

Financial report

First half 2022

Renault
Group

Financial report – First half 2022

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Key figures

| | | H1 2022 | H1 2021 adjusted ⁽¹⁾ | Change | H1 2021 published |
|--|------------------|------------------|------------------------------------|----------|----------------------|
| Worldwide Group registrations | Million vehicles | 1.00 | 1.14 | -11.9% | 1.42 |
| Group revenues | € million | 21,121 | 21,057 | +64 | 23,357 |
| Group operating profit | € million | 988 | 432 | +556 | 654 |
| | % revenues | 4.7% | 2.1% | +2.6 pts | 2.8% |
| Group operating income | € million | 939 | 362 | +577 | 571 |
| Contribution from associated companies | € million | 214 | 160 | +54 | 160 |
| <i>o/w Nissan</i> | € million | 325 | 100 | +225 | 100 |
| Net income | € million | -1,666 | 368 | -2,034 | 368 |
| <i>o/w continuing operations</i> | € million | 657 | 199 | +458 | N/A |
| <i>o/w discontinued operations</i> | € million | -2,323 | 169 | -2,492 | N/A |
| Net income, Group share | € million | -1,357 | 354 | -1,711 | 354 |
| <i>o/w continuing activities</i> | € million | 634 | 207 | +427 | N/A |
| <i>o/w discontinued operations</i> | € million | -1,991 | 147 | -2,138 | N/A |
| Earnings per share | € | -4.98 | 1.30 | -6.28 | 1.30 |
| Automotive operational free cash flow ⁽²⁾ | € million | +956 | -514 | +1,470 | -70 |
| Automotive net financial position | € million | -426 | -1,100 | +674 | -1,622 |
| | | at Jun. 30, 2022 | at Dec. 31, 2021 | | at Dec. 31, 2021 |
| Sales Financing, average performing assets | € billion | 43.7 | 45.5 | -3.9% | 45.5 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

(2) Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.

Overview

2022 H1¹ results, a new step in the Group's turnaround: significant improvement in profitability, strong free-cash flow generation and strengthening of the financial structure

- Group revenue at €21.1 billion, stable compared to 2021 H1, despite 11.9% decline in the Group's global sales over the period, in a still disrupted market.
- Group operating margin at €988 million (4.7% of revenue): up €556 million and +2.6 points compared to 2021 H1.
- Automotive operating margin at €420 million (2.1% of Automotive revenue): +€565 million (+2.8 points) despite a decrease of 136,000 vehicles compared to 2021 H1.
- Net income from continuing operations at €657 million, up €458 million compared to 2021 H1.
- Net income from discontinued operations at -€2.3 billion due to the non-cash adjustment related to the disposal of the Russian industrial activities announced on May 16, 2022.
- Automotive operational free cash flow at +€956 million (including a €800 million dividend from Mobilize Financial Services) up €1,470 million compared to 2021 H1.
- Automotive net debt reduced by €1.2 billion versus December 31, 2021, of which €522 million related to the sale of activities in Russia: -€426 million.

Success of new vehicles and acceleration of the strategy focused on value

- Group order book in Europe at 4.1 months of sales, supported by the success of new launches:

- Renault Arkana recorded more than 100,000 orders since its launch, 60% of which are in E-TECH version and 60% on the retail channel.
- Renault Mégane E-TECH Electric is experiencing a promising launch with already more than 25,000 orders, 75% of which are on the highest versions and 80% on the most powerful engines. The first vehicles arrived in French dealerships mid-May; its launch in European countries is underway and will continue until September.
- Dacia Sandero remains the best-selling vehicle to retail customers in Europe.
- With more than 30,000 orders recorded in 2022 H1, Dacia Spring 100% electric is number 1 electric vehicle sold to retail customers in France.
- Dacia Jogger promises to be a new success with more than 50,000 orders in 6 months and a mix of more than 60% on high-end versions in Europe.
- Alpine doubled its orders versus 2021 H1 thanks to the success of its new A110 range.
- Product mix effect of +3.3 points on the Automotive revenue versus 2021 H1. thanks to new launches (Arkana, Jogger and Megane E-TECH Electric).
- Performance of E-TECH sales² that continue to grow, representing 36% of the registrations of Renault brand passenger cars in Europe (vs. 26% in 2021 H1).

¹ The results presented relate to continuing operations (excluding AvtoVAZ and Renault Russia whose disposals were announced on May 16, 2022)

² The E-TECH range consists of electric and hybrid vehicles

- Acceleration of the pricing effect, which reached +7.4 points of the Automotive revenue versus 2021 H1. This effect will continue in H2 thanks to the Renault commercial policy.
- Impact of raw materials price increases and cost inflation more than offset by the benefits of this new commercial policy coupled with the Group's productivity.

On May 16, 2022, the Board of Directors of Renault Group unanimously approved the signing of agreements to sell 100% of Renault Group's shares in Renault Russia to the City of Moscow and its 67.69% stake in AVTOVAZ to NAMI (the Central Institute for Research and Development of Automobiles and Engines). In addition, the agreement provides for a call option for Renault Group to buy back its stake in AVTOVAZ, exercisable at certain periods over the next 6 years.

As a result of these agreements:

- The Russian activities were deconsolidated in Renault Group's 2022 H1 financial statements and treated as discontinued operations under IFRS 5 with retroactive effect from January 1st, 2022.
- The financial aggregates of continuing operations for 2022 H1 therefore no longer include the Russian industrial activities and the year 2021 has been adjusted in line with this new scope of activity.
- The result of discontinued operations represents a loss of -€2.3 billion in 2022 H1, mainly due to the impairment of the property, plant and equipment, intangible assets and goodwill of AVTOVAZ and Renault Russia as well as the impairment of specific assets held by the other entities of the Group and the result of disposals on the Russian entities sold.
- The Automotive net debt was reduced by €0.5 billion from -€1.6 billion to -€1.1 billion at December 31, 2021.

Group revenue reached €21,121 million, up +0.3% compared to 2021 H1. At constant exchange rates¹, it increased by +1.1% (negative exchange rate effect mainly related to the Turkish lira devaluation).

Automotive revenue stood at €19,574 million, up +0.3% compared to 2021 H1.

The price effect, positive by +7.4 points, reflected the continuation of our commercial policy, launched in 2020 Q3, focused on value over volume as well as price increases to offset cost inflation, and an optimization of commercial discounts. It amounted to +8.4 points in 2022 Q2 after +5.6 points in Q1.

The success of Arkana, launched in 2021 Q2, as well as those of Jogger and Mégane E-TECH Electric in H1, emphasized the renewal of Renault brand in the C segment and contributed to generate a positive product mix effect of +3.3 points.

These two effects make it possible to compensate for the loss of volume of -5.2 points, which is mainly explained by the decline of the European automotive market in connection with the shortage of semiconductors.

The impact of sales to partners, negative by -1.8 points, is mainly due to the decrease in production of diesel engines and vehicles for our partners (end of contracts of Master for Opel and Traffic for Fiat at the end of 2021).

The "Other" effect, of -2.1 points, is due to a decrease in the contribution of sales from the Renault Retail Group (RRG) network following the disposals of branches and partially offset by the aftersales performance.

The **Group** recorded a positive **operating margin** of €988 million (4.7% of revenue) versus €432 million in 2021 H1 (+2.6 points).

Automotive operating margin improved by €565 million to €420 million (2.1% of Automotive revenue, or +2.8 points versus 2021 H1).

The positive mix/price/enrichment effect of +€1,548 million illustrates the success of the commercial policy focused on value over volume. This policy more than offset the negative volume effect of -€270 million and the increase in costs (raw materials, purchasing, warranty and manufacturing & logistics costs) which amounted to -€647 million. The latter is mainly explained by the sharp increase in raw materials prices (-€797 million), partially offset by the performance of purchasing (+€167 million).

The contribution of Sales Financing of **Mobilize Financial Services** (formerly RCI Bank and Services) to the Group's operating margin reached €582 million, down €11 million compared to 2021 H1, mainly due to the normalization of the level of risk and an average performing assets (€43.7 billion) decreasing in line with the Group's strategy to optimize vehicle stocks in the network.

The retail business recorded a 2.3% increase in new financings. The 14.8% increase in the average amount financed for new contracts offset the 10.9% decrease of the number of new financing contracts due to the decline of the Group's registrations.

In 2022 H1, Mobilize Financial Services successfully completed its first green bond issue for an amount of €500 million with a 5-year maturity. The proceeds of this issue will be used to finance electric vehicles and charging infrastructure. This issue was cashed in on July 6, 2022 and is therefore not included in the financial liabilities as at June 30, 2022.

Other operating income and expenses were negative at -€49 million (versus -€70 million in 2021 H1) and were notably explained by restructuring provisions of -€134 million and asset disposals (+€56 million) mainly related to the sale of several commercial subsidiaries of the Group and branches of RRG.

After taking into account other operating income and expenses, the **Group's operating income** stood at €939 million versus €362 million in 2021 H1.

Net financial income and expenses amounted to -€236 million compared to -€138 million in 2021 H1. This deterioration can be explained by the impact of hyperinflation in Argentina, the cost of debt remaining stable.

The **contribution of associated companies** amounted to €214 million, up by €54 million compared with the first half of 2021. This includes €325 million related to Nissan's contribution, which more than offset €111 million negative contribution from other associates, notably in connection with the impairment of Renault Nissan Bank shares in Russia.

Current and deferred taxes represented a charge of -€260 million compared to a charge of -€185 million in 2021 H1 in relation with the improvement in profit.

Net income from continuing operations was €657 million, up by €458 million compared to 2021 H1.

Net income from discontinued operations amounted to -€2.3 billion due to the non-cash adjustment related to the disposals of the Russian industrial activities.

Thus, **net income** was -€1,666 million and **net income, Group share**, was -€1,357 million (or -€4.98 per share).

The **cash flow of the Automotive business**, excluding restructuring expenses, included €800 million of Mobilize Financial Services dividend and reached €2.6 billion, up +€0.9 billion compared to 2021 H1. This cash flow largely covered the tangible and intangible

¹ In order to analyze the variation in consolidated revenue at constant exchange rates, Renault Group recalculates the revenue for the current period by applying average exchange rates of the previous period.

investments before asset disposals which amounted to €1.2 billion (€1.1 billion net of disposals).

Excluding the impact of asset disposals, the Group's net CAPEX and R&D rate was 8.0% of revenue compared to 9.1% in 2021 H1. It amounted to 7.5% including asset disposals.

Automotive operational free cash flow¹ was positive at +€956 million taking into account -€278 million of restructuring expenses and a negative change in working capital requirement of -€275 million.

Automotive net debt amounted to -€426 million at June 30, 2022 compared to -€1.6 billion at December 31, 2021 (-€1.1 billion adjusted from the operations of AVTOVAZ and Renault Russia), or a decrease of €1.2 billion.

In 2022 H1, Renault Group made an early repayment of €1 billion of the loan of a banking pool benefiting from the guarantee of the

French State (PGE) and will be reimbursed, in H2, €1 billion for the mandatory annual repayment. As announced, the entire loan will be reimbursed by the end of 2023 at the latest.

As part of its Shelf Registration program, Renault SA launched on June 24, 2022 a bond issue on the Japanese market for a total amount of 80.7 billion yen (or €561 million) with a rate of 3.5% and a 3-year maturity. This issue was cashed in on July 1, 2022 and is therefore not included in the financial liabilities as at June 30, 2022.

As of June 30, 2022, **total inventories** of new vehicles (including the independent dealer network) represented 348,000 vehicles compared to 427,000 (including c. 12 000 vehicles in Russia) at the end of June 2021, or 60 days of sales.

Strategy and outlook 2022

Renault Group is upgrading its 2022 FY financial outlook with:

- a **Group operating margin superior to 5%**, versus around 3% previously
- an **Automotive operational free cash flow superior to €1.5 billion**, versus positive previously

The Group confirms an impact of the semiconductor crisis estimated at 300,000 vehicles in 2022.

During its Capital Market Day in the fall, Renault Group will present an update of its Renaulution mid-term financial outlook and its strategy positioning itself as a competitive, tech and sustainable reference player.

Main risks and uncertainties for the remaining six months of the fiscal year

Renault Group operates in design, manufacture, marketing of vehicles and sales financing through its subsidiary Mobilize Financial Services in an environment that remains in strong evolution, particularly in terms of technology, consumption patterns and the economic context of the markets.

On May 16, 2022, the Board of Directors of Renault Group unanimously approved the signing of agreements to sell 100% of Renault Group's shares in Renault Russia to the City of Moscow and its 67.69% stake in AVTOVAZ to NAMI (the Central Institute for Research and Development of Automobiles and Engines). These agreements enable Renault Group to act responsibly towards its 45,000 employees in Russia while preserving the Group's performance and its ability to come back to the country in the future, in a different context. The agreement provides an option

for Renault Group to buy back its stake in AVTOVAZ, exercisable at certain periods over the next 6 years.

In this environment, Renault Group does not identify, for the next 6 months of 2022, risk factors other than those described in Chapter 4.2 of the Universal Registration Document published on 24 March 2022, knowing that the particular risk related to Russia in the risks related to geopolitical instability and economic conditions materialized during the semester as mentioned above.

Renault Group also remains exposed to the risk of disruptions in the supply chain of electronic components that affect both Renault Group and the automotive industry. This risk remains in the second half of the year and the Group estimates that it could lead to a loss of production of around 300,000 units over the year.

Transactions with related third parties

There are no significant transactions between related parties other than those described in Note 27 of the Appendix to the Annual Consolidated Financial Statements of the same Universal

Registration Document and in Note 20 of the Appendix to the Half-Year Consolidated Financial Statements summarized in this report.

¹ Automotive operating free cash flow: cash flow after interest and taxes (excluding dividends received from listed companies) less tangible and intangible investments net of disposals +/- change in working capital requirement

Highlights

- **January 7, 2022:** Qualcomm and Renault Group extend their collaboration and bring the latest digital advancements to next generation vehicles with the Snapdragon digital chassis.
- **January 26, 2022:** RRG continues to transform its business model in France. The plan calls for the transfer of eight establishments in France over the next two years to reliable and robust purchasers while preserving jobs.
- **January 27, 2022:** Renault, Nissan & Mitsubishi Motors announce common roadmap Alliance 2030: Best of 3 worlds for a new future.
- **February 10, 2022:** Renault Group, Valeo and Valeo Siemens eAutomotive join forces to develop and manufacture a new-generation automotive electric motor in France.
- **March 8, 2022:** Renault unveils All-New Austral, its new electrified C-segment SUV. High-tech, efficient, and connected which embodies the spirit of the Renaultion.
- **March 9, 2022:** Software République (Atos, Dassault Systèmes, Orange, Renault Group, STMicroelectronics, and Thales) launches its startup incubator to accelerate sustainable, secure, and intelligent mobility.
- **March 10, 2022:** New step in Alliance cooperation: starting 2023, Renault Group to supply models for Mitsubishi Motors in Europe.
- **March 15, 2022:** Hyvia, Renault Group and Plug Power's joint-venture, inaugurates its plant at Refactory, in France and is ready to start assembly fuel cell modules. By the end of 2022, the plant will also begin assembly of hydrogen refueling stations and the production of low carbon hydrogen.
- **March 23, 2022:** Renault industrial activities in Russia are suspended.
- **April 19, 2022:** Renault Tech, in charge of customization and transformations on the vehicles of the group's brands, becomes Qstomize. Qstomize reveals its new strategy centered on two main axes: expansion of the product range and geographical scope.
- **May 10, 2022:** During its Capital Market Day, Mobilize sets out its ambitions in services and technology, targeting 20% of Renault Group's turnover in 2030. RCI Bank and Services becomes Mobilize Financial Services, a unique commercial brand to meet all customers car-related and mobility needs.
- **May 10, 2022:** Geely Automobile Holdings to acquire 34.02% of the shares of Renault Korea Motors. A collaboration to launch from 2024 an all-new vehicle lineup of Hybrid Electric Vehicles and Internal Combustion Engine models to the South Korean market as well as exploring overseas sales.
- **May 12, 2022:** Renault Group studies the creation of two specialized centers of excellence: an entity dedicated to the development, production and sales of electric vehicles and an entity dedicated to the development and production of new generation E-TECH ICE and hybrid engines and transmissions.
- **May 16, 2022:** Renault Group announces the signature of agreements to sell 100% of Renault Group's shares in Renault Russia to Moscow City entity and its 67.69% interest in AVTOVAZ to NAMI (the Central Research and Development Automobile and Engine Institute). The agreement provides for an option for Renault Group to buy back its interest in AVTOVAZ, exercisable at certain times during the next 6 years.
- **May 19, 2022:** At ChangeNow 2022, Renault reveals Scénic Vision which embodies its vision of sustainable development and reflects the brand's plan to decarbonize its entire lifecycle with the aim of becoming carbon neutral in Europe by 2040 and worldwide by 2050.
- **June 1, 2022:** Renault Group and Managem Group sign an agreement for a sustainable supply of Moroccan Cobalt.
- **June 20, 2022:** Renault Group and Minth Group join forces to create a joint venture based in France to produce battery casings for electric vehicles.

2 Sales performance

Overview

- **Renault Group's** worldwide sales amounted to 1,001,109 units in the first half of 2022, down -11.9% compared with the first half of 2021 on an equivalent basis (excluding Russia), in a context disrupted by the semiconductor crisis and marked by the shutdown of the Group's activities in Russia.
- Renault Group is continuing its value-creation-oriented sales policy, which is leading to an increase in the share of its sales in the most profitable channels. In the five main European countries (France, Germany, Spain, Italy and the United Kingdom), the share of sales to private individuals represents 66% versus 53% in the first half of 2021.
- The **Renault brand** continues to post strong growth in the electrified market: the E-Tech range (electric vehicles and hybrid powertrains) accounted for 36% of passenger car sales in Europe in the first half of 2022 (compared with 26% in 2021). Renault's sales in the C-segment are up 12% compared with the first half of 2021 with, in particular, the success of Arkana with more than 40,000 sales this year, with E-Tech (HEV) versions now the most in demand (59%).
- **Dacia** confirms its third place in sales to private individuals in Europe and maintains its growth with a 5.9% increase in

registrations compared to the first half of 2021. A success driven in particular by Dacia Sandero, the best-selling model to private customers in Europe for the fifth year in a row, and Duster, the best-selling SUV model to private customers in Europe since 2018.

- The **Alpine** brand also confirmed its strong growth: its registrations rose by more than 70% after an already record year in 2021, international expansion continued with the launch of the brand in Slovenia and the Czech Republic, as well as a rich half-year with the launch of the new A110 range, for which the level of orders doubled over the period.
- The Group's order backlog in Europe remains at a high level at 4.1 months of sales at June 30, 2022. Mégane E-Tech Electric is proving a real success with customers, with 20,000 orders in four months. Dacia Spring continues to play a leading role in the 100% electric vehicle market, with more than 5,000 orders placed per month on average in the first half of 2022, while Dacia Jogger had placed more than 50,000 orders by the end of June 2022.

RENAULT GROUP'S TOP FIFTEEN MARKETS

| SALES | | Volumes H1 2022 ⁽¹⁾ (units) | PC / LCV market share (%) | Change in market share on H1 2021 (points) |
|-------|--------------------|--|---------------------------------|--|
| 1 | France | 241,607 | 25.3 | +0.6 |
| 2 | Italy | 74,108 | 9.6 | +1.2 |
| 3 | Germany | 72,699 | 5.4 | -0.3 |
| 4 | Turkey | 67,249 | 18.8 | +3.9 |
| 5 | Brazil | 53,232 | 6.2 | -0.7 |
| 6 | Spain | 47,700 | 10.3 | -0.7 |
| 7 | India | 45,126 | 2.1 | -0.6 |
| 8 | Morocco | 33,712 | 40.2 | -1.4 |
| 9 | United Kingdom | 32,858 | 3.5 | +0.4 |
| 10 | South Korea | 26,230 | 3.3 | +0.1 |
| 11 | Belgium+Luxembourg | 25,241 | 10.0 | +0.3 |
| 12 | Poland | 24,537 | 10.1 | +0.8 |
| 13 | Colombia | 23,138 | 20.7 | -1.6 |
| 14 | Romania | 20,934 | 31.9 | +2.7 |
| 15 | Argentina | 20,433 | 10.5 | +0.2 |

(1) Preliminary figures.

