PLASTIC OMNIUM

Levallois, February 22, 2022, 7AM CET,

Full-year results 2021

Outperformance in key markets amidst volatile market backdrop

Solid cash generation

Record order book volumes

Increased flexibility to absorb the impact of the global semiconductor shortage

- **Economic revenue[1]: €8.0 billion, +4.6% on a like-for-like[2] basis**
- **Operating margin[3]: €303 million, or 4.2% of consolidated revenue[4], of which 5.2% for Plastic Omnium Industries**
- **Free cash flow[5]: €251 million versus FY 2021 guidance of > €220 million**
- **Net result group share: €126 million**
- **Enhanced liquidity: €2,670 million**
- **Proposed dividend of €0.28, payout of 32%**

Record order book provides strong visibility

- Acceleration in fast-growing segments

Strengthened position in both China and electrification

- Outperformance in China (4.1 points) with a 10.7% increase in revenue driven by battery electric vehicles
- Launch of new division in hydrogen with of a comprehensive offer and fully operational production capacities

Enhanced cost-management and priority on cash flow

- Increased cost flexibility to counter the impact from production stoppages
- Strict monitoring of investments and operational inventories while maintaining the Group's capacity for innovation

2022 Outlook

- Outperformance relative to global automotive production (based on IHS projection for FY 2022 of -5%)
- Operating margin[3] between 5-6% of revenue
- Free cash flow[5] in excess of €260 million

"In the context of the unprecedented challenges that our industry is facing, we achieved our objectives for the year. This performance reflects the highly effective measures that we took to increase flexibility and reduce costs, the active mobilisation of our teams, and significant commercial outperformance, particularly in Asia and in electrification. We have also continued to invest in hydrogen, enabling us to establish the Group's position across all mobility sectors.
2021 also marked a crucial milestone in the Group's journey with the rollout of an ambitious carbon neutrality roadmap that we are now deploying site by site. Whilst the short-term situation continues to present its challenges, our long-term ambitions remain steadfast, and we are well-positioned to continue to gain market share and seize new opportunities in growth areas." ***Laurent Favre, Chief Executive Officer of Compagnie Plastic Omnium SE***

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The Board of Directors of Compagnie Plastic Omnium SE, chaired by Laurent Burelle, met on February 17, 2022 to approve the consolidated financial statements for the year ended December 31, 2021.

In € millions	2020	2021	Change
Economic revenue[1]	7,732	**8,017**	+3.7% +4.6% *LfL*[2]
Consolidated revenue[4]	7,073	**7,233**	+2.3% +3.3% *LfL*[2]
Gross margin *(% of consolidated revenue[4])*	642 *9.1%*	**830** ***11.5%***	+29.2%
Operating margin[3] *(% of consolidated revenue[4])*	118 *1.7%*	**303** ***4.2%***	+€185 million +2.5 pts
Net result group share	-251	**126**	+€377 million
EBITDA[6] *(% of consolidated revenue[4])*	648 *9.2%*	**771** ***10.7%***	+€123 million +1.5 pt
Investments	374	**294**	-€80 million
Free cash-flow [5]	34	**251**	+€217 million
Net debt[7] at 31/12 Net debt[7]/equity Net debt[7]/EBITDA[6]	807 41% 1.2	**854** **41%** **1.1**	+€47 million stable -0.1

Plastic Omnium's financial performance in 2021 reflects a stark contrast between the first and second semesters, reflecting market conditions and in particular, the shortages of electronic components.

In the first half of 2021, Plastic Omnium reported a sharp rebound in earnings as the market recovered from COVID-related plant shutdowns in the prior year, this despite the first signs of disruptions caused by semiconductor shortages.

In the second half of 2021, the market faced an acceleration in semiconductor shortages with a loss of production of 5.5 million vehicles worldwide. Against this backdrop, the Group recorded a decline in revenue and operating margin[3] compared to H2 2020. This decline has been contained thanks to reinforced measures to improve flexibility and optimise costs.

