Levallois, July 21, 2021

2021 Half-Year Results

- ## Revenues up 32%
  - Strong outperformance in Asia and China.
- ## Recovery in operational performance
  - Operating margin at 6.2% of revenues.
- ## Strong financial position
  - €151 million of free cash-flow and a net debt/EBITDA ratio of 0.9x.
- ## Guidance raised for full-year 2021
  - Based on annual automotive production of 77 million vehicles

In € millions	H1 2020	H2 2020	H1 2021	**New 2021 full-year guidance**
Economic revenues	3,233	4,499	4,138	**Strong growth**
Operating margin	-3.9%	5.7%	6.2%	**≥ 6.0%** ***(vs. 6%)***
Free cash-flow	-€572 M	€606 M	€151 M	**>> €220 M** ***(vs > €220 M)***

- ## Acceleration of clean, smart mobility strategy
  - Sharp increase in orders in clean mobility, batteries and hydrogen.
  - Technical progress in the hydrogen product range and launch of new electric-vehicle modules.
  - Development of a carbon-neutrality roadmap.

Laurent Favre, Chief Executive Officer of Plastic Omnium, said:

Our earnings recovered to pre-crisis levels in the first half of 2021, despite disruptions in operations caused by component shortages at our clients sites and higher prices in raw materials. This feat was possible thanks to the highly effective measures we took to increase flexibility and to reduce costs. Above all, our first-half performance results from the work done by our teams who are dealing with volatile production volumes on a daily basis with great agility, following on from the total shutdown of our plants in the first half of 2020. I would like to thank them for their unrelenting commitment.

These earnings, accompanied by an increase in free cash-flow, support our strategy of becoming a leading player in clean, smart mobility. The automotive market is accelerating its transformation, and so is Plastic Omnium, by bolstering our client portfolio, order book and technological offering. Our non-financial targets are also a key part of our ambition.

PLASTIC OMNIUM

2021 half-year results

Compagnie Plastic Omnium SE's Board of Directors, chaired by Mr. Laurent Burelle, met on July 20, 2021 and approved the consolidated financial statements for the six months ended June 30, 2021.

These 2021 half-year results represent a major improvement on those for the first half of 2020, which were very significantly affected by plant shutdowns arising from the Covid-19 crisis. They reflect operational performance that is already back to 2019 levels, even though worldwide automotive production is still lower than it was before the crisis (down 10% compared with 2019).

Free cash-flow also accelerated.

In € millions	H1 2020	H1 2021
Economic revenues[1]	**3,233**	**4,138**
Consolidated revenues[2]	**2,962**	**3,784**
Operating margin[3]	**-116**	**234**
% of consolidated revenues	**-3.9%**	**6.2%**
Net result - Group share	**-404**	**142**
EBITDA[4]	**171**	**461**
% of consolidated revenues	**5.8%**	**12.2%**
Investments	**226**	**149**
Free cash-flow[5]	**-572**	**151**
Net debt[6] at June 30	**1,410**	**890**
Net debt / Equity	**78%**	**44%**
Net debt / EBITDA	**2.1**	**0.9**

Revenues up 32% despite a €550 million adverse impact from chip shortages

In the first half of 2020, worldwide automotive production volumes amounted to 29.3 million vehicles, representing a historic decline of 33% as a result of the Covid-19 pandemic and plant shutdowns. In the first half of 2021, production rebounded to 37.9 million vehicles. This was still around 10% lower than 2019 figures, due in particular to chip shortages, the impact of which increased during the half-year period, dragging down production by 1.4 million vehicles in the first quarter of 2021 and 2.6 million in the second.

Plastic Omnium generated **economic revenues** of €4,138 million in the first half of 2021, **up 31.9%** compared with the first half of 2020 on a like-for-like basis. An estimated €550 million of revenues were lost as a result of production stoppages at carmakers arising from the shortage of electronic components.

Both of the Group's two businesses contributed to the sharp upturn, with revenues up 29.2% at constant scope and exchange rates at Plastic Omnium Industries and up 39.5% at Plastic Omnium Modules.

Plastic Omnium's **consolidated revenues**, excluding joint ventures, amounted to €3,784 million in the first half of 2021, up 31.8% at constant exchange rates compared with the first half of 2020.