2.1 Automotive

2.1.1 Group sales worldwide by region, by brand & by type

| PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES ⁽³⁾ (Units) | H1 2022 ⁽¹⁾ | H1 2021 adjusted ⁽²⁾ | Change (%) | H1 2021 | Change (%) |
|---|------------------------|------------------------------------|---------------|------------------|---------------|
| GROUP | 1,001,109 | 1,136,866 | -11.9 | 1,422,647 | -29.6 |
| EUROPE | 647,168 | 745,124 | -13.1 | 745,851 | -13.2 |
| Renault | 413,267 | 532,422 | -22.4 | 532,422 | -22.4 |
| Dacia | 232,227 | 211,799 | +9.6 | 211,799 | +9.6 |
| Alpine | 1,606 | 903 | +77.9 | 903 | +77.9 |
| LADA | 0 | 0 | - | 727 | -100.0 |
| Mobilize | 68 | 0 | +++ | 0 | +++ |
| AFRICA MIDDLE-EAST | 66,231 | 79,853 | -17.1 | 81,315 | -18.6 |
| Renault | 41,664 | 48,244 | -13.6 | 48,244 | -13.6 |
| Dacia | 24,567 | 30,782 | -20.2 | 30,782 | -20.2 |
| Alpine | 0 | 1 | -100.0 | 1 | -100.0 |
| LADA | 0 | 0 | - | 1,462 | -100.0 |
| Jinbei&Huasong ⁽⁴⁾ | 0 | 826 | -100.0 | 826 | -100.0 |
| ASIA PACIFIC | 84,805 | 100,807 | -15.9 | 100,842 | -15.9 |
| Renault | 55,560 | 59,968 | -7.4 | 59,968 | -7.4 |
| Renault Korea Motors (RKM) | 25,285 | 26,908 | -6.0 | 26,908 | -6.0 |
| Alpine | 104 | 97 | +7.2 | 97 | +7.2 |
| LADA | 0 | 0 | - | 35 | -100.0 |
| Jinbei&Huasong ⁽⁴⁾ | 0 | 12,499 | -100.0 | 12,499 | -100.0 |
| EVEASY ⁽⁵⁾ | 3,856 | 1,335 | +188.8 | 1,335 | +188.8 |
| EURASIA | 77,631 | 74,460 | +4.3 | 357,814 | -78.3 |
| Renault | 56,385 | 54,554 | +3.4 | 124,620 | -54.8 |
| Dacia | 21,246 | 19,906 | +6.7 | 19,906 | +6.7 |
| LADA | 0 | 0 | - | 213,106 | -100.0 |
| AVTOVAZ | 0 | 0 | - | 182 | -100.0 |
| LATIN AMERICA | 125,274 | 136,622 | -8.3 | 136,825 | -8.4 |
| Renault | 125,274 | 136,538 | -8.2 | 136,538 | -8.2 |
| LADA | 0 | 0 | - | 203 | -100.0 |
| Jinbei&Huasong ⁽⁴⁾ | 0 | 84 | -100.0 | 84 | -100.0 |
| BY BRAND | | | | | |
| Renault | 692,150 | 831,726 | -16.8 | 901,792 | -23.2 |
| Dacia | 278,040 | 262,487 | +5.9 | 262,487 | +5.9 |
| Renault Korea Motors (RKM) | 25,285 | 26,908 | -6.0 | 26,908 | -6.0 |
| Alpine | 1,710 | 1,001 | +70.8 | 1,001 | +70.8 |
| LADA | 0 | 0 | - | 215,533 | -100.0 |
| AVTOVAZ | 0 | 0 | - | 182 | -100.0 |
| Jinbei&Huasong ⁽⁴⁾ | 0 | 13,409 | -100.0 | 13,409 | -100.0 |
| EVEASY ⁽⁵⁾ | 3,856 | 1,335 | +188.8 | 1,335 | +188.8 |
| Mobilize | 68 | 0 | +++ | 0 | +++ |
| BY VEHICLE TYPE | | | | | |
| Passenger cars | 844,447 | 903,000 | -6.5 | 1,180,997 | -28.5 |
| Light commercial vehicles | 156,662 | 233,866 | -33.0 | 241,650 | -35.2 |

(1) Preliminary figures.

(2) Sales 2021 pro-forma 2022 (without Russia).

(3) Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, South Korea, Guatemala, Ireland, Lebanon, Malaysia and Mexico where Twizy is registered as a passenger car.

(4) Jinbei & Huasong includes the brands Jinbei JV and Huasong.

(5) EVEASY is the JMEV's brand.

→ Renault and RKM brands

Sustainability: in a context of soaring energy prices and environmental challenges, Renault is strengthening its leading position on electrified markets in Europe through an attractive line-up and the customer relevant technological choices.

- In the 1st half of 2022, EV and Hybrid range represents 36% of Renault passenger cars sales in Europe.
- Mégane E-Tech electric is proving a real success among customers with 20,000 orders since launch.

High value-added business: Renault benefits from its commercial policy with a significant performance increase on retail channels and C-segment models.

- In the 1st half of 2022, the European passenger cars retail mix rose by +13 points (vs 1st half of 2021) to reach 53%.
- Sales on C-Segment are growing by 12% (vs 1st half of 2021).

In Europe, Renault achieves 1 out of 3 sales on E-Tech, 1 out of 2 sales in the retail channel, 1 out of 3 sales on C-segment products.

Outside Europe, Renault asserts its position on key markets. In H1-2022, the sales outside Europe represent 42.2% (excluding Russia).

→ Dacia brand

With 277,885 registered vehicles by the end of June 2022, Dacia's sales increased by 5.9% compared to the first half of 2021 in a market marred by supply crises.

- This result is driven by the success of the bestselling models Sandero (112,000 units, +1.8% vs. H1 2021) and Duster (99,000 units, +5.5% vs. H1 2021) and the two new models Spring (20,000 units) and Jogger (21,700 units).

This makes Dacia the only European brand among the 20 largest brands in the European PC and LCV market to experience growth.

- In Europe, Dacia shores up its 3rd place in terms of retail sales. Sandero has remained the best-selling model for retail customers in Europe, every year since 2017, while Duster shores up its position as the best-selling retail SUV in Europe since 2018.
- The success of the new models is confirmed with more orders than car registrations.

Dacia Spring, the 100% electric city car, continues to make electric mobility accessible to all with an average of more than 5,000 orders per month for the first half of the year.

The All-New Dacia Jogger, the 5- and 7-seater family vehicle, saw an order intake of more than 50,000 for the first 6 months of 2022.

→ Alpine brand

- Alpine sales increased by more than 70% in the first half of 2022 after an already record growth of 74% in 2021.
- With the opening of new markets and a rapidly growing network, Alpine continues its international expansion.
- Alpine enjoyed an eventful first half of 2022 with a new A110 range, three special editions and an art car.

2.1.2 Sales and production statistics

2.1.2.1 Group sales worldwide

Consolidated global sales by brand and geographic areas as well as by model are available in the regulated information of the Finance section on Renault Group website.

<https://www.renaultgroup.com/en/finance-2/financial-information/key-figures/monthly-sales/>

2.1.2.2 Group worldwide production

| PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (Units) | H1 2022 ⁽²⁾ | H1 2021 adjusted ⁽⁴⁾ | Change (%) |
|---|-------------------------------|--|-------------------|
| WORLDWIDE PRODUCTION RENAULT GROUP PLANTS ⁽¹⁾ | 986,852 | 1,072,561 | -8.0 |
| <i>o/w produced for partners:</i> | | | |
| Nissan | 40,992 | 41,884 | -2.1 |
| Mitsubishi | 1,160 | 901 | +28.7 |
| Daimler | 12,569 | 10,421 | +20.6 |
| Opel/Vauxhall | 0 | 11,356 | -100.0 |
| Fiat | 0 | 9,363 | -100.0 |
| Renault Trucks | 10,520 | 10,274 | +2.4 |
| PRODUCED BY PARTNERS FOR RENAULT GROUP | H1 2022 ⁽²⁾ | H1 2021 adjusted ⁽⁴⁾ | Change (%) |
| Nissan | 57,898 | 58,398 | -0.9 |
| China ⁽³⁾ | 23,251 | 24,260 | -4.2 |

(1) Production data concern the number of vehicles leaving the production line.

(2) Preliminary figures.

(3) Chinese subsidiaries: eGT (25%), RBJAC (49%), JMEV (50%). JMEV adjustment in 2021. No production RBJAC in 2022.

(4) H1 2021 adjusted: excluding AVTOVAZ and Renault Russia production.

2.1.3 Geographical organization of the Renault Group by region – countries in each region

At June 30, 2022

| EUROPE | AFRICA MIDDLE-EAST | | ASIA PACIFIC | EURASIA | LATIN AMERICA |
|---------------------------|------------------------|--------------|--------------|-----------------|--------------------|
| Austria | Abu Dhabi (UAE) | Namibia | Australia | Armenia | Argentina |
| Belgium | Algeria | Niger | Bhutan | Azerbaijan | Bermuda |
| Bulgaria | Angola | Nigeria | China | Belarus | Bolivia |
| Croatia | Bahrain | Sudan | India | Bosnia | Brazil |
| Czech Republic | Benin | Oman | Indonesia | Georgia | Chile |
| Denmark | Burkina Faso | Palestine | Japan | Kazakhstan | Colombia |
| Estonia | Cameroon | Qatar | Malaysia | Kosovo | Costa Rica |
| Finland | Cape Verde | Rwanda | Mongolia | Kyrgyzstan | Curacao |
| France | Congo | Saudi Arabia | Nepal | Moldova | Dominican Republic |
| French Guiana | Dem. Rep. Of the Congo | Senegal | New Zealand | Montenegro | Ecuador |
| Germany | Djibouti | Seychelles | Singapore | North Macedonia | Guatemala |
| Greece | Dubai (UAE) | South Africa | South Korea | Serbia | Mexico |
| Guadeloupe | Egypt | Tanzania | | Turkey | Panama |
| Hungary | Ethiopia | Togo | | Ukraine | Paraguay |
| Iceland | Gabon | Tunisia | | Uzbekistan | Peru |
| Ireland | Ghana | Uganda | | | Saint Martin |
| Italy | Guinea | Zambia | | | Uruguay |
| Latvia | Iraq | Zimbabwe | | | |
| Lithuania | Israel | | | | |
| Luxembourg | Ivory Coast | | | | |
| Malta | Jordan | | | | |
| Martinique | Kenya | | | | |
| Mayotte | Kuwait | | | | |
| Netherlands | Lebanon | | | | |
| New Caledonia | Liberia | | | | |
| Norway | Madagascar | | | | |
| Poland | Malawi | | | | |
| Portugal | Mali | | | | |
| Republic of Cyprus | Mauritania | | | | |
| La Réunion | Mauritius | | | | |
| Romania | Morocco | | | | |
| Saint-Pierre and Miquelon | Mozambique | | | | |
| Slovakia | | | | | |
| Slovenia | | | | | |
| Spain + Canary Islands | | | | | |
| Sweden | | | | | |
| Switzerland | | | | | |
| Tahiti | | | | | |
| United Kingdom | | | | | |

2.2 Sales financing

Despite an automotive market still penalized by electronic components shortage, **Mobilize Financial Services** new financings increase by +2.3% compared to the first half of 2021, thanks to the increasing number of Used Car Financing contracts and the improved average financed amount.

Mobilize Financial Services financed 638,474 contracts during the first half of 2022, down -10.9% compared to H1 2021. Used Car Financing represents a +1.6% increase compared to H1 2021 with 181,520 financed contracts.

Excluding equity affiliated companies (Russia, Turkey, India), penetration rate amounts to 46.5% up +2.2 pts compared to the first half of 2021.

New financings (excluding credit cards and personal loans) stood at €8.9 bn, up +2.3%, thanks to the used car financing activity and the +14.8% increase of the average financed amount.

Average performing assets (APA) related to the Retail Activity totaled €38 bn on the first half of 2021. They increase by +1.3%, thanks the growth observed on the new financings.

Average performing assets linked to the Wholesale Activity amounted to €5.7 bn, down -28.3%, due to electronic component crisis and stock optimization policy in the dealer network implemented by Renault Group. Overall, average performing assets totaled €43.7 bn, down -3.9% compared to the first half of 2021.

MOBILIZE FINANCIAL SERVICES, FINANCING PERFORMANCE

| | | H1 2022 | H1 2021 | Change (%) |
|--|------------------|-------------|-------------|--------------|
| Number of financing contracts | Thousands | 638 | 716 | -10.9 |
| <i>Including Used Vehicles contracts</i> | <i>Thousands</i> | <i>182</i> | <i>179</i> | <i>+1.6</i> |
| New financing | € billion | 8.9 | 8.7 | +2.3 |
| Average performing assets | € billion | 43.7 | 45.5 | -3.9 |

PENETRATION RATE BY BRAND

| | H1 2022 (%) | H1 2021 (%) | Change (points) |
|---|-------------|-------------|-----------------|
| Renault | 41.6 | 41.1 | +0.4 |
| Dacia | 45.4 | 44.8 | +0.6 |
| Renault Korea Motors | 49.2 | 57.8 | -8.6 |
| LADA | 4.3 | 4.3 | -0.0 |
| Nissan | 37.3 | 35.0 | +2.4 |
| Infiniti | 3.1 | 3.4 | -0.3 |
| Datsun | 10.9 | 30.4 | -19.5 |
| Mobilize Financial Services | 39.5 | 36.1 | +3.4 |
| Mobilize Financial Services (excluding EAC ⁽¹⁾) | 46.5 | 44.3 | +2.2 |

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

PENETRATION RATE BY REGION

| | H1 2022 (%) | H1 2021 (%) | Change (points) |
|---|-------------|-------------|-----------------|
| Europe | 49.5 | 45.9 | +3.6 |
| Latin America | 33.1 | 37.1 | -4.0 |
| Africa Middle-East and Asia Pacific | 30.6 | 32.1 | -1.6 |
| Eurasia | 10.4 | 13.8 | -3.4 |
| Mobilize Financial Services | 39.5 | 36.1 | +3.4 |
| Mobilize Financial Services (excluding EAC ⁽¹⁾) | 46.5 | 44.3 | +2.2 |

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

Number of insurances and services sold over the first half of 2022 accounts for 2.2 million, down -6.8% compared to the first half

of 2021, specifically due to the fall of registrations and number of new financing contracts.

MOBILIZE FINANCIAL SERVICES, SERVICES PERFORMANCE

| | | H1 2022 | H1 2021 | Change |
|--|-----------|---------------|---------------|------------------|
| Number of services contracts | Thousands | 2,151 | 2,308 | -6.8% |
| Penetration rate on services | % | 186.4% | 155.3% | +31.1 pts |
| Penetration rate on services (excluding EAC ⁽¹⁾) | % | 209.4% | 185.1% | +24.3 pts |

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

3 Financial results

Summary

| (€ million) | H1 2022 | H1 2021 adjusted ⁽¹⁾ | Change | H1 2021 published |
|---|------------------|---------------------------------|---------------|-------------------|
| Group revenues | 21,121 | 21,057 | +0.3% | 23,357 |
| Operating profit | 988 | 432 | +556 | 654 |
| Operating income | 939 | 362 | +577 | 571 |
| Net financial income & expenses | -236 | -138 | -98 | -163 |
| Contribution from associated companies | 214 | 160 | +54 | 160 |
| <i>o/w Nissan</i> | <i>325</i> | <i>100</i> | <i>+225</i> | <i>100</i> |
| Net income | -1,666 | 368 | -2,034 | 368 |
| <i>o/w continuing operations</i> | <i>657</i> | <i>199</i> | <i>+458</i> | <i>N/A</i> |
| <i>o/w discontinued operations</i> | <i>-2,323</i> | <i>169</i> | <i>-2,492</i> | <i>N/A</i> |
| Automotive operational free cash flow ⁽²⁾ | 956 | -514 | +1,470 | -70 |
| Automotive net financial position | -426 | -1,100 | +674 | -1,622 |
| | at Jun. 30, 2022 | at Dec. 31, 2021 | | at Dec. 31, 2021 |
| Shareholders' equity | 27,931 | 27,894 | +37 | 27,894 |
| | at Jun. 30, 2022 | at Dec. 31, 2021 | | at Dec. 31, 2021 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

(2) Automotive operational Free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement

3.1 Comments on the financial results

3.1.1 Consolidated income statement

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUES

| (€ million) | 2022 | | | 2021 adjusted ⁽¹⁾ | | | Change (%) | | |
|-------------------|--------------|---------------|---------------|------------------------------|---------------|---------------|-------------|-------------|-------------|
| | Q1 | Q2 | H1 | Q1 | Q2 | H1 | Q1 | Q2 | H1 |
| Automotive | 8,109 | 11,465 | 19,574 | 8,191 | 11,333 | 19,524 | -1.0 | +1.2 | +0.3 |
| Sales financing | 737 | 793 | 1,530 | 759 | 763 | 1,522 | -2.9 | +3.9 | +0.5 |
| Mobility Services | 8 | 9 | 17 | 5 | 6 | 11 | +60.0 | +50.0 | +54.5 |
| Total | 8,854 | 12,267 | 21,121 | 8,955 | 12,102 | 21,057 | -1.1 | +1.4 | +0.3 |

| (€ million) | 2021 published | | |
|--------------------------|----------------|---------------|---------------|
| | Q1 | Q2 | H1 |
| Automotive excl. AVTOVAZ | 8,566 | 11,773 | 20,339 |
| AVTOVAZ | 685 | 800 | 1,485 |
| Sales financing | 759 | 763 | 1,522 |
| Mobility Services | 5 | 6 | 11 |
| Total | 10,015 | 13,342 | 23,357 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Group revenue reached €21,121 million, up +0.3% compared to 2021 H1. At constant exchange rates¹, it increased by +1.1% (negative exchange rate effect mainly related to the Turkish lira devaluation).

Automotive revenue stood at €19,574 million, up +0.3% compared to 2021 H1.

The price effect, positive by +7.4 points, reflected the continuation of our commercial policy, launched in 2020 Q3, focused on value over volume as well as price increases to offset cost inflation, and an optimization of commercial discounts. It amounted to +8.4 points in 2022 Q2 after +5.6 points in Q1.

The success of Arkana, launched in 2021 Q2, as well as those of Jogger and Megane E-TECH Electric in H1, emphasized the renewal of Renault brand in the C segment and contributed to generate a positive product mix effect of +3.3 points.

These two effects make it possible to compensate for the loss of volume of -5.2 points, which is mainly explained by the decline of the European automotive market in connection with the shortage of semiconductors.

The impact of sales to partners, negative by -1.8 points, is mainly due to the decrease in production of diesel engines and vehicles for our partners (end of contracts of Master for Opel and Traffic for Fiat at the end of 2021).

¹ In order to analyze the variation in consolidated revenue at constant exchange rates, Renault Group recalculates the revenue for the current period by applying average exchange rates of the previous period.

The "Other" effect, of -2.1 points, is due to a decrease in the contribution of sales from the Renault Retail Group (RRG) network

following the disposals of branches and partially offset by the aftersales performance.

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

| (€ million) | H1 2022 | H1 2021 adjusted ⁽¹⁾ | Change | H1 2021 published |
|--------------------------|------------|------------------------------------|-------------|----------------------|
| Automotive | 420 | -145 | +565 | -41 |
| % of division revenues | 2.1% | -0.7% | +2.9 pts | -0.2% |
| AVTOVAZ | | | | 118 |
| % of AVTOVAZ revenues | | | | 7.9% |
| Sales financing | 582 | 593 | -11 | 593 |
| Mobility Services | -14 | -16 | +2 | -16 |
| Total | 988 | 432 | +556 | 654 |
| % of Group revenues | 4.7% | 2.1% | +2.6 pts | 2.8% |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

The **Group** recorded a positive **operating margin** of €988 million (4.7% of revenue) versus €432 million in 2021 H1 (+2.6 points).

Automotive operating margin improved by €565 million to €420 million (2.1% of Automotive revenue, or +2.8 points versus 2021 H1).

The positive mix/price/enrichment effect of +€1,548 million illustrates the success of the commercial policy focused on value over volume. This policy more than offset the negative volume effect of -€270 million and the increase in costs (raw materials, purchasing, warranty and manufacturing & logistics costs) which amounted to -€647 million. The latter is mainly explained by the sharp increase in raw materials prices (-€797 million), partially offset by the performance of purchasing (+€167 million).

The contribution of Sales Financing of **Mobilize Financial Services** (formerly RCI Bank and Services) to the Group's operating margin

reached €582 million, down €11 million compared to 2021 H1, mainly due to the normalization of the level of risk and an average performing assets (€43.7 billion) decreasing in line with the Group's strategy to optimize vehicle stocks in the network.

The retail business recorded a 2.3% increase in new financings. The 14.8% increase in the average amount financed for new contracts offset the 10.9% decrease of the number of new financing contracts due to the decline of the Group's registrations.

In 2022 H1, Mobilize Financial Services successfully completed its first green bond issue for an amount of €500 million with a 5-year maturity. The proceeds of this issue will be used to finance electric vehicles and charging infrastructure. This issue was cashed in on July 1, 2022 and is therefore not included in the financial liabilities as at June 30, 2022.

3.1.2 Automotive operational free cash flow

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

| (€ million) | H1 2022 | H1 2021 adjusted ⁽¹⁾ | Change | H1 2021 published |
|--|-------------|------------------------------------|---------------|----------------------|
| Cash flow after interest and tax (excluding dividends received from publicly listed companies) | +2,361 | +1,428 | +933 | +1,670 |
| Change in the working capital requirement | -275 | -495 | +220 | -189 |
| Tangible and intangible investments net of disposals | -1,134 | -1,249 | +115 | -1,353 |
| Leased vehicles and batteries | +4 | -198 | +202 | -198 |
| Automotive operational free cash flow | +956 | -514 | +1,470 | -70 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

In H1 2022, the **Automotive operational free cash flow** is positive at +€956 million, resulting from the following elements:

- cash flow after interest and tax (excluding dividends received from publicly listed companies) of +€2,361 million, including €278 million restructuring costs (vs €297 million in 2021),
- a negative change in the working capital requirement of -€275 million,

- property, plant and equipment and intangible investments net of disposals of -€1,134 million (5.4% of Group Revenues, -0.5 points below 2021), including asset sales for an amount of €101 million (vs €134 million in 2021),
- investments related to vehicles with buy-back commitments for +€4 million, versus -€198 million in 2021, due to higher returns than entries of leased vehicles.