In € millions	H1 2021	H2 2021	H2 2020
Economic revenue[1]	**4,138**	**3,879**	4,499
Consolidated revenue[4]	**3,784**	**3,449**	4,111
Operating margin[3]	**234**	**69**	234
(% of consolidated revenue[4])	***6.2%***	***2.0%***	5.7%
Net result group share	**142**	**-16**	152
EBITDA[6]	**461**	**310**	477
(% of consolidated revenue[4])	***12.2%***	***9.0%***	11.6%
Investments	**149**	**144**	148
Free cash-flow[5]	**151**	**100**	605
Net debt[7] at the end of the period	**890**	**854**	807
Net debt[7]/Equity	**44%**	**41%**	41%
Net debt[7]/EBITDA[6] (rolling 12 months)	**0.9**	**1.1**	1.2
Net debt[7]/EBITDA[6] (half year basis annualised)	**1.0**	**1.4**	0.8

Economic revenue[1] of €8,017 million, up 4.6% on a like-for-like[2] basis

In 2021, semiconductor shortages reduced global automotive production by 9.6 million vehicles compared to the initial IHS forecast at the start of the year. Global production output came to 74.1 million vehicles in 2021 versus 71.5 million in 2020, a year that saw the onset of the pandemic.

In this context, the Group's **economic revenue**[1] (including the share of revenue of joint ventures, notably in China) amounted to €8,017 million, up by 3.7%, and 4.6% at constant scope and exchange rates[2] compared to 2020, including a negative currency impact of €66 million.

Plastic Omnium business activities significantly outperformed automotive production in Europe (outperformance of 5.3 points), North America (outperformance of 2.9 points), China (outperformance of 4.1 points) and Asia, excluding China (outperformance of 10.3 points).

The Group’s geographical mix led to a 1-point outperformance at Group level, driven by both the Industries (+0.9 point) and Modules (+1.2 point) business segments.

Plastic Omnium's 2021 **consolidated revenue**[4] amounted to €7,233 million, up by 3.3% at constant scope and exchange rates[2].

In € millions by business line	2020	2021	Change	Change LfL[2]
Plastic Omnium Industries	5,628	5,826	+3.5%	+4.5%
Plastic Omnium Modules	2,104	2,191	+4.1%	+4.8%
Economic revenue[1]	**7,732**	**8,017**	**+3.7%**	**+4.6%**
Joint ventures	*659*	*784*	*+19.0%*	*+17.6%*
Plastic Omnium Industries	5,143	5,239	+1.9%	+3.1%
Plastic Omnium Modules	1,931	1,994	+3.3%	+4.0%
Consolidated revenue[4]	**7,073**	**7,233**	**+2.3%**	**+3.3%**

Plastic Omnium continues to strengthen its position in markets with high-growth potential

The fast-growing electric vehicle segment accounted for 8% of the Group's economic revenue[1] (outperforming the total market by 2 points) in 2021 compared with 5% in 2020. Excluding the fuel systems market, the Group's share reached 12% (outperformance of 6 points) versus 7% in 2020, demonstrating strong momentum in market share gains. Performance was driven by the success of Plastic Omnium's attractive range of automotive parts that help reduce the weight and fuel consumption of electric vehicles, as well as by its range of modules that optimize production processes.

China, the world's largest automotive market, accounts for a growing share of the Group's economic revenue[1]. In 2021, revenue in China rose 10.7% at constant scope and exchange rates[2] to €939 million, representing an outperformance of 4.1 points. The country now accounts for 12% of Plastic Omnium's economic revenue[1], versus 11% in 2020 and 9% in 2019. This growth was driven by the reinforced leadership positions of the Industries business and by the ramp-up of Modules, particularly in the electric vehicle segment.

