDING

The Group's existing share subscription or purchase option plans, free share grants and warrant grant plans are described in Note 5.4 of the notes to the consolidated financial statements.

In accordance with the provisions of article L.225-102 of the French Commercial Code, it should be noted that at 31 December 2020:

- no employees' shares were held under collective management;
- 27,334 GROUPE GORGÉ registered shares were held by Group employees following the acquisition of shares under free share allocation plans.

5.4 FINANCIAL COMMUNICATION (FINANCIAL CALENDAR, SHARE PERFORMANCE, DIVIDEND POLICY, ETC.)

5.4.1 STOCK MARKET INFORMATION

Change in price and volume traded on Euronext

Month	High *(in euros)*	Low *(in euros)*	Number of shares traded	Capital *(in euros)*
January 2020	19.00	16.20	302,455	5,352,638
February 2020	17.78	12.40	195,590	3,061,615
March 2020	14.760	8.590	412,068	4,856,322
April 2020	14.66	11.78	215,042	2,875,119
May 2020	14.00	12.50	114,150	1,512,094
June 2020	15.84	13.62	124,482	1,819,281
July 2020	14.66	11.96	114,056	1,525,580
August 2020	12.75	11.54	115,762	1,397,004
September 2020	13.10	10.60	214,915	2,543,131
October 2020	13.30	11.68	215,545	2,651,318
November 2020	14.00	11.98	245,481	3,203,046
December 2020	13.68	12.62	239,599	3,137,100
January 2021	16.40	12.54	907,357	13,098,179
February 2021	16.24	15.56	490,930	7,698,644

Source: Euronext.

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GROUPE GORGÉ shares are listed in compartment B of Euronext Paris. Compartment B comprises listed companies with a market capitalization between €150 million and €1 billion.

Since 1 April 2014, GROUPE GORGÉ meets all the eligibility criteria for the French PEA-SME tax-efficient investment regime (in accordance with Decree No. 2014-283), *i.e.* it has fewer than 5,000 employees and has annual revenue of less than €1,500 million or total assets of less than €2,000 million. These criteria apply to the entire Group.

GROUPE GORGÉ also joined the CAC PEA-PME index on 1 April 2014. This index, compiled by EURONEXT and launched on 27 February 2014, comprises 40 stocks from its listed SME and mid-tier firms which qualify for PEA-SMEs.

The GROUPE GORGÉ share has been included in the SRD Long-only deferred settlement list since 29 December 2014. The SRD Long-only listing should help improve the share's liquidity.

GROUPE GORGÉ shares are listed in compartment B of Euronext Paris. Compartment B comprises listed companies with a market capitalization between €150 million and €1 billion.

5.4.2 DIVIDEND POLICY

The Company intends to pay dividends, but it has not defined a systematic policy with respect to the apportionment of its profits between dividends and the financing of its operations.

Dividends approved by the shareholders' meeting in previous financial years totaled:

- 2015: none;
- 2016: none;
- 2017: dividend per share of €0.32 (13,502,843 shares), or a total dividend of €4,320,909.76;
- 2018: dividend per share of €0.32 (13,502,843 shares), or a total dividend of €4,320,909.76.
- 2019: dividend per share of €0.32 (13,502,843 shares), or a total dividend of €4,320,909.76.

The Board of Directors will propose payment of a dividend of €0.32 per share, *i.e.* a total dividend of €5,575,919.04, to the shareholders' meeting of 18 June 2021.

5.4.3 INFORMATION DOCUMENTS

The Company communicates with its shareholders primarily *via* its website (www.groupe-gorge.com), its Twitter account, and the financial press agency ACTUSNEWSWIRE.

The quarterly, half-yearly and annual financial results are disclosed in press releases according to the indicative timetable below:

- Q1 2021 revenue: 28 April 2021;
- Shareholders' meeting: 18 June 2021;
- Q2 2020 revenue: 28 July 2020;
- HY 2021 financial results: 16 September 2021;
- Q3 2021 revenue: 28 October 2021;
- Q4 2021 revenue: end-February 2022.

The Group holds meetings with analysts and investors, and a telephone conference with an analysts' Q&A immediately after publishing its results. The 2020 financial results were announced on 16 March 2021, and the 2021 half-year financial results will be announced on 16 September 2021.

Throughout the period of validity of the Universal Registration Document, the following documents may be consulted at the Company's head office:

- the latest updated version of the Company's bylaws;
- all reports, correspondence and other documents included or mentioned in this Universal Registration Document.

The annual reports are available at the Company's registered office, 19 rue du Quatre-Septembre – 75002 Paris (30 rue de Gramont, 75002 Paris, from 8 July 2021), as well as on the website www.groupe-gorge.com. Company press releases are relayed *via* professional broadcasting services (ACTUSNEWSWIRE) that can be consulted on the main stock exchange sites, accessible to all audiences, such as BOURSORAMA, BOURSIER.COM, EURONEXT, etc.

The Company's website contains all of GROUPE GORGÉ's up-to-date financial information. All GROUPE GORGÉ press releases readily available on it, as are all documents of relevance to shareholders such as Registration Documents, half-year consolidated financial statements and information on share buybacks.

GROUPE GORGÉ participates in Small cap and/or Midcap events, road shows, as well as other events throughout the year where the Company can present its activities and results to analysts, investors and shareholders. The Group also organizes investor and analyst visits during the Group's most important trade exhibitions throughout the year.

A Securities Service directly administers fully registered shares free of charge. Shareholders who wish to register their securities in this form may send their request to CACEIS Financial Services, 14, rue Rouget-de-Lisle, 92862 Issy-les-Moulineaux Cedex 09, France, or to their own financial advisor.

Our shareholder/investor contact, ACTUS FINANCE (52, rue de Ponthieu – 75008 Paris), is available for all questions about news and the various press releases about the Group.

6

OUR VALUES, OUR EMPLOYEES AND OUR CSR COMMITMENTS

6.1 GENERAL APPROACH AND METHODOLOGY

6.1.1 SPECIFIC CONTEXT OF THE NON-FINANCIAL PERFORMANCE STATEMENT

In accordance with article R.225-105 of the French Commercial Code, GROUPE GORGÉ produces a non-financial performance statement (NFPS) for the Group scope. This statement is subject to mandatory audit by an independent third-party organization.

This Non-Financial Performance Statement is a new step, which fits in with the continuous improvement process of the Group's social, environmental and economic commitment.

Reporting scope

The information presented in this report is consolidated and relates to the main French subsidiaries at 31 December 2020, *i.e.* 15 subsidiaries in 2020, as in 2019. At the end of 2020, the latter represented 89% of the Group's workforce and 88% of its revenue, compared with 87% of workforce and 82% of revenue in 2019. For practical and organizational reasons within the Group, it was relevant to retain this materiality threshold. Subsidiaries that fall below this materiality threshold do not present any significant risk.

Governance and reporting of the CSR indicators

The production of Corporate Social Responsibility (CSR) indicators requires setting up a system for reporting information to the GROUPE GORGÉ Financial Department. A protocol was established that describes the CSR indicators uniformly and in detail.

In 2020, the Group strengthened its data collection process with the appointment in each subsidiary of two CSR managers (HR and QHSE or CFO) in order to have access to contacts and accelerate the development of CSR practices at local level within its subsidiaries. The Group now organizes an annual meeting with all the contact persons of the subsidiaries to present the results of the previous campaign, the news of the upcoming campaign and raise their awareness of these issues.

At the end of 2020, GROUPE GORGÉ also strengthened its CSR governance through the increasing involvement of the Board of Directors. It appointed Hélène de COINTET, Group Deputy Chief Executive Officer, responsible for CSR, to lead the progress across the Group. In addition, it will be proposed to the shareholders' meeting to introduce CSR criteria in the calculation of executive remuneration; these criteria would represent up to 20% of the variable portion.

The Group has decided to set targets for the coming years in line with its strategic and CSR challenges; the work to develop these targets is ongoing and should be finalized before June 2021.

6.1.2 GROUPE GORGÉ'S CSR COMMITMENTS

Since 2018, GROUPE GORGÉ has intensified the assessment of its CSR-related challenges and risks by completing, with the support of an outside consultant, a materiality study in order to look ahead to the expectations, risks, and opportunities of sustainable development issues and our responsibilities to our stakeholders.

There were several phases to this study:

- creating segment benchmarks;
- identifying the main challenges using internal resources, specifically financial risk-mapping;
- organizing internal workshops with operational employees from all divisions to validate the issues' relevance;
- CSR data collection by the Executive Management of GROUPE GORGÉ.

Through this work, the environmental, social, and societal issues of each division and the Group were identified and prioritized according to:

- stakeholder expectations;
- and their impact on the Group's business.

In ranking these risks, potential risk levels were defined: moderate, major and capital.

GROUPE GORGÉ evaluated its issues as well as the contribution of its mission and social and environmental initiatives on the 2030 Agenda for Sustainable Development adopted by the UN in 2015. This program is composed of 17 Sustainable Development Goals (SDG).

The SDG are establishing themselves as the new global framework of priorities, and their translation for businesses by the Global Compact, the WBCSD, and the GRI creates a comprehensive, sustainable new CSR set of guidelines that the Group is keen to adopt.

6.2 OUR BUSINESS MODEL

GROUPE GORGÉ is an industrial group specializing in high-tech businesses driven by a strong entrepreneurial culture. GROUPE GORGÉ is a top player in its leading-edge markets and operates worldwide in innovative and promising sectors: drones, robotics, 3D printing, engineering and protection systems.

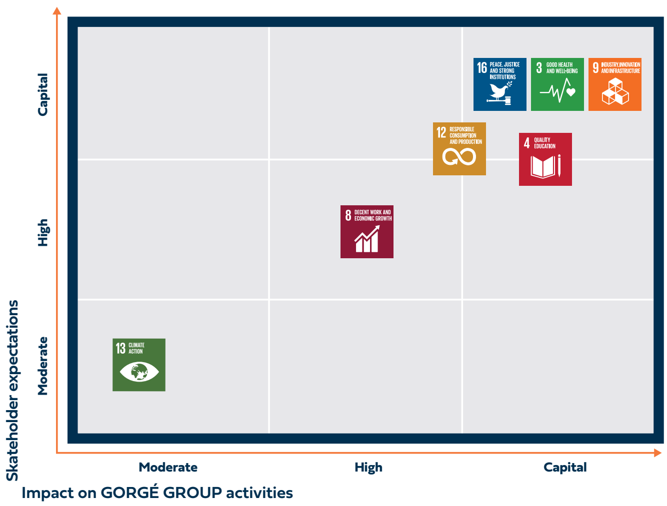
The Group's detailed business model is presented in Section 1.2 "Overview of the Group and its businesses" as well as in the introductory pages of this Universal Registration Document.

6.3 GROUPE GORGÉ'S CSR RISKS AND CHALLENGES

The challenges of GROUPE GORGÉ's business have been assigned to the various Sustainable Development Goals to track the Group's CSR-related contribution and measure the actions and their associated performance.

GROUPE GORGÉ materiality matrix

The Group's materiality matrix shows the CSR issues identified as priorities for the Group. The Group's materiality study identified **10 priority challenges**, matching **7 Sustainable Development Goals.** These 10 challenges reflect the risks and opportunities identified in the risk analysis.



SDG	CSR issues	SDG	CSR issues
3 GOOD HEALTH AND WELL-BEING	• **Innovation for personal and property protection** • **Workplace health & safety, a commitment to all employees**	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• **Acting as an effective, responsible, and ethical group**
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• **Building a top layer in terms of technology innovation** • **Making infrastructure safer**	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• **3D printing: A mode of production that responds to the challenges of sustainable development**
4 QUALITY EDUCATION	• **Attracting and training talent**	13 CLIMATE ACTION	• **Activities with limited impact on climate change**
8 DECENT WORK AND ECONOMIC GROWTH	• **Investing in a lasting and responsible relationship with employees** • **Ensuring decent working conditions at our suppliers**		

In 2020, the Group decided to go further in its CSR commitments and is in the process of identifying and setting targets in line with its CSR challenges and its strategy, in the areas of social and employee management, supply chain management, and environmental impact.

6.4 INNOVATION FOR PERSONAL AND PROPERTY PROTECTION

Through each of its business divisions, the Group's aim is to protect people and property or provide solutions for health. In particular, in its Defense activities, the Group only develops and produces solutions aimed at identifying and neutralizing threats, and not at attacking them. The Group's activities in the nuclear sector also aim to protect people, whether through the supply of secure doors or consulting in safety and security engineering.

6.4.1 DRONES AND SYSTEMS: INNOVATION TO PROTECT PEOPLE AND PROPERTY

GROUPE ECA offers its customers solutions to ensure the safety of their operations.

For the armed forces and civil security, GROUPE ECA develops cutting-edge robotic solutions dedicated to defense and security missions. The main objective of GROUPE ECA's developments is to avoid personnel exposure to dangers such Explosive Ordnance Disposal (EOD) and Improvised Explosive Devices (IED), conflicts, and terrorist threats. GROUPE ECA does not develop weapons.

GROUPE ECA has been involved in the fight against landmines for over 50 years. Today, marine mines remain a threat and a very effective means of disrupting commercial shipping or preventing naval operations. They are inexpensive, easy to deploy and deadly; in France in 2020, the three groups of naval mine clearance divers and three-party mine hunters neutralized 1,760 explosive devices at sea or on the coast. GROUPE ECA is a leader in autonomous and remotely operated solutions specializing in the detection, classification, identification and neutralization of mines remotely, keeping crews out of danger zones; the solution sold in 2019 by the Belgium Naval & Robotics consortium formed by NAVAL GROUP and GROUPE ECA is the first in the world based on the innovative "stand-off" approach to remote mine clearance.

In its Aerospace division, GROUPE ECA is the world leader in distress beacons, which are mandatory aircraft equipment intended to help search and rescue authorities locate any aircraft in distress as well as passengers or crews. Its "ELiTe" beacon is the first Emergency Locator Transmitter (ELT) to include a GPS transmitter as well as a system that activates on contact with water, making the activation and location of survivors in a distressed aircraft more reliable.

The range of AGVs developed by ECA since 2019 also has a personal protection function: this range of autonomous vehicles can handle logistics and hazardous and repetitive tasks on industrial sites, thus contributing to greater safety in workplace and improved working conditions for operators.

6.4.2 ENGINEERING AND PROTECTION SYSTEMS: PROTECTING THE MOST DEMANDING INFRASTRUCTURES

The Engineering and Protection Systems division develops innovative and customized solutions for the protection of infrastructures. These high-performance protections make it possible to secure the most demanding infrastructures (nuclear power plants, industries, etc.) against natural risks (fires, floods, earthquakes, etc.). They have a direct impact on the protection of people (users and local residents), and limit direct damage (repairs, refurbishment of buildings) and indirect damage (stoppage of activities in companies, relocation of evacuees).

VIGIAN PROTECTION INCENDIE supplies and installs fire-fighting solutions for all types of buildings (sprinklers, water mists, etc.) through its subsidiary CLF. The risk of fire is a real threat to people and property. In France, firefighters carried out 316,100 fire-related operations in 2019, an increase of 3% compared to 2018. The sprinkler system is the active solution that today offers any company the best protection of property and people against the risk of fire. Sprinklers are used to detect the start of a fire, raise the alarm in the event of an incipient outbreak and contain the fire until the arrival of the emergency services. Sprinkler systems are mandatory in a certain number of sites (warehouses, shopping centers, cultural sites, etc.) and are strongly recommended in many installations by insurers. They are also being developed in the residential sector, particularly in EPHADs and hospitals, where they save the lives of the most vulnerable.

For its part, BAUMERT develops, manufactures, supplies and installs technical doors and partitions that are mainly used in nuclear power plants, but also in research centers, reprocessing plants and sensitive industrial sites (petrochemical or pharmaceutical). BAUMERT is the world leader in neutron gates in France and internationally. Its solutions protect the personnel working closest to the power plants, citizens and the environment.

The nuclear industry is all the more impacted because it must consider the nuclear safety aspect in order to protect important equipment and guarantee security faced with the risk of radioactive contamination.

SERES TECHNOLOGIES, the Group's Engineering subsidiary, has made the safety and security of nuclear facilities and solutions its specialty. The company offers its clients services and engineering services in the areas of safety/security risk prevention (quality, safety, environment and nuclear safety), ergonomics, operational safety and integrated logistics (analysis, modeling and assessment of complex systems with high challenges in terms of reliability, operational availability and safety), contributing to the construction and sustainability of a safe nuclear industry.

6.4.3 MEDICAL: A STRATEGIC DEVELOPMENT AREA FOR 3D PRINTING

3D printers for medical applications are used for printing smaller objects (such as teeth) or printing with thinner walls. Whether for hospitals, universities, or research laboratories, many medical institutions are taking an interest in 3D printing technology.

In the medical segment, 3D printing is used for:

- planning surgeries with accurate anatomical models created by scanners or MRIs;
- developing custom orthopedic prostheses and implants;
- using 3D-printed models in medical training;
- and bio-printing living tissue for testing drugs and implant placements.

Making it possible to print unique, customized parts at a reduced price, 3D printing has very quickly gained ground in this industry.

6.4.3.1 PRODWAYS medical activities: products and services for the well-being of the population

PRODWAYS GROUP's Products division includes a medical activity that produces medical prostheses *via* 3D printing:

- INTERSON PROTAC and SURDIFUSE-L'EMBOUT FRANÇAIS produce custom-made hearing aid tips and personal protective equipment (PPE) type hearing protectors; these products meet the European Personal Protective Equipment (PPE) standards for earplugs (EU 2016/425). The new European regulations require stricter compliance procedures, ongoing monitoring of the production process, and a quality guarantee;
- CRISTAL is a dental prosthesis laboratory;
- PODO 3D produces orthopedic insoles and comfort insoles, printed in 3D, of the "Scientifeet" brand which it then sells to chiropodists.

At the same time, PRODWAYS GROUP has developed a line of 3D printers and materials specially designed for the dental segment. Its expertise in additive manufacturing in the dental industry is reflected in its partnership with the biggest names in the sector such as DREVE or BIOTECH DENTAL. It is also associated with renowned dentists and leading international suppliers.

The machines are specially designed for their application and are adapted to the biocompatible materials used in the various segments. For example, the Group has developed PLASTCure, a biocompatible material that is perfectly adapted to surgical modelling. In 2020, the Group also obtained approval by the Food and Drug Administration (FDA) of the first new printable composite material for the US market for printing dental crowns and bridges.

6.4.3.2 3D printing to support the medical sector during the Covid-19 crisis

3D printing technology was also a support during the Covid-19 crisis. Numerous examples of products printed in 3D have enabled hospitals and doctors to overcome the shortage of critical equipment during the pandemic and in particular during the first lockdown in France.

PRODWAYS GROUP has mobilized since March 2020 to participate in the effort in the fight against Covid-19 and to meet the needs of unprecedented equipment related to this health crisis, in particular by providing its fleet of professional 3D printers, by associating its network of clients to manufacture protective visor supports.

6.4.3.3 Sponsorship actions

INTERSON PROTAC is a sponsor of AuditionSolidarité.Org, an organization that works to improve auditory wellness for as many people as possible.

As part of its sponsorship, INTERSON PROTAC pays the Audition Solidarité association €1 for each pair of customized Pianissimo® sold and €0.50 for each standard Pianissimo® sold. INTERSON PROTAC also supports the association in its humanitarian missions abroad. Around the world, a team of hearing professionals works in schools for deaf and hearing-impaired children to outfit all the children with these appliances and train the teachers on the spot in their daily care. As part of its missions, INTERSON PROTAC provides Audition Solidarité with its expertise as a manufacturer of hearing-aid tips and also donates equipment and accessories.

6.5 BUILDING A TOP PLAYER IN TERMS OF TECHNOLOGICAL INNOVATION

The Group's ambition is to stay on the cutting edge of innovation. Today, the Group's R&D teams are designing the innovations of tomorrow – to more effectively meet their clients' needs in 3D printing, robotics, and infrastructure protection.

6.5.1 INNOVATION: A GROWTH LEVER

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group's Research and Development policy is described in Section 1.3 "Strategy and outlook, Investment and R&D Policies".

In 2020, R&D amounted to 6.7% of the Group's revenue.

The Group encourages this innovation in each of its divisions and intends to prepare for the future by financing the development of new technologies and new products.

In 2020, the **Drones and Systems division** allocated €10.9 million to R&D, or 11.3% of its revenue, compared to €6.5 million and 5.7% of revenue in 2019. The division is developing a research program on "robotic systems" of the future so they can develop tomorrow's robots today.

During the financial year, the division announced the launch of new innovative products such as the AVG LS 1PT (Pallet Truck), an autonomous electric vehicle for multi-purpose use inside and outside buildings dedicated to the transport of pallets and rolling bins (rolls) and plastic pallet boxes up to 1 tonne. GROUPE ECA has also strengthened its Innovation organization and appointed an innovation manager reporting directly to the COO to identify the innovations of tomorrow.

