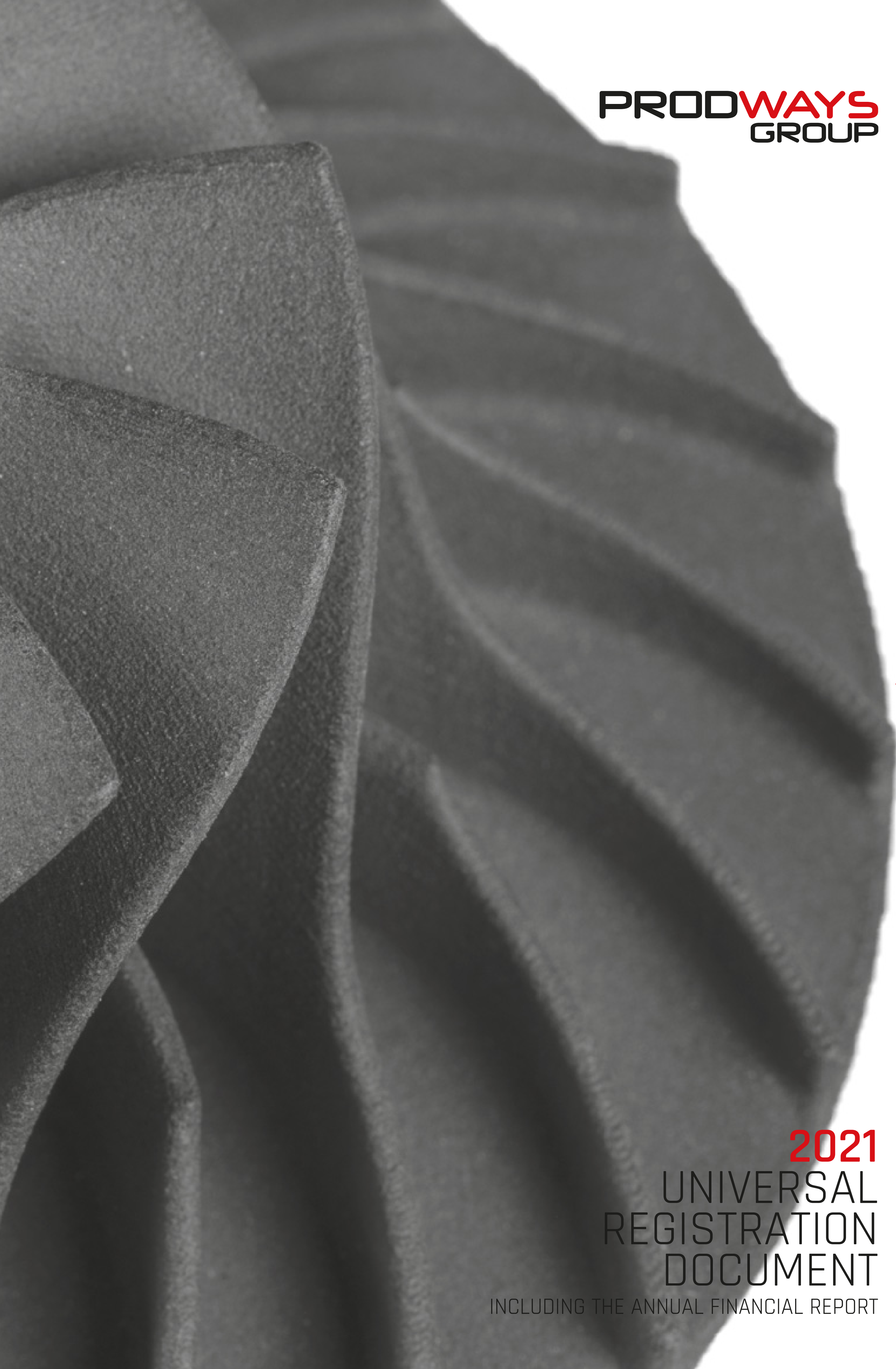


PRODWAYS GROUP

2021
UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

PRODWAYS GROUP

2021 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The Universal Registration Document was approved on 27 April 2022 by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), in its capacity as competent authority under Regulation (EU) No. 2017/1129. The AMF approves this document after verifying that the information it contains is complete, consistent and understandable. The Universal Registration Document bears the following approval number: R. 22-013. This approval should not be considered as a favorable opinion on the issuer covered by the Universal Registration Document. The Universal Registration Document may be used for the purposes of a public offering of financial securities or for the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and amendments thereto. In this case, the securities note, the summary and all amendments made to the Universal Registration Document since its approval are approved separately in accordance with Article 10 (3), second indent, of Regulation (EU) No. 2017/1129. The Universal Registration Document is valid until 27 April 2023 and, during this period and at the latest at the same time as the prospectus and under the conditions of Articles 10 and 23 of Regulation (EU) No. 2017/1129, must be supplemented by an amendment to the Universal Registration Document in the event of material new facts or material errors or inaccuracies.

INCORPORATION BY REFERENCE

Pursuant to Article 19 of European Regulation No. 2017/1129 (known as the "Prospectus Regulation"), the following items are included by reference in this Universal Registration Document:

- for the financial year ended 31 December 2020: management report, consolidated and separate financial statements and statutory auditors' reports, as they appear in the 2020 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF) (approval number R.21-015) and available on the PRODWAYS GROUP website (Link to the Universal Registration Document 2020.pdf). This 2020 Universal Registration Document does not incorporate XBRL tags;
- for the financial year ended 31 December 2019: management report, consolidated and separate financial statements and the related statutory auditors' reports, as they appear in the annual financial report for 2019 filed with the AMF and available on the PRODWAYS GROUP website (Link to the annual financial report 2019 pdf file). The annual financial report for 2019 does not incorporate XBRL tags;
- the press release of the first quarter 2022 (available on the website of PRODWAYS GROUP).

Copies of this Universal Registration Document are available free of charge at the Company's head office at 30 rue de Gramont, 75002 Paris, upon request to the Company, on the website www.prodways-group.com and on the AMF website at www.amf-france.org..

The information on the websites mentioned by the hypertext link www.prodways-group.com in Section 5.4.3 of this Universal Registration Document, except for those incorporated by reference, do not form part of this Universal Registration Document. As such, this information has not been reviewed or approved by the AMF.

MESSAGE

Ladies and Gentlemen,
Dear Shareholders,

2021 was marked by major successes for Prodways Group in many respects. The transformation efforts and the creation of synergies within the Group have had an impact, both in terms of organization and the improvement of operational and financial performance.

All activities contributed to solid income growth in 2021, supported by strong commercial momentum. The work of our teams and the competitiveness of our technologies have enabled us to win several industrial projects involving sales of machines and materials in the medical field, one of Prodways' key growth drivers.

HIGHLIGHTS FOR THE TIMELINE IN 2021

€71 M
REVENUES
(**+ 23%** compared to 2020)

460
PEOPLE IN
3 COUNTRIES

€8.8 M
CURRENT EBITDA

2021 March

Prodways Group launches a **new very high-performance material** for the mass manufacture of transparent aligners

2021 May

Prodways Group's **Futur3D project** de Prodways Group was selected as the winner of the "Recovery plan for industry" and obtained a grant of €3.3 million

THE EXECUTIVE CHAIRMAN

I am proud to announce that for the first time, Prodways Group has generated positive operating income and operating cash flow. This structural improvement in profitability reflects the Company's ability to generate a sustainable performance and maintain a healthy financial position over time.

The 2021 results and the effective execution of our action plans support Prodways Group's growth trajectory. The external growth momentum, relaunched with the acquisition of Creabis in Germany, should continue in 2022 and boost the company's organic performance.

At the start of this new year of 2022, we are pleased to welcome Michaël Ohanah as the new Chief Executive Officer of Prodways Group. His experience, his passionate leadership and his knowledge of our fields of application, combined with that of our teams, will be major assets in the Group's continued development and the realization of its full growth potential. Finally, I would once again like to warmly thank the Group's employees. Once again I have full confidence in them when it comes to the future of our company and in their ability to create value for the Group's shareholders and all its stakeholders.

Raphaël GORGÉ
Executive Chairman

2021 July

Prodways Group accelerates the development of its Products division in Europe with the **acquisition** of the German company **Creabis**

Major change in the shareholding structure of Prodways Group

2021 December

2021 December

Prodways Group **wins a major industrial** project in the dental field

PRODWAYS GROUP

3 STRATEGIC AREAS

- Expertise across the entire 3D printing value chain
- Focus on printers and plastics
- Positioning on industrial mass production

OUR MISSION

To provide high value added technological solutions

- FLEXIBILITY AND CLOSE CONTACT WITH CUSTOMERS
- R&D KNOW-HOW AND PRODUCT DEVELOPMENT
- IN-DEPTH MARKET KNOWLEDGE

TWO COMPLEMENTARY DIVISIONS

SYSTEMS DIVISION
Turnkey solutions for mass production of parts

SOFTWARE
Integration of 3D modeling software

3D PRINTING SERVICE
Printing of parts on demand

PRINTERS
Technologies Moving Light®, SLS, Solidjet

MEDICAL APPLICATIONS
Audiology, chiropody, dental

MATERIALS
Liquid resins/plastic powders/lost wax

PRODUCTS DIVISION
Printing on demand in our fleet of 3D printers

to meet the digital challenges of industry

OUR MARKETS

- Industry
- Aerospace and defence
- Health
- Jewellery
- Automotive
- Consumer goods

OUR VALUE CREATION

ENVIRONMENTAL CAPITAL

Reducing our environmental impact and limiting our consumption of resources

- Technologies enabling resources used in production to be saved
- A moderate environmental footprint

HUMAN CAPITAL

Developing our employees and attracting new talent

- **57** hires
- **3,400** hours of training
- Objective to reduce employee departure rate

FINANCIAL CAPITAL

Creating long-term value

- Creation of synergies within the Group
- Improvement in the profitability and cash flow generated by the business
- Objective to improve income from ordinary activities

INDUSTRIAL/SOCIETAL CAPITAL

Supporting our customers in their digital transformation

- Signing of structuring partnerships, particularly in the medical sector

Innovation for healthcare

- Development of custom-made prostheses for audiology, podiatry and dentistry

INTELLECTUAL CAPITAL

Building a major player in technological innovation

- **21** patent families filed
- New launches of innovative products: ProMaker P1000X 3D printer, Solidscape DL, robotised dental workshop

OUR CONTRIBUTION TO THE SDGS

- Environmental capital: 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- Human capital: 4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH; 5 GENDER EQUALITY
- Industrial/societal capital: 3 GOOD HEALTH AND WELL-BEING; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- Intellectual capital: 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

1

OVERVIEW OF THE GROUP AND ITS BUSINESSES

1.1 KEY FIGURES

The key figures have been extracted from the consolidated financial statements.

1.1.1 Change in revenue

(in millions of euros)	2021	2020	2019
Systems	43.92	35.98	44.85
Products	26.91	21.13	26.96
Structure and disposals	*(0.18)*	*(0.10)*	(0.53)
CONSOLIDATED REVENUE	**70.65**	**57.21**	**71.28**

1.1.2 Change in current EBITDA*

(in millions of euros)	2021	2020	2019
Systems	6.92	2.89	3.32
Products	2.79	1.78	3.15
Structure and disposals	(0.91)	(1.33)	(1.15)
CONSOLIDATED CURRENT EBITDA*	**8.80**	**3.34**	**5.31**

* *Current EBITDA: operating income before "Net allowances for depreciation, amortization and provisions", "Other operating items" and "Share of earnings of affiliated companies". This non-IFRS measure is described in Note 3 to the consolidated financial statements.*

1.1.3 Change in income from ordinary activities*

(in millions of euros)	2021	2020	2019
Systems	5.22	(1.26)	(0.40)
Products	(0.10)	(1.17)	0.09
Structure and disposals	(0.74)	(1.41)	(1.21)
INCOME FROM ORDINARY ACTIVITIES*	**4.31**	**(3.83)**	**(1.53)**

* *Income from ordinary activities: operating income before "Other items of operating income" and "Share of income from associates". This non-IFRS measure is described in Note 3 to the consolidated financial statements.*

1.1.4 Change in net income

(in millions of euros)	2021	2020	2019
CONSOLIDATED NET INCOME/(EXPENSE)	**0.55**	**(14.04)**	**(4.32)**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**0.63**	**(13.95)**	**(4.20)**

1.1.5 Key financial data

(en millions d'euros)	2021	2020	2019
CAPITAUX PROPRES [1]	**64,85**	**63,39**	**77,48**
Trésorerie disponible (a)	16,90	22,48	15,00
Dettes financières [2] (b)	15,73	16,75	5,54
Trésorerie nette [3] (a) - (b)	1,16	5,73	9,46
TRÉSORERIE NETTE RETRAITÉE [4]	**1,30**	**5,84**	**9,58**

(1) Equity attributable to owners of the parent plus non-controlling interests.
(2) A schedule of financial debt is presented in Note 8.1.1 to the consolidated financial statements.
(3) Available cash less financial debt (a negative figure indicates net debt).
(4) Net cash plus market value of treasury shares.

1.1.6 Investments

(in millions of euros)	2021	2020	2019
Total R&D expenditure [1]	2.94	2.92	4.42
R&D expenditure as a percentage of revenue	4.2%	5.1%	6.2%
Other capitalized investments [2]	3.17	3.92	4.72

(1) R&D charged against income plus R&D capitalized during the financial year.
(2) Excluding rights of use.

1.1.7 Change in workforc

	2021	2020	2019
Systems	195	211	254
Products	256	247	246
Structure	9	8	5
TOTAL WORKFORCE	**460**	**466**	**505**

1.2 OVERVIEW OF THE GROUP AND ITS BUSINESSES

PRODWAYS GROUP is a specialist in industrial and professional 3D printing with a unique positioning as an integrated player. The Group has developed right across the 3D printing value chain (software, machines, materials, parts & services) with a high value added technological industrial solution.

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

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

By making software and machine, materials and parts design an integral part of its core expertise, PRODWAYS GROUP is positioned throughout the entire value chain and provides its customers a complete offer from the design stage of their projects through the manufacturing of their parts.

At 31 December 2021, the Group employed 460 people, had offices in three countries and directly exported around 36% of its goods and services.

1.2.1 History and development of PRODWAYS GROUP

- **The origins of PRODWAYS**

In the early 1990s, André-Luc ALLANIC, one of the world's leading specialists in 3D printing, working on many innovative technologies (including stereolithography, sintering of metal powder and polymers), developed some of the first 3D printing systems in Europe for the French National Center for Scientific Research and the company LASER 3D, which he joined in 1993. The stereolithography machines he designed were already the fastest on the market at that time.

In 2007, the arrival of the new generation of DLP® microelectronic chips helped André-Luc ALLANIC make his vision a reality. He combined a DLP® chip with a high-power light-emitting diode (LED) to design the most precise and fastest 3D printers on the market. The MOVINGLight® technology was born. André-Luc ALLANIC founded PHIDIAS TECHNOLOGIES so that he could market the new machines built with that technology.

In 2013, André-Luc ALLANIC met Raphaël GORGÉ. André-Luc ALLANIC became interested in partnering with a French industrial group with a strong technological culture. Raphaël GORGÉ very quickly saw the technological advances made possible by the MOVINGLight® technology and the resources that GROUPE GORGÉ had at its disposal for its international deployment.

In May 2013, GROUPE GORGÉ acquired PHIDIAS TECHNOLOGIES. The Company was renamed PRODWAYS.

- **In 2014**

In April 2014, GROUPE GORGÉ created PRODWAYS GROUP, which acquired DELTAMED, a leading player in materials for 3D printing. This acquisition has since enabled the Group to control and capture the entire value creation of the machine-material pair for the applications developed by the Group.

In July, PRODWAYS GROUP acquired a 20% stake in DENTOSMILE (which has since become BIOTECH DENTAL SMILERS), a French manufacturer of 3D transparent mouthpieces for orthodontics.

- **In 2015**

In March, two acquisitions marked the acceleration of the Group's strategy, which aims to offer its customers multi-technology products and a full range of services: acquisition by PRODWAYS GROUP of INITIAL, the leading independent French manufacturer of 3D printed parts, and the assets of NORGE SYSTEMS, an English start-up specializing in the design of 3D printers using laser sintering of plastic powders.

In November, PRODWAYS GROUP completed the acquisition of EXCELTEC, a company specializing in the development and sale of premium polymer materials specifically designed and optimized for selective laser sintering, for industrial applications in particular. This acquisition consolidated the Group's position in powder sintering technology with a complete range of printers and premium materials, confirming the Group's desire to become the new alternative to the leaders in this technology.

- **In 2016**

In January, PRODWAYS GROUP took control of PODO 3D, a start-up founded by a chiropodist whose ambition was to develop a modelling and 3D printing solution for foot orthotics.

In May, PRODWAYS introduced the first industrial laser sintering printer for under €100 thousand. This printer is the result of the combination of NORGE SYSTEMS' products and the expertise of PRODWAYS' R&D team in selective laser sintering technology.

In June, PRODWAYS GROUP set up CRISTAL to take over the assets of a French dental laboratory (LABORATOIRE SOCA) for the purpose of accelerating the development of 3D printing applications in dentistry.

- **In 2017**

In April, SAFRAN and PRODWAYS GROUP announced technological partnership to jointly develop materials and processes for additive manufacturing. As part of this collaboration SAFRAN CORPORATE VENTURES acquired a stake in PRODWAYS GROUP.

In May, PRODWAYS GROUP was listed on Euronext Paris. The €66 million in funds raised helped to continue the ambitious expansion of the Group's activities.

In June, PRODWAYS GROUP announced the development of its Rapid Additive Forging (RAF) technology, offering 3D metal printing for large-scale parts.

During the third quarter, PRODWAYS GROUP strengthened its medical business through the acquisition of INTERSON PROTAC, one of the leading French manufacturers of earmolds aiming to step up development of 3D printing applications in the field of audiology.

In November, PRODWAYS GROUP expanded its offering to industry 4.0 with the acquisition of AVENAO INDUSTRIE, the distributor and integrator of DASSAULT SYSTÈMES' 3D design, simulation and optimization software of over 15 years.

- **In 2018**

In July, PRODWAYS GROUP acquired the US company SOLIDSCAPE, a subsidiary of STRATASYS specializing in 3D printing machines for precision casting applications, particularly for the jewelry market. This acquisition strengthened machine sales activity and the Group's presence in North America and internationally through expanded distributor network.

- **In 2019**

In January, PRODWAYS GROUP announced the strengthening of its medical activities, with the acquisition of the audiologist SURDIFUSE-L'EMBOUT FRANÇAIS and became the French leader in customized hearing aid eartips.

In March, PRODWAYS GROUP launched its first robotized 3D printing workshop applied to the dental industry for the production of orthodontic mouthpieces.

During the year, PRODWAYS GROUP equipped the French Army with ProMaker P1000 3D printers for its external operations and announced several sales of metal 3D printing machines for large parts, including one to the Jules Verne Technological Research Institute, with which PRODWAYS GROUP has joined forces to revolutionize the production of large-scale titanium parts for the aeronautics industry.

- **In 2020**

In January, PRODWAYS GROUP launched an activity in Europe for the integration of the new Cloud solutions of the DASSAULT SYSTÈMES 3DEXPERIENCE® platform, and acquired a non-controlling stake in XD INNOVATION, a major partner of DASSAULT SYSTÈMES in North America.

From March, PRODWAYS GROUP mobilized to participate in the effort in the fight against Covid-19 and to meet the needs of new equipment related to this health crisis, in particular by providing its fleet of professional 3D printers, by associating its network of customers, to manufacture protective visor supports.

During 2020, PRODWAYS GROUP benefited from its past efforts and strengthened its position in the dental sector, both in terms of materials (contractualization of sales of liquid resins to several new dental specialist customers needing several dozen of tons of materials once their production has stabilized) and machines, with new innovative features and multi-machine sales of MOVINGLight® ProMaker LD-20 to industry customers.

In November, PRODWAYS GROUP inaugurated the new head office of INITIAL and the production site for 3D parts in Annecy, a site that brings together a hundred people.

In December, PRODWAYS GROUP merged all of its audiology activities, INTERSON-PROTAC, SURDIFUSE and L'EMBOUT FRANÇAIS under the name INTERSON-PROTAC by PRODWAYS, in order to offer a service of the highest standards to its customers and to optimize its operations.

- **In 2021**

In May, PRODWAYS GROUP was selected by the French State as the winner of the "Recovery plan for industry" call for projects and thus obtained a grant of €3.3 million for its Futur3D project which will accelerate the development of the Group's technologies by developing the next generations of products and services.

In July, PRODWAYS GROUP acquired 100% of CREABIS GmbH, a German specialist in 3D printing services for plastics, enabling it to increase the size of its Products division while penetrating a new growing market in Europe.

In December, GROUPE GORGÉ, the majority shareholder of PRODWAYS GROUP since its creation, distributed most of its PRODWAYS GROUP shares in kind to its shareholders. GROUPE GORGÉ, which previously held 56.3% of the Company's share capital, retains only 5.95%. This transaction significantly improved the stock market profile of PRODWAYS GROUP, whose free float now exceeds 60%. Nevertheless, the GORGÉ family remains the Company's largest shareholder, through its holding company PÉLICAN VENTURE.

1.2.2 Activities, markets and competition

PRODWAYS GROUP is one of the market leaders in Europe for 3D printing, an additive manufacturing process consisting of creating physical objects by superimposing different layers of material.

3D printing has gone through three major phases since the 1960s. During its early development phase (1960s-2010), 3D printing was mainly used to create prototypes. More recently, the market has seen a massive improvement in the printing processes and the development of new materials. These new technological trends have led to a substitution phase. 3D printing today allows complex products and parts to be manufactured. This technology complements and in some cases offers a credible alternative to conventional manufacturing techniques. Parts that were formerly subject to traditional industrial constraints can now be custom-designed using 3D printing.

Basing its strategy on this new industrial cycle, PRODWAYS GROUP intends to develop in the rapid manufacturing segment and 3D printing applied to industrial series. This segment has experienced significant growth in recent years and generated revenue of nearly €10 billion in 2019, up by 20% per year on average over the last five years[1]. The materials used in the 3D printing process are mainly plastic and metal.

The Group operates through two business segments: Systems and Products.

(1) Source: Wohlers report 2019.

1.2.2.1 Systems division

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

- 3D printers

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

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

The machines designed by PRODWAYS for these technologies are mainly used in a production environment, most often replacing conventional production methods. PRODWAYS markets its printers at between €15 thousand and €400 thousand for a lifetime of up to ten years.

- Associated materials

PRODWAYS GROUP produces top quality resins for 3D printing based on DLP® technology and polymer powders used with laser sintering technology, through its subsidiaries DELTAMED and PRODWAYS MATERIALS.

PRODWAYS GROUP offers a range of hybrid and composite materials in the form of liquid resins and polymer powders with a high ceramic, metal, fiber or nanoparticle content. These materials are designed to be high-performance. They boast distinctive characteristics in terms of mechanical properties (strength and elasticity), physical and aesthetic properties (color and transparency), and stability over time (extended ageing). These materials can be used with the Group's printers as well as with those of other manufacturers.

Certified in compliance with the most recent medical standards or regulations (MDSAP standard, new European regulation on medical devices [2017/745] or approval by the US Food and Drug Administration), prerequisites for the marketing of medical devices, the 3D printing materials produced by the Group are mainly used for cosmetic and restorative dentistry and hearing aid devices. They also address the jewelry , prototyping and aviation sector.

PRODWAYS GROUP manufactures and sells proprietary materials and to a lesser extent materials developed by third parties.

- 3D design software (CAD)

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

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

1.2.2.2 Products division

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

The division's objectives are to:

- use market intelligence to identify new industry trends;
- optimize value by capturing more margin;
- accelerate the uptake rate.

This division is a showcase for potential customers.

- **INITIAL and CREABIS, manufacturers of 3D printed parts**

Acquired by PRODWAYS GROUP in 2015, INITIAL is the French market leader in the design and production of additive manufacturing and thermoplastic injection parts. Acquired in 2021, CREABIS is a German specialist in the manufacture of plastic additive manufacturing parts.

Together, INITIAL and CREABIS offer a wide range of solutions for the design and production of industrial parts using 3D printing. The prototype or mass-produced parts are intended for the industrial, aerospace, medical, dental, automotive or luxury sectors.

Based in Annecy and Munich, respectively, INITIAL and CREABIS are the PRODWAYS GROUP entities specializing in product innovation, accelerating development and producing small- and medium-sized series. PRODWAYS operates around 50 high-tech machines thanks to a unique multi-brand fleet. It has 33 plastic additive manufacturing machines, eight metal additive manufacturing machines, eight machining centers, six injection molding machines and a vacuum duplication workshop, covering the most mature 3D printing technologies (MOVINGLight®, SLS®, SLA®, MJF®, Polyjet®, FDM®, DMLS®). With an unrivaled range of offerings, from mechanical engineering design to 3D scanning and digital simulation, and its expertise in the manufacture of plastic and metal technical parts, INITIAL and CREABIS are dimensioned to support their customers in mass production, which already represents 35% of the activity, on 3D printing technologies or more traditional technologies. INITIAL and CREABIS produced nearly three million parts across all technologies in 2021. With 30 years of experience, ISO 9001 and EN 9100 certification (INITIAL), and the energy of 120 employees, INITIAL and CREABIS serve more than 4,500 corporate customers, both large and small companies, in the fields of medical, diversified industry and aeronautics/defense, which it supports from the drafting of specifications to the production of pre-series and series, including prototyping.

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

- **Medical applications (dental, audiology and chiropody) to capture business transformed by 3D printing**

PRODWAYS GROUP's various activities throughout the value chain make it possible to identify key applications and sectors where 3D printing could transform traditional industrial processes. Once these key markets have been identified, PRODWAYS GROUP's development and marketing is handled by dedicated and specialized entities such as CRISTAL, PODO 3D (which sells the Scientifeet® product range), INTERSON PROTAC and SURDIFUSE-L'EMBOUT FRANÇAIS. For all of these medical applications, additive manufacturing has replaced long and costly manual customization processes while offering greater prostheses quality and precision.

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

Since the acquisitions of INTERSON PROTAC in 2017 and then of SURDIFUSE-L'EMBOUT FRANÇAIS, which merged in 2020, PRODWAYS GROUP is a French leader in audiology. INTERSON-PROTAC designs, manufactures and offers hearing aid professionals and manufacturers eartips for hearing aids and ear protectors that are customized to the ear canal impressions of each user.

In 2021, INTERSON-PROTAC produced more than two thirds of its production of hearing aids using 3D printing, a proportion that has been growing steadily since it joined the Group.

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

In June 2016, PRODWAYS GROUP set up CRISTAL to take over the assets of a French dental laboratory (SOCALAB) for the purpose of accelerating the development of 3D printing applications in dentistry. The CRISTAL dental laboratory has built up a portfolio of more than 150 dentists. The dental laboratory also works closely with mutual health insurance companies. CRISTAL offers dental surgeons a complete range of dental devices including models, surgical guides, mouthpieces, individual impression trays, etc.

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

- **Scientifeet®, an offering that aims to revolutionize the orthopedic insoles market**

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

The manufacturing process for a 3D insole consists of four separate stages: a scan of the patient's foot, virtualization of the impression, 3D modelling, printing and delivery of the pair of finished insoles.

The insoles are 3D printed by INITIAL in Annecy using SLS® technology before being delivered by carrier to the chiropodists, who then give them to patients. To date, PODO 3D has sold over 244 thousand Scientifeet® soles.

1.2.2.3 Markets and competition

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

The industrial 3D printing market was worth €14 billion[(1)]. This market comprises two branches: printing of finished parts (direct approach), and printing of molds, which are then used to design the finished parts (indirect approach).

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

- rapid prototyping (39% of the B2B market)

  Rapid prototyping refers to the production of models and prototypes from 3D Computer-Aided Design (CAD) data;
- functional parts (28% of the B2B market)

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

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

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

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

Competition

The market is divided into four segments:

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

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

The 3D printing market is a particularly dynamic market with high barriers to entry (technology, patents). The number of major players is currently limited and the groups remain relatively small. No player competes with PRODWAYS GROUP for its entire offering; competition is generally vertical.

- In 3D printers and related materials, PRODWAYS GROUP's main competitors are: 3D Systems (US), CARBON 3D (US), STRATASYS (US/Israel, particularly since its acquisition of ORIGIN in 2020), ENVISIONTEC (acquired by DESKTOP METAL in early 2021), EOS (Germany), RAPIDSHAPE (Germany) and to a lesser extent HP for certain applications.
- In the parts production market, INITIAL is the French leader. Other parts manufacturing players are MATERIALISE NV (Belgium), which offers software solutions, industrial 3D printing services, and medical applications, and PROTOLABS (US), which specializes in rapid prototyping, custom production, CNC machining and injection. The market is also structured by many local players, such as ERPRO (France).
- In the distribution of Computer Aided Design software, AVENAO's main competitor in France is the listed company VISIATIV (France).
- In the medical parts markets (audiology, chiropody, dental), competition is fragmented and local. On the French market, the Group is the leader in the field of hearing protectors.

(1) Source: Wohlers report 2022.

Our products and solutions are the most recognized in the marketplace

The Group now offers a line of 24 machines, 140 materials and a Service Bureau activity. Its flagship products include:

- ProMaker LD-20

The MOVINGLight® ProMaker LD-20 3D printer combines very high resolution and precision with increased productivity thanks to two moving DLP® heads achieving an optimized cost-per-part.

- PLASTCure Absolute Aligner

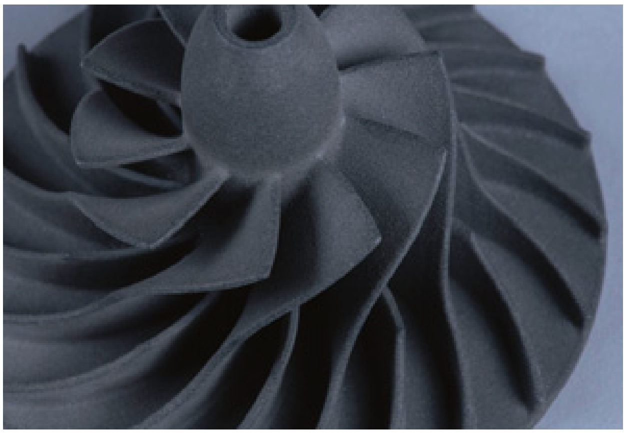
A revolutionary new material for the industrial production of models for orthodontic aligners of unparalleled transparency. Absolute Aligner resin has been developed in compliance with dental laboratory requirements seeking to obtain impeccable quality and maximum optimization.

- Solidscape series S300

The world leader in the jewelry market, SOLIDSCAPE's 3D printers produce high-precision wax models. The S300 series of 3D printers offers jewelers ultra-precise wax models with complex geometries and unparalleled surface finishes.

- Mass production

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



- **ProMaker P1000X**

The ProMaker P1000X is a fast and efficient SLS® 3D printer. It offers excellent production capacity thanks to its printing speed and large volume, while maintaining great flexibility to adapt to the needs of industrial mass production.

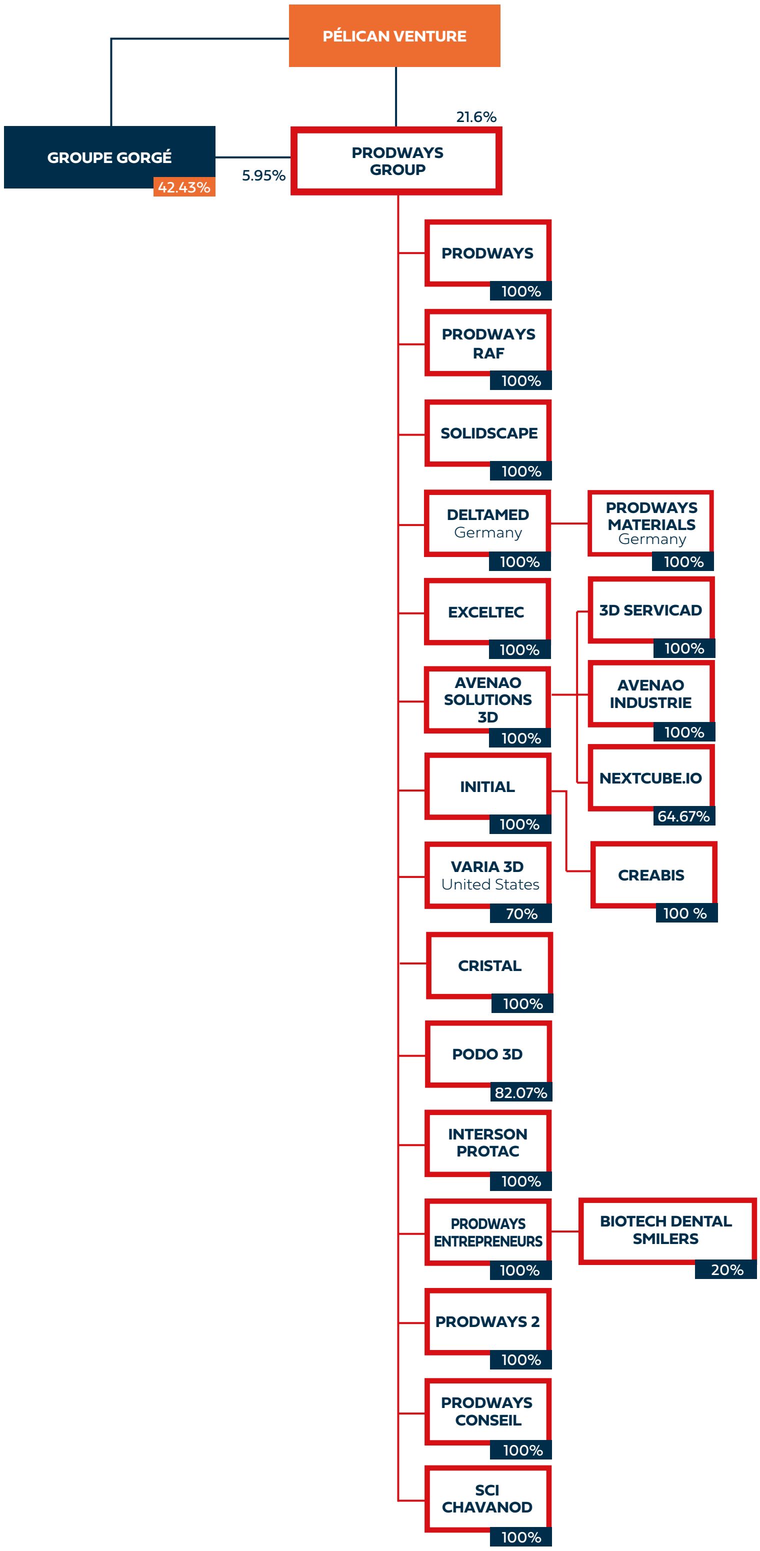
- **Passtop®**

Passtop®-patented customized hearing protectors are anti-noise Personal Protective Equipment (PPE) with a particularly innovative design. Passtop® uses a selective noise mitigation chamber that differs from conventional hole filtering.

- **PP 1200 Printing Powder**

PP 1200 (Polypropylene) powder is a versatile material characterized by low density, good chemical resistance and high ductility. This new material for SLS® technology is already widely used in the manufacture of injected parts, and has the potential to become the new standard in Additive Manufacturing. In addition, as a well-known plastic, PP can be recycled, which is increasingly important for sustainable production. The PP 1200 thus considerably broadens the field of application of 3D printing.

1.2.3 Principal subsidiaries and organizational chart at 16 March 2022



With the exception of PÉLICAN VENTURE's stake in GROUPE GORGÉ and in PRODWAYS GROUP, and that of GROUPE GORGÉ in PRODWAYS GROUP, the percentages listed refer to both share capital and voting rights. PÉLICAN VENTURE holds 21.6% of PRODWAYS GROUP's share capital and 18.7% of its voting rights. GROUPE GORGÉ holds 5.95% of the share capital and 10.1% of the voting rights of PRODWAYS GROUP. The subsidiaries listed are those included in PRODWAYS GROUP's consolidation scope.

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

	Newly consolidated	Deconsolidated
2021	CREABIS[(1)]	-
2020	-	-
2019	L'EMBOUT FRANÇAIS – SURDIFUSE[(2)]	-

(1) Acquisition completed on 5 July 2021.

(2) Acquisition completed on 3 January 2019.

The full list of the Group's consolidated companies in 2021, grouped by division, can be found in Note 13 to the consolidated financial statements. The table showing PRODWAYS GROUP SA's subsidiaries and shareholdings at 31 December 2021 can be found in Note 8 to the Company's annual financial statements. The consolidated financial statements are included in Section 4.1 of this Universal Registration Document; the annual financial statements of PRODWAYS GROUP SA are included in Section 4.2.

1.2.4 Highlights

In 2021, the main highlights were as follows

In 2021, PRODWAYS GROUP strongly strengthened its position as a leading player in 3D printing for orthodontics, at various levels:

- at the technological level, with the development of new materials, such as the PLASTCure Absolute Aligner resin, specially developed by the PRODWAYS MATERIALS team to optimize the 3D printing of models for dental aligners. This resin combines remarkable precision and quality to obtain (i) an unrivaled ultra-smooth surface finish for the aesthetics of aligners, (ii) the best precision on the market for the quality of orthodontic treatment, and (iii) a first-rate productivity for the system's economic equation;
- at the commercial level, with the signing of several major agreements in the Machines and Materials activities such as:
  - the signature by DELTAMED of a four-year agreement with a leading global player in the dental industry for the supply of materials,
  - the sale by PRODWAYS PRINTERS of two PRODWAYS ProMaker LD-20 3D printers based on its cutting-edge MOVINGLight® technology to the leading Italian orthodontic group GEO (*Gruppo Europeo di Ortodonzia*),
  - the signing, at the end of the year, of a major order for machines and materials that will make it possible to produce around one million orthodontic mouthpieces per year. The customer, an international group based in the United States, is one of the world's leaders in the distribution of medical and dental products, generating several billion in revenue in this area. This industrial project includes several production sites that generated a total order intake for eight MOVINGLight® LD20 machines, the most productive model in the PRODWAYS range. These printers will consume the PLASTCure Absolute Aligner liquid resin. Overall, this industrial project represents several million in predictable revenue for the coming years thanks to the strong recurrence of sales of materials associated with sales of printers.

At the same time, PRODWAYS GROUP continued to prepare for the future by pursuing its developments:

- technological, with the signature, in April 2021, of a partnership with OQTON, publisher of the control software for 3D printing powered by AI, OQTON. This partnership makes it possible to increase the use of MOVINGLight® printers, already renowned for their high productivity, in the mass manufacturing sector thanks to cloud manufacturing management and thus automate the production of millions of parts annually;
- in other high-potential markets such as the optics market. In February, the Group installed a second 3D printing machine at ESSILOR, the world leader in eyeglass lenses. The installation of this second machine marks the transition to a new phase of the partnership between PRODWAYS GROUP and ESSILOR on the subject of 3D printing of eyeglass lenses by relying on the precision, the image processing know-how, and the productivity of the MOVINGLight® technology.

In 2021, PRODWAYS GROUP also gave itself the means to carry out its ambitious growth plan, by being selected by the French State as the winner of the "Recovery plan for industry" call for projects and thus obtaining a grant of €3.3 million. This support is part of the "France Relance" program funded by the French government.

The Futur3D project, to which these funds will be dedicated, totaling €13.1 million by 2023, will enrich the Group's technologies by developing the next generations of products and services. This R&D program aims in particular to develop and improve the printer offering and to implement ever more relevant software functionalities for industrial production.

At the same time, PRODWAYS GROUP resumed its external growth strategy in 2021. With the acquisition, in the summer of 2021, of 100% of CREABIS GmbH, a German specialist in 3D printing services for plastics, the Group is accelerating its international development strategy in one of the most dynamic markets in Europe, and increased the size of its Products division. Created in 2011 by Ralf DEUKE, a pioneer and expert in 3D printing, CREABIS operates in Munich a fleet of 11 printers from different manufacturers (including PRODWAYS) and uses powder sintering, stereolithography, polyjet, multi-jet fusion and wire application technologies. Comprised of an experienced team of around 20 employees, CREABIS carries out nearly 50% of its activity in series production with recurring customers. The strong complementarity between the two companies will also unlock significant potential for synergies and improve the profitability of this activity.

Lastly, at the end of 2021, PRODWAYS GROUP experienced a major change in its shareholding structure. GROUPE GORGÉ, the Group's historical majority shareholder, distributed most of its PRODWAYS GROUP shares in kind to its shareholders. Previously holding 56.3% of the Company's share capital, GROUPE GORGÉ retains only 5.95%. This transaction significantly improved the stock market profile of PRODWAYS GROUP, whose free float increased significantly by around one third to more than 60%. The GORGÉ family remains the largest shareholder of the Company through its holding company PÉLICAN VENTURE. With this transaction, PRODWAYS GROUP benefits from increased liquidity and a strengthened ability to raise capital to seize growth opportunities and forge development partnerships, in France and abroad.

1.3 STRATEGY AND OUTLOOK, INVESTMENT AND R&D POLICY

1.3.1 Strategy

PRODWAYS GROUP is pressing ahead with its ambitious development strategy focused around a number of key goals:

- benefit from its unique position as an integrated player throughout the 3D printing value chain and develop synergies between its different activities;
- become a major player in the 3D printing market by offering printers and materials which are among the best performing for professional and industrial uses;
- continue to develop priority markets, such as healthcare, jewelry and, to a lesser extent, aeronautics, for which the Group's products and expertise are well-suited, and seize growth opportunities in all other sectors.

1.3.1.1 Systems division

PRODWAYS GROUP is the only integrated player to offer its industrial and professional customers 3D design, simulation and optimization software, but also a wide range of 3D printers and related materials. The complementarity of this offering guarantees customers the solution which best matches their requirements and guarantees PRODWAYS GROUP recurring revenues through the establishment of a pool of machines, sales of related materials and service and maintenance contracts.

Basing its strategy on a new industrial cycle, PRODWAYS GROUP has decided to concentrate its activities on the industrial 3D printing market and more specifically on rapid manufacturing and 3D printing applied to industrial series. The priority and promising sectors in which PRODWAYS GROUP is more specifically developing this strategy are health (and more specifically dental, the world's leading application of 3D printing for production), jewelry and aeronautics.

The global positioning of PRODWAYS GROUP and its strengthened presence in the United States since the acquisition of SOLIDSCAPE enable it to effectively address these global and growing markets.

1.3.1.2 Products division

PRODWAYS GROUP now has a manufacturing capacity for parts and solutions that covers all sectors where 3D printing has been developed and will benefit from the acceleration of mass production.

The rapid prototyping and mass production services are provided by the INITIAL and CREABIS entities, which have expertise in each sector. These companies contribute their expertise to the development of PRODWAYS machines and offer market intelligence services to detect new trends in the sector. They are also a showcase for potential customers who may then go on to purchase machines, materials or software.

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

1.3.2 Outlook

After a year 2020 marked by the global pandemic that impacted the Group, it rebounded well in 2021 and, above all, saw its profitability recover significantly.

The 3D printing market is structurally well oriented, with strong growth. The market will grow with the adoption of 3D solutions for the production of functional components, and applications can affect all production processes.

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

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

- control of the entire 3D printing value chain: machines, materials, software, parts production;
- technology excellence offered for industrial production, offering unique performance in terms of precision and speed;
- development of new partnerships, aiming to address new large-scale applications in the coming years.

Thanks to the good performance of all its activities, PRODWAYS GROUP intends to continue to grow its revenue in the coming years. In the short term, for the year 2022, the Group has set itself a target of an increase in revenue of around 5% to 10%. This growth is expected to be amplified by external growth transactions.

1.3.3 Investment policy and R&D

1.3.3.1 R&D policy

The Group's Research and Development policy is described in Note 6.2 to the consolidated financial statements.

Invention protection policy

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

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

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

1.3.3.2 Main investments made in 2021

Apart from research and development, the Group's current investments mainly consist of acquisitions of 3D printers. Other current investments consist of IT equipment, software, tooling for the workshops, fixtures and fittings for premises.

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

(in millions of euros)	2021	2020	2019
Research and development(1)	1.35	1.12	2.38
Other intangible assets	0.21	0.16	0.35
Technical installations, equipment	0.84	0.89	1.44
Other property, plant and equipment(2)	0.77	2.89	2.93
TOTAL	**3.17**	**4.10**	**7.10**

(1) Only capitalized R&D.
(2) Buildings, down payments and fixed assets in progress.

The Group has made regular acquisitions in recent years. In 2019, two external growth transactions were carried out within the Products division, with the acquisition of L'EMBOUT FRANÇAIS and SURDIFUSE. No transactions were carried out in 2020. In 2021, CREABIS GmbH was acquired within the Products division.

The Group has no future acquisitions in its sights and has not set a budget for such transactions.

There were no significant investments for which firm undertakings would already have been made. No planned Group investment is conditional on receipt of anticipated significant funding.

1.3.3.3 Major property, plant and equipment/Property leases

The Group's property, plant and equipment consist of 3D printers, fixtures, installations and computer equipment. The vehicle fleet is very limited and for the most part leased from specialized agencies.

The Group's "Products" division carries out the mass (and sometimes short run) production of parts. The production equipment dedicated to this activity is mainly 3D printers, for which printer usage rates are not currently measured. For the Group's other division ("Systems"), it is not necessary to have production equipment with a significant value, mainly tools and small equipment

The Group mainly leases its sites under standard leasing agreements. Only the Chavanod site (38) occupied by the subsidiaries INITIAL and PODO 3D and part of the Machines activities are fully owned. The sites that are currently being leased do not present any risk in terms of their extended availability or that of other similar operating sites.

1.3.4 Subsequent events

Michaël OHANA was appointed as the Group's new Chief Executive Officer from 1st March 2022, replacing Raphaël GORGÉ who had held the position since the departure of the previous CEO. He brings to PRODWAYS GROUP his 28 years of experience in the field of digital transformation and the deployment of innovative technologies, particularly in the dental sector. Michaël OHANA, aged 52, began his career at SCHLUMBERGER where he spent 14 years in various management positions internationally and in France. He then joined IBM, first as Director of the Energy division and then as a Member of the Management Committee of IBM France. Passionate about digital transformation, he then joined the ENGIE group as Deputy CEO of INEO Digital, a pioneer in the implementation of technological solutions for cities and manufacturers. In 2015, Michaël joined LYRA ETK, as Chief Executive Officer, which in six years he transformed into a major player in the digital transformation of dental practices and prosthesis laboratories in Europe, notably through the deployment of innovative technologies (intraoral scanners, digital implantology lines, CAD/CAM software and 3D printing solutions).

Major events that have occurred between the closing of the financial year and the date of issue of the financial statements (16 March 2022) are described in Note 12.3 to the consolidated financial statements

1.4 ANALYSES OF CONSOLIDATED PERFORMANCE AND SEGMENTS

1.4.1 Analysis of Group results

The Board of Directors approved the 2021 consolidated financial statements on 16 March 2022, showing:

- revenue of €70,645 thousand;
- net income of €552 thousand;
- profit for the period attributable to the owners of the parent of €626 thousand.

The consolidated financial statements were drawn up in compliance with the financial information presentation and evaluation rules of the International Financial Reporting Standards (IFRS) and interpretations adopted by the European Union and published in the Official Journal dated 13 October 2003. The figures presented below are from the financial statements for 2021 and 2020.

The consolidated revenue for the financial year stood at €70.65 million *versus* €57.21 million in 2020 The strong increase in revenue (up by 23.5% and by 20% on a like-for-like basis, i.e. excluding the acquisition of CREABIS, which contributed 2.2 million in 6 months, is the combined result of: (i) good momentum in Machine & Materials sales, which grew by 24% in 2021, driven by their very good positioning in orthodontics, (ii) the strong performance of the on-demand 3D printing service, and (iii) an increase in the medical activities of the Products division, driven in particular by audiology which is experiencing good momentum despite medical appointments disrupted by the health context.

Current EBITDA (reconciled to operating income in the following tables) of €8.80 million was up sharply compared to 2020 (€3.34 million), thanks to the triple positive effect of: (i) the volume effect, with a strong increase in revenue, (ii) an improvement in the business margin, and (iii) contained indirect costs, in particular thanks to the reorganization that took place at the end of 2020/2021. The Group also benefited from debt write-offs from the US federal government and subsidies in France.

The income from ordinary activities amounted to €4.31 million compared to €3.83 million in 2020. The non-recurring items in operating income amounted to -€2.61 million, compared with -€10.93 million in 2020. These mainly include amortization of intangible assets recognized at fair value from acquisitions, share-based payments, provisions for impairment and restructuring costs. The earnings of equity-accounted companies amounted to €0.08 million *versus* €0.01 million in 2020. The operating income therefore amounted to €1.78 million *versus* a loss of €14.76 million in 2020.

The financial expenses (net of financial income) amounted to €0.18 million compared with €0.33 million in 2020.

Tax came to -€1.05 million *versus* +€1.04 million in 2020. The financial year ended 31 December 2021 generated a consolidated net profit of €0.55 million, compared to a loss of €14.04 million in 2020.

The net profit attributable to the owners of the parent was €0.63 million (a loss of €13.95 million in 2020) while non-controlling interests incurred a loss of €0.07 million.

MAIN AGGREGATES FROM THE CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	**2021**	**2020**
Revenue	70,645	57,206
Income from ordinary activities	4,312	(3,832)
Operating income	1,782	(14,758)
Financial income and expenses	(176)	(327)
Tax	(1,054)	1,041
NET INCOME	**552**	**(14,044)**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**626**	**(13,946)**

2021 FINANCIAL YEAR

(in thousands of euros)	**Systems**	**Products**	**Structure and disposals**	**Consolidated**
Backlog at start of period	5,630	949	(13)	6,566
Backlog at the end of the period	9,091	1,069	(92)	10,068
REVENUE	**43,917**	**26,910**	**(182)**	**70,645**
Capitalized production	1,441	70	-	1,510
Inventories and work in progress	(591)	36	-	(555)
Other income from operations	1,766	171	-	1,937
Purchases and external charges	(23,663)	(12,208)	553	(35,319)
Personnel expenses	(15,542)	(11,405)	(1,475)	(28,422)
Tax and duties	(279)	(463)	(26)	(767)
Other operating income and expenses	(126)	(322)	222	226
CURRENT EBITDA	**6,922**	**2,790**	**(909)**	**8,804**
% revenue	*15.8%*	*10.4%*	*n/s*	*12.5%*
Depreciation, amortization and provisions (net of reversals)	(1,765)	(2,896)	170	(4,491)
INCOME FROM ORDINARY ACTIVITIES	**5,157**	**(106)**	**(738)**	**4,312**
% revenue	*11.7%*	*-0.4%*	*n/s*	*6.1%*
Payment in shares	-	-	(713)	(713)
Restructuring costs	(473)	(293)	(5)	(771)
Acquisition costs	-	(94)	-	(94)
Amort. of intangible assets recognized at FV during acquisitions	(544)	(99)	-	(643)
Exceptional provisions for impairment of asset values	(118)	(149)	(39)	(307)
Other	-	(40)	(42)	(82)
SUB-TOTAL OTHER OPERATING ELEMENTS	***(1,136)***	***(675)***	***(798)***	***(2,609)***
Group share of the earnings of affiliated companies	-	79	-	79
OPERATING INCOME	**4,021**	**(702)**	**(1,537)**	**1,782**
% revenue	*9.2%*	*-2.6%*	*n/s*	*2.5%*
R&D expenses capitalized over the period	1,319	32	-	1,352
Other property, plant and equipment and intangible investments	573	679	563	1,815

2020 FINANCIAL YEAR

(in thousands of euros)	**Systems**	**Products**	**Structure and disposals**	**Consolidated**
Backlog at start of period	5,963	181	-	6,143
Backlog at the end of the period	5,630	949	(13)	6,566
REVENUE	**35,977**	**21,130**	**99**	**57,206**
Capitalized production	1,130	19	-	1,150
Inventories and work in progress	466	(380)	-	85
Other income from operations	872	26	-	897
Purchases and external charges	(21,365)	(8,891)	78	(30,177)
Personnel expenses	(14,097)	(10,120)	(1,063)	(25,280)
Tax and duties	(348)	(393)	(17)	(758)
Other operating income and expenses	259	387	(428)	219
RECURRING EBITDA	**2,895**	**1,778**	**(1,331)**	**3,342**
% revenue	8.0%	8.4%	n/s	5.8%
Depreciation, amortization and provisions (net of reversals)	(4,154)	(2,944)	(75)	(7,174)
INCOME FROM ORDINARY ACTIVITIES	**(1,259)**	**(1,166)**	**(1,406)**	**(3,832)**
% revenue	*-3.5%*	*-5.5%*	*n/s*	*-6.7%*
Payment in shares	-	-	(269)	(269)
Restructuring costs	(2,311)	(844)	(91)	(3,246)
Amort. of intangible assets recognized at FV during acquisitions	(666)	(99)	-	(765)
Exceptional provisions for impairment of asset values	(6,116)	(281)	-	(6,397)
Other	(151)	(3)	(104)	(258)
SUB-TOTAL OTHER OPERATING ELEMENTS	***(9,245)***	***(1,227)***	***(464)***	***(10,935)***
Group share of the earnings of affiliated companies	-	9	-	9
OPERATING INCOME	**(10,504)**	**(2,383)**	**(1,871)**	**(14,758)**
% revenue	*-29.2%*	*-11.3%*	*n/s*	*-25.8%*
R&D expenses capitalized over the period	1,101	15	-	1,116
Other property, plant and equipment and intangible investments	369	824	2,749	3,942

1.4.1.1 Systems division

The Systems division – including 3D software, 3D printers and related materials and services – generated revenue of €43.9 million, up by 22.1% year on year.

On the strength of its good positioning in the field of orthodontics, Machines & Materials revenues related to this application increased by nearly 45% in 2021 compared to 2020, demonstrating the strength of the business model of this activity with sales of machines that generate recurring sales of materials over several years. At the same time, the revenues generated by the integration of 3D modeling software continued to increase in 2021. This activity continues to grow by relying on its highly diversified customer base, the good renewal rate with its existing customers, and the quality of its teams which enables it to gain market share in France.

The division's current EBITDA increased significantly by €4.0 million. It fully benefited from this volume effect and the product mix in favor of materials, as well as from the reorganization of the Machines activity in 2020/2021.

The division's income from ordinary activities was positive at €5.2 million, while its operating income rose sharply to €4.0 million. It benefited from debt write-offs in the United States.

1.4.1.2 "Products" division

The "Products" division – including the design and manufacture of on-demand parts and medical applications – recorded revenue of €26.9 million for the 2021 financial year, up by 27.4%.

The increase in the number of 3D printers thanks to the acquisition of CREABIS in Germany has enabled PRODWAYS to amplify its revenue growth. The Group now has one of the largest 3D printing fleets in Europe, offering its customers increased production capacity, a wide range of technologies and greater responsiveness. At the same time, the production of on-demand medical devices (audiology, chiropody and dental) posted growth of 25% this year, despite the disruptions of medical appointments and the taking of impressions due to the health context. The audiology activity was particularly strong with growth of 32% compared to 2020. This sector is benefiting from three structurally promising trends: the penetration of digital solutions in the impression-taking and manufacturing stages, the importance given to the prevention of noise-related risks, and the full reimbursement of hearing aids by the French Social Security system.

The division's current EBITDA was up by €1.0 million compared to 2021, standing at €2.8 million. This increase is the result of the volume effect and a favorable audiology mix.

The income from ordinary activities remained negative in 2021 at -€0.1 million and the operating income amounted to -€0.7 million due in particular to restructuring provisions of €0.3 million.

1.4.2 Financial position of the Group (cash and cash equivalents, financing and share capital)

The consolidated equity amounted to €64.85 million at 31 December 2021, compared with €63.39 million at 31 December 2020.

At 31 December 2021, consolidated net cash (cash and cash equivalents of €16.90 million less the sum of loans and financial debt of €15.73 million) amounted to €1.2 million (cash was greater than debt). At 1 January 2021, it amounted to €5.7 million. Treasury shares held by PRODWAYS GROUP are not included in these figures. Net cash plus treasury shares amounted to €1.3 million at the end of 2021.

The change from a net cash position of €5.8 million to a net cash position of €1.3 million is explained by the maintenance of a high level of investments (€6.3 million, including the acquisition of CREABIS and the end of real estate investments). The operating activities made a positive contribution (+3.8 million before payment of the lease liability) but with an unfavorable change in the working capital requirement of €0.9 million, an increase contained in this year of strong business growth. Detailed information about the Group's financial debt and any related covenants is provided in Note 8 "Financing and financial instruments" to the consolidated financial statements.

1.5 ACTIVITIES AND RESULTS OF PRODWAYS GROUP SA

1.5.1 PRODWAYS GROUP SA's role in the Group

The organization of the Group is as follows:

PRODWAYS GROUP is a holding company whose assets are made up of the stakes held in its subsidiaries. The Company has no industrial activity. Its function is to:

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

Its funding is secured by the dividends it receives and the service contract entered into between the Company and its subsidiaries.

Since the distribution by GROUPE GORGÉ in December 2021 of most of its PRODWAYS GROUP shares, the Company no longer has a majority shareholder. Its main shareholder is now PÉLICAN VENTURE (21.6% of the share capital). GROUPE GORGÉ now holds only 5.95% of the share capital and 10.1% of the voting rights.

PÉLICAN VENTURE, the family holding company of the GORGÉ family, is a French simplified joint-stock company (*société par actions simplifiée*). Its consolidated equity at 31 December 2020 was €218 million, with its main asset being its stake in GROUPE GORGÉ.

GROUPE GORGÉ is a French public limited company (*société anonyme*) whose shares are admitted to trading on the regulated market of Euronext in Paris. GROUPE GORGÉ has published a 2021 Universal Registration Document available on its website at www.groupe-gorge.com in addition to its Registration Documents for previous years. As detailed in its Universal Registration Document or on its website, GROUPE GORGÉ now has two divisions, the Drones & Systems division and the Engineering & Protection Systems division. PÉLICAN VENTURE's other assets are:

- SOPROMEC PARTICIPATIONS, a private equity firm managing around €20 million in assets;
- a group of three companies operating in the field of engineering for the energy/chemical sector and employing 450 people;
- real estate and financial assets.

1.5.2 Activities and results

At its meeting of 16 March 2022, the Board of Directors approved the separate financial statements of PRODWAYS GROUP SA which showed:

- revenue of €1,607.3 thousand;
- net income of €1,585.6 thousand.

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

Revenue came to €1.61 million *versus* €1.47 million in 2020. The income from ordinary activities for the financial year was €1 million *versus* a loss of €1.15 million in 2020.

In 2021, PRODWAYS GROUP's net financial income amounted to €1.72 million (an expense of €8.93 million in 2020), including €2.82 million in dividends (€3.77 million in 2020), and net appropriations and reversals of provisions on securities and current account receivables from the subsidiaries of -€1.1 million. As a result, the profit from continuing operations before tax was €0.71 million, compared with a loss of €10.08 million in 2020.

After taking into account the non-recurring expense of €0.10 million (an expense of €0.38 million in 2020) and tax consolidation income of €1 million, the financial year ended 31 December 2021 resulted in a profit of €1.59 million, against a loss of €9.77 million in 2020.

Shareholders will note the absence of non-tax-deductible charges and expenses incurred during the financial year.

