

## CAPITAL MARKETS DAY 2022

# “DRIVING A NEW GENERATION OF MOBILITY”

### Plastic Omnium presents its long-term strategy for growth and transformation

A strategic plan to fully capitalize on the opportunities of a mobility market experiencing far-reaching change, built on two pillars:

- reinforcing its leadership position
  - across its portfolio of existing products by increasing content and value per vehicle
  - by capitalizing on the complementarity of its activities to develop a new, unique integrated line-up: exterior systems
- targeted diversification, aligning with key changes in the market, into business areas that have strong potential synergies with its existing activities:
  - Lighting
  - Battery systems and power electronics
  - Software
  - ADAS

**A strategy expressed and embodied by the Group’s new purpose “Driving a new generation of mobility.”**

**A target of generating economic revenue of over €15 billion by 2030, with new activities contributing 40%, and a commitment to carbon neutrality in its Scope 1 & 2 emissions by 2025 and in Scope 3 by 2050.**

“With the accelerating pace of change in our societies and technologies, and in how mobility is used, Plastic Omnium is presenting an ambitious growth strategy underpinned by our activities, buoyed by an expanded product line-up to include lighting and electrification, and creating value for all our stakeholders. With its new dimension, bolstered by an expanded Executive Committee and the quality of our teams, Plastic Omnium hopes to achieve economic revenue in excess of €15 billion in 2030,” says Laurent Favre, Plastic Omnium’s CEO.

## Plastic Omnium: solid foundations for future growth

With its long track record of innovations, acquisitions and strategic partnerships, today's Plastic Omnium is the world leader in each of its business lines. One in every six vehicles manufactured around the world every year is fitted with Plastic Omnium bumpers, and one in five with its fuel tanks and front-end modules.

The Group's new strategy is rooted in a strong growth trajectory over the past 20 years, well above the market average, with annual revenue rising 10.4% on average, compared to the automotive sector as a whole, which grew just 1.1% over the same period. In 2021, the Group recorded economic revenue of €8 billion, and employs 30,000 people in 137 factories and 31 R&D centers in 25 countries.

### Business growth strategy

The world leader in bumpers and tailgates, accounting for 43% of the Group's economic revenue in 2021, with a 15% share of the global market and 65 sites around the world, The **Intelligent Exterior Systems (IES)** business is determined to become its customers' go-to partner thanks to its integrated solutions, increasing content and value per vehicle as a result. Its integrated solutions will be developed in collaboration with future activities in lighting and front-end modules.

IES is in the process of strengthening its position in the markets of North America, where it is determined to grow its market share from 9.9% to 12% by 2025. In China, it has set itself a goal of a 26% market share in 2025. IES also wants to increase its economic revenue from battery electric vehicles from 8% currently to 30% in 2025. As for the tailgate sector, the Group plans to achieve 20% market share in 2025 in North America.

With pro-forma revenue of €1 billion in 2021, 11 plants worldwide and 7,000 employees, the Group's **future Lighting business**<sup>1</sup> will offer a complete line-up of products, from lighting components to headlights, with a well-balanced geographical footprint. Its development strategy will be designed in two phases. The first phase will focus on construction and performance improvements, lasting 24 to 36 months and centering on in-depth customer relationships, operational excellence and efficient cash management. It will be followed by a growth phase underpinned by cross-fertilization between activities and the development of lighting in new parts of the world, particularly Asia and the USA. The future Lighting business is targeting economic revenue of €1.5 billion by 2027.

**The Modules (HBPO) business** is the world leader in front-end modules, accounting for 27% of the Group's economic revenue in 2021, an 18% market share and 31 plants in 11 countries. HBPO's priorities are to accelerate the development of its flagship activities with double-digit prospects for growth in Asia and North America in particular, while also maximizing outsourcing opportunities offered by automotive manufacturers. HBPO forecasts a significant rise in sales thanks to the development of new modules relating to the growth in electrification.

<sup>1</sup>Subject to the standard anti-trust and regulatory approvals that apply to acquisition projects

**The Clean Energy Systems (CES) business** is the world leader in fuel tanks and emission reduction systems, representing 30% of economic revenue in 2021, a 21% market share and 39 plants in 18 countries. Its strategic priorities are to grow its total addressable market share in fuel systems from 21% currently to 30% in 2030.

With its recognized know-how, CES initiated the development of electric battery systems in 2019, which it will accelerate with the acquisition of Actia Power<sup>2</sup> and its industrial partnership with Verkor. This will put the Group in a position to respond to all requirements in terms of electric vehicles, whether with a hybrid, plug-in hybrid, battery or fuel cell powertrain.

This new electric mobility activity is determined to create a comprehensive line-up of storage and energy management solutions for electric battery vehicles. The Group has set a target of €1 billion in economic revenue from electrification by 2030.

**New Energies**, Plastic Omnium's new hydrogen business, manufactures and sells hydrogen storage systems, hydrogen integrated systems and fuel cell stacks produced by EKPO, its joint-venture with ElringKlinger. The Group is targeting economic revenue of €300 million in 2025 and €3 billion in 2030.