3.1.3 Capex and Research & Development

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

| H1 2022 (€ million) | Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs) | Capitalized development costs | Total |
|---------------------|--|-------------------------------------|--------------|
| Automotive | 591 | 543 | 1,134 |
| Sales Financing | 6 | 0 | 6 |
| Mobility Services | 3 | 3 | 6 |
| Total | 600 | 546 | 1,146 |

| H1 2021 adjusted ⁽¹⁾ (€ million) | Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs) | Capitalized development costs | Total |
|---|--|-------------------------------------|--------------|
| Automotive | 768 | 481 | 1,249 |
| Sales Financing | 6 | 0 | 6 |
| Mobility Services | 0 | 3 | 3 |
| Total | 774 | 484 | 1,258 |

| H1 2021 published (€ million) | Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs) | Capitalized development costs | Total |
|-------------------------------|--|-------------------------------------|--------------|
| Automotive excluding AVTOVAZ | 816 | 481 | 1,297 |
| AVTOVAZ | 32 | 24 | 56 |
| Sales Financing | 6 | 0 | 6 |
| Mobility Services | 0 | 3 | 3 |
| Total | 854 | 508 | 1,362 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Total gross investment in the first half of 2022 decreased compared to 2021, with Europe accounting for 82 % and the rest of the world for 18 %.

- **In Europe**, the investments are mainly aimed for renewal and electrification of the C (Austral), LCV (new Master ICE & EV and Kangoo EV) and EV (Megane E-Tech) ranges.

- **Internationally**, the investments are realized mainly for the renewal of the Global Access range (Jogger ICE & HEV in Romania and Sandero in Morocco).

RESEARCH AND DEVELOPMENT EXPENSES RECORDED IN THE INCOME STATEMENT

Analysis of research and development costs recorded in the income statement:

| (€ million) | H1 2022 | H1 2021 adjusted ⁽¹⁾ | Change | H1 2021 published |
|---|---------------|------------------------------------|-----------------|----------------------|
| R&D expenses | -1,149 | -1,130 | -19 | -1,164 |
| Capitalized development expenses | 546 | 484 | +62 | 508 |
| <i>R&D capitalization rate</i> | <i>47.5%</i> | <i>42.8%</i> | <i>+4.7 pts</i> | <i>43.6%</i> |
| Amortization | -544 | -582 | +38 | -591 |
| Gross R&D expenses recorded in the income statement ⁽²⁾ | -1,147 | -1,228 | +81 | -1,247 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

(2) Research and development expenses are reported net of research tax credits for the vehicle development activity (gross R&D expenses: R&D expenses before expenses billed to third parties and others).

The capitalization rate amounted to 47.5% of Group Revenues, up +4.7 points compared to H1 2021, in relation to projects developments and the deployment of the Renaultion line-up.

NET CAPEX AND R&D EXPENSES IN% OF REVENUES

| (€ million) | H1 2022 | H1 2021 adjusted ⁽¹⁾ | H1 2021 published |
|--|--------------|------------------------------------|----------------------|
| Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs) | 600 | 774 | 854 |
| CAPEX invoiced to third parties and others | -22 | -12 | -12 |
| Net industrial and commercial investments excl. R&D (1) | 578 | 762 | 842 |
| <i>% of Group revenues</i> | <i>2.7%</i> | <i>3.6%</i> | <i>3.6%</i> |
| R&D expenses | 1,149 | 1,130 | 1,164 |
| R&D expenses billed to third parties and others | -148 | -104 | -106 |
| Net R&D expenses (2) | 1,001 | 1,026 | 1,058 |
| <i>% of Group revenues</i> | <i>4.7%</i> | <i>4.9%</i> | <i>4.5%</i> |
| Net CAPEX and R&D expenses (1) + (2) | 1,580 | 1,788 | 1,900 |
| <i>% of Group revenues</i> | <i>7.5%</i> | <i>8.5%</i> | <i>8.1%</i> |
| Net CAPEX and R&D expenses excluding asset sales | 1,681 | 1,922 | 2,037 |
| <i>% of Group revenues</i> | <i>8.0%</i> | <i>9.1%</i> | <i>8.7%</i> |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Net Capital expenditures and R&D expenses amounted to 7.5% of Group revenues, down -1.0 point compared to H1 2021.

Excluding the disposal of assets, amounting €101 million, this rate amounts to 8.0%.

3.1.4 Automotive net financial position at June 30, 2022

CHANGE IN AUTOMOTIVE NET FINANCIAL POSITION (€ million)

| | |
|---|---------------|
| Automotive net financial position at December 31, 2021 | -1,622 |
| Adjusted Automotive net financial position at December 31, 2021 ⁽¹⁾ | -1,100 |
| H1 2022 operational free cash flow | +956 |
| Dividends received | +64 |
| Dividends paid to Renault's shareholders and minority shareholders | +0 |
| Financial investments and others | -346 |
| Automotive net financial position at June 30, 2022 | -426 |

(1) Net financial position is adjusted from the contribution of Renault Russia and AVTOVAZ.

The Automotive net debt has been adjusted on 31/12/2021 of the discontinued Russian automotive activities in 2022 for an amount of € 522 million.

Beyond the Automotive segment reported positive operational free cash flow of +€956 million, the +€674 million improvement in

the **net financial position** of the Automotive segment compared with December 31, 2021 is due to cash effects of discontinued activities, currency and IFRS16 impacts as well as financial investments for a total amount of -€346 million.

AUTOMOTIVE NET FINANCIAL POSITION

| (€ million) | Jun. 30, 2022 | Dec. 31, 2021 adjusted ⁽¹⁾ | Dec. 31, 2021 published |
|--|---------------|--|----------------------------|
| Non-current financial liabilities | -9,626 | -11,224 | -12,333 |
| Current financial liabilities | -5,035 | -4,234 | -4,234 |
| Non-current financial assets - other securities, loans and derivatives on financial operations | +273 | +90 | +90 |
| Current financial assets | +1,521 | +977 | +978 |
| Cash and cash equivalents | +12,441 | +13,291 | +13,877 |
| Automotive net financial position | -426 | -1,100 | -1,622 |

(1) Net financial position is adjusted from the contribution of Renault Russia and AVTOVAZ.

The **Automotive** segment's liquidity reserves stood at €15.8 billion as at June 30, 2022. These reserves consisted of:

- €12.4 billion in cash and cash equivalents;
- €3.4 billion in undrawn confirmed credit lines.

At June 30, 2022, **RCI Banque** had available liquidity of €12.0 billion, consisting of:

- €4.3 billion in undrawn confirmed credit lines;
- €2.7 billion in central-bank eligible collateral;
- €4.7 billion in high quality liquid assets (HQLA);
- €0.3 billion in available cash.

3.2. Condensed consolidated financial statements first half 2022

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3.2.1. Consolidated income statement

| (€ million) | Notes | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|---|----------|----------------|------------------------|--------------------------|
| Revenues | 4 | 21,121 | 21,057 | 41,659 |
| Cost of goods and services sold | | (16,749) | (17,229) | (33,720) |
| Research and development expenses | 5 | (1,147) | (1,228) | (2,313) |
| Selling, general and administrative expenses | | (2,237) | (2,168) | (4,473) |
| Other operating income and expenses | 6 | (49) | (70) | (253) |
| <i>Other operating income</i> | | 154 | 222 | 720 |
| <i>Other operating expenses</i> | | (203) | (292) | (973) |
| Operating income (loss) | | 939 | 362 | 900 |
| Cost of net financial indebtedness | | (124) | (117) | (255) |
| <i>Cost of gross financial indebtedness</i> | | (164) | (145) | (301) |
| <i>Income on cash and financial assets</i> | | 40 | 28 | 46 |
| Other financial income and expenses | | (112) | (21) | (40) |
| Financial income (expenses) | 7 | (236) | (138) | (295) |
| Share in net income (loss) of associates and joint ventures | | 214 | 160 | 515 |
| <i>Nissan</i> | 11 | 325 | 100 | 380 |
| <i>Other associates and joint ventures</i> | 12 | (111) | 60 | 135 |
| Pre-tax income | | 917 | 384 | 1,120 |
| Current and deferred taxes | 8 | (260) | (185) | (571) |
| Net income from continuing operations | | 657 | 199 | 549 |
| Net income from continuing operations - parent-company shareholders' share | | 634 | 207 | 524 |
| Net income from continuing operations - non-controlling interests' share | | 23 | (8) | 25 |
| Net income from discontinued operations | 3 | (2,323) | 169 | 418 |
| Net income from discontinued operations - parent-company shareholders' share | | (1,991) | 147 | 364 |
| Net income from discontinued operations - non-controlling interests' share | | (332) | 22 | 54 |
| NET INCOME | | (1,666) | 368 | 967 |
| Net income - parent company shareholders' share | | (1,357) | 354 | 888 |
| Net income - non-controlling interests' share | | (309) | 14 | 79 |
| Basic earnings per share ⁽²⁾ (€) | | (4.98) | 1.30 | 3.25 |
| <i>Basic earnings per share of continuing operations - parent-company shareholders' share (€)</i> | | 2.32 | 0.76 | 1.92 |
| <i>Basic earnings per share of discontinued operations - parent-company shareholders' share (€)</i> | | (7.30) | 0.54 | 1.33 |
| Diluted earnings per share ⁽²⁾ (€) | | (4.98) | 1.30 | 3.24 |
| <i>Diluted earnings per share of continuing operations - parent-company shareholders' share (€)</i> | | 2.32 | 0.76 | 1.91 |
| <i>Diluted earnings per share of discontinued operations - parent-company shareholders' share (€)</i> | | (7.30) | 0.54 | 1.33 |
| Number of shares outstanding (thousands) | | | | |
| <i>for basic earnings per share</i> | 9 | 272,619 | 272,441 | 272,102 |
| <i>for diluted earnings per share</i> | 9 | 274,308 | 273,976 | 273,868 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Net income from continuing operations and Net income from discontinued operations - parent-company shareholders' share, divided by the number of shares stated.

3.2.2. Consolidated comprehensive income

| (€ million) | H1 2022 | | | H1 2021 ⁽¹⁾ | | | Year 2021 ⁽¹⁾ | | |
|--|----------------|--------------|----------------|------------------------|--------------|--------------|--------------------------|--------------|--------------|
| | Gross | Tax effect | Net | Gross | Tax effect | Net | Gross | Tax effect | Net |
| Net income | (1,406) | (260) | (1,666) | 553 | (185) | 368 | 1,538 | (571) | 967 |
| Other components of comprehensive income from parent company and subsidiaries | | | | | | | | | |
| Items that will not be reclassified subsequently to profit or loss | 326 | (18) | 308 | 324 | (20) | 304 | 327 | (23) | 304 |
| <i>Actuarial gains and losses on defined-benefit pension plans</i> | <i>326</i> | <i>(18)</i> | <i>308</i> | <i>131</i> | <i>(29)</i> | <i>102</i> | <i>134</i> | <i>(35)</i> | <i>99</i> |
| <i>Equity instruments at fair value through equity</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>193</i> | <i>9</i> | <i>202</i> | <i>193</i> | <i>12</i> | <i>205</i> |
| Items that have been or will be reclassified to profit or loss in subsequent periods | 872 | (41) | 831 | 176 | (21) | 155 | 181 | (27) | 154 |
| <i>Translation adjustments on foreign activities</i> | <i>94</i> | <i>-</i> | <i>94</i> | <i>47</i> | <i>-</i> | <i>47</i> | <i>30</i> | <i>-</i> | <i>30</i> |
| <i>Translation adjustments on foreign activities in hyperinflationary economies</i> | <i>73</i> | <i>-</i> | <i>73</i> | <i>15</i> | <i>-</i> | <i>15</i> | <i>21</i> | <i>-</i> | <i>21</i> |
| <i>Partial hedge of the investment in Nissan</i> | <i>7</i> | <i>-</i> | <i>7</i> | <i>5</i> | <i>-</i> | <i>5</i> | <i>4</i> | <i>-</i> | <i>4</i> |
| <i>Fair value adjustments on cash flow hedging instruments</i> | <i>177</i> | <i>(44)</i> | <i>133</i> | <i>64</i> | <i>(22)</i> | <i>42</i> | <i>65</i> | <i>(28)</i> | <i>37</i> |
| <i>Debt instruments at fair value through equity</i> | <i>(7)</i> | <i>3</i> | <i>(4)</i> | <i>(2)</i> | <i>1</i> | <i>(1)</i> | <i>(5)</i> | <i>1</i> | <i>(4)</i> |
| <i>Items that have been reclassified to profit or loss from discontinued operations ⁽²⁾</i> | <i>528</i> | <i>-</i> | <i>528</i> | <i>47</i> | <i>-</i> | <i>47</i> | <i>66</i> | <i>-</i> | <i>66</i> |
| TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A) | 1,198 | (59) | 1,139 | 500 | (41) | 459 | 508 | (50) | 458 |
| Share of associates and joint ventures in other components of comprehensive income | | | | | | | | | |
| Items that will not be reclassified to profit or loss in subsequent periods | 117 | - | 117 | 212 | - | 212 | 571 | - | 571 |
| <i>Actuarial gains and losses on defined-benefit pension plans</i> | <i>110</i> | <i>-</i> | <i>110</i> | <i>64</i> | <i>-</i> | <i>64</i> | <i>421</i> | <i>-</i> | <i>421</i> |
| <i>Other</i> | <i>7</i> | <i>-</i> | <i>7</i> | <i>148</i> | <i>-</i> | <i>148</i> | <i>150</i> | <i>-</i> | <i>150</i> |
| Items that have been or will be reclassified to profit or loss in subsequent periods | 284 | - | 284 | 236 | - | 236 | 634 | - | 634 |
| <i>Translation adjustments on foreign activities</i> | <i>429</i> | <i>-</i> | <i>429</i> | <i>201</i> | <i>-</i> | <i>201</i> | <i>580</i> | <i>-</i> | <i>580</i> |
| <i>Other</i> | <i>(145)</i> | <i>-</i> | <i>(145)</i> | <i>35</i> | <i>-</i> | <i>35</i> | <i>54</i> | <i>-</i> | <i>54</i> |
| TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B) | 401 | - | 401 | 448 | - | 448 | 1,205 | - | 1,205 |
| OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B) | 1,599 | (59) | 1,540 | 948 | (41) | 907 | 1,713 | (50) | 1,663 |
| COMPREHENSIVE INCOME | 193 | (319) | (126) | 1,501 | (226) | 1,275 | 3,251 | (621) | 2,630 |
| <i>Parent company shareholders' share</i> | | | <i>113</i> | | | <i>1,254</i> | | | <i>2,539</i> |
| <i>Non-controlling interests' share</i> | | | <i>(239)</i> | | | <i>21</i> | | | <i>91</i> |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Items that have been reclassified to profit or loss from discontinued operations at 30 June 2022 include the reclassification to profit and loss of translation adjustments of the Russian entities that have been sold (see Note 3-B), totalling €430 million.

3.2.3. Consolidated financial position

| ASSETS (€ million) | Notes | June 30, 2022 | December 31, 2021 |
|--|-------|----------------|-------------------|
| Non-current assets | | | |
| Intangible assets and goodwill | 10-A | 5,171 | 6,398 |
| Property, plant and equipment | 10-B | 13,933 | 16,167 |
| Investments in associates and joint ventures | | 17,532 | 16,955 |
| <i>Nissan</i> | 11 | 16,888 | 16,234 |
| <i>Other associates and joint ventures</i> | 12 | 644 | 721 |
| Non-current financial assets | 15 | 575 | 373 |
| Deferred tax assets | | 552 | 550 |
| Other non-current assets | | 885 | 966 |
| TOTAL NON-CURRENT ASSETS | | 38,648 | 41,409 |
| Current assets | | | |
| Inventories | 14 | 5,167 | 4,792 |
| Sales Financing receivables | | 40,139 | 39,498 |
| Automotive receivables | | 896 | 788 |
| Current financial assets | 15 | 2,230 | 1,380 |
| Current tax assets | | 193 | 128 |
| Other current assets | | 3,892 | 3,688 |
| Cash and cash equivalents | 15 | 19,007 | 21,928 |
| Assets held for sale | 3 | 814 | 129 |
| TOTAL CURRENT ASSETS | | 72,338 | 72,331 |
| TOTAL ASSETS | | 110,986 | 113,740 |
| SHAREHOLDERS' EQUITY AND LIABILITIES (€ million) | | | |
| Shareholders' equity | | | |
| Share capital | | 1,127 | 1,127 |
| Share premium | | 3,785 | 3,785 |
| Treasury shares | | (183) | (237) |
| Revaluation of financial instruments | | (5) | 5 |
| Translation adjustment | | (2,347) | (3,407) |
| Reserves | | 26,379 | 25,159 |
| Net income – parent company shareholders' share | | (1,357) | 888 |
| Shareholders' equity – parent company shareholders' share | | 27,399 | 27,320 |
| Shareholders' equity – non-controlling interests' share | | 532 | 574 |
| TOTAL SHAREHOLDERS' EQUITY | 16 | 27,931 | 27,894 |
| Non-current liabilities | | | |
| Deferred tax liabilities | | 1,046 | 1,009 |
| Provisions for pension and other long-term employee benefit obligations – long-term | 17-A | 1,051 | 1,355 |
| Other provisions – long-term | 17-B | 1,279 | 1,291 |
| Non-current financial liabilities | 18 | 10,510 | 13,232 |
| Provisions for uncertain tax liabilities – long-term | | 226 | 217 |
| Other non-current liabilities | | 1,401 | 1,457 |
| TOTAL NON-CURRENT LIABILITIES | | 15,513 | 18,561 |
| Current liabilities | | | |
| Provisions for pension and other long-term employee benefit obligations – short-term | 17-A | 51 | 85 |
| Other provisions – short-term | 17-B | 1,308 | 1,550 |
| Current financial liabilities | 18 | 4,381 | 3,605 |
| Sales Financing debts | 18 | 45,294 | 45,123 |
| Trade payables | | 8,402 | 7,975 |
| Current tax liabilities | | 355 | 266 |
| Provisions for uncertain tax liabilities – short-term | | 21 | 6 |
| Other current liabilities | | 7,602 | 8,493 |
| Liabilities related to assets held for sale | 3 | 128 | 182 |
| TOTAL CURRENT LIABILITIES | | 67,542 | 67,285 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 110,986 | 113,740 |

3.2.4. Changes in consolidated shareholders' equity

| | Number of shares (thousands) | Share capital | Share premium | Treasury shares | Revaluation of financial instruments | Translation adjustment | Reserves | Net income (parent company shareholders' share) | Shareholders' equity (parent company shareholders' share) | Shareholders' equity (non- controlling interests' share) | Total shareholders' equity |
|---|------------------------------------|------------------|------------------|--------------------|--|---------------------------|---------------|---|---|--|----------------------------------|
| (€ million) | | | | | | | | | | | |
| BALANCE AT DECEMBER 31, 2020 | 295,722 | 1,127 | 3,785 | (284) | 384 | (4,108) | 31,876 | (8,008) | 24,772 | 566 | 25,338 |
| 1 st -half 2021 net income | | | | | | | | 354 | 354 | 14 | 368 |
| Other components of comprehensive income ^{(1) (2)} | | | | | 418 | 318 | 164 | | 900 | 7 | 907 |
| 1st-HALF 2021 COMPREHENSIVE INCOME | - | - | - | - | 418 | 318 | 164 | 354 | 1,254 | 21 | 1,275 |
| Allocation of 2020 net income | | | | | | | (8,008) | 8,008 | - | | - |
| Dividends | | | | | | | | | - | (9) | (9) |
| (Acquisitions) / disposals of treasury shares and impact of capital increases | | | | 47 | | | | | 47 | | 47 |
| Changes in ownership interests | | | | | | | | | - | (9) | (9) |
| Cost of share-based payments and other ⁽³⁾ | | | | | (811) | | 751 | | (60) | | (60) |
| BALANCE AT JUNE 30, 2021 | 295,722 | 1,127 | 3,785 | (237) | (9) | (3,790) | 24,783 | 354 | 26,013 | 569 | 26,582 |
| 2 nd -half 2021 net income | | | | | | | | 534 | 534 | 65 | 599 |
| Other components of comprehensive income ⁽¹⁾ | | | | | 14 | 383 | 354 | | 751 | 5 | 756 |
| 2nd-HALF 2021 COMPREHENSIVE INCOME | - | - | - | - | 14 | 383 | 354 | 534 | 1,285 | 70 | 1,355 |
| Dividends | | | | | | | | | - | (72) | (72) |
| (Acquisitions) / disposals of treasury shares and impact of capital increases | | | | - | | | | | - | | - |
| Changes in ownership interests | | | | | | - | - | | - | 7 | 7 |
| Cost of share-based payments and other | | | | | | - | 22 | | 22 | - | 22 |
| BALANCE AT DECEMBER 31, 2021 | 295,722 | 1,127 | 3,785 | (237) | 5 | (3,407) | 25,159 | 888 | 27,320 | 574 | 27,894 |
| 1 st -half 2022 net income | | | | | | | | (1,357) | (1,357) | (309) | (1,666) |
| Other components of comprehensive income ⁽¹⁾ | | | | | (10) | 1,060 | 420 | | 1,470 | 70 | 1,540 |
| 1st-HALF 2022 COMPREHENSIVE INCOME | - | - | - | - | (10) | 1,060 | 420 | (1,357) | 113 | (239) | (126) |
| Allocation of 2021 net income | | | | | | | 888 | (888) | - | | - |
| Dividends | | | | | | | | | - | (41) | (41) |
| (Acquisitions) / disposals of treasury shares and impact of capital increases | | | | 54 | | | | | 54 | | 54 |
| Changes in ownership interests | | | | | | | (28) | | (28) | 238 | 210 |
| Cost of share-based payments and other | | | | | - | | (60) | | (60) | | (60) |
| BALANCE AT JUNE 30, 2022 | 295,722 | 1,127 | 3,785 | (183) | (5) | (2,347) | 26,379 | (1,357) | 27,399 | 532 | 27,931 |

(1) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension plans recognized during the period.