In 2020, the **3D Printing division** allocated €4.4 million to R&D, or 5.1% **of its revenue,** compared to €2.9 million and 6.2% of revenue in 2019. PRODWAYS GROUP has eight technology centers dedicated to specific focus areas and a team of engineers dedicated to developing the applications of the future.

The 3D Printing division's research is in three key areas:

- machines;
- materials;
- medical prostheses (dental, audiology, chiropody).

The Group focuses its efforts on series production applications, particularly for the medical, aeronautic, and jewelry segments, where the benefits of 3D printing are substantial.

This capacity for innovation has enabled the Group to develop several leading innovations in 2019, notably by integrating new innovative features into its range of compact MOVINGLight® ProMaker LD Series 3D printers: the new generation Super-Resolution 3D algorithms make it possible to obtain surfaces that are more faithful to the 3D model and significantly less pixelated without compromising on productivity, and post-processing using a centrifuge, an economical and ecological device for cleaning the molds of orthodontic aligners and obtaining a perfect finished product without the use of isopropanol.

Finally, in the **Engineering and Protection Systems** division, the R&D efforts are focused on R&D for specific client projects, including special doors and walls and a standardized special door. In 2020, the division strengthened its innovation vocation; the subsidiary SERES TECHNOLOGIES has created an R&D division dedicated to the technologies of the future to address the challenges of digital transformation and new modes of operation.

In 2020, the division allocated €1.6 million to R&D, or 2.1% of its revenue, compared to €2.1 million and 0.9% of revenue in 2019.

Patents filed

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group's subsidiaries file patent applications when they become necessary in protecting technical, technological, or commercial breakthroughs.

Thus, PRODWAYS GROUP holds a portfolio of 21 patent families to protect the formula for materials as well as the proprietary DLP MOVINGLight®, Solidscape® and RAF® technologies developed in its own 3D printers, while ECA and BAUMERT holds portfolio of 34 and 9 patent families, respectively. To encourage and guide innovation and enhance intellectual property, an innovation charter has been written and deployed at GROUPE ECA.

6.5.2 TAKING CSR ISSUES INTO ACCOUNT IN PRODUCT INNOVATIONS AND DEVELOPMENTS

Aware that the Group's products meet societal challenges and anxious to further improve their impact, the women and men of the Group are working on virtuous product innovations in the sense of CSR.

In 2020, the following initiatives are continuing or have been initiated, including:

- development of a range of electric AGVs and current development of a hydrogen version to limit CO_2 emissions;
- research work in the new R&D center of SERES TECHNOLOGIES, particularly in the field of non-polluting energies (hydrogen fuel cell, offshore wind turbines);
- research work in the Drones and Systems division on hybrid propulsion.

6.5.3 TECHNOLOGY SHARING AND HERITAGE

The Group's view of innovation is based on openness and partnership, in many aspects:

Joint innovation projects

Development of an ecosystem of additive manufacturing partners is a major challenge to industrialize technology. PRODWAYS GROUP regularly teams up with various stakeholders in the ecosystem – leading chemists or suppliers of scan solutions – to develop the applications of the future. In 2020, the Group announced sales to leading chemists (DSM, ARKEMA and BASF) promoting the development of materials.

For its part, GROUPE ECA regularly participates in Europe-wide research projects. For example, ECA is a major participant in the CORAL project, a project co-financed by the Provence-Alpes-Côte d'Azur region, the French State, the European Union and Ifremer, which draws on the expertise of innovative companies and universities to develop Ulyx, a deep AUV; the first device was delivered in 2020. Ulyx can dive to a depth of 6,000 meters and accomplish autonomous multi-function missions lasting from 24 to 48 hours.

ECA is also leading H2020 collaborative projects in the field of distress beacons, such as the Innovative System for Search and Rescue (ISSAR) project, which involves several players in the sector such as THALES ALENIA SPACE and TÜV SUD, which aims to develop an aeronautical distress beacon ready to be certified and marketed, and the H2020-GAMBAS project, with THALES ALENIA SPACE, PILDO LABS and SYNTHETICA PC, which aims to support and promote new generation marine emergency beacons.

Industrial partnerships

The Group regularly forms partnerships with clients or SME or large corporations in its ecosystem to propose innovative solutions.

Since 2016, NAVAL GROUP and GROUPE ECA have been working closely together as part of a technological and commercial partnership in the field of robotic mine warfare. The first concrete application was in response to the consultation launched by Belgium part of a Belgian-Dutch cooperative venture for the supply of 12 mine hunters.

Sharing knowledge to a large audience

Through conferences and round tables, GROUPE GORGÉ attempts to share knowledge about its business lines with any audience that may take an interest in the Group's activities.

Thus, during the year 2020, the Group took part in programs on the digitization of industry, such as on BFM Business or B-Smart, as well as in trade shows, mainly digital in 2020. By attending these types of events, the Group seeks to promote the role of middle-market companies in France and support French innovation.

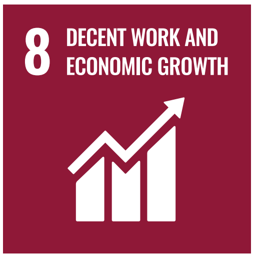
As an expert in additive manufacturing in France, PRODWAYS GROUP attends technical conferences on additive manufacturing, such as the Journée de la Fabrication Additive. PRODWAYS GROUP also holds meetings, conferences and round tables for associations, entrepreneurial clubs, students, and any other group who may take an interest in the Group's activities.

GROUPE ECA is very active in the Naval and Defense industries in France. Through conferences and round tables, the Group attempts to share knowledge about its business lines with any audience likely to take an interest in the Group's activities, in particular by organizing thematic conferences with its experts at trade fairs in which it participates. In this respect, the year 2020 was special, with key events being postponed.

GROUPE ECA is also very active in its aeronautical ecosystem. For instance, ECA is a member of the Onboard Equipment and Test Systems Subcommittee of the Regional Strategic Committee for the Aeronautics Sector in Occitanie, where it promotes the interests of medium-sized companies in the sector.

6.6 THE GROUP'S COMMITMENTS TO ITS EMPLOYEES

6.6.1 INVESTING IN A LASTING AND RESPONSIBLE RELATIONSHIP WITH EMPLOYEES



Promoting long-term, appealing employment and providing all its employees with access to quality healthcare services.

6.6.1.1 Employment policy

In the high-tech industries, today's innovations – and therefore today's talent – make for tomorrow's successes. That is why developing human potential is a priority for the Group. To offer its employees a stimulating environment, the Group's subsidiaries seek to implement the best practices of HR policy.

All the indicators below (with the exception of the table below) relate to the headcount of the panel of subsidiaries selected. In 2020, the indicators relate to 1,650 employees, or 89% of the Group's total workforce, equivalent to that of 2019.

Total Group workforce and geographic breakdown

The population considered in the following table comprises all the Group's employees, excluding trainees. Total workforce means the number of people present within the Group at 31 December 2020 who are bound by a permanent contract, a fixed-term contract, or a trainee contract. Part-time workers are counted as one person.

	Drones and Systems		3D printing		Engineering and Protection Systems		Corporate		Group	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019
Executives and engineers	460	396	160	158	310	283	6	6	936	843
Technicians and supervisors	123	136	128	175	124	119	1	1	376	431
Employees	74	55	151	145	83	80	-	-	308	280
Workers	51	53	27	27	151	143	-	-	229	223
TOTAL	**708**	**640**	**466**	**505**	**668**	**625**	**7**	**7**	**1,849**	**1,777**

Despite a complex year in 2020, the Group continued to grow and hire new employees, particularly in France. In France, where the Group employs the vast majority of its workforce, GROUPE GORGÉ is the result of a local and committed history. Established in eleven regions and more specifically in the PACA, Occitanie, Île-de-France, Grand Est and Auvergne-Rhône-Alpes regions, with ten major sites, the Group is a local and sustainable employment provider. It also has operations in the United States, Germany, Belgium and Singapore.

The workforce of the Engineering and Protection Systems division increased in 2020 despite the contribution of VAN DAM to its competitor INTERDAM. This growth is due in particular to the Group's engineering companies, which are experiencing strong growth, and BAUMERT's upswing in activity.

Distribution by socio-professional categories

	Men		Women		Total	
(as%)	**2020**	2019	**2020**	2019	**2020**	2019
Higher managerial and professional positions	41	38	10	10	51	48
Technicians and supervisors	15	20	5	5	20	24
Employees	6	4	8	9	15	13
Workers	11	11	1	1	12	12
Apprentices	2	2	1	0	2	3
TOTAL	**75**	**75**	**25**	**25**	**100**	**100**

Distribution by age

(as%)	**2020**	2019	2018
Less than 30 years old	19	21	18
30 to 39 years old	28	27	27
40 to 49 years old	27	26	26
50 to 59 years old	21	21	24
60 years old and over	5	6	5

6.6.1.2 Recruitment policy

The Group wants to recruit candidates with high skill levels (engineers, graduates of prestigious universities) in a mobile labor market. Skills must often be acquired internally after hiring.

As the Group is positioned in high-tech activities that most often require its employees to have special know-how and/or expertise, it tends to recruit in the form of permanent contracts, so as to retain knowledge and know-how internally.

In 2020, permanent contracts represented 95% of the total workforce and 82% of new hires.

	2020	2019
Recruitments*:	374	410
• of which permanent employment contracts	305	317
• of which fixed-term employment contracts	46	62
• of which trainee contracts	31	31

* *Excluding transfer between Group entities.*
* *As regards personnel movements, 58 of the hires involved transfers from a company within the Group that is part of the panel of selected companies.*

The table below details departures by reason:

	2020	2019
• Departures:	280	349
• for economic reasons	11	9
• for other reasons	21	21
• end of contract, retirement, resignation, termination by mutual agreement	213	319

The lay-offs listed below include those, for all reasons combined, in the Group's companies for 2020 in France. The Covid-19 crisis has impacted certain activities of the Group, which has reorganized its Drones and Systems division (Aerospace division) and 3D Printing division.

As regards employee mobility, 58 transfers took place between Group companies this year, compared to 32 in 2019, reflecting the increase in internal mobility. This internal mobility is a factor in attracting and retaining talent, and also makes it possible to cushion the effects on staff of the reorganizations made necessary by the current economic context in certain Group activities (transfers between ECA companies, for example).

In 2020, the Group had a turnover rate of 21.5%, down from 23.8% in 2019. This improvement can be observed in each division. The reduction in this rate in 2020 is the result of the efforts made by the Group since 2019 on the human resources policy in general, and in particular the promotion of the employer brand and internal communication. It also reflects the decrease in recruitment this year. The turnover rate is an important indicator for our high-tech group, and it is planned to assign a quantitative target to this aggregate.

Recent graduate integration and the Group's employer policy

To retain its leadership in its activities, the Group wishes to attract and retain tomorrow's talent. The Group and its divisions are active social media, through LinkedIn and Twitter, so they can share important news and information about markets, trends, recently-won contracts, new solutions, participation in a trade show, or job offers, etc. This volume of news reflects the dynamism of the Group, which is aiming to raise its profile worldwide as an employer.

Along with this online presence, the Group's divisions are actively working on developing their employer brand and appeal.

In the Drones and Systems division, some 15 schools have been identified near the Toulon, Toulouse, and Brest sites, where the program of studies for students is well suited to the needs of GROUPE ECA. Designated points of contact for these schools within the Company attend student forums and talk with students, to promote ECA's business lines. Publications about the business lines have also been created to familiarize people with the kinds of jobs available at GROUPE ECA. For several years now, the division has been taking part in trade fairs for targeted engineering schools and IUTs; in 2020, the healthcare context naturally these initiatives, but ECA continued to take part in virtual trade fairs.

The Robotics division of ECA also became a partner of Campus des Industries Navales (CINAV) in partnership with GICAN in order to exchange with students and promote the Group's naval business lines and the naval industry. In addition, ECA continued to welcome interns to discover the Company's business lines by offering a new form of internship combining face-to-face and remote activities.

In the Engineering and Protection Systems division, VIGIANS PROTECTION INCENDIE has implemented an attractiveness policy based on three areas: access to sport, occupational medicine and reimbursement of healthcare costs.

Among the benefits, these measures for employees' health and well-being at work reduce absenteeism, provide motivation, and strengthen team unity.

Other actions are taken under the policy, such as entering into labor agreements and creating a working group whose members are under 30 years of age, which meets twice a year to share the younger generation's proposals with the Executive Committee.

The Group practices a number of pre-employment initiatives for young graduates, with career introduction contracts, apprenticeships, end-of-study internships, and theses. In fact, in 2020, the Group welcomed 97 interns and apprentices, *i.e.* 5.9% of its workforce, down compared to 2019 due to the health situation.

	2020	2019
Work/study employees	42	40
Interns	55	91

Diversity of experience on the teams

GROUPE GORGÉ believes that diversity of backgrounds is an asset for the Company. The Group strives to be a responsible employer and is vigilant that its conduct and practices be exemplary; as such, it is committed to preventing all forms of hiring discrimination.

GROUPE GORGÉ employed 1.7% of people with disabilities in 2020, down slightly from 2019.

	2020	2019
Number of disabled employees	27	35

6.6.1.3 Gender parity

The tech industry is still struggling to recruit women in certain business lines. The Group has not achieved parity in all areas, but is taking action in its subsidiaries to remedy this. The Group's companies must respect the laws on equal treatment of employees.

In 2020, 10% of executives were women, compared to 10% in 2019.

In 2020, seven GROUPE GORGÉ companies had more than 50 employees and therefore calculated their gender equality index; the five companies with enough data to calculate this index obtained indexes between 74 and 90/100 and an average of 84/100 when weighted for their number of employees; the Group is committed to strengthening this score.

The composition of the Company's Board of Directors follows the gender parity rules set out in the Copé-Zimmermann Act.

Wage guidelines

Each Group subsidiary has its own wage policy and makes its own independent decisions regarding the wage developments of its employees, depending on its field of business and growth or its own constraints and the salary evolution of its employees.

To limit the risk of wage discrimination, GROUPE ECA has established a wage guideline policy that gives IRPs access to the wage scale during the hiring process.

Women in leadership roles

In 2020, several Group companies took part in initiatives to promote women in the company on the occasion of International Women's Day: a publication highlighting the positions held by women at GROUPE ECA was produced and disseminated on social networks, while CLF STAREM and SERES TECHNOLOGIES highlighted the women on their teams.

Work/life balance

Measures promoting work/life balance benefit gender parity by allowing both parents to share family responsibilities.

In this respect, various agreements have been signed or are being negotiated within the Group's companies, including:

- agreements on teleworking: the year 2020 greatly accelerated negotiations on this subject and made it possible to deploy the tools necessary for its implementation; at the end of 2020, the vast majority of the Group's companies have signed an agreement or are under negotiation for finalization in 2021;
- leave for "sick children"; almost all subsidiaries now have an agreement to take at least one day of sick child leave per year;

better consideration of the constraints of personal life by scheduling work meetings on adapted schedules and teleworking;

- voluntary part-time work;
- maintaining the remuneration of men during paternity leave;

provision of nursery places for employees in the Drones and Systems division in Toulon; new places were reserved in 2020.

At CLF SATREM, a partnership has been set up with some private childcare centers to attract younger workers, retain employees for at least three years, and meet a societal need for quality of working life.

In the subsidiaries, agreements on the organization of working time and work/life balance have been signed or are under negotiation.

	2020	2019
Women in the workforce (%)	25	25
Women in management positions (%)	10	10
Women in non-management positions(%)	15	15
Women in permanent contracts (%)	25	26
Women in temporary contracts (%)	1	1

6.6.1.4 Remuneration and financial benefits policy

Each subsidiary has its own remuneration policy, and some have set up incentive agreements. The Group also contributes to the meal voucher program and has set up agreements in some subsidiaries with intercompany restaurants.

In its subsidiary PRODWAYS GROUP, the Group set up free share plans in favor of employees in 2016 and again in 2019. A new plan was decided in early 2021.

Remuneration report

	2020	2019
Gross remuneration	60,401	60,279
Social security contributions	23,977	23,869
Pension liabilities: compensation paid and IAS 19 provision	628	474
Shareholding plans, profit-sharing	288	149
TOTAL	**85,295**	**84,770**

6.6.1.5 Social dialogue

All of the Group's companies implement an active policy of dialogue with their social partners. Meetings between employee and Management delegates are held each month in all of the Group's subsidiaries.

In addition, the Group opposes any discrimination or pressure on an employee or employee representative due to his membership in or support or opposition of a union. The communication methods internal to the Group (intranet, internal displays, newsletter, internal memos) make it possible to broadcast local and national information.

The Group's social policy promotes the conclusion of a number of collective agreements according to the regulatory requirements of those countries where the Group is located. In 2020, as in previous years, collective agreements were signed with the employee representative bodies in the Group's subsidiaries, in particular on gender equality and working time.

6.6.2 BUILDING SKILLS AND PROMOTING LEARNING OPPORTUNITIES

Technological developments and client expectations demand that GROUPE GORGÉ make efforts in R&D and innovation and maintain the skills of its human capital.

Developing know-how and innovation is a priority in the skills management policy of GROUPE GORGÉ. Each division has established its own skills development policy internally in response to market-related pressures.

Training plans are set up by human resources, factoring in the expectations of employees and their managers, and the strategy of Executive Management. Thus, the training, development and internal promotion policy ensures employees their personal and professional development. Although the year 2020 made a certain number of training courses more complex to implement, this training strategy remains at the heart of the Group's challenges.

In general, the highly technical nature of the Group's business lines requires new employees to be trained, by their superiors or internal training courses, in their specific professions, as well as in the safety and security of their environments (particularly in the nuclear sector).

Transfer of knowledge and best practices from one subsidiary to another is a priority for GROUPE ECA. The decision was therefore made to develop GROUPE ECA training programs for all project heads and business managers. These people have a pivotal role in the division in its commitment to its clients, in charge of coordinating the different teams, for the purpose of delivering the best solutions for ensuring the security, precision, reliability, and durability of solutions for clients. In establishing this training program, GROUPE ECA's aim was to create a common culture and a shared skills base.

Skills in 3D printing cannot necessarily be found externally. To meet its needs, PRODWAYS GROUP is setting up internal training programs. For example, INTERSON PROTAC is training all employees internally as hearing-aid technicians. It takes three to six months for trainees to become operational.

For its part, SERES TECHNOLOGIES, in partnership with PÔLE EMPLOI and StedY, has created a training course within its Mekkatronix brand: the Mekkalschool project trains five to ten candidates in the mechanical professions. Following a successful first session in 2020, six people were hired.

Training report

During the 2020 financial year, nearly 13,494 hours of training were provided. Trainees made up 36% of the workforce used for the figures. The decrease compared to 2019 is due to the great difficulty in conducting face-to-face training in 2020 given the health context. The Group's companies have nevertheless succeeded in continuing the training courses, mainly through internal training and e-learning courses.

	2020	2019
Number of hours of training provided	13,347	16,165
Number of employees trained	579	664
Rate of access to training	35	43
Average number of training hours per employee	23	24
Budget *(in thousands of euros)*	412	485

6.6.3 HEALTH & SAFETY: A COMMITMENT TO ALL EMPLOYEES

Workplace health and safety policies are managed within each company in the Group depending on its field of business and its own constraints. The assessment of health and safety risks in relation to employees is set out in a document drawn up by each company. Employees are also informed of these risks through the CHSCT (Committee for Health, Safety and Working Conditions), in companies where such a committee exists. Employees who work with hazardous or polluting products receive appropriate training according to the risks in relation to these products.

The BAUMERT site, a subsidiary of the Engineering and Protection Systems division, is classified as an installation classified for the protection of the environment.

Drones and Systems

Most of GROUPE ECA's employees work in engineering design offices, but some of the work they do, specifically on location, requires certain procedures to be followed

In light of regulations and thresholds set on work hardship and exposure to major risks in France, ECA is not exposed to this kind of work and therefore is not bound to formalize any collective agreements in the matter. As a responsible employer and in an effort to guarantee the health and safety of its employees, individual risk exposure sheets are prepared by the various committees for Health, Safety and Working Conditions (CHSCT) in the most at-risk subsidiaries. These forms are used to monitor occupational hazards and implement preventive actions.

3D printing

Some of the division's activities require the handling and storing of hazardous substances. The concerned companies implement the safety procedures recommended for the handling and storage of such products. For example, INITIAL handles potentially hazardous powders (risk of explosion) that are harmful to health if inhaled. Strict handling and storage procedures have been established. Likewise, the use of DLP® or lasers requires certain handling precautions to protect the health of employees involved. Collecting and recycling potential contaminants is entrusted to specialized service providers.

In addition to paying close attention to the health and well-being of its own employees, PRODWAYS GROUP also directly impacts well-being at work by producing and selling personal protective equipment (PPE) that is useful to employees.