1.5.3 Proposed appropriation of income

The Company's income for the financial year ended 31 December 2021 showed a profit of €1,585,598.13. At its meeting of 16 March 2022, the Board of Directors decided to propose that €22,415.40 be appropriated to the legal reserve, to bring it to 10% of the share capital, and that the remainder be appropriated to retained earnings.

As a reminder no dividend payout was made for the last three financial years.

1.5.4 Usual payment terms

In accordance with Article D.441-6 of the French Commercial Code we point out that at 31 December 2021, the balance of PRODWAYS GROUP SA's trade payables was €954.9 thousand (€313.1 thousand at 31 December 2020). These trade payables are not yet due and in general are payable at 30 days (in 2021 as in 2020).

1.5.5 Other financial and accounting information

Inventory of the transferable securities held in the portfolio at 31 December 2021

Company	Net asset values *(in euros)*
I – EQUITY SECURITIES	
1. French companies	
a/ Listed equity securities	
None	-
b/ Unlisted equity securities	
AVENAO SOLUTIONS 3D	16,466,467
CRISTAL	2,150,330
INTERSON PROTAC	6,619,236
EXCELTEC	-
INITIAL	12,000,000
PODO 3D	548,480
PRODWAYS	8,549,111
PRODWAYS RAPID ADDITIVE FORGING	1,349,884
PRODWAYS 2	-
PRODWAYS CONSEIL	-
PRODWAYS ENTREPRENEURS	701,000
SCI CHAVANOD	1,999
2. Foreign companies	
DELTAMED	7,065,924
VARIA 3D	
SOLIDSCAPE	9,607,479
TOTAL I	**65,059,909**
II – OTHER LONG-TERM INVESTMENTS	
1. French companies	
a/ Listed securities	
None	-
b/ Unlisted securities	
None	-
2. Foreign companies	
a/ Listed securities	
None	-
b/ Unlisted securities	
None	-
TOTAL II	**-**
III – MARKETABLE INVESTMENT SECURITIES	
a/ Money market funds (SICAV) and term deposits	-
b/ Listed French shares	
None	-
c/ Listed foreign shares	
None	-
d/ Treasury shares	131,175
TOTAL III	**131,175**
GRAND TOTAL (I + II + III)	**65,191,084**

FINANCIAL TABLE – ARTICLE R.225-102 OF THE FRENCH COMMERCIAL CODE

Nature of Information	2021	2020	2019	2018	2017
Share capital	25,631,975.50	25,538,772	25,538,772	25,407,821	25,407,821
Number of shares	51,263,951	51,077,543	51,077,543	50,815,643	50,815,643
Par value per share	0.50	0.50	0.50	0.50	0.50
Revenue excluding taxes	1,607,277	1,472,652	1,755,804	1,702,100	901,135
Earnings before taxes depreciation, amortization & provisions	8,456,936	2,642,508	1,955,515	1,951,182	846,707
Income tax	975,684	695,393	1,042,537	810,751	-
Earnings after taxes but before depreciation, amortization & provisions	9,432,620	3,337,901	2,998,052	2,761,933	846,707
Earnings after taxes, depreciation, amortization & provisions	1,585,598	(9,771,196)	(34,862,015)	2,749,344	833,392
Distributed earnings	-	-	-	-	-
Earnings per share after taxes but before depreciation, amortization & provisions	0.184	0.065	0.0587	0.0543	0.0167
Earnings per share after taxes, depreciation, amortization & provisions	0.031	(0.191)	(0.6825)	0.0541	0.0164
Net dividend per share	-	-	-	-	-
Average number of employees	9.66	7	4.26	3.82	2.38
Total payroll	1,016,469	767,697	785,499	423,387	357,887
Social security contributions and employee benefits	493,053	280,310	333,972	174,522	124,466

2

RISK FACTORS

Risk management forms an integral part of the Group's overall strategy, which is aiming to constantly construct and improve its systems for this purpose. It aims to anticipate the threats to which the Group is exposed and to identify future opportunities in order to:

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

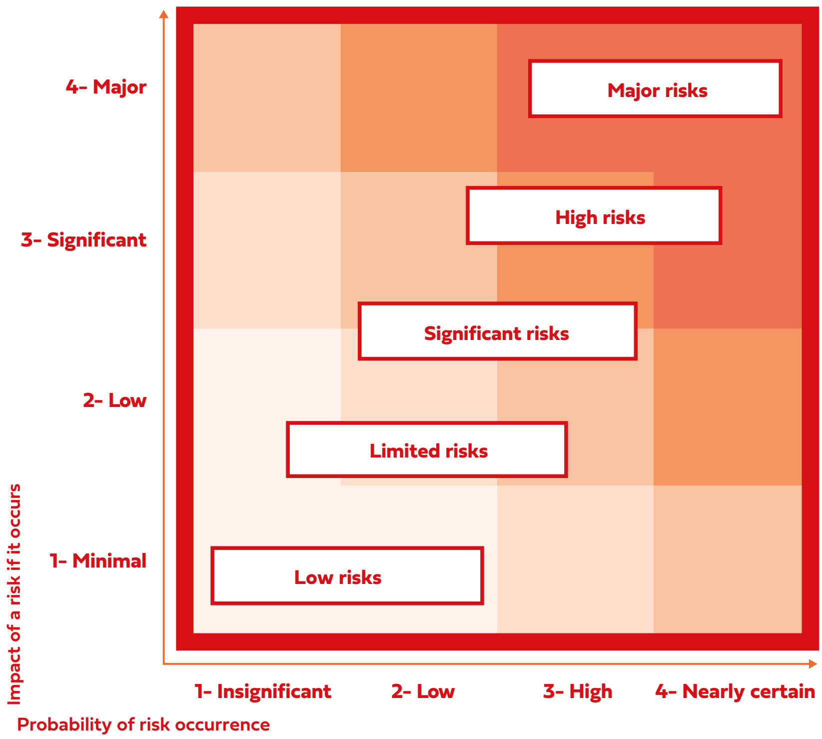
In early 2020, the Group again produced an in-depth map of its risks. This map was updated at the end of 2021.

2.1 METHODOLOGY

The Group's mapping process involves representatives of the main subsidiaries and functions of the Group according to the following method:

- risk identification: the first stage consists of identifying the risks likely to affect the ability of the Group and its divisions to achieve their objectives, through a survey and interviews with the main stakeholders;
- risk evaluation: the risks to which the Group is exposed were evaluated according to their probability of occurrence and their potential impact if the risk occurred, on three scales at several levels:
  - scale of probability of occurrence on a timescale of three years: insignificant, low, high, almost certain,
  - scale of impact (harm to persons, financial, harm to reputation and legal): negligible, low, significant and major,
  - the level of risk control: high, partial, weak;
- hierarchical ordering of risks: by cross-referencing the probability and the impact of the risk, a position of the net criticality of the risk is obtained: major risk, high risk, significant risk, limited risk and low risk.

Net criticality matrix



The matrix thus prepared was debated and reviewed by the Group's Executive Management and the Board of Directors. Only significant or higher risks are presented below. The matrix emerges as follows:

	Evaluation of residual risk
STRATEGIC RISKS	
Faulty strategic positioning and competition	Major
Technological risk and R&D investment	Major
Deterioration of the brand image and the Group's positive momentum	High
OPERATING RISKS	
Human resources	
Difficulties in attracting or retaining employees with the required skill levels	Major
Skills inadequate to the Group's transformation	High
Suppliers, customers and partners	
Insufficient quality and performance of partners or subcontractors used	Major
Customer payment default	High
Management of transactions	
Risk of shortfalls in the management or execution of contracts	Significant
Quality/Safety	
Physical integrity of employees	Significant
Risks related to the handling, storage or holding of materials	Significant
CROSS-FUNCTIONAL RISKS	
Legal	
Non-compliance with regulations	High
Insufficient protection of intellectual property or infringement of third-party patents	Significant
Legal aspect insufficiently considered or controlled in the commitments	Significant
Financial	
Fraud or external attacks	Major
Cash generation insufficient to support growth	Significant
Lack of reliability of financial data used within the Group	Significant
Organization and governance	
Risk related to difficulties in integrating acquired companies	Significant
Non-alignment of the Group's interests or strategy with those of its subsidiaries	Significant
IT	
Failure in information security	Significant

The following paragraphs describe the main risks reviewed at the end of 2021. They are divided into three categories: strategic risks, operational risks and cross-functional risks. In each category, the risk factors are presented in decreasing order of importance determined by the Group at the date of this Universal Registration Document.

The overall understanding of the risks with which the Group is confronted requires full reading of the consolidated financial statements (particularly the parts related to financial risks and litigation) and the Universal Registration Document as a whole, in addition to reading this Chapter.

Current context

After a year 2020 strongly marked by the Covid-19 crisis, 2021 saw an upturn in the activity of many of the Group's companies. However, certain activities continued to be impacted by the health situation and did not return to the level of 2019:

- the medical activities, dependent on the opening of practices (chiropody and dental), activities with very short order books, continued to suffer from lockdown measures or shutdowns related to patients or contact cases;
- the parts manufacturing activity was affected by the widespread use of teleworking, which reduces the demand for prototypes for new products.

The recovery of global activity, in a context of production difficulties, has also exacerbated the risk of dependence on suppliers, a risk that was raised in the risk matrix in 2021. Indeed, tensions on the supply chain lead to delays in the delivery of parts necessary for the manufacture of the Group's machines and products, as well as to an increase in the prices of components, partly passed on to the prices charged to the Group's customers.

Lastly, the current geopolitical context is a source of potential risks; the Group has a very limited presence in Russia and Ukraine (less than 0.5% of revenue in 2021) but a generalization of conflicts or a resulting economic crisis could materially affect the Group's results.

This context therefore contains significant risks that impact certain activities and may thus affect the Group's revenue, results and financial position.

PRODWAYS GROUP has real strengths to absorb these risks, to a certain extent. On the one hand, the Group is very active in the production and sale of materials for 3D printing, a highly recurring activity that benefits, even in times of moderate investment by customers, from the good use of the installed base of machines. In addition, PRODWAYS GROUP is able to implement initiatives to reduce costs and adjust its industrial facilities, such as the reorganization of the Machines business, the adaptation of the Software business' workforce or increased outsourcing in certain medical activities since 2020. These actions mitigate the slowdown to some extent, while continuing to invest in technologies to support future growth. Finally, it should be noted that such crises are also drivers of an acceleration of trends that support the development of 3D printing. Manufacturers are rethinking their production models and the Covid-19 crisis has highlighted the benefits of relocating and using agile production tools that can quickly adapt to demand.

2.2 STRATEGIC RISKS

2.2.1 Risk related to inefficient strategic positioning and competition

The 3D printing market is experiencing rapid and profound changes, which require the Group to regularly question the relevance of its strategic choices and the direction of its Systems and Products activities and its commercial policy so that it can detect and penetrate the most promising new markets that create value for the Group. Its strategic choices can also be impacted by changes in its relationships with strategic partners, distributors or suppliers. The current global pandemic and its consequences only reinforce this need to adapt to rapid and sometimes sudden changes.

At the same time, the competitive landscape is itself changing. Alongside traditional additive manufacturing players (STRATASYS or 3D Systems) and large groups that have developed their 3D printing business and have significant resources (HP, GENERAL ELECTRIC), competition is structured around companies that have raised substantial funds such as CARBON 3D or DESKTOP METAL/ENVISIONTEC. The Group therefore faces many competitors, some of whom have very deep resources and/or a high profile (see Section 1.2.2 "Activities, markets and competition" of this Universal Registration Document).

The proliferation of players in the 3D printing market, some of which have significant resources, may enable manufacturers and professionals to become more aware of 3D printing technologies. However, this also means increasing competitive pressure for the Group, which could lead to a decline in demand for the Group's products and force the Group to reduce its selling prices or make additional investments.

In this context of a change to its technological and competitive environment, errors of interpretation or a failure to anticipate market developments could lead the Group to take misguided strategic positions or, on the contrary, be late in moving into new and profitable segments. The PRODWAYS GROUP results could therefore be affected by disruption to market or competitive conditions.

To anticipate these possible disruptions, the Group can rely on its presence along the value chain, from machines to materials, finished parts and software, and businesses dependent on different technologies (resin, polymers and metal). The Group also actively monitors forecast developments and, in its budgetary process, performs analyses of threats/opportunities per activity, which provide cross-functional insights and help decision-making by Executive Management. Also, every year, a Board of Directors' meeting dedicated to strategy is organized to present an overview of the future and explore new topics to support the Group's growth, in terms of activities and products. Thanks to these analyses and its positioning, PRODWAYS GROUP has demonstrated its agility and ability to adapt its strategy, but it cannot guarantee that its choices will always be the most relevant in a constantly changing market such as 3D printing.

2.2.2 Risks associated with technological developments and R&D investment

Technological innovations in recent years have been significant in the additive manufacturing sector and the pace of technological developments remains strong. This market could undergo significant new technological developments, and new technologies or equipment that are more efficient and/or cheaper than those offered by the Group could come into existence. Competing technologies, whether they exist or are under development or as yet unknown, could capture significant market shares in the near future and restrict the Group's ability to market its products successfully.

Since its creation, the Group has devoted a significant portion of its resources to research and development to develop and improve its lines of 3D printers and equipment and to find new applications for additive manufacturing. These innovation policy efforts must be maintained so that the Group retains its position as a benchmark player in technological innovation, remains in a position to adapt to future technological innovations in the sector, as appropriate, and continues to win market shares.

Competitors with significant financial resources or new entrants to the market could also develop new technologies that are more efficient and/or less costly than those developed by the Group, which could lead to a reduction in demand for the Group's existing products. If the Group were to fail to keep pace with technological developments or to continue its innovation policy efforts, compared in particular to those made by competitors with greater resources, or if alternative technologies were to appear and revolutionize the market, the Group's ability to continue to remain relevant an competitive in additive manufacturing would be affected, and this could have an adverse impact on the Group's business, revenue, results, financial position, development and outlook.

The Group is consolidating its positions in its markets by devoting sustained and continuous investment to R&D, which enables it to work on several subjects simultaneously and not devote all of its development efforts to a single technology. The R&D efforts decreased significantly during the 2020-2021 period, given the very specific context. In 2021 these investments represented 4.2% of revenue compared to 5.1% in 2020 (see Note 6.2 "Other intangible assets" to the consolidated financial statements, in Section 4.1.6 of this Universal Registration Document). Nevertheless, the Group continues to invest and called on external financing in 2021, which allows it to anticipate a strong upturn in investments in 2022. In 2021, PRODWAYS GROUP was selected by the French State as the winner of the "Recovery plan for industry" call for projects and thus obtained a grant of €3.3 million. This support is part of the "France Relance" program funded by the French government. The Futur 3D project, to which these funds will be dedicated, totaling €13.1 million by 2023, will enrich the Group's technologies by developing the next generations of products and services. This R&D program aims in particular to develop and improve the printer offering and to implement ever more relevant software functionalities for industrial production. To secure its investments in R&D, the Group has a selective approach in each of its activities, and develops only some projects within portfolios of projects, taking into account the expectations expressed by its customers, the funding available, market trends and the expected profitability of the ongoing programs. Lastly, the Group operates in various businesses, which enables it to naturally diversify its risk of exposure to any particular technology or R&D project.

2.2.3 Risk related to the deterioration of the brand image and the Group's positive momentum

The Group's reputation has grown significantly over the last five years, driven by very strong growth. This positive image is an advantage for attracting talent, promoting employee retention, establishing contacts and for favorably presenting the Group to investors and financial or commercial partners.

This favorable context could be marred by unfavorable events such as non-fulfillment of expectations generated by the Group, destabilization actions carried out by competitors, overly drastic internal reorganization measures, etc. Such events could lead to loss of opportunities or customers, negative media coverage or a loss in the confidence of partners.

In order to limit these risks, the Group first of all aims to expose itself as little as possible to criticism by ensuring it does not excessively raise expectations and by complying with rules and practices. The Group has implemented several actions aimed at maintaining a positive dynamic:

- strengthening of relationships with the community of customers and partners to present the Group, its businesses, its objectives and its potential risks. This preventive action increases understanding and proximity in times of a crisis in confidence;
- development of regular communication with targeted media and on social networks to facilitate understanding of the Group and engage in a high-quality dialog;
- informing and training managers, communicators and spokespersons of the Group. Specific media training sessions may be organized with the managers of the Group;
- the distribution of a press procedure, organized by GROUPE GORGÉ, to monitor and supervise communication to the media and at trade shows;
- specific press and web monitoring (social media, Internet sites, blogs, press, etc.).

Furthermore, to support PRODWAYS GROUP employees, who are the primary conveyors of the Group's image, and guide them in their actions and behavior with concern for integrity and ethics, tools and training courses are made available, the first of which is the anti-corruption Code of Conduct.

2.3 OPERATING RISKS

2.3.1 Risks related to difficulties in attracting or retaining employees with the required skill levels

In a context of the strong growth in some of the Group's businesses (except for 2020), a tight employment market for some sought-after skills, sometimes in competition with well-known, large players, the ability to attract and retain employees with the required and constantly-evolving technical skills is essential to achieve our strategic objectives. In 2021, this pressure on talent proved strong, and mobilized the entire Executive Management to strengthen the HR recruitment and retention processes.

Any difficulty in recruiting or retaining a sufficient number of employees at the required skill level could therefore cause failure to perform or hinder the growth of the Group. Expertise in additive manufacturing is relatively rare in France and the Group must invest in the training of its new employees in those technologies. In a market where qualified people are relatively rare, and in a context of possible destabilization of teams following the implementation of economic dismissals, the Group's visibility makes it a target exposed to the poaching of its employees by customers or competitors. The Group will also need to recruit new managers, sales representatives and qualified staff to continue to grow. Despite its attractive development outlook and the interest in additive manufacturing technologies, the Group may not be able to attract or retain key personnel on economically acceptable terms.

To mitigate these risks as much as possible, the Group relies on many factors.

Firstly, the Group's employees are naturally motivated by a commercial and/or technical interest in the additive manufacturing sector and the projects in which they are involved. The Group ensures that it adopts high-quality internal communication with the employee representatives and all employees.

In addition, the Group regularly sets up profit-sharing and shareholding plans, which can be additional elements of motivation and retention. In 2021, a new free share allocation plan was put in place, following the plans of 2016 and 2019.

Moreover, when this is accepted, the contracts of key employees and managers include non-competition clauses. They also include confidentiality clauses, as well as, where relevant, clauses for compensation and transfer to the employer of employee inventions.

Lastly, a Human Resources policy focused on the retention of key people has been accelerating within the Group since 2021 (see Section 6.5) based on the individualized monitoring of key people and the flexibility of the work organization (signature of teleworking agreements). In 2022, specific employee retention targets have been set for several of the Group's executives.

These actions combined with the Company's culture and its known success should enable the necessary hiring to implement the development plan and help limit turnover rates.

Lastly, an inadequate succession plan or failure to pass on know-how could harm the Group's performance. The Group's management teams nevertheless ensure that the success of a subsidiary or division does not rely on a too small number of persons and that the managers of subsidiaries consider setting up succession plans for key persons. Good anticipation of this issue enabled the effective assumption of a new CEO position in INTERSON-PROTAC in 2021, at the same time as his predecessor.

2.3.2 Risks related to the skills of employees not matching the Group's transformation

The Group is positioned in business lines and technologies that are rapidly developing, notably in the fields of software and control, chemistry, mechanics and the finishing of parts, etc. Also, the gradual maturity of the market and its development towards increasing industrialization (transition from R&D machines to machines used for production, for example) also leads to requirements and qualifications that are different from those required in previous years, at the production level but also at the commercial and after sales service level. In this context, internal skills that are poorly adapted to changes in the Group's business lines or businesses, a lack of training or anticipation of the necessary skills or poorly-organized transfer of know-how could hinder the Group's growth and the success of its long-term development.

The quality and skills of the Group's employees are at the core of its key success factors. The Human Resources departments are responsible for, in support of the Executive Management, anticipating the departure of employees with key skills and knowledge, notably when the founders or historical managers leave. They are also in charge of monitoring the internal training of employees and the succession plans, with the aim of promoting the transmission of skills and knowledge by experts, the recruitment of highly specific skills, and the development of the careers of employees (see Section 6.5 "Commitments of the Group to its employees" of this Universal Registration Document).

2.3.3 Risks related to the quality and performance of the partners or subcontractors used

For the performance of its activities, the Group performs the most strategic and confidential parts internally. However, it relies on an extensive network of partners, suppliers and subcontractors, notably for some aspects related to R&D, marketing (agents) or for distributing products manufactured by third parties. Any difficulty in supplying certain special parts or chemical components is likely to have a negative impact on the ability of a subsidiary or the Group to manufacture and deliver its products; in addition, a sharp increase in the prices charged by suppliers may lead to a reduction in the Group's margins.

The strong tension encountered in 2021 on the supply chain highlights the importance of knowing how to respond to this risk in an organized manner.

First of all, PRODWAYS GROUP is committed to implementing dual sourcing as much as possible. To date, the Group has not currently set up double sourcing, which would be financially costly. Thus, the MOVINGLight® technology developed by PRODWAYS incorporates commercial parts manufactured exclusively by TEXAS INSTRUMENTS, as well as certain parts developed specifically for PRODWAYS by specialized companies. In order to secure its production process, the Group is working to identify alternative suppliers for these critical components. For the manufacturing of materials, the Group receives supplies of components and products from major chemical groups or certified suppliers. Any change in a component or supplier would involve new research and development to adapt the material formulations and the final product evaluation process. In 2021, such work was successfully implemented in order to offer formulations of alternative materials, and thus reduce the sensitivity of the Group to certain chemical suppliers unable to meet the Group's demand.

In addition, the Group adopted an inventory management policy adapted to the context: in 2021, the Group endeavored to have sufficient inventories to anticipate production over the coming months.

Lastly, an adaptive pricing policy has been put in place in order to be able, as far as possible, to pass the increase in the prices of raw materials and components to customers.

The other risks relating to partners concern product quality, research and distributors. They are described below.

Defects in parts or materials from third-party suppliers could also affect the quality of the Group's finished products. However, the Group's ability to claim compensation from the supplier at fault may be limited by the sales conditions imposed by that supplier. Any product quality problem involves warranty claims for the Group, which generate unanticipated costs and may be the cause of customer complaints. Repeated problems could have an adverse impact on the Group's results and reputation. The Group's companies have established procedures for the quality management and traceability of their products.

The Group has thus undertaken much research and development (R&D) work with universities and research bodies. Some research and development efforts carried out through partnerships (such as for the development of new materials adapted for additive manufacturing) sometimes begin before a partnership agreement is signed. The risk that the parties will not be able to finalize their agreements at an advanced stage of a project could have a negative impact for the Group on the expected profit from a partnership. There is also a risk of divergence between the parties during the conduct of the partnership, which may lead to a breakdown in the partnership or a calling into question of its balance. The unsatisfactory performance of R&D partnerships could have an adverse impact on the Group's business, results, financial position and outlook.

At the commercial level, the Group also works partly with service providers, its sales either being made directly or through the intermediary of its network of distributors and sales agents throughout the world. The Group selects its distributors and agents on the basis of technical expertise and reputation. However, the Group cannot guarantee that the distributors and agents selected will devote the necessary efforts to the commercial success of its products and comply with applicable regulations. The ramping-up of the indirect international sales network could thus take longer than expected and require additional commercial efforts. The Group's reputation and results could be adversely affected by distributors or agents who are insufficiently involved or do not comply with the applicable regulations.

Lastly, the Group's sales growth depends on the quality and reliability of its products and the products distributed by the Group (such as third-party materials).

The Group implements risk-evaluation procedures at the time of contracting with the partner in question, and control procedures when contracts are approved with third parties. Control and verification procedures are also put in place by the Group to detect any faults, but may not enable hidden faults to be detected. Ultimately, the Group tries to make sure that its contracts enable, in the case of a complaint from a customer caused by the fault of one of its partners, proportionate claims to be made against this partner.

2.3.4 Customer payment default

The economic situation around the world and changes to it may affect the Group's partners, customers and suppliers due to economic slowdowns and financial, geopolitical or social difficulties, or any other factors. The Group has a very wide variety of customers and has the capacity to obtain a growing number of new referrals, so it has little exposure to a particular customer risk, but it could be seriously impacted nonetheless if the international economic situation were to significantly weaken its customers or suppliers in general.

There is no strong dependency across the Group on one customer, as shown by the respective shares of the five largest customers in terms of percentage of consolidated revenue (see Note 4.5 to the consolidated financial statements in Section 4.1 of this Universal Registration Document).

Outside France, the Group operates directly or through distributors in a large number of countries. There is no strong revenue concentration internationally on a specific country; the Group will nevertheless have to develop in the United States, which is a large market with greater maturity in terms of 3D printing. A qualitative change to its country risk would significantly affect the Group.

2.3.5 Risks related to shortfalls in the execution of contracts

The Group is evolving in markets that are moving from the R&D phase to an industrialization phase, enabling higher sales and more recurring revenues, particularly in the orthodontic mouthpieces and jewelry sectors. Nevertheless, the industrialization phase of an innovative product may require numerous adjustments and iterations that lead to delays in the marketing of the product or more frequent warranty services with customers for repairs or adjustments, resulting in additional costs for the Group and possible harm to its image. These new types of contracts also require the Group to accelerate its maturity in contracting and in finishing its innovative products, and a solid commercial and after-sales service organization.

A shortfall in the execution of contracts, faults in design or manufacture or problems with the quality of a product or a service could cause unanticipated expenses and customer complaints. Repeated problems could therefore have a negative impact on the results of the Group, its ability to develop and its reputation.

Aware of these issues, PRODWAYS GROUP is organizing itself consequently at various levels. First of all, PRODWAYS tests its main innovations in terms of 3D printers and materials at its INITIAL services office, which allows it to benefit from feedback and thus improve and stabilize its prototypes before validating the final products; the installation, in 2020, of the SLS machine development activity at INITIAL has further deepened these relationships and this expertise. Subsequently, the Group now has its main innovations tested with its key customers (Services Bureau or end users qualified as early adopters), who give feedback on product functionalities before the standard product is marketed. At the same time, procedures for the technical acceptance of products are put in place by the Group to detect any faults (in particular, the installation and receipt of a 3D printer involves various operating tests), as well as systematic prior training for users. In addition, the Group offers its customers multi-year preventive maintenance programs. Despite mandatory training and the offers of maintenance, an error in use by a customer or a maintenance defect is still possible. Lastly, concerning its organization, PRODWAYS is strengthening its after-sales and support teams, to best support its customers and partners, with whom it endeavors to maintain constructive and transparent business relationships.

2.3.6 Risks concerning the safety and security of employees

The Group works in industry in general and particularly in certain fields of activity that may present specific risks for the physical integrity of employees (handling dangerous products, for example). An accident related to the working environment, exposure to harmful materials, a road accident or an employee being kidnapped during business travel to an at-risk country may lead to bodily or psychological damage for employees, the payment of significant damages or the payment of a ransom. While the occurrence of these risks remains very low (particularly in the current context, which severely limits travel), a proven risk could have significant consequences for employees, as well as the Group's treasury or management.

The Group considers the safety and working conditions of its employees to be among its leading priorities. To achieve this, actions are carried out by the subsidiaries to develop and harmonize a safety culture, to strengthen the approach to safety and to professionalize practices (see Section 6.5.3 "Health, safety: a commitment for all employees" in this Universal Registration Document).

The Group also has a procedure for monitoring and alerts covering at-risk countries for limiting the exposure of employees travelling internationally. This monitoring is supplemented by procedures for employees on the move. Lastly, solutions for responsive repatriation are operational.

2.3.7 Risks related to the holding, storage or handling of materials

Group companies do not have facilities that are subject to the regulations for facilities classified for environmental protection (ICPE). Nevertheless, like many industrial activities, the Group's activities require the preservation and handling of hazardous products. In particular, the Group develops and markets materials that incorporate chemicals. In accordance with the European REACH Regulation (EC no. 1907/2006) relating to chemical risks, the Group must identify and manage any risks associated with the materials manufactured and communicate the risk management measures implemented to the users of its materials.

The concerned companies implement the safety procedures recommended for the handling and storage of such products. For example, INITIAL handles potentially hazardous powders (explosion risks), which may pose a health hazard when inhaled. Similarly, the use of DLP® or lasers requires certain handling precautions to protect the health of the concerned employees. The collection and recycling of potentially polluting materials is entrusted to specialized service providers. Strict handling and storage procedures have been put in place in the companies concerned.

Compliance with these regulations is costly and any tightening of these regulations would entail additional costs for the Group. regulations are also complex and any violation thereof by the Group could result in fines or penalties or could incur its liability. These circumstances would have an adverse effect on the Group's financial position and development. regulations are regularly monitored in the companies and the Group informs them when it learns of new requirements, in particular as part of its CSR monitoring.

2.4 CROSS-FUNCTIONAL RISKS

2.4.1 Risks related to failure to comply with the applicable regulations

Under circumstances of constant evolution and increasing complexity of regulatory constraints and compliance procedures, the activities of the Group could be affected by legal risks related to compliance with legal and regulatory provisions applicable in France and in all jurisdictions in which the Group has interests. For example, this concerns subjects as vast as taxation, employment law, safety standards, anti-corruption arrangements, protection of personal data, business confidentiality or stock-market regulations.

In particular, the Group develops bio-compatible materials or medical devices that are subject to strict standards in Europe and the rest of the world. In this respect, European medical device regulations are set to evolve in the coming years. The same is true for countries outside the European Union. These changes in standards may require new R&D to adapt the products developed by the Group and maintain its authorizations and certifications applicable to its products.

In particular, DELTAMED formulates, manufactures and markets special resins, including for the biomedical field. The formulation, manufacture and marketing of medical devices by DELTAMED requires the maintenance of a certified quality management system for medical systems complying with DIN EN ISO 13485 (EU) and the MDSAP audit standards for Canada, Japan, Brazil, Australia and the United States. DELTAMED also meets the requirements of European Directive no. 93/42/EEC. It is one of the first companies to be audited in compliance with the EU Regulation no. 2017/745 on medical devices which came into force in May 2021. These controls and certifications are carried out by approved control bodies. In 2020, DELTAMED obtained U.S. Food and Drug Administration approval for the first new printable composite material for the US market for printing dental crowns and bridges. The maintenance of these certifications and authorizations is a differentiating asset that differentiates the Company, and it is necessary to enable DELTAMED to continue to market its products in Europe, Canada, the United States and several other countries. These certifications and authorizations give DELTAMED a competitive advantage. Their loss would have a significant adverse impact on DELTAMED's business and therefore on the Group's results, financial position and outlook.

In order to limit these risks, PRODWAYS GROUP endeavors to put in place appropriate organizations, specific procedures and personnel training. The Group also seeks the internal or external expertise (lawyers, solicitors, consultants, experts) appropriate to its businesses. The internal control framework provides for the implementation of controls and the necessary compliance with all applicable regulations; it is at the heart of the concerns of the Executive Management and the awards of certifications and positive audits each year, and again in 2021, show that these issues are well under control.

2.4.2 Risks associated with intellectual property

The products created by the Group make use of advanced technologies. The Group has made significant investments in research and development so that its products and services have competitive advantages for the benefit of its customers. This positioning enables the Group to operate in markets with a high barrier to entry but exposes the Group to risks of loss of market share in case of infringement affecting its innovations. However, the Group cannot totally rule out a scenario where, even in the absence of deliberate intent, it finds itself infringing patents of third parties, implying a legal and financial risk.

The Group carries out an active policy of commercially developing its innovative ideas. To do this, it relies on specialist teams and advice on intellectual property. Applications for patents are the subject of examination procedures by the competent local or international bodies. It takes a number of years before a patent is granted. The examination process may also result in a patent being granted with narrower claims than initially sought, or it may be refused in certain jurisdictions. Furthermore, the intellectual property rights registered do not provide protection in all jurisdictions.

Finally, under its partnerships, the Group must frequently share certain aspects of its know-how or sensitive business data with its counterparties that are not protected by patents. Although this information is covered by confidentiality undertakings, the Group must allow for the possibility that its know-how or business data is misappropriated and used by third parties.

The occurrence of any of these events (non-validity of a patent, counterfeiting by a third party, use of a patented technology by a third party, outflow of know-how, dispute, etc.) could have an adverse effect on the competitive advantage of the Group's product offering and therefore on its business outlook, reputation, development and future results.

To address these risks, training and awareness-raising actions have been put in place so that patents are filed to protect the Group's technological and commercial advances. The Group manages and maintains its technological progress in relation to its competitors, with its patents being used, maintained and extended according to established internal procedures and according to the prospects for the application of these innovations (see Section 1.3.3 "Investment policy and R&D"). The subsidiaries, with their internal teams, monitor the activity of their competitors (particularly as regards the filing of patents) and evaluate (through freedom to operate studies) the risk of infringement of third-party patents during the course of their research or development programs. External advice may be sought for occasional assessments of activities of entities external to the Group. Furthermore, if the Group thus holds 21 patents for different types of products, most of the Group's revenue nevertheless does not depend on any particular patent or license.

Lastly, the Group has set up an organization and internal procedures to evaluate risks of infringing the patents of third parties during its internal R&D programs. This organization, coordinated by the legal service, will examine the various projects, check that the solutions adopted comply with the rights of third parties and, where applicable, check whether these solutions can be patented. There is a risk nevertheless that a third party might bring legal action against the Group in matters of industrial property.

2.4.3 Risks related to the application and control of contractual commitments

The services and products created by the Group, in particular because they are often linked to the medical markets or to a lesser extent the aeronautics market, must reach demanding levels in terms of quality and performance. Furthermore, the 3D printing sector as well as the Group's products and services are relatively new, and the products have not reached maturity. In this environment, negotiating the related contracts (sale, purchase, partnership) requires great professionalism and vigilance by employees. It is critical for the Group to properly evaluate and control all of its contractual commitments, in terms of achievement of performance and costs, deadlines, possible penalties and guarantees granted.

The Group can never rule out the risk of having difficulties in meeting an obligation to achieve a given result or another commitment that it may have contractually accepted in relation to a customer or partner, with a negative impact on the margin of the contract in question, in particular due to excess costs in implementation, late penalties, damages or litigation.

The Group nevertheless has long experience in managing this risk. It implements strict control procedures when contracts are approved, involving the varied skills of the Company (commercial, legal, financial, technical and Executive Management).

2.4.4 Fraud or external attacks

By frequency and severity, the risk of fraud and cyber criminality has been growing for several years in France. Like more than seven companies out of ten in France, the Group is subject to attempts at fraud, particularly attempts to misappropriate funds or steal strategic data (fraud targeting the Chairperson, cyberattacks, etc.). These attempts, if they should succeed, could harm the Group's competitive advantage, harm its image or affect its cash position.

The Group takes care to apply effective internal control systems. An internal control standard has been constructed with GROUPE GORGÉ with this objective and is applied at the PRODWAYS GROUP. In matters of fraud, actions to inform and train particularly-exposed employees are regularly carried out. Double signature procedures are also in place to limit these risks. At the end of 2021, the Group's Finance Department initiated with the IT Department an in-depth review of all systems with a view to the implementation of dedicated and personalized solutions (processes and systems) in 2022.

2.4.5 Risk related to the level of cash generation

The Group's activities require the funding of research and development investments, which are carried out using equity, the French research tax credit, and grants. A scaling back of this mechanism in the future would jeopardize the level of R&D expenditure that the Group could reasonably finance and would therefore have an adverse impact on the Group's business, financial position and outlook. In addition, even if the Group ensures the compliance and quality of its supporting documents for both the CIR and grants, it is still possible that State authorities may question the calculation methods used by the Company for research and development expenses. A tax adjustment to the Group in this area could have an adverse impact on the Group's results and cash position.

At the same time, the Group's revenues and results are not linear and may fluctuate during the year, due to many factors. These fluctuations may have an impact on the financial position of the PRODWAYS GROUP and its ability to finance its businesses and its development.

In order to manage its cash as carefully as possible, the Group also endeavors to enforce its general conditions of sale. Nevertheless, some customers from large groups have the policy of imposing their purchasing conditions, which are generally unfavorable to suppliers and therefore to the Group. Unfavorable conditions of sale are likely to have an adverse impact on the Group's financial position and results.

This risk was revised downwards in the review of the risk matrix carried out in 2021. Indeed, the Group now has a positive operational cash generation profile, and benefits from significant grants: in 2021, the Group was awarded a grant of €3.3 million as part of the "France Relance" program financed by the French government. The liquidity risk is described in Section 4.1.6, Note 8.3.1 "Liquidity risk" to the consolidated financial statements. Since the IPO in May 2017, the Group has a positive net cash position. At the beginning of 2022, it had a confirmed credit line of €5 million.

2.4.6 Lack of reliability of financial data

As presented in Section 2.4.7 below, the Group is the result of its history, and notably diverse backgrounds. As a result, the financial and accounting reporting and organizations may have diverged in the past. The complexity and frequent changes in accounting standards have also created a context that is unfavorable to good readability of the financial statements and comparisons between years. Unavailability, inexactness or a lack of consistency between financial data may lead the Group to make unsuitable decisions or to financial losses.

In this context, the Group aims to harmonize its subsidiaries' tools and methods, supported by a centralized Financial Department that is tasked with continuing and accelerating the structuring of the Finance function at all levels of the Group. Moreover, PRODWAYS GROUP is supported by GROUPE GORGÉ's Financial Department for consolidation, updates to standards and their impacts, and to prepare its published financial statements.

2.4.7 Risk related to difficulties in integrating acquired companies

The Group has regularly acquired activities or third-party companies as part of its development and is likely to pursue this strategy according to the opportunities identified. An external growth operation may have the effect of diluting the shareholders of the Company in the event that such growth is financed through the issuance of transferable securities.

In addition, any acquisition involves risks associated with the integration of the acquired company or business into the Group, the realization of assumptions underlying the valuation and the expected benefits of the transaction, the existence of unforeseen costs or hidden liabilities and the departure of key personnel from those companies.

The integration of a new entity or activity into the Group may take longer than expected and require increased mobilization of the Group's teams. Finally, the benefits of future or completed acquisitions may not materialize within the expected timeframes and standards. Difficulties in the process of acquisition and integration (analysis, organization, integration, preservation of skills and know-how, adoption of the Group's standards and procedures, and implementation of the business plan and expected synergies within divisions or between different divisions) may affect the benefit of an external growth transaction and cause losses of accounting value for the Group.

In order to face these challenges and limit these risks, PRODWAYS GROUP relies on the long experience with acquisitions of its parent company, GROUPE GORGÉ, which has prepared a mergers and acquisitions process, from identification of targets to their integration. Each stage of the acquisition process is monitored and validated by the management bodies of the PRODWAYS GROUP and GROUPE GORGÉ. Before the acquisition, the Group systematically performs financial, legal and technical audits and negotiates asset and liability guarantees where possible. The integration of targets is the subject of operational collaboration between the PRODWAYS GROUP and the services of GROUPE GORGÉ that worked on the acquisition. Particular effort is paid, at the beginning of the integration processes, to the early identification of key success factors and the potential risks on which to focus. Lastly, the Group endeavors to retain key persons and have them support its corporate project, thus ensuring the viability of these companies.

The Group's extensive experience in acquisitions enables it to achieve increasingly fluid and efficient integrations; this risk was revised downwards in 2021. In 2021, the acquisition and integration of the German company CREABIS was completed quickly, with the pooling of part order quotation systems in the two months following the acquisition.

2.4.8 Risk due to misalignment between the Group and its subsidiaries

The Group has seen very strong growth since its creation, thanks to organic growth and successive acquisitions. Moreover, PRODWAYS GROUP's strategy is based on its positioning in different segments of the 3D printing value chain (Machines, Materials, Products, Services). With their different positioning and sometimes separate histories, the Group's companies have considerable autonomy. These characteristics make PRODWAYS GROUP strong, but also generate a certain level of complexity that can lead to strategic alignment issues between the parent company and its subsidiaries and between subsidiaries. Occurrence of this risk could lead to a failure in the development strategy or the loss of opportunities for the Group.

Aware of these characteristics, since 2018, PRODWAYS GROUP has deliberately conducted a more integrated strategy that aims to benefit from cross fertilization and a feeling of belonging, whilst not breaking the momentum of each activity. Specifically, the organization was clarified into two divisions, "Systems" & "Products". In addition, actions have been implemented at the Human Resources level, including the organization of a management seminar, the identification and monitoring of high potentials, and the implementation of transversal actions by teams from different subsidiaries (notably, in sales). Lastly, in 2021, the in-depth reorganization of the Machines business led to greater integration of the various activities: the INITIAL site in Annecy now brings together the production of parts, soles, and the production of SLS machines.

2.5 OTHER RISKS

Other risks have been identified, notably related to the loss of professional certifications, the occurrence of a significant disaster beyond the limits of the Group's insurance policies, failure of IT security, etc. Nevertheless, the analysis of these risks, over a timescale of three years, taking into account their level of control, and in the context of the Group which has a high degree of risk dispersion related to the numerous businesses and environments in which it operates, did not lead to a conclusion that these risks were major, high or significant at the Group level. Obviously, these conclusions, which were established at a given date and context, may change.

3 CORPORATE GOVERNANCE

This "Corporate governance" section includes the new corporate governance report pursuant to Article L.225-37 of the French Commercial Code, which was approved by the Board of Directors on 16 March 2022.

3.1 GOVERNANCE

3.1.1 Composition of the Board of Directors and the Board Committees

Following the distribution of PRODWAYS GROUP shares to the GROUPE GORGÉ shareholders at the end of December 2021, GROUPE GORGÉ ceased to control the company. PÉLICAN VENTURE, the controlling shareholder of GROUPE GORGÉ, has become the reference shareholder of PRODWAYS GROUP.

At 31 December 2021, the Board of Directors of PRODWAYS GROUP was composed of seven Directors, namely Raphaël GORGÉ (Chairperson of the Board of Directors), Catherine BENON, BPIFRANCE PARTICIPATIONS (represented by Paul-François FOURNIER), SAFRAN CORPORATE VENTURES (represented by Florent ILLAT until June 2021 and then currently by Jean-Yves PETIT), Michèle LESIEUR, Céline LEROY (employee of GROUPE GORGÉ) and Hélène de COINTET (Deputy Chief Executive Officer of GROUPE GORGÉ).

Mr. LE BERRE (Chief Financial Officer of GROUPE GORGÉ) is a non-voting Board member appointed by the Board. His participation in Board meetings facilitates the coordination of financial matters within GROUPE GORGÉ, as long as it was the parent company of PRODWAYS GROUP, and now PÉLICAN VENTURE.

In 2021, Raphaël GORGÉ, Catherine BENON, Hélène de COINTET, Céline LEROY and Loïc LE BERRE were members of the Board representing the majority shareholder GROUPE GORGÉ.

Raphaël GORGÉ is Chairperson and Chief Executive Officer of GROUPE GORGÉ. Catherine BENON is the former wife of Raphaël GORGÉ and a Director of GROUPE GORGÉ. Hélène de COINTET is Deputy Chief Executive Officer of GROUPE GORGÉ. Céline LEROY and Loïc LE BERRE are employees of GROUPE GORGÉ.

Michèle LESIEUR, Catherine BENON, SAFRAN CORPORATE VENTURES (represented by Florent ILLAT until June 2021 and then by Jean-Yves PETIT) and BPIFRANCE PARTICIPATIONS (represented by Paul-François FOURNIER) are Independent Directors. The presence of Independent Directors on the Board of Directors ensures that the Company's interests are taken into account and that all shareholders are fairly represented.

Even if SAFRAN CORPORATE VENTURES (represented by Florent ILLAT until June 2021 then by Jean-Yves PETIT) and BPIFRANCE PARTICIPATIONS (represented by Paul-François FOURNIER) are shareholders of the Company, their percentage of capital held is relative compared to the percentage held by GROUPE GORGÉ until the end of 2021, then by PÉLICAN VENTURE. These Directors have no links to the Company, its Group or its management that would jeopardize the exercise of their freedom of judgement. In this regard, it should be noted that PRODWAYS GROUP entered into a technological cooperation framework agreement with SAFRAN in 2017 concerning developments in 3D printing. This agreement represents non-material amounts. A qualitative and quantitative analysis of the existing business relationship between PRODWAYS GROUP and SAFRAN concluded that it was not liable to compromise the latter's status as an Independent Director or that of its permanent representative. In all cases, Florent ILLAT and his successor Jean-Yves PETIT and Paul-François FOURNIER consistently demonstrate an independent mindset and great freedom of speech.

The Independent Directors (Michèle LESIEUR, BPIFRANCE PARTICIPATIONS and SAFRAN CORPORATE VENTURE) decided in early 2022 to reclassify Catherine BENON as an Independent Director in view of the change in her situation and her independent mindset.

Olivier STREBELLE was a Director and the Chief Executive Officer; he left office in July 2021. Raphaël GORGÉ then agreed to temporarily take over the duties of Chief Executive Officer, which he held from 2013 to 2018, until a new Chief Executive Officer was found. His Executive Management duties ended with the arrival of Michaël OHANA as the Company's new Chief Executive Officer on 1 March 2022.

As set out in the bylaws, Directors are appointed for a term of three years.

The Chairperson of the Board of Directors and the Chief Executive Officer have been appointed for an unlimited term. The Board of Directors may therefore terminate their term of office at any time (the Chairperson's term of office may not exceed his or her term of office as a Director.).

The non-voting Board member is appointed by the Board for a period of three years; he or she attends Board meetings without voting rights. Like the Directors, he signs the Board's internal rules, which include the regulations on market abuse and the management of conflicts of interest.

The Board proposes to renew the terms of office of Michèle LESIEUR (also Chairperson of the Company's Audit and Risk Committee), Hélène de COINTET (Group CSR Officer and Deputy Chief Executive Officer of GROUPE GORGÉ) and Céline LEROY (General Counsel of GROUPE GORGÉ).

In early 2021, the Board of Directors decided to create an Audit and Risk Committee (see Section 3.1.8 below).

The Board also dedicates at least one meeting per year to strategic topics (in addition to regular reviews of specific external growth or development projects) (see Section 3.1.8 below).

As part of the acceleration of its CSR approach, in December 2020 the Board of Directors appointed Mrs. Hélène de COINTET as CSR Officer, in charge of steering the Group's CSR approach. In March 2021, the Board also decided to dedicate at least one meeting per year to CSR topics (in addition to the annual Non-Financial Performance Statement review) to better monitor the Group's CSR issues.

At 16 March 2022, the composition of the Board of Directors was as follows:

Name	Independent[1]	Board Committees	Date of first appointment	Expiry of term of office	Experience and areas of expertise
SAFRAN CORPORATE VENTURES – represented by **Jean-Yves PETIT**	Yes	Audit and Risk Committee	21 April 2017	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2022.	Financial analysis, aeronautics industry, space and defense
BPIFRANCE PARTICIPATIONS – represented by **Paul-François FOURNIER**	Yes	/	5 May 2017	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2022.	Innovative industries, telecom strategy
Raphaël GORGÉ Chairperson of the Board of Directors	No	/	12 June 2015	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2023.	Executive Management, finance, 3D printing, industry and technology, strategy
Catherine BENON (former spouse GORGÉ)	Oui	Audit and Risk Committee	5 May 2017	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2022.	Project management, knowledge of Group companies and 3D printing, luxury goods
Michèle LESIEUR	Yes	Audit and Risk Committee	7 June 2019	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2021. Reappointment will be proposed to the next shareholders' meeting.	Executive Management, finance, industry and technology, strategy
Céline LEROY	No	/	7 June 2019	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2021. Reappointment will be proposed to the next shareholders' meeting.	Legal
Hélène de COINTET	No	CSR Officer	7 June 2019 (co-option on 20 March 2020)	Shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2021. Reappointment will be proposed to the next shareholders' meeting.	Mergers and acquisitions, financial analysis, aerospace industry, space and defense, 3D printing
Loïc LE BERRE Non-voting Board member	No	/	20 March 2020	Board of Directors' meeting called to approve the financial statements for the financial year ending 31 December 2022.	Finance, strategy

At the shareholders' meeting of 16 June 2022, the shareholders are asked to renew the terms of office of Michèle LESIEUR, Hélène de COINTET and Céline LEROY, which are about to expire.

(1) The independent nature of the Directors is assessed in the light of each of the criteria adopted by the Middlenext Code.

Review of the independence criteria for Directors

MIDDLENEXT Code criteria	Raphaël GORGÉ (not independent)	BPIfrance Participations (independent)	Catherine BENON (independent)	Hélène de COINTET (not independent)	Céline LEROY (not independent)	Michèle LESIEUR (independent)	Safran Corporate Venture
Does the Director have – or has he or she had during the last two years – a significant business relationship with the Company or Group?	yes (indirectly *via* GROUPE GORGÉ)	no	no	no	no	no	no
Does the Director have family ties or a close relationship with a corporate officer or reference shareholder?	no	no	yes (Catherine BENON is the ex-wife of Raphaël GORGÉ)	no	no	no	no
Is the Director, or has he or she been in the last five years, an employee or executive of the Company or Group?	yes (Raphaël GORGÉ is Chairperson of the Board)	no	no	yes (Hélène de COINTET is CEO of GROUPE GORGÉ)	yes (Céline LEROY is General Counsel of GROUPE GORGÉ)	no	no
Is the Director a reference shareholder of the Company or does he or she hold a significant percentage of the voting rights?	yes (indirectly *via* PÉLICAN VENTURE)	no	no	no	no	no	no
Over the last six years, has the Director been the Group's statutory auditor?	no	no	no	no	no	no	no

The Board of Directors reviews the independence of its members each year. In addition to the criteria set out in the table above, the Board takes into account the state of mind and freedom of judgment of the directors in assessing the independence of each of its members. The Board considered at the beginning of 2022 that Mrs. Benon had become independent following changes in her personal situation and her independence of mind.

3.1.2 Presentation of the members of the Board and the management

Expertise and experience of Directors, Non-voting Board members and candidates for the Board of Directors and the management

Jean-Yves PETIT Permanent representative of SAFRAN CORPORATE VENTURES Independent Director	**Main position:** Retired. An INSA engineer, Jean-Yves PETIT began his career in 1983 at the French Guiana Space Center, as manager of the Propellant Liquids department for the Ariane launcher. He joined the Société Européenne de Propulsion in 1987 as Head of the Cryotechnical Engine Testing Department at ARIANE. From 1992 to 2007, after additional training in management and accounting, he held various management control positions within several subsidiaries of the SAFRAN group. In 2007, he became Director of Management Control at SAFRAN. He then joined SAGEM in 2010 as Director of Economic and Financial Affairs, then Corporate Secretary, in charge of the financial, legal, IT and export control functions. In 2014, Jean-Yves PETIT became Director of Management, Accounts and Taxation of the SAFRAN group. As part of his responsibilities at SAFRAN, he has held various Directorships in companies, subsidiaries of the group or in joint venture with other industrial partners. Now retired, Jean-Yves PETIT represents SAFRAN CORPORATE VENTURES on the Board of Directors of PRODWAYS GROUP. **First appointment:** shareholders' meeting of 21 April 2017 (Jean-Yves PETIT has been permanent representative of SAFRAN CORPORATE VENTURES since 9 June 2021). **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2022. **Other offices and positions held within the Group:** None. **Other offices and positions held outside the Group:** None. **Offices held during the last five years by Jean-Yves PETIT whose terms have expired:** Director of ROXEL. Member of the Finance Committee of ARIANE GROUP. Director of SAFRAN Maroc.
Paul-François FOURNIER Permanent representative of BPIFRANCE PARTICIPATIONS Independent Director	**Main position:** Innovation Director and Member of the Executive Committee at BPIFRANCE. An alumnus of École Polytechnique and a graduate of Telecom ParisTech, Paul-François FOURNIER joined FRANCE TELECOM ORANGE in 1994 as a business engineer where he spent seven years developing the company's B2B services. In 2000, Paul-François FOURNIER was appointed Director of Broadband Business at WANADOO where he was responsible for the ramp up in France of ADSL offers. He also participated in the group's international activities as a member of the Executive Committee of the WANADOO group. He worked on strategic projects such as the launch of Livebox and Voice over IP in partnership with French start-ups INVENTEL and NETCENTREX. In 2011, he became Executive Director of the ORANGE Technocenter where he was in charge of product innovation. He favored more regional and decentralized organizational methods, as reflected in the creation of Technocenters in Amman and Abidjan. Since April 2013 Paul-François FOURNIER has been Executive Director of the Innovation division at BPIFRANCE. **Date of first appointment:** shareholders' meeting of 5 May 2017. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2022. **Other offices and positions held within the Group:** None. **Other offices and positions held outside the Group:** Chairperson of the Supervisory Board of CORNOVUM SAS. Member representing BPIFRANCE on the Board of Directors of PARROT SA*. Member representing BPIFRANCE on the Board of Directors of SIGFOX SA. Member of the Board of Directors of EUTELSAT COMMUNICATIONS SA*. Member of the Board of Directors of EUTELSAT SA. Director of CNRS. **Offices held during the last five years by Paul-François FOURNIER whose terms have expired:** Member representing BPIFRANCE on the Supervisory Board of YOUNITED SA.

* *Listed company.*

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Raphaël GORGÉ	**Main position:** Chairperson and Chief Executive Officer of GROUPE GORGÉ*
Chairperson of the Board of Directors	Mr. Raphaël GORGÉ joined GROUPE GORGÉ (named FINUCHEM at the time) in 2004 after a ten-year career in finance and technology. He initiated and implemented the Group's withdrawal from the automotive sector (70% of its revenue in 2004), then steered its development toward new areas of business, including 3D printing. Raphaël GORGÉ has been the Chief Executive Officer of GROUPE GORGÉ since 2008. Raphaël GORGÉ has an engineering degree from the École Centrale de Marseille and holds an advanced degree in molecular modelling. **Date of first appointment:** shareholders' meeting of 12 June 2015. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2023. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Deputy Chief Executive Officer of PÉLICAN VENTURE SAS. Director of GROUPE ECA SA. Legal representative of GROUPE GORGÉ SA as Chairperson of VIGIANS (formerly BALISCO) SAS. Legal representative of GROUPE GORGÉ SA as Chairperson of VIGIANS. PROTECTION INCENDIE SAS. Chairperson of the Supervisory Board of SOPROMEC PARTICIPATIONS SA. Manager of SOCIÉTÉ CIVILE COMPAGNIE INDUSTRIELLE DU VERDELET. Manager of SCI AUSSONNE. Manager of SCI DES CARRIÈRES. Chairperson of STONI SAS. General Manager of GORGÉ EUROPE INVESTMENT BV. Manager of SCI COMMINES (since 31 May 2021)Legal representative of PÉLICAN VENTURE SAS as Chairperson of HELIATEC HOLDING (since 14 October 2021). Legal representative of PÉLICAN VENTURE SAS as Chairperson of PÉLICAN 2 (since 16 December 2021). Legal representative of PÉLICAN VENTURE SAS as Chairperson of PÉLICAN 3 (since 16 December 2021). **Offices held during the last five years by Raphaël GORGÉ whose terms have expired:** Chief Executive Officer of PRODWAYS GROUP SA* (until October 2018) then from 10 July 2021 to 28 February 2022 Legal representative of PRODWAYS GROUP as Chairperson of CRISTAL SAS, PRODWAYS SAS, PRODWAYS DISTRIBUTION SAS, PRODWAYS RAPID ADDITIVE FORGING SAS (formerly PRODWAYS 1), PRODWAYS 2 SAS, PODO 3D SAS, PRODWAYS ENTREPRENEURS SAS, PRODWAYS CONSEIL SAS, AVENAO INDUSTRIE SAS, 3D SERVICAD SAS, AVENAO SOLUTIONS 3D SAS, IP GESTION SAS, INTERSON PROTAC SAS (until 4 October 2018 – then from 10 July 2021 to 28 February 2022) Director and Chairperson of the Board of Directors of ECA SA* (until December 2020). Chairperson of NUCLÉACTION SAS (until 31 January 2017). Chairperson of FINU 10 SAS (until 10 April 2018). Manager of SCI MEYSSE (until 28 June 2019). Manager of SCI THOUVENOT (until 27 December 2019). Legal representative of PÉLICAN VENTURE SAS as Chairperson of VIBRANIUM SAS (until April 2021). Legal representative of PÉLICAN VENTURE SAS as Chairperson of PÉLICAN 1 SAS renamed HELIATEC TRAINING SERVICES (until 11 October 2021). Legal representative of PÉLICAN VENTURE SAS as Chairperson of INTRASEC HOLDING SAS (until January 2022). Legal representative of INTRASEC HOLDING SAS as Chairperson of INTRASEC SAS (until January 2022). Legal representative of VIBRANIUM SAS as Chairperson of WAKANDA SAS (until April 2021). Legal representative of WAKANDA SAS as Chairperson of RESOLVING GROUP SAS (until January 2022). Legal representative of RESOLVING GROUP SAS as Chairperson of RESOLVING SAS (until January 2022).

* *Listed company.*

Catherine BENON	**Main position:** Chairperson of CBG CONSEIL SAS.
Independent Director	Catherine BENON began her career as a process engineer at ATLANTIC RICHFIELD, then joined the TECHNIP group as a project engineer. After working at the Industrial Projects & Services business of GROUPE GORGÉ, she joined the luxury sector. There, she held the position of Director of Development and Operations at the PUIG GROUP, first for the PACO RABANNE brand, then for the MAJE brand. She currently runs the company CBG CONSEIL, specializing in business consulting. Between 2014 and 2019, she carried out consulting assignments within PRODWAYS GROUP. Catherine BENON is also a Director of GROUPE GORGÉ* and GROUPE ECA (a subsidiary of GROUPE GORGÉ). Catherine BENON has an engineering degree from École Centrale de Marseille and holds an advanced degree in project management. **Date of first appointment:** shareholders' meeting of 5 May 2017. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2022. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Chairperson of CBG CONSEIL. Director of GROUPE GORGÉ SA*. Director of GROUPE ECA SA. Director of RADIALL since June 2021. **Offices held during the last five years by Catherine BENON whose terms have expired:** Director of ECA SA* (until 30 December 2020).
Michaël OHANA	**Main position:** Chief Executive Officer of PRODWAYS GROUP
Chief Executive Officer since 1 March 2022	Michaël OHANA is a graduate of ISAE-Supmeca Paris (Inter group Centrale Paris 1994), Executive MBA of NEOMA Business School, Advanced Management Program from INSEAD, he is a former IHEE auditor and holds a Specialized Master in Strategic Management of Information and Technology (MSIT) from Mines Paris Tech and HEC Paris. After starting his career at SCHLUMBERGER where he spent 14 years in various management positions internationally and in France in the energy meters division, Michaël OHANA joined IBM, first as Director of the Energy division, then as Member of the Management Committee of IBM France. Passionate about digital transformation, he then joined the ENGIE group as Deputy CEO of INEO Digital, a pioneer in the implementation of technological solutions for cities and manufacturers. In 2015, he joined LYRA ETK as Chief Executive Officer, which in six years has become a major player in the digital transformation of dental practices and prosthesis laboratories in Europe, notably through the deployment of innovative technologies (intraoral scanners, chains of dental implantology, CAD/CAM software and 3D printing solutions). **Term expires:** the term of office as Chief Executive Officer is open-ended. **Other offices and positions held within the PRODWAYS GROUP:** Legal representative of PRODWAYS GROUP SA as Chairperson in various subsidiaries of PRODWAYS GROUP (CRISTAL SAS, PRODWAYS SAS, PRODWAYS RAPID ADDITIVE FORGING SAS, PRODWAYS 2 SAS, PODO 3D SAS, PRODWAYS ENTREPRENEURS SAS, PRODWAYS CONSEIL SAS, AVENAO INDUSTRIE SAS, 3D SERVICAD SAS, AVENAO SOLUTIONS 3D SAS, INTERSON PROTAC SAS). Legal representative of PRODWAYS GROUP SA as Chairperson of AVENAO SOLUTIONS 3D, itself Chairperson of NEXTCUBE.IO. **Other offices and positions held outside the Group:** Manager of SCI MIKA. **Offices held during the last five years by Michaël OHANA whose terms have expired:** Chief Executive Officer of LYRA France. Chief Executive Officer of EUROTEKNIKA. Chief Executive Officer of EVOLYOU. Chairperson of BRIDGE DENTAL.