(2) Changes in revaluation reserves correspond to the gain on sale of the Daimler shares in 2021 until the date of the sale; changes in reserves mainly correspond to actuarial gains on defined-benefit pension plans recognized during the period.

(3) Including Renault's €554 million gain on sale of the Daimler shares, reclassified in reserves and Nissan's €252 million gain on sale of its Daimler shares, reclassified in reserves.

Details of changes in consolidated shareholders' equity in 2022 are given in Note 16.

3.2.5. Consolidated cash flows

| (€ million) | Notes | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|--|-------|----------------|------------------------|--------------------------|
| Net income from continuing operations | | 657 | 199 | 549 |
| Cancellation of income and expenses with no impact on cash | | | | |
| Depreciation, amortization and impairment | | 1,819 | 2,090 | 3,894 |
| Share in net (income) loss of associates and joint ventures | | (214) | (160) | (515) |
| Other income and expenses with no impact on cash before interest and tax | 19 | 64 | (49) | 240 |
| Dividends received from unlisted associates and joint ventures | | 24 | - | 29 |
| Cash flows before interest and tax | | 2,350 | 2,080 | 4,197 |
| Dividends received from listed companies | | 64 | - | - |
| Net change in financing for final customers | | (362) | (81) | 47 |
| Net change in renewable dealer financing | | (143) | 518 | 1,534 |
| Decrease (increase) in Sales Financing receivables | | (505) | 437 | 1,581 |
| Bond issuance by the Sales Financing segment | | 1,329 | 334 | 686 |
| Bond redemption by the Sales Financing segment | | (2,737) | (2,363) | (4,342) |
| Net change in other debts of the Sales Financing segment | | 1,508 | (484) | 1,073 |
| Net change in other securities and loans of the Sales Financing segment | | (310) | (84) | (219) |
| Net change in financial assets and debts of the Sales Financing segment | | (210) | (2,597) | (2,802) |
| Change in capitalized leased assets | | (119) | (279) | (413) |
| Change in working capital before tax | 19 | (511) | (583) | (307) |
| Cash flows from operating activities before interest and tax | | 1,069 | (942) | 2,256 |
| Interest received | | 47 | 17 | 45 |
| Interest paid | | (174) | (104) | (248) |
| Current taxes (paid) / received | | (226) | (141) | (335) |
| CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS | | 716 | (1,170) | 1,718 |
| CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS | 3 | (315) | 548 | 691 |
| Property, plant and equipment and intangible investments | 19 | (1,247) | (1,392) | (2,686) |
| Disposals of property, plant and equipment and intangible assets | | 101 | 134 | 567 |
| Acquisitions of investments involving gain of control, net of cash acquired | | - | - | (103) |
| Acquisitions of other investments | | (97) | (52) | (129) |
| Disposals of investments involving loss of control, net of cash transferred | | (38) | - | - |
| Disposals of other investments ⁽²⁾ | | 19 | 1,159 | 1,182 |
| Net decrease (increase) in other securities and loans of the Automotive segment | | (120) | (79) | (142) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS | | (1,382) | (230) | (1,311) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS | 3 | (815) | (104) | (305) |
| Dividends paid to parent company shareholders | 16 | - | - | - |
| Transactions with non-controlling interests | | 16 | - | (2) |
| Dividends paid to non-controlling interests | | (41) | (9) | (81) |
| (Acquisitions) sales of treasury shares | | (33) | (36) | (36) |
| Cash flows with shareholders | | (58) | (45) | (119) |
| Bond issuance by the Automotive segment | | - | 600 | 2,239 |
| Bond redemption by the Automotive segment | | 4 | (499) | (829) |
| Net increase (decrease) in other financial liabilities of the Automotive segment | | (1,627) | (202) | (1,769) |
| Net change in financial liabilities of the Automotive segment | | (1,623) | (101) | (359) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS | | (1,681) | (146) | (478) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS | 3 | 323 | (175) | (153) |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | (3,154) | (1,277) | 162 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares at June 30, 2021.

| (€ million) | H1 2022 | H1 2021 | Year 2021 |
|--|---------------|---------------|---------------|
| Cash and cash equivalents: opening balance | 21,928 | 21,697 | 21,697 |
| Increase (decrease) in cash and cash equivalents | (2,368) | (1,277) | 162 |
| Effects of change of scope | (786) | - | - |
| Effect of changes in exchange rate and other changes | 248 | 120 | 88 |
| Cash generated by assets held for sale | (15) | (10) | (19) |
| Cash and cash equivalents: closing balance ⁽¹⁾ | 19,007 | 20,530 | 21,928 |

(1) Cash subject to restrictions on use is described in Note 15-C.

3.2.6. Notes to the condensed consolidated financial statements

3.2.6.1. Information on operating segments and regions

From January 1, 2022, following the disposal of Renault's investment in AVTOVAZ, the operating segments used by the Renault Group are as follows:

- The **"Automotive"** segment, which comprises the production, sales, and distribution subsidiaries for passenger cars and light commercial vehicles, and the subsidiaries in charge of the segment's cash management. This segment also includes investments in automotive-sector associates and joint ventures, principally Nissan.
- The **"Sales Financing"** segment, which the Group considers as an operating activity in its own right, carried out for the distribution network and final customers by RCI Banque, its subsidiaries and its associates and joint ventures.

- The **"Mobility Services"** segment consisting of services for new mobilities.

The segment previously named AVTOVAZ, and all the discontinued operations in Russia, are now presented separately as Discontinued operations in the Automotive segment, in accordance with IFRS 5. The segment information for 2021 has been restated according to the same principles.

The segment result regularly reviewed by the Board of Management, identified as the "Chief Operating Decision-Maker", is the operating margin. The definition of this indicator is unchanged from previous years and is detailed in the consolidated financial statements at December 31, 2021 (Note 2-D Presentation of the consolidated financial statements). The operating margin excludes restructuring costs.

A. Consolidated income statement by operating segment

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|--|----------------|-----------------|-------------------|---------------------------|--------------------|
| H1 2022 | | | | | |
| External sales | 19,574 | 1,530 | 17 | - | 21,121 |
| Intersegment sales | 48 | 8 | 1 | (57) | - |
| Sales by segment | 19,622 | 1,538 | 18 | (57) | 21,121 |
| Operating margin ⁽¹⁾ | 419 | 582 | (14) | 1 | 988 |
| Operating income | 390 | 563 | (15) | 1 | 939 |
| Financial income (expenses) | 578 | (13) | (1) | (800) | (236) |
| Share in net income (loss) of associates and joint ventures | 311 | (93) | (4) | - | 214 |
| Pre-tax income | 1,279 | 457 | (20) | (799) | 917 |
| Current and deferred taxes | (138) | (122) | - | - | (260) |
| Net income from continuing operations | 1,141 | 335 | (20) | (799) | 657 |
| Net income from discontinued operations | (2,323) | - | - | - | (2,323) |
| NET INCOME | (1,182) | 335 | (20) | (799) | (1,666) |

(1) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|--|---------------|-----------------|-------------------|---------------------------|--------------------|
| H1 2021 ⁽¹⁾ | | | | | |
| External sales | 19,524 | 1,522 | 11 | - | 21,057 |
| Intersegment sales | 48 | 9 | 1 | (58) | - |
| Sales by segment | 19,572 | 1,531 | 12 | (58) | 21,057 |
| Operating margin ⁽²⁾ | (143) | 593 | (16) | (2) | 432 |
| Operating income | (208) | 589 | (17) | (2) | 362 |
| Financial income (expenses) | (63) | (6) | - | (69) | (138) |
| Share in net income (loss) of associates and joint ventures | 153 | 10 | (3) | - | 160 |
| Pre-tax income | (118) | 593 | (20) | (71) | 384 |
| Current and deferred taxes | (48) | (138) | - | 1 | (185) |
| Net income from continuing operations | (166) | 455 | (20) | (70) | 199 |
| Net income from discontinued operations | 169 | - | - | - | 169 |
| NET INCOME | 3 | 455 | (20) | (70) | 368 |
| YEAR 2021 ⁽¹⁾ | | | | | |
| External sales | 38,700 | 2,935 | 24 | - | 41,659 |
| Intersegment sales | 102 | 18 | 2 | (122) | - |
| Sales by segment | 38,802 | 2,953 | 26 | (122) | 41,659 |
| Operating margin ⁽²⁾ | (5) | 1,185 | (29) | 2 | 1,153 |
| Operating income | (227) | 1,179 | (54) | 2 | 900 |
| Financial income (expenses) ⁽³⁾ | 720 | (14) | (1) | (1,000) | (295) |
| Share in net income (loss) of associates and joint ventures | 501 | 19 | (5) | - | 515 |
| Pre-tax income | 994 | 1,184 | (60) | (998) | 1,120 |
| Current and deferred taxes | (243) | (327) | (1) | - | (571) |
| Net income from continuing operations | 751 | 857 | (61) | (998) | 549 |
| Net income from discontinued operations | 418 | - | - | - | 418 |
| NET INCOME | 1,169 | 857 | (61) | (998) | 967 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

(3) Dividends paid by the Sales Financing segment to the Automotive segment are included in the Automotive segment's financial income and eliminated in the intersegment transactions. A dividend of €1,000 million was paid in 2021.

B. Consolidated financial position by operating segment

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|--|---------------|-----------------|-------------------|---------------------------|--------------------|
| June 30, 2022 | | | | | |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment and intangible assets, and goodwill | 18,398 | 664 | 42 | - | 19,104 |
| Investments in associates and joint ventures | 17,443 | 53 | 6 | 30 | 17,532 |
| Non-current financial assets – equity investments | 5,896 | 12 | 1 | (5,817) | 92 |
| Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment | 486 | - | - | (3) | 483 |
| Deferred tax assets | 333 | 219 | - | - | 552 |
| Other non-current assets | 781 | 133 | 1 | (30) | 885 |
| TOTAL NON-CURRENT ASSETS | 43,337 | 1,081 | 50 | (5,820) | 38,648 |
| Current assets | | | | | |
| Inventories | 5,142 | 24 | 1 | - | 5,167 |
| Customer receivables | 921 | 40,726 | 7 | (619) | 41,035 |
| Current financial assets | 1,610 | 1,441 | - | (821) | 2,230 |
| Current tax assets and other current assets | 3,466 | 6,128 | 6 | (4,701) | 4,899 |
| Cash and cash equivalents | 12,441 | 6,566 | 17 | (17) | 19,007 |
| TOTAL CURRENT ASSETS | 23,580 | 54,885 | 31 | (6,158) | 72,338 |
| TOTAL ASSETS | 66,917 | 55,966 | 81 | (11,978) | 110,986 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | |
| Shareholders' equity | 27,960 | 5,775 | 17 | (5,821) | 27,931 |
| Non-current liabilities | | | | | |
| Long-term provisions | 1,982 | 574 | - | - | 2,556 |
| Non-current financial liabilities | 9,626 | 878 | 9 | (3) | 10,510 |
| Deferred tax liabilities | 334 | 711 | 1 | - | 1,046 |
| Other non-current liabilities | 1,108 | 290 | 3 | - | 1,401 |
| TOTAL NON-CURRENT LIABILITIES | 13,050 | 2,453 | 13 | (3) | 15,513 |
| Current liabilities | | | | | |
| Short-term provisions | 1,330 | 50 | - | - | 1,380 |
| Current financial liabilities | 5,035 | - | 39 | (693) | 4,381 |
| Trade payables and Sales Financing debts | 8,484 | 46,028 | 6 | (822) | 53,696 |
| Current tax liabilities and other current liabilities | 11,058 | 1,660 | 6 | (4,639) | 8,085 |
| TOTAL CURRENT LIABILITIES | 25,907 | 47,738 | 51 | (6,154) | 67,542 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 66,917 | 55,966 | 81 | (11,978) | 110,986 |

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|--|---------------|-----------------|-------------------|---------------------------|--------------------|
| December 31, 2021 | | | | | |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment and intangible assets, and goodwill | 21,943 | 581 | 40 | 1 | 22,565 |
| Investments in associates and joint ventures | 16,774 | 176 | 5 | - | 16,955 |
| Non-current financial assets – equity investments | 6,215 | 11 | 1 | (6,155) | 72 |
| Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment | 306 | - | - | (5) | 301 |
| Deferred tax assets | 361 | 189 | - | - | 550 |
| Other non-current assets | 815 | 151 | - | - | 966 |
| TOTAL NON-CURRENT ASSETS | 46,414 | 1,108 | 46 | (6,159) | 41,409 |
| Current assets | | | | | |
| Inventories | 4,768 | 24 | - | - | 4,792 |
| Customer receivables | 916 | 40,020 | 4 | (654) | 40,286 |
| Current financial assets | 1,051 | 1,187 | - | (858) | 1,380 |
| Current tax assets and other current assets | 2,871 | 5,733 | 5 | (4,664) | 3,945 |
| Cash and cash equivalents | 13,877 | 8,040 | 14 | (3) | 21,928 |
| TOTAL CURRENT ASSETS | 23,483 | 55,004 | 23 | (6,179) | 72,331 |
| TOTAL ASSETS | 69,897 | 56,112 | 69 | (12,338) | 113,740 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | |
| Shareholders' equity | 27,913 | 6,134 | 8 | (6,161) | 27,894 |
| Non-current liabilities | | | | | |
| Long-term provisions | 2,298 | 565 | - | - | 2,863 |
| Non-current financial liabilities | 12,333 | 893 | 11 | (5) | 13,232 |
| Deferred tax liabilities | 368 | 640 | 1 | - | 1,009 |
| Other non-current liabilities | 1,181 | 276 | - | - | 1,457 |
| TOTAL NON-CURRENT LIABILITIES | 16,180 | 2,374 | 12 | (5) | 18,561 |
| Current liabilities | | | | | |
| Short-term provisions | 1,606 | 35 | - | - | 1,641 |
| Current financial liabilities | 4,234 | - | 35 | (664) | 3,605 |
| Trade payables and Sales Financing debts | 8,094 | 45,843 | 5 | (844) | 53,098 |
| Current tax liabilities and other current liabilities | 11,870 | 1,726 | 9 | (4,664) | 8,941 |
| TOTAL CURRENT LIABILITIES | 25,804 | 47,604 | 49 | (6,172) | 67,285 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 69,897 | 56,112 | 69 | (12,338) | 113,740 |

C. Consolidated cash flows by operating segment

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|---|----------------|-----------------|-------------------|---------------------------|--------------------|
| H1 2022 | | | | | |
| Net income from continuing operations | 1,141 | 335 | (20) | (799) | 657 |
| Cancellation of income and expenses with no impact on cash | | | | | |
| Depreciation, amortization and impairment | 1,757 | 59 | 3 | - | 1,819 |
| Share in net (income) loss of associates and joint ventures | (311) | 93 | 4 | - | (214) |
| Other income and expenses with no impact on cash, before interest and tax | (54) | 122 | 1 | (5) | 64 |
| Dividends received from unlisted associates and joint ventures | 24 | - | - | - | 24 |
| Cash flows before interest and tax | 2,557 | 609 | (12) | (804) | 2,350 |
| Dividends received from listed companies | 64 | - | - | - | 64 |
| Decrease (increase) in Sales Financing receivables | - | (574) | - | 69 | (505) |
| Net change in financial assets and Sales Financing debts | - | (155) | - | (55) | (210) |
| Change in capitalized leased assets | 4 | (123) | - | - | (119) |
| Change in working capital before tax | (275) | (229) | (3) | (4) | (511) |
| Cash flows from operating activities before interest and tax | 2,350 | (472) | (15) | (794) | 1,069 |
| Interest received | 47 | - | - | - | 47 |
| Interest paid | (178) | - | - | 4 | (174) |
| Current taxes (paid) / received | (65) | (164) | (1) | 4 | (226) |
| CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS | 2,154 | (636) | (16) | (786) | 716 |
| CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS | (315) | - | - | - | (315) |
| Purchases of intangible assets | (595) | (5) | (6) | - | (606) |
| Purchases of property, plant and equipment | (640) | (1) | - | - | (641) |
| Disposals of property, plant and equipment and intangibles | 101 | - | - | - | 101 |
| Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired | (38) | - | - | - | (38) |
| Acquisitions and disposals of other investments and other | (90) | (10) | (5) | 27 | (78) |
| Net decrease (increase) in other securities and loans of the Automotive segment | (120) | (1) | (3) | 4 | (120) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS | (1,382) | (17) | (14) | 31 | (1,382) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS | (815) | - | - | - | (815) |
| Cash flows with shareholders | (47) | (812) | 28 | 773 | (58) |
| Net change in financial liabilities of the Automotive segment | (1,599) | - | 8 | (32) | (1,623) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS | (1,646) | (812) | 36 | 741 | (1,681) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS | 323 | - | - | - | 323 |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (1,681) | (1,465) | 6 | (14) | (3,154) |
| Cash and cash equivalents: opening balance | 13,877 | 8,040 | 14 | (3) | 21,928 |
| Increase (decrease) in cash and cash equivalents | (895) | (1,465) | 6 | (14) | (2,368) |
| Effects of change of scope | (786) | - | - | - | (786) |
| Effect of changes in exchange rate and other changes | 260 | (9) | (3) | - | 248 |
| Cash generated by assets held for sale | (15) | - | - | - | (15) |
| Cash and cash equivalents: closing balance | 12,441 | 6,566 | 17 | (17) | 19,007 |

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|---|---------------|-----------------|-------------------|---------------------------|--------------------|
| H1 2021 ⁽¹⁾ | | | | | |
| Net income from continuing operations ⁽²⁾ | (166) | 455 | (20) | (70) | 199 |
| Cancellation of income and expenses with no impact on cash | | | | | |
| Depreciation, amortization and impairment | 2,022 | 64 | 4 | - | 2,090 |
| Share in net (income) loss of associates and joint ventures | (153) | (10) | 3 | - | (160) |
| Other income and expenses with no impact on cash, before interest and tax | (135) | 96 | 1 | (11) | (49) |
| Dividends received from unlisted associates and joint ventures | - | - | - | - | - |
| Cash flows before interest and tax | 1,568 | 605 | (12) | (81) | 2,080 |
| Dividends received from listed companies | - | - | - | - | - |
| Decrease (increase) in Sales Financing receivables | - | 774 | - | (337) | 437 |
| Net change in financial assets and Sales Financing debts | - | (2,624) | - | 27 | (2,597) |
| Change in capitalized leased assets | (198) | (81) | - | - | (279) |
| Change in working capital before tax | (495) | (92) | 3 | 1 | (583) |
| Cash flows from operating activities before interest and tax | 875 | (1,418) | (9) | (390) | (942) |
| Interest received | 17 | - | - | - | 17 |
| Interest paid | (112) | - | - | 8 | (104) |
| Current taxes (paid) / received | (45) | (96) | - | - | (141) |
| CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS | 735 | (1,514) | (9) | (382) | (1,170) |
| CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS | 548 | - | - | - | 548 |
| Purchases of intangible assets | (527) | (2) | (3) | - | (532) |
| Purchases of property, plant and equipment | (856) | (4) | - | - | (860) |
| Disposals of property, plant and equipment and intangibles | 134 | - | - | - | 134 |
| Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired | - | - | - | - | - |
| Acquisitions and disposals of other investments and other ⁽³⁾ | 1,106 | - | (1) | 2 | 1,107 |
| Net decrease (increase) in other securities and loans of the Automotive segment | (95) | - | 4 | 12 | (79) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS | (238) | (6) | - | 14 | (230) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS | (104) | - | - | - | (104) |
| Cash flows with shareholders | (39) | (75) | - | 69 | (45) |
| Net change in financial liabilities of the Automotive segment | (403) | - | 7 | 295 | (101) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS | (442) | (75) | 7 | 364 | (146) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS | (175) | - | - | - | (175) |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 324 | (1,595) | (2) | (4) | (1,277) |
| Cash and cash equivalents: opening balance | 12,949 | 8,738 | 15 | (5) | 21,697 |
| Increase (decrease) in cash and cash equivalents | 324 | (1,595) | (2) | (4) | (1,277) |
| Effect of changes in exchange rate and other changes | 45 | 71 | 4 | - | 120 |
| Cash generated by assets held for sale | (10) | - | - | - | (10) |
| Cash and cash equivalents: closing balance | 13,308 | 7,214 | 17 | (9) | 20,530 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €69 million in the first half-year of 2021.