In € millions by business	H1 2020	H1 2021	Change	LFL change*
Plastic Omnium Industries	2,395	2,992	+24.9%	+29.2%
Plastic Omnium Modules	838	1,146	+36.7%	+39.5%
Economic revenues	**3,233**	**4,138**	**+28.0%**	**+31.9%**
Joint ventures	271	354	+30.4%	+32.9%
Plastic Omnium Industries	2,203	2,739	+24.3%	+28.7%
Plastic Omnium Modules	759	1,045	+37.7%	+40.7%
Consolidated revenues	**2,962**	**3,784**	**+27.8%**	**+31.8%**

*Like-for-like: at constant scope and exchange rates

Outperformance of 2.5 points relative to worldwide automotive production, driven by Asia, including China

With economic revenues up 31.9% at constant exchange rates, the Group outperformed worldwide automotive production (up 29.4%) by 2.5 points in the first half of 2021.

In € millions by region	H1 2020	H1 2021	LFL change*	Change in automotive production
Europe	1,770	2,277	+28.9%	+27.8%
North America	860	1,030	+31.1%	+31.4%
China	326	434	+33.8%	+26.6%
Asia excluding China	215	283	+36.7%	+29.5%
Other	62	116	+96.8%	+46.8%
Economic revenues	**3,233**	**4,138**	**+31.9%**	**+29.4%**
Joint ventures	271	354	+32.9%	
Consolidated revenues	**2,962**	**3,784**	**+31.8%**	**+29.4%**

*Like-for-like: at constant scope and exchange rates

In **Europe**, Plastic Omnium's revenues amounted to €2,277 million in the first half of 2021. Revenues in the region rose by 28.9% against a 27.8% increase in automotive production, representing an outperformance of 1.1 points. Germany – the largest contributor to Group revenues, accounting for 16% of the total – outperformed by 17 points, with growth of 32% driven by the Group's positions in new electric vehicles. In Spain, France and the UK, business levels at the Group's main clients were affected by chip shortages.

In **North America**, Plastic Omnium's revenues totalled €1,030 million in the first half of 2021. That represented an increase of 31.1% at constant scope and exchange rates, in line with the rise in automotive production (+31.4%)

In **Asia excluding China**, revenues came to €283 million in the first half of 2021, up 36.7% at constant exchange rates. Relative to market growth of 29.5%, this represented an outperformance of 7.2 points. Business benefited from a strong recovery in South Korea, India and Thailand.

In **China**, which accounts for 10% of Group economic revenues, Plastic Omnium posted revenues of €434 million. Revenues were up 33.8% at constant exchange rates in the first half of the year, representing an outperformance of 7.2 points. This was due to market share gains and growth in the modules business, which was launched in 2018.

Operating margin at 6.2%, thereof 7.6% at Plastic Omnium Industries, thanks to flexibility and cost-reduction efforts

Since the start of 2021, Plastic Omnium has been managing its operations on the basis of a 5% discount to expected worldwide automotive production volumes. Flexibility measures were stepped up in the first half to absorb the consequences of production line stoppages and the reduction in production volumes by many carmakers as a result of supply shortages affecting chips, and increases in raw materials.

The Group also continued to deploy its OMEGA transformation plan, with the aim of improving organisational effectiveness; leveraging industrial efficiency by simplifying processes, accelerating digitization, and facilitating a more cross-functional approach. 2,500 initiatives were formally adopted, allowing the Group to confirm its cost-reduction target of €100 million for 2021.

Finally, the return to operational breakeven at Greer's US site and the closure of the Eisenach fuel systems manufacturing site in Germany in the first quarter of 2021, helped drive the sharp upturn in operational performance.

As a result, the Group's **operating income** comes to €234 million in the first half of 2021, 6.2% of revenues.
Plastic Omnium Industries achieved an operating margin of 7.6%.

In € millions and as a % of revenues by business	H1 2020	H2 2020	H1 2021
Consolidated revenues	2,962	4,111	**3,784**
Plastic Omnium Industries	2,203	2,940	**2,739**
Plastic Omnium Modules	759	1,171	**1,045**
Operating margin *% of consolidated revenues*	-116 *-3.9%*	234 *5.7%*	**234** ***6.2%***
Plastic Omnium Industries *% of consolidated revenues*	-106 *-4.8%*	205 *7.0%*	**209** ***7.6%***
Plastic Omnium Modules *% of consolidated revenues*	-11 *-1.4%*	29 *2.5%*	**25** ***2.4%***

Net income – Group share: €142 million

Other operating expenses in the first half of 2021 amounted to €21 million as opposed to €313 million in June 2020 which included €255 million of asset impairment related to the volume impact of the Covid-19 pandemic and the adoption of a scenario projecting a slow recovery in worldwide automotive production.