* *Listed company.*

Loïc LE BERRE Non-voting Board member	**Main position:** Chief Financial Officer of GROUPE GORGÉ. Loïc LE BERRE is a graduate of Sciences Po (1992) and holds an EMBA from HEC Paris as well as the equivalent of a Master in Accounting DESCF. Having begun his career at ARTHUR ANDERSEN, Loïc LE BERRE joined the manufacturing sector at EURALTECH as group Financial Controller, later becoming Subsidiary Administrative and Financial Director and finally group CFO. After a time spent at INEO (SUEZ) as Deputy Administrative Director then Project Coordinator, he joined GROUPE GORGÉ in 2006 as Group Administrative and Financial Director. He has been Chief Financial Officer of GROUPE GORGÉ since 2008. **First appointment:** March 2020. **Expiry of term of office:** Board meeting called to approve the financial statements for the financial year ending 31 December 2022. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Member of the Supervisory Board of SOPROMEC PARTICIPATIONS. Non-voting Board member of GROUPE ECA SA. Manager of SCI DES PORTES. Chairperson of FINU13 SAS. Chairperson of FINU14 SAS since 16 December 2021. **Offices held during the last five years by Loïc LE BERRE whose terms have expired:** Director of PRODWAYS GROUP* (from June 2019 to March 2020). Director of ECA SA* (until 21 March 2017). Non-voting member of the Board of Directors of ECA SA* (until 30 December 2020). Manager of SARL FINU 12 (renamed GROUPE ECA) (until 31 December 2020). Co-manager of VLB E&C (until January 2017). Manager of SCI BÉTHUNE 34 (until 9 September 2018).
Michèle LESIEUR Independent Director	**Main position:** Retired. Michèle LESIEUR was Chief Executive Officer and Chairperson of the Management Board of SUPERSONIC IMAGINE* from 2016 to 2020. Before serving as head of SUPERSONIC IMAGINE*, Michèle LESIEUR built a more than 20-year career in the PHILIPS group. She held various management positions within the PHILIPS group at the national and international level. In the early 2010s, she served as Chairperson of PHILIPS FRANCE and Chief Executive Officer of PHILIPS HEALTHCARE in France. Previously, Michèle led sales and marketing for the Group's medical imaging systems for five years, after six years of leading the PHILIPS MEDICAL Systems division in France. Michèle LESIEUR has extensive experience in the consumer electronics and telecommunications sectors, having successively held the positions of Marketing Director of PHILIPS BUSINESS ELECTRONICS France and General Manager of a PHILIPS BUSINESS ELECTRONICS department in charge of commercial policy and international development strategy. Michèle LESIEUR holds a Master's degree in physics from Université Paris XI and a DEA in optical transmission and signal processing from Institut Supérieur d'Optique. **Date of first appointment:** 7 June 2019. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2021 The renewal of the term of office is submitted to the shareholders' meeting of 16 June 2022. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Chairperson of the Board of Directors of INTRASENSE. Independent Director of the Board of Directors of INTELLIGENT ULTRASOUND. **Offices held during the last five years by Michèle LESIEUR whose terms have expired:** Chairperson of PHILIPS FRANCE. Chief Executive Officer of PHILIPS HEALTHCARE. Chairperson of the Management Board of SUPERSONIC IMAGINE*. Chief Executive Officer of SUPERSONIC IMAGINE*. Independent Director on the Board of Directors of EOS IMAGING.

* *Listed company.*

Hélène de COINTET Director. CSR Officer	**Main position:** Deputy Chief Executive Officer of GROUPE GORGÉ SA. Hélène de COINTET joined GROUPE GORGÉ in November 2019 as Deputy Chief Executive Officer. From 2015 to October 2019, she was Deputy Chief Executive Officer of SAFRAN CORPORATE VENTURES that she helped to create. In this respect, she invested and took part in the governance of growth companies, particularly in industry 4.0, vehicle autonomy and services. Graduating with a Master in Management Sciences from Paris IX-Dauphine and the Centre de Formation des Analystes Financiers (Financial Analyst Training Center), Hélène de COINTET began her career at CM-CIC SECURITIES, as a Financial Analyst specializing in the aeronautics and electronics industries. She then joined KPMG CORPORATE FINANCE, where she carried out valuation and merger-acquisition transactions in the areas of industry and IT before joining SAFRAN in 2010 within the Mergers-Acquisitions Department. There she steered around twenty strategic analyses and medium-sized transactions for SAFRAN group. As Deputy Chief Executive Officer of GROUPE GORGÉ, Ms. de COINTET is not considered to be independent. **First appointment:** co-option to the Board of Directors on 20 March 2020 ratified by the shareholders' meeting of 8 June 2020. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2021. The renewal of the term of office is submitted to the shareholders' meeting of 16 June 2022. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Director of GROUPE ECA SA. **Offices held during the last five years by Hélène de COINTET whose terms have expired:** Director of ECA SA* (until 30 December 2020). Deputy Chief Executive Officer of SAFRAN CORPORATE VENTURES SAS. Member representing SAFRAN CORPORATE VENTURES on the Board of Directors of PRODWAYS GROUP SA. Member representing SAFRAN CORPORATE VENTURES on the Board of Directors of OUTSIGHT SA (non-voting Board member). Member representing SAFRAN CORPORATE VENTURES on the Strategy Committee of DIOTASOFT SAS. Member representing SAFRAN CORPORATE VENTURES on the Strategic Committee of SAFETYLINE SAS. Member of the Investment Committee of SAFRAN CORPORATE VENTURES SAS
Céline LEROY Director	**Main position:** General Counsel of GROUPE GORGÉ SA. Céline LEROY has been General Counsel of GROUPE GORGÉ since 2007. With a CAPA (Certificate of Aptitude for the Profession of Lawyer) and a DESS degree in business and tax law from the Université Paris I, Céline LEROY previously practiced as an attorney at the law firm FRESHFIELDS BRUCKHAUS DERINGER in the Finance and Mergers-Acquisitions Departments, before spending one year seconded to the Legal Department of DANONE. **Date of first appointment:** 7 June 2019. **Expiry of term of office:** shareholders' meeting called to approve the financial statements for the financial year ended 31 December 2021. The renewal of the term of office is submitted to the next shareholders' meeting to be held on 16 June 2022. **Other offices and positions held within the PRODWAYS GROUP:** None. **Other offices and positions held outside the Group:** Employee Director of GROUPE GORGÉ SA*. Non-voting Board member of GROUPE ECA SA. **Offices held during the last five years by Céline LEROY whose terms have expired:** Director of ECA SA* (until June 2020).

* *Listed company.*

Professional addresses of the Directors

The business addresses of the members of the Board of Directors are the head office of the Company.

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3.1.3 Gender balance on the Board of Directors

The Board of Directors complies with the gender equality principle pursuant to Article L.225-18-1 of the French Commercial Code.

The choice of Directors (other than salaried Directors) is guided mainly by the search for skills complementary to those already represented on the Board, the knowledge of the markets in which the Group operates and the issues with which the Group may be confronted.

3.1.4 Information on securities transactions by corporate officers

In March 2021, Olivier STREBELLE (Chief Executive Officer of the Company until July 2021) declared that he had sold 36,300 PRODWAYS GROUP shares.

As part of the exceptional distribution of PRODWAYS GROUP shares by GROUPE GORGÉ, GROUPE GORGÉ disposed of 25,817,523 PRODWAYS GROUP shares in December 2021.

As part of this same exceptional distribution of PRODWAYS GROUP shares by GROUPE GORGÉ, Raphaël GORGÉ declared that, in December 2021, he had received 177,472 PRODWAYS GROUP shares.

Catherine BENON and Céline LEROY did the same for respectively 34,168 and 10,500 PRODWAYS GROUP shares.

To the Company's knowledge, the corporate officers, Group managers and persons referred to in Article L.621-18-2 of the French Monetary and Financial Code subject to voluntary reporting of their securities transactions, have not conducted any securities transactions during the 2021 financial year.

3.1.5 Non-conviction and conflicts of interest

To the Company's knowledge, and as at the date this document was prepared, no member of the Board of Directors or executive corporate officer has, over the past five years, been convicted of fraud, been involved in his or her capacity as a member of the Board of Directors or manager or supervisor in a bankruptcy, receivership or liquidation or been placed in official receivership, been charged and/or officially sanctioned by a legal or regulatory authority (including designated professional organizations), or been barred by Court order from serving on an administrative, management or supervisory body of an issuer or from being involved in the management or running of an issuer.

To PRODWAYS GROUP's knowledge and at the date this document was prepared, no potential conflicts of interest have been identified between the private interests and/or other duties of any of the members of the administrative, management or supervisory bodies, and their duties in respect of the issuer (with the exception of the non-independent corporate officers, as indicated in Section 3.1.1 above).

To PRODWAYS GROUP's knowledge and at the date this document was prepared, there are no arrangements or agreements signed between the main shareholders or with customers, suppliers or others, pursuant to which a corporate officer would have been selected (it being specified, however, that some corporate officers are not independent and represent the main shareholder, as indicated in Section 3.1.1 above).

To PRODWAYS GROUP's knowledge and at the date this document was prepared, the members of an administrative, management or supervisory body have not accepted any restrictions with regard to the disposal, within a certain time period, of the issuers' securities that they hold.

3.1.6 Executive Management

Executive Management structure

Since 4 October 2018, the Board of Directors chose to separate the positions of Chairperson of the Board of Directors and Chief Executive Officer.

Following the separation and the appointment of a new Chief Executive Officer, it was decided that the Chairperson of the Board of Directors would retain an executive or active role in the following areas:

- financial communication;
- external growth and partnerships;
- support for the Executive Management.

Following the departure of the Chief Executive Officer in July 2021, the Board of Directors decided that the Chairperson of the Board would temporarily take over the Executive Management while the Company finds its new Chief Executive Officer.

The new Chief Executive Officer, Michaël OHANA, took office on 1 March 2022. The separation of duties is therefore effective anew since that date. The Chairperson of the Board of Directors has retained an executive or active role in the aforementioned areas.

Scope of the CEO's powers

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

3.1.7 Conditions for the preparation and organization of the work of the Board of Directors (and its committees) during the past financial year

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

3.1.7.1 Frequency of meetings – Attendance rate of Directors

Over the past financial year, the Board of Directors met six times. The Directors had a strong attendance record of 97.92%.

3.1.7.2 Convening of Board meetings

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

In 2021, Board meetings were convened by email.

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

3.1.7.3 Provision of information to Directors

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

3.1.7.4 Holding of Board meetings

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

3.1.7.5 Decisions taken

During the past financial year, the Board of Directors took decisions on current issues that are in the interest of the Company.

3.1.7.6 Minutes of Board meetings

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

3.1.7.7 Assessment of the Board's work

In order to ensure compliance with Recommendation 13 of the Middlenext Code, Directors are encouraged to express their opinion on the workings of the Board and the preparation of its work during the Board meetings held to approve the annual financial statements. In 2022, this self-assessment was based on the responses to Middlenext's new self-assessment questionnaire.

3.1.7.8 Shareholder relations

In accordance with Recommendation 14 of the Middlenext Code, the Board reviews the negative votes at shareholders' meetings, by analyzing, among other things, how the majority of the non-controlling shareholders were expressed. The Board is considering whether to amend its resolutions accordingly.

3.1.8 Board Committees

3.1.8.1 Audit and Risk Committee

In early 2021, the Company decided to create an Audit and Risk Committee.

This Audit and Risk Committee is currently composed of Mrs. Michèle LESIEUR (Chairperson), Mrs. Catherine BENON and Mr. Jean-Yves PETIT.

Pursuant to Article L.823-19 of the French Commercial Code, the Audit Committee of PRODWAYS GROUP is required by its Board of Directors to:

- follow the financial reporting preparation process and, where required, formulate recommendations to ensure the integrity thereof;
- monitor the efficiency of internal control and risk management systems and, where applicable, internal audit systems with regard to procedures for preparing and processing accounting and financial information, without impacting its independence;
- make a recommendation to the Board on the proposed appointment of the statutory auditors by the shareholders' meeting in accordance with regulations; and make a recommendation on the proposed reappointment of the statutory auditor(s) to the Board in accordance with regulations;
- monitor the completion by the statutory auditors of their legal audit mission and take into account the findings and conclusions of the Haut Conseil du Commissariat aux Comptes (H3C) following checks performed pursuant to the regulations;
- ensure the statutory auditors' compliance with the independence criteria under the terms and in accordance with the procedures set out by the applicable regulations;
- approve the provision of services by the statutory auditors other than the certification of the financial statements pursuant to the applicable regulations;
- regularly report to the Board on the performance of its duties (including on certifying the financial statements, on how said certification contributed to the integrity of financial reporting, and on the role it played in this process); promptly inform the Board of any difficulties encountered.

The committee is also called upon to regularly review the Group's risk mapping.

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

The Audit Committee is required to vote on the provision of services by the statutory auditors to PRODWAYS GROUP other than the certification of the financial statements. It took part in discussions with the statutory auditors during the preparation of their new report to the Audit Committee.

In addition to the duties described above, in early 2022, the committee met to review the conditions of the services rendered by GROUPE GORGÉ to the Company from 1 February 2022 (see Section 3.7).

3.1.8.2 Strategy Committee

At mid-year, the Board of Directors meets, generally at a subsidiary site, in the form of a Strategy Committee. During this meeting of the Board dedicated to strategy, the Company's Executive Management presents the Group's strategy, reviewed in the light of the evolution of the 3D printing market and the competition. The Directors discuss changes in the Group's strategy with Executive Management.

3.1.8.3 CSR Committee

As part of the acceleration of its CSR approach, in December 2020 the Board of Directors appointed Mrs. Hélène de COINTET as CSR Officer, in charge of steering the Group's CSR approach. In March 2022, the Board decided to meet at least once a year in the form of a CSR Committee in order to accelerate this approach.

3.2 CORPORATE OFFICER REMUNERATION POLICY

(12th to 13th resolutions of the shareholders' meeting of 16 June 2022)

3.2.1 Principles and rules established by the Board of Directors to determine the remuneration and benefits of all kinds granted to the corporate officers

The Company's Board of Directors sets, modifies and implements the remuneration policy for each of the corporate officers. It is stipulated that the corporate officer concerned does not take part in the discussions or vote on these questions.

During its work, the Board of Directors assesses the individual performance of the Group's executive corporate officers, which it compares to the performance of the Company. It also takes into account the alignment of objectives with medium-term strategy, the interests of shareholders and changes to the Middlenext Corporate Governance Code. It also refers to external studies that indicate market practices for comparable companies. It takes into account any remuneration received by the corporate officers in companies controlled by PRODWAYS GROUP or the Company controlling PRODWAYS GROUP (GROUPE GORGÉ until December 2021).

It should be noted that PRODWAYS GROUP was controlled by GROUPE GORGÉ until December 2021. PÉLICAN VENTURE (holding company of the GORGÉ family) has been the reference shareholder of PRODWAYS GROUP since 2022.

Pursuant to Recommendation 16 of the Middlenext Corporate Governance Code, the Board of Directors takes the following principles into account:

- **comprehensiveness:** the determination of the remuneration of executive officers must be exhaustive: fixed portion, variable portion (bonus), stock options, free shares, Directors' fees, retirement conditions and special benefits must be included in the overall assessment of the remuneration; in the case of variable remuneration, the assessment of performance takes into account quantitative and qualitative criteria;
- **balance between remuneration components:** each component of the remuneration must be justified and be in the best interests of the Company;
- **benchmark:** to the extent possible the remuneration must be assessed in relation to a benchmark business and market and be proportional to the Company's position, taking into account the inflationary effect;
- **consistency:** the executive corporate officer remuneration must be consistent with that of other executives and employees at the Company;
- **clarity:** the rules must be simple and transparent, meaning the performance criteria used to determine the variable portion of remuneration or any stock options or free shares allocated must be in line with the Company's performance, correspond to its objectives, be demanding and easily explained, and be as sustainable as possible. They must be described without compromising the confidentiality of certain components;
- **moderation:** the remuneration must be determined and stock options or free shares allocated in a sensible manner and take into account the Company's best interests, market practices and executive performance;
- **transparency:** in accordance with the law, the Company publishes all components of the remuneration of the corporate officers in its corporate governance report. In the case of variable remuneration, the weighting of the various criteria is communicated to the shareholders.

The Board of Directors takes into account the total remuneration of the executive corporate officers, including any remuneration received from controlled or controlling companies and remuneration received, where applicable, by personal holding companies under service contracts or offices held within the Group.

After taking into account all of the above components, the Board of Directors debates and selects the criteria for the variable remuneration of the executive corporate officers in line with the Group's strategy, as described in Section 1.3 of the Universal Registration Document, taking into account the interests of all stakeholders, in line with the Company's corporate interest and sustainability.

No components of remuneration, of any type whatsoever, may be set, allocated or paid by the Company and no commitments made by the Company that do not comply with the approved remuneration policy, or, in its absence, with existing remunerations or practices in the Company. However, in the event of exceptional circumstances, the Board of Directors may waive the application of the remuneration policy if this waiver is temporary, in line with the Company's interests and necessary to guarantee the Company's sustainability or viability in accordance with Article L.22-10-8 of the French Commercial Code. These justifications are brought to the attention of shareholders in the next report on corporate governance.

If the governance changes, the remuneration policy shall be applied to the Company's new corporate officers, if applicable with suitable adaptations to take the executive officer's duties, the level of difficulty of their responsibilities, experience in the position and seniority in the Group, his/her independence as well as the practices of similar and comparable firms into account.

To date, PRODWAYS GROUP has two executive corporate officers, namely Raphaël GORGÉ, Chairperson of the Board of Directors, and Michaël OHANA, Chief Executive Officer since 1 March 2022. The duration and expiry of the current terms of office are specified in Section 3.1 of this document.

3.2.2 Remuneration policy for the Chairperson of the Board of Directors of PRODWAYS GROUP

3.2.2.1 Principles for setting the fixed remuneration of the Chairperson of the Board of Directors

Raphaël GORGÉ, the Chairperson of the Board of Directors exercises the traditional functions of chairing Board meetings and the specific tasks assigned by the Board of Directors.

Raphaël GORGÉ receives fixed and variable remuneration from the reference shareholders of PRODWAYS GROUP.

To take into account the time devoted by Raphaël GORGÉ to the development of the Company and his active role in certain areas, it was decided that Raphaël GORGÉ would receive fixed remuneration from PRODWAYS GROUP. In view of the remuneration paid to Raphaël GORGÉ from the reference shareholder of PRODWAYS GROUP, this fixed remuneration as Chairperson of the Board of Directors of PRODWAYS GROUP should not exceed €75 thousand for the 2021 financial year. This remuneration is reviewed each year by the Board. It was not increased in 2020 or 2021.

In the event that the Company appoints a new Chairperson of the Board of Directors, it must determine the fixed and variable remuneration for this new executive corporate officer by taking his/her independence, the level of difficulty of their responsibilities, their experience, reputation, any seniority in the Group and the practices of similar and comparable firms into account.

3.2.2.2 Principles for setting the variable remuneration of the Chairperson of the Board of Directors

Raphaël GORGÉ, Chairperson of the Board of Directors, receives variable remuneration from PRODWAYS GROUP.

This variable remuneration will not exceed half of the fixed remuneration. It will be paid subject to quantitative or qualitative performance criteria being met and to the shareholders' meeting called to approve the financial statements of the past financial year approving the variable and exceptional components of the remuneration of the Chairperson of the Board of Directors for his position for the said financial year.

The Board of Directors determines the quantitative and qualitative criteria to be applied according to the priorities defined by the Group and the weighting given to each of these criteria. The criteria are determined at the beginning of each financial year by the Board of Directors.

As regards the variable remuneration in respect of 2022, Raphaël GORGÉ's criteria include revenue targets (40% of the bonus), income from ordinary activities (25%), preparing for the future (strategy, organization) (20%) and CSR targets (15%).

The qualitative and quantitative criteria have been pre-established and precisely defined by the Board of Directors but are not made public for confidentiality reasons.

3.2.2.3 Principles for setting the exceptional remuneration of the Chairperson of the Board of Directors

Under exceptional circumstances or with exceptional successes, the Board of Directors may decide to allocate exceptional remuneration to the Chairperson of the Board of Directors. The reasons for this decision would be explained. This exceptional remuneration would be capped at €200 thousand or one times the total fixed remuneration received within the Group.

If a new Chairperson of the Board of Directors is appointed, the Board of Directors may decide to grant exceptional remuneration related to the assumption, cessation or change of duties depending on market practices and the executive corporate officer's experience.

3.2.2.4 Stock options and free shares

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

Any allocation shall be subject to achievement of performance criteria set by the Board of Directors and the setting of a portion of securities to be retained by the executive corporate officer.

The Chairperson of the Board of Directors has not benefited from any allocations of stock options or free shares to date.

3.2.2.5 Other commitments and benefits of any kind

The Chairperson of the Board of Directors does not benefit from any commitments with regard to:

- severance pay;
- non-compete indemnity;
- defined-benefit pension commitments;
- defined-contribution pension commitments;
- commitments corresponding to components of remuneration, indemnities or benefits due or likely to be due on account of their cessation or change of duties, or after the performance thereof.

The Chairperson of the Board of Directors may benefit from the collective and mandatory pension scheme, the healthcare and life insurance schemes according to the Company's policy in this area (for executives).

The current Chairperson does not benefit from these as he already benefits from the collective and mandatory pension scheme, the healthcare and life insurance schemes of GROUPE GORGÉ.

The Chairperson of the Board of Directors may benefit from traditional benefits in kind (company car, social security regime for company managers, etc.).

In respect of his duties as a Director, the Chairperson of the Board of Directors may receive remuneration if he/she is an Independent Director not remunerated by a significant shareholder or Group company.

Exceptionally, even if he/she is not independent, if he/she exercises executive duties or special missions, he/she may receive remuneration to take account of these special duties.

Without this being likened to remuneration in respect of a corporate office, it is recalled that there exists a service provider agreement between GROUPE GORGÉ (controlled and managed by Raphaël GORGÉ) and PRODWAYS GROUP (see Section 3.7.1 of the Universal Registration Document). This agreement ended with the loss of control of GROUPE GORGÉ over PRODWAYS GROUP in December 2021 and other agreements were put in place in January 2022.

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

3.2.3 Remuneration policy for the Chief Executive Officer of PRODWAYS GROUP

3.2.3.1 Principles for setting the fixed remuneration of the Chief Executive Officer

The Chief Executive Officer of PRODWAYS GROUP receives fixed remuneration from PRODWAYS GROUP in respect of the position.

The total fixed remuneration takes into account the level of difficulty of the Chief Executive Officer's responsibilities, his skills, experience in the position, seniority in the Group and the practices of other similar and comparable companies. His remuneration for his position also takes into account the other remuneration that the Chief Executive Officer may receive elsewhere in the Group (it being specified that, to date, the positions held in the subsidiaries are performed without remuneration).

3.2.3.2 Principles for setting the variable remuneration of the Chief Executive Officer

The Chief Executive Officer of PRODWAYS GROUP receives annual variable remuneration from PRODWAYS GROUP as part of their mandate.

This variable remuneration will not exceed half of the fixed remuneration. It will be paid subject to qualitative or quantitative performance criteria being met and to the shareholders' meeting called to approve the financial statements of the past financial year approving the variable and exceptional components of the Chief Executive Officer's remuneration in respect of his position for the said financial year.

The Board of Directors determines the quantitative and qualitative criteria to be applied according to the priorities defined by the Group and the weighting given to each of these criteria. The criteria are determined at the beginning of each financial year by the Board of Directors. For 2022, Michaël OHANA's criteria include revenue targets (40% of the bonus), income from ordinary activities (25%), preparing for the future (strategy, organization) (15%) and CSR targets (15%).

The qualitative and quantitative criteria have been pre-established and precisely defined by the Board of Directors but are not made public for confidentiality reasons.

In the event of the appointment of a new Chief Executive Officer, the criteria for the variable remuneration may be reviewed and adapted to the assumption of duties of the new executive.

Multiannual variable remuneration may also be determined.

These variable remuneration criteria contribute to the remuneration policy's goals as they align the Chief Executive Officer's interests with the expected performance over the coming years.

3.2.3.3 Exceptional remuneration

Under specific circumstances or with exceptional successes, the Board of Directors may decide to allocate exceptional remuneration to the Chief Executive Officer. The reasons for this decision would be explained. This exceptional remuneration is not capped in theory.

If new executive corporate officers are appointed, the Board of Directors may decide to grant exceptional remuneration related to the assumption, cessation or change of duties depending on market practices and the executive corporate officer's experience.

3.2.3.4 Stock options and free shares

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

Any allocation shall be subject to achievement of performance criteria set by the Board of Directors and the setting of a portion of securities to be retained by the executive corporate officer.

3.2.3.5 Other commitments and benefits of any kind

The current Chief Executive Officer does not benefit from any commitments with regard to:

- severance pay (the corporate office may be revoked at any time in accordance with law and jurisprudence);
- defined-benefit pension commitments;
- commitments corresponding to components of remuneration, indemnities or benefits due or likely to be due on account of their cessation or change of duties, or after the performance thereof.

The Chief Executive Officer may benefit from the collective and mandatory pension scheme (defined contribution), the healthcare and life insurance scheme, if they exist, according to the Company's policy in this area (for executives).

The Chief Executive Officer may benefit from traditional benefits in kind (company car, etc.) He or she may benefit from executive corporate officer unemployment insurance (70% company manager social security regime for a duration of two years).

Accordingly, if the Chief Executive Officer is also a Director, he or she does not receive Directors' fees for his or her duties as Director, since he or she is already remunerated by the Company for his or her position as Chief Executive Officer and thus cannot be considered as independent.

The Chief Executive Officer may be subject to a non-compete commitment. Mr. Michaël OHANA is subject to such a commitment. The Company is required to pay an indemnity to the Chief Executive Officer, if this non-compete clause is exercised.

In early 2022, the Company changed its remuneration policy on the following point: in order to cover the waiting period of the company manager unemployment regime (*i.e.* a period of one year from the subscription of the insurance), the Company undertook to pay an end-of-term indemnity to Mr. OHANA in the event that during this waiting period the Company were to terminate the term of office of the Chief Executive Officer and waive the application of the non-competition clause.

3.2.4 Remuneration of other executive corporate officers

In the event that the Company appoints other executive corporate officers, it may determine the overall remuneration (fixed, variable, exceptional, employee shareholder, indemnities or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof) of the new executive corporate officers by taking into account all direct and indirect remuneration paid to them by companies controlling or controlled by PRODWAYS GROUP, Group practices, the level of difficulty of their responsibilities, their skills and experience, their reputation, the executive corporate officer's personal situation and their seniority in the Group as well as the practices of similar and comparable firms.

In the event that the Board of Directors decides to appoint one or several Deputy Chief Executive Officers, the Company would allocate to them a fixed remuneration and, if applicable, a variable and/or exceptional remuneration, free shares or stock options or indemnities or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof, taking the level of difficulty of their responsibilities, their experience in the position, their seniority in the Group as well as the practices of similar and comparable firms into account. The principles and criteria for variable remuneration applicable to the Chief Executive Officer also apply to any Deputy Chief Executive Officers, including any necessary modifications.

3.2.5 Say on pay on the variable and exceptional components of the remuneration for executive corporate officers

It is recalled that the payment of variable and any exceptional remuneration in respect of the 2020 financial year is subject to the ordinary shareholders' meeting approving the remuneration package of executive corporate officers paid or allocated during the year (*ex post* vote).

3.2.6 Remuneration policy for Board members

The policy on the remuneration of Directors adopted by the Board of Directors itself states that only Directors and Auditors who are independent and not remunerated by a shareholder that they represent will receive Directors' fees.

At the beginning of 2021, the Board amended this policy to take into account the creation of an Audit and Risk Committee. As of the 2021 financial year, the Directors participating in the Audit and Risk Committee will receive remuneration, whether or not they are independent or paid by a shareholder they represent.

The Board also decided from 2021 to index the remuneration of the Directors on their attendance at Board or committee meetings.

The shareholders' meeting of 7 June 2019 set the remuneration for the members of the Board at an annual amount of €60 thousand, per financial year, until a new shareholders' meeting decision. The distribution of all or part of this amount among the Directors is discussed by the Board of Directors and is allocated among the Directors according to the policy described above.

The duration and expiry of the current terms of office of Directors are specified in Section 3.1 of the Universal Registration Document.

The corporate office may be revoked at any time in accordance with law and jurisprudence.

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

(15th resolution of the shareholders' meeting of 16 June 2022)

The tables below present the remuneration and benefits paid to each corporate officer by the Company, or by affiliated companies in the past financial year.

Mr. Raphaël GORGÉ (Chairperson of the Board of Directors and Chief Executive Officer between 10 July 2021 and 28 February 2022) is remunerated as indicated in Sections 3.2 and 3.4.1. He did not receive any remuneration for his term of office as Chief Executive Officer, in addition to his remuneration as Chairperson of the Board of Directors.

Mr. Olivier STREBELLE (Director and Chief Executive Officer until 9 July 2021) is remunerated as indicated in Sections 3.2 and 3.4.2.

It is also stipulated that the total remuneration of each corporate officer complies with the remuneration policy approved by the last shareholders' meeting.

Lastly, as indicated in Section 3.2, the criteria for the variable remuneration of the Chief Executive Officer are set in relation to the Group's strategic direction choices and the performance targets set by the Group.

TABLE 1 – SUMMARY TABLE OF THE REMUNERATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

Raphaël GORGÉ, Chairperson	**2021**	**2020**
Remuneration due for the financial year	€100,000	€85,562
Remuneration due by controlling entities for the financial year (details in Table 2)	€365,834	€280,660
Value of the multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year	None	None
Value of free shares granted	None	None
TOTAL RAPHAËL GORGÉ	**€465,834**	**€366,222**

Olivier STREBELLE, Chief Executive Officer	**2021**	**2020**
Remuneration due for the financial year	€117,312	€279,105
Remuneration due by a controlling entity for the financial year (details in Table 2)	None	None
Value of the multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year	None	None
Value of free shares granted	€663,300	None
TOTAL OLIVIER STREBELLE	**€780,612**	**€279,105**

TABLE 2 – SUMMARY TABLE OF THE REMUNERATION OF EACH EXECUTIVE CORPORATE OFFICER

	Amounts for 2021		Amounts for 2020	
Raphaël GORGÉ, Chairperson	**Due(5)**	**Paid(6)**	**Due(5)**	**Paid(6)**
• Fixed remuneration(1)	€75,000	€75,000	€68,750	€68,750
• Fixed remuneration paid by controlling companies(2)	€225,000	€225,000	€207,750	€207,750
• Annual variable remuneration(3)	€25,000	€16,812	€16,812	€11,500
• Variable remuneration paid by controlling companies(4)	€31,125	€63,000	€63,000	None
• multiannual variable remuneration	None	None	None	None
• Exceptional remuneration paid by a controlling company(2)	€100,000	None	None	€109,000
Directors' fees by a controlling entity	None	None	None	None
• Benefits in kind(2)	€9,709	€9,709	€9,910	€9,910
TOTAL	**€465,834**	**€389,521**	**€366,222**	**€406,910**

(1) The Board of Directors of PRODWAYS GROUP had decided to pay €75 thousand for the period.

(2) This remuneration was paid or is due by GROUPE GORGÉ, the company controlling PRODWAYS GROUP until December 2021.

(3) The Board of Directors decided to grant Mr. Raphaël GORGÉ variable compensation of up to 25,000 euros gross for 2021 (as in 2020), based on the achievement of objectives established in 2021 in a precise manner by the Board of Directors. These were quantitative criteria relating to revenue (criterion representing 30% of the bonus - achieved at 100%), operating income (criterion representing 40% of the bonus - achieved at 120%), cash generation - criterion representing 15% of the bonus - achieved at 100%) and CSR objectives (criterion representing 15% of the bonus - achieved at 50%)

(4) The Board of Directors of GROUPE GORGÉ has decided to allocate variable remuneration of up to €75 thousand gross to Mr. Raphaël GORGÉ for 2021 (as in 2020), depending on the achievement of detailed targets set in 2021 by GROUPE GORGÉ's Board of Directors, on the recommendation of its Remuneration Committee. These were quantitative criteria for revenue, income from ordinary activities, cash generation and CSR objectives.

(5) Remuneration payable to the corporate officer during the financial year, the amount of which cannot be changed regardless of the payment date.

(6) Remuneration paid to the corporate officer during the financial year.

For 2021, the relative proportion of the total variable and exceptional remuneration was 52% of the total fixed remuneration.

	Amounts for 2021		Amounts for 2020	
Olivier STREBELLE, Chief Executive Officer	**Due(3)**	**Paid(4)**	**Due(3)**	**Paid(4)**
• Fixed remuneration(1)	€110,857	€110,857	€198,625	€198,625
• Fixed remuneration by a controlling company	None	None	None	None
• Annual variable remuneration(2)	None	€74,117	€74,100	€46,000
• Variable remuneration by a controlling company	None	None	None	None
• Multiannual variable remuneration	None	None	None	None
• EExceptional remuneration	None	None	None	None
• Directors' fees	None	None	None	None
• Benefits in kind(1)	€6,455	€6,455	€6,380	€6,380
TOTAL	**€117,312**	**€191,429**	**€279,105**	**€251,005**

(1) Olivier STREBELLE left his position in July 2021.

(2) The Board of Directors had decided to allocate variable remuneration of up to €110 thousand gross for 2021 to Mr. Olivier STREBELLE (€110 thousand for 2020), depending on the achievement of detailed targets set in 2021 by the Board of Directors. These were quantitative criteria for revenue, income from ordinary activities, cash generation and CSR objectives. As Mr. Strebelle will leave the Group in 2021, no variable compensation is due for 2021.

(3) Remuneration payable to the corporate officer during the financial year, the amount of which cannot be changed regardless of the payment date.

(4) Remuneration paid to the corporate officer during the financial year.

For 2021 and given his departure, the Chief Executive Officer does not receive any variable remuneration.

TABLE 3 – TABLE OF DIRECTORS' FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

Members of the Board of Directors	Paid in 2021	Paid in 2020
Hélène de COINTET		
Remuneration as a member of the Board of Directors	None	None
Other remuneration*	€294,786	€197,452
BPIFRANCE PARTICIPATIONS (Paul-François FOURNIER)		
Remuneration as a member of the Board of Directors	None	None
Other remuneration	None	None
Catherine BENON		
Remuneration as member of the Board and the Audit and Risk Committee	None	None
Other remuneration	None	None
Céline LEROY		
Remuneration as a member of the Board of Directors	None	None
Other remuneration*	€106,613	€114,530
Michèle LESIEUR		
Remuneration as member of the Board and Chairperson of the Audit and Risk Committee	€25,000	€25,000
Other remuneration	None	None
SAFRAN CORPORATE VENTURES (Jean-Yves PETIT)		
Remuneration as member of the Board and member of the Audit and Risk Committee	None	None
Other remuneration	None	None
Loïc LE BERRE		
Remuneration as a member of the Board of Directors	None	None
Other remuneration*	€368,435	€257,329

* *Remuneration paid by GROUPE GORGÉ SA, the company controlling PRODWAYS GROUP until December 2021.*

The shareholders' meeting allocated a Directors' fees budget for the members of the Board of Directors of €60 thousand for each financial year from 2019. In accordance with its remuneration policy for Directors, explained in Section 3.2.6, the Board of Directors decided to allocate €25,832.50 thousand to Mrs. Michèle LESIEUR for the 2021 financial year (to be paid in 2022), and €5 thousand to Mrs. Catherine BENON and SAFRAN CORPORATE VENTURES as members of the Audit Committee.

TABLE 4 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

None.

TABLE 5 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

None.

TABLE 6 – FREE SHARES GRANTED TO EACH CORPORATE OFFICER

Date of Board of Directors' meeting	1 February 2021
Date of shareholders' meeting granting authority to the Board	13 June 2018
Total number of free shares granted to corporate officers(1)	247,500
Olivier STREBELLE	*247,500*
Acquisition date of the shares	February 2023 and July 2023
Date of end of the lock-up period	same
Value of the shares(2)	663,300

(1) The shares are allocated subject to performance conditions linked to revenue, income from ordinary activities, the share's stock market price and continued employment.
(2) For information purposes, the shares are valued at the stock market price on 1 February 2021 (grant date), i.e. €2.68.

TABLE 7 – FREE SHARES MADE AVAILABLE TO EACH CORPORATE OFFICER

Date of Board of Directors' meeting	31 January 2019
Date of shareholders' meeting granting authority to the Board	13 June 2018
Total number of free shares granted to corporate officers(1)	135,000
Olivier STREBELLE	*135,000*
Total number of shares acquired by the corporate officers(1)	38,248
Olivier STREBELLE	*38,248*
Acquisition date of the shares	February 2021
Date of end of the lock-up period(2)	July 2021

(1) The shares are allocated subject to performance conditions linked to revenue, income from ordinary activities, the share's stock market price and continued employment.
(2) Olivier STREBELLE had a commitment to retain 5% of the shares acquired until the end of his duties as corporate officer. He left the Company in July 2021.

TABLE 8 – HISTORY OF SHARE SUBSCRIPTION OR PURCHASE OPTIONS

None.

TABLE 9 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO THE TOP TEN EMPLOYEES WHO ARE NOT CORPORATE OFFICERS AND OPTIONS EXERCISED BY THEM

None.

TABLE 10 – HISTORY OF FREE SHARE AWARDS

Date of Board of Directors' meeting	1 February 2021	31 January 2019	17 February 2016	9 December 2016
Date of shareholders' meeting granting authority to the Board	13 June 2018	13 June 2018	28 September 2015	28 September 2015
Total number of free shares granted[1] including corporate officers	550,550 247,500	802,800 135,000	632,200 240,000	488,500 200
Olivier STREBELLE[2]	*247,500*	*135,000*	-	-
Philippe Laude[2]	-	-	*240,000*	*200*
Acquisition date of the shares	February and July 2023	1/3 in February 2021, 1/3 in February 2022 and 1/3 in February 2023	31 March 2021 at the latest	31 March 2021 at the latest
Date of end of the lock-up period	same	same	same	same
Number of shares acquired	-	186,408	-	261,900
including corporate officers	-	38,248	-	-
Number of shares canceled or expired[3] including corporate officers	291,988 247,500	493,289 45,004	632,200 240,000	226,600 200
Olivier STREBELLE[2]	*247,500*	*45,004*	-	-
Philippe Laude[2]	-	-	*240,000*	*200*
Free shares with ongoing acquisition period	258,562	123,103	-	-

(1) *Allocation subject to continued employment and performance conditions associated with the Group's profits.*
(2) *Olivier STREBELLE was a Director of the Company until July 2021. Philippe Laude was a Director of the Company until May 2016 and left the Group in February 2017.*
(3) *Shares are canceled when the required performance conditions are not achieved and when the beneficiary leaves the Group, meaning the condition of continued employment has not been met.*

TABLE 11 – INFORMATION RELATING TO THE EMPLOYMENT CONTRACT, SUPPLEMENTARY PENSION PLANS AND INDEMNITIES FOR EACH EXECUTIVE CORPORATE OFFICER

Executive corporate officers	Raphaël GORGÉ Chairperson	Olivier STREBELLE Chief Executive Officer
Employment contract	No	No
Supplementary pension scheme	Yes[1]	No
Remuneration or benefits due or likely to be due on account of the end or change of office	No	No
Remuneration relating to a non-compete clause	No	Yes[2]

(1) *Supplementary defined-contribution pension contract equal to 2.5% of gross salary, paid by GROUPE GORGÉ, the company controlling PRODWAYS GROUP until December 2021.*
(2) *In return for this non-compete commitment accepted by the Chief Executive Officer, throughout its duration, the Company undertakes to pay Olivier STREBELLE a gross non-compete remuneration of €70 thousand per year, payable in 12 monthly installments. The Company may waive this remuneration by releasing Olivier STREBELLE from his non-compete commitment. On 28 April 2021, the Board decided to release Olivier STREBELLE from this non-competition ban.*

TABLE 12 – EQUITY RATIOS[6]

	Chairperson of the Board of Directors	Chief Executive Officer
2021 financial year		
Average employee remuneration[1] excluding corporate officers[2]	83,047	83,047
Median employee remuneration[1] excluding corporate officers[2]	65,385	65,385
Remuneration of the executive corporate officer[3]	100,000	886,751
Ratio with average employee remuneration[4]	1.20	10.68
Ratio with median employee remuneration[5]	1.53	13.56
Ratio with the annual minimum wage[7]	5.24	46.49
2020 financial year		
Average employee remuneration[1] excluding corporate officers[2]	59,883	59,883
Median employee remuneration[1] excluding corporate officers[2]	61,841	61,841
Remuneration of the executive corporate officer[3]	85,562	279,105
Ratio with average employee remuneration[4]	1.43	4.66
Ratio with median employee remuneration[5]	1.38	4.51
Ratio with the annual minimum wage[7]	4.63	15.11
2019 financial year		
Average employee remuneration[1] excluding corporate officers[2]	143,789	143,789
Median employee remuneration[1] excluding corporate officers[2]	78,798	78,798
Remuneration of the executive corporate officer[3]	92,750	680,870
Ratio with average employee remuneration[4]	0.65	4.74
Ratio with median employee remuneration[5]	1.18	8.64
Ratio with the annual minimum wage[7]	5.08	37.30
2018 financial year		
Average employee remuneration[1] excluding corporate officers[2]	113,733	113,733
Median employee remuneration[1] excluding corporate officers[2]	101,064	101,064
Remuneration of the executive corporate officer[3]	160,000	200,004
Ratio with average employee remuneration[4]	1.41	1.76
Ratio with median employee remuneration[5]	1.58	1.98
Ratio with the annual minimum wage[7]	8.90	11.12
2017 financial year		
Average employee remuneration[1] excluding corporate officers[2]	118,891	118,891
Median employee remuneration[1] excluding corporate officers[2]	132,916	132,916
Remuneration of the executive corporate officer[3]	None	None
Ratio with average employee remuneration[4]	-	-
Ratio with median employee remuneration[5]	-	-
Ratio with the annual minimum wage[7]	-	-

(1) Average remuneration on a full-time equivalent basis of Company employees. The remuneration of employees includes the valuation of the shares granted under the 2019 and 2021 free share plans, although these shares were not vested in those years and the vesting cannot be certain because it depends on future performance conditions.

(2) The average remuneration excludes that of the Chairperson, Chief Executive Officer and Directors.

(3) Includes all remuneration and benefits paid (fixed remuneration, benefits in kind) or allocated (variable or exceptional remuneration) by the Company. The remuneration of the Chief Executive Officer in 2019 and 2021 includes the valuation of shares granted under a free share allocation plan, although these shares were not vested in 2019 nor 2021 and the vesting cannot be certain because it depends on future performance conditions and that Mr. STREBELLE lost the benefit by leaving the company. In 2018 and 2021 the fixed remuneration of the Chief Executive Officer and in 2018 that of the Chairperson were paid only for part of the calendar year, in the table they have been reduced to an annual equivalent.

(4) Ratio between the amount of remuneration for the executive corporate officer and the average remuneration of Company employees.

(5) Ratio between the amount of remuneration for the executive corporate officer and the median remuneration of Company employees.

(6) Ratio between the amount of the executive's remuneration and the annual minimum wage for the period.

(7) The change in the Company's performance over the last five financial years can be assessed on the basis of the separate financial statements of PRODWAYS GROUP SA (see Section 4.2 of this Universal Registration Document) or the Group's consolidated financial statements (see Section 4.1 of this Universal Registration Document and Section 4.1 or 3.1, as the case may be, of the annual reports for previous years).

3.4 REMUNERATION OF CORPORATE OFFICERS FOR THE 2021 FINANCIAL YEAR

3.4.1 Fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or awarded in respect of the past financial year to Raphaël GORGÉ, Chairperson of the Board of Directors and, between 10 July 2021 and 28 February 2022, Chief Executive Officer

(16th resolution of the shareholders' meeting of 16 June 2022)

The remuneration package and benefits in kind paid or allocated for the 2021 financial year to Mr. Raphaël GORGÉ as Chairperson of the Board of Directors of the Company are summarized in the table below. Raphaël GORGÉ did not receive any additional remuneration for the transitional performance of the duties of Chief Executive Officer between July 2021 and February 2022.

For increased clarity and transparency, we have also indicated the remuneration package and benefits in kind paid or allocated in respect of the 2021 financial year to Mr. Raphaël GORGÉ by controlled or controlling companies when they exist.

The shareholders' meeting of 16 June 2022 (16th resolution) will be asked to approve the fixed, variable or exceptional components of the total remuneration and benefits in kind paid or allocated to Raphaël GORGÉ for the 2021 financial year as Chairperson and Chief Executive Officer, then as Chairperson of the Board of Directors.

Remuneration components paid or allocated for the period	Amounts or book value submitted for approval	Presentation
Fixed remuneration paid by PRODWAYS GROUP.	€75,000	Fixed remuneration paid by PRODWAYS GROUP
Fixed remuneration paid by companies controlling PRODWAYS GROUP.	€225,000	Fixed remuneration paid by GROUPE GORGÉ in respect of the corporate office held within this company GROUPE GORGÉ controlled PRODWAYS GROUP until December 2021.
Fixed remuneration by controlled companies.	None.	
TOTAL FIXED REMUNERATION IN RESPECT OF 2021:	**€300,000**	
Annual variable remuneration payable by PRODWAYS GROUP.	€25,000 (amount to be paid after approval by the shareholders' meeting).	The Board of Directors of PRODWAYS GROUP has decided to allocate to Raphaël GORGÉ a variable remuneration of up to €25 thousand gross for 2021, depending on the achievement of criteria that it has established for the financial year (see Table 2 of Section 3.3).
Variable remuneration paid by a controlling entity.	€31,125	Variable remuneration to be paid by GROUPE GORGÉ after approval from the shareholders' meeting of GROUPE GORGÉ. GROUPE GORGÉ controlled PRODWAYS GROUP until December 2021.
Variable remuneration paid by a controlling entity.	None.	Any offices held by Raphaël GORGÉ in PRODWAYS GROUP subsidiaries were performed without remuneration.
TOTAL VARIABLE REMUNERATION IN RESPECT OF 2021:	**€56,125**	**(AMOUNT TO BE PAID)**

Remuneration components paid or allocated for the period	Amounts or book value submitted for approval	Presentation
Multiannual variable remuneration in cash.	None.	Raphaël GORGÉ receives no multiannual variable remuneration in cash from PRODWAYS GROUP nor from controlled or controlling companies.
Stock options allocated.	None.	The Board did not grant any stock options in 2021.
Free shares allocated.	None.	The Board did not grant any free shares to Raphaël GORGÉ.
Exceptional remuneration.	None.	No exceptional remuneration is due in respect of 2021.
Exceptional remuneration paid by a controlling company.	€100,000	Exceptional compensation due for 2021 allocated by the Board of Directors of GROUPE GORGÉ
Remuneration in respect of the office of Director.	None.	Neither GROUPE GORGÉ nor its affiliated companies pay any remuneration to the non-Independent Directors.
Remuneration, allowances or benefits for taking office.	None.	Not applicable.
Components of remuneration paid on account of the cessation or change of duties, retirement commitments and non-compete commitments.	None.	No remuneration is due on account of the cessation or change of duties, retirement commitments and non-compete commitments.
Remuneration components and benefits in kind under agreements entered into with the Company by virtue of office, or any entity controlled by the Company, or any entity that controls it, or any entity controlled by the entity that controls it	None.	No such agreements exist. The service provision agreement between GROUPE GORGÉ and PÉLICAN VENTURE is not related to Raphaël GORGÉ's position.
Other components of remuneration granted in respect of the term of office.	None.	
Benefits of all kinds.	€9,709 (book value).	Raphaël GORGÉ received a benefit in kind (vehicule) in respect of his mandate at GROUPE GORGÉ.

3.4.2 Fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or awarded in respect of the past financial year to Olivier STREBELLE, Chief Executive Officer until 9 July 2021

(17th resolution of the shareholders' meeting of 16 June 2022)

The remuneration package and benefits in kind paid or allocated for the 2021 financial year to Mr. Olivier STREBELLE as Chief Executive Officer of the Company are summarized in the table below. It is recalled that Mr. STREBELLE left the Group in July 2021.

The shareholders' meeting of 16 June 2022 (17th resolution) will be asked to approve the fixed, variable or exceptional components of the total remuneration and benefits in kind paid or allocated to Olivier STREBELLE for the 2021 financial year for his position as Chief Executive Officer, which ended in July 2021.

Remuneration components paid or allocated for the period	Amounts or book value submitted for approval	Presentation
Fixed remuneration paid by PRODWAYS GROUP.	€110,857	Fixed remuneration paid by PRODWAYS GROUP
Fixed remuneration paid by a controlling or affiliated company.	None.	Olivier STREBELLE did not receive any remuneration in respect of terms of office that he may hold within affiliated companies.
TOTAL FIXED REMUNERATION IN RESPECT OF 2021:	**€110,857**	
Annual variable remuneration by PRODWAYS GROUP.	None.	No variable compensation is due as a result of the departure of the Chief Executive Officer from the Group during the financial year.
Variable remuneration paid by a controlling or affiliated company.	None.	-
Variable remuneration paid by controlled companies.	None.	Olivier STREBELLE's positions in the subsidiaries of PRODWAYS GROUP were performed without remuneration.
TOTAL VARIABLE REMUNERATION IN RESPECT OF 2021:	**NONE.**	**(AMOUNT TO BE PAID)**

Remuneration components paid or allocated for the period	Amounts or book value submitted for approval	Presentation
Multiannual variable remuneration in cash.	None.	Olivier STREBELLE receives no multiannual variable remuneration in cash from PRODWAYS GROUP nor from controlled or controlling companies.
Stock options allocated.	None.	The Board did not grant any stock options in 2021.
Free shares allocated.	€663,300	The Board granted free shares in 2021. Olivier STREBELLE lost the right thereto when he left office in July 2021.
Exceptional remuneration.	None.	No exceptional remuneration is due in respect of 2021.
Directors' compensation	None.	In accordance with its compensation policy for its Directors, the Company does not pay Directors' fees to its Chief Executive Officer.
Remuneration, allowances or benefits for taking office.	None.	No remuneration was paid to Olivier STREBELLE for the assumption of his position.
Components of remuneration paid on account of the cessation or change of duties, retirement commitments and non-compete commitments.	None.	No remuneration is provided for on account of the cessation or change of duties. There are no specific pension commitments. The Chief Executive Officer had accepted a non-compete undertaking that could have been applied on the termination of his duties.
Remuneration components and benefits in kind under agreements entered into with the Company by virtue of office, or any entity controlled by the Company, or any entity that controls it, or any entity controlled by the entity that controls it.	None.	No such agreements exist.
Other components of remuneration granted in respect of the term of office.	€6,455 (book value).	Olivier STREBELLE benefited from a GSC insurance paid by PRODWAYS GROUP and a company car.
Benefits of all kinds.	None.	-

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

At the Board of Directors meeting held on 22 February 2017, the Company decided to adhere to the Middlenext Corporate Governance Code. Middlenext updated its Code in September 2021. This Code can be consulted on the Middlenext website (www.middlenext.com).

The Board of Directors took note of the "Points of vigilance" of the Middlenext Code and considered the issues raised in said points.

The table below shows the Company's position with respect to the recommendations made in the Middlenext Code, as revised, at the time of the Board of Directors meeting held on 16 March 2022.

Code recommendation	Compliant	Non-compliant
Recommendation 1 (ethics of Board members)	x(1)	
Recommendation 2 (conflicts of interest)	x	
Recommendation 3 (composition of the Board – presence of independent members)	x	
Recommendation 4 (information for Board members)	x	
Recommendation 5 (training of Board members)	x(2)	
Recommendation 6 (organization of Board and committee meetings)	x	
Recommendation 7 (establishment of committees)	x	
Recommendation 8 (establishment of a specialized committee on CSR)	x(3)	
Recommendation 9 (implementation of internal regulations for the Board)	x	
Recommendation 10 (choice of each Director)	x	
Recommendation 11 (term of office of Board members)	x	
Recommendation 12 (Director remuneration)	x	
Recommendation 13 (implementation of an assessment of the Board's work)	x	
Recommendation 14 (shareholder relations)	x	
Recommendation 15 (diversity and equity policy within the Company)	x	
Recommendation 16 (setting and transparency of executive corporate officer remuneration)	x	
Recommendation 17 (preparation for the succession of officers)		x(4)
Recommendation 18 (combination of employment contract and corporate office)	x	
Recommendation 19 (severance pay)	x	
Recommendation 20 (supplementary pension schemes)	x	
Recommendation 21 (stock options and allocation of free shares)	x	
Recommendation 22 (review of vigilance points)	x	

(1) Recommendation 1 (ethics of Board members): not all Board members attend each shareholders' meeting. In principle, they attend the meeting at the time of their appointment.

(2) As this is a new recommendation of the Middlenext Code, the Board has noted the principle of setting up a three-year training plan and has asked the directors to define their training needs, taking into account their experience, any training courses they may have taken in the context of other mandates and the remaining duration of their mandate. Once these responses have been received, the Board will define the three-year training plan and will implement this plan before the 2023 General Assembly. In the past, directors who felt the need to attend training selected the training courses they wanted and the costs of the training courses were covered by the Company.

(3) The Board will meet at least once a year as a CSR Committee

(4) Recommendation 17 (preparation of executive succession): there is no formal succession plan. The Remuneration Committee or the Board of Directors will have to reflect on this subject.

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

The Company's bylaws stipulate that all shareholders may take part in shareholders' meetings, regardless of the number of shares that they own. The arrangements for shareholder participation in shareholders' meetings are no more restrictive than those provided for by applicable regulations.

3.7 REGULATED AGREEMENTS, RELATED-PARTY AGREEMENTS AND CURRENT AGREEMENTS

3.7.1 Presentation of the agreements

Commitments and regulated agreements covered in Articles L.225-38 and L.225-40-1 of the French Commercial Code

No new agreements of the type referred to in Article L.225-38 of the French Commercial Code were signed during the 2021 financial year.

There are no longer any related-party agreements entered into during previous financial years.

Following the exceptional distribution of PRODWAYS GROUP shares by GROUPE GORGÉ, which caused it to lose control of the Group, the single and comprehensive service agreement between the two companies ended on 31 January 2022. This agreement was previously treated as a current agreement within a group.

PRODWAYS GROUP, wishing to continue to benefit from GROUPE GORGÉ's services while setting up an appropriate organization, has concluded new service agreements, by theme – and no longer globally – in order to give PRODWAYS GROUP more flexibility in the implementation, if necessary, of alternative solutions. Five service provision agreements were signed on 1 February 2022, each on a specific theme:

Topic	Lump-sum remuneration for 2022 excl. tax
Financial services agreement (consolidation of annual and interim financial statements, assistance with reporting and budget, CSR campaign, drafting of the Universal Registration Document, etc.).	€206 thousand per year.
Corporate services agreement (assistance to the legal secretariat of PRODWAYS GROUP, one-off support, preliminary M&A, etc.).	€121 thousand per year.
Financial communication and investor relations services agreement (preparation of press releases, presentation of results, organization of webcasts, roadshow and conference, management of regulated information on the website, etc.).	€119 thousand per year.
Service agreement for the provision of temporary assistance to Executive Management (preparation or analysis of reports on Group activities, coordination with Group managers and CFOs, preparation of annual interviews with subsidiaries' managers, etc.).	€62 thousand per quarter.
Service provision agreement for the completion of M&A transactions (completion of the M&A process).	At the request of PRODWAYS GROUP, according to the M&A projects, based on the teams' hourly rates and a fixed estimate per project.

The agreements are open-ended. Each party may terminate an agreement at any time subject to six months' notice (with the exception of the provision of assistance to Interim Executive Management, which may be terminated with one month's notice).

The Directors "interested" in these agreements within the meaning of Article L.225-38 of the French Commercial Code are Mr. Raphaël GORGÉ (Chairperson and Chief Executive Officer of GROUPE GORGÉ), Mrs. Catherine BENON (Director of GROUPE GORGÉ), Mrs. Hélène de COINTET (Deputy Chief Executive Officer of GROUPE GORGÉ) and Mrs. Céline LEROY (Director of GROUPE GORGÉ). The Board of PRODWAYS GROUP was unable to authorize the conclusion of these agreements due to a lack of *quorum*. Nevertheless, the terms of these agreements were reviewed and validated by the Company's Audit Committee and the non-interested Directors noted the need for PRODWAYS GROUP to continue the services rendered until now by GROUPE GORGÉ for the time necessary for PRODWAYS GROUP to implement alternative solutions where necessary.

Related-party agreements (agreements referred to in Article L.225-37-4-2 of the French Commercial Code)

None.

Current agreements

The Group deals with intra-group services agreements, intra-group cash management and cash advances agreements and leasing or sub-leasing agreements between Group companies, Director employment contracts (excluding cases of significant promotion or exceptional salary increases) and tax consolidation agreements as ordinary agreements entered into on normal terms, having regard in particular to the terms and remuneration applied.

For information purposes, PRODWAYS GROUP presents the following agreements considered current and entered into under normal conditions within a group:

until 31 January 2022, GROUPE GORGÉ and PRODWAYS GROUP were bound by a global service agreement under which GROUPE GORGÉ undertook to provide PRODWAYS GROUP with extensive assistance in terms of operational management, administrative, legal, accounting and financial management, and marketing matters. For this purpose, GROUPE GORGÉ is compensated by invoicing its subsidiary a percentage of its consolidated revenue (0.80% for 2021, *i.e.* €561 thousand). This agreement, in force since 2016, ended when GROUPE GORGÉ lost control of the Company following the exceptional distribution by GROUPE GORGÉ of PRODWAYS GROUP shares to its shareholders in December 2021. These services are now provided under the agreements detailed above, treated as related-party agreements.

The agreements signed between PRODWAYS GROUP and its wholly-owned subsidiaries were not examined.

The Company has set up a procedure to regularly assess whether the agreements on current transactions signed under normal market terms and conditions meet these conditions. This assessment procedure provides for a review of the conditions for ongoing current agreements no later than during the Board of Directors' meeting that approves the annual financial statements. The persons directly or indirectly involved in one of these agreements do not take part in this assessment. This procedure was implemented during the Board meeting called to approve the financial statements for the past financial year and has not resulted in a revision of the agreements.

3.7.2 Statutory auditors' report on regulated agreements

Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2021

To the Shareholders' Meeting of PRODWAYS GROUP,

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

It is our responsibility to inform you, on the basis of the information that has been given to us, of the characteristics, the essential methods and the reasons justifying the interest for the company of the agreements of which we have been informed or that we have discovered in the course of our mission, without having to comment on their usefulness and merits or to seek the existence of other agreements. It is your responsibility, in accordance with the terms of Article R. 225-31 of the French Commercial Code, to assess the value of entering into these agreements with a view to their approval.