Accordingly, in audiology, INTERSON PROTAC and SURDIFUSE-L'EMBOUT FRANÇAIS, sell hearing protection for industry to protect employees from the noise in open spaces or in factories and have equipped several Group subsidiaries. Similarly, in the INITIAL subsidiary, operators have been outfitted with 3D-printed "Scientifeet" brand orthopedic insoles by PODO 3D to improve comfort and reduce employees' foot pain. A company study has been launched in partnership with the occupational health department, a chiropodist, and an applied biomechanics laboratory.

Engineering and Protection Systems

As part of its passive fire protection business, the division has started a campaign to replace hazardous chemical agents, particularly CMR products, with a less-hazardous product. The division is subject to mandatory periodic on-site FSC testing of its sprinkler systems.

Training initiatives to reduce occupational health risks have been deployed throughout the division. This training covers:

- movements and postures;
- safety, security and radiation protection; and
- chemical risks.

Noise pollution has been identified by the division as a hazard for employees working on sites and in workshops. Inspections are performed by occupational medicine, and all employees wear earplugs.

When employing temporary workers, the division also applies a "temporary worker protection" policy.

GROUPE GORGÉ Health & Safety policy performance

The absenteeism rate as well as the number of accidents at work have been recorded as relevant workplace health and safety indicators.

	2020	2019
Number of accidents at work with absence	22	27
Number of days lost	1,088	1,095
Frequency rate	8.5	10.9
Severity rate	0.42	0.44
Absenteeism rate	5.15	3.86

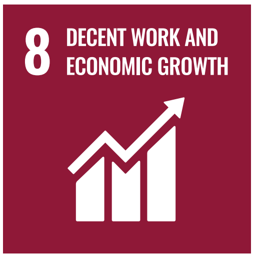
Occupational accidents concern accidents that occur at the workplace and during travelling for work, but do not include commuting accidents. The frequency rate is equal to the number of accidents expressed in millions of hours worked, the severity rate, the number of days not worked (calendar days) expressed in by thousands of hours worked.

GROUPE GORGÉ recorded 22 accidents at work in 2020, all of which included lost time. The frequency rate of 8.5 decreased compared to 2019, while the severity rate remained stable. The majority of workplace accidents occur in the Engineering and Protection Systems division, whose employees in particular work on construction sites; the companies have implemented proactive actions to reduce this rate, which are beginning to bear fruit (reduction in the frequency rate by one point between 2019 and 2020): mandatory wearing of the necessary PPE, increased and generalized safety training, and increased verification of compliance with all rules by employees. In 2020, the 3D Printing division experienced a high frequency rate compared to 2019, due to four non-serious car accidents, which were experienced by salespeople and trainers traveling to their customers.

6.7 RESPONSIBLE CONDUCT AND LASTING RELATIONSHIPS WITH OUR STAKEHOLDERS

The Group is aware that it is part of an ecosystem of stakeholders, with whom it is incumbent on the Group to organize balanced, ethical, law-abiding, and inspiring relationships. Thus, participants in the Group's current and future success are: employees, clients, subcontractors and other suppliers, schools, state and local government, actors in civil society, and shareholders.

6.7.1 ENSURING DECENT WORKING CONDITIONS AT OUR SUPPLIERS



The Group is not located in so-called "at-risk" geographic areas but does work with suppliers and subcontractors who may be.

In general, the Group has little industrial integration and mainly carries out assembly rather than production activities: assembly of robots and drones at GROUPE ECA, machines at PRODWAYS and doors at BAUMERT. Subcontracting and the choice of suppliers are therefore of strategic importance. Aware of this aspect and its role in the value chain, GROUPE GORGÉ has decided to set one or more clear and measurable objectives concerning the attitude of its suppliers towards the SDGs.

Each Group company selects its suppliers and subcontractors according to their reputation, performance and reliability to ensure that they are able to help the Group to meet its business objectives.

In addition to these key criteria, some Group companies are gradually putting in place a charter of requirements and monitoring of their main suppliers. The objectives are at several levels:

- compliance by suppliers with ethical and social rules;
- compliance by suppliers with environmental rules;
- supplier independence vis-à-vis the Group.

This issue has been identified in the Drones and Systems division, which has included due diligence in its purchasing terms and conditions. The terms and conditions of purchase of GROUPE ECA incorporate OECD principles in terms of ethics and anti-corruption and include a clause on the Supplier Code of Conduct currently being rolled out, which includes CSR principles. In addition, GROUPE ECA conducts audits at some of its key suppliers.

Promotion of and compliance with the core conventions of the International Labour Organization

As all companies of the selected panel are located in France, compliance with French regulations is sufficient to ensure promotion of and compliance with the core conventions of the ILO (prohibition of child labor, freedom of association, abolition of forced labor, etc.).

6.7.2 BUILDING AN EFFECTIVE, RESPONSIBLE, AND ETHICAL GROUP

Given the range of activities as well as the nature of the stakeholders with whom the Group works, ethics and compliance issues must be addressed. Preventing and combating corruption has always been an important issue for the Group, whose highly international activities require special vigilance in such matters.

6.7.2.1 Fight against corruption

Business integrity contributes to the good reputation of the Group, which is committed to acting appropriately and fairly with its stakeholders

The Group has very diverse activities that are more or less exposed to the risk of corruption. The Group deploys the eight measures combating corruption and influence-peddling, as set out in the Sapin II Act in those of its subsidiaries that are at greatest risk, based on their activity or organization, before moving on to deployment in other less-vulnerable subsidiaries.

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Typically, the challenge of fighting corruption affects the core activities of GROUPE ECA, which helps governments strengthen their sovereignty by making citizens and public spaces more secure, fighting terrorism, and protecting their territory and populations. Based on its own risk-mapping, which identifies, assesses, and prioritizes the risks of corruption to which it is exposed, GROUPE ECA has developed a Code of Conduct and internal prevention and training procedures and policies (*e.g.* all new employees receive mandatory training on compliance and best practices in business ethics during their onboarding). The Management in the subsidiaries, the Legal Department, and the Human Resources Departments are involved in drawing up and rolling out the anti-corruption measures provided for in the Sapin II Act.

In 2020, 65 employees received anti-corruption training within the Group and new employees received the Anti-Corruption Code of Conduct. In addition, the Anti-Corruption Code of Conduct and the Group's internal whistle-blowing procedure can be downloaded from the Group's website.

6.7.2.2 Fair business practices

Each Group company applies its know-how to offer reliable products to its customers. Products are generally subjected to internal quality control procedures.

The Group's economic impact is primarily located in France. The Group is transparent about its taxes and wants its fiscal policy to fitfully into its corporate responsibility strategy. The Group therefore adopts corporate behaviour that consists not only of following the laws, but also paying its fair share in taxes to the countries in which it does business.

In terms of cybersecurity, all the companies in the Engineering and Protection Systems division have an IT charter and some carry out anti-intrusion tests, while the companies in the Drones and Systems division are finalizing their charter for distribution in 2021.

6.8 ACTIVITIES WITH LIMITED IMPACT ON THE ENVIRONMENT AND CLIMATE CHANGE

GROUPE GORGÉ is positioned as a designer and assembler for all of its activities. The Group companies strive to limit their environmental impact on their sites or those of their clients, while promoting sustainable practices for procuring and optimizing natural resources, in compliance with applicable regulations.

The Drones and Systems division selects its supplies on the basis of the safety of their products and their compliance with the expected technical specifications. GROUPE ECA produces technological solutions for complex missions in hostile or restricted environments (aircraft distress beacons, DGA-rated drones, mine-disposal submarines, etc.). Above all else, GROUPE ECA integrates human safety requirements and technological requirements in its products (including maintenance of its products in operating condition, or lifespan).

Generally, 3D printing is considered an environmentally-friendly technology for various reasons. It generates little waste compared to traditional manufacturing (which is done by subtracting material generating more waste).

6.8.1 3D PRINTING: A MODE OF PRODUCTION THAT RESPONDS TO THE CHALLENGES OF SUSTAINABLE DEVELOPMENT

3D printing is considered an environmentally friendly technology thanks to its additive process, which only uses the raw material needed to manufacture a part. It is also a vector for the relocation of industrial activities. By the nature of its activity, PRODWAYS GROUP contributes to reducing the consumption of raw materials and rebuilding a social and sustainable industrial ecosystem in France.

3D printing, also known as additive manufacturing, consists of creating physical objects by superposing different layers of material. Most of the time, this production process is computer-assisted *via* digital file (Computer-Aided Design or CAD). Once the object has been finalized by the operator, this file is sent to a specific software that slices it up and sends it to the printer, which deposits or solidifies the material (depending on the materials and techniques used) layer by layer until the final piece is obtained.

3D printing differs from traditional manufacturing techniques (machining, carving, milling, drilling, etc.), which rely on blocks of material (steel, aluminum, titanium, etc.) and processes aimed at eliminating all the parts deemed unnecessary to obtain the final shape of the part (this is called subtractive manufacturing). With the 3D printing technique, objects are formed by adding material, which frees the user from the constraints and environmental impacts related to the manufacture or use of a mold, metal sheet, or metal block.

For example, PRODWAYS GROUP's Rapid Additive Forging technology can manufacture blank parts in titanium that are close to the geometry of the final part, which will then be sent for final machining. These blanks are then finish-machined, thus avoiding considerable losses of material as shavings which can represent up to 95% of the metal block with traditional machining processes.

By offering the option of printing custom-made parts on demand, manufacturers and consumers can repair objects that would otherwise be thrown out because a part is no longer available.

3D printing also means that production sites can be relocated nearer customers, thus reducing transport emissions. In 2018, PRODWAYS GROUP was awarded the Made In France prize by Reporter d'Espoir on the theme of employment, ecology, relocation: the promises of 3D printing. In 2020, the Covid-19 crisis also highlighted the need for relocation to achieve strategic independence and boost the French industrial fabric.

Thanks to the new options it provides, this manufacturing process is highly sought after by all manufacturing businesses, and in particular the aeronautics industry, for rapid prototyping of geometrically complex parts, and by the medical industry for the manufacture of several different parts on the same production line.

In the majority of its activities, the Group is positioned as a designer and assembler, and has set up a material recycling process for used liquid resins and powders. Accordingly, its activities do not cause any major environmental hazards.

6.8.2 BEST PRACTICES THAT CONVERGE WITH SUSTAINABLE DEVELOPMENT CHALLENGES

Environmental regulations and policy

Overall, Group companies have low-emission activities. The two companies particularly affected by environmental standards are GROUPE ECA ROBOTICS and BAUMERT.

GROUPE ECA is subject to very strict regulations related to its activities: REACH, RoHS, ATEX and WEEE. ECA ROBOTICS has set up a whole system of procedures based on ISO 14001 and ISO 45001, without, however, having a short-term certification objective. As a stakeholder in major groups (such as AIRBUS or NAVAL GROUP), GROUPE ECA has had to undergo an analysis of its environmental impacts and audits.

For its part, the BAUMERT production facility is an ICPE site, and the company has implemented the ISO 14001 approach and procedures with a view to obtaining the desired certification before the end of 2021. Also working in the nuclear field, SERES TECHNOLOGIES is ISO 14001 and MASE certified; and performs its services in accordance with the OHSAS standard in force at nuclear sites.

Generally speaking, the majority of Group companies are ISO 9001 certified.

Responsible procurement approach

The Group's processes in terms of procurement are shaped by significant technical and quality constraints. The Group subcontracts most of its production and is limited in its purchasing choices by its clients' specifications and strict regulations (REACH, UECE, ROHS, etc.).

For the sake of quality, regulatory constraints and logistics, all Group companies mainly source their supplies from local suppliers, which reduces the CO_2 emissions related to transport and promotes the development of the local economic fabric.

Managing resource consumption

In its production activities, the Group only assembles components purchased from suppliers, and consumes few resources.

The main impacts of GROUPE GORGÉ in terms of raw material consumption come from PRODWAYS GROUP. Raw materials are defined as raw materials for transformation (components or semi-finished products are excluded).

The powders and resins are recycled *via* a specialized waste management circuit. Moreover, parts manufacturing uses recycled polymer powders and plastic resins. The Group is considering replacing materials with alternatives that are less harmful to the environment. The INITIAL subsidiary partly uses used powders, for example to produce new "Scientifeet" insoles printed in 3D by PODO 3D.

Raw materials *(in tonnes)*	**2020**	2019
Powder and resins	55.7	54
Plaster	10.0	15.9

Managing end-of-life for products and waste

In its production activities, the Group only assembles components purchased from suppliers, and produces a limited volume of waste. The Group implements certain preventive waste recycling and disposal actions and generally uses external service providers for the recovery and treatment of waste.

In the Drones and Systems division, the reuse of materials and"zero-waste" work sites are customary procedures that theAerospace division applies on a daily basis. GROUPE ECA invites itsemployees to protect the environment and reduce its activity'simpact on the environment with everyday actions.

The primary waste generated by the division's subsidiaries are non-hazardous waste like wood, cardboard, and paper. This waste is systematically collected by approved organizations.

Initiatives and partnerships to manage waste end-of-life have been set up in the majority of subsidiaries. Thus, INTERSON PROTAC has established an Environment Charter with the aim of being a responsible company, protecting the environment, and ramping up the inclusion of economic and environmental priorities in all aspects of its activities.

All hazardous waste produced by the subsidiaries is handled and processed in compliance with the regulations in force.

Volumes of metal shavings and contaminated containers (oils and solvents) are negligible.

In the Engineering and Protection Systems division, CLF SATREM, a specialist in fire protection using sprinklers, has implemented an eco-responsible construction site policy and is committed to:

- reducing noise pollution for local residents;
- limiting consumption;
- reducing waste;
- limiting nearby pollution;
- limiting the health risks of workers.

Thus, the main waste produced in the Group is divided into two categories:

Volume of waste produced (list of main types of waste) *(in tonnes)*	**2020**	2019
Hazardous waste	28	44
Non-hazardous waste	345	239

Hazardous waste mainly consists of resins, powders and solvents.

Non-hazardous waste refers to household waste, wood, cardboard and paper, polyamid and plaster.

6.8.3 JOINING IN THE FIGHT AGAINST CLIMATE CHANGE

In view of its activities, the Group has a limited impact on climate change and the environment, but implements actions to reduce its environmental impact whenever possible.

The coverage rate for data relating to energy and water consumption and greenhouse gas emissions represents 90% of total surfaces occupied by panel companies. Direct greenhouse gas emissions are linked to natural gas consumption and vehicle fleets, and indirect greenhouse gas emissions are linked to electricity consumption.

In addition, the data on gas and electricity cover a 12-month period for all subsidiaries; however, the periods covered do not necessarily correspond to a calendar year.

In order to give its consultant engineers a real impact on the world they are shaping, the next generation engineering consulting firm StedY, pioneer of empoweering (empowerment in engineering), launches the “Cagnotte pour la Planète”: for each day of mission carried out with their clients, the consulting engineers employed by StedY see their “Money pot for the planet” credited by the company with an amount equivalent to 1% of the price charged to the client.

Once a year, each consultant allocates the jackpot amount during the year to the environmental protection action of his or her choice, among the hundreds of initiatives affiliated with the organization “1% for the Planet”, of which StedY is a member as 3,500 other organizations in nearly 45 countries. An innovative way of making StedY employees the arm of the company’s CSR policy.

6.8.3.1 Employee travel

As a result of the Group policy of reducing employee travel, internal video conferencing and phone conferencing are commonplace, as is or widespread use of public transport. Since 2020, the spread of teleworking and the provision of appropriate tools by Group companies to their employees has also had a strong impact on reducing employee travel.

In addition to these elements, almost all subsidiaries have launched green mobility actions for employees by:

- promoting bicycle travel: bicycle bonuses for employees using this mode of transport and/or the provision of bicycles at GROUPE ECA and CLF Satrem, forexample;
- promoting the use of less polluting vehicles by employees: renewal of vehicles less than three years old, use of electric vehicles on client sites at CLF Satrem, fleet of cars incorporating more and more electric or hybrid vehicles at SERES TECHNOLOGIES facilities, installation of electrical terminals at many of the Group’s sites (notably at GROUPE ECA and PRODWAYS).

In 2020, emissions related to the vehicle fleets of subsidiaries decreased compared to 2019 mainly due to the widespread use of teleworking this year, and represented 1,834 teq. CO_2.

	2020	2019
GHG emissions from vehicle fleets (teq. CO2)	1,834	2,158

6.8.3.2 Energy consumption

Gas and electricity consumption is mainly generated by site heating and the supply of industrial equipment, which are essentially small.

The Group is increasingly implementing measures to reduce this consumption. In particular, in recent years, several companies from the three business divisions have relocated to gain access to entirely new or recently built premises. These new buildings, which are compliant with the latest environmental standards in force, are significantly reducing energy consumption.

In 2020, the new site of the subsidiary INITIAL, the main industrial site of PRODWAYS, was inaugurated in the Annecy region. The site was designed and built to minimize consumption and the generation of pollution. Thus, to limit its energy consumption, INITIAL recovers the heat emitted by its fleet of 3D printers *via* a local heating network. This installation allows it to heat its premises using the energy generated by its fleet of 3D printers. The automation of lighting with occupancy sensors has also been implemented, as at GROUPE ECA, for example.

In addition, in 2020 ECA ROBOTICS selected a service provider to perform an energy audit covering 85% of the total amount of energy bills (electricity, gas and fuel); the conclusions of this audit are expected in 2021 and will lead to the implementation of an action plan.

	2020	2019
Gas consumption (MWh GCV)	1,128	900
Electricity consumption (MWh)	5,334	5,494

Electricity consumption remained stable compared to 2019; gas consumption increased significantly, particularly in the Engineering division, where its subsidiary BAUMERT is experiencing increased activity, and in the 3D Printing division, whose mix is changing in favor of metal printing in its subsidiary INITIAL, a method that consumes gas.

GROUPE GORGÉ carbon footprint

CO_2 equivalent emissions accounted for 2,502 tonnes in 2020, down compared to 2019, due to the particular context of the year 2020.

	2020	2019
GHG emissions from vehicle fleets (teq. CO2)	1,834	2,158
GHG emissions from gas (teq. CO2)	231	185
GHG emissions from electricity (teq. CO2)	437	451
Total CO2 emissions	2,502	2,793

	2020	2019
Direct GHG emissions (teq. CO2)	2,065	2,343
Indirect GHG emissions (teq. CO2)	437	451
Total CO2 emissions	2,502	2,793

6.9 REPORT OF THE INDEPENDENT THIRD PARTY ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE INCLUDED IN THE MANAGEMENT REPORT

To the Shareholders.

As Independent Third Party to the company GROUPE GORGÉ, accredited by the COFRAC under No. 3-1080[1], we hereby present our report on the consolidated statement of non-financial performance for the financial year ended 31 December 2020 (hereinafter the "Statement"), presented in the management report in application of the legal and regulatory provisions contained in articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

Corporate responsibility

It is the responsibility of the Board of Directors to prepare a Statement in compliance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with respect to these risks, as well as the results of these policies, including key performance indicators.

The Statement was prepared by applying the procedures of the Company (hereinafter the "Reporting Standards"), the main elements of which are presented in the Statement.

Independence and quality control

Our independence is defined by the provisions specified in article L.822-11-3 of the French Commercial Code and the professional Code of Ethics. In addition, we put in place a quality control system including documented policies and procedures that aim to ensure compliance with ethical rules, professional standards and the applicable legal and regulatory texts.

Independent third-party entity responsibility

Our responsibility, based on our work, is to formulate a reasoned opinion expressing a moderate assurance conclusion on:

- the compliance of the Statement with the provisions specified in article R.225-105 of the French Commercial Code;
- the fairness of the information provided in application of point 3 of parts I and II of article R.225-105 of the French Commercial Code, *i.e.* the results of the policies, including key performance indicators and the actions relating to the main risks, hereinafter the "Information".

It is not our responsibility to comment on:

- the Company's compliance with other applicable legal and regulatory provisions with respect to, in particular, the vigilance plan and the fight against corruption and tax evasion;
- the compliance of the products and services with applicable regulations.

Nature and scope of work

Our work described below was carried out in accordance with the provisions of articles A. 225 1 *et seq.* of the French Commercial Code determining the methods in which the independent third party conducts its mission and in accordance with the international standard ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

- we examined the activity of all the companies included in the scope of consolidation and the presentation of the main social and environmental risks linked to this activity;
- we assessed the appropriateness of the reporting standards with respect to their relevance, comprehensiveness, reliability, neutrality and understandability, taking into consideration, as necessary, good practices in the industry;
- we verified that the Statement provides the information specified in part II of article R.225-105, when it is relevant to the main risks, and that it includes, where applicable, an explanation of the reasons for the absence of the information required by the second paragraph of section III of article L.225-102-1;
- we checked to make sure that the Statement presents the business model and the main risks linked to the activity of all of the entities included in the scope of consolidation, including, when relevant and proportionate, the risks created by the Company's business relationships, products and/or services, as well as the policies, actions and results, including key performance indicators;

(1) *For which the scope of accreditation is available at www.cofrac.fr.*

- we consulted the documentary sources and conducted interviews to:
  - assess the process used for the selection and validation of the main risks as well as the consistency of the outcomes, including the key performance indicators selected in respect of the main risks and policies presented, and
  - corroborate the qualitative information (actions and outcomes) that we considered the most important[1];
- we checked to make sure that the Statement covers the consolidated scope, *i.e.* all of the entities included in the scope of consolidation in compliance with article L.233-16;
- we familiarized ourselves with the internal control and risk management procedures put in place in the entity and assessed the process of collection aiming for the comprehensiveness and the fairness of the Information;
- for the key performance indicators and other quantitative results that we considered the most important[2], we conducted the following:
  - analytical procedures consisting of verifying the proper consolidation of the data collected as well as the consistency of their changes,
  - detailed tests based on sampling methods, to verify the proper application of the definitions and procedures and to compare these with the documentation. This work was carried out on a selection of contributing entities[3] and covers between 29% and 39% of the consolidated data selected for these tests;
- we assessed the consistency of the Statement as a whole with respect to our knowledge of all the entities included in the consolidation scope.