(3) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares.

| (€ million) | Automotive | Sales Financing | Mobility Services | Intersegment transactions | CONSOLIDATED TOTAL |
|---|----------------|-----------------|-------------------|---------------------------|--------------------|
| Year 2021⁽¹⁾ | | | | | |
| Net income from continuing operations⁽²⁾ | 751 | 857 | (61) | (998) | 549 |
| Cancellation of income and expenses with no impact on cash | | | | | |
| Depreciation, amortization and impairment | 3,710 | 150 | 34 | - | 3,894 |
| Share in net (income) loss of associates and joint ventures | (502) | (18) | 5 | - | (515) |
| Other income and expenses with no impact on cash, before interest and tax | (2) | 257 | 1 | (16) | 240 |
| Dividends received from unlisted associates and joint ventures | 29 | - | - | - | 29 |
| Cash flows before interest and tax | 3,986 | 1,246 | (21) | (1,014) | 4,197 |
| Dividends received from listed companies | - | - | - | - | - |
| Decrease (increase) in Sales Financing receivables | - | 2,228 | - | (647) | 1,581 |
| Net change in financial assets and Sales Financing debts | - | (2,852) | - | 50 | (2,802) |
| Change in capitalized leased assets | (218) | (195) | - | - | (413) |
| Change in working capital before tax | (483) | 181 | (3) | (2) | (307) |
| Cash flows from operating activities before interest and tax | 3,285 | 608 | (24) | (1,613) | 2,256 |
| Interest received | 45 | - | - | - | 45 |
| Interest paid | (263) | - | - | 15 | (248) |
| Current taxes (paid) / received | (71) | (263) | (1) | - | (335) |
| CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS | 2,996 | 345 | (25) | (1,598) | 1,718 |
| CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS | 691 | - | - | - | 691 |
| Purchases of intangible assets | (1,103) | (6) | (5) | - | (1,114) |
| Purchases of property, plant and equipment | (1,571) | (1) | - | - | (1,572) |
| Disposals of property, plant and equipment and intangibles | 567 | - | - | - | 567 |
| Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired | (6) | (97) | - | - | (103) |
| Acquisitions and disposals of other investments and other ⁽³⁾ | 1,043 | (4) | (3) | 17 | 1,053 |
| Net decrease (increase) in other securities and loans of the Automotive segment | (162) | - | 5 | 15 | (142) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS | (1,232) | (108) | (3) | 32 | (1,311) |
| CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS | (305) | - | - | - | (305) |
| Cash flows with shareholders | (98) | (1,019) | 15 | 983 | (119) |
| Net change in financial liabilities of the Automotive segment | (952) | - | 9 | 584 | (359) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS | (1,050) | (1,019) | 24 | 1,567 | (478) |
| CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS | (153) | - | - | - | (153) |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 947 | (782) | (4) | 1 | 162 |
| Cash and cash equivalents: opening balance | 12,949 | 8,738 | 15 | (5) | 21,697 |
| Increase (decrease) in cash and cash equivalents | 947 | (782) | (4) | 1 | 162 |
| Effect of changes in exchange rate and other changes | - | 84 | 3 | 1 | 88 |
| Cash generated by assets held for sale | (19) | - | - | - | (19) |
| Cash and cash equivalents: closing balance | 13,877 | 8,040 | 14 | (3) | 21,928 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €1,000 million in 2021.

(3) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares.

D. Other information for the Automotive segment: net cash position (net financial indebtedness), operational free cash flow and ROCE

The net cash position or net financial indebtedness, operational free cash flow and ROCE are only presented for the Automotive segment.

The net cash position or net financial indebtedness includes all non-operating interest-bearing financial liabilities and commitments less cash and cash equivalents and other non-operating financial assets such as marketable securities or the segment's loans.

Net cash position (net financial indebtedness)

| (€ million) | June 30, 2022 | December 31, 2021 ⁽¹⁾ |
|--|---------------|----------------------------------|
| Non-current financial liabilities | (9,626) | (11,224) |
| Current financial liabilities | (5,035) | (4,234) |
| Non-current financial assets – other securities, loans and derivatives on financing operations | 273 | 90 |
| Current financial assets | 1,521 | 977 |
| Cash and cash equivalents | 12,441 | 13,291 |
| Net cash position (net financial indebtedness) of the Automotive segment | (426) | (1,100) |

(1) For this indicator financial statements of 2021 have been restated due to the discontinued operations in the Russian Federation (see Note 3-B).

Operational free cash flow

| (€ million) | June 30, 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|---|---------------|------------------------|--------------------------|
| Cash flows (excluding dividends from listed companies) before interest and tax | 2,557 | 1,568 | 3,986 |
| Changes in working capital before tax | (275) | (495) | (483) |
| Interest received by the Automotive segment | 47 | 17 | 45 |
| Interest paid by the Automotive segment | (178) | (112) | (263) |
| Current taxes (paid) / received | (65) | (45) | (71) |
| Acquisitions of property, plant and equipment, and intangible assets net of disposals | (1,134) | (1,249) | (2,107) |
| Capitalized leased vehicles and batteries | 4 | (198) | (218) |
| Operational free cash flow of the Automotive segment | 956 | (514) | 889 |
| <i>Payments for restructuring expenses</i> | <i>(278)</i> | <i>(301)</i> | <i>(598)</i> |
| Operational free cash flow of the Automotive segment excluding restructuring | 1,234 | (213) | 1,487 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

ROCE

ROCE (Return On Capital Employed) is an indicator that measures the profitability of capital invested. It is presented for the Automotive sector at the year-end. The ROCE for 2021, after

elimination of items relating to discontinued operations in the Russian Federation, is presented below.

| (€ million) | December 31, 2021 disclosed | IFRS 5 impact | December 31, 2021 ⁽¹⁾ |
|--|-----------------------------|----------------|----------------------------------|
| Operating margin | 507 | (510) | (3) |
| Normative tax rate | 28% | 28% | 28% |
| Operating margin after tax (A)⁽²⁾ | 365 | (367) | (2) |
| Property, plant and equipment, intangible assets and goodwill | 21,943 | (2,194) | 19,749 |
| Investments in associates and joint ventures excluding Nissan | 540 | (11) | 529 |
| Non-current financial assets – equity investments excluding RCI Banque SA and Renault M.A.I. | 60 | - | 60 |
| Working capital | (11,775) | 287 | (11,488) |
| Capital employed (B) | 10,768 | (1,918) | 8,850 |
| Return on capital employed (ROCE = A/B) | 3.4% | | -0.0% |

(1) For this indicator financial statements of 2021 have been restated due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) The approach used to determine ROCE includes a theoretical tax effect based on a normative tax rate of 28%.

Working capital is determined from the following segment reporting items. For this indicator financial statements of 2021 have been restated due to the discontinued operations in the Russian Federation (see Note 3-B).

| (€ million) | December 31, 2021 disclosed | IFRS 5 impact | December 31, 2021 |
|---|-----------------------------|---------------|-------------------|
| Other non-current assets | 815 | (17) | 798 |
| Inventories | 4,768 | (450) | 4,318 |
| Customer receivables | 916 | (57) | 859 |
| Current tax assets and other current assets | 2,871 | (325) | 2,546 |
| Other non-current liabilities | (1,181) | 5 | (1,176) |
| Trade payables | (8,094) | 645 | (7,449) |
| Current tax liabilities and other current liabilities | (11,870) | 486 | (11,384) |
| Working capital | (11,775) | 287 | (11,488) |

3.2.6.2. Accounting policies and scope of consolidation

Note 1 - Approval of the financial statements

Groupe Renault, referred to in the financial statements as “the Renault Group” or “the Group”, consists of Renault SA, its subsidiaries, joint operations, joint ventures and associates included in the scope of consolidation as presented in Note 31 to the consolidated financial statements at December 31, 2021, except for its activities in the Russian Federation exercised by Renault Russia and Lada Auto Holding and its AVTOVAZ subsidiaries, which are presented as discontinued operations in accordance with the principles of IFRS 5 (see Note 3-B).

The Renault Group’s condensed consolidated half-year financial statements at June 30, 2022 were examined at the Board of Directors’ meeting of July 28, 2022.

Note 2 - Accounting policies

The condensed consolidated half-year financial statements at June 30, 2022 are compliant with IAS 34 “Interim financial reporting”. They do not contain all the information required for annual consolidated financial statements and should be read in conjunction with the financial statements at December 31, 2021.

The Renault Group’s condensed consolidated half-year financial statements at June 30, 2022 are prepared under the IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standards Board) at June 30, 2022 and adopted by the European Union at the closing date. Except for the changes presented in paragraph A below, the accounting policies are identical to those applied in the consolidated financial statements at December 31, 2021.

2-A. Changes in accounting policies

2-A1. Changes in accounting policies

The Renault Group applies the accounting standards and amendments that have been published in the Official Journal of the European Union and are mandatory from January 1, 2022.

New amendments that became mandatory on January 1, 2022

| | |
|---------------------------------------|---|
| Amendments to IAS 16 | Proceeds before Intended Use |
| Amendments to IFRS 3 | Updating a Reference to the Conceptual Framework |
| Amendments to IAS 37 | Onerous Contracts - Cost of Fulfilling a Contract |
| Annual improvements (2018-2020 cycle) | Annual improvements process |

Application of the other amendments from January 1, 2022 has no material impact on the Group’s financial statements.

New standards and amendments not applied early by the Group

| New IFRS standards and amendments not yet applied early by the Group | | Mandatory application date set by the IASB |
|--|------------------------------------|--|
| Amendments to IAS 1 | Disclosure of accounting policies | January 1, 2023 |
| Amendments to IAS 8 | Definition of Accounting Estimates | January 1, 2023 |
| IFRS 17 and amendments | Insurance contracts | January 1, 2023 |

The Group does not at this stage anticipate that application of the amendments to IAS 1 and IAS 8 will have any significant impact on the consolidated financial statements.

IFRS 17 – Insurance Contracts, published in May 18, 2017 and modified by amendments of June 25, 2020, sets out the principles for recognition, measurement, presentation and disclosures for insurance contracts. It replaces IFRS 4, Insurance Contracts, and will be applicable for years beginning on or after January 1, 2023.

For Renault Group, IFRS 17 mainly applies to insurance contracts issues and reinsurance agreements signed by the sales Financing segment’s insurance companies. Contracts will now be valued under the general “building block” approach which comprises: (1) estimates of discounted future cash flows,

(2) adjustment for non-financial risks, and (3) the contractual service margin. The contractual service margin will be recognised in the income statement based on the coverage units supplied during the period. The group will apply the simplified retrospective approach to record the impact of the transition in the financial statements at January 1, 2023.

Other standards and amendments not yet adopted by the European Union

The IASB has also published the following new standards and amendments that have not yet been adopted by the European Union.

| IFRS standards and amendments not yet adopted by the European Union | | Application date set by the IASB |
|---|--|----------------------------------|
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-current | January 1, 2023 |
| Amendments to IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction | January 1, 2023 |
| Amendments to IFRS 17 | Initial Application of IFRS 17 and IFRS 9 – Comparative Information | January 1, 2023 |

The Group is currently analysing the potential impacts but does not at this stage anticipate that application of these amendments will have any significant impact on the consolidated financial statements.

IFRS IC interpretation concerning recognition of Targeted Long Term Refinancing Operations (TLTRO) (IFRS 9 and IAS 20)

The IFRS IC decision clarifying analysis and recognition of TLTRO III transactions became final in March 2022. This decision applies to drawings of TLTRO III financing by the Sales Financing segment, to which the Group has opted to apply IFRS 9. More details of these transactions are provided in Note 18-C.

Hyperinflation in Turkey

On March 16, 2022 Turkey was identified by the International Practices Task Force (IPTF) of the Center for Audit Quality as a country that should be considered hyperinflationary for the purposes of 2022 financial statements.

The fully consolidated entities Oyak Renault and Renault Group Otomotiv prepare their accounts for the Group consolidation in their functional currency, which is the euro since most of their transactions are conducted in euros. Consequently their accounts do not require restatement due to hyperinflation. The entities MAIS Motorlu Araclar Imal ve Satis AS and ORFIN Finansman Anonim Sirketi, which are accounted for under the equity method, use the local currency as their functional currency. The hyperinflation adjustment will be applied at December 31, 2022. Its effect on the contribution to the Group financial statements is considered non-significant.

2-B. Estimates and judgments

Specific context of first-half 2022

Renault Group’s exit from the Russian Federation

As announced on May 16, 2022, Renault Group has sold its investments in Renault Russia and the AVTOVAZ Group. Consequently, those entities have been deconsolidated and are treated as discontinued operations in 2022, in compliance with IFRS 5, and the 2021 figures in the income statement and cash flow statement have been restated accordingly. Following this sale, the AVTOVAZ Group is no longer presented as a separate operating segment for the purposes of segment reporting.

Details of the impacts of this deconsolidation are provided in Note 3-B, Discontinued operations, and Renault Group’s option to buy back its investment in AVTOVAZ is mentioned in Note 21-A, Off-balance sheet commitments given and contingent liabilities.

In the Sales financing segment, given Renault's exposures in the Russian Federation, the Group fully consolidates one 100%-owned entity (RNL Leasing) and applies the equity method for RN Bank.

Due to uncertainty over its recoverability the equity-accounted value of RN Bank is fully written off at June 30, 2022 (see Note 12), with a negative impact of €101 million on the net income of associates and joint ventures for the first half-year. The contribution by RNL Leasing to the Group's shareholders' equity remains of low significance (€2 million) and the €26 million shareholder loan is eliminated as an intragroup operation. If this entity is deconsolidated in the future, depending on the conditions of deconsolidation a loss may have to be recognized on this shareholder loan.

Other contextual information

In 2021, business began to be affected by disruptions to supplies of electronic components in the worldwide automotive sector. The effects of the electronic components crisis intensified during the second half-year of 2021 and continued into the first half-year of 2022, with the principal consequence of lower production output. As a result, after a fall of more than 4.5% from 2020 to 2,696,401 units in 2021, sales volumes were also lower of 12% in the first half-year of 2022 than the first half-year of 2021: 1,001,109 vehicles were sold in the first half-year of 2022, compared to an adjusted volume (excluding sales in Russia) of: 1,136,366 vehicles in the same period of 2021.

The first half-year of 2022 also saw the initial impacts of rising commodity prices which are expected to accelerate in the second half-year of 2022.

To maintain a sufficient level of liquidity for its operations, in 2020 the Group arranged a €5 billion credit line guaranteed by the French government, on which it made three drawings totalling €4 billion. The €1 billion undrawn at December 31, 2021 ceased to be available at that date, and €1 billion of the August 2020 €2 billion drawing was repaid in August 2021. Further early repayments totalling €1,020 million were also made during the first half-year of 2022 (Note 18-C).

The Group also issued several bonds in 2021 (a €600 million bond in April 2021, a €1.2 billion Samurai bond in July 2021 and a €500 million bond in December 2021). The Group's Operational Free Cash Flow was positive and significant in 2021. The Group continued to issue bonds during the first half-year of 2022 (RCI Banque group issued new bonds totalling €1,217 million, a €561 million Samurai bond and a €500 million green bond were launched in June 2022 - see Note 18-C) and the Automotive segment's Operational Free Cash Flow for the first half-year of 2022 was a positive €956 million (see section 3.2.6.1-D). At the date of publication of these consolidated financial statements, the Group has sufficient cash and sources of financing to ensure continuity of operations for the next twelve months and has demonstrated its capacity to issue debt.

Expenses and income recognized that are identified as resulting wholly or partly from the components supply crisis are not considered as "Other operating income and expenses", except for expenses which due to their nature are always included in that category, such as impairment of tangible and intangible assets. Payroll costs, additional logistics costs, and depreciation on assets unused or only partially-used during the period, mainly as a result of production halts due to disrupted electronic component supplies, are allocated to the relevant functions (cost of goods and services sold, research and development expenses, and selling, general and administrative expenses). The amounts concerned are not reported because it is impossible to reliably identify the amounts attributable solely to the components supply crisis.

On December 14, 2021 the Group signed an agreement including a Collective Contractual Separation plan in France for a maximum 1,153 employee departures in 2022, as part of the 3-year trade union agreement "Re-Nouveau France 2025". Through this key agreement Renault Group is making France the strategic and industrial centre of its promising future

businesses, to strengthen the Group in its home country, contribute to its transformation and carry all its French businesses towards the automotive industry's new value chain. The provision recognized at December 31, 2021 was updated at June 30, 2022 (Notes 6-A and 17).

In the context of the Group's exit from the Russian Federation, workforce reduction plans, and the electronic components supply crisis, the following items in the Group's consolidated financial statements that are dependent on estimates and judgements have been paid particular attention in the first half-year of 2022:

- potential impairment of fixed assets, particularly impairment on specific assets linked to vehicles and goodwill (Note 10) and investments accounted for under the equity method;
- the recoverable value of leased vehicles classified as property, plant and equipment or inventories;
- impairment for expected credit losses concerning Sales Financing receivables (Note 13);
- revenue recognition,
- determination of restructuring provisions (see Notes 6-A and 17);
- determination of risks associated with distressed suppliers;
- determination of compliance with the requirements of IFRS 5 for reclassification of assets or groups of assets and liabilities held for sale and reporting them on specific lines in the balance sheet in the current assets and current liabilities (Note 3-C).

This list is not exhaustive due to the constantly evolving components supply crisis and its effects on the Group's financial position, and it remains very difficult to predict the magnitude and duration of the crisis-related economic impacts on our business.

Other important estimates and judgments

The Renault Group often has to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expenses, and disclosures made in certain notes to the financial statements. In preparing its financial statements, the Renault Group regularly revises its estimates and assessments to take account of past experience and other factors deemed relevant in view of the economic circumstances.

Principal estimates and judgments relating to environmental matters and climate issues

The main estimates and judgments relating to climate and environmental questions are the following:

- Estimation of the risks associated with regulations on air pollution and CO₂ emissions (specifically the potential impact from 2020 of the CAFE - "Corporate Average Fuel Economy" regulation, which fines automakers if they exceed the average threshold for CO₂ emissions by European-registered vehicles in each calendar year (see Note 21);
- Estimation of the consequences of commitments made in connection with environmental and climate issues for the value of Renault Group assets over their useful lives. At this stage, no impact has been identified on either the useful lives or the recoverable value of our tangible and intangible assets. Analysis of the useful lives of production assets, particularly against the background of changing markets, the growing proportion of electric vehicles and the Group's circular economy decisions (the "Re-factories" at Flins and Seville) is conducted for each half-year and annual closing: this had no impact on the financial statements for 2021 and the first half-year of 2022.

- Use of a growth rate to infinity, for impairment testing of goodwill and intangible assets with an indefinite useful life, that reflects the effects of commitments made by the States that are signatories to the Paris Agreements on climate change. Using such a rate has no impact since the recoverable value of the assets concerned is still significantly higher than their book value.

Other judgments

The main items in the Group's consolidated financial statements at June 30, 2022 that are dependent on estimates and judgments are the following:

- capitalization of research and development expenses and their amortization period (Notes 5 and 10-A),

- recognition of deferred tax assets on tax loss carryforwards (Note 8),
- provisions, particularly warranty provisions on vehicles and batteries sold (Note 17-B), provisions for pensions and other long-term employee benefit obligations (Note 17-A), provisions for workforce adjustment measures (Note 6-A), provisions for legal risks and tax risks other than income tax risks and provisions for uncertain tax liabilities,
- valuation of lease liabilities, particularly the incremental borrowing rates and the value of renewal and termination options that are reasonably certain to be exercised (Note 18).

Note 3 - Changes in the scope of consolidation, discontinued operations and assets and liabilities held for sale

3-A. Changes in the scope of consolidation

The principal changes concerning the scope of consolidation in the first half-year of 2022 were the following.

Starting from the first half-year of 2022, the Group fully consolidates the Turkish-based company Renault Group Otomotiv A.S., which was set up at the end of 2021 for new industrial and commercial projects and is fully-owned by Renault.

In March 2022 the Group acquired a 13.7% stake in Beyonca HK Limited, a company in which it exercises significant influence, for the price of €18 million followed by a €29 million capital increase. This company is accounted for under the equity method.

On 15 May 2022 the Group sold its subsidiary Renault Russia to the city of Moscow and its 67.69% investment in AVTOVAZ to NAMI (the Central Research and Development Automobile and Engine Institute) for a respective sale price of one rouble. The sale agreement gives Renault Group an option to buy back its investment, which can be exercised during certain periods over the next six years. The contribution made by these entities to the condensed consolidated financial statements at June 30, 2022 is presented under discontinued operations, in accordance with IFRS 5. The accounting effects are described in Note 3-B below.

In May 2022, the Group sold the distribution company Renault Nordic AB, which operates in the Swedish and Danish markets, for the price of €37 million of which €14 million will be paid over the next five years.

The Group finalized determination of the fair value of assets acquired and liabilities transferred from BI-PI Mobility SL and its subsidiaries, of which it purchased 100% in July 2021 for the price of €67 million. This company specializes in flexible vehicle

rentals. The principal adjustments concern the brand, recognized at the value of €8 million, and the technology, recognized at the value of €5 million. The final goodwill is calculated at €59 million.

3-B. Discontinued operations

On March 23, 2022, Renault Group announced the suspension of Renault Russia's activities and said it was assessing the available options for its investment in AVTOVAZ. The Group stated that impairment of its tangible and intangible assets and goodwill in Russia, estimated at €2,195 million at December 31, 2022, would be recognized during the first half-year of 2022. A press release of 12 May 2022 confirmed that this impairment had been booked at March 31, 2022. It was then announced on May 16, 2022 that agreements had been signed to sell 100% of the shares in Renault Russia to the city of Moscow and the 67.69% stake in Lada Auto Holding (the parent company of AVTOVAZ) to NAMI (the Central Research and Development Automobile and Engine Institute). This led to deconsolidation of Renault Russia and the AVTOVAZ Group during the first half-year of 2022.