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

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

Agreements and commitments submitted for approval to the shareholders' meeting

Agreements and commitments authorized and entered into during the past financial year

We hereby inform you that we have not been made aware of any agreements authorized and signed during the past financial year to be submitted for the approval of the Shareholders' Meeting in application of the provisions of Article L. 225-38 of the French Commercial Code.

It is our responsibility to inform you of the circumstances that led to the authorization procedure not being followed.

The Board of Directors did not have a sufficient quorum to authorize the conclusion of the proposed service agreements, in accordance with Article L.225-38 of the Commercial Code. The directors with an interest or potential conflict of interest were unable to take part in the deliberations or vote (Raphaël Gorgé, Catherine Gorgé, Hélène de Cointet). However, the non-interested members of the Board noted the need for Prodways Group to continue to provide the services rendered to date by Groupe Gorgé for as long as it takes for Prodways Group to put in place replacement solutions, if necessary.

Agreements and commitments not previously authorized

In accordance with Articles L. 225-42 and L. 823-12 of the French Commercial Code, we hereby inform you that the following agreements and commitments were not subject to prior authorization by your Board of Directors.

Co-contractors: GROUPE GORGÉ

Due to the loss of control by GROUPE GORGÉ on 22 December 2021, the service provision agreement between PRODWAYS GROUP and GROUPE GORGÉ expired on 31 January 2022. As a result, new service agreements by theme were signed on 1 February 2022.

Agreement 1: Executive management assistance services agreement

GROUPE GORGÉ provides PRODWAYS GROUP with assistance in the area of executive management, in particular the following services:

- preparation or analysis of the Group's financial reports and activities; coordination with the Group's managers and CFOs;
- preparation of annual interviews with the managers of subsidiaries;
- monitoring of the recruitment process for the new Chief Executive Officer, selection of candidates, realization of preliminary interviews, preparation of offers.

The consideration for the services provided by GROUPE GORGÉ to PRODWAYS GROUP is a fixed remuneration of €62,000 excl. tax per quarter.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving one (1) month's notice to the other party by registered letter with acknowledgement of receipt. In addition, given its essentially "intuitu personae" nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 2: M&A assistance services agreement

GROUPE GORGÉ provides PRODWAYS GROUP with assistance in the area of M&A operations, in particular the following services:

- assistance in the selection of advisors (lawyers, financial advisors, *etc.*);
- consulting management; monitoring of consulting services (audits, preparation of disposal documents, *etc.*);
- target analysis;
- review or preparation of financial and M&A documents;
- negotiation with counterparties;
- advice on acquisition financing.

The consideration for the services provided by GROUPE GORGÉ to PRODWAYS GROUP is a remuneration on a time-spent basis per M&A project at a rate of €250 to €550 excl. tax per hour depending on the seniority of the staff involved and the expertise requested.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving one (1) month's notice to the other party by registered letter with acknowledgement of receipt. In addition, given its essentially "intuitu personae" nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 3: Corporate services agreement

GROUPE GORGÉ provides PRODWAYS GROUP with corporate assistance, in particular the following services:

- assistance to the legal secretariat (preparation, convening and holding of PRODWAYS GROUP Board of Directors' and Shareholders' Meetings, drafting of minutes, updating of the bylaws and incorporation certificate, formalities, liaison with CACEIS and the Statutory Auditors);
- *ad hoc* corporate support, hotline (assumption of 12 hours per year);
- *ad hoc* assistance to the Administrative and Financial Department;
- preliminary M&A (prospecting, drafting of NDAs, first discussion with potential targets and list of questions);
- liaison with insurers and brokers in collaboration with the CFO;
- re-invoicing of a share of GROUPE GORGÉ's insurance policies still covering PRODWAYS GROUP and its subsidiaries;
- re-invoicing of a share of the Middlenext subscription;
- provision of meeting rooms at GROUPE GORGÉ's head office.

The consideration for the services provided by GROUPE GORGÉ to PRODWAYS GROUP is a fixed remuneration of €121,000 excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially "intuitu personae" nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 4: Financial communication services agreement

GROUPE GORGÉ provides PRODWAYS GROUP with financial communication assistance, in particular the following services:

- preparation of the Group's financial communication to its stakeholders (investors, shareholders, market), in conjunction with the executive management and Chairperson of PRODWAYS GROUP;
- preparation of draft financial releases and press releases;
- presentation of results (presentation, webcast);
- management of the PRODWAYS GROUP website, publication of press releases and regulated information;
- monitoring of the financial analyses;
- relations with the financial analysts following the Group;
- organization and facilitation of roadshows, participation in conferences, organization of site visits for investors;
- monitoring of competitors' financial communication;
- monitoring of the stock market liquidity and animation contract regarding the PRODWAYS GROUP's shares;
- preparation of non-financial communication (ESG) intended for the financial community;
- relations with non-financial rating agencies (responses to questionnaires, discussions).

The consideration for the services provided by GROUPE GORGÉ to PRODWAYS GROUP is a fixed remuneration of €119,000 excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially "intuitu personae" nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 5: Financial, reporting and consolidation services agreement

GROUPE GORGÉ provides PRODWAYS GROUP with accounting and financial assistance, in particular the following services:

- completion of the annual consolidation of the financial statements;
- completion of the interim consolidation;
- CSR campaign (preparation of documents and questionnaires, relations with auditors/monitoring of the work of the ITB, verification of data, preparation of the SNFP, *etc.*);
- relations with the Statutory Auditors as part of the audit of the consolidated financial statements;
- complete drafting and filing with the AMF of the Universal Registration Document;
- provision of SAP BFC and maintenance;
- training of PRODWAYS GROUP employees in the use of SAP BFC;
- assistance in the preparation and presentation of budgets and reports.

The consideration for the services provided by GROUPE GORGÉ to PRODWAYS GROUP is a fixed remuneration of €206,000 excl. tax per year.

This agreement is concluded for an indefinite period with effect from February 1, 2022. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially "intuitu personae" nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties

Agreements and commitments already approved by the shareholders' meeting

Agreements already approved by the Shareholders' Meeting

We hereby inform you that we have not been informed of any agreement or commitment already approved by the Shareholders' Meeting, the execution of which would have continued during the past financial year.

Done in Paris on 27 April 2022

The Statutory Auditors

RSM Paris
Firm of Statutory Auditors and Member
of the Paris Regional Institute of Statutory Auditors
Stéphane Marie
Partner

PricewaterhouseCoopers Audit
Firm of Statutory Auditors and Member
of the Paris Regional Institute of Statutory Auditors
Christophe Drieu
Partner

3.8 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

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

The main risks facing the Group are discussed in the management report and the Universal Registration Document published by the Company ("Risk factors").

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

3.8.1 General organization of the internal control

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

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

This internal control system primarily encompasses:

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

3.8.2 Group organization

PRODWAYS GROUP SA does not carry out any industrial activities, and its purpose is to:

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

The Group operates through two business segments: Products and Systems. Each segment is independent with its own operational and management structures (Executive Management, Financial Department, management control, etc.).

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

3.8.3 Implementation of internal control

3.8.3.1 Activity reporting

All direct and indirect subsidiaries of PRODWAYS GROUP complete the Group's reporting scorecards which include the following business indicators:

- monthly and year-to-date sales;
- monthly order intakes;
- highlights.

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

3.8.3.2 Performance reporting

All direct and indirect subsidiaries of PRODWAYS GROUP prepare a monthly income statement in the Group's format with a comparison against the budget. The cash flow position and a three-month cash flow forecast are also included. This report also includes information on Working Capital Requirements (WCR) and capital expenditures.

This information, together with any commentary required to understand it and following approval by management, is sent on the 18th of each month.

Monthly meetings are held between Group management and subsidiaries to discuss the information sent and to consider any corrective measures taken or to be taken and to update forecasts.

This monthly report is accompanied by an end-of-year income statement, which is updated several times during the year.

3.8.3.3 Closing of the financial statements

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

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

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

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

The Group's consolidated financial statements are prepared by GROUPE GORGÉ's Financial Department, in accordance with the applicable principles; the consolidated financial statements are subject to an audit or limited review (half-year financial statements) by the statutory auditors.

Following these accounting closes, all legal disclosure requirements are satisfied.

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

3.8.3.4 Quarterly activity reports

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

3.8.3.5 Assessment of internal control

At the end of 2019, the Group benefited from the complete risk mapping review conducted at GROUPE GORGÉ's initiative. The previous risk mapping dated from 2016, the year in which the Group's internal control accounting basis was built with GROUPE GORGÉ. The objective was to stabilize a robust and sustainable internal control system, taking into account the specificities of the Group, and to provide a reasonable level of assurance as to the management of the main risks. The work carried out by the Group in 2016 (mapping and internal control accounting basis) was reviewed by one of our statutory auditors, PwC. In 2019, the Group prepared the new mapping based on the resources of GROUPE GORGÉ's Financial Department, then sent it to the two statutory auditors.

With regard to risk, the project began with risk identification, which took place through a set of maintenance actions. The identified risks were sorted, categorized and evaluated in terms of impact and likelihood of occurrence. The risks were regrouped on a map. The mapping will be periodically updated.

The strengthening and dissemination of internal control measures remains one of the main focuses for improving risk management.

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

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

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

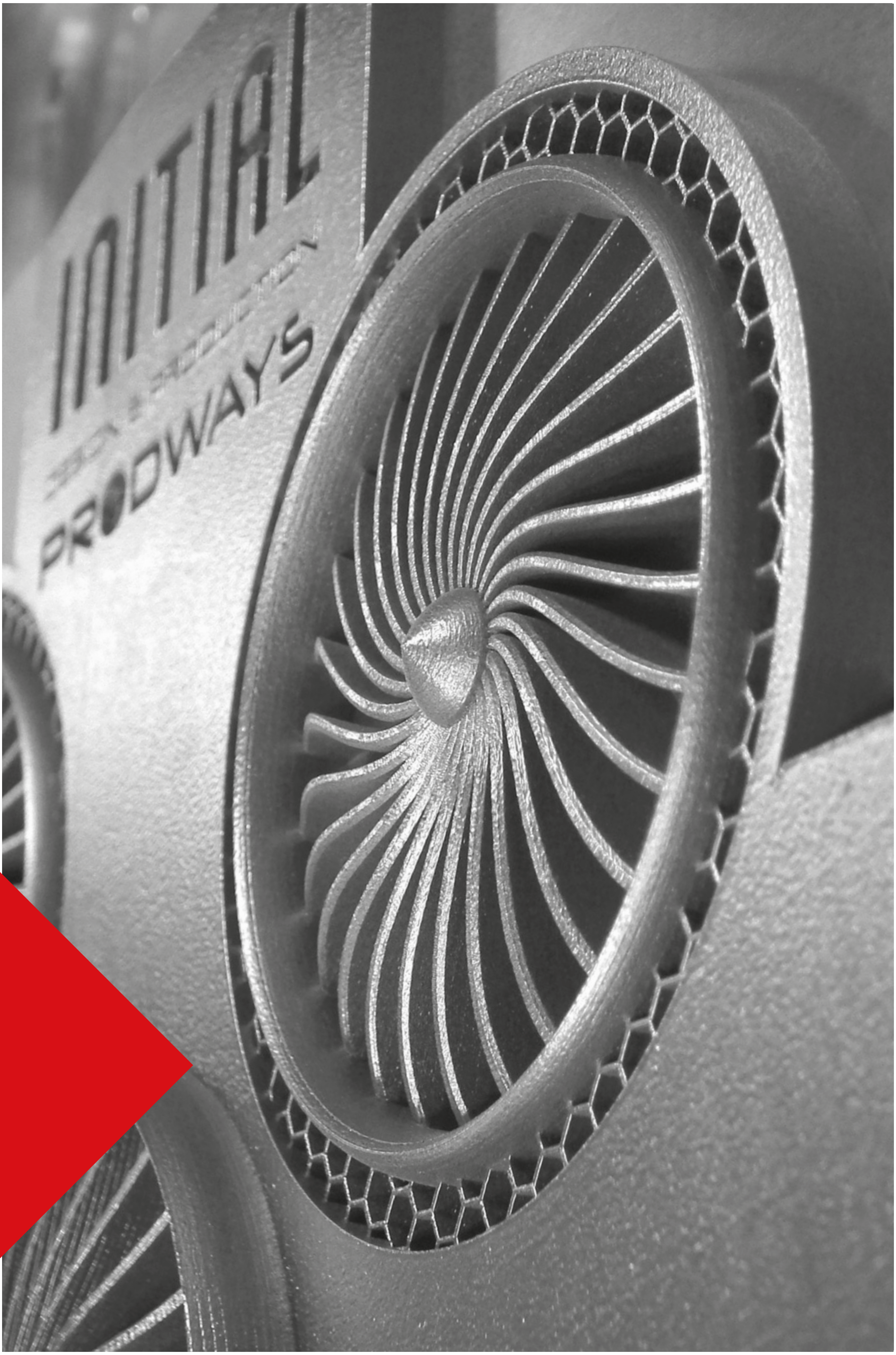
3.8.4 Preparation and control of accounting and financial information for shareholders

The Chairperson of the Board of Directors, assisted by the Chief Financial Officer, establishes the financial communications policy.

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

3.8.5 Legal and regulatory compliance

In order to ensure that their businesses are in compliance with the applicable regulations, the Group's companies have recourse to external advisers (lawyers, labor law experts and intellectual property experts).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4

FINANCIAL AND ACCOUNTING INFORMATION

4.1 CONSOLIDATED FINANCIAL STATEMENTS 2021

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

4.1.1 Consolidated income statement

(in thousands of euros)	Notes	2021	2020
REVENUE	**4.1**	**70,645**	**57,206**
Capitalized production		1,510	1,150
Inventories and work in progress		(555)	85
Other income from operations	4.2	1,937	897
Purchases and external charges		(35,319)	(30,177)
Personnel expenses	5.2	(28,422)	(25,280)
Tax and duties		(767)	(758)
Depreciation, amortization, and provisions (net of reversals)	4.3	(4,491)	(7,174)
Other operating income and expenses		(226)	219
INCOME FROM ORDINARY ACTIVITIES		**4,312**	**(3,832)**
Non-recurring items in operating income	3.1	(2,610)	(10,935)
Group share of the earnings of affiliated companies		79	9
OPERATING INCOME		**1,782**	**(14,758)**
Interest on gross debt		(206)	(282)
Interest on cash and cash equivalents		-	2
COST OF NET DEBT (A)	**8.2**	**(206)**	**(280)**
Other financial income (B)		179	110
Other financial expense (C)		(148)	(158)
FINANCIAL INCOME AND EXPENSES (D = A + B + C)	**8.2**	**(176)**	**(327)**
Income tax	9.1	(1,054)	1,041
NET INCOME FROM CONTINUING OPERATIONS		**552**	**(14,044)**
Net income from discontinued operations		-	-
CONSOLIDATED NET INCOME		**552**	**(14,044)**
INCOME ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		**626**	**(13,946)**
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**(74)**	**(98)**
Average number of shares	10.2	51,263,951	51,026,823
Earnings per share (in euros)	10.2	0.012	(0.273)
Diluted earnings per share (in euros)	10.2	0.012	(0.273)

4.1.2 Statement of comprehensive income

(in thousands of euros)	2021	2020
NET INCOME	**552**	**(14,044)**
Currency translation adjustments	167	(287)
Tax relating to currency translation adjustments	-	-
Actuarial gains and losses on defined benefit plans	63	(26)
Tax relating to actuarial gains and losses on defined benefit plans	(16)	6
Group share of gains and losses recognized directly in equity of affiliated companies	-	-
TOTAL OTHER COMPREHENSIVE INCOME	**214**	**(306)**
of which can be reclassified subsequently to profit and loss	167	(287)
of which cannot be subsequently reclassified to profit and loss	47	(20)
COMPREHENSIVE INCOME	**766**	**(14,349)**
Comprehensive income attributable to parent company shareholders	846	(14,246)
Comprehensive income attributable to non-controlling interests	(79)	(103)

4.1.3 Consolidated statement of financial position

Assets

(in thousands of euros)	Notes	31/12/2021	31/12/2020
NON-CURRENT ASSETS		**73,203**	**68,334**
Goodwill	6.1	41,831	38,094
Other intangible assets	6.2	11,033	9,889
Property, plant and equipment	6.3	16,815	17,086
Investments in affiliated companies	8.1.5	1,213	1,134
Other financial assets	8.1.5	815	857
Deferred tax assets	9.2	1,496	1,274
CURRENT ASSETS		**40,464**	**43,075**
Net inventories	4.4	6,502	6,280
Net trade receivables	4.5	12,175	9,954
Contract assets		20	-
Other current assets	4.6	3,049	2,250
Tax receivables payable	9.1.1	1,802	2,091
Cash and cash equivalents	8.1.2	16,917	22,500
ASSETS HELD FOR SALE		**-**	**-**
TOTAL ASSETS		**113,668**	**111,409**

Equity and liabilities

(in thousands of euros)	Notes	31/12/2021	31/12/2020
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**64,812**	**63,665**
Share capital(1)	10.1	25,632	25,539
Share capital premiums(1)		85,617	85,040
Retained earnings and consolidated net income(2)		(46,438)	(46,913)
INTEREST ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**41**	**(277)**
NON-CURRENT LIABILITIES		**20,215**	**21,864**
Long-term provisions	5.3	949	1,120
Long-term liabilities – portion due in more than one year	8.1.1	13,031	14,690
Lease liabilities – portion due in more than one year	8.1.3	5,698	5,608
Deferred tax liabilities	9.2	538	447
CURRENT LIABILITIES		**28,601**	**26,156**
Short-term provisions	11	927	1,865
Long-term liabilities – portion due in less than one year	8.1.1	2,721	2,083
Lease liabilities – portion due in less than one year	8.1.3	1,779	1,964
Operating payables	4.7	9,155	8,741
Contract liabilities	4.5	1,585	447
Other current liabilities	4.7	12,273	10,686
Tax liabilities payable	9.1.1	161	371
LIABILITIES HELD FOR SALE		**-**	**-**
TOTAL LIABILITIES		**113,668**	**111,409**

(1) Of the consolidating parent company.
(2) Including profit (loss) for the period.

4.1.4 Consolidated statement of cash flows

(in thousands of euros)	**Notes**	**2021**	**2020**
NET INCOME FROM CONTINUING OPERATIONS		**552**	**(14,044)**
Accruals		4,348	14,481
Capital gains and losses on disposals		(149)	140
Group share of income of equity-accounted companies		(79)	(9)
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE NEUTRALIZATION OF THE COST OF NET FINANCIAL DEBT AND TAXES)	**7.1**	**4,672**	**568**
Expense for net debt	8.2	206	280
Tax expense	9.1	1,054	(1,041)
CASH FLOW FROM OPERATIONS (AFTER NEUTRALIZATION OF THE COST OF NET FINANCIAL DEBT AND TAXES)		**5,933**	**(193)**
Tax paid		(1,267)	(914)
Change in working capital requirements	7.2	(835)	5,492
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**3,831**	**4,385**
Investing activities			
Payments/acquisition of intangible assets		(1,513)	(1,278)
Payments/acquisition of property, plant and equipment		(1,608)	(3,780)
Proceeds/disposal of property, plant and equipment and intangible assets		169	127
Payments/acquisition of long-term investments		(35)	(294)
Proceeds/disposal of long-term investments		84	12
Net cash inflow/outflow on the acquisition/disposal of subsidiaries	7.3	(3,394)	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(6,297)**	**(5,214)**
Financing activities			
Capital increase or contributions		-	-
Dividends paid to parent company shareholders		-	-
Dividends paid to non-controlling interests		-	-
Other equity transactions	7.4	(43)	22
Proceeds from borrowings	8.1.1	1,208	11,830
Repayments of borrowings and lease liabilities	8.1.1 -8.1.3	(4,143)	(3,203)
Cost of net debt		(200)	(273)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		**(3,179)**	**8,375**
CASH FLOW GENERATED BY ACTIVITIES PERFORMED (D = A + B + C)		**(5,644)**	**7,546**
CASH FLOW GENERATED BY DISCONTINUED OPERATIONS		**-**	**-**
CHANGE IN CASH AND CASH EQUIVALENTS		**(5,644)**	**7,546**
Effects of exchange rate changes		64	(70)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**8.1.2**	**22,478**	**15,002**
Restatement of cash and cash equivalents		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**8.1.2**	**16,897**	**22,478**

4.1.5 Change in consolidated equity

(in thousands of euros)	Group share or owners of the parent company						
	Share capital	**Share capital premiums**	**Treasury shares**	**Retained earnings and other reserves**	**Equity – attributable to parent company shareholders**	**Equity – attributable to non-controlling interests**	**Total equity**
2019 CLOSING EQUITY	**25,539**	**84,793**	**(119)**	**(32,545)**	**77,668**	**(186)**	**77,482**
Share capital transactions	-	-	-	-	-	-	-
Free share allocation plan and stock option plan	-	247	-	-	247	-	247
Treasury share transactions	-	-	-	-	-	-	-
Commitments to non-controlling interests	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net income for the period	-	-	*15*	*(13,962)*	*(13,946)*	*(98)*	*(14,044)*
Gains and losses recognized directly in equity	-	-	-	*(300)*	*(300)*	*(6)*	*(306)*
COMPREHENSIVE INCOME	**-**	**-**	**15**	**(14,262)**	**(14,247)**	**(103)**	**(14,350)**
Changes in scope	-	-	-	(3)	(3)	13	10
2020 CLOSING EQUITY	**25,539**	**85,040**	**(103)**	**(46,810)**	**63,665**	**(276)**	**63,389**
Impact of IFRIC IAS 19 decision	-	-	-	124	124	-	124
2020 CLOSING EQUITY RESTATED	**25,539**	**85,040**	**(103)**	**(46,687)**	**63,789**	**(276)**	**63,513**
Share capital transactions	94	-	-	(94)	-	-	-
Free share allocation plan and stock option plan	-	578	-	-	578	-	578
Treasury share transactions	-	-	11	-	11	-	11
Commitments to non-controlling interests	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net income for the period	-	-	*(39)*	*665*	*626*	*(74)*	*552*
Gains and losses recognized directly in equity	-	-	-	*220*	*220*	*(6)*	*214*
COMPREHENSIVE INCOME	**-**	**-**	**(39)**	**885**	**846**	**(79)**	**766**
Changes in scope	-	-	-	(412)	(412)	396	(15)
2021 CLOSING EQUITY	**25,632**	**85,617**	**(131)**	**(46,307)**	**64,812**	**41**	**64,853**

4.1.6 Notes to the consolidated financial statements

Note 1 Accounting principles

The consolidated financial statements of PRODWAYS GROUP for the year ended 31 December 2021 include:

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

The consolidated financial statements of PRODWAYS GROUP for the 2021 financial year were approved by the Board of Directors on 16 March 2022. They will be subject to approval by the next ordinary shareholder's meeting.

1.1 Impacts of the health crisis on the Group's annual financial statements

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

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

These measures were continued in 2021 depending on the evolution of the health crisis. In the area of the Group's liquidity, the SOLIDSCAPE subsidiary in the United States received during the first half of the year $1.1 million under the federal corporate assistance program, in addition to the $0.8 million already received in 2020. As such, the company benefited from a debt write-off from the US federal government (for the equivalent of €0.9 million).

For the French companies that benefit from it, the decision was taken to amortize the loans guaranteed by the French State over five years (amortized over four years with one year of deferral).

The Group has been awarded a €3.3 million grant, named Futur 3D, as part of the economic recovery plan. The beneficiary companies are PRODWAYS (€2.6 million), INITIAL (€0.4 million) and PRODWAYS RAF (€0.3 million). This subsidy will be recognized in income over three years.

1.2 Accounting basis applied

The accounting standards used to prepare the consolidated financial statements comply with the regulations and interpretations of the International Financial Reporting Standards (IFRS) as adopted by the European Union as of 31 December 2021. These accounting standards are consistent with those used to prepare the annual consolidated financial statements for the financial year ended 31 December 2020, with the exception of the new standards, revised standards and interpretations whose application became mandatory as of 1 January 2021.

The Group has applied all mandatory standards, amendments and interpretations to the financial years beginning on or after 1 January 2021, with no significant impact:

- amendments to IFRS 9, IAS 39, IFRS 7 and IFRS 16 – *Reform of benchmark interest rates – Phase 2*;
- amendments to IFRS 16 – *Rent reductions linked to Covid-19 beyond 30 June 2021*.

The Group has not applied the following standards and interpretations, the application of which is mandatory after 31 December 2021:

- standards adopted by the European Union:
  - amendments to IAS 16 – *Property, plant and equipment: recognition of revenue generated before commissioning*,
  - amendments to IAS 37 – *Provisions, contingent assets and liabilities: onerous contracts, notion of costs directly related to the contract*,
  - 2018-2020 cycle of annual IFRS improvements;
- standards not adopted by the European Union:
  - amendments to IAS 1 – *Presentation of the financial statements: classification of current and non-current liabilities – Deferral of the effective date*,
  - amendments to IAS 1 – *Presentation of the financial statements and Practical application guide 2: disclosures on accounting policies*,
  - amendments to IAS 8 – *Accounting policies, changes in estimates and errors: definition of accounting estimates*,
  - amendments to IAS 12 – *Income tax: deferred tax on assets and liabilities arising from the same transaction*.

These new amendments are being analyzed by the Group when they are applicable to it.

<u>IFRIC decision – Attribution of benefits to periods of service IAS 19 – *Employee benefits*</u>

The Group has taken into consideration the impact resulting from the IFRIC decision of April 2021 on the valuation of defined benefit plans. This decision clarifies the periods over which employee benefits expense must be considered in the measurement of the IAS 19 expense. The impact represented a non-significant decrease in the commitment and has been restated in opening equity.

1.3 Basis of preparation

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

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

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

The above-mentioned assumptions mainly concern:

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

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

Note 2 Scope of consolidation

2.1 Accounting principles related to the consolidation scope

2.1.1 Consolidation method

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

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

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

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

The list of consolidated subsidiaries and equity interests is shown in Note 13.

2.1.2 Translation of the financial statements of foreign companies

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

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

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

Average prices for the financial year are calculated based on average monthly prices.

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

2.1.3 Transactions in foreign currencies

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

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2.1.4 Business combinations

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

- the cost of an acquisition is evaluated at the fair value of the consideration transferred, including any price adjustment, at the date of taking control. Any subsequent variation in the fair value of a price adjustment is recognized in the income statement or in other comprehensive income, in accordance with the standards applicable;
- the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities assumed at the takeover date represents the goodwill, recognized in the assets in the statement of the financial position.

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

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

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

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

2.2 Changes to the scope of consolidation

2.2.1 Transactions carried out in 2021

CREABIS GmbH was acquired in July 2021 and has been consolidated within the Products division since that date. Non-controlling interests in PODO 3D were acquired by the Group in September 2021.

The fair value measurements of the assets, liabilities and contingent liabilities of CREABIS acquired during the period have not been finalized; they may be adjusted during the 12 months following the acquisition date.

The full list of consolidated companies is included in Note 13.

2.2.2 Contribution of business combinations

First consolidation of CREABIS GmbH

The assets and liabilities of the acquired company break down as follows:

(in thousands of euros)	**Fair value of acquired assets and liabilities**
Intangible assets	502
Property, plant and equipment	326
Rights of use	751
Financial assets	6
Inventory	189
Trade and other receivables	429
Prepaid expenses	12
Cash and cash equivalents	353
Financial debt	(614)
Trade and other payables	(663)
Lease liabilities	(758)
Deferred tax assets/liabilities	2
TOTAL	**535**

The acquisition contract provides for two earn-out clauses – a clause based on the Company's performance conditions for financial years 2021 and 2022 for €525 thousand, and another clause based on the seller's presence commitment until 30 June 2023 for €225 thousand. This additional amount is considered as a compensation expense and is spread over the period in question.

2.3 Off-statement of financial position commitments related to the consolidation scope

In 2019, PRODWAYS GROUP acquired all shares making up the share capital of SURDIFUSE and L'EMBOUT FRANÇAIS. The vendors granted an assets and liabilities guarantee for a term of two to three years (longer for some tax and social items) depending on the nature of the claims. This guarantee is capped at €300,000, and declines over time.

In July 2021, PRODWAYS GROUP acquired all the shares making up the share capital of CREABIS.

The sellers granted a five-year asset and liability guarantee capped at the acquisition price.

Within VARIA 3D, the Group is associated with non-controlling shareholders. A shareholders' agreement provides for the possible liquidity of their holdings.

Note 3 Segment information

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

The two divisions defined as operating segments are the following (main companies):

- "Products" division: INITIAL, CREABIS, CRISTAL, PODO 3D, INTERSON;
- "Systems" division: PRODWAYS, DELTAMED, SOLIDSCAPE, AVENAO group.

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

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

3.1 Reconciliation of the non-IFRS indicators and segment indicators with the consolidated operating income

The Group uses non-IFRS financial information for the purposes of information, management and planning because they offer a better assessment of its long-term performance. This additional information is not a substitute for any IFRS measures of operating and financial performance.

Operating income includes all income and expenses other than:

- interest income and expenses;
- other financial income and expenses;
- corporate income tax.

To make it easier to compare financial years and monitor its operating performance, the Group has decided to isolate certain non-recurring items of operating income and present "Profit (loss) from continuing operations". It also uses a recurring EBITDA indicator. These non-accounting indicators do not constitute financial aggregates defined by IFRS; they are alternative performance indicators. They may not be comparable to similarly named indicators by other companies, depending on the definitions used by them:

- the operating result is the operating income before "Other items of operating income", which include the restructuring costs, recognized or fully provisioned if they are liabilities arising from a Group obligation to third parties, which stem from a decision taken by a competent body, and which materialize before the reporting date through the announcement of said decision to third parties and provided the Group no longer expects consideration for these costs. These costs consist primarily of compensation for termination of employment contracts, severance pay, as well as miscellaneous expenses. The other items included on this line of the income statement concern the costs of free share allocations, the costs of acquisition and disposals of activities, amortization of acquired intangible assets recorded under business combinations impairment of goodwill, and all unusual items by their occurrence or amount;
- Current Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) are defined by the Group as operating income before "Net depreciation, amortization and provisions", "Group share of the earnings of affiliated companies" and "Other items of operating income".

The 2021 and 2020 segment income statements are reconciled below with the Group's consolidated financial statements. They are prepared in accordance with the Group's operational reporting.

2021 financial year – Segment information

(in thousands of euros)	**Systems**	**Products**	**Structure and disposals**	**Consolidated**
Backlog at start of period	5,630	949	(13)	6,566
Backlog at the end of the period	9,198	1,069	(92)	10,175
REVENUE	**43,917**	**26,910**	**(182)**	**70,645**
Capitalized production	1,441	70	-	1,510
Inventories and work in progress	(591)	36	-	(555)
Other income from operations	1,766	171	-	1,937
Purchases and external charges	(23,663)	(12,208)	553	(35,319)
Personnel expenses	(15,542)	(11,405)	(1,475)	(28,422)
Tax and duties	(279)	(463)	(26)	(767)
Other operating income and expenses	(126)	(322)	222	226
CURRENT EBITDA	**6,922**	**2,790**	**(909)**	**8,804**
% revenue	*15.8%*	*10.4%*	*n/s*	*12.5%*
Depreciation, amortization and provisions (net of reversals)	(1,765)	(2,896)	170	(4,491)
INCOME FROM ORDINARY ACTIVITIES	**5,157**	**(106)**	**(738)**	**4,312**
% revenue	*11.7%*	*-0.4%*	*n/s*	*6.1%*
Payment in shares	-	-	(713)	(713)
Restructuring costs	(473)	(293)	(5)	(771)
Acquisition costs	-	(94)	-	(94)
Amort. of intangible assets recognized at FV during acquisitions	(544)	(99)	-	(643)
Exceptional provisions for impairment of asset values	(118)	(149)	(39)	(307)
Other	-	(40)	(42)	(82)
SUB-TOTAL OTHER OPERATING ELEMENTS	**(1,136)**	**(675)**	**(798)**	**(2,609)**
Group share of the earnings of affiliated companies	-	79	-	79
OPERATING INCOME	**4,021**	**(702)**	**(1,537)**	**1,782**
% revenue	*9.2%*	*-2.6%*	*n/s*	*2.5%*
R&D expenses capitalized over the period	1,319	32	-	1,352
Other property, plant and equipment and intangible investments	573	679	563	1,815

2020 financial year – Segment information

(in thousands of euros)	**Systems**	**Products**	**Structure and disposals**	**Consolidated**
Backlog at start of period	5,963	181	-	6,143
Backlog at the end of the period	5,630	949	(13)	6,566
REVENUE	**35,977**	**21,130**	**99**	**57,206**
Capitalized production	1,130	19	-	1,150
Inventories and work in progress	466	(380)	-	85
Other income from operations	872	26	-	897
Purchases and external charges	(21,365)	(8,891)	78	(30,177)
Personnel expenses	(14,097)	(10,120)	(1,063)	(25,280)
Tax and duties	(348)	(393)	(17)	(758)
Other operating income and expenses	259	387	(428)	219
CURRENT EBITDA	**2,895**	**1,778**	**(1,331)**	**3,342**
% revenue	*8.0%*	*8.4%*	*n/s*	*5.8%*
Depreciation, amortization and provisions (net of reversals)	(4,154)	(2,944)	(75)	(7,174)
INCOME FROM ORDINARY ACTIVITIES	**(1,259)**	**(1,166)**	**(1,406)**	**(3,832)**
% revenue	*-3.5%*	*-5.5%*	*n/s*	*-6.7%*
Payment in shares	-	-	(269)	(269)
Restructuring costs	(2,311)	(844)	(91)	(3,246)
Amort. of intangible assets recognized at FV during acquisitions	(666)	(99)	-	(765)
Exceptional provisions for impairment of asset values	(6,116)	(281)	-	(6,397)
Other	(151)	(3)	(104)	(258)
SUB-TOTAL OTHER OPERATING ELEMENTS	**(9,245)**	**(1,227)**	**(464)**	**(10,935)**
Group share of the earnings of affiliated companies	-	9	-	9
OPERATING INCOME	**(10,504)**	**(2,383)**	**(1,871)**	**(14,758)**
% revenue	*-29.2%*	*-11.3%*	*n/s*	*-25.8%*
R&D expenses capitalized over the period	1,101	15	-	1,116
Other property, plant and equipment and intangible investments	369	824	2,749	3,942

The Group implemented restructuring measures in 2020. Restructuring costs of the "Product" division mainly relate to the transfer of two subsidiaries to a new site in CHAVANOD instead of three separate buildings (around €0.5 million euros). In the Systems division, a reorganization of the design and manufacture of printers was launched, involving the departure of personnel, transfers of personnel between the Group's sites and the scheduled closure of the Les Mureaux site (in the order of €2 million, part of which in the form of a provision for expenses, partially reversed in the financial year, see Note 11).

In the context of the health crisis, the Group had also successfully carried out demanding impairment tests during the summer of 2020. As part of these impairment tests, the Group had recorded that provisions for asset impairment losses mainly relate to intangible assets for an amount of €4.7 million (€2.4 million for R&D and 2.3 million for an intangible asset recognized at fair value as part of an acquisition), a provision for inventory of older generation machines of €1.2 million and right-of use assets for an amount of €0.6 million (in respect of an under-used machine and building).

3.2 Reconciliation of the segment assets and liabilities

The segment assets refer to the current assets used in operations (inventories, receivables, advances from suppliers, other operating debtors such as social and tax receivables), the property, plant and equipment and intangible assets (including the goodwill); the segment liabilities refer to supplier and other operating liabilities, accrued liabilities, customer advances, warranty provisions and costs related to goods and services sold.

The total segment assets and liabilities are reconciled as follows with the total assets and liabilities of the Group:

2021 financial year

(in thousands of euros)	Systems	Products	Structure	Disposals	Consolidated
Segment assets	54,737	34,445	10,661	(8,040)	91,803
Deferred tax assets	(111)	158	1,448	-	1,496
Tax receivables payable	-	120	1,681	-	1,802
Other current and non-current assets	7,946	486	10,953	(17,735)	1,650
Cash and cash equivalents	10,587	3,322	3,008	-	16,917
TOTAL CONSOLIDATED ASSETS	**73,159**	**38,532**	**27,752**	**(25,775)**	**113,668**
Assets segment liabilities	13,856	7,596	2,061	(3,563)	19,950
Long-term provisions	213	721	15		949
Long-term debt	1,174	2,989	12,169	(580)	15,752
Lease liabilities	3,842	6,824	740	(3,929)	7,477
Other current and non-current liabilities	7,743	7,141	6,864	(17,759)	3,990
Deferred tax liabilities	538	-	-	-	538
Tax liabilities payable	144	17	-	-	161
TOTAL CONSOLIDATED LIABILITIES*	**27,509**	**25,288**	**21,848**	**(25,830)**	**48,816**

* *Total liabilities less equity and non-controlling interests.*

2020 financial year

(in thousands of euros)	Systems	Products	Structure	Disposals	Consolidated
Segment assets	53,191	25,901	7,906	(2,273)	84,725
Deferred tax assets	(401)	240	1,435	-	1,274
Tax receivables payable	728	-	1,363	-	2,091
Other current and non-current assets	1,686	422	8,978	(10,268)	818
Cash and cash equivalents	8,801	3,997	9,703	-	22,500
TOTAL CONSOLIDATED ASSETS	**64,005**	**30,560**	**29,385**	**(12,541)**	**111,409**
Assets segment liabilities	13,582	6,298	1,787	(2,244)	19,423
Long-term provisions	174	937	9	-	1,120
Long-term debt	1,366	3,200	12,206	-	16,773
Lease liabilities	3,931	3,603	39	-	7,572
Other current and non-current liabilities	9,044	2,271	1,299	(10,298)	2,316
Deferred tax liabilities	447	-	-	-	447
Tax liabilities payable	371	-	-	-	371
TOTAL CONSOLIDATED LIABILITIES*	**28,913**	**16,309**	**15,340**	**(12,541)**	**48,021**

* *Total liabilities less equity and non-controlling interests.*

3.3 Revenue by geographical area

2021 financial year

(in thousands of euros)	France	%	Europe	%	North America	%	Other	%	Total	%
Systems	23,266	52%	12,654	72%	5,711	97%	2,286	97%	43,917	62%
Products	21,836	49%	4,842	28%	161	3%	72	3%	26,910	38%
Structure and disposals	(183)	0%	-	-	-	-	-	-	(182)	0%
TOTAL	**44,920**	**100%**	**17,495**	**100%**	**5,872**	**100%**	**2,358**	**100%**	**70,645**	**100%**
%	**64%**		**25%**		**8%**		**3%**		**100%**	

2020 financial year

(in thousands of euros)	France	%	Europe	%	North America	%	Other	%	Total	%
Systems	19,700	52%	10,057	78%	4,371	96%	1,849	90%	35,977	63%
Products	18,062	48%	2,868	22%	200	4%	-	-	21,130	37%
Structure and disposals	(110)	-0%	-	-	-	-	209	10%	99	0%
TOTAL	**37,653**	**100%**	**12,925**	**100%**	**4,571**	**100%**	**2,058**	**100%**	**57,206**	**100%**
%	**66%**		**23%**		**8%**		**4%**		**100%**	

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Note 4 Operational data

4.1 Income recognition

The Systems division produces and markets various ranges of 3D printers and related materials for its customers and distributes and integrates 3D design software. For its part, the Products division produces 3D printed parts for its customers on demand. It develops and markets healthcare applications (chiropody, dental, audiology) sold directly to healthcare professionals.

The Group now applies IFRS 15 regarding the recognition of revenue from contracts with customers. Its revenues mainly consist of sales of goods, but also of provision of services and project completion revenues. Revenue relating to service contracts is recognized according to the percentage of completion method, with the client benefiting from such services as they are performed. The Group applies the percentage of completion by cost (the percentage of completion is equal to the ratio between the costs recognized to date and the estimated total costs).

The backlog corresponds to the amount of customer contracts for which revenue has not yet been recognized. The Group expects the December 2021 backlog to be consumed within 12 months.

The Group's revenue grew strongly in eight years, going from €5.0 million in 2014 (*pro forma* integrating PRODWAYS) to €70.6 million in 2021. After uninterrupted growth from 2014 to 2019, partly linked to external growth operations, the Group experienced a decline in 2020, in the context of the health crisis. Over the financial year, the Group posted revenue of €70.6 million, up by 23%, or 20% on a like-for-like basis compared to 2020.

4.2 Other operating income

Other income from the activity consists mainly of public subsidies and research tax credit (RTC).

These subsidies and research tax credits (RTC), which partially or totally cover the cost of an asset, are recognized in the income statement at the same rate as the asset's depreciation.

Over the 2021 financial year, the research tax credit for the period stood at €0.3 million, including €0.2 million recognized directly in deferred income and €0.1 million recognized in the income statement. The research tax credit from previous years recorded in deferred income was also recognized for €0.1 million in the income statement in 2021.

The income thus deferred shown in liabilities included €0.3 million in research tax credits (see Note 4.7).

(in thousands of euros)	2021	2020
Subsidies	1,723	42
Research tax credit	214	855
TOTAL OF OTHER INCOME FROM THE BUSINESS	**1,937**	**897**

The Group has been awarded a €3.3 million grant, named Futur 3D, as part of the economic recovery plan. The beneficiary companies are PRODWAYS (€2.6 million), INITIAL (€0.4 million) and PRODWAYS RAF (€0.3 million). The grant was recognized as income in the amount of the expenses recognized for the financial year taking into account a financing rate of 25%, *i.e.* €0.4 million.

SOLIDSCAPE benefited from a debt write-off from the US federal government (for the equivalent of €0.9 million).

The tax credits recognized on the income statement and which were not able to be offset against tax to be paid are shown on the asset side of the consolidated statement of financial position, in the item "Tax receivables payable". They amounted to €1.8 million, of which €1.4 million in research tax credit and €0.4 million in tax credit for competitiveness and employment (see Note 9.1.1).

4.3 Net depreciation, amortization and provisions

(in thousands of euros)	**2021**	**2020**
DEPRECIATION, AMORTIZATION AND PROVISIONS		
Other intangible assets	(679)	(1,332)
Property, plant and equipment	(1,911)	(2,024)
Rights of use	(2,118)	(2,566)
SUBTOTAL	**(4,707)**	**(6,448)**
CHARGES TO PROVISIONS, NET OF REVERSALS		
Inventory and work in progress	64	(667)
Current assets	430	(276)
Liabilities and expenses	(278)	(309)
SUBTOTAL	**216**	**(1,251)**
TOTAL DEPRECIATION, AMORTIZATION AND PROVISIONS	**(4,491)**	**(7,174)**

Significant asset impairments were recorded in 2020. These impairments were recognized in the income statement as part of "Other items of operating income" (see Note 3.1).

4.4 Inventories and work in progress

Inventories of raw materials and semi-finished and finished goods are valued at the lower of their acquisition cost or their estimated net realizable value. The cost price is calculated using the FIFO or weighted average cost method.

The methods for valuing and impairing work in progress are tailored to the context of each consolidated company. However, the valuation principles generally accepted in the field are followed, including:

- work in progress is valued at direct and indirect production costs, excluding all sales and financial costs;
- hourly production rates are based on normal activity excluding any sub-activity cost;
- when, based on the forecast revenue and cost estimates, a termination loss is probable, said loss is covered by an impairment provision for the portion included in work in progress and a provision for liabilities and expenses for the part of the costs yet to be committed.

Movements in inventories in the consolidated statement of financial position are as follows:

	2021			**2020**		
(in thousands of euros)	**Gross value**	**Depreciation**	**Net value**	**Gross value**	**Depreciation**	**Net value**
Raw materials	3,565	(512)	3,054	2,710	(481)	2,229
Work in progress	650		650	1,027	-	1,027
Semi-finished and finished goods	1,500	(73)	1,427	1,708	(158)	1,550
Goods	3,210	(1,839)	1,371	3,550	(2,076)	1,474
TOTAL INVENTORIES AND WORK IN PROGRESS	**8,926**	**(2,424)**	**6,502**	**8,994**	**(2,714)**	**6,280**

4.5 Trade receivables, contract assets and liabilities

Trade receivables are invoiced receivables entitling the issuer to payment.

(in thousands of euros)	**2021**	**2020**
Trade receivables	12,798	11,007
Provisions for expected losses	(623)	(1,053)
TRADE RECEIVABLES, NET VALUES	**12,175**	**9,954**

Trade receivables are impaired according the IFRS 9 simplified approach. As soon as they arise, trade receivables would be impaired for their expected losses over their remaining term.

Credit risk assessment of trade receivables is carried out for each customer. Provisions for expected losses are thus assessed by using the default history of comparable customers, the aged balance of the receivables and the Group's assessment of credit risk for each receivable. When it is certain that the receivable will not be collected, the receivable and its impairment are transferred to losses in the income statement.

The Group as a whole is not over-reliant on any one customer, as can be seen from the percentage of consolidated revenue generated from each of the top five customers (for each of the top five customers in 2021, the percentage of 2020 revenue generated from such client is also indicated):

	2021	2020
• Customer A:	3.6%	2.1%
• Customer B:	1.9%	-
• Customer C:	1.7%	-
• Customer D:	1.3%	-
• Customer E:	1.3%	-

In 2021, the top five customers accounted for 10% of the Group's revenue (compared to 7% in 2020). The Group's top 25 customers accounted for 23% of revenue in 2021 (19% in 2020).

The risk of customer default is the main credit risk to which the Group is exposed. The Group has implemented a policy of monitoring its credit risk at all of its subsidiaries.

Overdue trade receivables for which there is no provision were €4.0 million, and are broken down as follows:

Overdue *(in thousands of euros)*	2021	(in%)	2020	(in%)
Trade receivables not yet due	8,138	67%	7,064	71%
<one month overdue	2,562	21%	1,888	19%
one-two months overdue	395	3%	270	3%
two-three months overdue	294	2%	264	3%
>three months overdue	787	7%	467	5%
NET TRADE RECEIVABLES	**12,175**		**9,954**	

Of the total receivables, almost €1.9 million has been paid as at 14 March 2022. The Group is not aware of additional difficulties which might justify a provision.

"Contract assets" and "Contract liabilities" are determined on a contract-by-contract basis. "Contract assets" correspond to contracts in force for which the value of created assets exceeds the advances received. "Contract liabilities" correspond to all contracts in a situation where the assets (receivables in progress) are less than the liabilities (advances from clients and deferred income recorded when the invoices issued exceed the revenue recognized to date).

The backlog (revenue to be recognized) is indicated by division in Note 3.1.

(in thousands of euros)	2021	2020
Work in progress (A)	-	-
Stage (B)	20	-
CONTRACT ASSETS (A) + (B)	**20**	**-**

(in thousands of euros)	2021	2020
Down-payments received (A)	1,585	447
Deferred income (B)	-	-
CONTRACT LIABILITIES (A) + (B)	**1,585**	**447**

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4.6 Other current assets

(in thousands of euros)	2021 Gross value	2021 Depreciation	2021 Net value	2020 Net value
Advances and down-payments made	75	-	75	86
Other receivables	644	-	644	5
Social and tax receivables	1,323	-	1,323	1,346
Prepaid expenses	1,006		1,006	813
TOTAL OTHER CURRENT RECEIVABLES	**3,049**	**-**	**3,049**	**2,250**

4.7 Other current liabilities

(in thousands of euros)	2021	2020
Suppliers	9,155	8,741
Fixed asset suppliers	-	-
TOTAL TRADE PAYABLES	**9,155**	**8,741**
Advances and down-payments received	75	738
Social security liabilities	5,718	5,498
Tax liabilities	2,490	2,135
Miscellaneous debts	975	72
Deferred income	3,015	2,244
TOTAL OTHER CURRENT LIABILITIES	**12,273**	**10,686**

Trade payables are paid on their normal due dates, provided the services from the suppliers are fully completed and in the absence of litigation.

Deferred income includes subsidies and research tax credits that will be recognized in profit/loss as the corresponding assets are depreciated (€0.3 million, see Note 4.2).

4.8 Summary of leases

The Group implements IFRS 16 – *Leases* applicable since 1 January 2019.

The new standard on leases, IFRS 16 places more focus on controlling the leased asset. Under IFRS 16, the Group must recognize assets (corresponding to the rights of use of underlying assets) and lease liabilities with respect to its obligations to pay the rent due on all its leases. The value of the lease asset (right of use) and liability is measured initially at the discounted value of future lease payments, as well as estimated payments at the end of the lease. The lease term is defined on a lease-by-lease basis and corresponds to the firm commitment period, taking into account option periods that are reasonably certain to be carried out. The right-of-use asset is amortized over the remaining lease period. The Group applies the exemptions provided by the standard for leases with a term of 12 months or less, and for leases where the underlying asset has a low value when it is new. These lease payments are recognized directly as expenses.

The discount rates applied are based on the Group's marginal borrowing rates by type of asset. The average marginal rate used for the 2021 financial year is 1.01%.

Leases entered into by the Group and falling within the scope of this standard concern primarily:

- property leases;
- vehicle and other equipment leases.

The leases restated under IFRS 16 had a total statement of financial position value of €7.2 million and an impact on the net income statement, attributable to owners of the parent, of €352 thousand. With IFRS 16, the nature of the expenses related to leases has changed as the recognition of expenses on a straight-line basis in respect of leases has been replaced by an amortization expense for "Right-of-use assets" amounting to €2,118 thousand, without distinction between operating leases and finance leases, and by an interest charge for liabilities related to leases amounting to €85 thousand for 2021.

In 2020, impairment losses relating to a machine and underused buildings were recognized in the amount of €564 thousand. Over the financial year, reversals of provisions amounting to €322 thousand were recorded following the termination of several property contracts.

The movements during the half-year are detailed in the table below:

(in thousands of euros)	Property	Other property, plant and equipment	Prepaid payments	Total net assets	Lease liabilities on the liabilities side of the statement of financial position
AT 1 JANUARY 2021	**5,878**	**1,122**	**(37)**	**6,962**	**7,572**
New leases	948	541	-	1,489	1,491
Changes in scope	408	343	-	751	758
Amortization of rights of use	(1,420)	(698)	-	(2,118)	-
Impairment net of reversals of right-of-use assets	322	-	-	322	-
Interest expenses	-	-	-	-	85
Payments (lease expenses canceled)	-	-	(1)	(1)	(2,274)
Change in accrued interest	-	-	-	-	-
Disposals/revaluations	(196)	(80)	-	(275)	(236)
Currency translation adjustments	81	-	-	81	81
AT 31 DECEMBER 2021	**6,021**	**1,228**	**(38)**	**7,212**	**7,477**
of which lease liabilities due in less than one year					*1,779*
of which lease liabilities due in more than one year					*5,698*

The application of IFRS 16 therefore has a significant impact on EBITDA as defined by the Group (see Note 3.1), with no significant impact on operating income and even less significant on net income. 2021 EBITDA, amounting to €8,804 thousand for the period, would have amounted to €6,571 thousand without the application of IFRS 16.

4.9 Off-statement of financial position commitments related to operational activities

There are no significant commitments related to operational activities that are not shown in the financial statements.

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Note 5 Employee expenses and benefits

5.1 Workforce

	31/12/2021	31/12/2020
Total workforce	460	466
Average workforce	468	483

At 31 December 2021, approximately 25% of the total workforce was based abroad.

5.2 Employee expenses and benefits

The employee benefits are estimated in accordance with the revised IAS 19. They are broken down between short-term and long-term benefits.

The employees of the Group receive short-term benefits such as holiday pay, sickness pay, bonuses and other benefits (other than contract termination payments) payable within the 12 months following the end of the period during which the employees provided the corresponding services.

These benefits are recognized in current liabilities and recorded in the expenses in the year in which the service is provided by the employee.

The long-term benefits cover two categories of employee benefit:

- the post-employment benefits, which include the allowance paid on retirement;
- the other long-term benefits (during employment), which mainly concern long service awards.

The various benefits offered to each employee depend on the local legislation and the conventions and agreements in effect in each Group company.

Employee benefits expense includes the following items:

(in thousands of euros)	2021	2020
Salaries and benefits	(21,400)	(19,012)
Social security contributions	(6,852)	(6,137)
Profit sharing and incentive schemes	(4)	-
Other*	(166)	(132)
TOTAL	**(28,422)**	**(25,280)**

* *Mainly includes contributions to the Works Council, the occupational physician and meal vouchers.*

5.3 Provisions for pensions and similar commitments

The Group makes provisions for post-employment benefits (retirement pay) and long-term employee benefit plans (awards). The cost of retirement and related benefits (awards) is provisioned for the remaining obligations. It is estimated for the entire workforce on the basis of accrued rights and a projection of current salaries, taking into account the risk of mortality, staff turnover and a discounting assumption.

The discount rates are determined by reference to the yields on bonds issued by first class corporations over terms equivalent to those of the commitments on the date of valuation.

Actuarial variances are generated where differences are recorded between the actual data and the forecasts made previously, or due to changes in actuarial assumptions. The actuarial variances generated are recognized in the overall income statement, net of deferred taxes.

The expense recognized in the income statement includes:

- the costs of services provided during the financial year, the cost of past services, as well as any effects of any reduction or liquidation of the scheme;
- the net interest expense on bonds and hedging assets.

The provision for claims is updated annually on the basis of the prevailing fee schedules, changes to the assessment base, staff turnover and mortality assumptions and discount rates.

The main parameters used for the year are as follows:

- departure at the employee's initiative (voluntary departure);
- calculation of compensation under the collective agreement in force in each of the companies (metallurgy, SYNTEC, etc.);
- assumed retirement age 67;
- IBOXX discount rate in the euro zone 0.98% (0.40% in 2020);
- load rate between 40% and 45% depending on the entity;
- from one entity to another according to the type of activity, seniority and the average age of personnel;
- rate of revaluation of the salary calculation bases: differs from one entity to another according to various factors;
- INSEE mortality table 2016-2018.

The new IFRIC regulations came into force during the financial year. This change in the method of calculating commitments relating to certain defined benefit plans had an impact of -€165 thousand recognized in equity.

Change in the obligation *(in thousands of euros)*	**2021**	**2020**
OPENING PROVISION	**1,120**	**1,060**
Impact of IFRIC IAS 19 decision(1)	(165)	-
RESTATED PROVISION	**954**	**1,060**
Cost of services provided for the period	122	179
Interest on discounting	4	8
Cost of services provided	-	-
First consolidation/(deconsolidation)	-	-
Profit/(loss) relating to liquidation or curtailment(2)	-	(139)
Actuarial losses/(gains) generated on the obligation	(7)	30
Benefits paid	(125)	(19)
PROVISION RECOGNIZED AT CLOSING	**948**	**1,120**

(1) Please see Note 1.2.

(2) Mainly concerns reversals of provisions related to the restructuring plan in 2020.

With respect to retirement and other post-employment benefits, a 0.5-point rise in the discount rate would decrease the amount of the obligation by approximately €90 thousand. An equivalent decline would increase the obligation by €101 thousand.

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5.4 Share-based payments (stock options, stock purchase warrants, free share allocation)

Certain employees of the Group receive a remuneration in equity instruments, for which the payment is based on shares. The costs of the free share award schemes, share subscription warrants or options are recognized in other items of operating income. This expense, which corresponds to the fair value of the instrument issued, is spread over the vesting period for the rights, counterbalanced by a corresponding adjustment to the shareholders' equity. The Group periodically re-examines the number of potential shares. Where applicable, it recognizes the consequences of the revision of its estimates in the income statement.

PRODWAYS GROUP set up free share allocation plans in 2016, 2019 and 2021.

On 1 February 2021, the Board of Directors of PRODWAYS GROUP approved two new free share plans (one collective and one selective). Under these plans, 550,550 PRODWAYS GROUP shares could be created depending on the presence and performance conditions for the 2021 to 2022 financial years. To date, 291,988 potential shares have been canceled due to the departure of beneficiaries.

New PRODWAYS GROUP shares for which the vesting conditions were met were vested in April 2019 (261,900 shares from the 2016 plans) and in February 2021 (186,408 shares from the 2019 plans).

The fair value of free shares is calculated using valuation models. Changes to values subsequent to grant dates are without impact on the initial valuation of the shares; the number of potential shares considered to value the plans is adjusted at each reporting date to take into account probabilities of achievement of the continued employment and performance objectives by the beneficiaries.

The potential value of the shares likely to be created taking into account the objectives and departures is €1,058 thousand for the two plans in force (January 2019 and February 2021), an expense of €578 thousand (excluding social security contributions) was recognized during the financial year (total expense of €1,125 thousand).

Free share allocation plans*	Free share allocation 02/2021 PRODWAYS	Free share allocation 01/2019 PRODWAYS
Original number of recipients	371	446
Support share	PRODWAYS GROUP	PRODWAYS GROUP
Potential number of shares	550,550	802,800
Final allocations in the year/cancellations	- / 291,988	186,408/282,564
Cumulative final allocations/cancellations	- / 291,988	186,408/493,289
Potential share balance	258,562	123,103
Date of establishment	February 2021	January 2019
Start of the vesting period	February 2021	January 2019
End of the vesting period	February to July 2023	February 2021 to February 2023
End of the lock-up period	February to July 2023	February 2021 to February 2023
Total expense recognized *(in thousands of euros)* excluding social charges	262	863
Potential value of the shares *(in thousands of euros)*	667	390

* *Last five years.*

5.5 Compensation of executives and related parties

5.5.1 Executive compensation

In 2021, the members of the Board of Directors of PRODWAYS GROUP received Directors' fees for a total amount of €25,000.

The Chairman was paid in part by PRODWAYS GROUP and in part by GROUPE GORGÉ, the controlling company, until the end of 2021. In 2021, GROUPE GORGÉ paid him total gross compensation of €297,709 (€225,000 in fixed compensation, €63,000 in variable compensation for 2020 and €9,709 in benefits in kind). In 2021, PRODWAYS GROUP paid him total gross compensation of €91,812 (€75,000 in fixed compensation and €16,812 in variable compensation for 2020). The variable compensation of the Chairman for 2021 was set on 16 March 2022 at €31,125 (Board of Directors of GROUPE GORGÉ) and at €25,000 (Board of Directors of PRODWAYS GROUP). The Board of Directors of GROUPE GORGÉ also allocated him exceptional remuneration of €100,000.

PRODWAYS GROUP paid the Chief Executive Officer total gross compensation of €191,429 in 2021 (€110,857 in fixed compensation, €74,117 in variable compensation for 2020 and €6,455 in benefits in kind). The Chief Executive Officer left the Company in July 2021 and no variable compensation is granted to him for 2021.

5.5.2 Related parties

Related parties are persons (Directors, managers of PRODWAYS GROUP or of its principal subsidiaries) or companies owned or managed by such persons (except for subsidiaries of PRODWAYS GROUP). The following transactions with related parties conducted during the year have been identified in the PRODWAYS GROUP financial statements:

(in thousands of euros)	GROUPE GORGÉ	GROUPE GORGÉ's subsidiaries
INCOME STATEMENT		
Revenue	-	288
Other income	9	-
Purchases and external charges	(627)	(3)
Financial result	(2)	-
Exceptional income	-	-
STATEMENT OF FINANCIAL POSITION		
Trade accounts receivable	-	-
Deposits and guarantees	-	-
Suppliers	-	-
Prepaid expenses	-	-

GROUPE GORGÉ was the main shareholder of PRODWAYS GROUP until the end of 2021. The company is chaired by Mr. Raphaël GORGÉ, Director and Chairman of PRODWAYS GROUP.