In € millions and in % of turnover By geographical area	2020	2021	Change	Change LfL[2]	Outperformance vs. automotive production
Europe	4,186 *54.1%*	4,210 *52.5%*	+0.6%	+0.5%	+5.3 pts
North America	2,064 *26.6%*	2,048 *25.5%*	-0.8%	+2.9%	+2.9 pts
China	823 *10.6%*	939 *11.7%*	+14.2%	+10.7%	+4.1 pts
Asia excluding China	497 *6.4%*	571 *7.1%*	+14.9%	+17.9%	+10.3 pts
Other	163 *2.1%*	249 *3.1%*	+53.1%	+62.3%	-
Economic revenue[1]	7,732	8,017	+3.7%	+4.6%	+1.0 pt
Joint ventures	659	784	+19.0%	+17.6%	-
Consolidated revenue[4]	7,073	7,233	+2.3%	+3.3%	-0.3 pt

In Europe, Plastic Omnium's revenue amounted to €4,210 million, up 0.5% at constant scope and exchange rates[2], while automotive production declined by 4.8%. The 5.3 point outperformance was driven primarily by the success of the modular offering in Germany and growth in Plastic Omnium Industries revenue in France.

In North America, Plastic Omnium's revenue amounted to €2,048 million, up 2.9% at constant scope and exchange rates[2] thanks to the ramp-up of the plants launched since 2018 and this, despite a stable automotive production output.

In Asia excluding China, Plastic Omnium's revenue amounted to €571 million, a climb of 17.9% at constant scope and exchange rates[2] in a market that grew by 7.5%. The business benefited from good growth dynamics in Japan, India, Thailand and Malaysia.

In the fourth quarter of 2021, global automotive production declined by 10.3% compared with the same period in 2020, with a strong impact in Europe and, to a lesser extent, North America. Given the Group's geographic mix, Plastic Omnium recorded economic revenue[1] of €2,087 million in the fourth quarter, down 13.1% and 14.3% at constant scope and exchange rates[2].

Resilient financial performance

In 2021, the consolidated gross margin amounted to €830 million versus €642 million in 2020, representing 11.5% of consolidated revenue[4] versus 9.1% in 2020.

Market volatility in 2021 and the slowdown of the rebound post-Covid due to global semiconductor shortages have led to erratic interruptions in production and plant closures lasting several weeks. At the same time, raw material and transportation costs rose in several countries. The impact of these exogenous factors is estimated to be €160 million on the level of operating margin, with production stoppages representing by far the major part of these costs.

In addition to aforementioned flexibility improvement measures, the OMEGA transformation plan, initiated in 2020, enabled the Group to limit the financial impact of production losses. The two key initiatives, indirect purchasing and design and development, contributed as planned to €100 million in run-rate savings in 2021.

At the same time, the Greer plant in the United States generated positive operating margin and net income in 2021 thanks to a rigorous action plan and a sustained ramp-up.

In 2021, **EBITDA[6]** was €771 million (10.7% of consolidated revenue[4]) compared to €648 million (9.2% of consolidated revenue[4]) in 2020. **The Industries business achieved an EBITDA[6] margin of 12.9% compared to 11% in 2020.** In the second half of the year, EBITDA[6] amounted to €310 million (9.0% of revenue) compared to €477 million in the second half of 2020 (11.6% of revenue) and €461 million in the first half of 2021 (12.2% of revenue).

In 2021, the **Group's operating margin[3]** amounted to €303 million and represented 4.2% of consolidated revenue[4], of which €271 million for Plastic Omnium Industries (5.2% of revenue) and €32 million for Plastic Omnium Modules (1.6% of revenue). The Modules business provides design, development, assembly and logistics for front-end modules and requires relatively lower investment and performance should be assessed in light of this context.

In the second half of the year, given the sharp acceleration in the shortage of semiconductors, the Group's operating margin[3] amounted to €69 million, representing 2.0% of revenue (2.5% for Plastic Omnium Industries and 0.7% for Plastic Omnium Modules), compared to €234 million or 5.7% of revenue in the second half of 2020.