We consider that the work that we have carried out by exercising our professional judgment allows us to formulate a moderate assurance conclusion; a higher level of assurance would have required more extensive verification work

Means and resources

Our work mobilized the skills of four people and took place between February and March 2021.

We also relied upon, to assist us in carrying out our work, our specialists in sustainable development and societal responsibility. We conducted interviews with the persons responsible for the preparation of the Statement.

Conclusion

Based on our work, we found no material misstatement that would cause us to question the compliance of the Statement of non-financial performance with the applicable regulatory provisions and that the Information, taken as a whole, is presented in a fair manner, and in compliance with the reporting standards.

Neuilly-sur-Seine, 6 April 2021

Independent third-party entity

GRANT THORNTON

French member of Grant Thornton International

Vincent PAPAZIAN
Partner

Tristan MOURRE
Director

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(1) ***Qualitative information relating to the following sections:*** *"Integration of young graduates and the Group's employer policy"; "Building a top player interms of technology innovation".*

(2) ***Quantitative social data:*** *total workforce and breakdown by gender, age and geographical area; recruits; departures (including lay-offs); number ofaccidents with lost time; number of days lost for accidents with lost time; number of theoretical hours worked; frequency rate; severity rate; number oftraining hours; number of people trained.* ***Quantitative environmental data:*** *water consumption; electricity consumption; gas consumption; fuelconsumption; direct emissions of greenhouse gases; indirect emissions of greenhouse gases; quantities of waste generated; raw materials consumed.*

(3) *BAUMERT, SVF, ECA AEROSPACE, INITIAL, AS3D.*


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7

INFORMATION ON THE COMBINED SHAREHOLDERS' MEETING OF 18 JUNE 2021

7.1 REPORT OF THE BOARD OF DIRECTORS PRESENTING THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 18 JUNE 2021

1. APPROVAL OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 – APPROVAL OF NON-TAX-DEDUCTIBLE EXPENSES AND CHARGES (FIRST AND SECOND RESOLUTIONS)

We ask you to approve the separate financial statements for the financial year ended 31 December 2020 showing a profit of €14,239,360.19 as well as the consolidated financial statements for the financial year ended 31 December 2020 as presented showing a profit (Group share) of €5,811 thousand.

We ask you to approve the total amount of expenses and charges referred to in article 39-4 of the French General Tax Code, *i.e.* the amount of €36,628 and the corresponding theoretical tax of €10,256.

2. ALLOCATION OF THE INCOME FOR THE FINANCIAL YEAR AND DETERMINATION OF THE DIVIDEND (THIRD RESOLUTION)

The appropriation of the Company's income that we are proposing complies with the law and our bylaws.

We propose that you allocate the profit for the financial year, amounting to €14,239,360.19, as follows:

- Source
  - Profit for the financial year: €14,239,360.19
  - Retained earnings: €45,668,282.25
- Appropriation
  - Dividends: €5,575,919.04, drawn entirely from the profit for the financial year and the remainder from the retained earnings account

The gross dividend per share would thus be €0.32.

If dividends are paid to individuals domiciled in France for tax purposes, the dividend is subject to either a single 12.8% flat-rate levy on the gross dividend (article 200A of the French General Tax Code) or, at the express, irrevocable and overall option of the taxpayer, to income tax according to the progressive scale after a 40% rebate (articles 200A, 13 and 158-3-1 of the French General Tax Code). The dividend is also subject to social security contributions at a rate of 17.2%.

This dividend would be payable on 25 June 2021 and the ex-dividend date would take place on 23 June 2021.

In the event of a change in the number of dividend-paying shares compared to the 17,424,747 shares comprising the share capital at 16 March 2021, the total amount of the dividends will be adjusted accordingly and the amount allocated to retained earnings will be determined on the basis of the dividends actually paid.

In accordance with the provisions of article 243 *bis* of the French General Tax Code, we remind you that the income and dividend distribution in the three last financial years were as follows:

	income eligible for reduction		
For financial year	Dividends	Other distributed income	income not eligible for reduction
2017	€4,320,909.76* or €0.32 per share	-	-
2018	€4,320,909.76* or €0.32 per share	-	-
2019	€4,320,909.76* or €0.32 per share	-	-

* *Including the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.*

3. APPROVAL OF THE REGULATED AGREEMENTS (FOURTH RESOLUTION)

We ask you to acknowledge the absence of new agreements of the type referred to in article L.225-38 of the French Commercial Code.

This new agreement, as well as any agreements entered into and authorized during previous financial years and whose performance was continued during the last financial year, are presented in Section 3.7.1 of the Universal Registration Document. The statutory auditors' report on these agreements is presented in Section 3.7.2 of the Universal Registration Document.

The Board reviewed these agreements, their financial conditions and their interest for the Company, and noted that these agreements still meet the criteria that led to their initial authorization.

4. UPDATE ON THE TERMS OF OFFICE OF THE DIRECTORS (FIFTH RESOLUTION)

The term of office of Jean-Pierre GORGÉ as a member of the Board of Directors expires at the end of the next shareholders' meeting.

We ask you to renew the term of office of Jean-Pierre GORGÉ, founder of the group.

Independence

We inform you that Jean-Pierre GORGÉ is not an Independent Director with regard to the independence criteria of the Middlenext Code, adopted by the Company as the reference code for corporate governance.

Expertise, experience, skills

Information on the candidate's expertise and experience is detailed in Section 3.1.2 of the 2020 Universal Registration Document.

5. APPOINTMENT OF MR GUILLOU AS DIRECTOR (SIXTH RESOLUTION)

We propose that you appoint Hervé GUILLOU as a new Director of the Company.

Independence

We inform you that Hervé GUILLOU was appointed Chairman of the Board of Directors of GROUPE ECA last January and that he is remunerated by GROUPE ECA for this office as well as for services rendered by his personal holding company.

Consequently, despite his remarkable career and his independence of mind, Mr GUILLOU cannot be considered as a strictly Independent Director with regard to the independence criteria of the Middlenext Code, adopted by the Company as the reference code for corporate governance.

Expertise, experience, skills

Information on the candidate's expertise and experience is detailed in Section 3.1.2 of the 2020 Universal Registration Document.

6. REMUNERATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER, THE DEPUTY CHIEF EXECUTIVE OFFICER AND THE DIRECTORS (SEVENTH TO NINTH RESOLUTIONS)

In accordance with article L.22-10-8 of the French Commercial Code, we ask you to approve the remuneration policy for the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and/or any other executive corporate officer(s), and the Directors. These policies are presented in the corporate governance report included in Section 3.2 of the Universal Registration Document.

7. APPROVAL OF THE INFORMATION REFERRED TO IN ARTICLE L.22-10-9-1 OF THE FRENCH COMMERCIAL CODE (TENTH RESOLUTION)

In accordance with article L.22-10-34 of the French Commercial Code, we ask you to approve the information referred to in article L.22-10-9-1 of the French Commercial Code mentioned in the corporate governance report included in Section 3.3 of the Universal Registration Document.

8. APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR ENDED TO RAPHAËL GORGÉ, CHAIRMAN AND CHIEF EXECUTIVE OFFICER (ELEVENTH RESOLUTION)

Pursuant to article L.22-10-34 of the French Commercial Code, we ask you to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the financial year ended to Raphaël GORGÉ in his capacity as Chairman and Chief Executive Officer, presented in the corporate governance report included in Section 3.4.1 of the Universal Registration Document.

9. APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR ENDED TO HÉLÈNE DE COINTET, DEPUTY CEO (TWELFTH RESOLUTION)

Pursuant to article L.22-10-34 of the French Commercial Code, we ask you to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the financial year ended to Hélène de COINTET in her capacity as Deputy CEO, presented in the corporate governance report included in Section 3.4.2 of the Universal Registration Document.

10. RENEWAL OF THE TERM OF OFFICE AS JOINT STATUTORY AUDITORS OF PRICEWATERHOUSECOOPERS AUDIT (THIRTEENTH RESOLUTION)

We propose that you renew the term of office as co-Statutory Auditor of PRICEWATERHOUSECOOPERS AUDIT, for a period of six financial years, *i.e.* until the end of the ordinary shareholders' meeting to be held in the year 2027 and called to approve the financial statements for the financial year ending 31 December 2026.

PRICEWATERHOUSECOOPERS AUDIT is also the Statutory Auditor of PRODWAYS GROUP and its appointment is also being considered by GROUPE ECA, which facilitates the certification of the Group's financial statements.

We inform you that the candidate has not verified during the last two financial years any contribution or merger in the Company or the companies it controls within the meaning of article L.233-16 of the French Commercial Code.

11. RATIFICATION OF THE CHANGE OF REGISTERED OFFICE (FOURTEENTH RESOLUTION)

The Board of Directors of PRODWAYS GROUP has decided to transfer the Company's head office to 30 rue de Gramont, 75002 Paris, from 8 July 2021.

This transfer results from the end of the lease for the current head office and the leasing of new premises as a result.

We ask you to ratify this decision to transfer the head office.

12. PROPOSAL TO RENEW THE AUTHORIZATION FOR IMPLEMENTING THE SHARE BUYBACK PROGRAM (FIFTEENTH RESOLUTION) AND FOR THE SHARE CAPITAL REDUCTION THROUGH CANCELATION OF TREASURY SHARES (SIXTEENTH RESOLUTION)

We propose, under the terms of the fifteenth resolution, to grant the necessary powers to the Board of Directors, for a period of 18 months, to purchase, on one or more occasions, at times it will determine, shares in the Company, up to a maximum of 10% of the number of shares comprising the share capital, adjusted where appropriate to take account of any share capital increase or reduction that may occur during the term of the program.

This authorization would cancel that granted to the Board of Directors by the shareholders' meeting of 8 June 2020 in its twelfth ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of GROUPE GORGÉ shares through the intermediary of an investment service provider under a liquidity contract that complies with practices permitted by any regulations in effect. It should be noted that, in this context, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased after deduction of the number of shares resold;
- retain the purchased shares and subsequently allocate them in exchange or payment during external growth transactions, if any;
- provide coverage for stock option plans and/or bonus share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving the right to the allocation of Company shares under current regulations;
- potentially cancel acquired shares, in accordance with the authorization granted or to be granted by the extraordinary shareholders' meeting;
- and more generally, carry out operations in accordance with any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board deems appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with applicable regulations.

We propose that you set a maximum purchase price of €50 per share and, consequently, that you set the maximum amount of the operation at €87,123,700 (equivalent to 10% of the share capital at 16 March 2021 at the maximum price of €50 per share).

As a result of the cancelation objective, we ask you to authorize, under the sixteenth resolution, the Board of Directors, for a period of 24 months, to cancel, on its sole decisions, in one or more times, up to a limit of 10% of the share capital, calculated on the date of the cancelation decision, less any shares canceled during the previous 24 months, the shares that the Company holds or may hold as a result of the buybacks carried out in the previous year. as part of its buyback program and to reduce the share capital accordingly in accordance with applicable laws and regulations.

The Board of Directors would therefore have the necessary powers to do whatever may be necessary in such matters.

13. RENEWAL OF FINANCIAL DELEGATIONS (SEVENTEENTH TO TWENTY-FOURTH RESOLUTIONS AND TWENTY-SEVENTH RESOLUTION)

The Board of Directors would like you to delegate the necessary powers to carry out, if it deems necessary, any issues that could be necessary for the growth of the Company's activities.

It is for this reason that shareholders are asked to renew the delegations of authority the Board had under the conditions set out below. To simplify the management of these delegations, it is proposed to renew the delegations that will expire in the near future and to renew in advance those that are still valid.

13.1 Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums (seventeenth resolution)

We ask you to grant to the Board of Directors, for a period of 26 months, the authority to increase the share capital by incorporation in the share capital of reserves, profits, premiums or other sums whose capitalization would be allowed, by the issue and the allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods.

The amount of the capital increase resulting from the issues carried out under this delegation may not exceed the nominal amount of €5,000,000. This amount would not include the total nominal value of any additional ordinary shares to be issued to preserve, in accordance with the law, the rights of holders of transferable securities giving entitlement to shares. This ceiling would be independent of all the ceilings provided for by the other delegations of the meeting.

This delegation would supersede the previous delegation with the same purpose.

13.2 Delegations of authority to issue ordinary shares and/or transferable securities with maintenance and cancelation of the preferential subscription right (eighteenth to twenty-fourth resolutions)

The objective of these delegations is to give the Board of Directors the powers, at the times it so chooses, for a period of 26 months, to issue the following:

- ordinary shares;
- and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities;
- and/or transferable securities giving access to ordinary shares to be issued by the Company.

In compliance with article L.228-93 of the French Commercial Code, under the terms of the eighteenth to twentieth resolutions, the transferable securities to be issued will be able to give assess to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or of which it owns directly or indirectly more than half of the share capital.

13.2.1 Delegation of authority to issue ordinary shares and/or transferable securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities with maintenance of the preferential subscription right (eighteenth resolution)

We propose that you set the maximum overall nominal amount of the shares that may be issued under this delegation of authority at €5,000,000. This cap would include the nominal amount of the capital increases that may be carried out pursuant to the 19th, 20th, 22nd, 23rd and 24th resolutions. To this limit shall be added, where applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferable securities giving access to the Company's share capital.

The nominal amount of the debt securities that may be issued under this delegation may not exceed €50,000,000. This cap would include the nominal amount of the marketable debt securities that may be issued pursuant to the 19th, 20th, 22nd and 23rd resolutions.

Under this delegation, the issues would be carried out while maintaining the shareholders' preferential subscription rights.

If the subscriptions made on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by the regulations;
- freely distribute all or part of the unsubscribed shares;
- offer all or part of the unsubscribed shares to the public.

This delegation would supersede the previous delegation with the same purpose.

13.2.2 Delegations with cancelation of the preferential subscription right

13.2.2.1 Delegation of authority to issue ordinary shares and/or transferable securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, with cancelation of the preferential subscription right, by way of a public share offer (nineteenth resolution)

Under this delegation, the issues would be carried out by a public offering (excluding the offerings referred to in article L.411-2-1 of the French Monetary and Financial Code) and/or as consideration for shares in a public exchange offer.

The preferential subscription rights of shareholders to ordinary shares and/or transferable securities giving access to the share capital would be canceled, allowing the Board of Directors the option to give the shareholders a subscription priority, as allowed by law.

The total nominal amount of the shares that may be issued may not exceed €5,000,000. To this limit shall be added, where applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferable securities giving access to the Company's share capital.

This amount would be deducted from the capital increase ceiling of the eighteenth resolution.

The nominal amount of the debt securities that may be issued may not exceed €50,000,000.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued pursuant to the eighteenth resolution.

The amount payable or due to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the case of an issue of share subscription warrants, the subscription price of the said warrants, would be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation of authority. To date, article R.22-10-32 of the French Commercial Code provides in this respect for the issues covered by the first paragraph of article L.22-10-52 of said code that the price must be at least equal to the weighted average of the prices of the last three trading days preceding the start of the offering, possibly less a maximum discount of 10%.

In the case of the issue of securities for compensation of securities contributed as part of a public exchange offer, the Board of Directors would have, within the limits set above, the necessary powers to decide upon the list of securities contributed for exchange, to set the conditions of the issue and the exchange parity, as well as any cash balances to be paid, and to determine the methods of the issue.

If the subscriptions do not absorb the entire issue, the Board of Directors may do the following:

- limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by the regulations;
- freely distribute all or part of the unsubscribed shares.

This delegation would cancel and replace any unused portion of any prior delegation having the same purpose.

This delegation would supersede the previous delegation with the same purpose.

13.2.2.2 Delegation of authority to issue ordinary shares and/or transferable securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, with cancelation of the preferential subscription right, by private placement (twentieth resolution)

Under this delegation, the issues would be carried out by an offering referred to in article L.411-2-1 of the French Monetary and Financial Code.

The shareholders' pre-emptive subscription rights to ordinary shares and/or transferable securities giving access to the share capital would be removed.

The total nominal amount of the shares that may be issued may not exceed €3,000,000, it being specified that it would also be limited to 20% of the share capital per year.

To this limit shall be added, where applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferable securities giving access to the Company's share capital.

This amount would be deducted from the capital increase ceiling of the eighteenth resolution.

The nominal amount of the debt securities that may be issued may not exceed €30,000,000.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued pursuant to the eighteenth resolution.

The amount payable or due to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the case of an issue of share subscription warrants, the subscription price of the said warrants, would be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation of authority. To date, article R.22-10-32 of the French Commercial Code, as amended, provides in this respect for the issues referred to in the first paragraph of article L.22-10-52 of said code that the price must be at least equal to the weighted average price of the last three trading days preceding the start of the offering, possibly less a maximum discount of 10%.

If the subscriptions do not absorb the entire issue, the Board of Directors may do the following:

- limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by the regulations;
- freely distribute all or part of the unsubscribed shares.

This delegation would supersede the previous delegation with the same purpose.

13.2.2.3 Authorization, in the event of an issue with cancelation of the preferential subscription right, to set the issue price, up to a maximum of 10% of the share capital per year, under the conditions determined by the Shareholder's meeting (twenty-first resolution)

We propose, in accordance with the provisions of article L.22-10-52 of the French Commercial Code, to authorize the Board of Directors, which decides on the issue of ordinary shares or transferable securities giving access to the share capital, with cancelation of the preferential subscription right, through a public offering and/or an offer referred to in article L.411-2-1 of the French Monetary and Financial Code (private placement) (nineteenth and twentieth resolutions), to be waived, in the limit of 10% of the share capital per year, under the conditions for setting the price as set out above and to set the issue price of the equity securities to be issued as follows:

The issue price of the equity-equivalent securities to be issued immediately or in the future may not be less than, at the choice of the Board of Directors, the lower of the two following averages:

- the average of five consecutive listed prices of the share chosen from among the last 30 stock market trading sessions preceding the start of the offering, less a maximum discount of 10%, if applicable,
- the average price of the share in the six months preceding the start of the offering, less a maximum discount of 10%, if applicable.

This derogatory price rule would allow the Company to have some flexibility in determining the average of reference prices.

13.2.2.4 Delegation of powers to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, with cancelation of the shareholders' preferential subscription rights, in favor of a category of persons who will underwrite the Company's capital securities that might result therefrom in connection with an equity line of financing (twenty-second resolution).

This delegation would enable the Board to increase the share capital through the issue of ordinary shares or equity securities giving access to other equity securities or the right to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, with waiver of pre-emptive rights in favor of a category of persons underwriting the Company's equity securities resulting therefrom, as part of an equity line of financing.

Such a delegation could be used by the Company to set up an equity line with which the Company could increase its financial flexibility alongside the other financing tools it may already have in place.

As part of this delegation, we ask you to cancel the preferential subscription rights of shareholders to equity securities giving access to other equity securities or giving rights to the allocation of debt securities and/or any transferable securities to be issued in favor of the following category of persons: any credit institution, investment service provider, or member of an investment bank syndicate or investment fund or company undertaking to guarantee the completion of the share capital increase or of any issue liable to result in a future share capital increase that may be carried out pursuant to this delegation, as part of the creation of an equity line of financing.

This delegation would entail, in favor of the holders of securities that may thereby be issued, the automatic waiver by shareholders of their pre-emptive rights to any shares to which these securities give access.

The total nominal amount of the share capital increases that may be carried out immediately and/or in future under this delegation may not exceed €3,000,000 or its exchange value in foreign currency to which ceiling will be added, as the case may be, the additional amount of shares to be issued to preserve the rights of security holders and other rights giving access to the share capital, in accordance with the law and any applicable contractual stipulations.

The maximum nominal amount of the debt securities that may be issued under this delegation would be set at €30,000,000 (or exchange value if the issue is in another currency).

These amounts will be deducted from the ceiling provided for in the eighteenth resolution.