Note 6 Intangible assets and property, plant and equipment

6.1 Goodwill

Goodwill is initially recognized at the time of a combination of businesses as described in Note 2.1.

Goodwill corresponds to the difference between the cost of an acquisition and the fair value of the Group's share in the identifiable net assets acquired. Positive differences are recognized under "Goodwill" on the assets side of the statement of financial position, while negative differences are recognized directly in the income statement. The goodwill is assigned to one of the Cash Generating Units (CGU). The profit/loss on disposal of the activity of a CGU takes into account the goodwill related to the transferred activity based on the relative values of the activity transferred and the share of the CGU retained.

Goodwill may be adjusted in the 12 months following the acquisition date to reflect the final calculation of the fair value of the assets and liabilities acquired.

Subsequent to their initial recognition, they are not amortized but are the subject of an impairment test on the appearance of indications of loss of value, and at least once a year. The impairment test procedures carried out in 2020 and 2021 are described in Note 6.4.

Net value *(in thousands of euros)*	**2021**	**2020**
At 1 January	**38,094**	**38,094**
First consolidation*	3,737	-
Deconsolidated	-	-
Other changes	-	-
Impact of changes in exchange rates	-	-
At 31 December	**41,831**	**38,094**
Of which depreciation at 31 December 2021	**-**	**-**

* *First consolidation in 2021 concerns the acquisition of CREABIS in the Products division.*

Goodwill breaks down as follows:

• Products	37%
• Systems	63%

6.2 Other intangible assets

Intangible assets acquired separately are recognized in the statement of financial position at their acquisition cost. They are subsequently measured at amortized cost, as recommended by IAS 38 – *Intangible Assets*. Intangible assets acquired in a business combination are recognized in the statement of financial position at their fair value, determined on the basis of external valuations. These valuations are performed using generally accepted methods, based on future inflows. The value of intangible assets is tested on a regular basis for impairment.

Intangible assets, with the exception of brands, are amortized on a straight-line basis over their useful life, taking into account the period of legal protection, if applicable.

The value of amortized intangible assets is tested when there is any indication that their recoverable amount may be less than their carrying amount. The impairment losses resulting from the valuation tests are recognized as "Other items of operating income".

Intangible assets acquired due to business combinations are not amortized when their lifetimes are indeterminate. The criteria for deciding whether or not the lifetimes of these intangible assets is indeterminate, and where applicable, for deciding their lifetimes, are the following:

- reputation of the asset;
- longevity of the asset according to the strategy for including it in the Group's portfolio of activities.

The values of intangible assets with indeterminate lifetimes are tested at least once a year, as soon as an impairment index is identified. Where applicable, exceptional write-downs are recognized.

Fixed assets generated internally, concerning mainly expenses for development of new projects. They are capitalized where the following criteria are strictly fulfilled:

- the technical feasibility necessary for the completion of the intangible asset with a view to its commissioning or its sale;
- the intention to complete the intangible asset and to commission it or to sell it;
- the ability to use or sell the intangible asset;
- the way in which the intangible asset will generate probable future economic benefits. The entity must demonstrate, among other things, the existence of a market for the production from the intangible assets or for the intangible assets itself or, if the latter has to be used internally, its utility;
- the availability of technical, financial and other resources necessary to complete the development and to commission or sell the intangible assets;
- the capacity to reliably estimate the expenses attributable to the intangible asset during its development.

Development costs that do not meet these criteria are expensed in the period in which they are incurred. This is notably the case for research and development work that may be carried out in connection with customer orders where the costs cannot be separated from the costs involved in fulfilling the order.

Capitalized development projects are depreciated over the lifetime of the underlying technology, generally between three and 15 years from their date of completion or market launch.

The development expenses are tested for impairment each time there is an indication of impairment.

(in thousands of euros)	**Development projects**	**Other intangible assets**	**Total**
Gross value			
At 1 January 2021	**14,915**	**12,436**	**27,351**
Acquisitions	1,352	208	1,559
Changes in scope	-	502	502
Departures	-	(56)	(56)
Other changes	(238)	231	(7)
Impact of changes in exchange rates	255	132	387
At 31 December 2021	**16,283**	**13,454**	**29,737**
Depreciation, amortization and impairment			
At 1 January 2021	**11,548**	**5,914**	**17,462**
Depreciation and amortization	586	804	1,389
Changes in scope	-	-	-
Impairment losses net of reversal	-	-	-
Departures	-	(7)	(7)
Other changes	(202)	(36)	(238)
Impact of changes in exchange rates	59	39	99
At 31 December 2021	**11,991**	**6,714**	**18,704**
Net value			
At 1 January 2021	3,367	6,523	9,889
AT 31 DECEMBER 2021	**4,293**	**6,740**	**11,033**

Intangible assets are tested for impairment in accordance with the procedures indicated in Note 6.4.

R&D policy

In order to maintain and develop competitive advantages, the Group maintains a high level of investment in research and development. The Group sometimes files patents if this can protect technical, technological or commercial progress.

In 2021, the research and development efforts concerned both divisions.

The Group's research and development has been primarily focused on the following areas over the past three years:

- continued development of the DLP – MOVINGLight® polymerization technology;
- the development of a 3D printer for selective laser sintering of plastic powders;
- continued developing of new additive manufacturing printing materials in the photosensitive resin and plastic polymer powders families;
- developing a digital impression process for feet and 3D printing tracking software system for orthopedic insoles;
- the Rapid Additive Forging (RAF) technology which is used for 3D printing of large metal parts.

The R&D work in progress pertains primarily to the following areas:

- development of new materials;
- continued development of our solutions for the healthcare sector, orthopedic insoles and new products for hearing aids or hearing protectors and the Rapid Additive Forging (RAF) technology;
- continued innovation in our range of powder sintering 3D printers;
- development of the next ranges and generations of MOVINGLight® 3D printers;
- development of a new printer range for the jewelry market (SOLIDSCAPE);
- development of cloud and digital solutions for the management of printers, 3D files and the automation of the associated processing.

The R&D expenditure amounted to some €2.94 million in 2021. The R&D expenditures evolved as follows:

(in millions of euros)	**2021**	**2020**
Capitalized research and development	1.35	1.12
Research and development recognized as an expense	1.59	1.80
TOTAL EXPENDITURE ON RESEARCH AND DEVELOPMENT	**2.94**	**2.92**
Total research and development as% of revenue	4.2%	5.1%
Tax credits for the financial year	0.32	0.32
Research and development net of tax credits	2.62	2.60

To finance its investments, the Group systematically seeks external financing (BPIFRANCE, FUI, Europe, Regions, etc.) and uses the research tax credit. All subsidiaries of the Group obtained research tax credits for a total of €0.3 million, half of which is recognized in deferred income and will contribute to future profit/loss.

R&D expenditure is virtually solely internal costs and it is very rare that R&D work is sub-contracted.

6.3 Property, plant and equipment

Property, plant and equipment primarily comprises land, buildings and production equipment, and is recognized at purchase cost, less accumulated depreciation and any impairment losses, as recommended by IAS 16 – *Property, Plant and Equipment*.

Each component of an item of property, plant and equipment with a useful life that differs from that of the item as a whole, is depreciated separately on a straight-line basis, without taking into account the residual values. The useful lives of items of property, plant and equipment are generally considered to be the following:

- buildings: ten to 35 years;
- technical facilities, equipment and tools: three to ten years;
- other: three to 12 years.

The useful life of items of property, plant and equipment used in operating activities reflect the estimated life cycles of the products. The useful life of items of property, plant and equipment are reviewed periodically, and may be adjusted prospectively, if appropriate.

Depreciation is expensed in the year incurred.

Property, plant and equipment are tested for impairment when there is an indication that they may be impaired. If necessary, an additional impairment is recognized in the income statement under "Other items of operating income".

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(in thousands of euros)	**Land and buildings**	**Fixtures and equipment**	**Rights of use – property**	**Rights of use – other assets**	**Non-current assets in progress**	**Total**
Gross value						
At 1 January 2021	**6,498**	**18,647**	**8,892**	**3,055**	**358**	**37,450**
Acquisitions	676	836	948	541	96	3,097
Changes in scope	-	326	730	576	-	1,632
Departures	(5)	(556)	(821)	(364)	-	(1,745)
Other changes	15	(86)	(2)	-	(231)	(303)
Impact of changes in exchange rates	18	213	127	-	12	370
At 31 December 2021	**7,203**	**19,381**	**9,874**	**3,808**	**235**	**40,501**
Depreciation, amortization and impairment						
At 1 January 2021	**796**	**14,620**	**3,014**	**1,932**	**-**	**20,365**
Depreciation and amortization	353	1,598	1,420	698	-	4,068
Changes in scope	-	-	322	233	-	555
Impairment losses net of reversal	-	431	(322)	-	-	109
Departures	(5)	(538)	(627)	(285)	-	(1,454)
Other changes	5	(211)	-	1	-	(206)
Impact of changes in exchange rates	17	186	46	-	-	249
At 31 December 2021	**1,167**	**16,086**	**3,853**	**2,580**	**-**	**23,686**
Net value						
At 1 January 2021	5,701	4,027	5,877	750	358	17,085
AT 31 DECEMBER 2021	**6,036**	**3,295**	**6,021**	**1,228**	**235**	**16,815**

6.4 Impairment losses on non-current assets

Open-ended non-current assets are not amortized and are tested for impairment at each reporting date. These assets consist of goodwill. Goodwill impairment losses are irreversible.

Open-ended non-current assets are tested for impairment at each reporting date. Amortized assets are tested for impairment when, due to special events or circumstances, the probability of recovering their carrying amount comes into question. The appearance of impairment factors specific to certain assets other than goodwill, and notably R&D assets, may be a reason for a test and justify write-downs of these assets independent of an impairment test by the CGU to which they until then belonged. These impairment factors may be related either to internal factors (for example, change in the management's assessment of the ability to complete an R&D project or concerning the costs necessary for this) or to external events (for example change in commercial prospects). The sum of these factors influences management's appraisal, asset by asset, of whether or not there are any future economic benefits or what those future economic benefits are. For non-current assets that are impaired, the possible recovery of the impairment is reviewed on each reporting date.

For the purposes of measuring impairment, assets are grouped into cash-generating units (CGUs), which represent the lowest level of unit generating separate cash flows.

Impairment is accounted for to match the surplus of the carrying amount over the recoverable amount of a CGU. The recoverable amount corresponds to the higher of the fair value less costs to sell and the value in use, calculated using the discounted future cash flow method.

The CGU adopted in the Group's current configuration and organization are Systems and Products.

Process for the impairment tests

Impairment tests on all intangible assets and property, plant and equipment did not result in the recognition of any impairment losses.

The value in use is calculated using the discounted future cash flow method. The discount rate adopted corresponds to the Weighted Average Cost of Capital (WACC) calculated with the rates of the ten-year OAT (risk-free rate), a market risk premium and a *ßeta* calculated according to the Company's share price and changes to the CAC40 index. After-tax cash flows are projected conservatively over the forecast period of the business in question (six years), plus an extrapolated value and a terminal value with a growth assumption of 3%.

The key operating assumptions used include assumptions about the level of activity that are estimated to be conservative. We anticipate strong growth in business activity for the Systems CGU (due to increases in machine sales after enlarging the range, especially smaller machines, and the dissemination of production processes technology). Strong growth in sales of material and services (maintenance) is also forecasted. This growth is linked to the number of installed machines (there is a multiplier effect because each installed machine consumes material and requires regular maintenance).

For the Products CGU, the underlying trend in the sector is also steady growth.

The assumptions on rates of profitability include the optimization of production costs and, especially for the Systems CGU, better absorption of fixed costs. Lastly, in order to support the development of activities, a sustained level of investment (R&D) and a working capital requirement are planned to be maintained at a high level and which could be improved.

The discount rates calculated at the end of 2021 were 10.8%, including risk premiums.

The tests performed take into account the measurement of the sensitivity of key assumptions (including operational ones) used for calculating the recoverable value (discount rate of +/-1.0 point, perpetual growth rate of +/-1.0 point, EBITDA of +/-1.0 point). These sensitivity measurements are identical for each of the CGUs.

No impairment of goodwill was observed. Management does not believe that any reasonably possible change in the key assumptions used to calculate the recoverable value might lead to the carrying amount of a CGU being considerably higher than its recoverable value.

The CGUs and the discount rates used are therefore the following:

CGU	**Goodwill**	**Discount rates, including risk premiums**
Systems	26,351	10.8%
Products	15,481	10.8%
TOTAL	**41,831**	

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Note 7 Details of cash flows

7.1 Calculation of cash flow

(in thousands of euros)	**2021**	**2020**
NET INCOME FROM CONTINUING OPERATIONS	**552**	**(14,044)**
Allowances for/reversals of depreciation, amortization and provisions	4,628	14,256
Cancelation of capital gains and losses on treasury shares	53	(21)
Expense calculated related to share-based payments and equivalent	578	247
Earnings of equity-accounted companies	(79)	(9)
Capital gains and losses on disposals	(149)	140
Other	(911)	-
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	**4,672**	**568**

Current EBITDA is reconciled with the operating cash flow as follows:

(in thousands of euros)	**2021**	**2020**
CURRENT EBITDA	**8,804**	**3,342**
Cancelation of capital gains and losses on treasury shares	53	(21)
Capital gains and losses on disposals	(149)	140
Expense calculated related to share-based payments and equivalent	(30)	(23)
Appropriations and reversals concerning current assets	917	(2,491)
Other operating items excluding charges and reversals	(2,746)	(1,103)
Financial income excluding financial charges and reversals	(176)	(297)
Corporation tax	(1,054)	1,041
Other calculated expenses	(946)	(19)
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	**4,672**	**568**

7.2 Change in working capital

(in thousands of euros)	Notes	Start of the period	Changes in scope	Change over the year	Other movements*	Currency translation adjustments	Closing
Net inventories		6,280	189	49	(136)	120	6,502
Net receivables		9,954	402	1,779	-	41	12,175
Contract assets		-	-	20	-	-	20
Advances and down-payments		86	1	(12)	-	-	75
Prepaid expenses		813	12	170	(1)	11	1,006
SUBTOTAL	**A**	**17,133**	**604**	**2,006**	**(137)**	**172**	**19,778**
Trade payables		8,741	478	(107)	-	43	9,155
Contract liabilities		447	-	1,138	-	-	1,585
Advances and down-payments		738	-	(663)	-	-	75
Deferred income related to operations		2,011	-	636	-	30	2,677
SUBTOTAL	**B**	**11,937**	**478**	**1,004**	**-**	**73**	**13,493**
WORKING CAPITAL REQUIREMENT	**C = A - B**	**5,196**	**126**	**1,002**	**(137)**	**99**	**6,285**
Social and tax receivables		3,437	26	(339)	-	2	3,125
Other receivables		5		640	-	-	644
SUBTOTAL	**D**	**3,442**	**26**	**300**	**-**	**2**	**3,770**
Tax and social debts		8,003	185	152	-	38	8,378
Other payables and derivative instruments		72	525	211	-	157	965
Deferred income from subsidies and research tax credit		233	-	105	-	-	338
SUBTOTAL	**E**	**8,308**	**710**	**468**	**-**	**195**	**9,681**
OTHER ITEMS OF WORKING CAPITAL REQUIREMENT	**F = D - E**	**(4,866)**	**(684)**	**(167)**	**-**	**(194)**	**(5,911)**
WORKING CAPITAL REQUIREMENT	**G = C + F**	**330**	**(558)**	**835**	**(137)**	**(95)**	**374**

* *The "Other movements" column contains cash flows that do not generate cash movements or any reclassifications between items.*

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7.3 Acquisitions/disposals of investments

The cash flows recorded on the line "Acquisitions/disposals of equity holdings" relate to acquisitions or disposals of shares in subsidiaries on the occasion of a change of control.

(in thousands of euros)	**2021**	**2020**
Payments	(3,747)	-
Cash and cash equivalents of the acquired company	353	-
TOTAL	**(3,394)**	**-**

In 2021, the Group acquired CREABIS.

7.4 Other equity transactions

The cash flows recorded on the line "Other equity transactions" concern the acquisitions or disposals of securities of PRODWAYS GROUP or of companies controlled by PRODWAYS GROUP (flows that do not result in a change of control), as well as the cash flows related to purchases and sales of treasury shares under the PRODWAYS GROUP liquidity contract.

(in thousands of euros)	**2021**	**2020**
Proceeds	-	22
Payments	(43)	-
TOTAL	**(43)**	**22**

Note 8 Financing and financial instruments

8.1 Financial assets and liabilities

The financial assets and liabilities consist mainly of the following items:

- long-term financial liabilities, short-term loans and bank overdrafts which make up the gross financial debt (see Note 8.1.1);
- loans and other long-term financial assets and the cash and cash equivalents which are added to the gross financial debt to arrive at the net financial debt (see Note 8.1.2);
- lease liabilities measured according to IFRS 16 (see Note 8.1.3);
- derivative instruments (see Note 8.1.4);
- other financial assets and liabilities (see Note 8.1.5).

8.1.1 Gross financial debt

Gross financial debt includes long-term financial liabilities, short-term loans and bank overdrafts.

Financial liabilities consist primarily of current and non-current financial debt contracted with credit institutions as well as bonds. These liabilities are initially recognized at fair value, from which are deducted, if need be, any directly attributable transaction costs. They are then valued at amortized cost based on their actual interest rate.

Several new loans were subscribed during the financial year:

- in the United States, the SOLIDSCAPE subsidiary was able to benefit from a second loan from the Paycheck Protection Program (PPP) set up by the US government under the Coronavirus Aid, Relief and Economic Security Act (CARES), $1.1 million was collected in this respect in the first half of the year;
- additional financing of €0.25 million was set up as part of the Chavanod real estate program.

The first tranche of the financing received by SOLIDSCAPE under the PPP program ($1.1 million, of which $0.25 million received in 2021) benefited from a total abandonment by the US federal government in 2021. A request to abandon the second tranche, received in 2021 for $0.9 million, was made by the Company in September 2021.

State-guaranteed loans set up in 2020 (€8.4 million in total) are amortized over four years, in accordance with amendments drawn up in 2021.

Changes in borrowings and financial debt

(in thousands of euros)	Bank borrowings	Other borrowings	Financial debt	Bank overdrafts	Gross financial debt(2)
At 1 January 2021	16,568	183	16,750	22	16,773
New loans	1,208	-	1,208	20	1,228
Redemptions	(1,936)	(19)	(1,955)	(22)	(1,977)
Other changes(1)	(946)	-	(946)	-	(946)
First consolidation/deconsolidation	614	-	614	-	614
Impact of changes in exchange rates	60	-	60	-	60
AT 31 DECEMBER 2021	**15,568**	**164**	**15,732**	**20**	**15,752**

(1) Changes with no impact on cash flow, related to effective interest and accrued interest, as well as a debt write-off of $1.1 million from which SOLIDSCAPE benefited.

(2) Does not include the lease liability calculated in accordance with IFRS 16.

The "Other borrowings" include repayable advances received by the Group in respect of research and development in particular. These advances cannot be repaid, or only repaid partially according to the success of the operations on the basis of which they were granted.

Schedule of borrowings and financial debt

(in thousands of euros)	31/12/2021	<1 year	>1 year	Of which breakdown of maturities at more than one year: 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years
Bank borrowings	15,568	2,692	12,875	3,006	2,578	2,280	1,705	3,306
Other borrowings	164	9	155	9	9	9	9	120
LONG-TERM DEBT	**15,732**	**2,701**	**13,030**	**3,015**	**2,587**	**2,289**	**1,714**	**3,427**
Bank overdrafts	20	20	-	-	-	-	-	-
GROSS FINANCIAL DEBT	**15,752**	**2,721**	**13,030**	**3,015**	**2,587**	**2,289**	**1,714**	**3,427**

Borrowings of less than one year include €0.7 million of a US aid program that could potentially be converted into a grant or amortized over several years depending on future legislative provisions.

8.1.2 Net restated cash and cash equivalents

Cash and cash equivalents presented in the statement of financial position consist of cash in hand, bank accounts, term deposits of no more than three months and transferable securities meeting the criteria in IAS 7.

Accrued interest earned on term accounts is recorded under investment income.

(in thousands of euros)	31 December 2021	31 December 2020
AVAILABLE CASH AND CASH EQUIVALENTS (A)	**16,917**	**22,500**
Bank overdrafts (B)	20	22
Cash appearing on the CFS (C) = (A) - (B)	16,897	22,478
Financial debt excluding current bank overdrafts (D)	15,732	16,750
NET CASH (DEBT) (C) - (D)	**1,165**	**5,728**
Treasury shares	134	116
ADJUSTED NET CASH (NET DEBT) BEFORE IFRS 16	**1,299**	**5,844**

8.1.3 Lease liabilities valued according to IFRS 16

Lease liabilities valued according to IFRS 16 have changed as follows:

(in thousands of euros)	Lease liabilities
At 1 January 2021	**7,572**
New leases*	1,491
Redemptions	(2,188)
Disposals/revaluations and other changes*	(237)
First consolidation/deconsolidation	758
Impact of changes in exchange rates	81
AT 31 DECEMBER 2021	**7,477**

* *Non-cash changes related to accrued interest and revaluation of contracts.*

Schedule of lease liabilities

(in thousands of euros)	31/12/2021	<1 year	>1 year	Of which breakdown of maturities at more than one year: 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years
LEASE LIABILITIES UNDER IFRS 16	**7,477**	**1,779**	**5,698**	**1,342**	**1,138**	**951**	**683**	**1,585**

8.1.4 Derivative financial instruments

Composite financial instruments such as convertible bonds or bonds redeemable in shares are recognized in accordance with IAS 32, *i.e.* separate recognition of the bond component recorded as debt at amortized cost and of the share component recognized as equity (similar to selling a stock option). Related issuance expenses are recognized as equity and debt respectively in proportion to the proceeds of the issue.

The Group may use, if it deems it necessary, derivative financial instruments to hedge against foreign exchange rate risks associated with operations. These risks result essentially from sales made in US dollars. Corresponding future cash flows are partially hedged by firm or optional foreign exchange futures transactions. On initial posting, derivatives are recorded in the statement of financial position at their acquisition cost. They are then valued at their fair value calculated on the basis of market prices provided by the relevant financial institutions. The Group applies hedge accounting for foreign exchange transactions according to the criteria defined by IFRS 9. This is macro currency hedging, with changes in the fair value of the hedging instrument being recognized as income.

The Group uses swap or cap contracts to manage and operationally hedge changes in interest rates.

The derivative instruments used are economically matched too the maturities, rates and currencies of the loans hedged. These contracts imply the exchange of fixed and variable rates. The interest differential is recognized in financial income and expense by offsetting against interest to be received or paid as applicable. For these interest-rate instruments, the Group applies hedge accounting according to IFRS 9: the instruments are recognized at their acquisition cost then revalued at their fair value at the reporting date.

The Group's financial instruments are allocated to hedging future transactions (cash flow hedge). Therefore, treatment of the change in fair value is the following:

- the effective part of the change in fair value is recognized in hedging reserves until the actual completion of the planned transaction. When the planned transaction is completed, the amount recognized in equity is booked to profit (loss), the income or expense is corrected by the effective part of the gain or loss on the fair value of the hedging instrument;
- the ineffective part of the variation in fair value is recognized in financial income.

The fair value of swap contracts is evaluated according to the valuation techniques based on observable market data, in application of IFRS 7.

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8.1.5 Investments in associates and other non-current financial assets

The new IFRS 9 standard covers three main financial asset classifications, those valued at amortized cost, those valued at fair value through other comprehensive income and those valued at fair value through net income. Financial assets are classified according to the asset's economic holding model and the characteristics of its contractual cash flows.

Net value *(in thousands of euros)*	**2021**	**2020**
INVESTMENTS IN AFFILIATED COMPANIES	**1,213**	**1,134**
Loans	297	349
Deposits and guarantees	306	291
Non-consolidated holdings	212	212
Other long-term investments	-	5
OTHER FINANCIAL ASSETS	**815**	**857**

Breakdown of stakes in affiliated companies

The movements over the year are as follows:

(in thousands of euros)	**Start of the period**	**In**	**Income**	**Translation differences**	**Exit**	**Closing**
BIOTECH DENTAL SMILERS	1,134	-	79	-	-	1,213
TOTAL	**1,134**	**-**	**79**	**-**	**-**	**1,213**

Breakdown of non-consolidated investments

(in thousands of euros)	**Start of the period**	**In**	**Impairment losses**	**Equity effect**	**Other**	**Closing**
XD INNOVATION	209	-	-	-	-	209
Other	4	-	-	-	-	4
TOTAL	**212**	**-**	**-**	**-**	**-**	**212**

8.2 Financial income and expenses

On the one hand, financial income and expenses comprise interest income and expense related to the cost of net financial debt and, on the other hand, financial income and expenses.

Interest expenses correspond to the amount of interest recognized in respect of the financial debts and the interest income to the amount of the interest received from cash investments.

(in thousands of euros)	**2021**	**2020**
Interest expense	(122)	(177)
Interest expenses on lease liabilities	(85)	(105)
Income from other securities	2	2
Cost of net debt	**(206)**	**(280)**
Other interest income	(39)	(7)
Net exchange gain or loss	69	(11)
Financial allowances net of reversals	-	(30)
TOTAL FINANCIAL INCOME AND EXPENSES	**(176)**	**(327)**

8.3 Risk management policy

8.3.1 Liquidity risk

At 31 December 2021, the Group's cash amounted to €16.9 million. The Group also has a confirmed credit line, for which the available amount was €2.5 million on the reporting date.

The Group has the funding it needs and there are no loans essential to its activity being negotiated. The Group has no bank financing dependent on the rating of the Group nor significant concentration of credit risk.

The terms for the reimbursement of the main loans outstanding at the end of the year are the following:

Loan *(in thousands of euros)*	**Rate**	**Amount**	**Share capital remaining due**	**Date obtained / Maturity**
BNPP/CIC/LCL PGE	n/a	7,200	7,200	September 2020 / amortizable over four years from 2022
BNPP/CA/CE/CDN PGE	n/a	1,200	1,200	May 2020 / amortizable over four years from 2022
CE	1.29%	5,000	4,721	Real estate financing over 15 years from February 2021
BNP PARIBAS	0.57%	1,350	542	60 monthly payments starting in July 2018
BPIFRANCE	0%	1,400	210	22 quarterly instalments from June 2017
CRÉDIT AGRICOLE	0.55%	700	248	67 monthly payments starting in April 2018
CRÉDIT AGRICOLE	0.60%	700	84	67 monthly payments starting in February 2017
LCL	E3M +0.8%	2,500	-	RCF maturity December 2022, declining basis from June 2020

The BPIFRANCE loan is guaranteed by GROUPE GORGÉ (main shareholder until the end of 2021). This loan, as well as the revolving credit line (RCF, Revolving Credit Facility), carried a change-of-control clause which the Company requested be lifted in 2021 upon the loss of control of GROUPE GORGÉ.

Some loans have leverage covenants (net financial debt/current EBITDA). They are all complied with. The main loans of PRODWAYS GROUP and those of subsidiaries may include a "change of control" clause.

8.3.2 Interest rate risk

Generally, the Group's policy for managing interest rate risk is to examine on a case-by-case basis credit agreements concluded on the basis of a variable interest rate and to consider, with the help of its external financial advisors, whether it is opportune to use *ad hoc* financial instruments to hedge, where appropriate, identified rate risks. The Group has not identified any interest rate risk for the period.

Overdrafts and short-term loans (financing of trading receivables) are concluded at variable rates and therefore expose the Group to fluctuations in interest rates.

8.3.3 Foreign exchange risk

Foreign currency transactions are growing within the Group, particularly since the acquisition, in 2018, of SOLIDSCAPE. The share of foreign currency revenue by the Group's French companies remains limited, as the companies of the Products division denominate most of their export transactions in euros.

The Group's expenditure in dollars remains stable and is financed by an overdraft in dollars and growing sales in dollars. The increased sales in dollars will gradually permit the overdraft to be reduced. Moreover, the Group must develop a more elaborate policy for managing its foreign exchange risk, and will require an assessment of the risk of currency rate changes by the management on the advice of its banks.

Financial debt in foreign currencies is marginal; only a few foreign subsidiaries may have temporary bank overdrafts.

(in thousands of euros)	**USD**
Assets	1,858
Liabilities	4,456
Net position before management	**(2,599)**
Off- statement of financial position	-
Net position after management	**(2,599)**

A uniform change in exchange rates with a rise or fall of one cent (euro) against the major currencies could have an impact of €23 thousand on the net position, assuming a strict stability of assets and liabilities.

8.3.4 Market risk

PRODWAYS GROUP holds 45,458 treasury shares. These shares were acquired under liquidity contracts or in order to deliver shares when exercising rights attached to securities giving access to capital through redemption, granting stock purchase options to employees, cancelling all or some of the shares thus redeemed, delivering securities in payment or exchange in the framework of external growth transactions, or regulating the share price on the stock market.

The market value of the treasury shares held on 31 December 2021 stood at €0.134 million.

A uniform change of 10% in share prices could have an impact on equity of €13.4 thousand compared with the position at 31 December 2021.

The rest of the cash invested by the Group is in term deposits.

8.4 Off-statement of financial position commitments related to financing

8.4.1 Pledges of the issuer's assets

There is no collateral, guarantee or surety at the close of the 2021 financial year other than the pledging of assets to guarantee loans used to finance them.

8.4.2 Commitments received

PRODWAYS GROUP has a renewable credit line of €2.5 million, confirmed until December 2022. It had a change-of-control clause for which a waiver was obtained in 2021, and a financial covenant.

8.4.3 Other commitments

No other pledges, guarantees or sureties exist at the close of the 2021 financial year.

Note 9 Corporate income tax

9.1 Details of corporate income tax

The tax charge on net income includes the tax payable and the deferred taxes of the consolidated companies.

The taxes related to items recognized directly in other items of total net income are recognized in other items of total net income and not in the income statement.

9.1.1 Details of corporate income tax

Breakdown of tax expense

(in thousands of euros)	**2021**	**2020**
Deferred tax liabilities	213	1,955
Taxes payable	(1,267)	(914)
TAX EXPENSE	**(1,054)**	**1,041**

The tax expense does not include the research tax credits, classified as other income (see Notes 4.2 and 9.1.2). It does, however, include CVAE in the amount of €0.2 million in 2021 and €0.3 million in 2020.

Tax receivables and payable

(in thousands of euros)	**2021**	**2020**
Tax receivables	1,802	2,091
Tax payable	161	371
NET TAX RECEIVABLE/(DUE)	**1,641**	**1,721**

The tax receivable is mainly made up of research tax credit receivables (€1.4 million) and CICE receivables (€0.4 million), which it was not possible to deduct from the tax charge payable.

9.1.2 Analysis of the income tax expense

In accordance with standard practice and with IAS 12 and IAS 20, as the research tax credit is neither an element of taxable income, nor computed on the basis of taxable income, and as it is neither a tax liquidation component nor limited to the amount of tax liquidated, it is classified as operating income.

Research tax credits for subsidiaries are recognized in current operating income rather than as a decrease in tax expense if they are not generated by research and development expenses included in the consolidated statement of financial position. If they are generated by research and development expenses recognized in the consolidated statement of financial position, research tax credits are recognized as deferred income in liabilities and recognized in income at the rate of future amortization.

Contributions on Corporate Added Value (CVAE) are recognized in income tax accounts, this tax being based on value added. The Group's analysis is based in particular on the definition of income tax as defined in IAS 12 and on an IFRIC position from 2006 that states that the term "taxable income" implies a notion of a net rather than a gross amount, although not necessarily identical to the accounting income.

(in thousands of euros)	**2021**	**2019**
NET INCOME FROM CONTINUING OPERATIONS	**552**	**(14,043)**
Tax Income/(Expense)	(1,054)	1,041
Earnings of equity-accounted companies	79	9
Earnings before tax	1,527	(15,094)
Tax rate	26.5%	28%
THEORETICAL TAX CHARGE	**(434)**	**4,226**
Reconciliation items		
Uncapitalized tax losses incurred for the period	(228)	(3,055)
Use of uncapitalized tax losses	125	75
Reassessment of deferred tax assets	9	431
Differential rates France/Foreign countries and reduced rates	(161)	171
CVAE	(173)	(307)
Tax effects related to the accounting classification of the CVAE and tax credits/savings on CVAE and restatement/cancelation of theoretical tax on tax credits	138	180
Other permanent differences	(359)	(682)
ACTUAL NET TAX INCOME/(EXPENSE)	**1,054**	**1,040**

The tax rate matches the parent company's current rate.

9.2 Deferred taxes

The deferred tax assets and liabilities corresponding to the time differences and accounting bases of consolidated assets and liabilities are recognized using the liability method. Deferred tax assets are recognized when their future realization seems likely on a date which can be reasonably determined.

Future income tax breaks arising from the use of tax loss carry-forwards (including unlimited carry-forward) are recognized only when they can be reasonably anticipated.

The main timing differences are related to tax losses carried forward, to provisions for pensions and other similar benefits, to other provisions which are temporarily non-tax-deductible and to capitalized development expenses. The deferred tax assets and liabilities are calculated using tax rates which will be in effect at the time of the reversal of the timing differences.

Deferred tax assets and liabilities are not discounted and are offset if they relate to the same taxable entity and have identical repayment maturities.

Breakdown of deferred taxes by type

(in thousands of euros)	2021	2020
Differences over time		
Retirement and related benefits*	164	201
Development costs	(966)	(705)
Rights of use	68	170
Derivative financial instruments	-	(2)
Fair values – IFRS 3	(1,435)	(1,538)
Other	8	(117)
SUBTOTAL	**(2,161)**	**(1,990)**
Temporary differences and other restatements	108	153
Deficits carried forward	3,011	2,665
TOTAL	**958**	**1,063**
DEFERRED TAX LIABILITIES	**(538)**	**(447)**
DEFERRED TAX ASSETS	**1,496**	**1,274**

* *Including an impact of €41 thousand on the opening date related to the new IFRIC regulations.*

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Deficits carried forward are capitalized due to opportunities for rapid posting of these deficits. Some deferred tax assets resulting from these capitalizations can be charged to tax liabilities because of the net deferred tax liability position of the companies concerned.

Underlying tax position

Uncapitalized deficits carried forward *(bases in millions of euros)*	2021	2020
Ordinary deficits	29.8	33.6
TOTAL	**29.8**	**33.6**

Note 10 Equity and earnings per share

10.1 Equity

10.1.1 Share capital and issue premiums

As 31 December 2021, the share capital of PRODWAYS GROUP SA amounted to €25,631,975.50, consisting of 51,263,951 fully paid-up shares, each with a nominal value of €0.5, of which 8,060,357 have double voting rights.

Changes in share capital

	Cumulative number of shares	Amount of share capital *(in euros)*
Share capital at 31/12/2019	51,077,543	25,538,771.50
Share capital at 31/12/2020	51,077,543	25,538,771.50
Share capital at 31/12/2021	51,263,951	25,631,975.50

The share capital was increased in 2021 by 186,408 shares for the vesting of shares as part of free share allocation plans.

The share premiums represent the difference between the nominal value of the shares issued and the amount, net of costs, of the contributions received by PRODWAYS GROUP at the time of the issues. These premiums amounted to €83,787 thousand.

10.1.2 Dividend per share

The distributable reserves of the parent company (equity excluding share capital and legal reserve) amounted to €40,315 thousand, before appropriation of the 2021 net income. They stood at €50,179 thousand on 31 December 2020 before allocation of the income for 2020.

No dividend has ever been paid.

10.1.3 Treasury shares and share buyback plan

The share buybacks in 2021 were carried out under the authorizations given by the shareholders' meetings of 8 June 2020 or 14 June 2021.

At 31 December 2021, PRODWAYS GROUP SA held 45,458 treasury shares under a liquidity contract.

At 31 December 2020, 50,720 treasury shares were held. The purpose of these shares may be to:

- transfer shares when exercising the rights attached to securities giving access to the share capital by redemption;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- provide securities in payment or exchange for acquisitions;
- stabilize the share's stock market price.

10.2 Earnings per share

Earnings per share are calculated by dividing the Group's net income attributable to shareholders by the weighted average number of shares outstanding during the year calculated on a *pro rata* basis, net of treasury shares, in compliance with IAS 33.

The diluted earnings per share take into account instruments having a dilutive effect. It is calculated from the *pro rata* weighted average of the number of shares equivalent to outstanding shares during the year. The dilutive effect of the stock options or purchases of shares is calculated according to the "share buyback" method, taking into account the average price of the period concerned.

	2021	2020
Weighted average number of shares	51,263,951	51,026,823
EARNINGS PER SHARE *(IN EUROS)*	**0.012**	**(0.273)**
EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(IN EUROS)*	**0.012**	**(0.273)**
Dilutive potential ordinary shares*	363,200	592,075
DILUTED EARNINGS PER SHARE *(IN EUROS)*	**0.012**	**(0.273)**
DILUTED EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(IN EUROS)*	**0.012**	**(0.273)**

* *To date, free share allocations are currently the only type of instrument outstanding with a potentially dilutive effect. In 2020, to the extent that accounting for the dilutive effect of free shares would have decreased loss per share, diluted earnings per share is equal to basic earnings per share for the periods presented. Potential shares existing at 31 December 2020 were created and others canceled as of 1 February 2021, see Note 12.3.*

10.3 Pledges of the issuer's shares

As far as the Company is aware, there are no pledges of PRODWAYS GROUP shares outstanding at the reporting date.

Note 11 Other provisions and contingent liabilities

The Group recognizes a provision if it has an obligation to a third party prior to the reporting date, where the loss or liability is probable and can be reasonably estimated. In cases where such loss or liability is neither probable nor reliably measurable, but still possible, the Group reports a contingent liability in commitments (excluding the posting of contingent liabilities in the event of acquisition). Provisions are estimated on a case-by-case basis or on a statistical basis.

Provisions are primarily intended to cover:

- economic risks: these provisions cover tax risks identified during inspections carried out locally by tax authorities and financial risks arising primarily on guarantees given to third parties covering certain assets and liabilities;
- business risks and contingencies; these provisions comprise:
  - statistical provisions for guarantees: the Group subsidiaries provide for all guarantees which may be given on equipment sales on a statistical basis. Some guarantees may cover 24 months,
  - provisions for termination losses on ongoing projects,
  - provisions for work outstanding on projects already delivered;
- restructuring costs, if the restructuring was covered by a detailed plan and an announcement or project launch before the reporting date.

In contrast to the foregoing definition of a provision, a potential liability is:

- a potential obligation resulting from a past event of which the existence will only be confirmed by the occurrence or otherwise of an uncertain event which is not within the control of the Group;
- a current obligation resulting from a past event for which either the amount of the obligation cannot be reliably estimated or it is unlikely that an outflow of resources representative of economic benefits will be necessary to extinguish the obligation.

As part of business combinations, potential liabilities may be recognized as provisions in accordance with the criteria defined in the IFRS 3R standard.

Changes to provisions over the financial year are the following:

Provisions *(in thousands of euros)*	**Litigation**	**Customer warranties**	**Other[(1)]**	**Total**
At 1 January 2021	203	60	1,602	1,865
Appropriations	512	-	96	608
Provisions used	-	-	(1,440)	(1,440)
Reversals	(3)	(60)	(44)	(108)
Impact on income for the period	**509**	**(60)**	**(1,169)**	**(720)**
Changes in scope	-	-	-	-
Other changes	-	-	-	-
Impact of changes in exchange rates	-	-	12	12
AT 31 DECEMBER 2021	**712**	**-**	**215**	**927**

(1) Of which reversal of a provision for restructuring of €1,427 thousand.

Note 12 Other notes

12.1 Statutory auditors' fees

The fees invoiced to all Group companies by PRODWAYS GROUP SA's statutory auditors were as follows:

2021 *(in thousands of euros)*	**PWC**		**RSM**		**Total**	
Statutory Audits, review of financial statements	104	100.0%	88	93.8%	192	97.1%
• Parent company	40		40		80	
• Fully consolidated companies	64		48		112	
Services other than certification of the financial statements	-	-	6	6.2%	6	2.9%
TOTAL	**104**	**100.0%**	**94**	**100.0%**	**198**	**100.0%**

2020 *(in thousands of euros)*	**PWC**		**RSM**		**Total**	
Statutory Audits, review of financial statements	122	100.0%	130	95.6%	252	97.7%
• parent company	58		56		114	
• Fully consolidated companies	64		74		138	
Services other than certification of the financial statements	-	-	6	4.4%	-	2.3%
TOTAL	**122**		**136**		**258**	

The nature of the services of the Group's statutory auditors other than the certification of the financial statements primarily consists of certification in the context of subsidies.

12.2 Exceptional events and litigation

The Group is involved in various legal proceedings. After reviewing each case and seeking counsel, the provisions considered necessary have, as applicable, been recorded in the financial statements.

The current proceedings are not expected to have a material effect on the financial position or profitability of the issuer and/or the group.

The Company is not aware of any threatened proceedings that are likely to have a material effect on the financial position or profitability of the issuer and/or the group.

12.3 Subsequent events

Michaël OHANA joined PRODWAYS GROUP in March 2022 as Chief Executive Officer, replacing Raphaël GORGÉ who had held the position since the departure of the previous CEO.

As part of the federal corporate assistance program, SOLIDSCAPE was informed, on March 21, 2022, by the US federal government of the decision to waive a debt for the sum of $0.9 million that the company had received during the first half of 2021.

No other significant events took place between 31 December 2021 and the date of the Board of Directors meeting that approved the consolidated financial statements.

Note 13 List of consolidated companies

Company	Parent company 31 December 2021	% control 2021	% control 2020	% interest 2021	% interest 2020	Method 2021	Method 2020
Consolidating company							
PRODWAYS GROUP SA		Top	Top	Top	Top	FC	FC
Structure							
PRODWAYS ENTREPRENEURS(1)	PRODWAYS GROUP	100	100	100	100	FC	FC
PRODWAYS 2(1)	PRODWAYS GROUP	100	100	100	100	FC	FC
Systems							
3D SERVICAD	AS 3D	100	100	100	100	FC	FC
AVENAO SOLUTIONS 3D	PRODWAYS GROUP	100	100	100	100	FC	FC
AVENAO INDUSTRIE	AS 3D	100	100	100	100	FC	FC
DELTAMED (Germany)	PRODWAYS GROUP	100	100	100	100	FC	FC
EXCELTEC	PRODWAYS GROUP	100	100	100	100	FC	FC
PRODWAYS AMERICAS (United States)(2)	PRODWAYS	-	100	-	100	FC	FC
PRODWAYS	PRODWAYS GROUP	100	100	100	100	FC	FC
PRODWAYS CONSEIL	PRODWAYS GROUP	100	100	100	100	FC	FC
PRODWAYS MATERIALS (Germany)	DELTAMED	100	100	100	100	FC	FC
PRODWAYS RAPID ADDITIVE FORGING	PRODWAYS GROUP	100	100	100	100	FC	FC
NEXTCUBE.IO	AS 3D	64.67	64.67	64.67	64.67	FC	FC
SOLIDSCAPE (United States)	PRODWAYS GROUP	100	100	100	100	FC	FC
Products							
BIOTECH DENTAL SMILERS	PRODWAYS ENTREPRENEURS	20	20	20	20	EM	EM
CREABIS(3)	INITIAL	100	-	100	-	FC	-
CRISTAL	PRODWAYS GROUP	100	100	100	100	FC	FC
INITIAL	PRODWAYS GROUP	100	100	100	100	FC	FC
INTERSON PROTAC	PRODWAYS GROUP	100	100	100	100	FC	FC
PODO 3D	PRODWAYS GROUP	100	82.07	100	82.07	FC	FC
SCI CHAVANOD	PRODWAYS GROUP	100	100	100	100	FC	FC
VARIA 3D (United States)	PRODWAYS GROUP	70	70	70	70	FC	FC

(1) Companies with no activities.
(2) Company liquidated at the end of December 2020.
(3) Company acquired in July 2021.

4.1.7 Statutory auditors' report on the consolidated accounts

Financial year ended on 31 December 2021

To the Shareholders' Meeting of PRODWAYS GROUP,

Opinion

In application of the assignment entrusted to us by your Shareholders' Meeting and bylaws, we have conducted an audit of PRODWAYS GROUP's consolidated financial statements in respect of the financial year ended on 31 December 2021, which are appended hereto.

We hereby certify that the consolidated financial statements give a true and fair view, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, of the results of the operations of the past financial year, and of the financial position and assets and liabilities, at the close of the financial year, of the entities included in the scope of consolidation.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for the opinion

Audit framework

We have conducted our review in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our responsibilities in view of these standards are set out in the section entitled "Statutory Auditors' responsibilities regarding the audit of the consolidated financial statements" in this report.

Independence

We have conducted our audit in accordance with the rules of independence set out by the French Commercial Code and the Professional Code of Ethics for the period from 1 January 2021 to the date on which our report was issued; in particular, we have not rendered any services prohibited by Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

Justification of our assessment – Key audit points

The global crisis linked to the Covid-19 pandemic creates special conditions for the preparation and audit of financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have multiple consequences for companies, particularly on their activity and their financing, as well as increased uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organization of companies and the way in which audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of greatest significance for the audit of the consolidated financial statements of the financial year, as well as of how we addressed those risks.

These assessments were undertaken as part of the audit of the consolidated financial statements, taken as a whole, and of the opinion we formed and expressed above. We have not expressed an opinion on individual elements contained in these consolidated financial statements.

Measurement of the recoverable amount of goodwill

Risk identified

As part of its development, the Group has carried out targeted acquisitions and recognized a certain amount of goodwill.

At 31 December 2021, goodwill was recorded in the statement of financial position for a net carrying amount of €41.83 million, *i.e. close to* 37% of the assets. Each year, Management ensures that goodwill is not carried at more than its recoverable amount by performing impairment tests. For the purposes of these tests, goodwill acquired through a business combination is allocated to the cash generating units (CGUs).

The determination of the net recoverable amount of each CGU relies on discounted future cash flow projections and requires management to exercise significant discretion, specifically with respect to preparing forecasts and the discount and long-term growth rates to adopt.

In light of the foregoing, we considered the recoverable amount of goodwill to be a key audit point, given the importance of goodwill on the statement of financial position and the uncertainties inherent to certain factors, such as the likelihood of forecasts used to determine the recoverable amount actually materializing.

Audit procedures implemented to address identified risks

We carried out a critical review of the methods used by Management to analyze impairment indicators and perform impairment testing. Our work consisted in:

- obtaining an understanding of the process used to prepare estimates and the assumptions made by the management as part of the impairment tests, in particular with regard to business and profitability parameters;

- reviewing the impairment tests performed by the company at 31 December 2021, by:
  - verifying that the discounted future cash flow projections used to determine the value in use of the cash-generating units (CGUs) tested correspond to those generated by the items making up the carrying amount of these CGUs;
  - assessing the reasonableness of the assumptions used, in particular the cash flow forecasts, the discount rate and the long-term growth rate, by comparison with historical performance and by corroboration with external analyzes available on the market context;
  - reviewing the tests performed by management on the sensitivity of the recoverable amount of the CGUs to a reasonable change in the discount rate or long-term growth rate;
- Finally, we assessed the appropriateness of the information provided in Note 6.1 and 6.4 to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with the professional standards applicable in France, the specific verification required by laws and regulations of the group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Other verifications or information required under legal and regulatory texts

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with the professional standards on the Statutory Auditors' work relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified the compliance with this format, defined by Delegated Regulation (EU) No. 2019/815 of 17 December 2018, in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairperson and Chief Executive Officer. Concerning the consolidated financial statements, our procedures include verifying that the mark-up of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements that will be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of PRODWAYS GROUP by the Shareholders' Meeting held on 13 March 2014 for RSM Paris and on 5 May 2017 for PricewaterhouseCoopers Audit.

At 31 December 2021, RSM Paris was in the eighth consecutive year of its engagement and PricewaterhouseCoopers Audit was in the fifth year; with both firms being in their fifth year since the company's securities were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as the internal audit, where applicable, as concerns the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities regarding the audit of the consolidated financial statements

Audit objective and approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance means a high level of assurance, however without any guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may be the result of fraud or errors, and are considered material when, individually or combined, they can be reasonably expected to impact economic decisions taken based on the financial statements.

As set out in Article L. 823-10-1 of the French Commercial Code, our assignment to certify the financial statements does not involve guaranteeing the sustainability or quality of the management of your company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the entire audit. Furthermore:

- the Statutory Auditor identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and gathers adequate and appropriate information on which to form an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, given that fraud may imply collusion, falsification, willful omissions, false statements or the circumvention of internal control;
- the Statutory Auditor obtains an understanding of the internal control processes relevant to the audit, in order to define suitable audit procedures, and not for the purpose of expressing an opinion on the effectiveness of said internal control;
- the Statutory Auditor assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management in the consolidated financial statements;
- the Statutory Auditor assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast doubt on the company's ability to continue as a going concern. This assessment is founded on information obtained up until the date of the report, it being specified, however, that subsequent circumstances or events may jeopardize business continuity. If the Statutory Auditors identify significant uncertainty, they highlight such uncertainty in their report by drawing readers' attention to the corresponding information presented in the consolidated financial statements, or, if this information has not been provided or is not relevant, issue certification with reserves or refuse to certify;
- the Statutory Auditor assesses the overall presentation of the consolidated financial statements and determines whether they provide a true and fair reflection of the underlying transactions and events;
- the Statutory Auditor obtains sufficient and appropriate audit evidence regarding the financial information of the entities or business activities included in the scope of consolidation to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these statements.

Report to the Audit Committee

We submit a report to the Audit Committee which presents the scope of the audit work and the work program implemented, as well as the conclusions arising from our work. We also bring to its attention, where appropriate, the significant weaknesses of the internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements included in the report to the Audit Committee are the risks of material misstatement, which we consider to have been the most significant for the audit of the consolidated financial statements for the financial year and which are therefore the key audit matters, which we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and the profession's Code of Ethics. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Done in Neuilly-sur-Seine and Paris on 27 April 2022

Statutory Auditors

PricewaterhouseCoopers Audit	RSM Paris
Christophe Drieu	Stéphane Marie

4.2 ANNUAL FINANCIAL STATEMENTS 2021

4.2.1 Income statement

(in thousands of euros)	2021	2020
REVENUE	**1,607.3**	**1,472.7**
Reversals of provisions, expense transfers and other income	731.1	13.6
TOTAL OPERATING INCOME	**2,338.4**	**1,486.2**
Other purchases and external charges	1,775.9	1,526.1
Taxes and similar payments	32.9	14.4
Payroll expense	1,509.5	1,048.0
DEPRECIATION, AMORTIZATION AND PROVISIONS:		
non-current assets	21.6	22.7
current assets	-	-
Other expenses	0.4	25.0
TOTAL OPERATING EXPENSES	**3,340.2**	**2,636.2**
OPERATING RESULTS (A)	**(1,001.9)**	**(1,150.0)**
FINANCIAL INCOME (B)	**1,715.5**	**(8,932.4)**
INCOME FROM CONTINUING OPERATIONS BEFORE TAX (C) = (A) + (B)	**713.5**	**(10,082.4)**
EXCEPTIONAL INCOME (D)	**(103.6)**	**(384.2)**
Income tax (E)	975.7	695.4
NET INCOME (F) = (C) + (D) + (E)	**1,585.6**	**(9,771.2)**

4.2.2 Statement of financial position

Assets

(in thousands of euros)	2021 Gross	2021 Depreciation & provisions	2021 Net	2020
Other intangible assets				
Other property, plant and equipment	80.0	80.0	-	47.4
Property, plant and equipment	-	-	-	-
Technical installations, industrial equipment and tools	465.0	12.9	452.1	10.4
Other property, plant and equipment	28.1	18.8	9.2	7.5
Equity securities	117,219.8	52,159.8	65,059.9	60,528.1
Other long-term investments	605.8	-	605.8	2.0
NON-CURRENT ASSETS	**118,398.6**	**52,271.6**	**66,127.0**	**60,595.3**
Net trade receivables and related accounts	3,417.2	-	3,417.2	2,197.1
Other trade receivables	13,739.3	43.4	13,696.0	5,997.7
Cash and cash equivalents	2,725.4	-	2,725.4	9,339.2
CURRENT ASSETS	**19,881.9**	**43.4**	**19,838.5**	**17,533.9**
Prepaid expenses	63.1	-	63.1	6.5
TOTAL ASSETS	**138,343.6**	**52,314.9**	**86,028.7**	**78,135.8**

Liabilities and shareholders' equity

(in thousands of euros)	2021	2020
Share capital	25,632.0	25,538.8
Share premiums	83,786.8	83,786.8
Legal reserve	2,540.8	2,540.8
Other reserves	-	-
Retained earnings	(43,472.3)	(33,607.8)
Income (loss) for the period	1,585.6	(9,771.2)
EQUITY	**70,072.9**	**68,487.3**
PROVISIONS FOR RISKS AND CHARGES		
Bank borrowings	7,200.0	7,200.7
Other borrowings		
Suppliers	954.9	313.1
Tax and social debts	2,536.1	2,131.9
Other liabilities	5,264.8	2.8
TOTAL DEBT	**15,955.8**	**9,648.5**
TOTAL LIABILITIES	**86,028.7**	**78,135.8**

4.2.3 Change in cash and cash equivalents

(in thousands of euros)	2021	2020
NET INCOME	**1,585.6**	**(9,771.2)**
Accruals	3,183.6	13,109.1
Capital gains and losses on disposals	-	-
Other	-	-
CASH FLOW FROM OPERATING ACTIVITIES	**2,903.9**	**3,337.9**
Change in working capital requirements	(10,306.4)	(4,087.8)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**(5,537.2)**	**(749.9)**
Investing activities		
Payments/acquisition of intangible assets	-	-
Payments/acquisition of property, plant and equipment	(457.1)	-
Proceeds/disposal of property, plant and equipment and intangible assets	-	-
Payments/acquisition of long-term investments	(15.0)	(38.2)
Proceeds/disposal of long-term investments	-	1.8
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(472.1)**	**(36.5)**
Financing activities		
Capital increase or contributions	-	-
Dividends paid	-	-
Proceeds from borrowings	-	7,200.7
Repayment of borrowings	(0.7)	-
Change in other debt	(603.8)	-
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(604.4)**	**7,200.7**
CHANGE IN CASH AND CASH EQUIVALENTS (D = A + B + C)	**(6,613.8)**	**6,414.3**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**9,339.2**	**2,924.8**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**2,725.4**	**9,339.2**

4.2.4 Notes to the annual financial statements

The notes, tables and comments referenced below in the list of contents to the notes are an integral part of the annual financial statements.

The financial year covers the 12 months from 1 January to 31 December 2021.

The financial statement (statement of financial position, income statement) presented is as follows:

- the net statement of financial position total for the financial year ended on 31 December 2021 amounted to €86,028,696.23;
- the income statement presented in list form shows a profit of €1,585,598.13.

The Board of Directors approved the annual financial statements of PRODWAYS GROUP on 16 March 2022. They are subject to approval of the shareholders' meeting of 16 June 2022.

Note 1 Accounting principles

The annual financial statements were prepared in accordance with the French Commercial Code, the accounting decree of 29 November 1983 and Regulation 2014-03 issued by the ANC (French accounting standards authority) on the revised French GAAP, as amended by ANC regulations 2015-06, 2016-07, 2017-01 and 2018-07, applicable at the reporting date, with the following assumptions:

- going concern;
- consistency of accounting policies;
- prudence principle;
- separateness of accounting periods.

The recommendations of the French Accounting Standards Authority (Autorité des Normes Comptables), the French Association of Chartered Accountants (Ordre des Experts-Comptables) and the French National Institution of statutory auditors (Compagnie Nationale des Commissaires aux Comptes) have been applied.

The basic method used to value items in the financial statements is the historical cost method.

Liabilities and receivables in foreign currencies are converted at the balance sheet date at their closing rates. The translation differences are recorded in the balance sheet under currency translation adjustments in assets or liabilities. Any unrealized losses are subject to a provision.

Cash and cash equivalents in foreign currencies are converted at the balance sheet date at their closing rates. The resulting currency translation adjustments are recorded in the income statement.

Generally accepted accounting principles have been applied in accordance with French legislation in effect on the reporting date.

The accounting rules and methods applied are identical to those used in the previous financial year.

Note 2 Significant events of the year

During the summer of 2021, PRODWAYS GROUP bought back 17.9% of PODO 3D's share capital from non-controlling interests, bringing its percentage of ownership to 100%.

In July 2021, PRODWAYS GROUP participated in capital increases partly financed by incorporating some of its receivables. The capital increase of PRODWAYS PRINTERS was subscribed for €9.5 million, including €4.6 million by offsetting receivables, the balance to be paid up within five years. The capital increase of PRODWAYS RAPID ADDITIVE FORGING was subscribed for €1.5 million, including €1.1 million by offsetting receivables, the balance to be paid up within five years.

In July 2021, the INITIAL subsidiary acquired the company CREABIS based near Munich. This acquisition was financed by PRODWAYS GROUP through a current account with INITIAL for the acquisition of 100% of the shares for €3.7 million and through the refinancing of CREABIS' debts by a €0.6 million loan granted by PRODWAYS GROUP.

Lastly, in December 2021, GROUPE GORGÉ distributed exceptional dividends in the form of a large number of the PRODWAYS GROUP shares it held. GROUPE GORGÉ now holds 5.95% of the share capital of PRODWAYS GROUP compared with 56.52% at 31 December 2020.

Note 3 Notes to the income statement

3.1 Operating income

PRODWAYS GROUP generated revenue of €1,607 thousand in services invoiced to its subsidiaries, including €325.4 thousand exported.

3.2 Operating expenses

Operating expenses were €3,340.2 thousand, consisting primarily of:

- services of €561.9 thousand invoiced by GROUPE GORGÉ, the main shareholder;
- fees of €897.8 thousand;
- employee benefits expense of €1,509.5 thousand;
- travel expenses of €70.3 thousand.

Average workforce over the financial year is broken down as follows:

	2021	2020
Average workforce employed	**10**	**7**
of which executives and higher professional positions	7	5
of which technicians and supervisors	3	2

3.3 Statutory auditors' fees

The fees for PRODWAYS GROUP's statutory auditors in 2021 were €100.3 thousand.

3.4 Executive compensation

The members of the Board of Directors of PRODWAYS GROUP received €25 thousand in remuneration.

The Chairman is paid in part by PRODWAYS GROUP and in part by the controlling company GROUPE GORGÉ. In 2021, PRODWAYS GROUP paid him total gross compensation of €91,812 (€75,000 in fixed compensation and €16,812 in variable compensation for 2020). The variable compensation of the Chairman for 2021 was set at €25,000 by the Board of Directors of PRODWAYS GROUP.

PRODWAYS GROUP paid the Chief Executive Officer total gross compensation of €191,412 in 2021 (€110,857 in fixed compensation, €74,100 in variable compensation for 2020 and €6,455 in benefits in kind).