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In € millions and in % of revenue By business	2020	2021	H2 2020	H2 2021
Consolidated revenue[4]	7,073	**7,233**	4,111	**3,449**
Plastic Omnium Industries	5,143	**5,239**	2,940	**2,501**
Plastic Omnium Modules	1,931	**1,994**	1,172	**948**
Operating margin[3]	118 *1.7%*	**303** ***4.2%***	234 *5.7%*	**69** ***2.0%***
Plastic Omnium Industries	100 *1.9%*	**271** ***5.2%***	205 *7.0%*	**62** ***2.5%***
Plastic Omnium Modules	19 *1.0%*	**32** ***1.6%***	29 *2.5%*	**7** ***0.7%***

Net result group share of €126 million

The Group recorded **non-recurring expenses** of €56 million in 2021 compared to €334 million in 2020. The sharp reduction is due to the absence of any significant impairment of assets in 2021. In 2020, the fall in volumes attributable to the pandemic and the slow recovery in global automotive production resulted in higher asset impairment charges.

Net financial expenses amounted to €51 million in 2021 (0.7% of revenue) compared to expenses of €69 million in 2020 as a result of a lower average cost of debt. In 2021, the Group recorded a tax expense of €60 million compared to a tax benefit of €31 million in 2020, related to deferred tax effects.

As a result, **net result group share** totalled €126 million in 2021, compared to a loss of €251 million in 2020, related to asset impairments of €255 million. In the second semestrer of 2021, in the context of deteriorating market conditions, net result group share amounted to -€16 million, with losses reduced by flexibility and cost optimization actions.

Free cash flow[5] of €251 million compared to €34 million in 2020

In a volatile market with low visibility in the second half of 2021, the Company has been particularly prudent in its capital expenditure and working capital management.

Investments were limited to €294 million, or 4.1% of consolidated revenue[4] (compared with €374 million, or 5.3% in 2020), translating into a reduction of €80 million or 21.4% against 2020. With manufacturing capacity now in place to support future growth, Plastic Omnium is prioritizing investments in innovation, new-generation radars, modules for electric vehicles and hydrogen, one of the Company's future growth drivers.

Working capital amounted to -€498 million at the end of 2021, compared to -€539 million in 2020. The **modest deterioration** of €41 million needs to be appreciated in a context unprecedented supply-chain pressures where erractic interruptions to production schedules has made inventory management particularly complex.

Thanks to this prudent approach, **operating cash flow** came to €616 million (versus €453 million in 2020) and **free cash flow**[5] €251 million, or 3.5% of consolidated revenue[4], versus €34 million in 2020 (0.5%). After generating €151 million in free cash flow[5] in the first semester, the Company generated €100 million in free cash flow[5] in the second half of 2021.

A solid financial structure to support future growth

As of December 31, 2021, **net debt**[7] totalled €854 million, close to that of 2020 at €807 and considerably lower when excluding investments in EKPO.

In 2021, Compagnie Plastic Omnium SE paid €87 million in dividends based on its 2020 results (dividend of €0.49 per share, stable compared to 2019).

The Group's gearing ratio equates to **41% and net debt/EBITDA**[6] **to 1.1x** leaving Plastic Omnium significant financial leeway to support future growth.

As of December 31, 2021, the Group had **€2.7 billion of liquidity**, including €0.8 billion in available cash and €1.9 billion of confirmed, undrawn credit facilities, with an average maturity of 3.9 years and no covenants.

Dividend of €0.28 per share, pay-out of 32%

The Board of Directors will propose a dividend of €0.28 per share at the Shareholders' General Meeting on April 21, 2022,

The dividend will be paid on May 2, 2022, after approval by the Shareholders' General Meeting.