Net financial expenses fell by €9.7 million to €26 million thanks to the combined effect of lower debt levels and lower interest rates, equalling 0.7% of revenues.

Tax expenses were €38.3 million resulting in an effective tax rate of 22.4%. In the first half of 2020, the Group recorded tax income of €47 million owing to deferred tax effects.

Net income – Group share totalled €142 million, representing 3.8% of consolidated revenues.

Free cash-flow of €151 million, equal to 4.0% of revenues and stronger financial position with Net debt/EBITDA ratio of 0.9x

EBITDA amounted to €461 million in the first half of 2021, representing 12.2% of consolidated revenues (and **14.9% of revenues at Plastic Omnium Industries**) versus €171 million and 5.8% of consolidated revenues in the first half of 2020.

In the first half of 2021, investments totalled €149 million, or 3.9% of revenues, as opposed to €226 million in the first half of 2020 and €148 million in the second. In 2021 as a whole, capex is likely to equal around 5% of revenues.

Sales of receivables fell by €20 million and a €100 million increase in inventories was largely due to efforts to secure supplies against a background of supply-chain pressures. As a result, the working capital requirement rose by €108 million.

In the first half of 2021, the Group generated €151 million of free cash-flow, **equal to 4.0% of consolidated revenues.**

Net debt stood at €890 million at June 30, 2021 (versus €1.410 million at June 30, 2020 and €807 million at December 31, 2020) and included €115 million associated with the set-up of the EKPO JV and the acquistion of EKAT and a dividend payment of € 71 million.

Net debt equates to 44% of shareholders' equity and 0.9x EBITDA.

At June 30, 2021, the Group had liquidities of €2.45 billion comprising €0.57 billion in available cash and €1.88 billion in confirmed, undrawn credit lines, with an average maturity of 3.6 years and without any covenants.

Acceleration of clean, smart mobility strategy

New orders and innovation in electric vehicles

In the first half of 2021, Plastic Omnium saw increased orders relating to electric vehicles across all geographical zones, adding three new clients to its 93-brand portfolio: Honda, Volkswagen Anhui and Lotus.

As a result of these successes, electric vehicles represent 5% of Group revenues in 2020 and 17% in 2025, a larger share than BEV in total automotive production (2% in 2020 and 15% in 2025).

Plastic Omnium is also continuing to improve its technological offering in this segment by developing specific modules such as electric charging and trunks. These innovations will allow the Group to increase the content sold per vehicle.

Deployment of hydrogen strategy

On March 1, 2021, Plastic Omnium and ElringKlinger launched their **EKPO Fuel Cell Technologies** joint venture, a leading player in fuel cells for a wide range of applications including commercial vehicles, buses, passenger cars, trains and boats. Plastic Omnium has also acquired ElringKlinger Fuelcell Systems Austria GmbH (EKAT), which is ElringKlinger's Austrian subsidiary specializing in integrated hydrogen systems.

Plastic Omnium has a comprehensive offering including hydrogen storage, fuel cells and integrated hydrogen systems. Combined with its available industrial capacity, this means that it can respond to the increasing number of invitations to tender in the hydrogen mobility segment, as well as confirming its ambition of generating €3 billion of revenues in 2030.

The Group pursued this strategy in the first half of 2021, winning new orders in hydrogen storage (Hopium) and fuel-cell systems (EFA-S and Drive Elektro), while EKPO also won new fuel-cell orders (GCK, AEDS). The Group has also formed a strategic partnership with McPhy, with the aim of collaborating on filling protocols and interfaces between hydrogen stations and high-pressure vessels.

Intensive marketing activity is taking place in accordance with the plan announced in 2020, targeting both carmakers and other mobility players (producers of buses, trucks and trains).