The table below provides details of the income statement for these discontinued operations from January 1 to April 30, 2022, together with the gain on the sale of the shares in Renault Russia and Lada Auto Holding and the effects of the sale (debt waiver, repayment of some of the financial debt of Renault Russia, etc). As the sales and operating margin of Renault Russia and AVTOVAZ were not material between May 1 and May 15, 2022, the date of the sale, it has been considered for simplicity's sake that the loss of control took place on April 30, 2022. The results of these two entities are reported as results of discontinued operations, in accordance with IFRS 5.

| (€ million) | H1 2022 | H1 2021 | Year 2021 |
|---|----------------|------------|------------|
| External sales | 1,076 | 2,300 | 4,554 |
| Operating margin | 146 | 222 | 510 |
| Other operating income and expenses ⁽¹⁾ | (2,446) | (13) | (12) |
| Operating income (loss) | (2,300) | 209 | 498 |
| Financial income (expenses) | (23) | (25) | (55) |
| Share in net income (loss) of associates and joint ventures | - | - | - |
| Pre-tax income | (2,323) | 184 | 443 |
| Current and deferred taxes | (0) | (15) | (25) |
| Net income from discontinued operations | (2,323) | 169 | 418 |

(1) In 2022 this includes €(2,217) million of impairment of goodwill and intangible assets (€1,185 million) and property, plant and equipment (€1,032 million) of Renault Russia and AVTOVAZ recorded prior to the sale and of other Group companies holding assets specific to the business in the Russian Federation and of other Group companies holding assets specific to the business in the Russian Federation, €110 million corresponding to the gain on sale of the shares in Renault Russia and AVTOVAZ including translation adjustments transferred to profit and loss, and €(234) million of debt waivers.

In application of IFRS 5, the cash flow items of Renault Russia, AVTOVAZ and its subsidiaries, sales by Group companies to the Russian entities, and impairment of assets located outside the Russian Federation that lost value as a direct result of the Group's exit from the Russian Federation, have also been classified as discontinued operations. The statement of consolidated comprehensive net income, and the statement of consolidated cash flows for 2021, have been restated accordingly.

3-C. Assets and liabilities held for sale

In application of its strategic plan "Renaultution", the Group has started to sell certain real estate assets (land, industrial sites), branches (in France) and vehicle distribution subsidiaries (outside France). Consequently, when a sale is highly probable within the next twelve months, as evidenced by advanced discussions with an identified purchaser, the assets and liabilities concerned are reclassified in accordance with IFRS 5 as "assets held for sale" and "liabilities related to assets held for sale".

At June 30, 2022 the group of assets and liabilities held for sale consists of €814 million of assets and €128 million of debts and other liabilities.

| (€ million) | Notes | June 30, 2022 |
|---|-------|---------------|
| Intangible assets and goodwill | 10 | 1 |
| Tangible assets | 10 | 608 |
| Inventories | 14 | 145 |
| Total cash and cash equivalents | | 33 |
| Other | | 27 |
| Total assets held for sale | | 814 |
| Total liabilities associated with assets held for sale | | 128 |

No impairment has been recognized on these assets held for sale. The tangible assets include the buildings of the Guyancourt technocentre site, at the net book value of €312 million.

3.2.6.3. Consolidated income statement

Note 4 - Revenues

4-A. Breakdown of revenues

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|--|---------------|------------------------|--------------------------|
| Sales of goods - Automotive segment | 16,897 | 16,292 | 32,422 |
| Sales to partners of the Automotive segment | 1,633 | 1,958 | 3,689 |
| Rental income on leased assets ⁽²⁾ | 323 | 606 | 1,198 |
| Sales of other services | 721 | 668 | 1,391 |
| Sales of services - Automotive segment | 1,044 | 1,274 | 2,589 |
| Sales of goods - Sales Financing segment | 12 | 17 | 39 |
| Rental income on leased assets ⁽²⁾ | 62 | 55 | 113 |
| Interest income on Sales Financing receivables | 915 | 942 | 1,757 |
| Sales of other services ⁽³⁾ | 541 | 508 | 1,026 |
| Sales of services - Sales Financing segment | 1,518 | 1,505 | 2,896 |
| Sales of services - Mobility Services segment | 17 | 11 | 24 |
| Total Revenues | 21,121 | 21,057 | 41,659 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Rental income recorded by the Group on vehicle sales with a buy-back commitment or fixed asset rentals.

(3) Mainly income on services comprising insurance, maintenance, and replacement vehicles under a financing contract or otherwise.

4-B. Revenues by region

Consolidated revenues are presented by location of customers.

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|-----------------------|---------------|------------------------|--------------------------|
| Europe | 15,873 | 16,468 | 31,972 |
| Including France | 6,040 | 6,909 | 13,139 |
| Eurasia | 1,012 | 984 | 2,020 |
| Africa & Middle East | 828 | 732 | 1,553 |
| Asia Pacific | 1,320 | 1,283 | 2,686 |
| Latin America | 2,088 | 1,590 | 3,428 |
| Total Revenues | 21,121 | 21,057 | 41,659 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

Note 5 - Research and development expenses

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|--|----------------|------------------------|--------------------------|
| Research and development expenses | (1,169) | (1,145) | (2,309) |
| Capitalized development expenses | 572 | 508 | 1,084 |
| Amortization of capitalized development expenses | (550) | (591) | (1,088) |
| TOTAL INCLUDED IN INCOME | (1,147) | (1,228) | (2,313) |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

The decrease in Research and Development expenses over the first half-year of 2022 is notably attributable to higher capitalized development expenses.

Amortization of capitalized development expenses was lower in the first half-year of 2022 than the first half-year of 2021, notably due to asset impairment recognized in 2021, and revisions of certain useful lives. This amortization is thus lower than the amount of capitalized expenses in the first half-year of 2022.

Note 6 - Other operating income and expenses

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|--|-------------|------------------------|--------------------------|
| Restructuring and workforce adjustment costs | (134) | (144) | (426) |
| Gains and losses on total or partial disposal of businesses or operating entities, and other gains and losses related to changes in the scope of consolidation | 29 | 13 | 33 |
| Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales) | 27 | 112 | 448 |
| Impairment of property, plant and equipment, intangible assets and goodwill (excluding goodwill of associates and joint ventures) | (2) | (30) | (139) |
| Other unusual items | 31 | (21) | (169) |
| TOTAL | (49) | (70) | (253) |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

6-A. Restructuring and workforce adjustment costs

Restructuring and workforce adjustment costs in the first half-year of 2022 concern restructuring plans, principally in France (€55) million, Romania (€31 million) and Spain (€15 million) undertaken as part of the plan to reduce fixed costs announced on May 29, 2020.

The costs for the first half-year of 2021 mainly concerned restructuring plans outside France (principally in South Korea, Spain and Romania) undertaken as part of the plan to reduce fixed costs announced on May 29, 2020.

At December 31, 2021, these costs mainly included €(65) million for a work exemption plan in France which eligible employees can join between February 1, 2022 and January 1, 2023, and provisions of €(120) million relating to a new Collective Contractual Separation plan for a maximum 1,153 employee departures in 2022. These plans are part of the 3-year trade union agreement "Re-Nouveau France 2025" signed on December 14, 2021.

6-B. Gains and losses on disposal of businesses or operating entities.

At June 30, 2022 the Group recorded a gain of €26 million on the sale of its investment in Renault Nordic AB, the distribution company which operates in the Swedish and Danish markets, to a local importer.

At June 30, 2021 the Group recorded a gain of €15 million on the sale of its 40% investment in Renault South Africa.

In December 2021, Renault s.a.s. disposed of its 98% investment in Carizy and booked a gain of €18 million.

6-C. Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)

The Group undertook disposals in the first half-year of 2022 that generated a gain of €27 million (€112 million at June 30, 2021) on sales of real estate properties.

In June 2021, the Group made a €115 million gain on the sale of a real estate property in Luxembourg.

At December 31, 2021, the Group recognized a €59 million gain on the sale of a storage warehouse in France, and a gain of €176 million on the sale of various real estate complexes belonging to the RRG distribution network in France and Germany.

6-D. Impairment of fixed assets and goodwill (excluding goodwill of associates and joint ventures)

No significant impairment was recorded in the first half-year of 2022. The impairment booked in respect of assets relating to Renault Russia et AVTOVAZ, which were sold during the period, or attributable to those sales, is included in "Discontinued operations".

No reversal of impairment of fixed assets and goodwill was recorded in the first half-year of 2022.

In 2021, €(80) million of new impairment concerned intangible assets and €(69) million concerned property, plant and equipment.

6-E. Other unusual items

At June 30, 2022 the Group recovered €16 million of impairment that was no longer relevant, concerning costs resulting from suspension of business activity in Algeria.

In compliance with environmental regulations, provisions for clean-up and demolition costs amounting to €(54) million were recognized in 2021 (€15 million in the first half-year) in respect of sites that were being sold. Provisions amounting to €(65) million for costs resulting from decisions to discontinue businesses, production or developments were also recognized in 2021. Provisions and write-offs of receivables amounting to €(25) million were recognized during 2021 (including €9 million in the first half-year) in connection with Renault Brilliance Jinbei Automotive Company (RBJAC), which was placed in receivership on January 12, 2022.

Note 7 - Financial income (expenses)

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|---|--------------|------------------------|--------------------------|
| Cost of gross financial indebtedness | (164) | (145) | (301) |
| Income on cash and financial assets | 40 | 28 | 46 |
| Cost of net financial indebtedness | (124) | (117) | (255) |
| Dividends received from companies that are neither controlled nor under significant influence | 1 | 1 | 4 |
| Foreign exchange gains and losses on financial operations | 36 | 22 | 46 |
| Gain/Loss on exposure to hyperinflation ⁽²⁾ | (132) | (36) | (69) |
| Net interest expenses on the defined-benefit liabilities and assets corresponding to pension and other long-term employee benefit obligations | (8) | (5) | (11) |
| Other ⁽³⁾ | (9) | (3) | (10) |
| Other financial income and expenses | (112) | (21) | (40) |
| Financial income (expenses) | (236) | (138) | (295) |

- (1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) *The loss on exposure to hyperinflation relates to Group entities in Argentina.*
(3) Other items mainly comprise the effects of the +€29 million adjustment of the amortized cost of the State-guaranteed credit facility (+€23 million at December 31, 2021), expenses on assignment of receivables, bank commissions, discounts and late payment interest.

The net cash position of the Automotive segment is presented in the information by operating segment (see section 3.2.6.1-D).

Note 8 - Current and deferred taxes

As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this is the regime applicable to the Group in which Renault SA is taxed in France.

Renault Group also applies other optional tax consolidation systems in Germany, Italy, Spain, Romania, the Netherlands and the UK.

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|-----------------------------------|--------------|------------------------|--------------------------|
| Current income taxes | (272) | (185) | (437) |
| Deferred tax income (charge) | 12 | - | (134) |
| CURRENT AND DEFERRED TAXES | (260) | (185) | (571) |

- (1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

In the first half-year of 2022, €(252) million of the current income tax charge comes from foreign entities (€(345) million in the year 2021 including €(155) million in the first half-year of 2021).

The current income tax charge for entities included in the French tax consolidation group amounts to €(20) million in the

first half-year of 2022 (€(92) million in the year 2021 including €(30) million in the first half-year of 2021).

The effective tax rate for non-French entities was 19% (24% in 2021 and 26% in the first half-year of 2021). The effective tax rate is not relevant to the French tax consolidation due to the existence of tax losses which are largely unrecognized.

Note 9 - Basic and diluted earnings per share

| (Thousands of shares) | H1 2022 | H1 2021 | Year 2021 |
|--|----------------|----------------|----------------|
| Shares in circulation | 295,722 | 295,722 | 295,722 |
| Treasury shares | (3,726) | (3,899) | (4,241) |
| Shares held by Nissan x Renault's share in Nissan | (19,377) | (19,382) | (19,379) |
| Number of shares used to calculate basic earnings per share | 272,619 | 272,441 | 272,102 |

The number of shares used to calculate the basic earnings per share is the weighted average number of ordinary shares in

circulation during the period, i.e. after neutralization of treasury shares and Renault shares held by Nissan.

| (Thousands of shares) | H1 2022 | H1 2021 | Year 2021 |
|---|----------------|----------------|----------------|
| Number of shares used to calculate basic earnings per share | 272,619 | 272,441 | 272,102 |
| Dilutive effect of stock options, performance share rights and other share-based payments | 1,689 | 1,535 | 1,766 |
| Number of shares used to calculate diluted earnings per share | 274,308 | 273,976 | 273,868 |

The number of shares used to calculate the diluted earnings per share is the weighted average number of ordinary shares potentially in circulation during the period, i.e. the number of shares used to calculate the basic earnings per share plus the

number of stock options and rights to performance shares awarded under the relevant plans, that have a dilutive effect and fulfil the performance conditions at the reporting date when issuance is conditional.

3.2.6.4. Operating assets and liabilities, shareholders' equity

Note 10 - Intangible assets and property, plant and equipment

10-A. Intangible assets and goodwill

| (€ million) | Gross value | Amortization and impairment | Net value |
|---|---------------|-----------------------------|--------------|
| Value at December 31, 2021 | 16,433 | (10,035) | 6,398 |
| Acquisitions / (amortization and impairment) ⁽¹⁾ | 606 | (1,775) | (1,169) |
| (Disposals) / reversals | (2) | 1 | (1) |
| Translation adjustment | 2 | (126) | (124) |
| Change in scope of consolidation and other ⁽²⁾ | (1,170) | 1,237 | 67 |
| Value at June 30, 2022 | 15,869 | (10,698) | 5,171 |

(1) Including €(1) million of impairment on intangible assets (Note 6-D) and €(1,185) million of impairment recognized in connection with discontinued operations (Note 3-B).

(2) Including €(7) million of assets reclassified as assets held for sale (Note 3-C).

10-B. Tangible assets

| (€ million) | Gross value | Depreciation and impairment | Net value |
|---|---------------|-----------------------------|---------------|
| Value at December 31, 2021 | 49,847 | (33,680) | 16,167 |
| Acquisitions / (depreciation and impairment) ⁽¹⁾ | 1,205 | (2,288) | (1,083) |
| (Disposals) / reversals | (1,277) | 712 | (565) |
| Translation adjustment | 162 | (184) | (22) |
| Change in scope of consolidation and other ⁽²⁾ | (2,784) | 2,220 | (564) |
| Value at June 30, 2022 | 47,153 | (33,220) | 13,933 |

(1) Including €(1) million of impairment on property, plant and equipment (Note 6-D) and €(1,032) million of impairment recognized in connection with discontinued operations (Note 3-B).

(2) Including €565 million of assets reclassified as assets held for sale (Note 3-C).

10-C. Impairment tests on vehicle-specific assets (including components) and the assets of certain entities

The tangible and intangible assets of Renault Russia and AVTOVAZ were fully written off during the first quarter of 2022, prior to the sale of the investments in Renault Russia and Lada Auto Holding. This impairment is classified under Discontinued operations in the consolidated income statement.

Impairment tests of specific assets dedicated to vehicles (including components) and assets belonging to certain entities did not lead to recognition of any impairment in the first half-year of 2022. In 2021, impairment tests led to recognition of €(78) million of impairment (none of it booked during the first half-year), comprising €(48) million for intangible assets and €(30) million for property, plant and equipment. This impairment was allocated in priority to capitalized development expenses.

A further €(71) million of impairment was also recognized in 2021, notably after decisions to discontinue production or terminate leases. This impairment did not result from impairment testing.

No recovery of impairment was recognized in the first half-year of 2022.

10-D. Impairment tests of country-specific assets or cash-generating units of the Automotive segment

Automotive segment

Renault's market capitalization (€7,035 million at June 30, 2022, based on the number of shares outstanding less treasury shares) is lower than the value of the Group's shareholders' equity. In view of the results of the December 2021 impairment test and the results for the first half-year of 2022, it was not considered necessary to perform another impairment test at June 30, 2022. A sensitivity analysis on the test conducted in 2021 using the after-tax discount rate as updated at 30 June 2022 did not indicate any risk of impairment.

The recoverable value used for the impairment test conducted for the Automotive segment in 2021 was the value in use, determined under the discounted future cash flow method on the basis of the following assumptions:

| | December 31, 2021 | December 31, 2020 |
|-------------------------|-------------------|-------------------|
| Growth rate to infinity | 1.0 % | 1.2 % |
| After-tax discount rate | 8.9 % | 9.2 % |

The assumptions used for impairment testing at December 31, 2021 were derived from the medium-term plan for the period 2021-2025, which was presented in January 2021 and updated in late 2021. They included volume assumptions based on unfavourable market trends, mostly caused by the Covid-19 pandemic, and assumed a return to pre-pandemic volume levels

in 2024-2025 for the European market, and starting from the second half-year of 2022 in other regions of the world where the Group does business. The negative effects of the components supply crisis for 2022 were also factored into the 2021 impairment test.

The growth rates to infinity used in the test at December 31, 2021 included the impacts of commitments made by the States that are signatories to the Paris Agreements on climate change.

At December 31, 2021, it was concluded that no reasonably possible change in the main assumptions used should result in a recoverable value lower than the book value of the assets tested. The recoverable value of the assets tested would remain higher than the book value in the event of the following changes in those assumptions:

- A growth rate to infinity of 0%.
- An after-tax discount rate of 11%.

Note 11 - Investment in Nissan

Renault's investment in Nissan in the income statement and financial position:

| (€ million) | H1 2022 at June 30, 2022 | H1 2021 at June 30, 2021 | Year 2021 at December 31, 2021 |
|--|-----------------------------|-----------------------------|-----------------------------------|
| Consolidated income statement | | | |
| Share in net income (loss) of associates accounted for under the equity method | 325 | 100 | 380 |
| Consolidated financial position | | | |
| Investments in associates accounted for under the equity method | 16,888 | 15,185 | 16,234 |

11-A. Nissan consolidated financial statements included under the equity method in the Renault Group consolidation

The Nissan accounts included under the equity method in Renault Group's financial statements are Nissan's consolidated accounts

published in compliance with Japanese accounting standards (as Nissan is listed on the Tokyo Stock Exchange), after adjustments for the requirements of the Renault Group consolidation. At June 30, 2022, Nissan held 0.6% of its own treasury shares (0.6% at December 31, 2021). Consequently, Renault's percentage interest in Nissan is 43.7% (43.7% at December 31, 2021).

11-B. Changes in the investment in Nissan as shown in Renault Group's statement of financial position

| (€ million) | Share in net assets | | | Goodwill | Total |
|------------------------------|-----------------------|--|---------------|------------|---------------|
| | Before neutralization | Neutralization proportional to Nissan's investment in Renault ⁽¹⁾ | Net | | |
| At December 31, 2021 | 16,498 | (974) | 15,524 | 710 | 16,234 |
| 1 st -half 2022 | 325 | - | 325 | - | 325 |
| Dividend distributed | (64) | - | (64) | - | (64) |
| Translation adjustment | 471 | - | 471 | (56) | 415 |
| Other changes ⁽²⁾ | (22) | - | (22) | - | (22) |
| At June 30, 2022 | 17,208 | (974) | 16,234 | 654 | 16,888 |

(1) Nissan has held 44,358 thousand Renault shares since 2002, corresponding to an investment of around 15%. The neutralization is based on Renault's percentage holding in Nissan.

(2) Other changes include the change in actuarial gains and losses on pension obligations, the change in the financial instrument revaluation reserve and the change in Nissan treasury shares.

11-C. Changes in Nissan equity restated for the purposes of the Renault Group consolidation

| | December 31, 2021 | 1 st -half 2022 net income | Dividends | Translation adjustment | Other changes ⁽¹⁾ | June 30, 2022 |
|--|----------------------|--|-------------|---------------------------|---------------------------------|---------------|
| (¥ billion) | | | | | | |
| Shareholders' equity – Parent-company shareholders' share under Japanese GAAP | 4,271 | 61 | (20) | 590 | (4) | 4,898 |
| Restatements for compliance with IFRS: | | | | | | |
| Provision for pension and other long-term employee benefit obligations | 8 | (22) | - | (5) | (7) | (26) |
| Capitalization of development expenses | 535 | 33 | - | 3 | (2) | 569 |
| Deferred taxes and other restatements | (77) | (33) | - | 19 | 29 | (62) |
| Net assets restated for compliance with IFRS | 4,737 | 39 | (20) | 607 | 16 | 5,379 |
| Restatements for Renault Group requirements ⁽²⁾ | 188 | 63 | (1) | (25) | (28) | 197 |
| Net assets restated for Renault Group requirements | 4,925 | 102 | (21) | 582 | (12) | 5,576 |

| | | | | | | |
|---|---------------|------------|--------------|--------------|-------------|---------------|
| (€ million) | | | | | | |
| Net assets restated for Renault Group requirements | 37,768 | 744 | (147) | 1,078 | (49) | 39,394 |
| Renault Group's percentage interest | 43.7% | | | | | 43.7% |
| Renault Group's share (before neutralization effect described below) | 16,498 | 325 | (64) | 471 | (22) | 17,208 |
| Neutralization of Nissan's investment in Renault Group ⁽³⁾ | (974) | | | | | (974) |
| Renault Group's share in the net assets of Nissan | 15,524 | 325 | (64) | 471 | (22) | 16,234 |

- (1) Other changes include the change in actuarial gains and losses on pension obligations, the change in the financial instrument revaluation reserve and the change in Nissan treasury shares.
- (2) Restatements for Renault Group requirements include elimination of Nissan's investment in Renault accounted for under the equity method, elimination in the Nissan financial statements of the impacts of loss of control of the Group's operations in the Russian Federation, and historically correspond to revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002.
- (3) Nissan has held 44,358 thousand Renault shares in Renault since 2002, an ownership interest of about 15%. The neutralization is based on Renault's percentage holding in Nissan.