Strengthened potential for growth and value creation in 2021

- ### Operational excellence: high level of activity in China

In 2021, Plastic Omnium completed 165 production launches, including 58 in China (35% of total launches), where momentum remains strong. Battery-electric vehicles now account for 21% of launches compared to 18% in 2020, reflecting Plastic Omnium's outperformance in this booming segment.

At the same time, in 2021, Plastic Omnium increased the content per vehicle with certain customers, particularly in regions with high development potential, both in electric vehicles and in ICE technologies in China (Geely), in Asia excluding China (Mitsubishi) and North America (GM, Honda).

- ### Creation of New Energies to capitalize on the boom in hydrogen

On January 1, 2022, Plastic Omnium launched it's New Energies division after regrouping existing hydrogen activities from its Clean Energy Systems' division and thus enabling the Group to expand its development across all mobility modes, including cars, trucks, buses, trains and aircraft.

With a promising order book (85 customers for 100 international projects), the New Energies activity realized significant progress in 2021 in its inductrial ramp-up with the creation of a full-scope offer (high-pressure tanks, fuel cells and integrated systems) and the set-up of a unique production capacity (10,000 high-pressure tanks per year in Belgium and 10,000 fuel cells per year in Germany with EKPO, a joint venture with ElringKlinger).

Supported by 300 employees (including 200 engineers with 2 R&D centres in Europe and China), New Energies has also accelerated its commercial development: in addition to orders from integrators of hydrogen equipment for light commercial vehicles, the business has been chosen by Hyundai, one of the world's leading hydrogen players, to manufacture 33,000 hydrogen tanks per year in South Korea for a new automotive project (production starting from 2023). In early 2022, New Energies is the preferred partner to Airbus, via EKPO, to develop fuel cells for aviation.

3 strategic partnerships have also been established with:

- **Alstom,** to produce high-end hydrogen storage systems for the rail industry from 2022 onwards;
- **McPhy,** to optimise hydrogen refuelling performance and establish a wider commercial offer;
- **AVL,** (an Austrian group specializing in powertrain engineering and electrification) to accelerate the market launch of high-powered integrated hydrogen systems.

• Connected cars: strategic partnership to create a revolutionary radar

In 2021, Intelligent Exterior Systems signed a partnership with Greenerwave, a start-up specialising in the control of electromagnetic waves. This agreement covers the development of a 4D imaging radar, a real technological breakthrough in the field of autonomous vehicles. This unique technology makes it possible to use the entire body of a vehicle as an active surface and to achieve accuracy comparable to that of Lidars, but without the limitations (light, weather, etc.) that are otherwise associated with them. The new architecture of this radar makes it easy to integrate into vehicles and simplifies maintenance.

• Sustainable development: an ambitious carbon neutrality plan

On December 8, 2021, Plastic Omnium detailed its **carbon-neutrality** roadmap with objectives qualified by the Science-Based Target initiative (SBTi) as being aligned with a 1.5°C trajectory. The Company commits to achieving carbon neutrality for scopes 1 and 2 in 2025, a 30% reduction in CO_2 emissions for scope 3 in 2030, and finally, carbon neutrality for all three scopes in 2050.

The success of this programme relies on the following levers:

- A 12% reduction in energy consumption across all sites by 2025, supported in partnership by Schneider Electric;
- Extensive sourcing of renewable electricity through solar panels and wind turbines installed on-site (more than 20 sites equipped by the end of 2022), as well as through long-term contracts (Power Purchase Agreements, PPA) in Europe and North America. By 2025, the Group will use almost exclusively renewable electricity;
- The use of carbon footprint as a criterion for supplier selection. The Group plans to set up training and a best practice exchange platform with all its suppliers;
- The development of a circular economy, by increasing the proportion of recycled material in our products, including painted parts, and by developing eco-design to prepare for products end of life cycle;
- Continued innovation in terms of product weight and aerodynamics to reduce impact during vehicle utilisation;
- Gaining market share in electric mobility (battery and hydrogen) where Scope 3 usage is reduced.