3.5 Net finance income

(in thousands of euros)	**2021**	**2020**
Investment income*	2,821.4	3,773.9
Net income from financial investments and interest on current accounts	198.7	468.9
Interest expense	(47.4)	(88.8)
FINANCIAL INCOME BEFORE PROVISIONS	**2,972.7**	**4,154.0**
Reversals of provisions for impairment	6,521.4	994.3
Depreciation of provisions for impairment	(7,786.1)	(14,080.7)
FINANCIAL RESULT	**1,715.4**	**(8,932.4)**

* *The investment income in 2021 consisted of dividends received from DELTAMED and AVENAO SOLUTIONS 3D.*

As is the case each year, the equity shares and related current accounts were the subject of valuation tests. When the equity securities and related receivables have a present value lower than their book value, the equity securities are written down before the related receivables are written down (unless a specific situation justifies a different order of impairment). These tests were conducted by legal entity and not by CGU as is the case for the consolidated financial statements of the PRODWAYS GROUP. Net additions to reversals of provisions for securities and current accounts were recognized in the amount of -€1.3 million.

3.6 Exceptional income

(in thousands of euros)	**2021**	**2020**
Exceptional income on management transactions	3	-
Proceeds from disposal of fixed assets	-	-
Exceptional expenses on management transactions	(67)	(384)
Net value of assets sold	-	-
EXCEPTIONAL INCOME BEFORE PROVISIONS	**(64)**	**(384)**
Reversals of provisions for impairment	-	-
Depreciation of provisions for impairment	(39)	-
EXCEPTIONAL INCOME	**(104)**	**(384)**

3.7 Income tax

PRODWAYS GROUP became the parent company of a tax consolidation group on 1 January 2018 comprising the following companies:

Company	Date of entry
PRODWAYS SAS	1 January 2018
PRODWAYS ENTREPRENEURS	1 January 2018
INITIAL	1 January 2018
EXCELTEC	1 January 2018
PRODWAYS RAPID ADDITIVE FORGING	1 January 2018
PRODWAYS 2	1 January 2018
AVENAO SOLUTIONS 3D	1 January 2018
3D SERVICAD	1 January 2018
AVENAO INDUSTRIE	1 January 2018
CRISTAL	1 January 2019
INTERSON PROTAC	1 January 2020

At 31 December 2021, the taxable income of the consolidated Group was a loss carryforward of €97.2 thousand.

In the absence of tax consolidation, the Company's taxable income for 2021 is a loss of €833.7 thousand.

A tax income of €975.7 thousand results from the tax consolidation.

Note 4 Notes to the cash flow statement

4.1 Cash flows from operating activities

Change in working capital requirements amounted to an unfavorable sum of €9,454 thousand. This requirement is explained in particular by the increase in net outstandings of subsidiaries' current accounts of €6,131 thousand (including the tax consolidation current accounts for €357 thousand). The €1,220 thousand increase in trade receivables completes this explanation.

4.2 Cash flows from investing activities

In 2020, only the residual minority interests in PRODWAYS CONSEIL were acquired, allowing for a wholly-owned holding.

In 2021, PRODWAYS GROUP left the operational site of Les Mureaux to move closer to its subsidiary AVENAO. Investments in property, plant and equipment represent the fittings and fixtures of the new offices in Montigny-le-Bretonneux. The financial investments are the loan of €0.58 million granted to CREABIS to refinance its debts, the guarantee deposit for new buildings and the acquisition of the residual non-controlling interests of PODO 3D for €0.015 million, resulting in 100% ownership.

4.3 Cash flows from financing activities

In 2020, PRODWAYS GROUP benefited from the health crisis support measures implemented by the French State.

€7.2 million in State-guaranteed loans have been subscribed, their repayment will be made over four years after a one-year deferral. Repayments will therefore begin at the end of 2022.

Note 5 Notes to the balance sheet

5.1 Non-current assets

Equity securities are recognized on the balance sheet at their acquisition cost less any necessary estimated impairment.

An impairment may be recognized based on the value after tax of the securities, which represents the acceptable value payable to acquire the securities. Value after tax is estimated according to the value of the share of equity of the relevant entities at year-end as well as their income and short-term earnings outlook. This involves using cash flow projections.

Gross values *(in thousands of euros)*	**Start of the period**	**Increase**	**Decrease**	**End of period**
OTHER INTANGIBLE ASSETS				
Industrial know-how	80.0	-	-	80.0
PROPERTY, PLANT AND EQUIPMENT				
Office and computer equipment	36.0	457.1	-	493.10
NON-CURRENT FINANCIAL ASSETS				
Equity securities	106,200.3	11,019.5	-	117,219.8
Loans	-	580.0	-	580.0
Other long-term investments	2.0	23.8	-	25.8
TOTAL	**106,318.3**	**12,080.3**	**-**	**118,398.6**

The increases for the year concern in particular:

- fixtures and fittings for the Montigny-le-Bretonneux premises for €0.46 million;
- acquisition of the remaining shares in PODO 3D;
- capital increase of the PRODWAYS PRINTERS (€9.5 million) and PRODWAYS RAF (€1.5 million) subsidiaries;
- granting of a loan to CREABIS (€0.58 million);
- guarantee deposit for the Montigny-le-Bretonneux building.

Net value *(in thousands of euros)*	**Start of the period**	**Increase**	**Decrease**	**End of period**
OTHER INTANGIBLE ASSETS				
Industrial know-how	47.4	-	(47.4)	-
OTHER INTANGIBLE ASSETS				
Technical installations, industrial equipment and tools	10.4	449.7	(7.9)	452.1
Office and computer equipment	7.5	7.4	(5.6)	9.2
NON-CURRENT FINANCIAL ASSETS				
Equity securities	60,528.1	11,019.5	(6,487.7)	65,059.9
Loans	-	580.0	-	580.0
Other long-term investments	2.0	23.8	-	25.8
TOTAL	**60,595.4**	**12,080.3**	**(6,548.6)**	**66,127.1**

In addition to the aforementioned items, the increase in the net value of equity securities results from the reversal of a provision for impairment as detailed in net finance income (Note 3.5).

5.2 Maturity of receivables

(in thousands of euros)	Gross amount	Due within one year	At more than one year
Loans			
Receivables related to shareholdings	580.0	114.0	466.0
Other long-term investments	25.8	-	25.8
Other trade receivables	3,417.2	3,417.2	-
Social Security and other organizations	3.6	3.6	-
State and other government authorities:	-	-	-
• Income tax	1,681.3	574.0	1,107.3
• Value-added tax	188.9	188.9	0.0
Group and associated companies	11,865.5	-	11,865.5
Other receivables	-	-	-
Prepaid expenses	63.1	63.1	-
TOTAL	**17,825.4**	**4,360.8**	**13,464.6**

The item "Group and associated companies" includes current account advances granted to subsidiaries, as well as compensation for tax on subsidiaries, related to the tax consolidation within the Group.

Accrued income: none.

5.3 Equity

5.3.1 Change in equity

(in thousands of euros)	Beginning of period	Capital increase or decrease	Allocation of income	Payment of dividends	End of period
Capital	25,538.8	93.2	-	-	25,632.0
Share premiums	83,786.8	-	-	-	83,786.8
Legal reserve	2,540.8	-	-	-	2,540.8
Other reserves	-	-	-	-	-
Retained earnings	(33,607.8)	(93.2)	(9,771.2)	-	(43,472.2)
N-1 income	(9,771.2)	-	9,771.2	-	-
TOTAL	**68,487.3**	**-**	**-**	**-**	**68,487.3**
Income (loss) for the period					1,585.6
TOTAL EQUITY AT CLOSING	**68,487.3**				**70,072.9**

In February 2021, the Board of Directors approved a capital increase of 186,408 shares following the acquisition of AGM as part of the Free Share Allocation plan decided by the Board of Directors on 31 January 2019.

At 31 December 2021, the share capital of PRODWAYS GROUP was made up of 51,263,951 shares with a par value of €0.5 amounting to €25,631,975.50.

5.3.2 Potential shares

In January 2019, PRODWAYS GROUP issued a free share allocation plan in two tranches, in favor of Group employees. Together, these two plans represented a potential of 802,800 shares. In January 2021, 186,408 shares were allocated, generating a capital increase of €93,204. Taking into account the cancellations which have already occurred, a total of 123,103 potential shares remained at 31 December 2021.

In January 2021, PRODWAYS GROUP issued a free share allocation plan in two tranches, in favor of Group employees. Under a collective plan, each employee of a French company is allocated at least 50 potential shares subject only to a presence condition. Under a selective plan reserved for 16 persons, 532,500 shares were allocated, with the vesting of these shares being subject to the achievement of the Group's performance objectives in 2021 and 2022 and to presence conditions. These two plans together represented at the origin a total of 550,550 potential shares. Taking into account the cancelations which have already occurred, a total of 258,562 potential shares remained at 31 December 2021.

5.4 Net debt

5.4.1 Available cash and cash equivalents

Where applicable, transferable securities are recognized on the balance sheet at their acquisition cost. Accrued interest earned on term accounts is recorded under investment income. A provision for impairment is recognized when the net asset value is less than the acquisition cost.

Cash and cash equivalents are recognized on the assets side of the statement of financial position at 31 December 2021 for an amount of €2,725.4 thousand.

PRODWAYS GROUP holds 45,458 treasury shares under its liquidity agreement managed by TP ICAP. At 31 December 2021, the value of the shares held stood at €131.2 thousand, their market value being €134.1 thousand.

5.4.2 Financial debt

PRODWAYS GROUP has taken out three loans guaranteed by the French State for a total of €7.2 million and has a confirmed credit line of €2.5 million, not used to date. This facility (initially for €10 million) is confirmed on an amount declining by €2.5 million per year until December 2022.

5.5 Operating payables and other liabilities

Schedule of debts

(in thousands of euros)	Gross amount	Due within one year	At more than one year
Trade payables	954.9	954.9	-
Employees	209.9	209.9	-
Social Security and other social services	252.2	252.2	-
State and other government authorities:			
• Income tax	16.1	16.1	-
• Value-added tax	447.9	447.9	-
• Other taxes and similar payments	10.5	10.5	-
Group and associated companies	6,864.2	-	6,864.2
Other liabilities		-	-
TOTAL	**8,755.8**	**1,891.6**	**6,864.2**

Accruals: €265.8 thousand of which €232.3 thousand in invoices not yet received, €33.5 thousand in Social Security liabilities.

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Note 6 Transactions with affiliate companies and related parties

Related parties are persons (Directors or managers of PRODWAYS GROUP or its main subsidiaries) or entities owned or managed by these persons. All transactions between related companies and parties are catted out under normal market terms and conditions.

The net amounts for related undertakings included in PRODWAYS GROUP SA's balance sheet and income statement items for the financial year ended 31 December 2021 are as follows:

(in thousands of euros)	**Subsidiaries**	**GROUPE GORGÉ**
STATEMENT OF FINANCIAL POSITION		
Deposits	-	-
Net trade receivables and related accounts	3,406.6	10.6
Current accounts receivable	11,865.5	-
Suppliers	-	424.5
Current accounts payable	6,864.2	-
INCOME STATEMENT		
Operating income	1,607.3	-
Other income	427.9	8.8
Purchases and external charges	(79.9)	(626.9)
Investment income	2,821.4	-
Other financial income	143.3	-
Financial expense	-	-
Exceptional expenses	294.0	-

Note 7 Off-balance sheet commitments

7.1 Off-statement of financial position commitments related to ordinary activities

None.

7.2 Complex commitments

Within VARIA 3D companies, PRODWAYS GROUP is partnered with minority shareholders who are managers of those companies. In certain cases, shareholders' agreements provide for the potential liquidity of their holdings. PRODWAYS GROUP has begun discussions to sell its stake in the company to the non-controlling shareholder.

In 2018, PRODWAYS GROUP acquired all shares making up the share capital of SOLIDSCAPE. The vendors granted an assets and liabilities guarantee with duration of 18 months to eight years depending on the nature of any claim. This guarantee is limited to $1 million or the acquisition price according to the nature of the claims. The Group did not call the guarantee.

7.3 Commitments received

PRODWAYS GROUP has a confirmed credit facility of €2.5 million which has not yet been used. This facility (initially for €10 million) is confirmed on an amount declining by €2.5 million per year until December 2022.

7.4 Financial covenants

PRODWAYS GROUP's confirmed credit facility is accompanied by a change of control clause and a financial covenant which applies in the event of a drawdown.

7.5 Pledges, guarantees and sureties

None.

7.6 Retirement pay

Retirement pay was assessed at €15 thousand on the reporting date, *vs.* €9 thousand at 31 December 2020.

Note 8 Subsidiaries and equity interests

	Capital	Reserves and retained earnings before allocation of income	Share of capital held (in%)	Carrying amount of securities held Gross	Carrying amount of securities held Net	Loans and advances granted by the Company and not yet repaid	Amount of sureties and endorsements given by the Company	Revenue excluding taxes for the past financial year	Results (profit or loss for the past financial year)	Dividends received by the Company during the financial year
A. Detailed information concerning the above subsidiaries and equity interests										
1. Subsidiaries (more than 50% of the share capital held by the Company)										
DELTAMED	27	3,220	100%	7,066	7,066	-	-	9,367	2,061	991
PRODWAYS ENTREPRENEURS	701	505	100%	701	701	201	-	-	(6)	-
PRODWAYS SAS	6,427	7,362	100%	55,962	8,549	819	-	5,142	(2,551)	-
INITIAL	400	919	100%	12,000	12,000	3,773	-	11,246	(313)	-
VARIA 3D	0	91	70%	979	-	-	-	166	(310)	-
EXCELTEC	20	123	100%	250	-	-	-	389	(67)	-
PODO 3D	28	(2,292)	100%	695	548	1,883	-	1,152	(489)	-
CRISTAL	755	327	100%	2,150	2,150	763	-	3,525	(345)	-
PRODWAYS RAPID ADDITIVE FORGING	949	946	100%	2,523	1,350	272	-	364	(207)	-
PRODWAYS 2	5	(7)	100%	5	-	11	-	-	(6)	-
PRODWAYS CONSEIL	5	(22)	100%	75	-	33	-	-	(4)	-
INTERSON PROTAC	96	2,716	100%	6,619	6,619	-	-	9,785	446	-
AVENAO SOLUTIONS 3D	21	546	100%	16,466	16,466	-	-	20,952	2,539	1,831
SOLIDSCAPE	11,339	6,026	100%	11,726	9,607	1,685	-	5,172	(1,085)	-
SCI CHAVANOD	2	(223)	99.95%	2	2	743	-	450	127	-
2. Equity investments (10 to 50% of the share capital held by the company)										
B. General information concerning other subsidiaries or equity interests										
1. Subsidiaries not included in § A										
a. French subsidiaries (all)										
b. Foreign subsidiaries (all)										
2. Shareholdings not included in § A										
a. In French companies (all)										
b. In foreign companies (all)										

Note 9 Other information

9.1 Identity of the consolidating parent company

PRODWAYS GROUP prepares consolidated financial statements.

The financial statements of PRODWAYS GROUP were in turn consolidated by GROUPE GORGÉ, a French public limited company (*société anonyme*) with a Board of Directors and share capital of €17,424,747 and domiciled at 30 rue Gramont -75002 Paris. Please note that in December 2021 GROUPE GORGÉ distributed a large number of the shares it held in PRODWAYS GROUP, resulting in the removal of PRODWAYS GROUP from the scope of consolidation of GROUPE GORGÉ at the end of 2021.

9.2 Tax consolidation

In turn, on 1 January 2018, PRODWAYS GROUP became the parent company of a tax consolidation group comprising PRODWAYS, PRODWAYS ENTREPRENEURS, INITIAL, EXCELTEC, PRODWAYS RAPID ADDITIVE FORGING, PRODWAYS 2, AS3D, 3D SERVICAD, AVENAO INDUSTRIE, CRISTAL and INTERSON PROTAC.

In 2021, PRODWAYS CONSEIL joined the tax consolidation group.

9.3 Subsequent events

Michaël OHANA joined PRODWAYS GROUP in March 2022 as Chief Executive Officer, replacing Raphaël GORGÉ who had held the position since the departure of the previous CEO.

There are no subsequent events to be mentioned.

4.2.5 Statutory auditors' report on the annual financial statements

Financial year ended on 31 December 2021

To the Shareholders' Meeting,

Opinion

In application of the assignment entrusted to us by your Shareholders' Meeting and bylaws, we have conducted an audit of PRODWAYS GROUP's annual financial statements in respect of the financial year ended on 31 December 2021, which are appended hereto.

We hereby certify that the annual financial statements give a true and fair view of the assets and liabilities, the financial position and the results of the Company's operations in accordance with French accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for the opinion

Audit framework

We have conducted our review in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities in view of these standards are set out in the section entitled "Statutory Auditors' responsibilities regarding the audit of the annual financial statements" in this report.

Independence

We have conducted our audit in accordance with the rules of independence set out by the French Commercial Code and the Professional Code of Ethics for the period from 1 January 2021 to the date on which our report was issued; in particular, we have not rendered any services prohibited by Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

Justification of our assessment – Key audit points

The global crisis linked to the Covid-19 pandemic creates special conditions for the preparation and audit of financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have multiple consequences for companies, particularly on their activity and their financing, as well as increased uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organization of companies and the way in which audits are carried out.

It is in this complex and changing context that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the annual financial statements for the financial year, as well as our responses to address such risks.

These assessments were undertaken as part of the audit of the annual financial statements, taken as a whole, approved under the conditions previously mentioned, and of the opinion we formed and expressed above. We have not expressed an opinion on individual elements contained in these annual financial statements.

Valuation of equity securities

Risk identified

At 31 December 2021, equity securities were recorded on the statement of financial position for a net carrying amount of €65.1 million, representing close to 76% of total assets. They are recognized on the date of purchase at their acquisition cost.

When the value in use of securities is lower than their net carrying value, a provision for impairment is recorded for the difference. The value in use is determined, where applicable, based on:

- the value of the share of equity of the investment;
- an analysis of the short- and medium-term results and profitability outlook of the investment, in particular through the use of cash flow projections.

Estimating the value in use of these securities therefore requires management to exercise its judgment in selecting the items to be considered according to the investments concerned. In this respect, we considered the estimation of the value in use of equity securities a key audit point, given the representation of equity investments on the statement of financial position and inherent uncertainty linked to the likelihood of forecasts used to determine the value in use actually materializing.

Audit procedures implemented to address identified risks

Our work consisted in:

- obtaining an understanding of the value testing process implemented by management;
- assessing the appropriateness of the valuation method applied by management, the assumptions and the figures used;
- comparing the data used to conduct impairment testing of securities with accounting data;

where applicable, analyzing the consistency of management's future cash flow projections with past achievements and our knowledge of the subsidiaries' activities. We have also verified the appropriateness of the information presented in Sections 5.1 "Non-current assets" and 3.5 "Net finance income" of the notes to the individual financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information provided in the management report and in the other documents sent to the shareholders with respect to the financial position and the annual financial statements

We have no matters to report as to the fair presentation and consistency with the annual financial statements of the information given in the Board of Directors' management report or in the other documents sent to the shareholders on the financial position and the annual financial statements.

In application of the law, we hereby bring to your attention the fact that the information relating to customer payment terms specified by Article D. 441-6 of the French Commercial Code is incompletely discussed in the management report. Consequently, we cannot attest to their accuracy and fair presentation or their agreement with the annual financial statements.

Corporate governance report

We hereby certify the inclusion, in the Board of Directors' report on corporate governance, of the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information provided pursuant to the provisions of Article L. 22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers, as well as the commitments made in their favor, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from the companies controlled by it that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to factors that your company considers likely to have an impact in the event of a public tender or exchange offer, provided in application of the provisions of Article L. 22-10-11 of the French Commercial Code, we have verified its compliance with the documents from which it was taken and which were provided to us. On the basis of this work, we have no observations to make regarding this information.

Other information

Pursuant to French law, we have verified that the various information relating to the identity of shareholders and holders of voting rights has been properly disclosed in the management report.

Other verifications or information required under legal and regulatory texts

Format of the annual financial statements intended to be included in the annual financial report

In accordance with the professional standards on the Statutory Auditors' work relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified the compliance with this format, defined by Delegated Regulation (EU) No. 2019/815 of 17 December 2018, in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairperson.

On the basis of our work, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements that will in effect be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of PRODWAYS GROUP by the bylaws of 13 March 2014, for RSM Paris, and by the Ordinary Shareholders' Meeting of 5 May 2017, for PricewaterhouseCoopers Audit.

At 31 December 2021, RSM Paris was in the eighth consecutive year of its engagement and PricewaterhouseCoopers Audit was in the fifth year; with both firms being in their fifth year since the company's securities were admitted to trading on a regulated market.

Responsibilities of management and those in charge of corporate governance in relation to the annual financial statements

It is the management's responsibility to prepare fair and accurate annual financial statements in compliance with French accounting principles, and to implement the internal control procedures which it deems necessary for the preparation of annual financial statements free of any material misstatements, whether resulting from fraud or errors.

In preparing the annual financial statements, it is the management's responsibility to assess the company's ability to continue trading as a going concern, to present, where relevant, the necessary information relating to operating as a going concern, and to apply the going concern principle of accounting, unless there are plans to liquidate or cease the company's activity.

The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as the internal audit, where applicable, as concerns the procedures relating to the preparation and processing of accounting and financial information.

These annual financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities regarding the audit of the annual financial statements

4

Audit objective and approach

We are tasked with preparing a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, taken as a whole, are free of material misstatements. Reasonable assurance means a high level of assurance, however without any guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may be the result of fraud or errors, and are considered material when, individually or combined, they can be reasonably expected to impact economic decisions taken based on the financial statements.

As set out in Article L. 823-10-1 of the French Commercial Code, our assignment to certify the financial statements does not involve guaranteeing the sustainability or quality of the management of your company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the entire audit. Furthermore:

- it identifies and assesses the risk of material misstatement in the annual financial statements, whether the result of fraud or errors, defines and implements audit procedures to address such risks, and gathers adequate and appropriate information on which to form an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, given that fraud may imply collusion, falsification, willful omissions, false statements or the circumvention of internal control;
- the Statutory Auditor obtains an understanding of the internal control processes relevant to the audit, in order to define suitable audit procedures, and not for the purpose of expressing an opinion on the effectiveness of said internal control;
- the Statutory Auditor assesses the appropriateness of the accounting policies adopted and the soundness of accounting estimates made by management, as well as information concerning them provided in the annual financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is founded on information obtained up until the date of the report, it being specified, however, that subsequent circumstances or events may jeopardize business continuity. If the Statutory Auditors identify significant uncertainty, they highlight such uncertainty in their report by drawing readers' attention to the corresponding information presented in the annual financial statements, or, if this information has not been provided or is not relevant, issue certification with reserves or refuse to certify;
- it assesses the overall presentation of the annual financial statements and determines whether they provide a true and fair reflection of the underlying transactions and events.

Report to the Audit Committee

We submit a report to the Audit Committee which presents the scope of the audit work and the work program implemented, as well as the conclusions arising from our work. We also bring to its attention, where appropriate, the significant weaknesses of the internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements included in the report to the Audit Committee are the risks of material misstatement, which we consider to have been the most significant for the audit of the annual financial statements for the financial year and which are therefore the key audit matters, which we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and the profession's Code of Ethics. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Done in Neuilly-sur-Seine and Paris on 27 April 2022

Statutory Auditors

PricewaterhouseCoopers Audit	**RSM PARIS**
Christophe Drieu	Stéphane Marie

5

INFORMATION ABOUT THE COMPANY, ITS SHARE CAPITAL AND SHAREHOLDERS

5.1 INFORMATION ABOUT THE COMPANY

5.1.1 General information

Company name

The Company's name is PRODWAYS GROUP.

Place of registration and registration number

The Company is registered with the Paris Trade and Companies Register under number 801 018 773.

ISIN code FR0012613610 – PWG.

Date of incorporation and term

The Company was incorporated on 7 March 2014 for a period of 99 years from the date of its registration with the Trade and Companies Register on 13 March 2014, *i.e.* until 12 March 2113, except in the event of extension or early dissolution.

Head office, legal form and applicable law

The Company is a limited-liability company (*société anonyme*) with a Board of Directors governed by French law whose operation is primarily subject to articles L.225-1 *et seq.* of the French Commercial Code.

The Company's head office is located at 30 rue de Gramont, 75002 Paris (France).

The contact information for the Company is as follows:

Telephone: +33 (0) 1 44 77 94 77

Fax: +33 (0) 1 44 77 89 77

Email: IR@prodways.com

Website: www.prodways-group.com

Legal entity identifier (LEI): 969500URB8KRQ9IDBK68

5.1.2 Corporate charter and bylaws

Corporate object

As set forth in Article 3 of the bylaws, the Company's purpose is:

- the acquisition for its own account by purchase, subscription, exchange or otherwise and management of share capital investments in any French or foreign company existing now or in the future regardless of their legal form or purpose;
- any provision of service or advice in any field to its investees and subsidiaries, including any hiring of personnel, in particular for its subsidiaries and investees;
- and generally, enter into any transactions that are directly or indirectly related to these purposes or to similar or related purposes or that might aid in their application or development.

Provisions of the bylaws, a charter or regulations related to the members of administrative, management and supervisory bodies

The bylaws of PRODWAYS GROUP stipulate that the Board of Directors consists of three members at least and 18 at the most, except where this is waived pursuant to the law in the event of a merger.

Throughout the Company's lifetime, Directors are appointed, reappointed or removed by the ordinary shareholders' meeting. They may always be re-elected for new terms.

Each Director serves for a term of three years that ends after the ordinary shareholders' meeting called for the purpose of approving the financial statements of the preceding financial year and held in the year in which his or her term expires.

Directors can be natural or legal persons. At the time of appointment, legal persons must appoint a permanent representative who is subject to the same conditions and obligations and incurs the same liability as if he or she were a Director in his/her own name, without prejudice to the joint and several liability of the legal entity he or she represents.

The Article of Association allow, as the case may be, the appointment of employee Directors on the Board of Directors.

The Board of Directors elects a Chairman among its members who are natural persons. The Board of Directors sets the Chairman's compensation and the length of tenure, which cannot exceed his/her term of office as Director. Article 14 of the bylaws sets a maximum age limit for the Chairman (75 years old).

The Board of Directors prepares and presents the half-yearly and annual financial statements and convenes the shareholders' meetings.

Meetings of the Board of Directors may be held as often as is necessary in the Company's interest. The Internal Regulations provide that meetings may be held by videoconference or by other telecommunication means in accordance with the regulatory requirements for holding meetings.

Quorum is achieved by half of the members of the Board of Directors and decisions are made by a majority vote of the members in attendance or represented by other Directors of the Board.

The Directors' powers are those as defined by law and have not been limited either by statute or at the time of appointment by the Board of Directors.

The Chief Executive Officer may be assisted by the Deputy Chief Executive Officers who are vested with the same powers. If the Chief Executive Officer is a Director, he or she is appointed for the length of his or her term of office as Director. The same applies for the Deputy Chief Executive Officer.

Rights, privileges and restrictions attaching to each class of existing shares

There are no privileges or restrictions attached to certain shares or classes of shares.

"With respect to the percentage of share capital that they represent, double voting rights are conferred upon all fully paid-up shares which have been held in registered form for at least two (2) years in the name of the same holder. In the event of a share capital increase by incorporating reserves, profits or premiums, this double voting right will be attached on the date of their issuance to the new registered shares allotted free of charge to a shareholder in consideration for the old shares giving rise to such right."

(Extract from Article 12 of the bylaws).

Steps necessary to amend shareholders' rights

The shareholders' rights may be amended by an extraordinary shareholders' meeting and, where necessary, after having been ratified by the special shareholders' meeting for shareholders benefiting from special advantages.

General shareholders' meetings

"Shareholders' meetings are convened and deliberate under the terms and conditions set by the law.

Shareholder resolutions are made at ordinary, extraordinary or special shareholders' meetings depending on the type of decision.

Shareholders' meetings are convened by the Board of Directors, or, failing that, by those individuals named by the French Commercial Code, particularly the statutory auditors or a court-appointed agent as provided by law.

Meetings are held at the head office or in any other location stated in the convocation.

Shareholders' meetings are convened as provided by the regulations in force.

Any shareholder, regardless of the number of shares he or she holds, has the right to attend and vote at the shareholders' meetings, whether in person, by proxy, or by remote voting, under the conditions and within the time limits laid down by the regulations in force.

Shareholders may, under the conditions laid down by the legislation in force, send their voting form by mail for any shareholders' meeting, either as a printed paper copy or, on a decision by the Board of Directors recorded in the meeting notice and the convening notice, as an electronic copy.

Shareholders may, on a decision by the Board of Directors, attend and vote at any shareholders' meeting by means of video-conference or any means of telecommunication, under the conditions laid down by the regulations in force. This decision is included in the meeting notice published in the *Bulletin des Annonces Légales Obligatoires* (BALO). These shareholders are thereupon considered to be in attendance at the meeting, for the purpose of counting the quorum and majority.

Postal voting forms and proxies granted to be represented at a meeting may include an electronic signature by the shareholder or his or her legal or court-appointed representative, in the form of a process in compliance with the requirements of Article 1316-4, paragraph 2, of the French Civil Code, namely a reliable identification process guaranteeing its connection with the instrument to which it relates.

All shareholders have the right to access the documents required to be able to make an informed decision on the Company's management and situation.

The laws and regulations determine the type of documents as well as how they are sent and made available to shareholders.

The officers of the meeting certify as accurate the attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-mail forms.

The meetings are presided over by the Chairman of the Board of Directors or, in his or her absence, by a Deputy Chairman or another Director specially appointed for this purpose by the Board. Failing such measures, the shareholders' meeting appoints the Chairman of the meeting itself.

The duties of scrutineer shall be performed by the two shareholders, present and accepting such duties, who hold the largest number of shares, either on their own behalf or as proxy-holders. The officers so appointed shall appoint the Secretary, who does not need to be a shareholder.

The minutes of the meetings will be prepared and copies or excerpts of the proceedings will be certified in accordance with law.

Ordinary and extraordinary shareholders' meeting, ruling under the conditions of quorum and majority required by the provisions that govern them respectively, exercise the powers granted to them by law."

(Extract from Article 23 of the bylaws).

Crossing of ownership thresholds

The Company's bylaws include an obligation to report crossing the thresholds of 2%, 3% and 4%.

"In addition to the applicable regulation governing the crossing of thresholds, any physical or legal person who, alone or together, comes to hold or ceases to hold, in any manner whatsoever, a number of shares representing more than 2%, 3% or 4% of the capital or voting rights, is required to notify the Company within a period of ten calendar days from the crossing of one of these thresholds, of the number of shares, securities giving access to the share capital and voting rights attached thereto, that it holds. For the purposes of application of this statutory obligation, the participation thresholds are determined under the same conditions as legal participation thresholds.

In the event of non-compliance with the statutory requirement, the shares exceeding the undeclared fraction shall be deprived of voting rights for any shareholders' meeting held up until the expiry of a period of two years following the date of regularization, at the request, recorded in the minutes of the shareholders' meeting, of one or more shareholders holding 5% at least of the share capital."

(Extract from Article 10 of the bylaws).

Terms and conditions in the Company's bylaws regarding modifications to share capital which are more restrictive than the law

The Company's bylaws do not contain any provisions concerning modifications of share capital which are more restrictive than those provided under the law.

5.2 SHARE CAPITAL

5.2.1 Total subscribed share capital and potential share capital

At 31 December 2021, the Company's share capital was €25,631,975.50 divided into 51,263,951 fully paid-up shares, each with a par value of €0.50. On 1 February 2021, the share capital was increased by 186,408 new shares, resulting from the acquisition of shares under a free share allocation plan. The number of shares that may be issued under the various free share allocation plans is specified in Section 5.3.5.

Free share allocations

Free share allocation plans were set up in February and December 2016 and in January 2019.

1/ Plans implemented in 2016

Free share allocation plans were set up in February and December 2016. Shares for which the performance conditions were achieved were vested in beneficiaries still employed in April 2019 (261,900 shares). The plans are now finished and there are no more potential shares pursuant to these plans.

	Free shares		
Date of the shareholders' meeting authorizing the free shares allocations	**28 September 2015**		
Date of the Board of Directors vote to grant the shares	**17 February 2016**	**9 December 2016 (plan effective on 9 December 2016)**	**9 December 2016 (plan effective on 30 December 2016)**
Maximum number of shares authorized	5% of the share capital on the grant date		
Number of free shares allocated	632,200	478,400	10,100
Of which total number that may be acquired by the current corporate officers of the Company	-	-	-
Number of non-corporate-officer recipients (at first)	198	237	1
Dates and terms of vesting	See below	See below	See below
Cumulative number of shares vested	-	255,960	5,940
Cumulative number of allocated free shares canceled or voided	632,200	222,440	4,160
Number of free shares outstanding at 31 December 2021	-	-	-

Free shares known as Performance Shares were subject to the following conditions:

a) Vesting period

The Vesting Period expired on 15 April 2019

b) Vesting conditions

The vesting of the performance shares on the Vesting Date is subject to meeting the cumulative conditions as to liquidity, performance and continued employment (the "Vesting Conditions").

Liquidity conditions

The vesting of the Performance Shares was subject to a liquidity condition that was achieved with the Company's initial public offering in May 2017.

Performance condition

Vesting of the Performance Shares is subject to (i) fulfilling performance conditions related to Group's revenue and EBITDA in the IFRS consolidated financial statements of the Group for the 2016, 2017 and 2018 financial years and (ii) for certain beneficiaries named by the Board of Directors and for only portion of the Performance Shares granted to them the Company's market capitalization.

The performance condition was met with respect to the 2017 financial year and the Company's market capitalization.

Continued employment condition

Unless the Board of Directors decides otherwise, the performance shares could only vest if the recipient was still a corporate officer or employee of the Company or a Group company at the end of the Vesting Period.

2/ Plan implemented in 2019

A free share allocation plan was introduced on January 2019, originally with 802,800 potential shares, subject to conditions of continued employment and/or performance and the share price.

	Free shares
Date of shareholders' meeting authorizing the allocation of free shares	**13 June 2018**
Date of the Board of Directors vote to grant the shares	**31 January 2019**
Maximum number of shares authorized	5% of the share capital on the grant date
Number of free shares allocated	802,800
Of which total number that may be acquired by the corporate officers of the Company	135,000
Number of non-corporate-officer recipients (at first)	445
Dates and terms of vesting	See below
Cumulative number of shares vested*	186,408
Cumulative number of allocated free shares canceled or voided	493,289
Number of free shares outstanding at 31 December 2021	123,103

* *As decided by the Board of Directors on 1 February 2021.*

Free shares known as Performance Shares are subject to the following conditions:

2.1/ Collective plan benefiting 396 people (19,800 shares originally)

a) Vesting period

The Vesting Period ends on 1 February 2021.

Provided the vesting conditions referred to in Section (b) below are met, the performance shares will vest on the first business day following the expiration of the Vesting Period (the "Vesting Date").

b) Vesting conditions

The vesting of Performance Shares on the Vesting Date was subject only to compliance with the continued employment condition at 1 February 2021.

2.2/ Selective plan benefiting 50 people (783,000 shares originally)

a) Vesting period

The Vesting Period expired on 1 February 2021 (one third of the shares subject to 2019 performance conditions), 1 February 2022 (one third of the shares subject to 2020 performance conditions) and will expire on 1 February 2023 (one third of the shares subject to 2021 performance conditions).

Provided the vesting conditions referred to in Section (b) below are met, the performance shares vest on the first business day following the expiration of the Vesting Period (the "Vesting Date").

b) Vesting conditions

The vesting of the performance shares on the Vesting Date is subject to meeting the cumulative performance and continued employment conditions (the "Vesting Conditions").

Performance condition

The vesting of the Performance Shares is subject to (i) compliance with performance conditions related to the levels of operating income in the Group's IFRS consolidated financial statements with certain adjustments, for the 2019, 2020 and 2021 financial years (85% of shares) or (ii) the level of the Company's share price as at 31 December 2019, 2020 and 2021 (15% of shares).

Continued employment condition

Unless the Board of Directors decides otherwise, the performance shares will vest only if the recipient is still a corporate officer or employee of the Company or a Group company at the end of the Vesting Period.

For the 2019 plan, the total number of ordinary shares that may be created by the exercise of all instruments giving access to the PRODWAYS GROUP's share capital is 123,103 shares (802,800 originally and 186,408 shares already created), or a maximum dilution of approximately 0.20% of the share capital. The dilution of voting rights would be identical (without taking double voting rights into account).

3/ Plan implemented in February 2021

A selective free share allocation plan (selective plan) and a collective free share allocation plan were implemented on 1 February 2021, with initially 550,550 potential shares, both subject to continued employment conditions. The selective plan alone is subject to performance conditions and stock market price conditions.

	Free shares
Date of shareholders' meeting authorizing the allocation of free shares	**13 June 2018**
Date of the Board of Directors vote to grant the shares	**1 February 2021**
Maximum number of shares authorized	5% of the share capital on the grant date
Number of free shares allocated	550,550
Of which total number that may be acquired by the corporate officers of the Company	247,500
Number of beneficiaries who are not corporate officers of the Company (originally)	371
Dates and terms of vesting	See below
Cumulative number of allocated free shares canceled or voided	291,988
Number of free shares outstanding at 31 December 2021	258,562

Free shares known as Performance Shares are subject to the following conditions:

3.1/ Collective plan benefiting 370 people (18,050 shares originally)

a) Vesting period

The Vesting Period ends on 2 February 2023.

Provided the vesting conditions referred to in Section (b) below are met, the performance shares will vest on the first business day following the expiration of the Vesting Period (the "Vesting Date").

b) Vesting conditions

The vesting of Performance Shares on the Vesting Date is subject only to compliance with the continued employment condition at 2 February 2023.

Continued employment condition

Unless the Board of Directors decides otherwise, the performance shares will vest only if the recipient is still a corporate officer or employee of the Company or a Group company at the end of the Vesting Period.

3.2/ Selective plan benefiting 16 people (532,500 shares originally)

a) Vesting periods

The first Vesting Period expires on 2 February 2023 (half of the shares subject to 2021 performance conditions) and the second Vesting Period expires on 1 July 2023 (half of shares subject to 2022 performance conditions).

Provided the vesting conditions referred to in Section (b) below are met, the final vesting of the Performance Shares will occur on the first business day following the expiration of the relevant Vesting Period (the "Vesting Date").

b) Vesting conditions

The vesting of the performance shares on the Vesting Date is subject to meeting the cumulative performance and continued employment conditions (the "Vesting Conditions").

Performance condition

The vesting of the Performance Shares is subject in part to (i) compliance with the performance conditions linked to the Group's revenue growth levels for the 2021 and 2022 financial years and in part to (ii) the attainment of the Group's consolidated current operating income under IFRS (as defined in the plan) in 2021 and 2022. Any performance shares that may be vested will be allocated a potential "stock market price" bonus depending on the level of the PRODWAYS GROUP share price.

Continued employment condition

Unless the Board of Directors decides otherwise, the performance shares will vest only if the recipient is still a corporate officer or employee of the Company or a Group company at the end of the Vesting Period.

For the 2021 plan, the total number of ordinary shares that may be created by the exercise of all instruments giving access to the Company's share capital is 258,562 shares, or a maximum dilution of approximately 0.51% of the share capital. The dilution of voting rights would be identical (without taking double voting rights into account).

There are no potential shares relating to stock option, stock warrant or free share allocation plans, or other securities that may be convertible, exchangeable or associated with stock warrants, or acquisition rights and/or obligations attached to subscribed but not paid-up capital.

5.2.2 Treasury shares

Share buybacks

The share buybacks in 2021 took place under the authorizations granted by the shareholders' meetings of 8 June 2020 and 14 June 2021.

a) Number of shares bought and sold during the financial year in accordance with Articles L.225-208, L.225-209 and L.225-209-1 of the French Commercial Code and average purchase and sale price

In 2021, 273,360 PRODWAYS GROUP shares were bought back by the Company under the authorizations given by the shareholders' meeting, at an average price of €2.882 per share and for a total cost of €787,953.

In 2021, 278,533 PRODWAYS GROUP shares were sold at an average price of €2.921 per share under the liquidity contract.

b) Trading charges

In 2021, the trading charges consisted solely of fees under the liquidity contract which amounted to €35,167.

c) The number of shares registered in the Company's name at the end of the financial year and their value at purchase price – Fraction of the share capital that they represent

At 31 December 2021, PRODWAYS GROUP held 45,458 treasury shares (representing 0.089% of its share capital) recorded at €131,175 in the statement of financial position (€134,101 at the stock market price of €2.95 at the same date).

All of the shares owned to stabilize the stock market price.

The above number of shares and figures are given on the basis of nominal value of €0.50 per share and 51,263,951 shares making up the share capital at 31 December 2021.

Treasury shares are recorded in the statement of financial position of PRODWAYS GROUP SA under "Transferable securities".

d) Cancelation of Company shares during the 2021 financial year

In 2021 the Company did not use the authorization granted by the shareholders' meetings of 8 June 2020 and 14 June 2021 to reduce the share capital by canceling shares owned by the Company, up to 10% of the capital for every 24-month period.

e) Number of shares potentially used

Repurchased shares may be used to:

- transfer shares when exercising the rights attached to securities giving access to the share capital by reimbursement;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- the use of shares as payment or in exchange for external growth transactions or to stabilize the share's market price.

f) Potential reallocation for other purposes decided during the 2021 financial year

None.

Renewal of the share repurchase program – Description of the share repurchase program

At the shareholders' meeting of 16 June 2022, the shareholders will be asked to authorize the Board of Directors, with power to sub-delegate, to renew the Company's share repurchase program (18th resolution).

The purpose of this authorization is to enable the Company to trade in its treasury shares, as provided for by law, in order to:

- support the secondary market or the liquidity of PRODWAYS GROUP shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices approved by the applicable regulations, it being understood that in this case, the number of shares used to calculate the aforementioned limit corresponds to the number of shares purchased, less the number of shares resold;
- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the extraordinary shareholders' meeting;
- and more generally, carry out any objective authorized by law or any market practice approved by market authorities.

This authorization falls within the legal scope of Article L.22-10-62 of the French Commercial Code:

- it would be valid for a maximum period of 18 months and, as from its adoption by the shareholders' meeting and for the remaining balance, it would cancel and replace any prior delegation of authority to the Board of Directors to allow the Company to trade in its own shares;
- the maximum amount of shares which the Board of Directors may acquire cannot exceed 10% of the total number of shares forming the share capital, with the understanding that the Company may not hold more than 10% of the shares forming the share capital at any time;
- the maximum purchase price per share would be set at €20.

In the event that the capital is increased through capitalization of reserves and allocation of free shares, as well as in the event of a share split, reverse share split or any other transaction affecting equity, the shareholders' meeting would delegate to the Board of Directors the power to adjust the aforementioned prices in such a way as to allow for the impact of such transactions on the share value.

It is understood that these transactions must be performed in compliance with the rules laid down in Articles 241-1 to 241-7 of the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers) as regards market trading conditions and timing.

5.2.3 Additional information on the share capital

TABLE OF THE HISTORY OF THE DEVELOPMENT OF THE COMPANY'S SHARE CAPITAL

Date	Operations	Number of shares before	Number of shares after	Par value (in euros)	Additional paid-in capital (in euros)	Share capital after (in euros)
13 March 2014	Founding of the Company	5,000	5,000	€1	-	5,000
24 November 2014	Share capital increase in cash	5,000	7,967,290	€1	-	7,967,290
29 December 2014	Capital increase by the issue of shares as remuneration for the contribution of shares of PRODWAYS	7,967,290	15,717,290	€1	-	15,717,290
12 June 2015	Share capital increase in cash	15,717,290	16,896,535	€1	+13,820,751.40	16,896,535
21 March 2017	2-for-1 split in the par value of the shares	16,896,535	33,793,070	€0.50	-	16,896,535
12 May 2017	Share capital increase in cash and through conversion of all convertible bonds (Company IPO)	33,793,070	48,237,529	€0.50	+58,037,765.70	24,118,764.50
22 May 2017	Share capital increase in cash and through conversion of all convertible bonds (Company IPO)	48,237,529	49,823,057	€0.50	+6,472,707.52	24,911,528.50
3 November 2017	Share capital increase remuneration for the contribution of AVENAO SOLUTIONS 3D shares	49,823,057	50,815,643	€0.50	+5,455,565.02	25,407,821.50
15 April 2019	Capital increase resulting from the vesting of shares under a free share allocation plan	50,815,643	51,077,543	€0.50	-	25,538,771.50
1 February 2021	Capital increase resulting from the vesting of shares under a free share allocation plan	51,077,543	51,263,951	€0.50	-	25,631,975.50

TABLE OF DELEGATIONS VALID ON 16 MARCH 2022 GRANTED BY THE SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS IN THE AREA OF SHARE CAPITAL INCREASES

Date	Delegation	Validity	Maximum nominal mount	Use
Shareholders' meeting of 08/06/2020 (18th resolution)	Delegation of authority to increase the share capital by incorporating reserves, profits, premiums or other sums by issuing and allocating free shares or by raising the nominal value of existing shares by a combination of these two procedures	26 months	€3 million	None
Shareholders' meeting of 08/06/2020 (19th resolution)	Delegation of authority to increase the share capital by issuing ordinary shares of securities giving access immediately or in future to the share capital with pre-emptive rights	26 months	€6 million(1) €30 million(1) (debt securities giving access to share capital)	None
Shareholders' meeting of 08/06/2020 (20th resolution)	Delegation of authority to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities, and/or securities giving access to ordinary shares, without preferential subscription rights, through a public offer (excluding the offers referred to in I of Article L.411-2 of the French Monetary and Financial Code) and/or as remuneration for securities in the context of a public exchange offer.	26 months	€6 million(1) €30 million(1) (debt securities giving access to share capital)	None
Shareholders' meeting of 08/06/2020 (21st resolution)	Delegation of authority to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities, and/or securities giving access to ordinary shares, without preferential subscription rights, by an offer referred to in I of Article L.411-2 of the French Monetary and Financial Code.	26 months	€4 million(1) (limited to 20% of the share capital per year) €20 million(1) (debt securities giving access to share capital)	None
Shareholders' meeting of 08/06/2020 (22nd resolution)	Authorization granted to the Board of Directors in the event of issue of shares without preferential subscription rights, to set the issue price up to a limit of 10% of the share capital and within the limits set by the shareholders' meeting	26 months	within the limit of 10% of the share capital per year	None
Shareholders' meeting of 14/06/2021 (15th resolution)	Delegation of authority to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities and/or securities giving access to equity securities to be issued, without preferential subscription rights, in favor of a category of persons who will underwrite the Company's equity securities that might result therefrom in connection with an equity line of financing	18 months	€4 million(1) €20 million(1) (debt securities giving access to share capital)	None
Shareholders' meeting of 08/06/2020 (24th resolution)	Authorization granted to the Board of Directors to increase the amount of issues decided on pursuant to the 20th to 23rd resolutions in case of excess demand	26 months	within the limit of 15% of the initial issue or any other percentage set by the regulations in force	None

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Date	Delegation	Validity	Maximum nominal mount	Use
Shareholders' meeting of 08/06/2020 (25th resolution)	Delegation of authority to issue ordinary shares and/or transferable securities giving access to the share capital of the Company, as consideration for non-cash transfers of securities giving access to share capital	26 months	10% of the share capital(1)	None
Shareholders' meeting of 14/06/2021 (18th resolution)	Delegation of authority to issue ordinary shares and/or securities giving access to the share capital without preferential subscription rights in favor of the members of a company savings plan (PEE) pursuant to Articles L.3332-18 *et seq.* of the French Labor Code	26 months	3% of the share capital	None
Shareholders' meeting of 14/06/2021 (16th resolution)	Authorization to grant stock options to employees and/or corporate officers of the Company or affiliated companies	38 months	5% of the existing share capital on the grant date(2)	None
shareholders' meeting of 14/06/2021 (17th resolution)	Authorization to allocate existing or future free shares to employees and/or certain company officers	38 months	5% of the share capital on the grant date(2)	None

(1) Charged against the overall nominal ceiling stipulated by the 19th resolution of the shareholders' meeting of 8 June 2020, i.e. €6 million (or €30 million for issues of debt securities giving access to the Company's share capital). This cap does not apply to debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

(2) The total number of shares that can be allocated by the Board of Directors free of charge under the 17th resolution of the shareholders' meeting of 14 June 2021 and the total number of shares which any options granted by the Board of Directors pursuant the authorization given in the 16th resolution of the shareholders' meeting of 14 June 2021 May give right will be deducted from this cap.

5.3 SHAREHOLDING

5.3.1 Breakdown of share capital and voting rights

The share capital and voting rights break down as follows:

	31 December 2021				31 December 2020			
	Shares	% of share of capital	Voting rights exercisable at the shareholders' meeting*	% of voting rights exercisable at SM	Shares	% of share of capital	Voting rights exercisable at the shareholders' meeting*	% of voting rights exercisable at SM
PÉLICAN VENTURE	11,089,087	21.63%	11,089,087	18.71%	-	-	-	-
GROUPE GORGÉ	3,050,210	5.95%	6,000,420	10.12%	28,867,733	56.52%	57,635,466	67.23%
Raphaël GORGÉ	177,472	0.35%	177,472	0.30%	-	-	-	-
Jean-Pierre GORGÉ	173,113	0.34%	173,113	0.29%	-	-	-	-
Sub-total GORGE family	**14,489,882**	**28.27%**	**17,440,092**	**29.42%**	**28,867,733**	**56.52%**	**57,635,466**	**67.23%**
FIMALAC DÉVELOPPEMENT	3,403,508	6.64%	6,807,016	11.48%	3,403,508	6.66%	6,807,016	7.94%
SAFRAN CORPORATE VENTURES	907,894	1.77%	1,565,788	2.64%	907,894	1.78%	1,565,788	1.83%
BPIFRANCE PARTICIPATIONS	750,000	1.46%	1,500,000	2.53%	750,000	1.47%	1,500,000	1.75%
Treasury shares	45,458	0.09%	-	-	50,720	0.10%	-	-
Public	31,667,209	61.77%	31,965,954	53.93%	17,097,688	33.47%	18,217,770	21.25%
TOTAL	**51,263,951**	**100%**	**59,278,850**	**100%**	**51,077,543**	**100%**	**85,726,040**	**100%**

* *Voting rights exercisable at the shareholders' meeting do not include treasury shares. The number of theoretical vote may be obtained by adding the number of votes exercisable at the shareholders' meeting to the number of treasury shares.*

In February 2021, the share capital was increased by 186,408 new shares, resulting from the acquisition of shares under a free share allocation plan.

In December 2021, GROUPE GORGÉ made an exceptional distribution in kind of 25,817,523 PRODWAYS GROUP shares to its shareholders. PÉLICAN VENTURE, the main shareholder of GROUPE GORGÉ, then became the main shareholder of PRODWAYS GROUP with 21.63% of the share capital. Raphaël GORGÉ, Chairman of the Board of Directors, Jean-Pierre GORGÉ, his father, as well as Catherine BENON and Céline LEROY, Directors, also received PRODWAYS GROUP shares.

To the Company's knowledge, since the reporting date, no significant changes in shareholding have occurred and there are no shareholders, other than those mentioned above, directly or indirectly holding 5% or more of the Company's share capital or voting rights.

5.3.2 Voting rights of the major shareholders

In accordance with the Company's bylaws, PRODWAYS GROUP shares held in registered form for more than two years carry double voting rights. These double voting rights apply from the initial listing of the Company's shares on the Euronext regulated market in Paris on 12 May 2017.

Shareholders, first among which is GROUPE GORGÉ, registered their shares and therefore benefited from double voting rights, after two consecutive years of registration from the Company's initial public offering. The shares that were held by GROUPE GORGÉ and that were distributed in December 2021 then lost their double voting rights. This is why the number of voting rights fell significantly in 2021.

To the Company's knowledge no shareholder's or other agreement exists that could result in a change of control of the Company.

5.3.3 Controlling shareholders

The Company was controlled, within the meaning of Article L.233-3 of the French Commercial Code, by GROUPE GORGÉ until December 2021.

Since then, PÉLICAN VENTURE, the company controlling GROUPE GORGÉ, has been the main shareholder of PRODWAYS GROUP, PÉLICAN VENTURE, GROUPE GORGÉ and two members of the GORGÉ family together hold 29.4% of the voting rights.

5.3.4 Information liable to have an impact in the event of a public offer

Holders of shares registered in their names for more than two years enjoy double voting rights.

The Company has not been controlled by GROUPE GORGÉ since December 2021.

The Company's bylaws do not contain any mechanisms for delaying, postponing or preventing a change of control.

5.3.5 Employee shareholding

The Group's existing stock option plans, free share allocation plans and stock warrant plans are described in Note 5.4 to the consolidated financial statements and in Section 5.2.1 of the Universal Registration Document.

On 1 February 2021, 186,408 PRODWAYS GROUP shares were definitively vested in employees and a corporate officer, under the free share allocation plan of 2019.

In accordance with Article L.225-102 of the French Commercial Code, it should be noted that at 16 March 2022:

- no employees' shares were held under collective management;
- 381,665 PRODWAYS GROUP shares may be vested in Group employees under free share allocation plans, of which 123,103 were granted under the 2019 plan and 258,562 additional shares under the 2021 plan.

5.4 FINANCIAL COMMUNICATION (FINANCIAL CALENDAR, SHARE PERFORMANCE, DIVIDEND POLICY, ETC.)

5.4.1 Stock market information

PRICE CHANGES AND VOLUMES TRADED ON EURONEXT IN 2021

Higher	**High** *(in euros)*	**Low** *(in euros)*	**Number of shares traded**	**Capital** *(in euros)*
January 2021	2.96	2.35	2,302,936	6,376,340
February 2021	3.14	2.66	1,496,311	4,343,636
March 2021	3.34	2.52	2,103,530	6,293,443
April 2021	3.03	2.78	739,678	2,146,394
May 2021	3.04	2.62	493,697	1,400,458
June 2021	3.09	2.77	489,401	1,429,679
July 2021	3.06	2.67	519,736	1,495,254
August 2021	2.85	2.65	241,778	660,182
September 2021	3.21	2.70	595,791	1,780,704
October 2021	3.48	2.90	863,671	2,739,859
November 2021	3.26	2.72	746,669	2,222,957
December 2021	3.09	2.67	1,333,108	3,831,704
January 2022	3.17	2.70	1,778,020	5,180,933
February 2022	3.01	2.27	1,353,575	3,567,890

Source: Euronext.

Life of the PRODWAYS GROUP share

PRODWAYS GROUP shares have been listed on Euronext Paris since 12 May 2017. PRODWAYS GROUP joined Compartment C which includes listed companies with a market capitalization below €150 million.

Since 2 October 2017, PRODWAYS GROUP has met all the eligibility criteria for the French PEA-SME tax-efficient investment regime (Decree no. 2014-283), meaning it has fewer than 5,000 employees and annual revenue of less than €1,500 million or total assets of less than €2,000 million.

PRODWAYS GROUP shares have been included in the SRD long-only deferred settlement list since 27 December 2017. The SRD long-only listing should help improve trading liquidity.

5.4.2 Dividend distribution policy

The Company intends to pay dividends when results permit, but it has not defined a systematic policy with respect to the apportionment of its profits between dividends and the financing of its operations.

No dividends have been paid since the creation of the Company; the Board of Directors will not propose payment of a dividend to the shareholders' meeting of 16 June 2022.

5.4.3 Information documents

The Company communicates with its shareholders primarily *via* its website (www.prodways-group.com), its Twitter account and the financial wire agency ACTUSNEWSWIRE.

The quarterly, half-yearly and annual financial results are disclosed in press releases according to the indicative timetable below:

- Q1 2022 revenue: 19 April 2022;
- shareholders' meeting: 16 June 2022;
- Q2 2022 revenue: 25 July 2022;
- HY 2022 financial results: 14 September 2022;
- Q3 2022 revenue: 17 October 2022;
- Q4 2022 revenue: end February 2023.

Conference calls with analysts and investors and the presentation of results are available on the PRODWAYS GROUP website just after results publication. The communication concerning the results of the 2021 financial year took place on 16 March 2022.

During the period of validity of the Universal Registration Document, the following documents may be consulted at the Company's head office:

- the Company's bylaws;
- all reports, correspondence and other documents part of which is included or referred to in this Universal Registration Document;
- the issuer's historical financial information for each of the two financial years preceding the publication of the Universal Registration Document.

The annual reports are available at the Company's head office, 30, rue de Gramont – 75002 Paris, as well as on the website www.prodways-group.com. The Company's press releases are relayed *via* professional broadcasting services (ACTUSNEWSWIRE) and can be consulted on the main stock exchange websites, accessible to all audiences, such as BOURSORAMA, BOURSIER.COM, EURONEXT, etc.

The Company's website contains all of PRODWAYS GROUP's up-to-date financial information. All PRODWAYS GROUP press releases are readily available on it, as are all documents of relevance to shareholders such as underlying documents, annual reports, Universal Registration Documents, half-year consolidated financial statements and information on share buybacks.

PRODWAYS GROUP participates in small and/or mid cap events and road shows as well as other events throughout the year at which the Company presents its activities and results to analysts, investors and shareholders. The Group also organizes investor and analyst meetings at relevant trade shows during the year and at its main operating sites (specifically PRODWAYS' Tech Centre).

A Securities Service directly administers fully registered shares free of charge. Shareholders who wish to register their securities in this form may send their request to CACEIS Financial Services, 14 rue Rouget-de-Lisle, 92862 Issy-les-Moulineaux Cedex 09, France, or to their own financial advisor.

Our shareholder/investor contact, ACTUS FINANCE (52, rue de Ponthieu – 75008 Paris), is available for all questions about news and the various press releases about the Group.

6

OUR VALUES, OUR EMPLOYEES AND OUR CSR COMMITMENTS

6.1 GENERAL APPROACH AND METHODOLOGY

6.1.1 Specific context of the Statement of Non-Financial Performance

PRODWAYS GROUP has chosen to establish a Statement of Non-Financial Performance on a voluntary basis; it is indeed not submitted to the obligation to establish one. This statement is verified by an independent third-party entity.

Completion of this Statement of Non-Financial Performance is a new step that is part of the ongoing improvement of PRODWAYS GROUP's social, environmental and economic commitments.

Scope of reporting

The information presented in this report is consolidated and relates to the French subsidiaries as of 31 December 2021, *i.e.* seven subsidiaries in 2021 and six subsidiaries in 2020. The latter represented, at the end of 2021, 70% of the Group's workforce and 70% of its revenue, slightly down compared to 2020[(1)] (74% of the workforce and 75% of the revenue). For practical and organizational reasons within the Group, it seemed relevant to retain this materiality threshold. It should be noted that the foreign companies are not yet included in the scope of reporting due to the complexity of setting up processes for collecting and reporting information, which must be adapted to the reporting model set up in France. These companies will gradually be integrated.

Governance and CRS indicator reporting method

The production of CSR (Corporate Social Responsibility) indicators requires a system to report information from the subsidiaries to the Financial Department of PRODWAYS GROUP. A protocol that describes the CSR indicators in a precise, consistent manner has been established.

The governance of the Group's CSR policy was strengthened at the end of 2020, with the appointment by the Board of Directors of Hélène de COINTET, Director, as CSR Officer in charge of steering the Group's CSR approach. She relies on the Group's employee pilots: Mathilde MISSLIN, Group HR Director, and Laurent CARDIN, Chief Financial Officer.