11-D. Nissan net income under Japanese GAAP

Since Nissan's financial year ends at March 31, the Nissan net income included in the first-half 2022 Renault consolidation is

the sum of Nissan's net income for the final quarter of its 2021 financial year and the first quarter of its 2022 financial year.

| | January to March 2022 | | April to June 2022 | | January to June 2022 | |
|---|---|---|---|----------------------------|----------------------|----------------------------|
| | Final quarter of Nissan's 2021 financial year | First quarter of Nissan's 2022 financial year | Reference period for Renault Group's 1 st -half 2022 consolidated financial statements | | | |
| | (¥ billion) | (€ million) ⁽¹⁾ | (¥ billion) | (€ million) ⁽¹⁾ | (¥ billion) | (€ million) ⁽¹⁾ |
| Net income – Parent-company shareholders' share | 14 | 109 | 47 | 341 | 61 | 450 |

(1) Converted at the average exchange rate for each quarter.

11-E. Valuation of Renault Group's investment in Nissan at stock market prices

Based on the quoted price at June 30, 2022 of ¥528 per share, Renault's investment in Nissan is valued at €6,833 million (€7,812 million at December 31, 2021 based on the price of ¥556 per share).

11-F. Impairment test of the investment in Nissan

At June 30, 2022, the stock market value of the investment was 59.5% lower than the value of Nissan in Renault's statement of financial position (51.9% at December 31, 2021).

In application of the approach presented in the Note on accounting policies, an impairment test was carried out at December 31, 2021. An after-tax discount rate of 6.53% and a growth rate to infinity (including the effect of inflation) of 1.47% were used to calculate value in use. The terminal value was calculated under profitability assumptions consistent with Nissan's past data and conservative medium and long-term prospects, incorporating new medium-term forecasts for volumes and exchange rates.

It was not considered necessary to conduct a further impairment test at June 30, 2022, as no triggering event as identified by IAS 36 was identified.

11-G. Operations between the Renault Group and the Nissan Group

Automotive and Sales Financing

Renault Group and Nissan follow joint strategies for vehicle and component development, purchasing, production and distribution resources. This cooperation is reflected in synergies that reduce costs.

The Automotive segment is involved in operations with Nissan on two levels:

- Industrial production: cross-over production of vehicles and components in the Alliance's manufacturing plants:
 - In the first half-year of 2022, total sales by the Automotive segment to Nissan and purchases by the Automotive segment from Nissan amounted to an estimated €0.9 billion and €0.8 billion respectively (€1.8 billion and €1.6 billion respectively in 2021, including €0.9 billion and €0.7 billion for the first half-year).
 - In the first half-year of 2022, the balance of Automotive segment receivables on the Nissan group is €447 million and the balance of Automotive segment liabilities to the Nissan group is €507 million (€424 million and €607 million respectively at December 31, 2021).
- Finance: in addition to its activity for Renault, Renault Finance acts as the Nissan group's counterparty in financial instruments trading to hedge foreign exchange and interest rate risks. In the balance sheet, the derivative assets on the Nissan group amount to €406 million at June 30, 2022 (€11 million at December 31, 2021) and derivative

liabilities amount to €137 million at June 30, 2022 (€34 million at December 31, 2021).

Renault Group's Sales Financing segment helps to attract customers and build loyalty to Nissan brands through a range of financing products and services incorporated into the sales policy, principally in Europe. In the first half-year of 2022, RCI

Banque recorded €43 million of service revenues in the form of commission and interest received from Nissan (€75 million in 2021, of which €52 million were recorded in the first half-year). The balance of Sales Financing receivables on the Nissan group is €37 million at June 30, 2022 (€32 million at December 31, 2021) and the balance of liabilities is €126 million at June 30, 2022 (€121 million at December 31, 2021).

Note 12 - Investments in other associates and joint ventures

Details of investments in other associates and joint ventures are as follows in the Group's financial statements:

| (€ million) | H1 2022 at June 30, 2022 | H1 2021 at June 30, 2021 | Year 2021 at December 31, 2021 |
|--|-----------------------------|-----------------------------|-----------------------------------|
| Consolidated income statement | | | |
| Share in net income (loss) of other associates and joint ventures | (111) | 60 | 135 |
| Associates accounted for under the equity method ⁽¹⁾ | (67) | 31 | 93 |
| Joint ventures accounted for under the equity method | (44) | 29 | 42 |
| Consolidated financial position | | | |
| Investments in other associates and joint ventures | 644 | 565 | 721 |
| Associates accounted for under the equity method ⁽²⁾ | 422 | 409 | 512 |
| Joint ventures accounted for under the equity method | 222 | 156 | 209 |

(1) The net income of associates includes impairment of the assets of RN Bank of €(101) million on the assets of RN Bank, a Sales Financing segment company that operates in the Russian Federation.

(2) Including impairment of €73 million on production assets of Renault Nissan Automotive India Private Limited (RNAIPL) recognized in 2020.

Note 13 - Sales Financing receivables

13-A. Sales Financing receivables by nature

| (€ million) | June 30, 2022 | December 31, 2021 |
|--------------------------------|---------------|-------------------|
| Dealership receivables | 6,510 | 6,343 |
| Financing for end-customers | 23,581 | 23,159 |
| Leasing and similar operations | 11,132 | 11,024 |
| Gross value | 41,223 | 40,526 |
| Impairment | (1,084) | (1,028) |
| Net value | 40,139 | 39,498 |

13-B. Breakdown of Sales Financing receivables by level of risk

In 2021 the Sales Financing segment finalized its compliance programme for the new definition of default for countries whose solvency ratio is calculated by the advanced approach (France, Italy, Spain, Germany, the United Kingdom and South Korea) and the standard approach (Brazil and non-G7 countries).

The provisioning parameters (Probability of Default, Loss Given Default) are now based on methods applicable for the new definition of default (reconstruction of calculation history, adapted days-past-due counter, etc.) Starting from June 2022, the Loss Given Default is updated monthly for all countries.

| (€ million) | Financing for final customers | Dealer financing | June 30, 2022 |
|---|----------------------------------|------------------|----------------|
| Gross value | 34,712 | 6,511 | 41,223 |
| Healthy receivables | 30,681 | 6,350 | 37,031 |
| Receivables showing higher credit risk since initial recognition | 3,046 | 118 | 3,164 |
| Receivables in default | 985 | 43 | 1,028 |
| % of total receivables in default | 2.8% | 0.7% | 2.5% |
| Impairment | (1,013) | (71) | (1,084) |
| Impairment in respect of healthy receivables | (272) | (38) | (310) |
| Impairment in respect of receivables showing higher credit risk since initial recognition | (165) | (8) | (173) |
| Impairment in respect of receivables in default | (576) | (25) | (601) |
| Total net value | 33,699 | 6,440 | 40,139 |

| | Financing for final customers | Dealer financing | December 31, 2021 |
|---|-------------------------------|------------------|-------------------|
| (€ million) | | | |
| Gross value | 34,183 | 6,343 | 40,526 |
| Healthy receivables | 30,067 | 6,118 | 36,185 |
| Receivables showing higher credit risk since initial recognition | 3,126 | 165 | 3,291 |
| Receivables in default | 990 | 60 | 1,050 |
| % of total receivables in default | 2.9% | 0.9% | 2.6% |
| Impairment | (953) | (75) | (1,028) |
| Impairment in respect of healthy receivables | (254) | (37) | (291) |
| Impairment in respect of receivables showing higher credit risk since initial recognition | (161) | (9) | (170) |
| Impairment in respect of receivables in default | (538) | (29) | (567) |
| Total net value | 33,230 | 6,268 | 39,498 |

Note 14 - Inventories

| (€ million) | June 30, 2022 | | | December 31, 2021 | | |
|-----------------------------------|---------------|--------------|--------------|-------------------|--------------|--------------|
| | Gross value | Impairment | Net value | Gross value | Impairment | Net value |
| Raw materials and supplies | 1,830 | (286) | 1,544 | 1,811 | (268) | 1,543 |
| Work in progress | 434 | (10) | 424 | 360 | (3) | 357 |
| Used vehicles | 1,063 | (108) | 955 | 1,065 | (114) | 951 |
| Finished products and spare parts | 2,365 | (121) | 2,244 | 2,080 | (139) | 1,941 |
| TOTAL | 5,692 | (525) | 5,167 | 5,316 | (524) | 4,792 |

Note 15 - Financial assets – cash and cash equivalents

15-A. Current / non-current breakdown

| (€ million) | June 30, 2022 | | | December 31, 2021 | | |
|---|---------------|---------------|---------------|-------------------|---------------|---------------|
| | Non-current | Current | Total | Non-current | Current | Total |
| Investments in non-controlled entities | 92 | - | 92 | 72 | - | 72 |
| Marketable securities and negotiable debt instruments | - | 1,031 | 1,031 | - | 893 | 893 |
| Derivatives on financing operations by the Automotive segment | 191 | 684 | 875 | 56 | 181 | 237 |
| Loans and other | 292 | 515 | 807 | 245 | 306 | 551 |
| TOTAL FINANCIAL ASSETS | 575 | 2,230 | 2,805 | 373 | 1,380 | 1,753 |
| <i>Gross value</i> | <i>575</i> | <i>2,233</i> | <i>2,808</i> | <i>373</i> | <i>1,383</i> | <i>1,756</i> |
| <i>Impairment</i> | <i>-</i> | <i>(3)</i> | <i>(3)</i> | <i>-</i> | <i>(3)</i> | <i>(3)</i> |
| Cash equivalents ⁽¹⁾ | - | 4,629 | 4,629 | - | 10,209 | 10,209 |
| Cash | - | 14,378 | 14,378 | - | 11,719 | 11,719 |
| TOTAL CASH AND CASH EQUIVALENTS | - | 19,007 | 19,007 | - | 21,928 | 21,928 |

(1) Cash equivalents mainly consist of term deposits with maturities of 3 months or less and a low risk of change in the minimum payments receivable, totalling €3,423 million (€3,125 million at December 31, 2021), and euro investment funds with "monetary fund" approval that meet the criteria for classification as cash equivalents, totalling €814 million (€6,814 million at December 31, 2021).

15-B. Cash not available to the Group

The Group has liquidities in countries where repatriation of funds can be complex for regulatory or political reasons. In most of these countries, such funds are used locally for industrial or sales financing purposes.

Some current bank accounts held by the Sales Financing Securitization Fund are used to increase credit on securitized receivables, and consequently act as guarantees in the event of default on payment of receivables. These current bank accounts amount to €1,058 million at June 30, 2022 (€909 million at December 31, 2021).

Note 16 - Shareholders' equity

16-A. Share capital

The total number of ordinary shares issued and fully paid at June 30, 2022 is 295,722 thousand, with par value of €3.81 per share (unchanged since December 31, 2021).

Treasury shares do not bear dividends. They account for 1.54% of Renault's share capital at June 30, 2022 (1.55% at December 31, 2021).

The Nissan Group holds approximately 15% of Renault Group through its wholly-owned subsidiary Nissan Finance Co. Ltd (no voting rights are attached to these shares).

16-B. Distributions

At the General and Extraordinary Shareholders' Meeting of May 25, 2022, it was decided not to distribute dividends (as in 2021).

16-C. Performance share plans and other share-based payment arrangements

During the first half-year of 2022 performance share plan 29 was introduced, concerning 1,684 thousand shares with initial total value of €79 million. The vesting period for rights to shares is 3 years, and there is no minimum holding period.

The Group announced that it was granting each employee six free shares through a company savings plan. There is no holding

requirement after a vesting period during 2022. An expense of €7 million was recognized in this respect at June 30, 2022.

Changes in the number of share rights held by personnel and other share-based payments

| | Rights not yet vested at January 1, 2022 | Granted | Vested rights | Rights expired and other adjustments | Rights not yet vested at June 30, 2022 |
|--------------|--|-----------|----------------------------|--------------------------------------|--|
| Share rights | 4,444,368 | 1,683,640 | (1,282,079) ⁽¹⁾ | (292,478) | 4,553,451 |

(1) Performance shares rights were awarded under plan 25 for French tax residents granted in 2018 and plan 26 no-residents granted in 2019.

Note 17 - Provisions

17-A. Provisions for pensions and other long-term employee benefit obligations

Provisions for pensions and other long-term employee benefit obligations amount to €1,102 million at June 30, 2022 (€1,440 million at December 31, 2021). These provisions

decreased by €338 million in the first half-year of 2022. The financial discount rate most frequently used to value the Group's obligations in France is 3.06% at June 30, 2022, against 0.82% at December 31, 2021 and the salary increase rate for the first half-year of 2022 is 2.20%, as at December 31, 2021.

17-B. Changes in provisions

| (€ million) | Restructuring provisions | Warranty provisions | Provisions for litigation and risks concerning other taxes | Provisions for insurance activities ⁽¹⁾ | Provisions for commitments given and other | Total |
|---|--------------------------|---------------------|--|--|--|--------------|
| At December 31, 2021 | 652 | 1,003 | 143 | 463 | 580 | 2,841 |
| Increases | 70 | 248 | 24 | 23 | (41) | 324 |
| Reversals of provisions for application | (164) | (275) | (18) | (23) | 86 | (394) |
| Reversals of unused balance of provisions | (58) | (9) | (7) | - | (29) | (103) |
| Changes in scope of consolidation | (8) | (64) | (9) | - | (39) | (120) |
| Translation adjustments and other changes | (14) | 14 | 31 | - | 8 | 39 |
| At June 30, 2022 ⁽²⁾ | 478 | 917 | 164 | 463 | 565 | 2,587 |

(1) Technical reserves established by the Sales Financing segment's insurance companies.

(2) Short-term portion of provisions: €1,308 million; long-term portion of provisions: €1,279 million.

All known litigation in which Renault or Group companies are involved is examined at each closing. After seeking the opinion of legal advisors, any provisions deemed necessary are set aside to cover the estimated risk. During first-half 2022, the Group recorded no provisions in connection with any particular new

litigation. Information on contingent liabilities is provided in Note 21-A.

Increases to restructuring provisions principally concern France and other European countries.

Note 18 - Financial liabilities and Sales Financing debts

18-A. Current/non-current breakdown

| (€ million) | June 30, 2022 | | | December 31, 2021 | | |
|--|---------------|---------------|---------------|-------------------|---------------|---------------|
| | Non-current | Current | Total | Non-current | Current | Total |
| Renault SA redeemable shares | 261 | - | 261 | 247 | - | 247 |
| Bonds | 7,021 | 969 | 7,990 | 7,874 | 254 | 8,128 |
| Other debts represented by a certificate | - | 589 | 589 | - | 997 | 997 |
| Borrowings from credit institutions | 1,437 | 1,633 | 3,070 | 3,464 | 1,777 | 5,241 |
| - France | 1,390 | 1,048 | 2,438 | 2,325 | 1,080 | 3,405 |
| - Russian Federation | - | - | - | 1,087 | 14 | 1,101 |
| - Including Avtovaz | - | - | - | 1,087 | 14 | 1,101 |
| - Brazil | 46 | 203 | 249 | 52 | 432 | 484 |
| - Turkey | - | 120 | 120 | - | - | - |
| - Morocco | - | 129 | 129 | - | 181 | 181 |
| Lease liabilities | 464 | 100 | 564 | 479 | 124 | 603 |
| Other financial liabilities ⁽¹⁾ | 190 | 301 | 491 | 215 | 252 | 467 |
| Financial liabilities of the Automotive segment (excluding derivatives) | 9,373 | 3,592 | 12,965 | 12,279 | 3,404 | 15,683 |
| Derivatives on financing operations of the Automotive segment | 253 | 787 | 1,040 | 54 | 199 | 253 |
| Financial liabilities of the Automotive segment | 9,626 | 4,379 | 14,005 | 12,333 | 3,603 | 15,936 |
| Financial liabilities of the Mobility Services segment ⁽²⁾ | 6 | 2 | 8 | 6 | 2 | 8 |
| Subordinated loans and Diac redeemable shares ⁽³⁾ | 878 | - | 878 | 893 | - | 893 |
| Financial liabilities | 10,510 | 4,381 | 14,891 | 13,232 | 3,605 | 16,837 |
| Bonds | - | 12,285 | 12,285 | - | 13,810 | 13,810 |
| Other debts represented by a certificate | - | 4,835 | 4,835 | - | 4,161 | 4,161 |
| Borrowings from credit institutions | - | 6,049 | 6,049 | - | 5,734 | 5,734 |
| Other interest-bearing borrowings, including lease liabilities ⁽⁴⁾ | - | 21,943 | 21,943 | - | 21,374 | 21,374 |
| Debts of the Sales Financing segment (excluding derivatives) | - | 45,112 | 45,112 | - | 45,079 | 45,079 |
| Derivatives on financing operations of the Sales Financing segment | - | 182 | 182 | - | 44 | 44 |
| Sales Financing debts | - | 45,294 | 45,294 | - | 45,123 | 45,123 |
| Total financial liabilities and sales financing debts | 10,510 | 49,675 | 60,185 | 13,232 | 48,728 | 61,960 |

(1) The financial liability recognized at June 30, 2022 in application of IAS 16 for leases analysed in substance as purchases amounts to €76 million (€99 million at December 31, 2021).

(2) Financial liabilities of the Mobility Services segment, including internal financing, amount to €48 million (Note 6.1.B)

(3) Including subordinated loans of RCI Banque, amounting to €856 million at June 30, 2022 (€856 million at December 31, 2021).

(4) Including lease liabilities of the Sales Financing segment, amounting to €62 million at June 30, 2022 (€58 million at December 31, 2021).

18-B. Changes in Automotive financial liabilities and derivative assets on financing operations

| (€ million) | December 31, 2021 | Change in cash flows | Change resulting from acquisition or loss of control over subsidiaries and other operating units | Foreign exchange changes with no effect on cash flows | Other changes with no effect on cash flows | June 30, 2022 |
|---|-------------------|----------------------|--|---|--|---------------|
| Renault SA redeemable shares | 247 | - | - | - | 14 | 261 |
| Bonds | 8,128 | 4 | - | (126) | (16) | 7,990 |
| Other debts represented by a certificate | 997 | (392) | - | (16) | - | 589 |
| Borrowings from credit institutions | 5,241 | (923) | (1,745) | 512 | (15) | 3,070 |
| Lease liabilities | 603 | (69) | (30) | 12 | 48 | 564 |
| Other financial liabilities | 467 | (433) | 2 | 40 | 415 | 491 |
| Financial liabilities of the Automotive segment (excluding derivatives) | 15,683 | (1,813) | (1,773) | 422 | 446 | 12,965 |
| Derivatives on financing operations of the Automotive segment | 253 | 749 | - | 134 | (96) | 1,040 |
| Total financial liabilities of the Automotive segment (A) | 15,936 | (1,064) | (1,773) | 556 | 350 | 14,005 |
| Derivative assets on Automotive financing operations (B) | 237 | 567 | - | 1 | 70 | 875 |
| Net change in Automotive financial liabilities in consolidated cash flows by segment (section 3.2.6.1-C) (A) - (B) | | (1,631) | | | | |
| Financial liabilities of the Mobility Services segment | 8 | 8 | (3) | (2) | (3) | 8 |
| Net change in Automotive financial liabilities in consolidated cash flows | | (1,623) | | | | |

18-C. Changes in financial liabilities and Sales Financing debts

Changes in redeemable shares of the Automotive segment

The redeemable shares issued in October 1983 and April 1984 by Renault SA are subordinated perpetual shares listed on the Paris Stock Exchange. They earn a minimum annual return of 9%

comprising a 6.75% fixed portion and a variable portion that depends on consolidated revenues and is calculated based on identical Group structure and methods. The sale of our automotive businesses in Russia thus had no effect on this rate of return.

Redeemable shares are stated at amortized cost, calculated by discounting the forecast interest coupons at the effective interest rate of the borrowing.

These shares are traded for €320.00 at June 30, 2022 (€442.00 at December 31, 2021). The financial liability based on the stock market value of the redeemable shares at June 30, 2022 is €255 million (€353 million at December 31, 2021).

Changes in bonds and other debts of the Automotive segment

As part of its Shelf Registration program, Renault SA launched a bond on the Japanese market on June 24, 2022 for a total of ¥80.7 billion (equivalent to €561 million), with a 3.5% coupon and 3-year maturity. The proceeds of this issue were received on July 1, 2022 and are not included in financial liabilities at June 30, 2022.

State-guaranteed credit facility of the Automotive segment

In 2020, the Renault Group opened a credit line with a pool of five banks, for the maximum amount of €5 billion covered by a French State guarantee for up to 90% of the amount borrowed. At December 31, 2020, €4 billion had been drawn on this credit line in three tranches: €2 billion drawn on August 5, 2020, €1 billion on September 22, 2020 and €1 billion on December 23, 2020.

The initial maturity for each drawing was 12 months, and Renault had the option to extend the maturity by a further three years, with repayment of one third each year. The interest rate on each drawing was indexed on the 12-month Euribor for the first year, then the 6-month Euribor for any extensions. If extended, these credit drawings were to be repayable in one-third instalments in 2022, 2023 and 2024 on the anniversary dates of the initial drawings, with the possibility of early repayment of outstanding instalments (of at least €330 million of the principal) at Renault Group's initiative.

The Group exercised the extension options on all these drawings except for the drawing maturing in August 2021, of which €1 billion was repaid.