The issue price of the shares issued under this delegation would be determined by the Board of Directors and would be at least equal to the weighted average share price of the last three stock market trading sessions preceding its setting, and possibly less a maximum discount of 30%, taking into account where appropriate their date of entitlement to dividends; with the understanding that (i) in the event that the issue of transferable securities giving access to the share capital, the issue price of the shares that could result from their exercise, conversion or exchange could be set, as the case may be, at the discretion of the Board of Directors, using a calculation formula defined by this latter and applicable following the issue of the said transferable securities (for example at the time they are exercised, converted or exchanged) in which case the above-mentioned maximum discount could be assessed, if the Board of Directors deems necessary, on the date of application of the said formula (and not on the date of issue of the marketable security), and (ii) the issue price of the transferable securities giving access to the share capital, as the case may be, issued by virtue of this resolution, would be such that any amount immediately received by the Company, plus the amount that could be received by it in the exercise or conversion of the said transferable securities, for each share issued as the result of the issue of these transferable securities, would be at least equal to the above-mentioned minimum amount.

The 30% discount on the issue price of the shares or transferable securities would allow the Company to have greater flexibility in the context of negotiations that could take place with the institutions with which the Company would be likely to set up this equity line of financing.

This delegation is granted for a period of 18 months.

13.2.2.5 Authorization to increase the amount of issues (twenty-third resolution)

We propose, as part of the delegations with cancelation of the preferential subscription right (19th, 20th and 22nd resolutions), to grant the Board of Directors the authorization to increase, in accordance with the conditions set out in articles L.225-135-1 and R.225-118 of the French Commercial Code, and within the limit of the maximum amounts determined by the shareholders' meeting, the number of shares provided for in the initial issue.

Thus, the number of shares could increase within 30 days of the closing of the subscription within the limit of 15% of the initial issue and at the same price as that of the initial issue, within the limit of the maximum amounts determined by the shareholders' meeting.

13.2.2.6 Delegation of authority to increase the share capital in order to remunerate contributions in kind of shares and transferable securities (twenty-fourth resolution)

To facilitate external growth transactions, we ask you to grant the Board of Directors a new delegation of authority to increase the share capital by issuing ordinary shares or transferable securities giving access to the share capital in order to remunerate any contributions in nature granted to the Company and consisting of equity securities or transferable securities giving access to the share capital.

This delegation is granted for a period of 26 months.

The total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 10% of the share capital, excluding the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, the where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferable securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out pursuant to this delegation would be deducted from the capital increase ceiling of the eighteenth resolution.

This delegation would supersede the previous delegation with the same purpose.

13.3 Delegation of authority to increase the share capital for the benefit of members of a company savings plan (twenty-seventh resolution)

We submit this resolution for your approval, in order to comply with the provisions of article L.225-129-6 of the French Commercial Code, pursuant to which the extraordinary shareholders' meeting called to vote on delegations likely to result in share capital increases in cash, immediately or in the future, must also vote on a delegation in favor of the members of a company savings plan.

As part of this delegation, we propose that you delegate to the Board of Directors, for a period of 26 months, your authority to increase the share capital, on one or more occasions, by the issuance of ordinary shares or transferable securities giving access to Company's share capital to be issued in favor of members of one or more company or group savings plans set up by the Company and/or the French or foreign companies related to it under the conditions of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code.

In accordance with the law, the shareholders' meeting would remove shareholders' pre-emptive subscription rights.

The maximum nominal amount of share capital increases that may be made by using this delegation will be limited to 3% of the amount of share capital reached when the Board decides to carry out this increase. This amount is independent of any other limit set as regards delegations for share capital increases. To this amount will be added, where applicable, the nominal amount of share capital increase necessary to preserve, in accordance with the law and any applicable contractual provisions setting out other methods of preservation, the rights of holders of shares or transferable securities giving access to the Company's share capital.

It should be noted that, in accordance with the provisions of article L.3332-19 of the French Labor Code, the price of the shares to be issued under this delegation may not be more than 30%, or 40% when the non-availability provided for by the plan pursuant to articles L.3332-25 and L.3332-26 of the French Labor Code is greater than or equal to 10 years, less than the average of the opening prices quoted for the share during the 20 trading sessions prior to the decision setting the opening date of the subscription, nor higher than this average.

Pursuant to the provisions of article L.3332-21 of the French Labor Code, the Board of Directors may decide to allocate to beneficiaries free shares already issued or to be issued or other securities giving access to the Company's share capital already issued or to be issued, in respect of (i) the employer contribution that may be paid pursuant to the rules of company or group savings plans, and/or (ii), as applicable, the discount and may decide, in the event of issuance of new shares in respect of the discount and/or the employer contribution, to incorporate in the share capital the reserves, profit or issue premiums necessary for the payment of the said shares.

14. RENEWAL OF FINANCIAL DELEGATIONS REGARDING INDIVIDUAL EMPLOYEE SHAREHOLDING

The Board of Directors wishes to have the necessary delegations to have an incentive-based employee shareholding policy that supports the Group's development.

As the authorizations allowing the Board to proceed with the allocation of stock options and free shares are due to expire, we propose to renew them. None of these expiring delegations has been used.

14.1 Authorization to grant share subscription and/or purchase options (twenty-fifth resolution)

With regard to stock options, we propose that you renew the authorization granted to the Board of Directors, for a period of 38 months, to grant share subscription and/or purchase options for the benefit of employees, some of them, or certain categories of employees, and/or corporate officers defined by law, both of the Company and of the companies or economic interest groups linked to it under the terms and conditions of article L.225-180 of the French Commercial Code.

The total number of options that may be granted by the Board of Directors under this authorization may not give the right to subscribe or purchase a number of shares greater than 5% of the existing share capital on the date of the allocation decision, it being specified that the total number of shares that may be allocated free of charge by the Board of Directors under the following authorization would be deducted from this ceiling.

The share subscription and/or purchase price by the beneficiaries would be set on the day the options are granted by the Board of Directors as follows:

- in the event of a grant of stock options, the share subscription price may not be less than 80% of the average of the opening prices listed for the 20 trading days preceding that day;
- in the event of the granting of stock options, the purchase price of the shares paid by the beneficiaries may not be less than 80% of the average of the opening prices listed for the 20 trading days preceding that day, nor less than 80% of the average purchase price of the shares held by the Company pursuant to article L.22-10-62 of the French Commercial Code;

The duration of the options set by the Board may not exceed a period of ten years from the date of grant.

Thus, the Board would have, within the limits set above, all powers to set the other terms and conditions for the allocation of options and their exercise and in particular to set the conditions under which the options will be granted and to approve the list of options. or the categories of beneficiaries as provided for above, set the period(s) for exercising the options thus granted, carry out or cause to be carried out all acts and formalities for the purpose of finalizing the capital increase(s) that may, on the basis of the if necessary, be carried out, amend the Articles of Association accordingly and generally do whatever is necessary.

14.2 Authorization to grant free shares to employees and/or certain corporate officers (twenty-sixth resolution)

With regard to the allocation of free shares, we ask you to renew the authorization granted to the Board of Directors, for a period of 38 months, to proceed, within the framework of articles L.225-197-1 *et seq.*, L. 22-10-59 and L.22-10-60 of the French Commercial Code, to the free allocation of new shares resulting from a capital increase by incorporation of reserves, premiums or profits, or existing shares.

The beneficiaries of these awards could be:

- employees of the Company or of companies directly or indirectly related to it within the meaning of article L.225-197-2 of the French Commercial Code;
- corporate officers who meet the conditions of articles L.225-197-1, L.22-10-59 and L.22-10-60 of the French Commercial Code.

The number of free shares that may be allocated by the Board of Directors under this authorization may not exceed 5% of the share capital existing on the date of the allocation decision, it being specified that the total number of options that may be allocated by the Board of Directors under the foregoing authorization would be deducted from this ceiling.

The allocation of shares to beneficiaries would be definitive at the end of a vesting period, the duration of which will be set by the Board of Directors, which may not be less than the minimum duration provided for by law (*i.e.* one year according to the existing regulations). The beneficiaries should, where applicable, hold these shares for a period, set by the Board of Directors, which may not be less than the minimum period provided for by law. The cumulative duration of the vesting and holding periods may not be less than the minimum period provided for by law (*i.e.* two years according to the current regulations).

As an exception, the final grant would take place before the end of the vesting period in the event of disability of the beneficiary corresponding to the classification in the second and third of the categories provided for in article L.341-4 of the French Social Security Code.

This authorization would automatically waive your preferential subscription right to the new shares issued by capitalization of reserves, premiums and profits.

Thus, the Board would have, within the limits set above, all powers to set the conditions and, where applicable, the criteria for the allocation of shares; determine the identity of the beneficiaries of the free allocations from among the persons fulfilling the conditions set out above as well as the number of shares due to each of them; where applicable, record the existence of sufficient reserves and, at each allocation, transfer to an unavailable reserves account the sums required for the payment of the new shares to be allocated; decide on the capital increase(s) by incorporation of reserves, premiums or profits, correlative to the issue of new free shares; acquire the shares required under the share buyback program and allocate them to the allocation plan; where applicable, determining the impact on the rights of the beneficiaries of transactions that modify the share capital or are likely to affect the value of the shares to be allocated and carried out during the vesting period; take all necessary measures to ensure compliance with the retention obligation, if any, required of beneficiaries; and generally do, within the framework of the regulations in force, all that the implementation of this authorization will make necessary.

15. AMENDMENT OF ARTICLE 13 OF THE BYLAWS SO AS NOT TO COUNT THE FOUNDER OF THE GROUP IN THE AGE LIMIT RATIO FOR DIRECTORS (TWENTY-EIGHTH RESOLUTION).

Under the 28th resolution, it is proposed that you amend the Company's bylaws in order to provide for a derogatory rule governing the age limit of Directors, so that the Group's founder, Jean-Pierre GORGÉ, may continue to sit on the Board.

It is proposed that the founder of the Group not be taken into account for the application of the rule of one third of Directors, who may not exceed the age of 70.

The following paragraph would thus be added at the end of article 13 of the bylaws: "The number of Directors over the age of 70 May not exceed one third of the Directors in office. For the calculation of this ratio, the person of the founder of the company, Jean-Pierre GORGÉ, is not taken into account in the number of Directors over the age of 70."

The Board of Directors invites you to approve through your vote the draft resolutions submitted to you.

The Board of Directors

7.2 TEXT OF THE RESOLUTIONS SUBMITTED TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF 18 JUNE 2021

AGENDA

Ordinary resolutions:

1. Approval of the separate financial statements for the financial year ended 31 December 2020 – Approval of non-tax-deductible expenses and charges
2. Approval of the consolidated financial statements for the financial year ended 31 December 2020
3. Allocation of the income for the financial year and determination of the dividend
4. Statutory auditors' special report on the regulated agreements and commitments and approval of these agreements
5. Renewal of the term of office of Jean-Pierre GORGÉ as Director
6. Appointment of Hervé GUILLOU as new Director
7. Approval of the remuneration policy for the Chairman and Chief Executive Officer
8. Approval of the remuneration policy for the Deputy CEO
9. Approval of the remuneration policy for Directors.
10. Approval of the information referred to in article L.22-10-9-1 of the French Commercial Code
11. Approval of the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated in respect of the financial year ended to Raphaël GORGÉ, Chairman and Chief Executive Officer
12. Approval of the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated in respect of the financial year ended to Hélène de COINTET, Deputy CEO
13. Reappointment of PRICEWATERHOUSECOOPERS AUDIT as co-Statutory Auditor
14. Ratification of the change of registered office
15. Authorization to be granted to the Board of Directors to allow the Company to buy its own shares in accordance with article L.22-10-62 of the French Commercial Code, authorization period, purposes, terms, ceiling

Extraordinary resolutions

16. Authorization to be given to the Board of Directors to cancel treasury shares in accordance with article L.22-10-62 of the French Commercial Code, authorization period, ceiling
17. Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums
18. Delegation of authority to be given to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company), with the preferential subscription right maintained
19. Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or transferable securities giving access to ordinary shares (of the Company or of a Group company), with cancelation of the preferential subscription right, through a public offering (excluding the offers referred to in article L.411-2-1 of the French Monetary and Financial Code), and/or as consideration for securities in the context of a public exchange offer, duration of the delegation, maximum nominal amount of the capital increase, issue price, option to limit the amount of subscriptions or to allocate unsubscribed securities
20. Delegation of authority to be given to the Board of Directors to issue ordinary shares giving, as applicable, access to ordinary shares or entitlement to the allocation of debt securities (of the Company or a Group company) and/or transferable securities giving access to ordinary shares (of the Company or a Group company), with cancelation of the preferential subscription right, by an offering referred to in article L.411-2-1 of the French Monetary and Financial Code, delegation period, maximum nominal amount of the share capital increase, issue price, option to limit the issue to the amount of subscriptions or to distribute the non-subscribed shares
21. Authorization, in case of an issue of shares with cancelation of the preferential subscription right, to set, within the limit of 10% of the share capital per year, the issue price in accordance with the conditions determined by the shareholders' meeting
22. Delegation of powers to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, with cancelation of the shareholders' preferential subscription rights, in favor of a category of persons who will underwrite the Company's capital securities that might result therefrom in connection with an equity line of financing

23. Authorization to increase the amount of issues
24. Delegation of authority to be given to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital up to a limit of 10% of the share capital in order to remunerate contributions in kind of securities or transferable securities giving access to share capital
25. Authorization to be given to the Board of Directors to grant share subscription and/or purchase options to employees and/or certain corporate officers of the Company or related companies, waiver by shareholders of their preferential subscription rights, duration of the authorization, ceiling, exercise price, maximum duration of the option
26. Authorization to be given to the Board of Directors to allocate existing shares and/or shares to be issued free of charge to employees and/or certain corporate officers of the Company or related companies, waiver by shareholders of their preferential rights, subscription period, duration of the authorization, ceiling, duration of the vesting periods, particularly in the event of disability and holding
27. Delegation of authority to be granted the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to share capital, with cancelation of the preferential subscription right, in favor of members of a company savings plan pursuant to articles L.3332-18 *et seq.* of the French Labor Code, delegation period, maximum nominal amount of the share capital increase, issue price, possibility of allocating free shares pursuant to article L.3332-21 of the French Labor Code
28. Amendment of article 13 of the bylaws so as not to count the founder of the Group in the ratio of the age limit of Directors
29. Powers for formalities

DRAFT RESOLUTIONS

Ordinary resolutions

First resolution – Approval of the separate financial statements for the financial year ended 31 December 2020 – Approval of non-tax-deductible expenses and charges

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the reports of the Board of Directors and of the statutory auditors for the financial year ended 31 December 2020 approves, as they were presented, the separate financial statements as of this date, returning a profit of €14,239,360.19.

The shareholders' meeting specifically approves the overall total, amounting to €36,628, of the expenses and charges mentioned in article 39-4 of the French General Tax Code, and the corresponding theoretical tax.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2020

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the reports of the Board of Directors and of the statutory auditors on the consolidated financial statements as at 31 December 2020, approves those financial statements as they were presented, returning a profit (Group share) of €5,811 thousand.

Third resolution – Allocation of the income for the financial year and determination of the dividend

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, on the proposal of the Board of Directors, decides to allocate the income for the financial year ended 31 December 2020 as follows:

- Source
  - Profit for the financial year: €14,239,360.19
  - Retained earnings: €45,668,282.25
- *Appropriation*
  - Dividends: €5,575,919.04, deducted from the total income for the year

The shareholders' meeting acknowledges that the total gross dividend per share is set at €0.32.

If dividends are paid to individuals domiciled in France for tax purposes, the dividend is subject to either a single 12.8% flat-rate levy on the gross dividend (article 200A of the French General Tax Code) or, at the express, irrevocable and overall option of the taxpayer, to income tax according to the progressive scale after a 40% rebate (articles 200A, 13 and 158-3-1 of the French General Tax Code). The dividend is also subject to social security contributions at a rate of 17.2%.

The ex-dividend date will take place on 23 June 2021.

Dividends will be paid on 25 June 2021.

In the event of a change in the number of dividend-paying shares compared to the 17,424,747 shares comprising the share capital at 16 March 2021, the total amount of the dividends will be adjusted accordingly and the amount allocated to retained earnings will be determined on the basis of the dividends actually paid.

In accordance with the provisions of article 243 *bis* of the French General Tax Code, you are reminded that the dividends paid in the last three financial years were as follows:

	income eligible for reduction		
For financial year	Dividends	Other distributed income	income not eligible for reduction
2017	€4,320,909.76* or €0.32 per share	-	-
2018	€4,320,909.76* or €0.32 per share	-	-
2019	€4,320,909.76* or €0.32 per share	-	-

* *Including the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.*

Fourth resolution – Special report of the statutory auditors on the regulated agreements and commitments and approval of these agreements

The shareholders' meeting, ruling under the quorum and majority requirements for ordinary shareholders' meetings, having reviewed the statutory auditors' special report on the regulated agreements and commitments referred to in article L.225-38 of the French Commercial Code, approves the new agreement presented therein.

Fifth resolution – Renewal of the term of office of Jean-Pierre GORGÉ

The shareholders' meeting, ruling in accordance with the quorum and majority requirements for ordinary shareholders' meetings, resolves to renew the term of office of Jean-Pierre GORGÉ for a period of six years, expiring at the end of the shareholders' meeting called in 2027 to approve the financial statements for the past financial year.

Sixth resolution – Appointment of Hervé GUILLOU as a Director

The shareholders' meeting, acting under the quorum and majority requirements for ordinary shareholders' meetings, resolves to appoint Hervé GUILLOU as a Director, for a term of six years, expiring at the end of the shareholders' meeting called in 2027 to approve the financial statements for the previous financial year.

Seventh resolution – Approval of the remuneration policy for the Chairman and Chief Executive Officer

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Chairman and Chief Executive Officer and/or any other executive corporate officer, presented in the corporate governance report included in Section 3.2.1 of the Universal Registration Document.

Eighth resolution – Approval of the remuneration policy for the Deputy CEO

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Deputy CEO, presented in the corporate governance report included in Section 3.2.2 of the Universal Registration Document.

Ninth resolution – Approval of the remuneration policy for Directors

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Directors, presented in the corporate governance report included in Section 3.2.4 of the Universal Registration Document.

Tenth resolution – Approval of the information referred to in article L.22-10-9-1 of the French Commercial Code

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-34 of the French Commercial Code, approves the disclosures referred to in article L.22-10-9-1 of the French Commercial Code, mentioned in the corporate governance report included in Section 3.3 of the Universal Registration Document.

Eleventh resolution – Approval of the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated in respect of the financial year ended to Raphaël GORGÉ, Chairman and Chief Executive Officer

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-34 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the financial year ended to Raphaël GORGÉ in his capacity as Chairman and Chief Executive Officer, presented in the corporate governance report included in Section 3.4.1 of the Universal Registration Document.

Twelfth resolution – Approval of the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated in respect of the financial year ended to Hélène de COINTET, Deputy CEO

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, and pursuant to article L.22-10-34 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated for the financial year ended to Hélène de COINTET in her capacity as Deputy CEO, presented in the corporate governance report included in Section 3.4.2 of the Universal Registration Document.

Thirteenth resolution – Renewal of PRICEWATERHOUSECOOPERS AUDIT as co-Statutory Auditor.

The shareholders' meeting, ruling in accordance with the quorum and majority requirements for ordinary shareholders' meetings, resolves to renew the term of office as co-Statutory Auditor of PRICEWATERHOUSECOOPERS AUDIT, 63 rue de Villiers, 92200 Neuilly-sur-Seine for a term of six years, expiring at the end of the shareholders' meeting held in 2027 called to approve the financial statements for the previous financial year.

Fourteenth resolution – Ratification of the change of registered office

The shareholders' meeting, ruling under the conditions of quorum and majority for ordinary shareholders' meetings, ratifies the decision of the Board of Directors to move the Company's registered office to 30 rue de Gramont, 75002 Paris, from 8 July 2021.

Fifteenth resolution – Authorization to be granted to the Board of Directors for the Company to buy its own shares in accordance with article L.22-10-62 of the French Commercial Code

The shareholders' meeting, ruling under the quorum and majority conditions for ordinary shareholders' meetings, noting the report of the Board of Directors, authorizes the latter, for a period of 18 months, in accordance with articles L.22-10-62 *et seq.* of the French Commercial Code. to purchase, on one or more occasions, at times it will determine, shares in the Company, up to a maximum of 10% of the number of shares comprising the share capital, adjusted where appropriate to take account of any share capital increase or reduction that may occur during the term of the program.

This authorization cancels that granted to the Board of Directors by the shareholders' meeting of 8 June 2020 in its twelfth ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of GROUPE GORGÉ shares through the intermediary of an investment service provider under a liquidity contract that complies with practices permitted by any regulations in effect. It should be noted that, in this context, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased after deduction of the number of shares resold;
- retain the purchased shares and subsequently allocate them in exchange or payment during external growth transactions, if any;
- provide coverage for stock option plans and/or bonus share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving the right to the allocation of Company shares under current regulations;
- cancel, as necessary, acquired shares, in accordance with the authorization granted or to be granted by the extraordinary shareholders' meeting.

And more generally, carry out operations in accordance with any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board deems appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with applicable regulations.