6.1.2 CSR commitments of PRODWAYS GROUP

Since 2018, to give greater depth to the assessment of its CSR issues and risks, PRODWAYS GROUP conducted a materiality analysis, with the assistance of an external consultant, to anticipate the requirements, risks and opportunities related to sustainable development issues, and our responsibilities vis-à-vis our stakeholders.

This analysis was conducted in several stages:

- establishment of sector benchmarks;
- identification of the main issues using internal resources, including risk mapping;
- organization of internal workshops with operational staff to verify issue relevance;
- the collection of CSR data by the Group's Executive Management.

This work made it possible to identify and prioritize the Group's environmental, social and societal challenges based on:

- stakeholder expectations;
- their impact on the Group's activity.

The rating of these risks revealed three levels of potential risks: moderate, high and capital.

PRODWAYS GROUP assessed its challenges and the contribution of its mission and its social and environmental initiatives to the 2030 Agenda for Sustainable Development adopted by the UN in 2015. This program consists of 17 Sustainable Development Goals (SDGs).

The SDGs are emerging as the new global priority framework and their adaptation for companies by the Global Compact, the WBCSD and the GRI is a new comprehensive and sustainable CSR framework with which the Group hopes to comply.

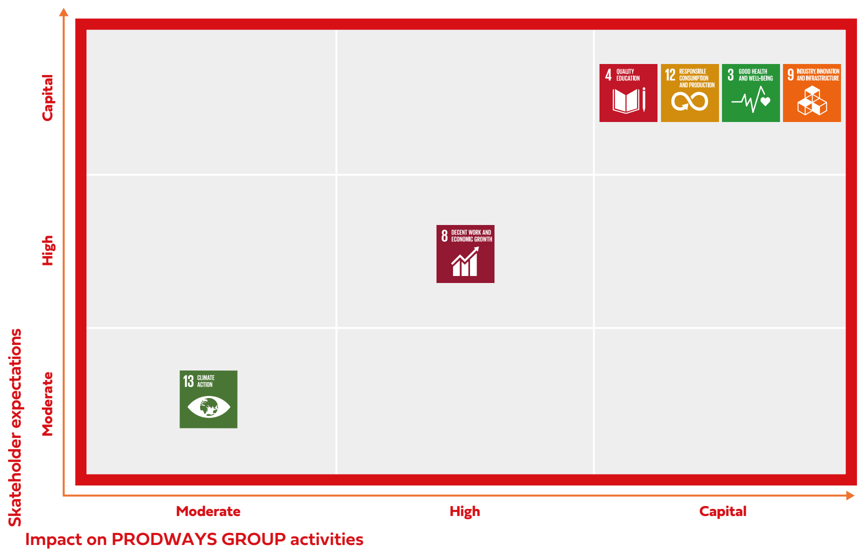
(1) *The slight decrease is due to the acquisition of Creabis in 2021, which is not yet included in the scope of reporting.*

6.1.3 CSR risks and issues of PRODWAYS GROUP

The issues related to PRODWAYS GROUP's activity were attributed to the various Sustainable Development Goals to monitor the Group's CSR contribution and measure actions and their related performance.

PRODWAYS GROUP materiality matrix

The PRODWAYS GROUP materiality matrix represents the CSR issues identified as priorities for the Group. The Group's materiality analysis identified seven priority issues, corresponding to six Sustainable Development Goals. These seven issues are also responses to risks in the risk analysis.



SDG	CSR issue	Risk(s) addressed by this issue
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3D printing: a production method that meets the challenges of sustainable development	Risk 2.1 – Current context
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Building a major player in technological innovation	Risk 2.2.2 – Risks related to changes
3 GOOD HEALTH AND WELL-BEING	• Medical: an area of strategic development for PRODWAYS GROUP • Workplace health, safety and well-being, a commitment for all employees	Risk 2.1 – Current context and 2.2.1 Risk 2.3.4 – Risks related to the holding, storage or handling of materials Risk 2.4.2 – Risks related to failure to comply with the applicable regulations
4 QUALITY EDUCATION	Attracting and shaping talent	Risk 2.3.2 – Risks related to the skills of employees not matching the Group's transformation
8 DECENT WORK AND ECONOMIC GROWTH	Investing in sustainable and responsible relationships with employees	Risk 2.3.1 – Risks related to difficulties in attracting or retaining employees with the required skill levels Risk 2.3.2 – Risks related to the skills of employees not matching the Group's transformation
13 CLIMATE ACTION	Activities with limited impact on climate change	

6

In 2021, key performance indicators were identified, in line with the PRODWAYS GROUP risk matrix, around three major themes: employee well-being and retention, the creation of a close and responsible supply chain, and the reduction of the Group's carbon emissions. These performance indicators are closely monitored and quantitative targets are being finalized, while the Group's CSR officers are assigned targets related to these CSR criteria in their 2022 bonus.

6.1.4 European green taxonomy

Derived from the action plan for sustainable finance launched in 2018 by the European Commission, European Regulation no. 2020/852 of 18 June 2020 establishes a framework to promote "sustainable" investments in the European Union, called "European green taxonomy". In accordance with this regulation, the Group was therefore subject for the first time in 2021 to the obligation to publish the portion of its activity eligible for the taxonomy – revenue, capital expenditure (capex) and operating expenditure (opex) – on the first two environmental objectives related to climate change.

To be considered sustainable, an activity must make a substantial contribution to one of the six environmental objectives listed below, not hamper the other five according to the "Do No Significant Harm" principle and comply with minimum social standards. The taxonomy regulation is supplemented by two delegated acts: the first published in April 2021 specifying the environmental technical criteria for the first two objectives, the second published in July 2021 specifying the expected reporting on the taxonomy.

The six environmental objectives of the taxonomy:

1. climate change mitigation;
2. adapting to climate change;
3. sustainable use of water and marine resources;
4. transition to a circular economy;
5. pollution prevention and reduction;
6. protection and restoration of biodiversity and ecosystems.

On the first two objectives related to climate change, a given activity may be eligible for the taxonomy if it is already low-carbon (Own performance), if it contributes to the transition to a net zero emissions economy by 2050 (Transitional activity), or if it enables other activities to reduce their CO_2 emissions (Enabling activity). To be aligned, an activity must be eligible and meet the technical screening criteria and minimum social standards specified in the regulation.

The Group has analyzed each of its activities using the criteria defined by the European taxonomy to determine if it is eligible for one of the first two objectives of mitigation and/or adaptation to climate change. In a first approach, it appears that 81% of the turnover and 89% of the capex of PRODWAYS GROUP are eligible to at least one of the first two objectives of the European taxonomy. At this stage, PRODWAYS GROUP is not able to determine the share of eligible OpEx as defined by the taxonomy regulation from the existing processes and information systems. A further analysis will be conducted in order to specify this indicator in the next Universal Registration Document.

ELIGIBLE REVENUE AND CAPEX BY DIVISION AT 31 DECEMBER 2021

	Indicator	Eligibility in%
PRODWAYS GROUP revenue[(1)]	**70.6**	**81%**
of which Systems	43,9	100%
of which Products	26,9	50%
Capex	**4,7**	**89%**

(1) Sum of the revenues of the Systems and Products divisions and the "Structure and intra-group eliminations" items for -0.2 M€

6.2 3D PRINTING: A PRODUCTION METHOD THAT MEETS THE CHALLENGES OF SUSTAINABLE DEVELOPMENT

CSR objective addressing the risk described in Section 2.1 “Current context”.

3D printing is considered an environmentally-friendly technology because of its additive process, which means that only the raw material necessary to manufacture a part is used. It is also a vector for the relocation of industrial activities. By the nature of its activity, PRODWAYS GROUP contributes to reducing the consumption of raw materials and rebuilding a social and sustainable industrial ecosystem in France.

3D printing, also called additive manufacturing, consists of creating physical objects by superimposing different layers of material. This manufacturing process is mostly computer-assisted using digital files (this is called Computer Aided Design, or CAD). Once the object is finalized by the operator for that file, it is sent to special software that cuts it into slices and sends it to the printer, which deposits or solidifies material (depending on the materials and techniques used) layer by layer until the final piece is obtained.

3D printing differs from traditional manufacturing techniques (machining, carving, milling, drilling, etc.) which rely on blocks of material (steel, aluminum, titanium, etc.) and processes aimed at eliminating all the parts deemed unnecessary for obtaining the final shape of the part (this is called subtractive manufacturing). With the 3D printing technique, objects are formed by adding material, which allows users to overcome the constraints and environmental impacts of manufacturing or using a mold, sheet metal plate or block of metal.

By way of example, PRODWAYS GROUP’s Rapid Additive Forging technology can manufacture blank parts in titanium that are close to the geometry of the final part, which will then be sent for final machining. This considerably reduces the proportion of material lost as shavings; losses which can represent up to 95% of the metal block with traditional machining processes.

By offering the option of printing custom-made parts on demand, manufacturers and consumers can repair objects that would otherwise be thrown out because a part is no longer available.

3D printing also means that production sites can be relocated nearer customers, thus reducing transport emissions.

Thanks to the new possibilities offered, this manufacturing process is appreciated by all industrial trades, in particular by the aerospace industry, for the rapid prototyping of complex geometric parts, and by the medical industry, for the manufacture of several different parts on a single production line.

The Group is positioned in the majority of its activities as a designer and assembler, and it has set up recycling processes for materials, namely the powders and liquid resins used. Accordingly, its activities do not directly cause any major environmental hazards.

6.3 BUILDING A MAJOR PLAYER IN TECHNOLOGICAL INNOVATION

CSR objective addressing the risk described in Section 2.2.2 "Risks related to technological developments and R&D investments".

Since its creation, PRODWAYS GROUP has had a reputation for its ability to innovate using know-how and thanks to significant Research and Development efforts. The Group has devoted a significant portion of its resources to Research and Development to develop and improve its lines of 3D printers and equipment and find new applications for additive manufacturing. These efforts enable the Group to maintain its position as a respected player in technological innovation in the additive manufacturing sector.

6.3.1 Innovation: the heart of the Group's strategy

Born from the meeting of Dr. André-Luc ALLANIC, a world-renowned expert in additive manufacturing, with the industrialist Raphaël GORGÉ, innovation has always formed the very DNA of PRODWAYS GROUP.

The Group has eight technology centers dedicated to specific areas of involvement and a team of engineers dedicated to the development of future applications.

The Group's research focuses on three key areas:

- machines;
- materials;
- medical prostheses (dental, audiology, podiatry).

The Group focuses its efforts on series production applications, particularly the medical, aeronautics and jewelry sectors, where the benefits of 3D printing are significant.

In 2021, €2.9 million was allocated to R&D, which represented 4.1% of revenue, compared to €2.9 million and 5.1% of revenue in 2020.

The Group makes major investments in research and development to maintain and further develop its competitive edge. The Group files patent applications when necessary to protect patentable technical, technological and commercial breakthroughs.

Thus, PRODWAYS GROUP holds a portfolio of 21 patent families aimed at protecting the formula of materials (six families of material patents) as well as the proprietary DLP® MOVINGLight®, Solidworks® and RAF® technologies developed in its own 3D printers (15 families of patents). In 2021, several important innovations were developed, such as the new PLASTCure Absolute Aligner resin, specially developed by the PRODWAYS MATERIALS team to optimize the 3D printing of models for dental aligners.

6.3.2 Co-innovation and knowledge sharing

PRODWAYS GROUP bases its vision of innovation on openness and partnership, along several dimensions.

Co-innovation with customers and the additive manufacturing ecosystem

INITIAL and L'ORÉAL have joined forces to accelerate the development of thermoplastic parts through 3D printing. This new way of producing incorporates sustainable development issues.

The Group has also set up a partnership with the JULES VERNE TECHNOLOGICAL RESEARCH INSTITUTE regarding the innovative Rapid Additive Forging technology for the 3D printing of titanium parts for the aeronautical and other sectors. R&D resulted in a reduction of over 80% in material loss compared to traditional machining techniques.

To strengthen its supply of additive manufacturing materials, the Group has set up numerous partnerships with leading chemists such as BASF, ARKEMA and A. SCHULMAN, etc. In 2020, these partnerships were strengthened, with the acquisition by BASF of four new powder-sintering printers operating at high temperatures for its research and development activities and the manufacture of parts.

Entrepreneurial partnerships through joint ventures with start-ups

In 2015, PRODWAYS GROUP invested in the USINE IO incubator, a technological innovation space that provides inventors, entrepreneurs, SMEs and large companies with machine resources, a center of technical expertise and networking in order to design, prototype and prepare the industrialization of objects. Thanks to a concept unique in Europe, USINE IO disrupts the way in which start-ups, SMEs and large industrial groups innovate by supporting them from the idea to the object.

Sharing knowledge with as many people as possible

As an additive manufacturing expert in France, the Group tries, through meetings, conferences and round tables, to initiate knowledge about its activities with associations, business clubs, students or any other audience that may take an interest in the Group's activities. By attending these types of events, the Group seeks to promote the role of middle-market companies in France and support French innovation. The Group also participates in technical conferences at trade shows or events dedicated to additive manufacturing such as the *Journée de la Fabrication Additive*.

6.4 MEDICAL: AN AREA OF STRATEGIC DEVELOPMENT FOR PRODWAYS GROUP

CSR objective addressing the risk described in Sections 2.1. "Current context" and 2.2.1 "Risk related to inefficient strategic positioning".

A 3D printer dedicated to medical applications allows the printing of objects that are smaller (like teeth) or have thinner walls. Whether a hospital, university or research laboratory, many medical institutions are interested in 3D printing technologies.

In this sector, 3D printing makes it possible to (i) plan surgeries using accurate anatomical models made from scanners or MRIs, (ii) develop custom implants or prostheses, (iii) use 3D-printed models for medical education, and (iv) bio-print live tissues for drug testing and implant placement.

By making it possible to print unique, custom parts at a reduced price, the use of 3D printing has grown very quickly in this industry.

6.4.1 Medical activities of PRODWAYS: products and services for the well-being of the population

Within its Products division, PRODWAYS GROUP houses medical activities that produce medical prostheses through 3D printing:

- INTERSON PROTAC produces custom-made hearing aid tips and personal protective equipment (PPE) type hearing protectors; these products meet the European Personal Protective Equipment (PPE) standards for earplugs (EU 2016/425). The new European regulations require stricter compliance procedures, continuous monitoring of the production process and a guarantee of quality;
- CRISTAL is a dental prosthesis laboratory;
- PODO 3D produces 3D printed orthopedic and comfort insoles under the "Scientifeet" brand, sold to podiatrists.

In addition, PRODWAYS GROUP has developed a range of 3D printers and materials specifically dedicated to the dental sector. Its expertise in additive manufacturing in the dental industry is reflected in its partnership with the biggest names in the sector such as DREVE or BIOTECH DENTAL. It is also associated with renowned dentists and leading international suppliers.

The machines are specially designed for their application and are adapted to the biocompatible materials used in various sectors. For example, in 2021, the Group developed PLASTCure Absolute Aligner and achieved numerous successes in the sale of machines and associated materials in the field of orthodontic mouthpieces.

6.4.2 Corporate sponsorship actions

INTERSON PROTAC sponsors the association AuditionSolidarité.org, whose goal is to work to improve auditory well-being for as many people as possible.

As part of its sponsorship, INTERSON PROTAC pays the *Audition Solidarité* association €1 for each pair of customized Pianissimo® sold and €0.50 for each standard Pianissimo® sold. INTERSON PROTAC also supports the association in humanitarian missions abroad. A team of hearing professionals are working around the world in schools for deaf and hearing-impaired children to equip all children and train teachers on site for daily monitoring. As part of its missions, INTERSON PROTAC provides *Audition Solidarité* with expertise in the manufacture of hearing aid eartips and donates materials and accessories.

6.5 COMMITMENTS OF THE GROUP TO ITS EMPLOYEES

With the growth of its activities, the Group has undertaken sustained recruitment efforts in recent years. The recruitment and retention of key skills within the Group is one of its major challenges.

6.5.1 Investing in sustainable and responsible relationships with employees

8 DECENT WORK AND ECONOMIC GROWTH

CSR objective addressing the risk described in Sections 2.3.1 "Risks related to difficulties in attracting or retaining employees with the required skill levels" and 2.3.2 – "Risks related to the skills of employees not matching the Group's transformation".

PRODWAYS GROUP pays close attention to its relationships with its employees, access to quality health services for all and the application of a sustainable and attractive employment policy.

6.5.1.1 Employment policy

In high technology sectors innovation – and therefore talent – determines the successes of tomorrow. This is why the development of human potential is a priority for PRODWAYS GROUP. A common HR policy is being developed at Group level.

Total Group workforce and geographic locations

The total workforce is the number of people present within the Group at 31 December 2021 who are bound by a permanent contract, a fixed-term contract or a trainee contract. Part-time workers are counted as one person.

The following indicators (with the exception of the table below) relate to the total Group workforce for the selected subsidiaries, totaling 325 employees in 2021 (70% of the total, and 69% on a like-for-like basis compared with the previous year). The 2020 indicators represented 347 employees.

	Systems		Products		Corporate		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Executives	92	103	54	45	7	3	153	160
Technicians and supervisors	18	22	94	108	2	-	114	128
Employees	64	70	47	82		2	111	151
Workers	21	16	61	11		-	82	27
TOTAL	**195**	**211**	**256**	**246**	**9**	**5**	**460**	**466**

In France, the Group is present in several regions: Île-de-France (around 28% of the workforce), Auvergne-Rhône Alpes (25% of the workforce), Nouvelle-Aquitaine (over 7%), and Occitanie (less than 15%). Through its activities, the Group is a local and sustainable job provider. The Group is also established in the United States and Germany with approximately 40 and 60 employees respectively in these countries.

Gender distribution by socio-professional categories

	Men		Women		Total	
(in%)	2021	2020	2021	2020	2021	2020
Executives	28	28	7	5	35	33
Technicians and supervisors	17	18	10	13	28	31
Employees	11	17	8	14	19	31
Workers	7	3	9	-	16	3
Apprentices	1	1	1	-	2	1
TOTAL	**65**	**68**	**35**	**32**	**100**	**100**

Distribution by age

(in%)	2021	2020
Less than 30 years old	22	23
30 to 39 years old	32	28
40 to 49 years old	25	26
50 to 59 years old	18	18
60 years old and over	2	4

6.5.1.2 Recruitment policy

As the Group is positioned in high-tech activities that most often require its employees to have special know-how and/or expertise, it prefers to recruit in the form of permanent contracts, so as to retain knowledge and know-how. In fact, in 2021, permanent employment contracts represented 96% of the total workforce and 68% of hires.

	2021	2020
Hires*	57	40
• of which permanent employment contract	39	28
• of which fixed-term employment contract	13	7
• of which trainee contract	5	4

* *Excluding transfers between Group entities.*

The Group resumed hiring in 2021, following a year 2020 marked by the pandemic. The change in hires and departures reflects contrasting realities depending on the Group's activities: while the Machinery activity continued its reorganization initiated in 2020 (combining activities on two sites, and subcontracting of production), involving redundancies, the Group's other activities hired new staff, in particular the Software and Medical activities.

Over the financial year, we note an increase of 42% in hiring compared to the previous year.

The table below breaks down departures by reason.

	2021	2020
Departures	89	62
• for economic reasons	34	11
• for other reasons	5	5
• end of contract, retirement, resignation, termination by mutual agreement	50	46

The Group had a staff turnover rate of 18.5% in 2021 compared to 12.0% in 2020. The increase was mainly due to the reorganization of the Machinery activity and a historically low turnover in the specific context of 2020.

Since 2021, the Group has been monitoring an indicator that it considers appropriate to reflect the well-being of its employees and its ability to retain talent: the exit rate suffered by the Group. This indicator is calculated as follows: departures during the year suffered by the Group (layoffs - excluding redundancies, resignations and contractual terminations)/number of employees at the beginning of the year. In 2021, this rate was 13% in the Group, slightly up compared to 2020 (11%) but down sharply compared to the rate of 20% in 2019 (which is a reference year, 2020 being an exceptional year). Various measures are being put in place to limit this departure rate, with:

- improved monitoring of the following indicators: rate of exit interviews carried out, rate of annual interviews carried out, and rate of manager training;
- various qualitative actions such as conducting regular internal communication, offering skills development and diversification training, and promoting the integration of new talents.

In 2021, the implementation of more widespread teleworking agreements also enabled the Group to meet high expectations of employees, and thus contribute to their job satisfaction.

Non-discriminatory hiring policy

PRODWAYS GROUP is convinced that a diversity of profiles is an asset for the Company. The Group is committed to being a responsible employer and takes care to ensure that its conduct and practices are exemplary. For this reason, it is committed to preventing any form of discrimination in hiring.

In 2021, 0.2% of the PRODWAYS GROUP's total workforce was disabled.

	2021	2020
Number of employees with disabilities	1	5

Integration of young graduates and the Group's employment policy

PRODWAYS GROUP promotes its innovative activities on social networks through several of its subsidiaries through LINKEDIN and TWITTER. This presence allows it to relay important information about the markets in which it operates, share trends, communicate on the latest contracts won, announce new solutions or participation in a trade fair, publish a job offer, etc.

Since the creation of the Group, several engineering students who had spent their final-year internship in the Group have been offered permanent contracts on completion of their internships.

In 2021, the Group had 29 new interns and apprentices, *i.e.* 8.9% of its workforce.

	2021	2020
Employees of a work-study contract	5	5
Interns	24	29

6.5.1.3 Gender equality

Within PRODWAYS GROUP, women represented nearly 35% of the workforce and 7% of managers in 2021, a slight increase compared to 2020.

The employment of women varies according to the divisions. The "Systems" division, which represented 42% of the Group's workforce, employed 10% of women whereas the "Products" division, representing 56% of the Group's workforce, employed 40% of women.

(in%)	2021	2020
Total workforce (% women)	35	32
Executives (% women)	7	5
Non-executives (% women)	28	27
Permanent employment contract workers (% women)	35	32
Fixed-term contract workers (% women)	50	2

Gender distribution remains relatively constant from year to year.

The gender equality index has been officially published since 2020 by the Group's two subsidiaries which have more than 50 employees; it is currently correct in one subsidiary (76/100) and very inadequate in the other (48/100). It should be noted that these rates are difficult to analyze because these small companies have few comparable positions. Nevertheless, the Group is taking proactive actions to correct this situation: An agreement is being negotiated with the European Works Council of the lowest-rated subsidiary during the first quarter of 2022 to take corrective actions, while the other subsidiary will have established a precise improvement plan before the end of the first half of 2022.

Actions implemented to promote gender parity

As regards gender parity, the Group's actions are organized around four concepts: professional promotion, remuneration, professional training and work/family balance.

Work/life balance measures also benefit gender parity as they enable both parents to handle family responsibilities. Agreements for work/life balance are currently being negotiated and include measures such as:

- "sick children" leave; three subsidiaries now have an agreement to take at least one day of sick child leave per year;
- better consideration of the constraints of personal life through scheduling of work meetings on adapted schedules and telecommuting;
- voluntary part-time;
- continued remuneration of men during paternity leave.

Moreover, the composition of the Board of Directors of the Company complies with the rules on gender equality set out in Act No. 2011-103. The Board of Directors of PRODWAYS GROUP is committed to ensuring that men and women are treated equally within the Company and its subsidiaries.

6.5.1.4 Remuneration policy and financial benefits

Each subsidiary has its own wage policy and makes its own independent decisions regarding the wage developments of its employees, depending on its field of business and growth or its own constraints, salary evolution of its employees. To maintain employee loyalty, in 2016 and 2019, the Group set up free share allocation plans for all Group employees present as of the date of the decision to allocate shares and free share allocation plans for a limited number of employees. A new plan was decided in early 2021.

Overview of remuneration

	2021	2020
Gross remuneration	12,482	11,699
Social security contributions	5,222	4,515
Pension liabilities: remuneration paid and IAS 19 provision	127	187
Shareholding plans, profit-sharing	-	-
Total	17,830	16,400

6.5.2 Promoting learning opportunities

Objective addressing the risks described in Section 2.3.2 "Risks related to the skills of employees not matching the Group's transformation".

The development of know-how and innovation is a priority in the skills management policy of the Group given its rapid evolution in a constantly growing 3D printing market.

Thanks to a training and development policy, employees can learn a skill while furthering their personal and professional development.

The Group's subsidiaries are developing their own training policies. The human resource management policy on training is focused on two types of training:

- training to adapt to a workstation and/or related to job advancement and job retention;
- skills development training.

After a year in 2020 impacted by the difficulty of delivering face-to-face training, PRODWAYS GROUP significantly increased the training of these employees, both in terms of the number of hours of training completed by its employees and the number of people trained.

	2021	2020
Number of hours of training provided	3,400	1,167
Rate of access to training *(%)*	24	12
Average number of hours per employee	41	28
Number of persons trained	77	42
Budget *(in thousands of euros)*	33	20

Skills development training

3D printing skills do not always exist outside the Group. To meet its needs, the Group sometimes sets up internal training programs. INTERSON PROTAC trains each employee internally in hearing aid technology.

AVENAO offers its employees the opportunity to study towards vocational qualification certificates (*certificats de qualification professionnelle*) specific to technical positions in order to obtain certification; thus, AVENAO trains all of its technicians so that they can develop additional skills.

In addition, all AVENAO salespeople receive training from DASSAULT SYSTÈMES and its young managers receive external training.

6.5.3 Workplace health, safety and well-being, a commitment for all employees

Objective addressing the risks described in Section 2.3.4 "Risks related to the holding, storage or handling of materials".

Each Group company has its own workplace health and safety issues, depending on its activity. In addition, Group companies do not have facilities that are subject to the regulations for facilities classified for environmental protection (ICPE).

Workplace health and safety policies are managed within each company in the Group depending on its field of business and its own constraints. The assessment of health and safety risks in relation to employees is set out in a document drawn up by each company. Employees are also informed of these risks through the CHSCT (Committee for Health, Safety and Working Conditions), in companies where such a committee exists. Customized training is provided based on the risks monitored by employees, especially for hazardous or polluting products.

Some of the Group's activities require the storage and handling of hazardous products. The concerned companies implement the safety procedures recommended for the handling and storage of such products.

For example, INITIAL handles potentially hazardous powders (explosion risks), which may pose a health hazard when inhaled. Strict handling and storage procedures have been put in place.

Similarly, the use of DLP® or lasers requires certain handling precautions to protect the health of the concerned employees.

PRODWAYS GROUP Health and Safety policy performance

	2021	2020
Number of workplace accidents with stoppage	3	6
Number of days lost	*80*	*126*
Frequency rate	5.14	10.41
Severity rate	0.14	1.26

The Group recorded three workplace accidents with lost time.

The number and severity of workplace accidents decreased significantly compared to 2020, which had four minor car accidents, experienced by sales representatives and trainers traveling to customers.

In addition to the attention given to the health and welfare of its own employees, PRODWAYS GROUP plays a direct role in workplace well-being by producing and selling Personal Protective Equipment (PPE) that is directly helpful for employees.

In audiology, INTERSON PROTAC sells hearing protection for industry to protect employees from noise in open-plan offices or factories and has equipped several of the Group's subsidiaries. Similarly, in the INITIAL subsidiary, operators have been equipped with PODO 3D "Scientifeet" brand printed orthopedic insoles to improve employee comfort and reduce foot pain. A business study in partnership with occupational physicians, a podiatrist and an applied biomechanics laboratory has been launched.

6.6 ACTIVITIES WITH LIMITED IMPACT ON CLIMATE CHANGE AND THE ENVIRONMENT

Given its engineering and assembly activities, the Group has a limited impact on climate change and the environment; none of its subsidiaries is subject to compliance with an environmental standard. Nevertheless, the Group deploys actions whenever possible to reduce its environmental impact.

6.6.1 Resource and product end-of-life management

6.6.1.1 End-of-life management of raw materials and waste

In its production activities, the Group only assembles components purchased from suppliers and produces a limited quantity of waste. The decrease in consumption of all the aggregates below corresponds essentially to the decrease in activity recorded in the Group's activities in 2020.

Consumption of raw materials

The main raw materials used by the subsidiaries of PRODWAYS GROUP are:

- polyamides;
- thermoplastics;
- plaster.

Part production activities use whenever possible recycled polymer powders. Thus, the INITIAL subsidiary uses used powders to produce new PODO 3D printed "Scientifeet" insoles.

Raw material *(tons)*	2021	2020
Powder and resins	63.5	55.7
Plaster	8.8	10.0

The increase in raw materials used (powder and resins) is related to the sharp increase in the activity of the subsidiaries concerned.

Waste management

The three main types of waste produced by PRODWAYS GROUP are:

- polyamides;
- thermoplastics;
- plaster.

End-of-life waste management actions and partnerships have been established in the majority of subsidiaries. INTERSON PROTAC has created an Environmental Charter so that it can be a responsible company, protect the environment and further integrate economic and environmental priorities into all aspects of its business.

All hazardous waste generated by the subsidiaries is collected and processed in accordance with the regulations in force. Powders and resins are recycled *via* a specialized waste management circuit. The reduction in waste despite the sharp increase in activity in all Group subsidiaries is an encouraging sign of the continued attention paid to this subject.

The amounts of metal shavings and polluted content (oils and solvents) were negligible.

The main waste produced in the Group is broken down as follows:

Quantity of waste produced *(tons)*	**2021**	**2020**
Hazardous waste	17	18
Non-hazardous waste	41	49

Hazardous waste mainly consists of resins, powders and solvents.

Non-hazardous waste refers to household waste, wood, cardboard, paper, polyamid and plaster.

6.6.1.2 Water consumption

Water is used for sanitary and industrial purposes. Group companies are not located in areas of water stress and their water supply is provided by the public drinking water system.

Simple measures to limit water waste have been taken in several Group companies, namely: fitting of water saving devices, automatic taps in the toilets, and regular review of the condition of the taps. These measures have made it possible to limit water consumption. In 2021 water consumption increased sharply compared to 2020, a year during which the Group's companies consumed less water due to the lockdown periods. The 2021 water consumption level was lower than that of 2019, a year more comparable to 2021 in terms of activity.

(in m^3)	**2021**	**2020**
Water consumption	1,920	1,456

6.6.2 Scope of energy consumption indicators

The coverage rate for data relating to energy consumption, water and greenhouse gas emissions represents 100% of total surfaces occupied by panel companies. Direct GHG emissions relate to natural gas consumption and vehicle fleets, and indirect GHG emissions relate to electricity consumption.

Identification of main sources of GHG emissions

The Group has identified the vehicle fleet as the main source of direct CO2 emissions. The main source of indirect emissions is electricity consumption related to buildings and machines

6.6.2.1 Employee travel

A policy to reduce business travel by the Group's employees has been in place for several years. Now, internal video conferencing and phone conferencing are commonplace, as well as more widespread use of public transport. The year 2020 strongly accelerated this trend, which continued in 2021 despite the reduced restrictions; in particular, the work tools were adapted from the start of the first lockdown: Office 365, generalized Teams, purchase of laptops when necessary.

Some subsidiaries have invested in the installation of electric charging stations to encourage employees to use electric vehicles. Employee carpooling has also been promoted within the Company.

The continuation of mobility restrictions in 2021, combined with the measures implemented, limited these emissions, which represented 349 teq. CO_2, a slight increase compared to 2020 but well below the 2019 level (462 teq CO_2).

	2021	**2020**
GHG emissions related to vehicle fleets *(teq CO_2)*	349	329

6.6.2.2 Energy consumption

Most gas and electricity consumption is generated by site heating and the powering of mainly small industrial equipment. The Group is increasingly implementing measures to reduce this consumption. In particular, the new site of the subsidiary INITIAL, the Group's main industrial site, inaugurated in the Annecy region in 2020, was designed and built to minimize consumption and the generation of pollution. Thus, to limit its energy consumption, INITIAL recovers the heat emitted by its fleet of 3D printers *via* a local heating network. This facility allows it to heat its premises using the energy generated by its fleet of 3D printers. The automation of lighting with occupancy sensors has also been implemented.

In other subsidiaries, the Group occasionally invests in new, less energy-consuming installations such as lighting automation.

	2021	**2020**
Gas consumption *(in MWh PCS)*	185	232
Electricity consumption *(in MWh)*	1,891	1,941

Despite a return to activity well above 2020 in all Group companies, gas and electricity consumption remained stable.

Summary of greenhouse gas emissions

CO_2 equivalent emissions were 540 tons in 2021, 65% of which related to the vehicle fleets. These GHG emissions relate to scopes 1 and 2 and are allocated as follows:

	2021	2020
GHG emissions related to vehicle fleets *(teq CO_2)*	349	329
GHG emissions from gas *(teq CO_2)*	34	48
GHG emissions from electricity *(teq CO_2)*	158	159
Total CO_2 emissions	540	536

	2021	2020
Direct GHG emissions *(teq CO2)*	382	376
Indirect GHG emissions *(teq CO2)*	158	159
Total CO_2 emissions	540	536

6.7 RESPONSIBLE CONDUCT

6.7.1 Fight against corruption

Business integrity contributes to the good reputation of our Group and we are committed to acting in an irreproachable and fair manner with our stakeholders.

In particular, PRODWAYS GROUP participated in the development of the "Charter of best practices in the field of additive manufacturing and 3D printing applied to art", in collaboration with the Council of State. This charter aims to clarify the terms of the trust agreement that binds the world of creation to 3D printing players in the field of art. As a signatory of the charter, PRODWAYS GROUP undertakes to ensure compliance with the rules applicable to authors' moral and economic rights and to fight against artistic fraud.

Furthermore, Management and the Human Resources Department are involved in the development and deployment of the anti-corruption measures provided for in the Sapin II Act.

The Group's anti-corruption code of conduct and its whistleblowing system have been widely distributed to employees and are available on the Group's website.

6.7.2 Promotion and compliance with the provisions of the fundamental ILO conventions

The Group's companies are in France, the USA and Germany. The Group scrupulously observes the local regulations in force and thus respects and promotes the fundamental provisions of the ILO (prohibition of child labor, freedom of association, elimination of forced labor, etc.).

In particular, the Group works with a supply chain that is mostly close to its sites, in areas that comply with the ILO's fundamental conventions.

6.8 REPORT OF THE INDEPENDENT THIRD PARTY ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE INCLUDED IN THE MANAGEMENT REPORT

Financial year ended on 31 December 2021

To the Shareholders,

As independent third party to the company PRODWAYS GROUP, accredited by COFRAC under no. 3-1080[(1)], we hereby present our report on the consolidated statement of non-financial performance for the financial year ended on 31 December 2021 (hereinafter the "Statement"), presented in the management report in application of the legal and regulatory provisions contained in Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Corporate responsibility

It is the responsibility of the Board of Directors to prepare a Statement that complies with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies with regard to these risks, as well as the results of these policies, including key performance indicators.

The Statement was prepared by applying the company's procedures (hereafter the "Reporting Standards") for which the significant elements are presented in the Statement.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the profession's Code of Ethics. In addition, we have implemented a quality control system including documented policies and procedures that aim to ensure compliance with ethical rules, professional standards and the applicable legal and regulatory texts.

Independent third-party entity responsibility

Based on our work, it is our responsibility to provide a reasoned opinion expressing a conclusion of moderate assurance on:

- the Statement's compliance with the provisions in article R. 225-105 of the French Commercial Code;
- the truthfulness and fairness of the information provided in application of paragraph 3 of I and of II of Article R. 225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators and actions, relating to the main risks,

hereinafter the "Information".

It is not our responsibility to express an opinion on:

- the Company's compliance with the other applicable legal and regulatory provisions, notably in terms of the vigilance plan and the fight against corruption and tax evasion;
- the compliance of products and services with applicable regulations.

Nature and scope of work

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code determining the terms under which the Independent Third Party conducts its mission and in accordance with the international standard ISAE 3000 – *Assurance engagements other than audits or reviews of historical financial information*.

We conducted work to enable us to assess the compliance of the Statement with the regulatory provisions and the truthfulness of the Information:

- we examined the activity of all the companies included in the scope of consolidation and the presentation of the main social and environmental risks linked to this activity;
- we assessed the appropriateness of the Reporting Standards with respect to their relevance, comprehensiveness, reliability, neutrality and understandability, taking into consideration, as necessary, good practices in the industry;
- we verified that the Statement provides the information specified in part II of Article R. 225-105, when it is relevant to the main risks, and that it includes, where applicable, an explanation of the reasons for the absence of the information required by the second paragraph of section III of Article L. 225-102-1;
- we checked to make sure that the Statement presents the business model and the main risks linked to the activity of all of the entities included in the scope of consolidation, including, when relevant and proportionate, the risks created by the Company's business relationships, products and/or services, as well as the policies, actions and results, including key performance indicators;

(1) *COFRAC Inspection accreditation for which the scope of accreditation is available on the website www.cofrac.fr.*

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- we consulted the documentary sources and conducted interviews to:
  - assess the process used for the selection and validation of the main risks as well as the consistency of the outcomes, including the key performance indicators selected in respect of the main risks and policies presented, and
  - corroborate the qualitative information (actions and results) that we considered the most important(1);
- we checked to make sure that the Statement covers the consolidated scope, *i.e.* all of the entities included in the scope of consolidation in compliance with Article L. 233-16;
- we familiarized ourselves with the internal control and risk management procedures put in place in the entity and assessed the process of collection aiming for the comprehensiveness and truthfulness of the Information;
- for the key performance indicators and other quantitative results that we considered the most important(2), we conducted the following:
  - analytical procedures consisting of verifying the proper consolidation of the data collected as well as the consistency of their changes,
  - detailed tests based on sampling methods, to verify the proper application of the definitions and procedures and to compare these with the documentation. This work was carried out on a selection of contributing entities(3) and covers between 30% and 59% of the consolidated data selected for these tests;
- we assessed the consistency of the Statement as a whole with respect to our knowledge of all the entities included in the consolidation scope.

We consider that the work that we have carried out by exercising our professional judgment allows us to formulate a moderate assurance conclusion; a higher level of assurance would have required more extensive verification work.

Means and resources

Our work mobilized the skills of four people and took place between February and March 2022.

We called upon the help of our experts in sustainable development and corporate social responsibility to complete this assignment. We conducted interviews with the people responsible for preparing the Statement.

Conclusion

Based on our work, we found no material misstatement that would cause us to question the compliance of the Statement of non-financial performance with the applicable regulatory provisions and that the Information, taken as a whole, is presented in a fair manner, and in compliance with the Reporting Standards.

Neuilly-sur-Seine, 27 April 2022

Independent third-party entity

Grant Thornton
French member of Grant Thornton international

Vincent Papazian
Partner

Bertille Crichton
Partner

(1) Qualitative information relating to the following sections: "Integration of young graduates and the group's employer policy"; "Building a major player in technological innovation".

(2) Quantitative social information: total headcount and breakdown by gender, age and region; recruitments; departures (of which dismissals); number of accidents with work stoppage; number of days lost for accidents with work stoppage; theoretical number of hours worked; frequency rate; severity rate; number of training hours; number of people trained. Quantitative environmental information: electricity consumption; gas consumption; fuel consumption; direct GHG emissions; indirect GHG emissions; amount of waste generated; amount of raw materials consumed.

(3) PRODWAYS, INTERSON, CRISTAL.

7

INFORMATION ON THE SHAREHOLDER'S MEETING OF 16 JUNE 2021

7.1 REPORT OF THE BOARD OF DIRECTORS PRESENTING THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 16 JUNE 2022

1. Approval of the separate and consolidated financial statements for the financial year ended 31 December 2021 – Approval of non-tax-deductible expenses and charges (first and second resolutions)

We ask you to approve the separate financial statements for the financial year ended 31 December 2021, which show a profit of €1,585,598.13, as well as the consolidated financial statements for the financial year ended 31 December 2021, as presented, which show a profit for the period attributable to the owners of the parent of €626 thousand.

We will ask you to note the absence of the expenses and charges referred to in 4 of Article 39 of the French General Tax Code.

2. Appropriation of income for the financial year (third resolution)

The appropriation of the Company's income that we are proposing complies with the law and our bylaws.

We propose that you allocate the income for the financial year, in the amount of €1,585,598.13, as follows:

- origin:
  - income for the financial year: €1,585,598.13;
- appropriation:
  - legal reserve: €22,415.40;
  - retained earnings: €1,563,182.73.

We therefore propose that no dividend be paid out.

In accordance with Article 243 *bis* of the French General Tax Code, we remind you that no dividend or income pay-outs were made in respect of the last three financial years.

3. Approval of regulated agreements (fourth, fifth, sixth, seventh and eighth resolutions)

No agreement of the type referred to in Article L.225-38 of the French Commercial Code was entered into during the 2021 financial year. Nor are there any agreements entered into and authorized during previous financial years whose performance would have continued during the last financial year.

However, on 1 February 2022, new agreements of the type referred to in Article L.225-38 of the French Commercial Code were signed. These new agreements concern services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP.

These new agreements are presented in Section 3.7.1 of the Universal Registration Document. The statutory auditors' report on these agreements is provided in Section 3.7.2 of the Universal Registration Document.

We ask you to approve these new regulated agreements, which allow the Group to benefit from the services of GROUPE GORGÉ, and which were previously provided under a single current intra-group agreement.

4. Directors' terms of office (ninth, tenth and eleventh resolutions)

The terms of office of Mmes. Michèle LESIEUR, Hélène de COINTET and Céline LEROY as members of the Board of Directors expire at the end of the next shareholders' meeting.

We propose that you renew their mandates for a period of three years expiring at the end of the Ordinary shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2024.

Expertise, experience, skills

Information concerning the expertise and experience of Mmes. Michèle LESIEUR Hélène de COINTET and Céline LEROY is provided in Section 3.1.2 of the Universal Registration Document.

Independence

The candidates' position with regard to the independence criteria set by the Middlenext Governance Code is examined in Section 3.1.1. of the Universal Registration Document.

Mrs. Michèle LESIEUR is qualified as an independent member.

Mrs. Hélène de COINTET is Deputy Chief Executive Officer of GROUPE GORGÉ. Even if GROUPE GORGÉ is no longer the majority shareholder of PRODWAYS GROUP, Mrs. Hélène de COINTET cannot be qualified as an Independent Director in view of her position within GROUPE GORGÉ, a company managed by Mr. Raphaël GORGÉ and controlled by PÉLICAN VENTURE, which is also the reference shareholder of PRODWAYS GROUP.

Likewise, Mrs. Céline LEROY is General Counsel of GROUPE GORGÉ. Even if GROUPE GORGÉ is no longer the majority shareholder of PRODWAYS GROUP, Mrs. Céline LEROY cannot be qualified as an Independent Director in view of her position within GROUPE GORGÉ, a company managed by Raphaël GORGÉ and controlled by PÉLICAN VENTURE, which is also the reference shareholder of PRODWAYS GROUP.

5. Remuneration policy for the Chairperson of the Board of Directors, the Chief Executive Officer and the Directors (twelfth to fourteenth resolutions)

Pursuant to Article L.22-10-8 of the French Commercial Code, we ask you to approve the remuneration policy for the Chairperson of the Board of Directors, the Chief Executive Officer (and/or any other executive corporate officer) and the Directors, as presented in the corporate governance report included in the Universal Registration Document (Section 3.2).

6. Approval of the information referred to in I of Article L.22-10-9 of the French Commercial Code (fifteenth resolution)

Pursuant to Article L.22-10-34 II of the French Commercial Code, we ask you to approve the information referred to in I of Article L.22-10-9 of said code mentioned in the corporate governance report found in the Universal Registration Document (Section 3.3).

7. Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of said year to Mr. Raphaël GORGÉ, Chairperson of the Board of Directors, and between 10 July 2021 and 28 February 2022 Chief Executive Officer (sixteenth resolution)

Pursuant to Article L.22-10-34 II of the French Commercial Code, we ask you to approve the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of said year to Mr. Raphaël GORGÉ, Chairperson of the Board of Directors in office and Chairperson and Chief Executive Officer between 10 July 2021 and 28 February 2022, presented in the corporate governance report included in the Universal Registration Document (Section 3.4.1).

8. Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of said year to Mr. Olivier STREBELLE, Chief Executive Officer until 9 July 2021 (seventeenth resolution)

Pursuant to Article L.22-10-34 II of the French Commercial Code, we ask you to approve the fixed, variable and exceptional components comprising the total remuneration and benefits of all kinds paid during the past financial year or allocated in respect of said year to Mr. Olivier STREBELLE, Chief Executive Officer of the Company until July 2021, as presented in the corporate governance report included in the Universal Registration Document (Section 3.4.2). As Mr. STREBELLE left the Group in mid-2021, no variable compensation is due to him for 2021.

9. Proposal to renew the authorization concerning the implementation of the share buyback program (eighteenth resolution) and concerning the capital reduction by cancelation of treasury shares (nineteenth resolution)

We propose that, pursuant to the eighteenth resolution, you authorize the Board of Directors, for a period of 18 months, to purchase shares of the Company, on one or more occasions, at the times it will determine, within the limit of 10% of the number of shares comprising the share capital, adjusted where appropriate in order to take account of any increase or reduction of capital that may occur during the term of the program.

This authorization cancels the authorization granted to the Board of Directors by the shareholders' meeting of 14 June 2021 in its thirteenth ordinary resolution.

Acquisitions may be made to:

- support the secondary market or the liquidity of PRODWAYS GROUP shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices approved by the applicable regulations, it being understood that in this case, the number of shares used to calculate the aforementioned limit corresponds to the number of shares purchased, less the number of shares resold;

- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary shareholders' meeting;
- and more generally, carry out any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board might deem appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with the applicable regulations.

We propose that you set a maximum purchase price of €20 per share and, consequently, that you set the maximum amount of the transaction at €102,527,900 (corresponding to 10% of the share capital as at 16 March 2022 at a maximum price of €20 per share).

As a consequence of the cancelation objective, we ask you, pursuant to the nineteenth resolution, to authorize the Board of Directors, for a period of 24 months, to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the share capital, calculated on the day of the cancelation decision, excluding any shares canceled during the preceding 24 months, the shares that the Company holds or may hold as a result of repurchases under its program to repurchase shares, and to reduce the share capital accordingly, in accordance with the legal and regulatory provisions in force.

The Board of Directors would therefore have the necessary powers to take action in such matters.

10. Renewal of the financial delegations (twentieth to twenty-seventh resolutions)

The Board of Directors wishes to have the necessary powers to make all issues, should it think fit that may be required for the development of the Group's activities.

The financial delegations held by the Board of Directors are detailed in the table of valid delegations in Section 5.2.3 of the Universal Registration Document. These delegations expire in 2021.

Shareholders are kindly requested to renew the usual financial delegations available to it and which will soon expire.

10.1 Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums (twentieth resolution)

We ask you to grant to the Board of Directors, for a period of 26 months, the authority to increase the share capital by incorporation into the share capital of reserves, profits, premiums or other sums whose capitalization would be permitted, through the issue and allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods.

The amount of the capital increase resulting from the issues carried out under this delegation may not exceed the nominal amount of €3 million. This amount would not include the total nominal value of any additional ordinary shares to be issued to preserve, in accordance with the law, the rights of holders of securities giving entitlement to shares. This ceiling would be independent of all the ceilings provided for by the other delegations of the meeting.

This delegation would supersede the previous delegation with the same purpose.

10.2 Delegations of authority to issue ordinary shares and/or securities with and without preemptive subscription rights (twenty-first to twenty-seventh resolutions)

The purpose of these delegations is to give the Board of Directors full discretion to issue, at the times of its choice, for a period of 26 months (or 18 months for the twenty-fifth resolution):

- ordinary shares; and/or
- ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities; and/or
- securities giving access to ordinary shares to be issued by the Company.

In accordance with Article L.228-93 of the French Commercial Code, under the twenty-first to twenty-third resolutions, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital.

10.2.1 Delegation of authority to issue ordinary shares and/or securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities with preemptive subscription rights (twenty-first resolution)

We propose that you set the maximum total nominal amount of the shares that may be issued under this delegation at €6 million. This ceiling would include the nominal amount of the capital increases that may be carried out pursuant to the 22nd, 23rd, 25th, 26th and 27th resolutions. To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of securities giving access to the Company's share capital.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €30 million. This ceiling would include the nominal amount of the debt securities that may be issued pursuant to the 22nd, 23rd, 25th and 26th resolutions.

Under this delegation, the issues would be carried out with shareholders' preemptive subscription rights.

If the subscriptions on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or part of the unsubscribed shares;
- offer all or part of the unsubscribed shares to the public.

This new delegation would supersede the previous delegation with the same purpose.

10.2.2 Delegations without preemptive subscription rights

10.2.2.1 Delegation of authority to issue ordinary shares and/or securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, without preemptive subscription rights, by way of a public offering public (twenty-second resolution)

Under this delegation, the issues would be carried out through a public offering (to the exclusion of the offers referred to in 1 of Article L.411-2 of the French Monetary and Financial Code) and/or as remuneration for securities in the context of a public exchange offer.

The preemptive subscription right of shareholders to the ordinary shares and/or securities giving access to the share capital would be canceled, with the option for the Board of Directors to grant shareholders the option of subscribing as a priority.

The total nominal amount of the shares that may be issued may not exceed €6 million. To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of securities giving access to the Company's share capital.

This amount would be deducted from the ceiling for capital increases provided for in the twenty-first resolution.

The nominal amount of the debt securities on the Company that may be issued may not exceed €30 million.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued as provided for in the twenty-first resolution.

The amount due, or to be returned, to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the event of the issuance of autonomous share purchase warrants, the issue price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation. To date, Article R.22-10-32 of the French Commercial Code provides in this regard for the issues referred to in the first paragraph of Article L.22-10-52 of said code that the price is at least equal to the weighted average price of the last three trading sessions preceding the start of the offering, possibly reduced by a maximum discount of 10%.

In the event of the issue of securities intended to pay for securities contributed under a public exchange offer, the Board of Directors would have, within the limits set above, the authority necessary to draw up the list of securities contributed upon exchange, set the issue conditions, the exchange ratio and, where applicable, the amount of the cash balance to be paid, and determine the issue terms and conditions.

If the subscriptions do not absorb the entire issue, the Board of Directors may use the following options:

- limit the issue to the amount of subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or part of the unsubscribed shares.

This delegation would supersede any unused portion of any previous delegation with the same purpose.

10.2.2.2 Delegation of authority to issue ordinary shares and/or securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, without preemptive subscription rights, by way of a private placement (twenty-third resolution)

Under this delegation, the issues would be carried out by an offer referred to in 1 of Article L.411-2 of the French Monetary and Financial Code.

The preemptive subscription right of shareholders to the ordinary shares and/or securities giving access to the share capital would be canceled.

The total nominal amount of the shares that may be issued may not exceed €4 million, it being specified that it will also be limited to 20% of the share capital per year.

To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of securities giving access to the Company's share capital.

This amount would be deducted from the ceiling for capital increases provided for in the twenty-first resolution.

The nominal amount of the debt securities on the Company that may be issued may not exceed €20 million.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued as provided for in the twenty-first resolution.

The amount due, or to be returned, to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the event of the issuance of autonomous share purchase warrants, the issue price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation. To date, Article R.22-10-32 of the French Commercial Code, as amended, provides in this regard for the issues referred to in the first paragraph of Article L.22-10-52 of said code that the price is at least equal to the weighted average price of the last three trading sessions preceding the start of the offering, possibly reduced by a maximum discount of 10%.

If the subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the issue to the amount of subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or part of the unsubscribed shares.

This new delegation would supersede the previous delegation with the same purpose.

10.2.2.3 Authorization, in the event of an issue without preemptive subscription rights, to set the issue price, up to a maximum of 10% of the share capital per year, under the conditions determined by the meeting (twenty-fourth resolution)

We propose, in accordance with the provisions of Article L.22-10-52 of the French Commercial Code, that you authorize the Board of Directors, which decides on the issue of ordinary shares or securities giving access to the share capital, without preemptive subscription rights, through a public offering and/or an offer referred to in 1 of Article L.411-2 of the French Monetary and Financial Code (private placement) (twenty-second and twenty-third resolutions), to waive, within the limit of 10% of the share capital per year, the conditions for setting the price provided for in the aforementioned terms and to set the issue price of the equity securities to be issued as follows:

The issue price of the equity securities to be issued immediately or deferred may not be lower, at the choice of the Board of Directors, than the lower of the following two averages:

- the average of five consecutive quoted prices of the share chosen from the last thirty trading sessions preceding the start of the offer, possibly reduced by a maximum discount of 10%;
- the average share price during the 6 months preceding the start of the offer, possibly reduced by a maximum discount of 10%.

This exceptional price rule could give the Board some flexibility in determining the average of the reference prices.

10.2.2.4 Delegation of authority to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, without shareholders' preemptive subscription rights, for the benefit of a category of persons who will underwrite the Company's equity securities that might result therefrom in connection with an equity line of financing (twenty-fifth resolution)

This delegation will authorize the Board to increase capital through the issue of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or securities giving access to equity securities issued, without preemptive rights in favor of a category of persons who will underwrite the Company's capital securities that might result therefrom in connection with an equity line of financing.

Such a delegation could be used by the Company to set up an equity line with which the Company could increase its financial flexibility alongside the other financing tools it may already have in place.

Under this delegation, we ask you to cancel the shareholders' preemptive subscription right to ordinary shares in the Company, to equity securities giving access to other equity securities or giving rights to the allocation of debt securities and/or to any transferable securities to be issued, in favor of the following category of persons: any credit institution, investment service provider, or member of an investment banking syndicate or any investment fund or company undertaking to guarantee the completion of the capital increase or of any issue that may eventually result in a capital increase that could be completed pursuant to this delegation in the context of the setup of an equity line of financing.

For the bearers of transferable securities thus issued, this delegation is, as of right, an express waiver by shareholders of their preemptive rights to the shares to which these transferable securities will give right.

The total nominal amount of the share capital increases that may be carried out immediately and/or in future under this delegation may not exceed €4 million or its exchange value in foreign currency to which ceiling will be added, as the case may be, the additional amount of the shares to be issued to preserve the rights of security holders and other rights giving access to the share capital, in accordance with the law and any applicable contractual stipulations.

The maximum nominal amount of the debt securities that may be issued under this delegation will be set at €20 million (or the exchange value of this amount if the issue is in another currency).

These amounts will be deducted from the ceilings provided for in the twenty-first resolution.

The issue price of the shares issued pursuant to this delegation would be determined by the Board of Directors and would be at least equal to the weighted average of the share prices of the last three trading days preceding its determination, such as, where applicable, reduced by a maximum discount of 30%, taking into account the vesting date, if applicable; it being specified that (i) in the event of the issue of transferable securities giving access to the share capital, the issue price of the shares likely to result from their exercise, conversion or exchange could be set, if applicable, at the discretion of the Board of Directors, by reference to a calculation formula defined by the latter and applicable after the issue of said transferable securities (for example upon exercise, conversion or exchange) in which case the aforementioned maximum discount could be assessed, if the Board of Directors deemed it appropriate, on the date of application of said formula (and not on the date of issue of the securities), and (ii) the issue price of the transferable securities granting access to the share capital, if any, issued under this resolution would be such that the amount, if any, received immediately by the Company, increased by that likely to be received by it on the exercise or conversion of these transferable securities, would be, for each share issued as a result of the issue of these transferable securities, at least equal to the aforementioned minimum amount.

The 30% discount on the issue price of the shares or transferable securities would allow the Company to have greater flexibility in the context of negotiations that could take place with institutions with which the Company might set up this equity line of financing.

This delegation would be granted for a period of 18 months.

10.2.2.5 Authorization to increase the amount of the issues (twenty-sixth resolution)

We propose, under the aforementioned delegations without preemptive subscription rights (22nd, 23rd and 25th resolutions), to grant the Board of Directors the power to increase, under the conditions provided for by Articles L.225-135-1 and R.225-118 of the French Commercial Code, and within the limit of the ceilings set by the shareholders' meeting, the number of shares provided for in the initial issue.

The number of shares could be increased within 30 days of the closing of the subscription up to a limit of 15% of the initial issue and at the same price as the initial issue, within the ceilings set by the shareholders' meeting.

10.2.2.6 Delegation of authority to increase the share capital in order to remunerate contributions in kind of shares and securities (twenty-seventh resolution)

To facilitate external growth transactions, we ask you to grant the Board of Directors a new delegation of authority to increase the share capital by issuing ordinary shares or securities giving access to the share capital in order to remunerate any contributions in nature granted to the Company and consisting of equity securities or securities giving access to the share capital.

This delegation would be granted for a period of 26 months.

The total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 10% of the share capital, excluding the nominal value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out under this delegation would be deducted from the capital increase ceiling of the twenty-first resolution.

This new delegation would supersede the previous delegation with the same purpose.

11. Delegation of authority to increase the share capital for the benefit of the members of a company savings plan (twenty-eighth resolution)

We submit this resolution for your approval to comply with the provisions of Article L.225-129-6 of the French Commercial Code, under the terms of which the Extraordinary shareholders' meeting is called upon to vote on delegations of authority that may generate, immediately or in the future, capital increases in cash, and it must also vote on a delegation for members of a company savings plan.

As part of this delegation, we propose that you authorize the Board of Directors, for a period of 26 months, to increase the share capital, on one or more occasions, by the issuance of ordinary shares or transferable securities giving access to equity securities to be issued by the Company for the benefit of members of one or more Company or Group savings plans set up by the Company and/or the French or foreign companies related to it under the conditions of Articles L.225-180 of the French Commercial Code and L.3344-1 of the French Labor Code.

In accordance with the law, the shareholders' meeting would remove shareholders' pre-emptive subscription rights.

The maximum nominal amount of the share capital increase(s) that may be made by using this delegation would be limited to 3% of the amount of the share capital reached at the time of the Board's decision to carry out this increase. This amount is independent of any other ceiling set regarding capital increase delegations. To this amount would be added, if applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, contractual stipulations providing for other methods of preservation, the rights of the holders of rights or securities giving access to the Company's share capital.

It should be noted that, in accordance with the provisions of Article L.3332-19 of the French Labor Code, the price of the shares to be issued may not be more than 30% (or 40% when the non-availability provided for by the plan pursuant to Articles L.3332-25 and L.3332-26 of said code is greater than or equal to ten years) below the average of the opening prices quoted for the share during the 20 trading sessions prior to the decision setting the opening date of the subscription, nor higher than that average.

Pursuant to Article L.3332-21 of the French Labor Code, the Board of Directors may provide for the allocation to the beneficiaries, free of charge, of shares that have been or will be issued or other securities giving access to the Company's share capital that have been or will be issued, for (i) the employer's contribution that may be paid pursuant to the Company or Group savings plan rules, and/or (ii), if applicable, the discount and may decide, in the event of the issue of new shares for the discount and/or employer's contribution, to incorporate into the capital the reserves, profits or issue premiums necessary to pay for said shares.

This new delegation would supersede the previous delegation with the same purpose.

12. Powers (twenty-ninth resolution)

The meeting grants all powers to carry out the formalities made necessary by the above decisions.

The Board of Directors asks you to approve by your vote the texts of the resolutions proposed to you.

On 16 March 2022, the Board of Directors.