Progress in sustainability

Plastic Omnium has continued to prepare its **carbon-neutrality roadmap**, details of which will be provided in the second half of 2021. In the first half of the year, the Group has signed agreements with two external partners specializing in energy transition, and together with them has already committed to:

- auditing all facilities in order to identify ways of increasing energy efficiency and the investments required to implement them (scopes 1 and 2);
- analyzing the potential to shift the Group's energy sourcing towards renewable energies and devising the related action plan (scopes 1 and 2);
- putting together an action plan to reduce the carbon footprint of suppliers and transportation providers (upstream scope 3);
- quantifying and increasing the positive impact of the Group's innovative products for end-customers and end-users (downstream scope 3).

Plastic Omnium has already engaged with the Science-Based Target Initiative in order to align its CO_2 reduction targets with the most ambitious "Business Ambition for 1.5°C" methodology. The Group is also preparing scenarios for possible changes to its business activities in a carbon-constrained world, and supports the recommendations of the TCFD (Task-Force on Climate-Related Financial Disclosures), which aims to build a more resilient industrial and financial system.

Without waiting to announce its roadmap, Plastic Omnium is already stepping up efforts to decarbonize its sites, and in particular is aiming to use 100% renewable electricity[8] at its sites (as opposed to 32% currently). In addition to the four sites equipped with solar panels in 2020, agreements to equip a further 17 sites with solar panels or wind turbines have been formed since the start of 2021.

Finally, the Group is working on using a greater proportion of recycled materials in its products, in close collaboration with its clients.

Upgraded financial guidance for 2021

Plastic Omnium is continuing to plan its operations on the basis of worldwide automotive production of 77 million cars in full-year 2021, with production volumes in the second half similar to those in the first and still affected by shortages of electronic components and pressure on the availability and prices of raw materials.

Based on that assumption and as a result of its flexibility and cost-reduction plans, the Group is raising its guidance for 2021:

- Sharp upturn in revenues
- Operating margin of <u>at least</u> 6% of revenues (previous guidance: 6%)
- Free cash-flow of <u>significantly</u> more than €220 million (previous guidance: more than €220 million)

Webcast of the half-year results presentation

Compagnie Plastic Omnium SE's first-half 2021 results will be presented in a webcast at 9am (Paris time) on Wednesday July 21, 2021.

To sign up for the webcast, click on the following link:
https://onlinexperiences.com/Launch/QReg/ShowUUID=D26CDCFE-BA8C-40A5-AEAD-0F76563F1683

If you would like to access the conference call, please call one of the following numbers:

Language: English only
- France: +33172727403
- Germany: +4969222225429
- Spain: +34911140101
- United Kingdom: +442071943759
- United States: +16467224916

Participant PIN: 84544028#

More detailed financial information is available on the website www.plasticomnium.com.

Calendar

October 21, 2021	Publication of revenues for the third quarter of 2021
February 17, 2022	Full-year 2021 results

Glossary

(1) Economic revenues reflects the Group's operational and managerial reality. It corresponds to consolidated revenues plus the Group's share of revenues from joint ventures based on ownership percentage: exterior body parts production in China (YFPO, 50%-owned) and in Turkey (BPO, 50%-owned) for Plastic Omnium Industries, and module assembly in South Korea (SHB Automotive Modules, 33%-owned) for Plastic Omnium Modules.

(2) Consolidated revenues do not include the Group's share of revenues from joint ventures, which are consolidated using the equity method in accordance with IFRS 10, 11 and 12.

(3) Operating margin includes the Group's share of income from companies consolidated using the equity method and amortization of intangible assets acquired, before other operating income and expense.

(4) EBITDA corresponds to operating income, which includes the Group's share of income from associates and joint ventures, before depreciation, amortization and operating provisions.

(5) Free cash-flow corresponds to operating cash-flow less expenditure on property, plant and equipment and intangible assets net of disposals, taxes and net interest paid, plus or minus the change in the working capital requirement. Net debt includes all long-term borrowings, short-term loans and bank overdrafts less loans, marketable debt instruments and other non-current financial assets, and cash and cash equivalents.

(6) Like-for-like: at constant scope and exchange rates.

a. The currency effect is calculated by applying the period's average exchange rate to prior-year revenues. In the first half of 2021, currency effects had a €95 million negative impact on economic revenues and a €90 million negative impact on consolidated revenues.

b. Scope effects were not material in the first half of 2021.

(7) In all countries where a 100% renewable energy offering is available.

All references to worldwide automotive production come from IHS data in July 2021.

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