As announced on February 18, 2022, three early repayments of €340 million each were made on February 7, March 22 and June 23, 2022, corresponding to the final instalment (August, September and December 2024) in the three branches. The change of intent was treated as a modification of a financial liability in compliance with IFRS 9, paragraph B5.4.6. This led to a decrease in the financial liability with recognition of a corresponding amount of €29 million in financial income.

Changes in Sales Financing debts

On June 27, 2022 the RCI Group issued a €500 million, 5-year green bond with a 4.75% coupon. The proceeds of this issue were received on July 6, 2022 and are not included in financial liabilities at June 30, 2022.

In the first half-year of 2022, RCI Banque group issued new bonds totalling €1,217 million with maturities between 2023 and 2027, and redeemed bonds for a total of €2,618 million.

The Group had access to the TLTRO III program (targeted long-term refinancing operations) set up by the European Central Bank (ECB).

- Three drawings were made during 2020, of a total €1,750 million maturing in 2023.
- Two further drawings were made during 2021, of a total €1,500 million maturing in 2024.

The Group opted to apply IFRS 9 to its drawings on the TLTRO III program, considering the interest rate set by the European Central Bank as a market rate since it applies to all banks that benefit from the program, and the European Central Bank decides the rate and can change it unilaterally at any time.

The initial effective interest rate on TLTRO drawings takes account of the Group's achievement of loan grant targets set for

the reference period ending in March 2021. The ECB confirmed that these targets had been met in September 2021. Based on its initial expectations, the Group's estimates did not include achievement of loan grant targets in the special additional reference period. As a result, the interest rate changes presented in ECB decision 2021/124 of January 29, 2021 had no impact on future estimated cash flows relating to the borrowing, and did not therefore affect the accounting treatment of the drawings.

On June 10, 2022 the Group received confirmation that loan grant targets for the special additional reference period had been met (October 2020 – December 2021), and that consequently it will benefit from an interest rate reduction (June 2021-June 2022). In application of the current provisions of IFRS 9, this rate reduction gives rise to a €14 million adjustment to TLTRO liability items in accordance with paragraph B5.4.6.

RCI Banque Group also had access to the Bank of England's TFSME (Term Funding for SMEs) scheme in 2020, and in 2021 made a drawing of £409 million maturing in September and October 2025.

The maximum interest rate applicable to this financing during 2021 was calculated as the Bank of England's base rate (1.25% at June 30, 2022) plus a margin of 0.25%. RCI Banque Group could be granted a more favourable rate if it meets certain eligibility criteria, notably concerning growth in loans granted over a period ending in June 2021.

RCI Banque Group applied IFRS 9 to this financing, considering this adjustable rate as a market rate because it is applicable to all banks benefiting from the TFSME scheme. The effective interest rate has been set at the maximum level as the Group does not expect to meet the loan grant growth criterion.

New savings collected rose by €489 million during the year (€851 million of sight deposits and (€362) million of term deposits) to €21,508 million (€16,574 million of sight deposits and €4,934 million of term deposits), and are classified as other interest-bearing borrowings. These savings are collected in Germany, Austria, Brazil, Spain, France, the United Kingdom and the Netherlands.

To hedge certain floating-rate liabilities (savings collected and TLTRO financing), RCI Banque set up interest rate derivatives that do not qualify as hedging derivatives under IFRS 9. The net operating income was positively affected by a €58 million increase in the value of these swaps due to the current rise in interest rates.

Changes in financial liabilities of the Mobility Services segment

The financial liabilities of the Mobility Services segment consist of internal Group financing issued by Renault sas in the form of interest-bearing loans.

Automotive segment financing by assignment of receivables - financing for the independent dealer network

Some of the Automotive segment's external financing comes from assignment of commercial receivables to non-Group financial establishments and intragroup assignments to the Sales Financing segment. The Sales Financing segment also contributes to the financing of inventories sold by the Automotive segment to the independent dealer network.

The Group does not undertake any non-deconsolidating assignments.

Details of financing by assignment of commercial receivables and financing of the dealer network by the Sales Financing segment are as follows:

| (€ million) | June 30, 2022 | | June 30, 2021 | | December 31, 2021 | |
|---|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | To non-group entities | To Sales Financing | To non-group entities | To Sales Financing | To non-group entities | To Sales Financing |
| Assignment of Automotive receivables | 1,299 | 389 | 1,308 | 378 | 1,373 | 181 |
| Automotive independent dealer financing | 0 | 4,949 | 0 | 5,742 | 0 | 4,876 |
| Total assigned | 1,299 | 5,338 | 1,308 | 6,120 | 1,373 | 5,057 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

In the first half-year of 2022, the total amount of tax receivables assigned and derecognized is €136 million, principally comprising CIR receivables (€139 million of CIR receivables and €66 million of VAT receivables in 2021).

French tax receivables assigned outside the Group (the "CIR" Research Tax Credit), with transfer of substantially all the risks and benefits associated with ownership of the receivables, are only derecognized if the risk of dilution is deemed to be non-existent. This is notably the case when the assigned receivables have already been subject to a tax inspection or preliminary audit. No assigned tax receivables remained in the balance sheets at June 30, 2022.

The assigned receivables are derecognized when the associated risks and benefits are substantially transferred, as described in Note 2-P to the 2021 consolidated financial statements.

The Automotive segments assigns its dealership receivables to the Sales financing segment. The total dealership receivables transferred to the Sales financing segment principally concerns Renault group. The amounts are presented in Note 13-B.

Automotive segment financing by reverse factoring programs

The accounting treatment for these programs is described in Note 2-P to the 2021 consolidated financial statements, Assignment of receivables and reverse factoring.

The Group did not use reverse factoring programs in 2022, and consequently there are no financial liabilities for reverse factoring at June 30, 2022 (as at December 31, 2021).

3.2.6.5. Cash flows and other information

Note 19 - Cash flows

19-A. Other income and expenses with no impact on cash before interest and tax of continuing operations

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|---|-----------|------------------------|--------------------------|
| Net allocation to provisions | (250) | (211) | (130) |
| Net effects of Sales Financing credit losses | 43 | (34) | (45) |
| Net (gain) loss on asset disposals | (111) | (124) | (464) |
| Change in fair value of other financial instruments | (32) | (25) | (32) |
| Net financial indebtedness | 124 | 117 | 255 |
| Deferred taxes | (12) | - | 134 |
| Current taxes | 272 | 185 | 437 |
| Other | 30 | 43 | 85 |
| Other income and expenses with no impact on cash before interest and tax | 64 | (49) | 240 |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

19-B. Change in working capital before tax of continuing operations

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|--|--------------|------------------------|--------------------------|
| Decrease (increase) in net inventories | (914) | 213 | 920 |
| Decrease (increase) in net receivables | (161) | (20) | 125 |
| Decrease (increase) in other assets | (283) | 22 | 70 |
| Increase (decrease) in trade payables | 1,071 | (796) | (556) |
| Increase (decrease) in other liabilities | (224) | (2) | (866) |
| Increase (decrease) in working capital before tax | (511) | (583) | (307) |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

19-C. Capital expenditure of continuing operations

| (€ million) | H1 2022 | H1 2021 ⁽¹⁾ | Year 2021 ⁽¹⁾ |
|---|----------------|------------------------|--------------------------|
| Purchases of intangible assets | (606) | (532) | (1,114) |
| Purchases of property, plant and equipment ⁽²⁾ | (506) | (530) | (1,350) |
| Total purchases for the period | (1,112) | (1,062) | (2,464) |
| Deferred payments | (135) | (330) | (222) |
| Total capital expenditure | (1,247) | (1,392) | (2,686) |

(1) The 2021 financial statements have been restated in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Excluding capitalized leased assets and right-of-use assets.

Note 20 - Related parties

20-A. Remuneration of directors and executives and Board of Management members

Apart from the points described in section 3.2 of the 2021 Universal Registration Document, there has been no significant change in the principles for remuneration and related benefits of Directors and Executives and members of the Board of Management.

20-B. Renault's investments in associates

Details of Renault's investments in Nissan and in other companies accounted for under the equity method are provided in Notes 11 and 12.

20-C. Transactions with the French State and public companies

In the course of its business the Group undertakes transactions with the French State and public companies such as UGAP, EDF, and La Poste. These transactions, which take place under

normal market conditions, represent sales of €133 million in first-half 2022, an Automotive receivable of €76 million and a Sales Financing receivable of €95 million.

In 2020 the Group benefited from a State-guaranteed credit facility, issued by a pool of banks as described in Note 18.

Note 21 - Off-balance sheet commitments and contingent assets and liabilities

In the course of its business, Renault enters into a certain number of commitments, and is involved in litigations or subject to investigations by competition and automotive regulation authorities. Any liabilities resulting from these situations (e.g. pensions and other employee benefits, litigation costs, etc.) are covered by provisions. Details of other commitments that constitute off-balance sheet commitments and contingent liabilities are provided below (Note 21-A).

Renault also receives commitments from customers (deposits, mortgages, etc.) and may benefit from credit lines with credit institutions (Note 21-B).

21-A. Off-balance sheet commitments given and contingent liabilities

21-A1. Ordinary operations

The Group is committed for the following amounts:

| (€ million) | June 30, 2022 | December 31, 2021 |
|---|---------------|-------------------|
| Assets pledged as collateral by Sales Financing segment ⁽¹⁾ | 6,627 | 7,111 |
| Financing commitments in favour of customers ⁽²⁾ - Sales Financing segment | 4,496 | 3,400 |
| Other financing commitments | 38 | 48 |
| Financial guarantees given by Sales Financing segment ⁽³⁾ | 184 | 29 |
| Other financial guarantees given ⁽⁴⁾ | 409 | 399 |
| Commitments related to supply contracts ⁽⁵⁾ | 1,117 | 924 |
| Firm investment orders | 1,118 | 847 |
| Lease commitments ⁽⁶⁾ | 93 | 90 |
| Other commitments ⁽⁷⁾ | 180 | 181 |
| Other assets pledged as collateral | 41 | 5 |

(1) Assets pledged as guarantees by the Sales Financing segment for management of its liquidity reserve are presented in Note 21-A4.

(2) Financing commitments in favour of customers by the Sales Financing segment will give rise to cash outflows mostly during the three months following the end of the period.

(3) Financial guarantees given by the Sales Financing segment will give rise to cash outflows amounting to €183 million during the 12-month period following the end of the period.

(4) Other financial guarantees given mainly concern administrations.

(5) These commitments include minimum payment obligations to suppliers when the Group has made a firm commitment for collection and payment. These multi-year commitments will give rise to cash outflows during the nine years following the 2022 year-end. The maximum payable within one year is €345 million at June 30, 2022 (€300 million at December 31, 2021). Irrevocable commitments at June 30, 2022 were essentially made to secure battery supplies for electric vehicles.

(6) Lease commitments comprise commitments relating to leases signed but not yet effective at the end of the period which cannot be included in the statement of financial position as assets in progress, leases that are outside the scope of IFRS 16 and leases exempt from the accounting treatment prescribed by IFRS 16.

(7) Notably stock options granted.

21-A2. Contingent liabilities

Group companies are periodically subject to tax inspections in the countries in which they operate. Accepted tax adjustments are recorded as provisions in the financial statements. Contested tax adjustments are recognized on a case-by-case basis, taking into account the risk that the proceedings or appeals undertaken may be unsuccessful. Tax liabilities are recognized via provisions when there are uncertainties over the determination of taxes.

On December 19, 2019 Renault s.a.s. received provisional notification of a tax reassessment on transfer prices in 2016, and

an additional notification was received on June 24, 2021 concerning the years 2017 and 2018. Renault Group is challenging the most significant amounts of these provisional notifications, and no provision was recognized in the financial statements at December 31, 2021 in connection with this matter.

RESA (Renault España SA) was notified of a €213 million tax reassessment for transfer prices at December 31, 2020, which Renault Group is contesting. A procedure for amicable settlement between France and Spain was begun in 2021. No provision has been recognized in connection with this notification, since Renault Group considers that it has good chances of winning its case. A

deposit of €213 million has been paid to the Spanish tax authorities (€135 million in 2020 and €78 million in 2021). It is recognized in non-current financial assets and presented in cash flows from investing activities (in the Decrease (Increase) in loans of the Automotive segment) in the consolidated cash flow statement.

Disposals of subsidiaries or businesses by the Group generally include representations and warranties in the buyer's favour. At June 30, 2022, the Group has not identified any significant risk in connection with these operations.

Group companies are periodically subject to investigations by the authorities in the countries in which they operate. When the resulting financial consequences are accepted, they are recognized in the financial statements via provisions. When they are contested, they are recognized on a case-by-case basis, based on estimates that take into account the risk that the proceedings or appeals undertaken may be unsuccessful.

The main investigations by the competition and automotive regulations authorities in progress at December 31, 2022 concern illegal agreements and the level of vehicle emissions in Europe.

In the ongoing "emissions" affair in France, in which a formal legal investigation was opened on January 12, 2017 at the request of the Paris public prosecution office, Renault s.a.s. was officially placed under investigation for deceit on June 8, 2021.

In July 2021 Renault Group paid bail of €20 million (included in the balance sheet) to guarantee its representation throughout the proceedings and to cover payment of any damages and fines. It also issued a €60 million bank guarantee on October 8, 2021 to cover compensation for any prejudice identified. Renault Group denies having committed any offence. All Renault Group vehicles are, and always have been, type-approved in accordance with applicable laws and regulations.

The potential consequences of the next steps in these ongoing proceedings cannot be reliably estimated at this stage, and no provision was recognized in connection with this matter at June 30, 2022 (nor at December 31, 2021 and 2020).

Approximately 70% of the Group's sales in 2021 were subject to CO₂ emission regulations, principally in the European Union but also especially in China, Switzerland, the United Kingdom and South Korea.

In 2020 and 2021, the three members of the Alliance - Renault, Nissan and Mitsubishi Motors Corp. - signed agreements to pool their CAFE (Corporate Average Fuel Economy) targets for the European Union. The potential noncompliance penalties payable to the authorities concerned are determined at the level of the group formed by the Alliance's three automakers. It is highly likely that a similar CAFE target pooling agreement will be signed for 2022. Renault did not recognize any provision in connection with the EU CAFE regulation at June 30, 2022 (nor at June 30 or December 31, 2021).

Renault Group confirmed in a press release of January 4, 2021 that it had achieved its CAFE targets for passenger vehicles and light commercial vehicles in 2020, subject to validation by the European Commission. The validation process was still ongoing at the date of publication of these financial statements.

Renault Group also confirmed in a press release of January 17, 2022 that it had achieved its CAFE targets for passenger vehicles and light commercial vehicles in 2021 (these results are due to be consolidated and officialized by the European Commission in the next few months). Based on the estimates available for 2022, the current year targets should also be met.

A provision of €5 million was recognized at June 30, 2022 for CAFE penalties payable for 2022 in South Korea, raising the total provision for the years 2019 to 2022 to €40 million.

Group companies are also subject to the applicable regulations regarding pollution, notably of soil and ground water. These regulations vary depending on the country of location. Some of the associated environmental liabilities are potential and will only be recognized in the accounts if the activity is discontinued or the site closed. It is also sometimes difficult to determine the amount of the obligation reliably. Provisions are only established for liabilities that correspond to a legal or constructive obligation at the closing date, and can be estimated with reasonable reliability.

Since March 2022, Renault has been under investigation by the European Commission and the UK's Competition and Markets Authority for participating in an alleged collusion between several automakers and automotive industry bodies for the collection and processing of end-of-life vehicles. The European Commission in particular carried out inspections and raids on Renault premises in March 2022, with the aim of collecting evidence that automakers had made an agreement not to pay the recycling centres handling end-of-life vehicles if those centres could reuse parts and materials retrieved from the vehicles collected.

As it is currently too soon to estimate the potential consequences of these two investigations, no provision is recognized in connection with this matter at June 30, 2022.

21-A3. Share purchase commitments given

When the Group grants put options to minority shareholders to sell their investments in fully consolidated companies, a liability corresponding to the option is recognized, with a reduction in shareholders' equity - non-controlling interests' share.

The Group has granted minority shareholders of Banco RCI Brasil, Rombo Compania Financiera, RCI Colombia S.A., RCI Financial Services s.r.o put options to sell their investments. The accounting consequences are explained in Note 18-H to the 2021 consolidated financial statements.

Partnership agreements were signed in 2018 with Oyak in Turkey, including perfectly symmetrical put and call options for non-controlling investments, entitling Renault s.a.s., subject to certain conditions, to purchase Oyak's shares in Oyak Renault (call) and to sell its shares in MAIS (put), and entitling Oyak to sell its shares in Oyak Renault (put) and purchase Renault s.a.s.'s shares in MAIS (call). The exercise price for the put option, if exercised, will be determined by three independent experts who would be appointed at the exercise date. Analysis of the contracts did not identify any circumstances beyond the control of Renault Group that could lead to Oyak exercising its put option without Renault Group being able to object. Consequently, no liability is recognized at December 31, 2021 and at June 30, 2022 in connection with these options.

21-A4. Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, the Sales Financing segment has provided guarantees to the Banque de France (under France's central collateral management system 3G - *Gestion Globale des Garanties*) and to the Bank of England (under the TFSME program) in the form of assets with book value of €6,627 million at June 30, 2022 (€7,111 million at December 31, 2021). These assets comprise €6,108 million of shares in securitization vehicles, and €519 million of sales financing receivables (€6,628 million of shares in securitization vehicles, €3 million of euro bonds and €480 million of sales financing receivables at December 31, 2021). At June 30, 2022 the financing provided against these guarantees amounts to €3,250 million from the Banque de France (€3,738 million at December 31, 2021) and €478 million from the Bank of England. All assets provided as guarantees to the Banque de France and the Bank of England remain in the balance sheet.

21-B. Off-balance sheet commitments received and contingent assets

| (€ million) | June 30, 2022 | December 31, 2021 |
|---|---------------|-------------------|
| Buy-back commitments received by the Sales Financing segment ⁽¹⁾ | 6,402 | 5,958 |
| Financial guarantees received | 3,124 | 3,001 |
| <i>Including Sales Financing segment ⁽²⁾</i> | <i>3,025</i> | <i>2,851</i> |
| Assets received as collateral | 2,889 | 2,763 |
| <i>Including Sales Financing segment ⁽²⁾</i> | <i>2,813</i> | <i>2,757</i> |
| Other commitments received ⁽³⁾ | 1,259 | 94 |

(1) Commitments received by the Sales Financing segment for dealership sales by Nissan and other entities for repurchase of leased vehicles at the end of the lease.

(2) In the course of its sales financing activity for new or used vehicles, the Sales Financing segment has received financial guarantees from its customers amounting to €3,025 million and assets pledged by customers as collateral amounting to €2,813 million at June 30, 2022 (€2,851 million and €2,757 million respectively at December 31, 2021).

(3) These amounts include financing granted but not yet received at June 30, 2022, totalling €1,061 million (see Note 18-C).

Off-balance sheet commitments received concerning confirmed opened credit lines and a bond issue are presented in Note 18.

Commitments received – share purchase options

The Group has a call option to increase its investment in Whylot to 70% and take control of the company by 2023 (Note 3). This option is conditional on Whylot achieving certain objectives, and was not exercisable at December 31, 2021. No liability is recognized in connection with this commitment.

The Group holds derivative instruments to subscribe to future capital increases by Verkor, without any prospect of taking control of the company. No liability is recognized in connection with this commitment.

The agreement for the sale by Renault Group of its investments in Renault Russia and the AVTOVAZ Group, which took place on May 15, 2022, gives Renault Group an option to buy back its investment in Lada Auto holding (the parent company of AVTOVAZ), exercisable during three 90-day periods starting on May 15, 2024, 2026 and 2028. The exercise price of this option is

one rouble, plus a commitment by Renault Group to make a cash contribution to AVTOVAZ over 4 years, of an amount to be determined at Renault Group's discretion by reference to the sum of non-refundable subsidies received from the Russian State, cash contributions to assets and/or the share capital of AVTOVAZ, and the accumulated profits of the AVTOVAZ Group calculated under IFRS between the date of Renault's sale of its investment in AVTOVAZ and the date at which the repurchase option is exercised.

The amount of this contribution will determine the ownership interest acquired by Renault Group (between 51% and 67.69%). A €400 million contribution will automatically give the Group a 51% investment.

The derivative corresponding to this option has nil value at June 30, 2022.

Note 22 - Subsequent events

No significant events have occurred since June 30, 2022.

4 Statutory Auditors' Review Report on the condensed half-yearly consolidated financial statements

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Statutory Auditors' Review Report on the Half-yearly Financial Information 2022

(For the six-month period ended June 30, 2022)

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Renault, for the period from January 1st to June 30th, 2022,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors and were approved on July 28, 2022. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review prepared on July 28, 2022.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, July 29, 2022
The statutory auditors
French original signed by

KPMG S.A.

Bertrand Pruvost

MAZARS

Loïc Wallaert

5 Person responsible for the document

This is a free translation into English of the certification by the person responsible for the interim financial report and is provided solely for the convenience of English speaking readers.

I certify that, to the best of my knowledge, the condensed consolidated financial statements for the first half-year have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and results of the company and of its consolidated subsidiaries, and that the attached half-yearly management report fairly presents the material events which occurred during the first six months of the financial year, their impact on the financial statements, the main related party transactions, and describes the main risks and uncertainties for the remaining six months of the fiscal year.

Boulogne-Billancourt, on July 29, 2022

Luca de Meo
Chief Executive Officer

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