2022 Outlook

Plastic Omnium has set its 2022 targets based on IHS' global automotive production forecast of 81 million vehicles (passenger vehicles < 3.5 T + light commercial vehicles), discounted by 5%*.

This precautionary assumption takes into consideration the short-term challenges of the market (reduced visibility, inflation and tensions in labour markets) for which the Group will continue to respond with agility.

In the longer term, the Group's ambition is to actively participate in the automotive industry’s transformation. In this regard, Plastic Omnium will continue to deploy production facilities in growth areas and pursue innovation to maintain its leadership positions and increase content per vehicle.

Plastic Omnium's sets it's 2022 targets as follows:

- Economic revenue[1] outperformance relative to global automotive production growth
- Operating margin[3] of between 5-6% of revenue
- Free cash flow[5] in excess of €260 million

Capital Markets Day on May 12, 2022:
presentation of the Group's strategic vision
11:30 AM - 4:30 PM CET
8 AM - 10:30 AM EST

Webcast of the full-year results presentation

Compagnie Plastic Omnium SE's full-year 2021 results will be presented via a webcast on Tuesday, February 22, 2022 at 9:00 am (CET).

To follow the webcast, please click on the following link: https://channel.royalcast.com/landingpage/plastic-omnium-en/20220222_1/

If you wish to access the conference call, simply dial one of the following numbers:

- France: +33 (0) 1 70 37 71 66
- UK-Wide: +44 (0) 33 0551 0200
- Germany: +49 (0) 30 3001 90612
- Spain: +34 91 787 0777
- US: +1 202 204 1514

Then provide the operator with the code: **Plastic Omnium**

More detailed financial information is available at www.plasticomnium.com.

Global or regional automotive production data refers to IHS Markit's February 2022 forecast (passenger vehicles < 3.5 tonnes and light commercial vehicles). Data relating to the impact of the shortage of semiconductors on production and on the breakdown of sales by powertrain are taken from the IHS Markit's January 2022 forecasts.

** Supply disruptions - particularly of semiconductor components - continue to cause production cuts at several car manufacturers and suppliers. Plastic Omnium, which is indirectly affected, is managing this situation as closely as possible. Any significant change impacting these forecasts will be reported.*

Calendar

April 21, 2022 – Shareholders' General Meeting

April 27, 2022 – First-quarter 2022 revenue

May 12, 2022 – Capital Markets Day: presentation of the Group's strategic vision

July 25, 2022 – First-half 2022 results

Glossary

(1) Economic revenue reflects the Group's operational and managerial reality. It corresponds to consolidated revenue plus revenue from the Group's joint ventures consolidated at their percentage of ownership: BPO (50%) and YFPO (50%) for Plastic Omnium Industries and SHB Automotive modules (33%) for Plastic Omnium Modules.

(2) Like-for-like: at constant scope of consolidation and exchange rates.

a. The currency effect is calculated by applying the exchange rate of the previous period to the revenue of the current period. In 2021, currency effects had a €66 million negative impact on economic revenue and €73 million negative impact on consolidated revenue.

b. The scope effect is not significant in 2021.

(3) Operating margin includes the share of results of companies which have been consolidated using the equity method, and the amortisation of acquired intangible assets acquired, before other operating income and expenses.

(4) Consolidated revenue does not include the share of joint ventures, which are accounted for by the equity method, in accordance with IFRS 10-11-12.

(5) Free cash flow corresponds to operating cash flow less tangible and intangible investments net of disposals, taxes and net financial interest paid +/-variation in working capital requirements (cash surplus from operations).

(6) EBITDA corresponds to the operating margin, plus the share of profit of associates and joint ventures, before depreciation, amortization and operating provisions.

(7) Net financial debt includes all long-term borrowings, short-term loans and bank overdrafts less loans, marketable debt instruments and other non-current financial assets, cash and cash equivalents.

This press release is published in French and English. In the event of any discrepancy between these versions, the original French version shall prevail.

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