The maximum purchase price is set at €50 per share. In case of operations on the share capital, including division or grouping of shares or a free allocation of shares, the aforementioned amount will be adjusted in the same proportions (multiplier coefficient equal to the ratio of the number of shares composing the share capital before the operation and the number of shares after the operation).

The maximum amount of the transaction is set at €87,123,700 (corresponding to 10% of the share capital on 16 March 2021 at the maximum price of €50 per share).

The shareholders' meeting grants all powers to the Board of Directors for the purpose of carrying out these operations, to approve the terms and conditions, to conclude all agreements and execute al formalities.

Extraordinary resolutions

Sixteenth resolution – Authorization to be given to the Board of Directors to cancel treasury shares in accordance with article L.22-10-62 of the French Commercial Code

The shareholders' meeting, ruling under the conditions of quorum and majority required for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the report of the statutory auditors:

1) authorizes the Board of Directors to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the share capital, calculated on the day of the cancelation decision, excluding any shares canceled during the preceding 24 months, the shares that the Company holds or may hold as a result of purchases made under article L.22-10-62 of the French Commercial Code, and to reduce the share capital accordingly, pursuant to the laws and regulations in force;
2) sets the period of validity of this authorization at 24 months starting from the date of this meeting;
3) gives the Board of Directors all powers to carry out the operations required for such cancelations and the related reductions in share capital, amend the Company bylaws as a result, and complete all required formalities.

Seventeenth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits and/or premiums

The shareholders' meeting, ruling under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the report of the Board of Directors, and in accordance with the provisions of articles L.225-129-2, L.225-130 and L.22-10-50 of the French Commercial Code:

1) delegates its authority to the Board of Directors to decide to increase the share capital, in one or more installments, at the times and in the manner it determines, by capitalizing reserves and profits, premiums or other amounts that may be capitalized, through the issue and allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods;
2) resolves that in the event of use by the Board of Directors of this delegation, in accordance with the provisions of article L.22-10-50 of the French Commercial Code, in the event of a capital increase in the form of a allocation of free shares, the fractional rights will not be negotiable or transferable and the corresponding equity securities will be sold; the sums from the sale will be allocated to the rights holders within the period provided for by the regulations;
3) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
4) decides that the amount of the capital increase resulting from the issues carried out under this resolution shall not exceed the nominal amount of €5,000,000, excluding the amount necessary to preserve, in accordance with the law, the rights of holders of transferable securities giving entitlement to shares;
5) this ceiling is independent of all the ceilings provided for in the other resolutions of this meeting;
6) grants the Board of Directors all powers to implement this resolution, and, generally, to take all measures and carry out all formalities required for the successful completion of each capital increase, to record its completion, and to amend the Articles of Association accordingly;
7) acknowledges that this delegation of authority supersedes, as of this date, any unused portion of any previous delegation having the same purpose.

Eighteenth resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company), with the preferential subscription right maintained

The shareholders' meeting, having reviewed the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code, in particular its articles L.225-129-2, L.228-92 and L.225-132 *et seq.*:

1) delegates to the Board of Directors its authority to issue, on one or more occasions, in the proportions and at the times that it sees fit, either in euros, in foreign currencies or in any other unit of account established in reference to a set of currencies:
   - ordinary shares,
   - and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities,
   - and/or transferable securities giving access to ordinary shares to be issued by the Company.

   In compliance with article L.228-93 of the French Commercial Code, the transferable securities to be issued will be able to give assess to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or of which it owns directly or indirectly more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) resolves to set, as follows, the limits of the amounts of the authorized issues in the event of use by the Board of Directors of this delegation of authority:
   - the total nominal amount of the shares that may be issued under this delegation may not exceed €5,000,000 it being specified that this cap will be deducted from the nominal amount of the capital increases that may be carried out pursuant to the 19th, 20th, 22nd, 23rd and 24th resolutions,
   - to this limit shall be added, where applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferable securities giving access to the Company's share capital,
   - the nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €50,000,000, it being specified that this cap will be deducted from the nominal amount of the capital increases that may be carried out pursuant to the 19th, 20th, 22nd and 23rd resolutions;
4) in the event of use by the Board of Directors of this delegation of authority in the context of the issues referred to in 1) above:

a/ resolves that the issue(s) of ordinary shares or transferable securities giving access to the share capital shall be reserved by preference for shareholders who may subscribe on an irreducible basis,

b/ resolves that if the subscriptions on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue referred to in 1), the Board of Directors may use the following options:

   - limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by regulation,
   - freely distribute all or part of the unsubscribed shares;
   - offer all or part of the unsubscribed shares to the public;

5) resolves that the Board of Directors will have, within the limits defined above, the necessary powers to set the conditions for the issue or issues, as appropriate, record completion of the resulting share capital increases, make the corresponding changes to the bylaws, charge, at its sole initiative, the costs of the share capital increases against the amount of related premiums and withhold from this amount the sums necessary to bring the legal reserve to one-tenth of the new share capital after each increase, and more generally, do all that is necessary in such matters;
6) acknowledges that this delegation supersedes any previous delegation with the same purpose.

Nineteenth resolution – Delegation of authority to be given to the Board of Directors to issue ordinary shares giving, as applicable, access to ordinary shares or entitlement to the allocation of debt securities (of the Company or a Group company) and/or transferable securities giving access to ordinary shares (of the Company or a Group company), with cancelation of the preferential subscription right, by public offering (excluding the offerings referred to in article L.411-2-1 of the French Monetary and Financial Code) and/or as consideration for shares in a public exchange offer

The shareholders' meeting, ruling under the quorum and majority conditions for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the special report of the statutory auditors, and in accordance with the French Commercial Code, specifically its articles L.225-129-2, L.225-136, L.22-10-52, R.22-10-32, L.22-10-54 and L.228-92:

1) delegates to the Board of Directors the authority to issue, at one or more times, in the proportions and at the times it deems appropriate, in France and/or abroad, in a public offering, excluding the offerings referred to in article L.411-2-1 of the French Monetary and Financial Code, in euros, foreign currencies or in any other unit of account established in reference to a basket of currencies:
   - ordinary shares,
   - and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities,
   - and/or transferable securities giving access to ordinary shares to be issued by the Company.

   These securities may be issued as compensation for the securities that would be contributed to the Company in a public exchange offer on shares meeting the conditions set by article L.22-10-54 of the French Commercial Code.

   In compliance with article L.228-93 of the French Commercial Code, the transferable securities to be issued will be able to give assess to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or of which it owns directly or indirectly more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) the overall nominal amount of the ordinary shares that may be issued by virtue of this delegation may not be greater than €5,000,000.

   To this amount will be added, where applicable, the nominal amount of share capital increase necessary to preserve, in accordance with the law and any applicable contractual provisions setting out other methods of preservation, the rights of holders of shares or transferable securities giving access to the Company's share capital.

   This amount will be charged against the maximum nominal amount of the ordinary shares that may be issued pursuant to the eighteenth extraordinary resolution of this shareholders' meeting or any resolution that may succeed it.

The nominal amount of debt securities that the Company can issue under this delegation cannot exceed €50,000,000.

This amount will be charged against the maximum nominal amount of the debt securities set out in the eighteenth extraordinary resolution of the shareholders' meeting or any resolution that may succeed it;

4) resolves to cancel the shareholders' preferential subscription rights to the ordinary shares and transferable securities giving access to the share capital and/or debt securities subject to this resolution, nevertheless allowing the Board of Directors the option to give the shareholders a priority right, as allowed by law;
5) resolves that the amount payable or due to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the case of an issue of share subscription warrants, the subscription price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation of authority;
6) resolves that, in the case of the issue of securities to remunerate securities contributed in the case of a public exchange offer, the Board of Directors will have, in the conditions set in article L.22-10-54 of the French Commercial Code and within the limits set above, the necessary powers to approve the list of securities contributed in the exchange, set the conditions of issue and the exchange parity as well as the amount of any cash balance to pay, and to determine the methods of the issue;
7) resolves that if the subscriptions do not absorb the entire issue mentioned in 1/, the Board of Directors may take the following steps:
   - limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by regulation,
   - freely distribute all or part of the unsubscribed shares;
8) resolves that the Board of Directors will have, within the limits defined above, the necessary powers to set the conditions for the issue or issues, as appropriate, record completion of the resulting share capital increases, make the corresponding changes to the bylaws, charge, at its sole initiative, the costs of the share capital increases against the amount of related premiums and withhold from this amount the sums necessary to bring the legal reserve to one-tenth of the new share capital after each increase, and more generally, do all that is necessary in such matters;
9) notes that this delegation cancels and replaces, any unused portion of any prior delegation having the same purpose.

Twentieth resolution – Delegation of authority to be given to the Board of Directors to issue ordinary shares granting, where applicable, access to ordinary shares or the allocation of debt securities (of the Company or a Group company), and/or transferable securities giving access to ordinary shares (of the Company or a Group company), with cancelation of the preferential subscription right, by an offering referred to in article L.411-2-1 of the French Monetary and Financial Code

The shareholders' meeting, ruling under the quorum and majority conditions for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the special report of the statutory auditors, and in accordance with the French Commercial Code, specifically its articles L.225-129-2, L.225-136, L.22-10-52 and L.228-92:

1) delegates to the Board of Directors the authority to issue, at one or more times, in the proportions and at the times it deems appropriate, in France or abroad, in an offer such as mentioned in article L.411-2-1 of the French Monetary and Financial Code, in euros, foreign currencies or in any other unit of account established in reference to a basket of currencies:
   - ordinary shares,
   - and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities,
   - and/or transferable securities giving access to ordinary shares to be issued by the Company.

   In compliance with article L.228-93 of the French Commercial Code, the transferable securities to be issued will be able to give assess to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or of which it owns directly or indirectly more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) the overall nominal amount of the ordinary shares that may be issued under this delegation may not be greater than €3,000,000, it being further specified that it will be limited to 20% of the share capital per year.

   To this amount will be added, where applicable, the nominal amount of share capital increase necessary to preserve, in accordance with the law and any applicable contractual provisions setting out other methods of preservation, the rights of holders of shares or transferable securities giving access to the Company's share capital.

   This amount will be charged against the maximum nominal amount of the ordinary shares that may be issued pursuant to the eighteenth extraordinary resolution of this shareholders' meeting or any resolution that may succeed it.

   The nominal amount of debt securities that the Company can issue under this delegation cannot exceed €30,000,000.

   This amount will be charged against the maximum nominal amount of the debt securities set out in the eighteenth extraordinary resolution of the shareholders' meeting or any resolution that may succeed it;
4) resolves to cancel the shareholders' preferential subscription rights to the ordinary shares and transferable securities giving access to the share capital and/or debt securities subject to this resolution;
5) resolves that the amount payable or due to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the case of an issue of share subscription warrants, the subscription price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation of authority;
6) resolves that if the subscriptions do not absorb the entire issue mentioned in 1/, the Board of Directors may take the following steps:
   - limit the amount of the issue to the amount of the subscriptions, as necessary, within the limits specified by regulation,
   - freely distribute all or part of the unsubscribed shares;

7) resolves that the Board of Directors will have, within the limits defined above, the necessary powers to set the conditions for the issue or issues, as appropriate, record completion of the resulting share capital increases, make the corresponding changes to the bylaws, charge, at its sole initiative, the costs of the share capital increases against the amount of related premiums and withhold from this amount the sums necessary to bring the legal reserve to one-tenth of the new share capital after each increase, and more generally, do all that is necessary in such matters;
8) notes that this delegation cancels and replaces, any unused portion of any prior delegation having the same purpose.

Twenty-first resolution – Authorization, in case of an issue of shares with cancelation of the preferential subscription right, to set, within the limit of 10% of the share capital per year, the issue price in accordance with the conditions determined by the shareholders' meeting

The shareholders' meeting, ruling under the conditions of quorum and majority required for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the special report of the statutory auditors and in compliance with the provisions of article L.22-10-52 of the French Commercial Code, authorizes the Board of Directors, which decides to issue ordinary shares or transferable securities giving access to the share capital in application of the nineteenth and twentieth resolutions of this Shareholder's meeting, to override, within the limit of 10% of the share capital per year, the price setting conditions specified in accordance with the above-mentioned resolutions and set the issue price of the equity-equivalent securities to be issued as follows:

The issue price of the equity-equivalent securities to be issued immediately or in the future may not be less than, at the choice of the Board of Directors, the lower of the two following averages:

- the average of five consecutive listed prices of the share chosen from among the last 30 stock market trading sessions preceding the start of the offering, less a maximum discount of 10%, if applicable;
- the average price of the share in the six months preceding the start of the offering, less a maximum discount of 10%, if applicable.

Twenty-second resolution – Delegation of powers to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, with cancelation of the shareholders' preferential subscription rights, in favor of a category of persons who will underwrite the Company's capital securities that might result therefrom in connection with an equity line of financing

The shareholders' meeting, ruling under the quorum and majority conditions for extraordinary shareholders' meetings, having taken note of the report of the Board of Directors and the report of the statutory auditors, in accordance with articles L.225-129 *et seq.* of the French Commercial Code, specifically its articles L.225-129-2, L.22-10-49, L.225-135, L.22-10-51, L.225-138 and L.228-91 *et seq.*:

1) delegates to the Board of Directors its powers to approve the issue in one or more installments, in the proportions and at the times it deems appropriate, in France or abroad, in euros, foreign currency or any other unit of account established in reference to a set of currencies, of ordinary shares or equity securities giving access to other equity securities or giving right to the allocation of debt securities and/or transferable securities (including all debt securities) giving access to equity securities to be issued;
2) resolves that the transferable securities issued can consist of debt securities, can be associated with the issue of such securities or allow the issue thereof as intermediate securities;
3) resolves to cancel the preferential subscription right of shareholders to equity securities giving access to other equity securities or giving rights to the allocation of debt securities and/or any transferable securities to be issued in favor of the following category of persons: any credit institution, investment service provider, or member of an investment bank syndicate or investment fund or company undertaking to guarantee the completion of the share capital increase or of any issue liable to result in a future share capital increase that may be carried out pursuant to this delegation, as part of the creation of an equity line of financing;
4) duly notes that where necessary this delegation entails, in favor of the holders of transferable securities that may thereby be issued, the automatic waiver by the shareholders of their preferential subscription rights to any shares to which these transferable securities give access;
5) decides that the total nominal amount of the share capital increases that may be carried out immediately and/or in future under this delegation may not exceed €3,000,000 or its exchange value in foreign currency to which ceiling will be added, as the case may be, the additional amount of shares to be issued to preserve the rights of security holders and other rights giving access to the share capital, in accordance with the law and any applicable contractual stipulations.

   This amount will be charged against the maximum amount of the share capital increase set out in the eighteenth extraordinary resolution of this shareholders' meeting or any resolution that may succeed it;
6) decides to set at €30,000,000 (or exchange value if the issue is in another currency) the maximum nominal amount of the debt securities that may be issued under this delegation, given that said amount will be increased, as the case may be, by any redemption premium above par. This ceiling does not apply to the debt securities referred to in articles L.228-40, L.228-36-A and L.228-92-3 of the French Commercial Code whose issue is decided or authorized by the Board of Directors under the conditions set out in article L.228-40 of said code or, in other cases, under the conditions determined by the Company in accordance with article L.228-36-A of said code.

   This amount will be charged against the maximum nominal amount of the debt securities set out in the eighteenth extraordinary resolution of the shareholders' meeting or any resolution that may succeed it;
7) resolves that the issue price of the shares issued under this delegation will be determined by the Board of Directors and will be at least equal to the weighted average of the prices of the last three stock market trading sessions preceding its determination, and possibly less a maximum discount of 30%, taking into account where appropriate their date of entitlement to dividends; with the understanding that (i) in the event of the issue of transferable securities giving access to the share capital, the issue price of the shares that could result from their exercise, their conversion or their exchange is set, at the discretion of the Board of Directors, using a calculation formula defined by this latter and applicable following the issue of the said transferable securities (for example at the time they are exercised, converted or exchanged) in which case the above-mentioned maximum discount could be assessed, if the Board of Directors deems necessary on the date of application of the said formula (and not on the date of issue of the marketable security), and (ii) the issue price of the transferable securities giving access to the share capital, as the case may be, issued by virtue of this resolution, will be such that any amount

received immediately by the Company, plus the amount that could be received in the exercise or conversion of the said transferable securities, for each share issued as the result of the issue of these transferable securities, is at least equal to the above-mentioned minimum amount;

8) specifies that the delegation thus conferred on the Board is valid for a period of 18 months from this meeting;
9) decides that the Board of Directors will have all powers, with the option of sub-delegation pursuant to the law, to implement, under the conditions set by law and the bylaws, this delegation in order specifically to:
   - decide the amount of share capital increase, the issue price (determined per the pricing conditions recorded above) and the amount of the premium that may, as applicable, be requested at issue,
   - set the dates, conditions and procedures of any issue as well as the form and features of the shares or transferable securities giving access to the share capital issued,
   - set the vesting date, which may be retroactive, of the shares or transferable securities giving access to the share capital issued and their method of payment,
   - set the list of beneficiaries in the aforementioned category of persons and the number of shares to be allocated to each of them,
   - at its sole initiative and when it deems appropriate, charge the costs, duties and fees incurred by the share capital increases carried out under the delegation mentioned in this resolution, against the amount of premiums related to these transactions and withdraw, from the amount of these premiums, the sums necessary to bring the legal reserve to one-tenth of the new share capital after each increase,
   - note the completion of each share capital increase and amend the bylaws accordingly,
   - in general enter into any agreement to ensure the success of the planned issues, take all measures and carry out all formalities required for the issue and listing of and trade in the securities issued under this delegation as well as the exercise of the rights attached thereto,
   - take any decision in view of the admission of the shares and transferable securities thus issued on any market;
10) notes that this delegation cancels and replaces, any unused portion of any prior delegation having the same purpose.

Twenty-third resolution – Authorization to increase the amount of issues

The shareholders' meeting, having reviewed the report of the Board of Directors, resolves that, for each of the issues of ordinary shares or transferable securities giving access to the share capital decided in application of the 19th, 20th and 22nd resolutions, the number of shares to be issued may be increased in accordance with the conditions specified in articles L.225-135-1 and R.225-118 of the French Commercial Code and subject to the limits set by the shareholders' meeting.

Twenty-fourth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital up to a limit of 10% of the share capital in order to remunerate contributions in kind or transferable securities giving access to the share capital

The shareholders' meeting, after having reviewed the reports of the Board of Directors and the statutory auditors and in accordance with articles L.225-147, L.22-10-53 and L.228-92 of the French Commercial Code:

1) authorizes the Board of Directors to issue, pursuant to the report of the Contribution Auditor, ordinary shares or transferable securities giving access to ordinary shares in order to compensate contributions in kind granted to the Company and constituted of equity securities or transferable securities giving access to the share capital when the provisions of article L.22-10-54 of the French Commercial Code are not applicable;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) resolves that the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 10% of the share capital on the date of this meeting, excluding the nominal amount of the capital increase. necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of rights or transferable securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out under this delegation will be deducted from the capital increase ceiling set by the eighteenth resolution;
4) delegates full powers to the Board of Directors for the purpose of approving the valuation of the contributions, deciding on the resulting capital increase, recording the completion thereof, and allocating, where applicable, to the capital. the contribution premium, all costs and duties resulting from the capital increase, to deduct from the contribution premium the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase and to make the change. correlative of the Articles of Association, and to do whatever is necessary in such matters;
5) notes that this delegation cancels and replaces, any unused portion of any prior delegation having the same purpose.