As of today, the Group has recorded orders worth €780 million. In 2030, New Energies forecasts a 25% market share in storage systems and 10% to 15% in fuel cell systems. To support New Energies as it moves to scale, the Group will invest an average of €100 million every year in the next years. The business currently operates two plants and two R&D centers.

## The new face of the Group in 2022

Buoyed by the integration of several recently announced acquisitions<sup>3</sup>, by the end of 2022 Plastic Omnium will have 37,500 employees at 147 plants and 47 R&D centers in 25 countries.

Organized into five business lines with the future creation of the new Lighting business, Plastic Omnium should generate economic revenue of €9 billion (pro-forma 2021).

## Medium-term ambitions

Aligned with its transformation strategy, Plastic Omnium targets economic revenue of around €11 billion in 2025, and above €15 billion by 2030.

In addition, for 2022-2030, Plastic Omnium's capital allocation policy should enable the Group to meet its average annual cash generation target of 3 to 4% of economic revenue, an annual CAPEX target amounting to 5% of economic revenue and the goal of limiting the net debt-to-EBITDA ratio to 2.

<sup>2</sup> Announced on March 29, 2022, the Group has entered exclusive negotiations for this acquisition project

<sup>3</sup> Subject to closing accounts for FY2022 and standard anti-trust and regulatory approvals

## Webcast presenting the strategic plan

To watch the webcast, please click on the following link:

[https://channel.royalcast.com/plastic-omnium-en/#!/plastic-omnium-en/20220512\\_1](https://channel.royalcast.com/plastic-omnium-en/#!/plastic-omnium-en/20220512_1)

Financial information in more detail is available on the website: [www.plasticomnium.com](http://www.plasticomnium.com)

## Timetable

July 25, 2022 – 2022 1st half results

## Glossary

- Economic revenue corresponds to consolidated revenue, plus revenue from the Group's holdings, wholly-owned subsidiaries, joint ventures and associate companies, consolidated at their percentage of ownership: BPO (50%), YFPO (50%), EKPO (40%) for Plastic Omnium Industries and SHB Automotive modules (33 %) for Plastic Omnium Modules.

This definition was revised on January 1, 2022 to reflect changes in the Group's development model, shifting to a model where partnerships will make a greater contribution to its activities. The impact of this revision is reflected in revenue from the associate company EKPO, a company acquired on March 1, 2021; there is no significant impact on revenue posted for the first half of 2021 and 2022.

- Scopes 1, 2, & 3
  - Scope 1: direct Group emissions;
  - Scope 2: emissions relating to energy purchases;
  - Scope 3: value chain carbon footprint.
- EBITDA: corresponds to the operating margin, which includes the share of results of associated companies and joint ventures before amortization and operating provisions, see notes 4.2 and 4.4 of the 2021 consolidated accounts.

Data for global or regional automotive production refer to forecasts from *S&P Global Mobility (ex-IHS Markit)*, March 2022 (private vehicles < 3.5 tonnes and light commercial vehicles).

This release is published in French and English. In the event of any discrepancies between the language versions, the French version shall prevail.

## Disclaimer

The figures presented here are those customarily used and communicated to the markets by Groupe Plastic Omnium. This message includes forward-looking information and statements. These statements include financial projections and estimates, and their underlying assumptions, statements about projects, targets and expectations with respect to future operations, sales and performance. Although Groupe Plastic Omnium management believes that such forward-looking statements are reasonable, investors and holders of securities in Compagnie Plastic Omnium SE should be aware that such forward-looking information and statements are subject to many risks and uncertainties that are difficult to predict and generally beyond the control of Groupe Plastic Omnium and may cause actual results and developments to differ materially from those expressed, implied or predicted in the forward-looking information and statements. These risks include those explained or identified in public documents filed by Plastic Omnium with the French Financial Markets Authority (AMF), including those listed in the "Risk Factors" section of the universal registration lodged with the AMF on March 15, 2022. Investors and holders of securities in Compagnie Plastic Omnium SE should note that if all or some of these risks do occur this may have a significant unfavorable impact on Plastic Omnium.

## About Plastic Omnium

A world leader, Plastic Omnium provides innovative solutions for a more connected and sustainable mobility. The Group develops and produces intelligent exterior systems, clean energy systems and customized complex modules. With €8 billion economic revenue in 2021, an international footprint of 137 plants and 31 R&D centers, Plastic Omnium relies on its 30,000 employees to meet the challenges of clean and smart mobility. Innovation-driven since its creation, Plastic Omnium is now paving the way for zero carbon mobility through its investments in hydrogen solutions, where the Group has ambitions to become world leader throughout the entire value chain.

Plastic Omnium is listed on Euronext Paris, compartment A, is eligible for the Deferred Settlement Service (SRD) and is part of the SBF 120 and CAC Mid 60 indices (ISIN code: FR0000124570). [www.plasticomnium.com](http://www.plasticomnium.com)

## Contacts :

Press: Myriam MALAK  
[myriam.malak@plasticomnium.com](mailto:myriam.malak@plasticomnium.com)

Investor Relations: Kathleen WANTZ-O'ROURKE  
[investor.relations@plasticomnium.com](mailto:investor.relations@plasticomnium.com)