Twenty-fifth resolution – Authorization to be given to the Board of Directors to grant share subscription and/or purchase options to employees and/or certain corporate officers of the Company or related companies

The shareholders' meeting, ruling under the conditions of quorum and majority required for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the report of the statutory auditors:

1) authorizes the Board of Directors, within the framework of the provisions of articles L.225-177 to L.225-185 and L.22-10-56 of the French Commercial Code, to grant, on one or more occasions, in favor of the beneficiaries indicated below, options giving the right to subscribe for new shares of the Company to be issued as a capital increase or to purchase existing shares of the Company resulting from buybacks carried out under the conditions provided for by law;
2) sets the period of validity of this authorization at 38 months from the date of this meeting;
3) decides that the beneficiaries of these options may only be:
   - on the one hand, the employees or some of them, or certain categories of employees, of GROUPE GORGÉ and, where applicable, companies or economic interest groups linked to it under the terms of article L.225-180 of the French Commercial Code,
   - on the other hand, the corporate officers who meet the conditions set by articles L.225-185, L.22-10-57, L. 22-10-58 and L.22-10-60 of the French Commercial Code;
4) the total number of options that may be granted by the Board of Directors under this authorization shall not give the right to subscribe or purchase a number of shares greater than 5% of the existing share capital on the date of the allocation decision, it being specified that the total number of shares that may be allocated free of charge by the Board of Directors under the following authorization shall be deducted from this ceiling;
5) resolves that the share subscription and/or purchase price by the beneficiaries will be set on the day the options are granted by the Board of Directors as follows:
   - in the event of the granting of stock options, the subscription price of the shares may not be less than 80% of the average of the opening prices listed for the twenty trading days preceding that day,
   - in the event of the granting of stock options, the purchase price of the shares paid by the beneficiaries may not be less than 80% of the average of the opening prices listed for the 20 trading days preceding that day, nor less than 80% of the average purchase price of the shares held by the Company pursuant to article L.22-10-62 of the French Commercial Code;
6) resolves that no options may be granted during the periods referred to in article L.22-10-56 of the French Commercial Code;
7) acknowledges that this authorization entails the express waiver by the shareholders of their preferential subscription rights to the shares to be issued as and when the options are exercised;
8) delegates full powers to the Board of Directors to set the other terms and conditions for the granting of options and their exercise and in particular to:
   - set the conditions under which the options will be granted and draw up the list or categories of beneficiaries as provided for above; determine, where applicable, the length of service conditions to be met by these beneficiaries; decide on the conditions under which the price and the number of shares must be adjusted, in particular in the cases provided for in articles R.225-137 to R.225-142 and R.22-10-37 of the French Commercial Code,
   - set the exercise period(s) for the options thus granted, it being specified that the duration of the options may not exceed a period of ten years from the date of grant,
   - provide for the option to temporarily suspend the exercise of options for a maximum period of three months in the event of financial transactions involving the exercise of a right attached to the shares,
   - carry out or cause to be carried out all acts and formalities for the purpose of finalizing the capital increase(s) that may be carried out pursuant to the authorization provided for in this resolution; amend the Articles of Association accordingly and generally do whatever is necessary,
   - at its sole discretion and if it deems it appropriate, charge the costs of the share capital increases to the amount of the premiums relating to these increases and deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase;
9) acknowledges that this authorization supersedes any previous authorization with the same purpose.

Twenty-sixth resolution – Authorization to be granted to the Board of Directors to allocate free shares to employees and/or certain corporate officers

The shareholders' meeting, ruling under the conditions of quorum and majority for extraordinary shareholders' meetings, having reviewed the Board of Directors' report and the statutory auditors' special report, authorizes the Board of Directors to allocate, on one or more occasions, in accordance with articles L.225-197-1 *et seq.* and L.22-10-59 and L.22-10-60 of the French Commercial Code, existing or new ordinary shares of the Company, in favor of:

- employees of the Company or of companies directly or indirectly related to it within the meaning of article L.225-197-2 of the French Commercial Code;
- and/or corporate officers who meet the conditions set by articles L.225-197-1, L.22-10-59 and L.22-10-60 of the French Commercial Code.

The total number of free shares thus allocated may not exceed 5% of the share capital on the date of the allocation decision, it being specified that the total number of shares to which the options granted by the Board of Directors under the authorization may give rise will be deducted from this ceiling.

The allocation of shares to beneficiaries shall be definitive at the end of a vesting period, the duration of which shall be set by the Board of Directors, which may not be less than one year.

The beneficiaries must, where applicable, hold these shares for a period, set by the Board of Directors, at least equal to that necessary so that the cumulative duration of the vesting and holding periods may not be less than two years.

As an exception, the final allocation will take place before the end of the vesting period in the event of disability of the beneficiary corresponding to the classification in the second and third of the categories provided for in article L.341-4 of the French Social Security Code.

Full powers are granted to the Board of Directors to:

- set the conditions and, where applicable, the criteria for the allocation of shares;
- determine the identity of the beneficiaries and the number of shares allocated to each of them;
- where applicable:
  - note the existence of sufficient reserves and proceed at each allocation to the transfer to an unavailable reserve account of the sums required to pay up the new shares to be allocated,
  - decide, when the time comes, on the capital increase(s) by incorporation of reserves, premiums or profits related to the issue of the new free shares allocated,
  - acquire the shares required under the share buyback program and allocate them to the allocation plan,
  - determine the impact on the rights of the beneficiaries of transactions that modify the share capital or are likely to affect the value of the shares awarded and carried out during the vesting period and, accordingly, modify or adjust, if necessary, the number of shares awarded to protect the rights of beneficiaries,
  - take all necessary measures to ensure compliance with the retention obligation, if any, required of beneficiaries,
- and, in general, to do whatever the implementation of this authorization requires, within the framework of the legislation in force.

This authorization automatically entails the waiver by shareholders of their preferential subscription rights to new shares issued by incorporation of reserves, premiums and profits.

It is given for a period of 38 months from the date of this meeting.

It supersedes any previous authorization with the same purpose.

Twenty-seventh resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to share capital, with cancelation of the preferential subscription right, in favor of members of a company savings plan pursuant to articles L.3332-18 et seq. of the French Labor Code

The shareholders' meeting, having reviewed the report of the Board of Directors and the special report of the statutory auditors, ruling in application of articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and L.3332-18 *et seq.* of the French Labor Code:

1) delegates its powers to the Board of Directors, if the latter sees fit and at its sole discretion, to increase the share capital on one or more occasions, by issuing ordinary shares or transferable securities giving access to share capital securities to be issued by the Company to members of one or more company or group savings plans set up by the Company and/or French or foreign companies related to it under the terms of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code;
2) cancels the shareholders' preferential subscription rights to the shares which could be issued pursuant to this delegation;
3) sets the period of validity of this authorization at 26 months starting from the date of this meeting;
4) limits the maximum nominal amount of the share capital increases that may be made by using this delegation to 3% of the amount of share capital reached upon the Board's decision to effectuate this increase. This amount is independent of any other limit set on delegating a share capital increase. To this amount will be added, where applicable, the nominal amount of the share capital increase necessary to preserve, in accordance with the law and any applicable contractual provisions setting out other methods of preservation, the rights of holders of shares or transferable securities giving access to the Company's share capital;
5) resolves that the price of the shares to be issued under 1/ of this delegation may not be more than 30%, or 40% when the non-availability provided for by the plan pursuant to articles L.3332-25 and L.3332-26 of the French Labor Code is greater than or equal to 10 years, less than the average of the opening prices quoted for the share during the 20 trading sessions prior to the decision setting the opening date of the subscription, nor higher than this average;
6) resolves, pursuant to the provisions of article L.3332-21 of the French Labor Code, that the Board of Directors can decide to allocate to the beneficiaries, defined in Section 1 above, free shares to be issued or already issued or other securities giving access to the Company's share capital already issued or to be issued, in respect of (i) the employer contribution that may be paid pursuant to the rules of company or group savings plans, and/or (ii), as applicable, the discount and may decide, in the event of issuance of free shares in respect of the discount and/or the employer contribution, to incorporate in the share capital the reserves, profit or issue premiums necessary for the payment of the said shares.

The Board of Directors may or may not implement this delegation, take all measures and carry out all necessary formalities.

Twenty-eighth resolution – Amendment of article 13 of the bylaws so as not to count the founder of the Group in the age limit ratio of Directors

The shareholders' meeting, ruling under the conditions of quorum and majority required for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors resolves:

- to modify article 13 so as not to take into account the person of the founder of the Group for the application of the rule of one third of the Directors not being able to exceed the age of 70;
- to add the following paragraph at the end of article 13 of the bylaws: "The number of Directors over the age of 70 May not exceed one third of the Directors in office. For the calculation of this ratio, the person of the founder of the company, Jean-Pierre GORGÉ, is not taken into account in the number of Directors over the age of 70."

Twenty-ninth resolution – Powers for formalities

The shareholders' meeting grants all powers to the bearer of an original, a copy or an extract of these minutes in order to accomplish all filing and publication formalities required by law.

7.3 REPORTS OF THE STATUTORY AUDITORS PRESENTED TO THE SHAREHOLDERS' MEETING

STATUTORY AUDITORS' SPECIAL REPORT ON THE REGULATED AGREEMENTS AND COMMITMENTS

See Section 2.5.2 of the Universal Registration Document.

STATUTORY AUDITORS' REPORT ON SHARE CAPITAL REDUCTION

(Extraordinary Shareholders' Meeting of 18 June 2021 – resolution no. 16)

To the Shareholders' Meeting

As Statutory Auditors of your Company and pursuant to the assignment set forth in article L.22-10-62 of the French Commercial Code in the case of a share capital reduction through the cancelation of shares purchased, we have prepared this report intended to inform you of our assessment of the causes and conditions of the proposed capital reduction.

Your Board of Directors proposes that you delegate to it, for a period of 24 months from the date of this meeting, all powers to cancel, within the limit of 10% of your Company's share capital, per 24-month period, the shares purchased pursuant to the implementation of a share buyback program by the Company within the framework of the provisions of the aforementioned article.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this assignment. These procedures require us to examine whether the causes and conditions of the proposed capital reduction, of a nature not to impair the equality of shareholders, are fair and legitimate.

We have no matters to report on the causes and conditions of the proposed share capital reduction.

In Neuilly-sur-Seine and Paris, 6 April 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	RSM Paris
David CLAIROTTE	Stéphane MARIE

REPORT OF THE STATUTORY AUDITORS ON THE ISSUE OF ORDINARY SHARES AND/OR VARIOUS TRANSFERABLE SECURITIES WITH THE MAINTENANCE OR CANCELATION OF PREFERENTIAL SUBSCRIPTION RIGHTS

(Extraordinary Shareholders' Meeting of 18 June 2021 resolutions nos. 18 to 24)

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company and pursuant to the assignment set forth in articles L.22-10-52, L.228-92 and L.225-135 *et seq.* of the French Commercial Code, we hereby present our report on the proposed delegations of authority to the Board of Directors to undertake various issues of shares and/or transferable securities, transactions that you are asked to approve.

Your Board of Directors proposes, based on its report:

- that you delegate to it, for a period of 26 months, the power to decide the following transactions and to set the final conditions of these issues and proposes, where applicable, the cancelation of your preferential subscription right:
  - issue with preferential subscription rights (*18th resolution*), in one or more installments, of ordinary shares and/or ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities and/or securities giving access to ordinary shares to be issued by the Company.

    It being specified that, in accordance with article L.228-93-1 of the French Commercial Code, the transferable securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital,
  - issue, on one or more occasions, on the French and/or international market, by way of a public offering (excluding the offers referred to in article L.411-2-1 of the French Monetary and Financial Code) and/or as compensation for securities in the context of a public exchange offer *(19th resolution*), ordinary shares and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities, and/or transferable securities giving access to ordinary shares to be issued by the Company.

    In accordance with article L.228-93-1 of the French Commercial Code, the transferable securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital,
  - issue, on one or more occasions, on the French and/or international market, with cancelation of preferential subscription rights, by means of offers referred to in article L.411-2-1 of the French Monetary and Financial Code by private placement and within the limit of 20% of the share capital per year (*20th resolution*), ordinary shares and/or ordinary shares giving the right to the allocation of other ordinary shares or debt securities, and/or transferable securities giving access to ordinary shares to be issued by the Company.
- It being specified that, in accordance with article L.228-93-1 of the French Commercial Code, the transferable securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of the Company's share capital or in which it directly or indirectly owns more than half of the share capital;
- authorize it, through the 21st resolution and as part of the implementation of the delegation outlined in the 19th and 20th resolutions, to set the issue price within the annual legal limit of 10% of the share capital;
- that you delegate to it, for a period of 18 months, the power to decide the following transactions and to set the final conditions of these issues and proposes, where applicable, the cancelation of your preferential subscription right:
  - issue, on one or more occasions, on the French and/or international market, of ordinary shares of the Company or of equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or transferable securities (including in particular all debt securities) giving access to equity securities to be issued, with cancelation of preferential subscription rights, for the benefit of any credit institution, any investment services provider or member of an investment banking syndicate or any investment fund or company undertaking to guarantee the completion of the capital increase or any issue likely to lead to a capital increase in the future that could be carried out under this delegation as part of the setting up of an equity financing line *(22nd resolution)*,
- to delegate to it, for a period of 26 months, the powers necessary to undertake the issue of ordinary shares or of transferable securities giving access to ordinary shares, in consideration of the contributions in kind granted to the Company and comprised of equity securities or transferable securities giving access to the share capital when the provisions of article L.22-10-54 of the French Commercial Code are not applicable (24th resolution) within the limit of 10% of the share capital.

The overall nominal amount of the share capital increases which may be carried out immediately or in the future may not exceed €5,000,000 under the 18th and 19th resolutions and €3,000,000 under the 20th and 22nd resolutions.

In addition, these caps will be deducted from the maximum nominal amount of the ordinary shares that may be issued pursuant to the 18th extraordinary resolution of this Shareholders' Meeting (or any subsequent resolution), which sets the maximum overall nominal amount of the capital increases that may be carried out at €5,000,000.

These caps take into account the additional number of securities to be created as part of the implementation of the delegations referred to in the 19th, 20th and 22nd resolutions, under the conditions provided for in article L.225-135-1 of the French Commercial Code, if you adopt the 23rd resolution.

The total nominal amount of the debt securities that may be issued may not exceed €50,000,000 for the 18th and 19th resolutions and €30,000,000 for the 20th and 22nd resolutions.

In addition, these caps will be deducted from the nominal amount of the debt securities provided for in the 18th extraordinary resolution of this Shareholders' Meeting (or any subsequent resolution), which sets the maximum overall nominal amount of the transferable securities that may be issued representing claims on the Company at €50,000,000.

It is the responsibility of the Board of Directors to prepare a report in compliance with articles R.225-113 *et seq.* of the French Commercial Code. Our role is to report to you on the fairness of the financial information extracted from the financial statements, on the proposal to waive the preferential subscription rights and on certain other details concerning these transactions, set out in this report.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in verifying the contents of the report from the Board of Directors on these transactions and the process for setting the issue price of the future securities.

Subject to reviewing at a future date the terms and conditions of any issues that may be decided upon, we have no comments to make on the process for setting the issue price of the equity securities to be issued provided in the report of the Board of Directors in respect of the 19^{th}, 20^{th} and 22^{nd} resolutions.

In addition, as this report does not specify the procedures for determining the issue price of the equity securities to be issued pursuant to the implementation of the 18^{th} and 24^{th} resolutions, we cannot express an opinion on the choice of the elements used in the process of calculating this issue price.

As the final terms and conditions of the share capital increases have not been set, we shall not express an opinion on them or, in consequence, on the proposed cancelation of the preferential subscription rights on which you are asked to decide in the 19^{th}, 20^{th} and 22^{nd} resolutions.

In accordance with article R.225-116 of the French Commercial Code, we will prepare an additional report, where applicable, at the time these delegations are used by your Board of Directors in the event of the issue of transferable securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, in the event of the issue of transferable securities giving access to equity securities to be issued and in the event of the issue of shares without preferential subscription rights.

In Neuilly-sur-Seine and Paris, 6 April 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	**RSM Paris**
David CLAIROTTE	Stéphane MARIE

REPORT OF THE STATUTORY AUDITORS ON THE AUTHORIZATION TO ALLOCATE SHARE SUBSCRIPTION OR SHARE PURCHASE OPTIONS

(Extraordinary Shareholders' Meeting of 18 June 2021 resolution no. 25)

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company and in execution of the mission provided for by articles L.225-177 and R.225-144 of the French Commercial Code, we present our report on the authorization to allocate share subscription or purchase options in favor of:

- employees or some of them, or certain categories of personnel, of GROUPE GORGÉ and, where applicable, companies or economic interest groups linked to it under the conditions of article L.225-180 of the French Commercial Code;
- corporate officers meeting the conditions set forth in articles L.225-185, L.22-10-57 and L.22-10-58 of the French Commercial Code;
- a transaction upon which you are called to vote.

The total number of options thus granted may not give entitlement to a total number of shares representing more than 10% of the Company's share capital on the date of the allocation decision.

On the basis of its report, your Board of Directors asks you to authorize it, for a period of 38 months, to allocate share subscription or purchase options.

It is the Board of Director's responsibility to draw up a report on the motives for opening share subscription or purchase options, and on the proposed terms for setting the subscription or purchase price. It is our responsibility to express our opinion on the proposed terms for setting the subscription or purchase price of the shares

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in particular in verifying that the proposed methods for determining the subscription or purchase price of the shares are specified in the report of the Board of Directors and that they comply with the provisions of the laws and regulations.

We have no remarks to make on the proposed terms for setting the subscription or purchase price of the shares.

Done in Neuilly-sur-Seine and Paris, 6 April 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	**RSM Paris**
David CLAIROTTE	Stéphane MARIE

REPORT OF THE STATUTORY AUDITORS ON THE AUTHORIZATION TO ALLOCATE FREE SHARES, EXISTING OR TO BE ISSUED

(Extraordinary Shareholders' Meeting of 18 June 2021 resolution no. 26)

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company and in execution of the mission provided for by article L.225-197-1 of the French Commercial Code, we present our report on the proposed authorization to allocate free shares, existing or to be issued, in favor of:

- - employees of the Company or companies directly or indirectly related to it within the meaning of article L.225-197-2 of the French Commercial Code, and/or
- - corporate officers who meet the conditions set out in articles L.225-197-1, L.22-10-59 and L.22-10-60 of the French Commercial Code,

a transaction upon which you are called to vote. The total number of shares that may be allocated under this authorization may not represent more than 10% of the Company's share capital.

On the basis of its report, your Board of Directors asks you to authorize it, for a period of 38 months, to allocate free shares, existing or to be issued.

It is the responsibility of the Board of Directors to draw up a report on the transaction that it would like to undertake. It is our responsibility to express our observations, if any, on the information provided to you in respect of the planned transaction.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in particular in verifying that the proposed methods and the data in the report of the Board of Directors comply with the provisions of the laws and regulations.

We have no observations to make on the information provided in the report of the Board of Directors as regards the proposed authorization to allocate free shares.

Done in Neuilly-sur-Seine and Paris, 6 April 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	**RSM Paris**
David CLAIROTTE	Stéphane MARIE

STATUTORY AUDITORS' REPORT ON THE ISSUANCE OF ORDINARY SHARES AND/OR TRANSFERABLE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL RESERVED FOR SUBSCRIBERS TO A COMPANY SAVINGS PLAN

Extraordinary Shareholders' Meeting of 18 June 2021 resolution no. 27

To the Shareholders' Meeting,

As Statutory Auditors of your Company and pursuant to the assignment set forth in articles L.228-92, L.225-135 *et seq.* and L.22-10-51 of the French Commercial Code, we hereby present our report on the proposed delegation of authority to your Board of Directors to decide an issue of ordinary shares or transferable securities granting access to equity securities to be issued by the Company, with cancelation of preferential subscription rights, reserved for subscribers to one or more company or group savings plans implemented by the Group and/or the French and foreign companies related to the Company under the conditions set forth in article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code, a transaction that you are being asked to approve.

The maximum nominal amount of the share capital increase likely to result from this issue is set at 3% of the amount of the share capital reached upon the Board's decision to carry out this increase.

This share capital increase is subject to your approval pursuant to the provisions of article L.225-129-6 of the French Commercial Code and articles L.3332-18 *et seq.* of the French Labor Code.

Based on its report, your Board of Directors is asking that you grant it full powers, for a period of 26 months commencing from the date of this Shareholders' Meeting, to decide an issue with cancelation of your preferential subscription rights to the transferable securities to be issued. When appropriate, it will set the final terms and conditions of these issues.

It is the responsibility of the Board of Directors to prepare a report in compliance with articles R.225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the truthfulness of the quantified financial information drawn from the financial statements, on the proposal to cancel preferential subscription rights and on certain other details concerning this issue, contained in this report.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in verifying the contents of the report from the Board of Directors on this transaction and the process for setting the issue price of the equity securities to be issued.

Subject to reviewing, at a future date, the terms and conditions of any issues that may be decided upon, we have no comments to make on the process for setting the issue price of the equity securities to be issued, set out in the report of the Board of Directors.

As the final terms and conditions of the share capital increase have not been set, we shall not express an opinion thereon and, as such, on the proposed cancelation of preferential subscription rights on which you are asked to decide.

Pursuant to article R.225-116 of the French Commercial Code, we will prepare an additional report, as required, when the Board of Directors makes use of this authorization.

Done in Neuilly-sur-Seine and Paris, 6 April 2021

The Statutory Auditors

PricewaterhouseCoopers	Audit RSM Paris
David CLAIROTTE	Stéphane MARIE

7.4 REPORTS OF THE BOARD OF DIRECTORS PRESENTED TO THE SHAREHOLDERS' MEETING OF 18 JUNE 2021

MANAGEMENT REPORT

See the cross-reference table in Section 8.3.3 of the Universal Registration Document.

BOARD OF DIRECTORS' REPORT PREPARED IN ACCORDANCE WITH ARTICLE L.225-37 ET SEQ. OF THE FRENCH COMMERCIAL CODE

See the cross-reference table in Section 8.3.4 of the Universal Registration Document.

REPORT OF THE BOARD OF DIRECTORS OF PRODWAYS GROUP TO THE SHAREHOLDERS' MEETING OF GROUPE GORGÉ, IN APPLICATION OF THE PROVISIONS OF ARTICLE L.225-197-5 OF THE FRENCH COMMERCIAL CODE

Ladies and Gentlemen,

We have the honor to bring to your attention, in accordance with the provisions of article L.225-197-4 of the French Commercial Code, information pertaining to the free share allocations made to the Group's employees and executives during the financial year ended 31 December 2020, and at the beginning of the 2021 financial year.

The extraordinary shareholders' meeting of 13 June 2018 authorized, in its 21st resolution, the Board of Directors to proceed, on one or more occasions, in accordance with articles L.225-197-1 and L.225-197-2 of the French Commercial Code, with the allocation of free shares in the Company, existing or to be issued, up to 5% of the share capital, in favor of:

- employees of the Company or companies directly or indirectly related to it within the meaning of L.225-197-2 of the French Commercial Code;
- and/or corporate officers who meet the conditions set by article L.225-197-1 of the French Commercial Code.

As a result of this authorization, the Board of Directors established several free share allocation plans in 2016, then in 2019 and finally in 2021, in order to interest all employees and senior executives in the performance of the Group. Group and to involve key employees in the Group's performance.

No new allocation was decided by the Board during the 2020 financial year.

A new allocation was decided in early 2021.

I. Plans of 2016

It should be noted that the plans of 2016 have ended and that there are no longer any potential shares under these plans.

II. Plans of 2019

We remind you that the Board of Directors meeting of 31 January 2019 approved two free share allocation plans:

- a free share allocation plan for all employees of PRODWAYS GROUP and its subsidiaries having their registered office in France (the collective plan); and
- a free performance share allocation plan for certain employees and executive corporate officers of the Company and its French and foreign subsidiaries (the selective plan).

II.1 Collective plan of 2019

The vesting period of the 2019 collective plan expired on 1 February 2021. After examining the conditions of presence, the Board noted the acquisition of a total of 14,050 shares.

II.2 Selective plan of 2019

The first vesting period of the 2019 selective plan expired on 1 February 2021 (the other two vesting periods expiring on 1 February 2022 and 1 February 2023). After examining the presence and performance conditions, the Board noted, at the end of this first vesting period, the acquisition of 172,408 shares, of which 38,248 shares were awarded to the Chief Executive Officer, Olivier STREBELLE.

III. Plans of 2021

The Board of Directors of 1 February 2021 approved two new free share plans:

- a free share allocation plan for all employees of PRODWAYS GROUP and its subsidiaries having their registered office in France (the collective plan); and
- a free performance share allocation plan for certain employees and executive corporate officers of the Company and its French and foreign subsidiaries (the selective plan).

1) Allocation of free shares under the 2021 collective plan

The collective free share allocation plan approved by the Board of Directors of 1 February 2021 aiming to interest all employees in the Group's performance and value creation, provides for a free allocation of 18,050 shares for the benefit of all employees of PRODWAYS GROUP and its more than 50%-owned subsidiaries having their registered office in France. These shares were allocated uniformly between the Company's 370 employees and its French subsidiaries, at the rate of 50 shares per employee.

The plan is explained in greater detail in the table below.

Number of shares allocated	Vesting period/Duration of the retention period	Total number of grant recipients	Allocation conditions and criteria	Origin of the shares to be allocated	Value of the shares
18,050	From 1 February 2021 to 2 February 2023 No retention period	370	No Group performance condition Presence condition on 2 February 2023	New shares to be issued	Based on the closing share price on 1 February 2021 (i.e. €2.68): €48,374

2) Allocation of free performance shares under the 2021 selective plan

The selective free performance share plan approved by the Board of Directors on 1 February 2021, with the aim of retaining and involving key employees in the Group's performance and its value creation, provides for the allocation of 532,500 free performance shares to certain employees and executive officers of PRODWAYS GROUP or its French and foreign subsidiaries.

The plan is explained in greater detail in the table below.

Total number of shares granted	Vesting period/Duration of the retention period	Total number of grant recipients	Allocation conditions and criteria	Origin of the shares to be allocated	Value of the shares
532,500	1 February 2021 to 2 February 2023, then 1 July 2023 No lock -up period, except for executive corporate officers	16	• Performance conditions with reference to the Group's revenue growth in 2021 and 2022 and the achievement of the Group's operating results target (as defined in the plan) in 2021 and 2022 • The number of performance shares, if any, acquired according to the above performance criteria will be multiplied by 1.1 depending on the performance of the PRODWAYS GROUP share price in relation to an index. • Presence condition at each intermediate vesting period (2 February 2023 and 1 July 2023)	New shares to be issued	Based on the closing share price on 1 February 2021 (i.e. €2.68): €1,427,100

3) Additional information pursuant to article L.225-197-4 of the French Commercial Code

The tables below are prepared in accordance with the requirements of article L.225-197-4 of the French Commercial Code:

a) Allocation of free shares, to date in 2021, to corporate officers of PRODWAYS GROUP, or by related companies within the meaning of article L.225-197-2 of the French Commercial Code

Corporate officers concerned	Number of shares	Value
Olivier STREBELLE (Chief Executive Officer)	247,500	Based on the share price on 1 February 2021 (closing price at €2.68): €663,300

b) Allocation of free shares to PRODWAYS GROUP corporate officers, to date in 2021, by controlled companies within the meaning of article L.233-16 of the French Commercial Code, in proportion to the terms of office and functions exercised by said officers within said controlled companies

None.

c) List of the ten employees of PRODWAYS GROUP SA, who are not corporate officers, to whom the largest number of shares has been allocated to date in 2021 by PRODWAYS GROUP and by the companies mentioned in article L.225-197-2 of the French Commercial Code

The company has only nine employees to date.

Employees	Number of shares allocated	Value (euros)
A	15,000 (selective plan) and 50 (collective plan)	Based on the share price on 1 February 2021 (closing price at €2.68): €40,334
B	15,000 (selective plan) and 50 (collective plan)	Based on the share price on 1 February 2021 (closing price at €2.68): €40,334
C	7,500 (selective plan) and 50 (collective plan)	Based on the share price on 1 February 2021 (closing price at €2.68): €20,234
Each of the other six employees	50 (collective plan)	Based on the share price on 1 February 2021 (closing price at €2.68): €134

d) Distribution of shares between categories of beneficiaries

	Collective plan	Selective plan	Total	% of shares by category of beneficiaries
Corporate officers	0	247,500	247,500	44.96%
Employees	18,050	285,000	303,050	55.04%
Total	18,050	532,500	550,550	100%

Made in Paris

16 March 2021

Board of Directors of PRODWAYS GROUP


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ADDITIONAL INFORMATION

8.1 INFORMATION CONCERNING THE STATUTORY AUDITORS

Principal statutory auditors

PRICEWATERHOUSECOOPERS AUDIT

Member of the Versailles regional association of statutory auditors

Represented by David CLAIROTTE

63 rue de Villiers – 92200 Neuilly-sur-Seine

Statutory Auditor of the Company appointed by the combined shareholders' meeting of 17 June 2015 for a term of six financial years to expire at the end of the shareholders' meeting convened to approve the financial statements for the financial year ended 31 December 2020 (first appointment). The renewal of his term of office is proposed to the shareholders' meeting of 18 June 2021.

RSM Paris

Member of the Paris regional association of statutory auditors

Represented by Stéphane MARIE

26 rue Cambacérès – 75008 Paris

Statutory Auditor of the Company appointed by the combined shareholders' meeting of 13 June 2018 for a term of six financial years to expire at the end of the shareholders' meeting convened to approve the financial statements for the financial year ending 31 December 2023 (first appointment).

Alternate statutory auditors

Jean-Christophe GEORGHIOU

63 rue de Villiers – 92200 Neuilly-sur-Seine Cedex

Alternate Statutory Auditor of the Company appointed by the combined shareholders' meeting of 17 June 2015 for a term of six financial years to expire at the end of the shareholders' meeting convened to approve the financial statements for the financial year ended 31 December 2020 (first appointment). The renewal of his term of office is not proposed to the shareholders' meeting of 18 June 2021 insofar as the appointment of an alternate to a legal entity is no longer required.

FIDINTER

26 rue Cambacérès – 75008 Paris

Alternate Statutory Auditor of the Company appointed by the combined shareholders' meeting of 13 June 2018 for a term of six financial years to expire at the end of the shareholders' meeting convened to approve the financial statements for the financial year ending 31 December 2023 (first appointment).

8.2 PERSON RESPONSIBLE FOR THE INFORMATION

8.2.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT CONTAINING THE ANNUAL FINANCIAL REPORT

Raphaël GORGÉ as Chairman and Chief Executive Officer of GROUPE GORGÉ SA.

8.2.2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

"I certify that the information contained in this Universal Registration Document is, to the best of my knowledge, true to the facts and does not contain any omission that would alter its scope.

I certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial situation and earnings of the Company and of all the companies included in the scope of consolidation, and that the management report (included by reference in this document, according to the cross-reference table on pages 207 and 208) fairly presents the business trends, earnings and financial situation of the Company and of all the companies included the scope of consolidation, as well as a description of the main risks and uncertainties they face."

Done in Paris, on on 7 April 2021

Chairman and Chief Executive Officer

8.3 CROSS-REFERENCE TABLES

8.3.1 CROSS-REFERENCE TABLE OF THE UNIVERSAL REGISTRATION DOCUMENT (APPENDICES 1 AND 2 OF EU DELEGATED REGULATION NO. 2019/980)

To facilitate the reading of this Universal Registration Document, the cross-reference table presented below identifies the main information required by Appendices 1 and 2 of Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019:

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Section 18.1.7	*Date of latest financial information*	*4.1, 5.4.3*	*80 et seq., 148*
Section 18.2	Interim and other financial information	N/A	-
Section 18.2.1	*Quarterly or half-yearly financial information*	*N/A*	-
Section 18.3	Auditing of historical annual financial information	4.2.5	135 et seq.
Section 18.3.1	*Audit report*	*4.2.5*	*135 et seq.*
Section 18.3.2	*Other audited information*	*3.7.2*	*73-74*
Section 18.3.3	*Unaudited financial information*	*N/A*	-
Section 18.4	Pro forma financial information	N/A	-
Section 18.4.1	Significant gross change	N/A	-

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Section 18.5	Dividend policy	5.4.2	147
Section 18.5.1	*Description*	*5.4.2*	*147*
Section 18.5.2	*Amount of dividend per share*	*1.5.3, 7.1*	*34, 172*
Section 18.6	Legal and arbitration proceedings	Note 13.2 to the consolidated financial statements, Note 7.1 to the separate financial statements	116, 134
Section 18.6.1	Material proceedings	See Section 18.6 above	-
Section 18.7	Significant change in the issuer's financial position	1.2.2, 1.2.4, 1.3.4	10 et seq., 23, 28
Section 18.7.1	*Significant change since the end of the last financial period*	*See Section 18.7 above*	-
Chapter 19	**Additional information**		
Section 19.1	Share capital	5.2	141
Section 19.1.1	Amount of issued share capital	5.2	141
Section 19.1.2	*Shares not representing capital*	*N/A*	-
Section 19.1.3	Treasury shares	5.2.2	141
Section 19.1.4	*Convertible or exchangeable securities or securities with warrants*	*5.2.1*	*141*
Section 19.1.5	*Information about acquisition rights and/or obligations*	*5.2.1, 5.2.3*	*141, 143*
Section 19.1.6	*Option or agreement*	*N/A*	-
Section 19.1.7	*History of the share capital*	*5.3.2*	*146*
Section 19.2	Memorandum and bylaws	5.1.2	140
Section 19.2.1	*Registration in the register and corporate purpose*	*5.1.1, 5.1.2*	*140*
Section 19.2.2	*Class of existing shares*	*5.2*	*141*
Section 19.2.3	*Provisions impacting a change in control*	*5.3.4*	*146*
Chapter 20	**Material contracts**		
Section 20.1	Summary of each material contract	N/A	-
Chapter 21	**Documents available**		
Section 21.1	Statement on accessible documents	5.4.3	148

8.3.2 CROSS-REFERENCE TABLE – ANNUAL FINANCIAL REPORT

This Universal Registration Document includes all sections of the annual financial report listed in article L.451-1-2 of the French Monetary and Financial Code, as well as in articles 222-3 and 222-9 of the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF). The documents referred to in article 222-3 of the aforementioned regulations and the corresponding sections of this Universal Registration Document are specified below:

	Annual financial report	Chapters/sections	Page
1.	Annual financial statements	4.2	124 et seq.
2.	Consolidated financial statements	4.1	80 et seq.
3.	Management report (information within the meaning of article 222-3 of the AMF General Regulation)	See cross-reference table in Section 8.3.3 below.	-
4.	Statement by the person responsible for the annual financial report	8.2.2	202
5.	Statutory auditors' report on the separate financial statements	4.2.5	135 et seq.
6.	Statutory auditors' report on the consolidated financial statements	4.1.7	120 et seq.
7.	Statutory auditors' special report on regulated agreements and commitments	3.7.2	73-74
8.	Report of the Board of Directors on corporate governance (article L.225-37 of the French Commercial Code)	See cross-reference table in Section 8.3.4 below.	-

8.3.3 CROSS-REFERENCE TABLE OF THE CONSOLIDATED MANAGEMENT REPORT (TO WHICH THE CORPORATE GOVERNANCE REPORT AND THE NON-FINANCIAL PERFORMANCE STATEMENT ARE ATTACHED)

This Universal Registration Document includes the elements of the management report mentioned in articles L.225-100 *et seq.* and L.232-1 of the French Commercial Code, as well as the corporate governance report in application of articles L.225-37 *et seq.* of the French Commercial Code.

	Consolidated management report	Chapters/sections	Page
1.	**Business market**		
1.1.	Position and activity of the Company over the past financial year	1.5, 4.2	33, 124 et seq.
1.2.	Results of the activity of the Company, its subsidiaries and companies under its control	1.1, 1.4, 4.1	8, 29 et seq., 80 et seq.
1.3.	Key financial performance indicators	1.1	8
1.4.	Key non-financial performance indicators	1.1 and 6	8, 151 et seq.
1.5.	Analysis of changes to the business, its results and financial position	1.4	29
1.6.	Significant events occurring between the closing of the financial year and the date the management report is established	1.3.2.4, 1.3.4, Note 13.3 to the consolidated financial statements and Note 7.2 to the separate financial statements	26, 28, 117, 134
1.7.	Foreseeable development and future outlook	Message from the Chairman, 1.3.2	1, 26
1.8.	Research and development activities	1.2.2, 1.3, Note 6 to the consolidated financial statements	10 et seq., 25 et seq., 99 et seq.
1.9.	Significant new shareholdings or controlling interests acquired during the financial year in companies having their head office in France	1.2.3, 1.2.4, Note 2.2 to the consolidated financial statements	22, 23, 87
1.10.	Statement of existing branches	N/A	-
2.	**Risk factors – Internal control and risk management procedures**		
2.1.	Description of the main risks and uncertainties facing the Group	2	39 et seq.
2.2.	Main characteristics of the internal control and risk management procedures implemented by the Company and the Group relating to the preparation and processing of accounting and financial information	3.8	39 et seq., 165
2.3.	Information on financial risks relating to the effects of climate change and presentation of the steps taken to mitigate such risks through a low-carbon strategy	2, 6.8	39 et seq., 165
2.4.	Information on the use of financial instruments (policy and hedging)	Notes 8 to solidated financial statements, Note 5.7 to the annual financial statements	106 et seq., 133
2.5.	Anti-corruption system	6.7.2.1	163-164
3.	**Statement of non-financial performance**	**6**	**152 et seq.**
3.1.	Business model	6.2	153
3.2.	Description of the main risks related to the activity of the company and the Group	2, 6.3	39 et seq., 153
3.3.	Information on the way in which the Group takes into account t he social and environmental consequences of its activity	6.4 to 6.8	154 et seq.
3.4.	Results of the policies applied by the Group (key performance indicators)	6.3 to 6.8	153 et seq.
3.5.	Social information	6.6	158 et seq.
3.6.	Environmental information	6.8	165
3.7.	Societal information	6.7	163
3.8.	Fight against corruption	2.4.5, 6.7.2.1	48, 163-164
3.9.	Human rights actions	6.7	163 et seq.
3.10.	Seveso site – risk management	N/A	-
3.11.	Collective agreements and their impact on the Company's economic performance and on employees' working conditions	6.6	158 et seq.
3.12.	Independent third-party certification	6.9	168

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4.	**Shareholders and share capital**		
4.1.	Shareholder structure and changes occurring during the financial year	5.2, 5.3	141 et seq., 146 et seq.
4.2.	Employee share ownership statement	5.3.5	147
4.3.	Repurchase and resale by the Company of its treasury shares	5.2.2	141
4.4.	Names of controlled entities and interests held	Note 14 to the consolidated financial statements	118
4.5.	Transfers of shares to regularize cross-shareholdings, possible adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions	N/A	-
4.6.	Trading in Company shares by senior managers and persons with close ties to them	3.1.4	58
4.7.	Information on stock option plans granted to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1	64 et seq., 141
4.8.	Information on free shares allocated to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1, Notes 5.4 and 5.5 to the consolidated financial statements	64 et seq., 141, 97
5.	**Corporate governance report (article L.225-37 *et seq.* of the French Commercial Code)**	**See cross-reference table in Section 8.3.4 below.**	**-**
6.	**Other information**		
6.1.	Non-tax-deductible expenses and expenses added back following a tax adjustment	1.5.2	34
6.2.	Table of financial results for the last five financial years	1.5.5	35
6.3.	Total dividends and other income paid out over the previous three financial years	1.5.3, 5.4.2	34, 147
6.4.	Injunctions or financial penalties for anti-competitive practices	N/A	-
6.5.	Amount of intercompany loans granted under article L.511-6-3 *bis* of the French Monetary and Financial Code	N/A	-
6.6.	Works Council opinion on changes to the Company's financial and legal structure	N/A	-
6.7.	Payment times for trade receivables and payables	1.5.4, Note 3.6 to the separate financial statements	34, 132

8.3.4 CROSS-REFERENCE TABLE – CORPORATE GOVERNANCE REPORT PURSUANT TO ARTICLE L.225-37 OF THE FRENCH COMMERCIAL CODE

	Corporate governance report	Chapters/sections	Page
1.	**Information regarding the composition, operation and powers of the Board of Directors**		
1.1.	Composition of the Board of Directors	3.1	52
1.2.	Presentation of the members of the Board of Directors, list of their offices and positions	3.1	52
1.3.	Conditions for the preparation and organization of the Board of Directors' work	3.1.7	59
1.4.	Gender balance on the Board of Directors	3.1.3	58
1.5.	Diversity policy applied to the members of the Board of Directors	3.1.1	52 et seq.
1.6.	Parity within the committee established by Executive Management	N/A	-
1.7.	Diversity within the ten positions of highest responsibility	N/A	-
1.8.	Forms of Executive Management	3.1.6	59
1.9.	Limitations of CEO powers	3.1.6	59
1.10.	Reference to a Corporate Governance Code	3.5	71
1.11.	Summary table of the currently valid delegations granted by the shareholders' meeting for capital increases	5.2.3	145
1.12.	Procedure for the evaluation of current agreements signed under arm's length conditions	3.7.1	72
2.	**Information on remuneration**		
2.1.	Corporate officer remuneration policy	3.2	60
2.2.	Information mentioned in article L.225-37-3-1 of the French Commercial Code	3.3	64
2.3.	Individual remuneration of the executive corporate officers for the past financial year	3.4	68
2.4.	Agreements entered into between a corporate officer or major shareholder and a subsidiary	3.7.1, 1.5.1	72, 33
2.5.	Terms and conditions for holding of free shares granted and/or the shares resulting from the exercise of stock-options by corporate officers	N/A	-
3.	**Information on factors liable to have an impact in the event of an IPO**		
3.1.	Structure of the Company's share capital	5.2	141
3.2.	Statutory restrictions on the exercise of voting rights and the transfer of shares or clauses of the agreements made known to the Company in application of article L.233-11 of the French Commercial Code in terms of capital increases	5.1.2, 5.3.4	140, 146
3.3.	Direct or indirect equity holdings in the share capital of the Company of which it is aware pursuant to articles L.233-7 and L.233-12 of the French Commercial Code	5.3.1	146
3.4.	List of holders of any securities incorporating special control rights and description of said rights	5.3.1, 5.3.4	146
3.5.	Control mechanisms for any potential employee shareholding scheme, when the rights of control are not exercised by employees	5.3.5	147
3.6.	Shareholder agreements of which the Company is aware and which could lead to restrictions on the transfer of shares and the exercise of voting rights	N/A	-
3.7.	Rules applicable to the appointment and replacement of members of the Board of Directors as well as the modification of the Company's bylaws	3.1.1, 5.1.2	52, 140
3.8.	Agreements that would be terminated in the event of a change in control	N/A	-
4.	**Special arrangements for shareholder participation in shareholders' meetings**	**3.6**	**71**

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19, rue du Quatre-Septembre 75002 Paris

Tel.: +33(0)1 44 77 94 77
Fax: +33(0)1 44 77 89 77

www.groupe-gorge.com