7.2 TEXT OF THE RESOLUTIONS SUBMITTED TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF 16 JUNE 2022

Agenda

Ordinary resolutions

1) Approval of the annual financial statements for the financial year ended 31 December 2021 – Approval of non-tax-deductible expenses and charges.
2) Approval of the consolidated financial statements for the financial year ended 31 December 2021.
3) Appropriation of income for the financial year.
4) Statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the "finance" services agreement entered into with GROUPE GORGÉ.
5) Statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the "corporate" services agreement entered into with GROUPE GORGÉ.
6) Statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the "financial communication" services agreement entered into with GROUPE GORGÉ.
7) Statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the "temporary assistance to Executive Management" services agreement entered into with GROUPE GORGÉ.
8) Statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the "M&A" services agreement entered into with GROUPE GORGÉ.
9) Renewal of the term of office of Mrs. Michèle LESIEUR.
10) Renewal of the term of office of Mrs. Hélène de COINTET.
11) Renewal of the term of office of Mrs. Céline LEROY.
12) Approval of the policy on the remuneration of the Chairperson of the Board of Directors.
13) Approval of the policy on the remuneration of the Chief Executive Officer.
14) Approval of the policy on the remuneration of the Directors.
15) Approval of the information referred to in I of Article L.22-10-9 of the French Commercial Code.
16) Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of said year to Mr. Raphaël GORGÉ, Chairperson of the Board of Directors, and between 10 July 2021 and 28 February 2022 Chief Executive Officer.
17) Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of said year to Mr. Olivier STREBELLE, Chief Executive Officer until 9 July 2021.
18) Authorization to be given to the Board of Directors of the Company to purchase shares in itself pursuant to Article L.22-10-62 of the French Commercial Code, duration of the authorization, objectives, terms and conditions, ceiling.

Extraordinary resolutions

19) Authorization to be given to the Board of Directors to cancel the Company shares purchased by the Company under Article L.22-10-62 of the French Commercial Code, duration of the authorization, ceiling.
20) Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums.
21) Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or securities giving access to ordinary shares to be issued (by the Company or a Group company), with preemptive subscription rights.
22) Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or securities giving access to ordinary shares (of the Company or of a Group company), without preemptive subscription rights, through a public offering (excluding the offers referred to in I of Article L.411-2 of the French Monetary and Financial Code), and/or as remuneration for securities under a public exchange offer.
23) Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities giving access to ordinary shares (of the Company or of a Group company), without preemptive subscription rights, through an offer referred to in I of Article L.411-2 of the French Monetary and Financial Code.
24) Authorization, in the event of an issue without preemptive subscription rights, to set the issue price, up to a maximum of 10% of the share capital per year, under the conditions determined by the meeting.
25) Delegation of authority to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities to be issued, without preemptive subscription rights, for the benefit of a category of persons who will underwrite the Company's equity securities that might result therefrom in connection with an equity line of financing.

26) Authorization to increase the amount of issues.
27) Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities giving access to the share capital up to a limit of 10% of the share capital in order to remunerate contributions in kind of shares or securities giving access to the share capital.
28) Delegation of authority to be granted to the Board of Directors to increase the share capital through the issuance of ordinary shares and/or transferable securities giving access to the share capital, without preemptive subscription rights, for the benefit of members of a company savings plan pursuant to Articles L.3332-18 *et seq.* of the French Labor Code, duration of delegation, maximum nominal amount of capital increase, issue price, option to allocate free shares pursuant to Article L.3332-21 of said code.
29) Powers for formalities.

Draft resolutions

Ordinary resolutions

First resolution – Approval of the annual financial statements for the financial year ended 31 December 2021 – Approval of the non-tax-deductible expenses and charges

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having taken note of the reports of the Board of Directors and statutory auditors for the financial year ended 31 December 2021, approves, as they were presented, the annual financial statements as of this date, showing a profit for the period of €1,585,598.13.

The shareholders' meeting notes the absence of expenses and charges referred to in 4 of Article 39 of the French General Tax Code and the corresponding tax.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2021

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having taken note of the reports of the Board of Directors and statutory auditors on the consolidated financial statements as at 31 December 2021, approves these financial statements as they were presented, returning a profit for the period attributable to the owners of the parent of €626 thousand.

Third resolution – Appropriation of income for the financial year

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, on the proposal of the Board of Directors, resolves to appropriate the income for the financial year ended 31 December 2021, as follows:

- origin:
  - income for the financial year: €1,585,598.13;
- appropriation:
  - legal reserve: €22,415.40;
  - retained earnings: €1,563,182.73.

In accordance with Article 243 *bis* of the French General Tax Code, the shareholders' meeting notes that it has been reminded that no dividend payout was made in respect of the last three financial years.

Fourth resolution – statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the services agreement entered into with PRODWAYS GROUP, under the terms of which GROUPE GORGÉ provides financial services to PRODWAYS GROUP

The shareholders' meeting, ruling under the quorum and majority conditions for Ordinary shareholders' meetings, having taken note of the statutory auditors' special report on the regulated agreements and commitments referred to in Article L.225-38 of the French Commercial Code, approves the new agreement for financial services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP, which is presented therein.

Fifth resolution – statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the services agreement entered into with PRODWAYS GROUP, under the terms of which GROUPE GORGÉ provides corporate services to PRODWAYS GROUP

The shareholders' meeting, ruling under the quorum and majority conditions for Ordinary shareholders' meetings, having taken note of the statutory auditors' special report on the regulated agreements and commitments referred to in Article L.225-38 of the French Commercial Code, approves the new agreement for corporate services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP, which is presented therein.

Sixth resolution – statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the services agreement entered into with PRODWAYS GROUP, under the terms of which GROUPE GORGÉ provides financial communication services to PRODWAYS GROUP

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having taken note of the statutory auditors' special report on the regulated agreements and commitments referred to in Article L.225-38 of the French Commercial Code, approves the new agreement for financial communication services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP, which is presented therein.

Seventh resolution – statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the services agreement entered into with PRODWAYS GROUP, under the terms of which GROUPE GORGÉ provides temporary assistance services to PRODWAYS GROUP's Executive Management

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having taken note of the statutory auditors' special report on the regulated agreements and commitments referred to in Article L.225-38 of the French Commercial Code, approves the new agreement for temporary assistance services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP's Executive Management, which is presented therein.

Eighth resolution – statutory auditors' special report on regulated agreements and commitments and approval of these agreements – Approval of the services agreement entered into with PRODWAYS GROUP, under the terms of which GROUPE GORGÉ provides M&A services to PRODWAYS GROUP

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having taken note of the statutory auditors' special report on the regulated agreements and commitments referred to in Article L.225-38 of the French Commercial Code, approves the new agreement for M&A services provided by GROUPE GORGÉ in favor of PRODWAYS GROUP, which is presented therein.

Ninth resolution – Renewal of the term of office of Mrs. Michèle LESIEUR

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, resolves to renew the term of office of Mrs. Michèle LESIEUR as Director for a term of three years expiring at the end of the shareholders' meeting to be held in 2025 called to approve the financial statements for the previous financial year.

Tenth resolution – Renewal of the term of office of Mrs. Hélène de COINTET

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, resolves to renew the term of office of Mrs. Hélène de COINTET as Director for a term of three years expiring at the end of the shareholders' meeting to be held in 2025 called to approve the financial statements for the previous financial year.

Eleventh resolution – Renewal of the term of office of Mrs. Céline LEROY

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, resolves to renew the term of office of Mrs. Céline LEROY as Director for a term of three years expiring at the end of the shareholders' meeting to be held in 2025 called to approve the financial statements for the previous financial year.

Twelfth resolution – Approval of the remuneration policy for the Chairperson of the Board of Directors

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Chairperson of the Board of Directors and/or any other executive corporate officer, as presented in the corporate governance report included in the Universal Registration Document (see Section 3.2.2 of the Universal Registration Document).

Thirteenth resolution – Approval of the remuneration policy for the Chief Executive Officer

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Chief Executive Officer, as presented in the corporate governance report included in the Universal Registration Document (see Section 3.2.3 of the Universal Registration Document).

Fourteenth resolution – Approval of the remuneration policy for Directors

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-8 of the French Commercial Code, approves the remuneration policy for Directors, as presented in the Universal Registration Document (see Section 3.2.6 of the Universal Registration Document).

Fifteenth resolution – Approval of the information referred to in I of Article L.22-10-9 of the French Commercial Code

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-34 of the French Commercial Code, approves the information referred to in I of Article L.22-10-9 of said code, as mentioned in the corporate governance report included in the Universal Registration Document (see Section 3.3 of the Universal Registration Document).

Sixteenth resolution – Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or allocated in respect of the past financial year to Mr. Raphaël GORGÉ (Chairperson of the Board of Directors and between 10 July 2021 and 28 February 2022 Chief Executive Officer)

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components comprising the total remuneration and benefits of all kinds paid during the past financial year or allocated in respect of said year to Mr. Raphaël GORGÉ, Chairperson of the Board of Directors, and between 10 July 2021 and 28 February 2022 Chief Executive Officer, as presented in the corporate governance report included in the Universal Registration Document (see Section 3.4.1 of the Universal Registration Document).

Seventeenth resolution – Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or allocated in respect of the past financial year to Mr. Olivier STREBELLE, Chief Executive Officer until 9 July 2021

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, and pursuant to Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components comprising the total remuneration and benefits of all kinds paid during the past financial year or allocated in respect of said year to Mr. Olivier STREBELLE, Chief Executive Officer until July 2021, as presented in the corporate governance report included in the Universal Registration Document (see Section 3.4.2 of the Universal Registration Document).

Eighteenth resolution – Authorization to be given to the Board of Directors for the Company to purchase shares in itself pursuant to Article L.22-10-62 of the French Commercial Code

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, noting the report of the Board of Directors, authorizes the latter, for a period of 18 months, in accordance with Articles L.22-10-62 *et seq.* of the French Commercial Code to purchase, on one or more occasions, at times it will determine, shares in the Company, up to a maximum of 10% of the number of shares comprising the share capital, adjusted where appropriate to take account of any capital increase or reduction that may occur during the term of the program

This authorization cancels the authorization granted to the Board of Directors by the shareholders' meeting of 14 June 2021 in its thirteenth ordinary resolution.

Acquisitions may be made to:

- support the secondary market or the liquidity of PRODWAYS GROUP shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices approved by the applicable regulations, it being understood that in this case, the number of shares used to calculate the aforementioned limit corresponds to the number of shares purchased, less the number of shares resold;
- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary shareholders' meeting.

And more generally, carry out any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board shall deem appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with the applicable regulations.

The maximum purchase price is set at €20 per share. In case of operations on the capital, including division or grouping of shares or a free allocation of shares, the aforementioned amount will be adjusted in the same proportions (multiplier coefficient equal to the ratio of the number of shares composing the capital before the operation and the number of shares after the operation).

The maximum amount of the transaction is set at €102,527,900 (corresponding to 10% of the share capital as at 16 March 2022, at a maximum price of €20 per share).

The shareholders' meeting grants all powers to the Board of Directors for the purpose of carrying out these operations, to approve the terms and conditions, to conclude all agreements and execute all formalities.

Extraordinary resolutions

Nineteenth resolution – Authorization to be given to the Board of Directors to cancel the Company shares purchased by the Company under the provisions of Article L.22-10-62 of the French Commercial Code

The shareholders' meeting, ruling under the *quorum* and majority conditions for Extraordinary shareholders' meetings, having noted the report of the Board of Directors and the report of the statutory auditors:

1) authorizes the Board of Directors to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the capital, calculated on the day of the cancelation decision, excluding any shares canceled during the preceding 24 months, the shares that the Company holds or may hold as a result of repurchases carried out under Article L.22-10-62 of the French Commercial Code, and to reduce the share capital accordingly, pursuant to the laws and regulations in force;
2) sets the period of validity of this authorization at 24 months starting from the date of this meeting;
3) gives the Board of Directors all powers to carry out the transactions required for such cancelations and the related reductions in share capital, amend the Company bylaws as a result, and complete all required formalities.

Twentieth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits and/or premiums

The shareholders' meeting, ruling under the *quorum* and majority conditions for Ordinary shareholders' meetings, having reviewed the report of the Board of Directors, and in accordance with the provisions of Articles L.225-129-2, L.225-130 and L.22-10-50 of the French Commercial Code:

1) delegates to the Board of Directors its authority to increase the share capital, on one or more occasions, at the times and according to the terms and conditions it determines, by incorporation into the capital of reserves, profits, premiums or other amounts that may be capitalized through the issue and allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods;
2) resolves that in the event that the Board of Directors uses this delegation, in accordance with the provisions of Article L.22-10-50 of the French Commercial Code, in the event of a capital increase in the form of an allocation of free shares, the rights forming fractional shares will not be negotiable or transferable and the corresponding equity securities will be sold; the sums from the sale will be allocated to the rights holders within the timeframe provided for by the regulations;
3) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
4) resolves that the amount of the capital increase resulting from the issues carried out under this resolution may not exceed the nominal amount of €3 million, excluding the amount necessary to preserve the rights, in accordance with the law, of holders of securities giving entitlement to shares;
5) this ceiling is independent of all the ceilings provided for in the other resolutions of this meeting;
6) grants the Board of Directors all powers to implement this resolution, and generally, to take all measures and carry out all formalities required for the successful completion of each capital increase, to record its completion and amend the bylaws accordingly;
7) notes that this delegation supersedes, as of this date, any unused portion of any previous delegation having the same purpose.

Twenty-first resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities giving access to ordinary shares to be issued (by the Company or a Group company), with preemptive subscription rights

The shareholders' meeting, having reviewed the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code, specifically its Articles L.225-129-2, L.228-92, L.225-132 *et seq.*:

1) delegates to the Board of Directors its authority to carry out the issue, on one or more occasions, in the proportions and at the times it deems appropriate, either in euros, in foreign currencies or in any other established unit of account by reference to a set of currencies:
   - ordinary shares, and/or
   - ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or
   - securities giving access to ordinary shares to be issued by the Company.

   In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;

3) resolves to set, as follows, the limits of the amounts of the authorized issues in the event of use by the Board of Directors of this delegation of authority:
   - the total nominal amount of the shares that may be issued under this delegation may not exceed €6 million, it being specified that from this ceiling will be deducted the nominal amount of the capital increases that may be carried out pursuant to the 22nd, 23rd, 25th, 26th and 27th resolutions,
   - to this ceiling will be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital,
   - the nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €30 million, it being specified that from this ceiling will be deducted the nominal amount of the capital increases that may be carried out pursuant to the 22nd, 23rd, 25th and 26th resolutions;
4) in the event that the Board of Directors uses this delegation of authority in the context of the issues referred to in 1) above:
   - a/ resolves that the issue(s) of ordinary shares or securities giving access to the share capital will be reserved by preference for shareholders who may subscribe on an irreducible basis,
   - b/ resolves that if the subscriptions on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue referred to in 1), the Board of Directors may use the following options:
     - limit the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations,
     - freely distribute all or part of the unsubscribed shares,
     - offer all or part of the unsubscribed shares to the public;
5) resolves that the Board of Directors will have, within the limits set above, the authority necessary in particular to set the conditions of the issue(s) and determine the issue prices, if applicable, record the completion of the resulting capital increases, amend the bylaws accordingly, charge, at its sole initiative, the costs of the capital increases to the amount of the related premiums and deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase and, more generally, to take the necessary measures in this respect;
6) notes that this delegation supersedes any previous delegation with the same purpose.

Twenty-second resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities giving access to ordinary shares (of the Company or of a Group company), without preemptive subscription rights, through a public offering (excluding the offers referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code) and/or as remuneration for securities in the context of a public exchange offer

The shareholders' meeting, ruling under the *quorum* and majority conditions for Extraordinary shareholders' meetings, having taken note of the report of the Board of Directors and the special report of the statutory auditors, in accordance with the provisions of the French Commercial Code, specifically its Articles L.225-129-2, L.225-136, L.22-10-52, R.22-10-32, L.22-10-54 and L.228-92:

1) delegates to the Board of Directors its authority to proceed with the issue, on one or more occasions, in the proportions and at the times that it deems appropriate, on the French and/or international market, by way of an offer to the public, excluding the offers referred to in 1 of Article L.411-2 of the French Monetary and Financial Code, either in euros, in foreign currencies or in any other unit of account established by reference to a set of currencies:
   - ordinary shares, and/or
   - ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or
   - securities giving access to ordinary shares to be issued by the Company.

   These securities may be issued in order to remunerate securities that would be contributed to the Company as part of a public exchange offer for securities meeting the conditions set by Article L.22-10-54 of the French Commercial Code.

   In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed €6 million.

   To this ceiling will be added, if applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, contractual stipulations providing for other methods of preservation, the rights of the holders of rights or transferable securities giving access to the Company's share capital.

This amount is deducted from the maximum nominal amount of ordinary shares that may be issued under the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €30 million.

This amount is deducted from the ceiling of the nominal amount of the debt securities as set in the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution;

4) resolves to cancel shareholders' preemptive subscription rights to ordinary shares and securities giving access to the share capital and/or debt securities covered by this resolution, while leaving the Board of Directors the option to grant shareholders preemptive rights, in accordance with the law;
5) resolves that the amount due, or to be returned, to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the event of the issuance of autonomous share purchase warrants, the issue price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation;
6) resolves, in the event of the issue of securities intended to pay for securities contributed under a public exchange offer, the Board of Directors will dispose of, under the conditions set out in Article L.22-10-54 of the French Commercial Code and within the limits set above, the powers necessary to approve the list of securities tendered to the exchange, set the conditions of issue, the exchange parity and, where applicable, the amount of the cash balance to be paid, and determine the terms of issue;
7) resolves that if the subscriptions have not absorbed the entire issue referred to in 1/, the Board of Directors may use the following options:
   - limit the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations,
   - freely distribute all or part of the unsubscribed shares;
8) resolves that the Board of Directors shall have, within the limits set above, the necessary powers to set the conditions of the issue(s), if applicable, to record the completion of the resulting capital increases, to carry out the corresponding amendment to the bylaws, to charge, at its sole initiative, the costs of the capital increases to the amount of the related premiums and to deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase and more generally, take the necessary steps in such matters;
9) notes that this delegation supersedes any unused portion of any previous delegation with the same purpose.

Twenty-third resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities giving access to ordinary shares (of the Company or a Group company), without preemptive subscription rights, through an offer referred to in 1 of Article L.411-2 of the French Monetary and Financial Code

The shareholders' meeting, ruling under the *quorum* and majority conditions for Extraordinary shareholders' meetings, having taken note of the report of the Board of Directors and the report of the statutory auditors, in accordance with the provisions of the French Commercial Code, specifically its Articles L.225-129-2, L.225-136, L.22-10-52 and L.228-92:

1) delegates to the Board of Directors its authority to proceed with the issue, on one or more occasions, in the proportions and at the times that it deems appropriate, on the French and/or international market, by way of an offer referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code, either in euros, in foreign currencies or in any other unit of account established by reference to a set of currencies:
   - ordinary shares, and/or
   - ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or
   - securities giving access to ordinary shares to be issued by the Company.

   In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed €4 million, it being specified that it will also be limited to 20% of the share capital per year.

   To this ceiling will be added, if applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, contractual stipulations providing for other methods of preservation, the rights of the holders of rights or transferable securities giving access to the Company's share capital.

This amount is deducted from the maximum nominal amount of the ordinary shares that may be issued under the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €20 million.

This amount is deducted from the ceiling of the nominal amount of the debt securities as set in the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution;

4) resolves to cancel shareholders' preemptive subscription rights to ordinary shares and securities giving access to the share capital and/or debt securities covered by this resolution;
5) resolves that the amount due, or to be returned, to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the event of the issuance of autonomous share purchase warrants, the issue price of the said warrants, will be determined in accordance with the legal and regulatory provisions applicable at the time the Board of Directors implements the delegation;
6) resolves that if the subscriptions have not absorbed the entire issue referred to in 1/, the Board of Directors may use the following options:
   - limit the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations,
   - freely distribute all or part of the unsubscribed shares;
7) resolves that the Board of Directors will have, within the limits set above, the powers necessary in particular to set the conditions of the issue(s), if applicable, to record the completion of the resulting capital increases, to carry out the corresponding amendment to the bylaws, to charge, at its sole initiative, the costs of the capital increases to the amount of the related premiums and to deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase, and, more generally, take the necessary steps in such matters;
8) notes that this delegation supersedes any unused portion of any previous delegation with the same purpose.

Twenty-fourth resolution – Authorization, in the event of an issue without preemptive subscription rights, to set the issue price, up to a maximum of 10% of the share capital per year, under the conditions determined by the meeting

The shareholders' meeting, ruling under the *quorum* and majority conditions for Extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of Article L.22-10-52 of the French Commercial Code authorizes the Board of Directors, which decides to issue ordinary shares or securities giving access to the share capital pursuant to the twenty-second and twenty-third resolutions of this shareholders' meeting, to waive, within the limit of 10% of the share capital per year, the conditions for setting the price provided for in the aforementioned resolutions and to set the issue price of the equity securities to be issued as follows:

The issue price of the equity securities to be issued immediately or deferred may not be lower, at the choice of the Board of Directors, than the lower of the following two averages:

- the average of five consecutive quoted prices of the share chosen from the last thirty trading sessions preceding the start of the offer, possibly reduced by a maximum discount of 10%;
- the average share price during the 6 months preceding the start of the offer, possibly reduced by a maximum discount of 10%.

Twenty-fifth resolution – Delegation of authority to be given to the Board to increase the share capital through the issue, immediately or in future, of ordinary shares or equity securities giving access to other equity securities or rights to the allocation of debt securities, and/or transferable securities giving access to equity securities issued, without shareholders' preemptive subscription rights, for the benefit of a category of persons who will underwrite the Company's equity securities that might result therefrom in connection with an equity line of financing

The shareholders' meeting, ruling under the *quorum* and majority conditions for Extraordinary shareholders' meetings, having taken note of the report of the Board of Directors and the report of the statutory auditors, in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, specifically its Articles L.225-129-2, L.22-10-49, L.225-135, L.22-10-51, L.225-138, L.228-91 *et seq.*:

1) delegates to the Board of Directors its authority to approve the issue, on one or more occasions, in the proportions and at the times it deems appropriate, in France or abroad, either in euros, in foreign currencies or in any other unit of account established by reference to a set of currencies, of ordinary shares or equity securities giving access to other equity securities or giving right to the allocation of debt securities and/or transferable securities (including all debt securities) giving access to equity securities to be issued;
2) resolves that the transferable securities issued can consist of debt securities, can be associated with the issue of such securities or allow the issue thereof as intermediate securities;
3) resolves to cancel the shareholders' preemptive subscription rights to ordinary shares in the Company, to equity securities giving access to other equity securities or giving rights to the allocation of debt securities and/or to any transferable securities to be issued, in favor of the following category of persons: any credit institution, investment service provider, or member of an investment banking syndicate or any investment fund or company undertaking to guarantee the completion of the capital increase or of any issue that may eventually result in a capital increase that could be completed pursuant to this delegation in the context of the setup of an equity line of financing;
4) duly notes that where necessary this delegation entails the waiver by the shareholders of their preemptive subscription rights to any shares to which these transferable securities give access, in favor of the holders of the transferable securities issued;

5) resolves that the total nominal amount of the share capital increases that may be carried out immediately and/or in future under this delegation may not exceed €4 million or its exchange value in foreign currency, to which ceiling will be added, as the case may be, the additional amount of the shares to be issued to preserve the rights of security holders and other rights giving access to the share capital, in accordance with the law and any applicable contractual stipulations.

   This amount is deducted from the ceiling of the capital increase as set in the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution;

6) resolves to set at €20 million (or the exchange value of this amount if the issue is in another currency) the maximum nominal amount of the debt securities that may be issued under this delegation, given that this amount will be increased, if applicable, by any redemption premium in excess of the par value. This ceiling does not apply to the debt securities referred to in Articles L.228-40, L.228-36-A and L.228-92 paragraph 3 of the French Commercial Code whose issue is decided or authorized by the Board of Directors under the conditions set out in Article L.228-40 of said code or, in other cases, under the conditions determined by the Company in accordance with Article L.228-36-A of said code.

   This amount is deducted from the ceiling of the nominal amount of the debt securities as set in the twenty-first extraordinary resolution of this shareholders' meeting or any subsequent resolution;

7) resolves that the issue price of the shares issued under this delegation will be determined by the Board of Directors and will be at least equal to the weighted average of the share prices of the last three trading days preceding its determination, reduced, if applicable, by a maximum discount of 30%, taking into account, if applicable, their vesting date; it being specified that (i) in the event of the issue of transferable securities giving access to the share capital, the issue price of the shares likely to result from their exercise, conversion or exchange may be set, where applicable, at the discretion of the Board of Directors, by reference to a calculation formula defined by the latter and applicable after the issue of said transferable securities (for example upon exercise, conversion or exchange) in which case the aforementioned maximum discount may be assessed, if the Board of Directors deems it appropriate, on the date of application of said formula (and not on the date of issue of the securities), and (ii) the issue price of the transferable securities granting access to the share capital, if any, issued pursuant to this resolution shall be such that the amount, if any, received immediately by the Company, increased by that likely to be received by it upon the exercise or conversion of said transferable securities, or, for each share issued as a result of the issue of these transferable securities, at least equal to the aforementioned minimum amount;

8) specifies that the delegation thus conferred on the Board is valid for a period of 18 months starting from this shareholders' meeting;

9) resolves that the Board of Directors will have all powers, with the option of sub-delegation pursuant to the law, to implement, under the conditions set by law and the bylaws, this delegation in order specifically to:
   - decide the amount of share capital increase, the issue price (determined per the pricing conditions recorded above) and the amount of the premium that may, as applicable, be requested at issue,
   - determine the dates, terms and conditions of any issue as well as the form and characteristics of the shares or securities giving access to the share capital to be issued,
   - determine the dividend entitlement date, which may be retroactive, of the shares or securities giving access to the share capital to be issued, and the manner in which they are to be paid up,
   - set the list of beneficiaries in the aforementioned category of persons and the number of shares to be allocated to each of them,
   - at its sole initiative and when it deems appropriate, charge the costs, duties and fees incurred by the capital increases carried out under the delegation mentioned in this resolution, against the amount of premiums related to these transactions and withdraw, from the amount of these premiums, the sums necessary to bring the legal reserve to one-tenth of the new share capital after each increase,
   - note the completion of each share capital increase and amend the bylaws accordingly,
   - in general enter into any agreement to ensure the success of the planned issues, take all measures and carry out all formalities required for the issue and listing of and trade in the securities issued under this delegation as well as the exercise of the rights attached thereto,
   - take any decision respecting the admission of the shares and transferable securities thus issued on any market;

10) notes that this delegation supersedes any unused portion of any previous delegation with the same purpose.

Twenty-sixth resolution – Authorization to increase the amount of the issues

The shareholders' meeting, having taken note of the report of the Board of Directors, resolves that, for each of the issues of ordinary shares or securities giving access to the share capital decided pursuant to the 22nd, 23rd and 25th resolutions, the number of shares to be issued may be increased in accordance with Articles L.225-135-1 and R.225-118 of the French Commercial Code and within the ceilings set by the shareholders' meeting.

Twenty-seventh resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities giving access to the share capital up to a limit of 10% of the share capital in order to remunerate contributions in kind of securities giving access to the share capital

The shareholders' meeting, having taken note of the reports of the Board of Directors and the statutory auditors, and in accordance with Articles L.225-147, L.22-10-53 and L.228-92 of the French Commercial Code:

1) authorizes the Board of Directors, on the report of the Capital Contribution Auditor, to issue ordinary shares or securities giving access to ordinary shares in order to remunerate contributions in kind granted to the Company and comprising equity securities or securities giving access to the share capital when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable;
2) sets the period of validity of this delegation at 26 months starting from the date of this meeting;
3) resolves that the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 10% of the share capital on the date of this meeting, excluding the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of rights or securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out under this delegation will be deducted from the capital increase ceiling set by the twenty-first resolution;
4) delegates all powers to the Board of Directors to approve the valuation of the contributions, to decide on the resulting capital increase, to record the completion thereof and to allocate, if applicable, the contribution premium, all costs and duties incurred by the capital increase, to deduct from the contribution premium the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase and to make the corresponding amendment to the bylaws, and to take the necessary measures in such matters;
5) notes that this delegation supersedes any unused portion of any previous delegation with the same purpose.

Twenty-eighth resolution – Delegation of authority to be given to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital, without preemptive subscription rights, for the benefit of members of a company savings plan pursuant to Articles L.3332-18 et seq. of the French Labor Code

The shareholders' meeting, having taken note of the report of the Board of Directors and the special report of the statutory auditors, and pursuant to Articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and L.3332-18 *et seq.* of the French Labor Code:

1) delegates its powers to the Board of Directors, if the latter sees fit and at its sole discretion, to increase the share capital on one or more occasions, by issuing ordinary shares or transferable securities giving access to capital securities to be issued by the Company to members of one or more company or group savings plans set up by the Company and/or French or foreign companies related to it under the terms of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code;
2) waives for the benefit of these individuals the preemptive subscription rights to the shares which may be issued pursuant to this delegation;
3) sets the period of validity of this authorization at 26 months starting from the date of this delegation;
4) limits the maximum nominal amount of the share capital increase(s) that may be made by using this delegation to 3% of the amount of the share capital reached at the time of the Board's decision to carry out this increase. This amount is independent of any other ceiling set regarding capital increase delegations. To this amount will be added, if applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, contractual stipulations providing for other methods of preservation, the rights of the holders of rights or transferable securities giving access to the Company's share capital;
5) resolves that the price of the shares to be issued, pursuant to 1) of this delegation, may not be more than 30% (or 40% when the lock-up period provided for in the plan pursuant to Articles L.3332-25 and L.3332-26 of the French Labor Code is greater than or equal to ten years) below the average of the opening prices quoted for the share during the 20 trading sessions prior to the decision setting the opening date of the subscription, nor higher than that average;
6) resolves, pursuant to Article L.3332-21 of the French Labor Code, that the Board of Directors may provide for the allocation to beneficiaries defined in the first paragraph above, free of charge, of shares that have been or will be issued or other securities giving access to the Company's share capital that have been or will be issued, for (i) the employer's contribution that may be paid pursuant to the company or group savings plan rules, and/or (ii), if applicable, the discount and may decide, in the event of the issue of new shares for the discount and/or employer's contribution, to incorporate into the capital the reserves, profits or issue premiums necessary to pay for said shares.

The Board of Directors may or may not implement this delegation, take all measures and carry out all necessary formalities.

Twenty-ninth resolution – Powers for formalities

The shareholders' meeting grants all powers to the bearer of an example, a copy or an extract of these minutes in order to accomplish all filing and publicity formalities required by law.

7.3 STATUTORY AUDITORS' REPORTS

Statutory auditors' report on regulated agreements and commitments

See Section 3.7.2 of the Universal Registration Document.

Statutory auditors' report on the share capital reduction

Shareholders' Meeting of 16 June 2022 – Resolution no. 19

To the Shareholders' Meeting,

In our capacity as your company's Statutory Auditors, and pursuant to the assignment set forth in Article L. 22-10-62 of the French Commercial Code in the event of a share capital reduction through the cancelation of shares purchased, we have drawn up this report intended to inform you of our assessment of the causes and conditions of the proposed share capital reduction.

Your Board of Directors proposes that you delegate to it, for a period of 24 months from the date of this meeting, all powers to cancel, up to a limit of 10% of the company's share capital, per 24-month period, the shares purchased pursuant to the implementation of a purchase authorization by your company for its own shares within the framework of the provisions of the aforementioned article.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures require us to examine whether the causes and conditions of the proposed share capital reduction, of a nature not to impair the equality of shareholders, are regular.

We have no matters to report on the causes and conditions of the proposed share capital reduction.

Done in Neuilly-sur-Seine and Paris on 27 April 2022

Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	RSM PARIS
Christophe Drieu	Stéphane Marie
Partner	Partner

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Statutory Auditors' report on the issuance of ordinary shares and/or various transferable securities with cancelation of preferential subscription rights

Combined Shareholders' Meeting of 16 June 2022 – Resolutions nos. 21, 22, 23, 24, 25, 26 and 27

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your company and in execution of the mission provided for by Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby present to you our report on the proposed delegations of authority to the Board of Directors to carry out various issues of shares and/or securities, transactions on which you are asked to vote.

Your Board of Directors proposes, on the basis of its report:

- to delegate to it, for a period of 26 months, the authority to decide on the following transactions and set the final issue conditions for these transactions and proposes, where applicable, to cancel your preferential subscription rights:
  - issue, on one or more occasions, with preferential subscription rights (21st resolution), ordinary shares and/or ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or securities giving access to ordinary shares to be issued by the company, it being specified that, in accordance with Article L. 228-93, paragraph 1, of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital,
  - issue, on one or more occasions, on the French and/or international market, by way of a public offering (excluding the offers referred to in I of Article L. 411-2 of the French Monetary and Financial Code) and/or as compensation for securities in the context of a public exchange offer (22nd resolution), ordinary shares and/or ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or securities giving access to ordinary shares to be issued by the company, it being specified that, in accordance with Article L. 228-93, paragraph 1, of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of its share capital or in which it directly or indirectly owns more than half of the share capital,
  - issue, on one or more occasions, on the French and/or international market, with cancellation of the preferential subscription rights, by means of offers referred to in 1 of Article L. 411-2 of the French Monetary and Financial Code by private placement and within the limit of 20% of the share capital per year (23rd resolution), ordinary shares and/or ordinary shares giving entitlement to the allocation of other ordinary shares or debt securities, and/or securities giving access to ordinary shares to be issued by the company, it being specified that, in accordance with Article L. 228-93, paragraph 1, of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company that directly or indirectly owns more than half of the share capital of the company or in which it directly or indirectly owns more than half of the share capital;
- to authorize it, by the 24th resolution and as part of the implementation of the delegation referred to in the 22nd and 23rd resolutions, to set the issue price within the annual legal limit of 10% of the share capital;
- to delegate to it, for a period of 26 months (27th resolution), the powers necessary to issue ordinary shares of the company or securities giving access to ordinary shares of the company, in consideration for contributions in kind granted to the company and consisting of equity securities or securities giving access to the share capital when the provisions of Article L. 225-148 of the French Commercial Code are not applicable within the limit of 10% of the share capital;
- to delegate to it, for a period of 18 months, the power to decide to issue ordinary shares of the company or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities (including, in particular, all debt securities) giving access to equity securities to be issued, and to cancel your preferential subscription right to the securities to be issued in favor of a category of persons underwriting the company's securities (25th resolution). When appropriate, it will set the final terms and conditions of these issues.

The total nominal amount of the capital increases likely to be carried out immediately or in the future may not exceed €6 million in respect of each of the 21st and 22nd resolutions, €4 million for each of the 23rd and 25th resolutions.

In addition, these ceilings will be deducted from the overall limit on capital increases provided for in the 21st resolution, which sets at €6 million the maximum overall nominal amount of capital increases that may be carried out pursuant to the 21st, 22nd, 23rd, 25th and 27th resolutions.

These ceilings take into account the additional number of securities to be created as part of the implementation of the delegations referred to in the 22nd, 23rd, 24th and 25th resolutions, under the conditions provided for in Article L. 225-135-1 of the French Commercial Code, if you adopt the 26th resolution.

The total nominal amount of the debt securities that may be issued may not exceed €30 million for the 21st resolution, €60 million for the 22nd resolution and €20 million for each of the 23rd and 25th resolutions.

In addition, these ceilings will be deducted from the overall limitation provided for in the 21st resolution, which sets at €30 million the nominal amount of the company's debt securities that may be issued pursuant to the 21st, 22nd, 23rd and 25th resolutions.

It is the responsibility of the Board of Directors to prepare a report in compliance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to report to you on the fairness of the financial information extracted from the financial statements, on the proposal to waive the preferential subscription rights and on certain other details concerning these transactions, set out in this report.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in verifying the contents of the report from the Board of Directors on this transaction and the process for setting the issue price of the equity securities to be issued.

Subject to a subsequent review of the terms and conditions of the issues that may be decided, we have no matters to report on the methods used to determine the issue price of the equity securities to be issued given in the Board of Directors' report under the 22nd, 23rd and 25th resolutions.

As indicated in the report of the Board of Directors and in resolution no. 25, the cancellation of the preferential right under the 25th resolution would be made in favor of any credit institution, any investment services provider or member of an investment banking syndicate or any investment fund or company undertaking to guarantee the completion of the capital increase or any issue likely to result in a capital increase in the future that could be carried out under this delegation as part of the implementation of an equity financing line. This description does not appear to us to comply with the provisions of Article L. 225-138 of the French Commercial Code providing for the possibility of reserving share capital increases to categories of persons satisfying determined characteristics insofar as the Board of Directors does not sufficiently nor precisely specify the identification criteria for the category to which the beneficiaries of the envisaged issue belong.

Consequently, we cannot express an opinion on the proposal to waive the preferential subscription right made to you under the 25th resolution.

In addition, as this report does not specify the methods for determining the issue price of the equity securities to be issued as part of the implementation of the 21st and 27th resolutions, we cannot express an opinion on the choice of the elements used to calculate this issue price.

As the final conditions under which the issues would be carried out have not been set, we cannot express an opinion on them, nor on the proposal to cancel the preferential subscription right that is made to you in the 22nd and 23rd resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report, where applicable, when these delegations are used by your Board of Directors in the event of the issue of securities that are equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, in the event of the issue of securities giving access to equity securities to be issued and in the event of the issue of ordinary shares without preferential subscription rights.

Done in Neuilly-sur-Seine and Paris on 27 April 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	**RSM PARIS**
Christophe Drieu	Stéphane Marie

Statutory auditors' report on the issue of ordinary shares and/or securities giving access to the capital reserved for members of a company savings plan

Combined Shareholders' Meeting of 16 June 2022 – Resolution no. 28

To the Shareholders' Meeting,

In our capacity as your company's Statutory Auditors, and pursuant to the assignment set forth in Articles L. 228-92 and L. 225-135 *et seq*. of the French Commercial Code, we hereby present our report on the proposed delegation of authority to your Board of Directors to decide on issues of ordinary shares or transferable securities granting access to equity securities to be issued by the company, with cancelation of preferential subscription rights, reserved for the subscribers of one or more company or group savings plans implemented by the company and/or the French or foreign companies related to the company under the conditions set forth in Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code, a transaction upon which you are called to vote.

The maximum nominal amount of the share capital increase likely to result from this issue is set at 3% of the amount of the share capital reached upon the Board's decision to carry out this increase.

This share capital increase is subject to your approval pursuant to the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labor Code.

Based on its report, your Board of Directors is asking that you grant it full powers, for a period of 26 months commencing from the date of this Shareholders' Meeting, to decide an issue with cancelation of your preferential subscription rights to the transferable securities to be issued. When appropriate, it will set the final terms and conditions of these issues.

It is the responsibility of the Board of Directors to prepare a report in compliance with Articles R. 225-113 *et seq*. of the French Commercial Code. Our role is to express an opinion on the truthfulness of the quantified financial information drawn from the financial statements, on the proposal to cancel preferential subscription rights and on certain other details concerning this issue, contained in this report.

We have conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in verifying the contents of the report of the Board of Directors on this transaction and the process for setting the issue price of the equity securities to be issued.

Subject to reviewing, at a future date, the terms and conditions of any issues that may be decided upon, we have no comments to make on the process for setting the issue price of the equity securities to be issued, set out in the report of the Board of Directors.

As the final terms and conditions of the share capital increase have not been set, we do not express an opinion thereon, nor on the proposed cancelation of preferential subscription rights on which you are asked to decide.

Pursuant to Article R. 225-116 of the French Commercial Code, we will prepare an additional report, as required, when your Board of Directors makes use of this authorization.

Done in Neuilly-sur-Seine and Paris on 27 April 2022

Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	RSM PARIS
Christophe Drieu	Stéphane Marie
Partner	Partner

7.4 OTHER REPORTS OF THE BOARD OF DIRECTORS PRESENTED TO THE SHAREHOLDERS' MEETING OF 16 JUNE 2022

Management report

See the cross-reference table in Section 8.3.1 of the Universal Registration Document.

Board of Directors' corporate governance report prepared in accordance with Article L.225-37 et seq. of the French Commercial Code

See the cross-reference table in Section 8.3.2 of the Universal Registration Document.

Special reports by the Board of Directors prepared in accordance with Article L.225-197-4 of the French Commercial Code

Dear Shareholders,

Pursuant to Article L.225-197-4 of the French Commercial Code, we are pleased to present you the information on the allocation and vesting of free shares made to the employees and Directors of the Group during the financial year ended 31 December 2020 and at the beginning of 2021.

The extraordinary shareholders' meeting of 13 June 2018 authorized, in its 21st resolution, the Board of Directors to proceed, on one or more occasions, in accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, with the allocation of free shares in the Company, existing or to be issued, up to 5% of the share capital, in favor of:

- employees of the Company or companies directly or indirectly related to it within the meaning of Article L.225-197-2 of the French Commercial Code;
- corporate officers who meet the conditions set by Article L.225-197-1 of the French Commercial Code.

As a result of this authorization, the Board of Directors established several free share allocation plans in 2016, then in 2019 and finally in 2021, in order to interest all employees and senior executives in the performance of the Group and to involve key employees in the Group's performance.

A new allocation was decided in early 2021.

I. 2016 plans

It is noted that the 2016 plans have ended and that there are no longer any potential shares under these plans.

II. 2019 plans

It is noted that the Board of Directors, at its meeting of 31 January 2019, approved two free share allocation plans:

- a free share allocation plan for all employees of PRODWAYS GROUP and its subsidiaries having their head office in France (the collective plan); and
- a free performance share allocation plan for certain employees and executive corporate officers of the Company and its French and foreign subsidiaries (the selective plan).

II.1 2019 collective plan

The vesting period for the 2019 collective plan expired on 1 February 2021. After examining the continued employment conditions, the Board noted the acquisition of a total of 14,050 shares.

II.2 2019 selective plan

The first vesting period for the 2019 selective plan expired on 1 February 2021 (the other two vesting periods expiring on 1 February 2022 and 1 February 2023). After reviewing the conditions of presence and performance, the Board noted at the end of the first vesting period on 1 February 2021, the acquisition of 172,408 shares, including 38,248 shares going to the Chief Executive Officer, Mr. Olivier STREBELLE (who left his office on 9 July 2021).

No additional vesting was recognized at the end of the second vesting period on 1 February 2022.

III. 2021 plans

On 1 February 2021 the Board of Directors approved two new free share plans:

- a free share allocation plan for all employees of PRODWAYS GROUP and its subsidiaries having their head office in France (the collective plan); and
- a free performance share allocation plan for certain employees and executive corporate officers of the Company and its French and foreign subsidiaries (the selective plan).

1) Allocation of free shares under the 2021 collective plan

The collective free share allocation plan approved by the Board of Directors on 1 February 2021 aiming to interest all employees in the Group's performance and value creation, provides for a free allocation of 18,050 shares for the benefit of all employees of PRODWAYS GROUP and its more than 50%-owned subsidiaries having their head office in France. These shares were allocated uniformly between the 370 employees of the Company and its French subsidiaries, at the rate of 50 shares per employee.

The plan is explained in greater detail in the table below:

Number of shares allocated	Vesting period/Duration of the retention period	Total number of grant recipients	Allocation conditions and criteria	Origin of the shares to be allocated	Value of the shares
18,050	From 1 February 2021 to 2 February 2023. No retention period.	370	• No Group performance condition. • Continued employment condition on 2 February 2023.	New shares to be issued.	Based on the closing share price on 1 February 2021 (*i.e.* €2.68): €48,374.

2) Allocation of free performance shares under the 2021 selective plan

The selective free performance share plan approved by the Board of Directors on 1 February 2021, with the aim of retaining and involving key employees in the Group's performance and its value creation, provides for the allocation of 532,500 free performance shares to certain employees and executive corporate officers of PRODWAYS GROUP or its French and foreign subsidiaries.

The plan is explained in greater detail in the table below:

Total number of shares granted	Vesting period/Duration of the retention period	Total number of grant recipients	Allocation conditions and criteria	Origin of the shares to be allocated	Value of the shares
532,500	From 1 February 2021 to 2 February 2023, or on 1 July 2023. No retention period, except for executive corporate officers.	16	• Performance conditions in reference to the Group's revenue growth in 2021 and 2022 and the achievement of the Group's current operating income target (as defined in the plan) in 2021 and 2022. • The number of performance shares, where applicable, vested according to the above performance criteria will be multiplied by 1.1 depending on the performance of the PRODWAYS GROUP share price in relation to an index. • Continued employment condition at each intermediate vesting period (2 February 2023 and 1 July 2023).	New shares to be issued.	Based on the closing share price on 1 February 2021 (*i.e.* €2.68): €1,427,100.

3) Additional information pursuant to Article L.225-197-4 of the French Commercial Code

The tables below are prepared in accordance with the requirements of Article L.225-197-4 of the French Commercial Code:

a) Allocation of free shares, to date in 2021, to corporate officers of PRODWAYS GROUP, or by related companies within the meaning of Article L.225-197-2 of the French Commercial Code.

Corporate officers concerned	Number of shares	Value
Olivier STREBELLE (Chief Executive Officer until July 2021)*	247,500	Based on the share price on 1 February 2021 (closing price at €2.68): €663,300.

* *Olivier STREBELLE, having left his office as Chief Executive Officer in July 2021, has lost his right to acquire the shares.*

b) Allocation of free shares to PRODWAYS GROUP corporate officers, to date in 2021, by controlled companies within the meaning of Article L.233-16 of the French Commercial Code, for terms of office and functions exercised by said officers within the controlled companies.

None.

c) List of the ten employees of PRODWAYS GROUP SA, who are not corporate officers, to whom the largest number of shares has been allocated, to date in 2021, by PRODWAYS GROUP and by the companies mentioned in Article L.225-197-2 of the French Commercial Code

The Company has only nine employees to date.

Employees	Number of shares allocated	Value *(in euros)*
A	15,000 (selective plan) and 50 (collective plan).	Based on the share price on 1 February 2021 (closing price at €2.68): €40,334.
B	15,000 (selective plan) and 50 (collective plan).	Based on the share price on 1 February 2021 (closing price at €2.68): €40,334.
C	7,500 (selective plan) and 50 (collective plan).	Based on the share price on 1 February 2021 (closing price at €2.68): €20,234.
Each of the other six employees.	50 (collective plan).	Based on the share price on 1 February 2021 (closing price at €2.68): €134.

d) Distribution of shares between categories of beneficiaries

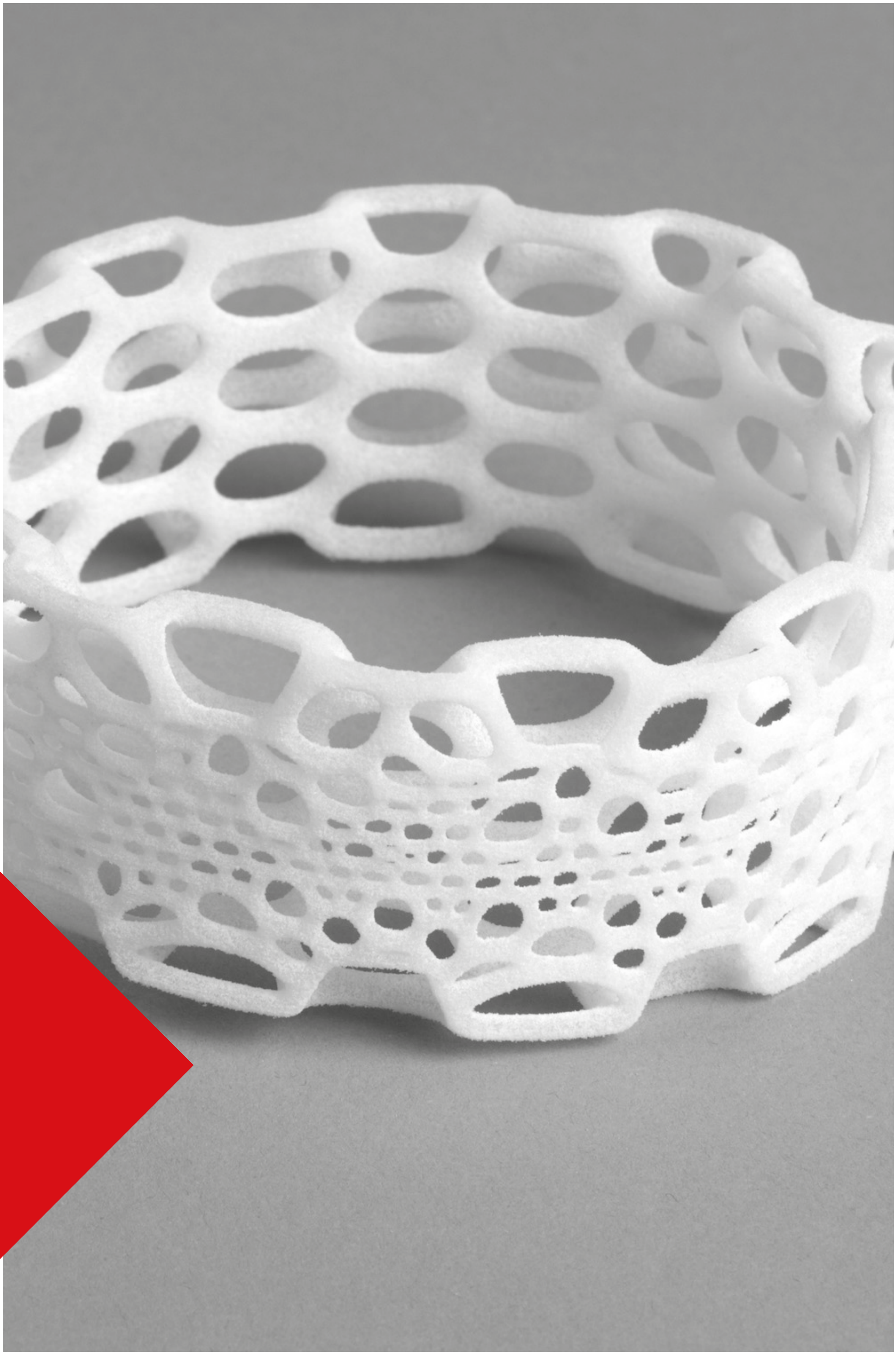
	Collective plan	Selective plan	Total	% of shares by category of beneficiaries
Representatives of PRODWAYS GROUP SA	0	247,500*	247,500	44.96%
Employees	18,050	285,000	303,050	55.04%
TOTAL	**18,050**	**532,500**	**550,550**	**100%**

* *Olivier STREBELLE, having left his office as Chief Executive Officer in July 2021, has lost his right to acquire the shares.*

Paris

16 March 2022

The Board of Directors



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ADDITIONAL INFORMATION

8.1 INFORMATION ABOUT THE STATUTORY AUDITORS

Principal statutory auditors

PRICEWATERHOUSECOOPERS AUDIT

Member of the Versailles Regional Association of statutory auditors

Represented by Mr. David CLAIROTTE

63 rue de Villiers – 92200 Neuilly-sur-Seine

Statutory auditor of the Company appointed by the combined shareholders' meeting of 5 May 2017 for a term of six financial years to expire at the end of the shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2022 (first appointment).

RSM PARIS

Member of the Versailles Regional Association of statutory auditors

Represented by Mr. Stéphane MARIE

26 rue Cambacérès – 75008 PARIS

Statutory auditor of the Company appointed by the bylaws of 13 March 2014 for a term of office of six financial years (first appointment) and renewed in 2020 (renewal for a period of six years expiring at the end of the shareholders' meeting held in the course of 2026 called to approve the financial statements for the 2025 financial year).

8.2 PERSON RESPONSIBLE FOR THE INFORMATION

8.2.1 Person responsible for the Universal Registration Document containing the annual financial report

Raphaël GORGÉ in his capacity as Chairperson of the Board of Directors of PRODWAYS GROUP SA (and Chief Executive Officer from 10 July 2021 to 28 February 2022).

8.2.2 Statement by the person responsible for the Universal Registration Document

"I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and does not contain any omissions likely to alter its scope.

I certify that, to my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial situation and earnings of the Company and of all the companies included in the scope of consolidation, and that the management report, whose cross-reference table is in Section 8.3.3, fairly presents the business trends, earnings and financial situation of the Company and of all the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties they face."

Paris, 27 April 2022

Chairperson of the Board of Directors

8.3 CROSS-REFERENCE TABLES

8.3.1 Cross-reference table of the Universal Registration Document (Appendices I and II of Delegated European Regulation no. 2019/980)

In order to facilitate the reading of this Universal Registration Document, the cross-reference table presented below makes it possible to identify the main information required by Appendices I and II of European Delegated Regulation no. 2019/980 of 14 March 2019:

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New URD References	Headings	Section/Chapter	Page
Point 5.7.3	*Joint ventures and significant investments*	*1.2.3, Notes 2.2, 7.3, 8.15 and 13 to the consolidated financial statements*	*17, 86, 106, 109 et seq., 116*
Point 5.7.4	*Environmental impact of the use of property, plant and equipment*	*1.3.3.3, 6.1.4, 6.2, 6.6*	*21, 156, 157, 164*
Section 6	**Organizational structure**		
Point 6.1	Brief description of the Group/Organizational chart	1.2, 1.2.3, 1.5.1	10, 17, 26
Point 6.2	List of significant subsidiaries	1.2.3, Notes 2.2 and 13 to the consolidated financial statements note 8 of the annual financial statements	17, 86, 116, 131
Section 7	**Review of the financial position and results**		
Point 7.1	Financial position	1.1, 1.4, 1.5	8, 22, 26
Point 7.1.1	*Statement of changes and results of operations*	*1.1, 1.4, 1.5*	*8, 22, 26*
Point 7.1.2	*Future developments and activities in research and development*	*1.3*	*20*
Point 7.2	Operating results	1.1.3, 4.1.1, 4.2.1	8, 78, 120
Point 7.2.1	*Significant factors affecting operating revenue*	*1.2.4, 1.4, 4.1, 4.2*	*18, 22, 78 et seq., 120 et seq.*
Point 7.2.2	*Significant changes in net sales or net income*	*1.1.1, 1.4, 4.1*	*8, 22, 78 et seq.*
Section 8	**Cash and cash equivalents and capital**		
Point 8.1	Issuer's capital	1.4.2, Note 10.1 to the consolidated financial statements, Note 5.3 to the parent company separate financial statements	25, 113, 128
Point 8.2	Cash flow	1.4.2, 2.4.5, Note 7 to the consolidated financial statements, Note 4 to the separate financial statements	25, 40, 104, 126
Point 8.3	Financing requirements and financing structure	1.4.2, 4.1, Note 8 to the consolidated financial statements, Note 4 to the separate financial statements	25, 78 *et seq.*, 107 *et seq.*, 126
Point 8.4	Restriction on use of capital	Note 8 to the consolidated financial statements and Note 5.4 to the separate financial statements	107 *et seq.*, 129
Point 8.5	Expected sources of funding	Note 8 to the consolidated financial statements Note 5.4 of the annual financial statements	107 *et seq., 129*
Section 9	**Regulatory environment**		
Point 9.1	Description of the regulatory environment and influencing external factors	1.2.2, 2.4.1, 6.4	11, 39, 159
Section 10	**Trend information**		
Point 10.1	a) Main recent trends	Message from the Chairperson, 1.3.2, 1.3.4, Note 12.3 to the consolidated financial statements	2, 20, 21, 115
	b) Significant change in the Group's financial performance since closing	1.3.2, 1.3.4	20, 21
Point 10.2	Factor likely to have a significant impact on the outlook	1.3.2, 1.3.4, Message from the Chairperson	20, 21, 2

New URD References	Headings	Section/Chapter	Page
Section 11	**Profit forecasts or estimates**		
Point 11.1	Current profit forecast or estimate	N/A	-
Point 11.2	Main assumptions	N/A	-
Point 11.3	Statement on profit forecast or estimate	N/A	-
Section 12	**Administrative, management and supervisory bodies and executive management**		
Point 12.1	Information concerning the members of the Company's administrative and management bodies	3.1	44 *et seq.*
Point 12.2	Conflicts of interest	3.1.5	52
Section 13	**Remuneration and benefits**		
Point 13.1	Remuneration and benefits paid or granted	3.2, 3.3, 3.4	54 *et seq.*
Point 13.2	Provisions for retirement and other	Note 5.3 to the consolidated financial statements, Note 7.6 to the separate financial statements	96, 130
Section 14	**Functioning of the administrative and management bodies**		
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Point 14.3	Committees	3.1.1, 3.1.8	44, 53
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Section 15	**Employees**		
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Point 15.2	Equity investments and stock options	Note 5.2 to the consolidated financial statements, 5.3.5	96, 160
Point 15.3	Employee shareholding agreement	see Point 15.2 above	-
Section 16	**Main shareholders**		
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Point 16.2	Different voting rights	5.3.2	149
Point 16.3	Control of the issuer	5.3.1	149
Point 16.4	Shareholder agreement	N/A	-
Section 17	**Transactions with related parties**		
Point 17.1	Details of transactions	1.5.1, 3.7, Note 5.5 to the consolidated financial statements, Note 6 to the separate financial statements	26, 69, 98, 130
Section 18	**Financial information concerning the assets and liabilities, financial position and results of the issuer**		
Point 18.1	Historical financial information	AMF insert, 4.1, 4.2	1, 78 *et seq.*
Point 18.1.1	*Audited historical financial information*	*4.1, 4.2*	*78 et seq.*
Point 18.1.2	*Change of accounting reference date*	*N/A*	-
Point 18.1.3	*Accounting standards*	*4.1 (Note 1), 4.2 (Note 1)*	*84, 124*
Point 18.1.4	*Change in accounting standards*	*4.1 (Note 1), 4.2 (Note 1)*	*84, 124*
Point 18.1.5	*Minimum content of audited financial information*	*4.1, 4.2*	*78 et seq., 120 et seq.*

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New URD References	Headings	Section/Chapter	Page
Point 18.1.6	*Consolidated financial statements*	*4.1*	*78 et seq.*
Point 18.1.7	*Date of latest financial information*	*4.1, 5.4.3*	*78 et seq., 151*
Point 18.2	Interim and other financial information	N/A	-
Point 18.2.1	*Quarterly or half-yearly financial information*	*5.4.3*	*151*
Point 18.3	Audit of historical annual financial information	4.1.7, 4.2.5	117, 133
Point 18.3.1	*Audit report*	*4.1.7, 4.2.5*	*117, 133*
Point 18.3.2	*Other audited information*	*3.7.2*	*71*
Point 18.3.3	*Unaudited financial information*	*N/A*	-
Point 18.4	*Pro forma* financial information	N/A	-
Point 18.4.1	*Significant change in gross values*	*N/A*	-
Point 18.5	Dividend policy	5.4.2	151
Point 18.5.1	*Description*	*5.4.2*	*151*
Point 18.5.2	*Dividend per share*	*1.5.3, 7.1*	*26, 172*
Point 18.6	Legal and arbitration proceedings	Note 12.2 to the consolidated financial statements	115
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Point 18.7	Significant change in the issuer's financial position	1.1, 1.2.2, 1.2.4, 1.3.4	8, 11, 18, 21
Point 18.7.1	*Significant change since closing*	*see Point 18.7 above*	-
Section 19	**Additional information**		
Point 19.1	Share capital	5.2	142 *et seq.*
Point 19.1.1	*Amount of capital issued*	*5.2*	*142 et seq.*
Point 19.1.2	*Shares not representing capital*	*N/A*	-
Point 19.1.3	*Treasury shares*	*5.2.2*	*145*
Point 19.1.4	*Securities*	*5.2.1*	*142*
Point 19.1.5	*Acquisition rights conditions and/or any obligation*	*5.2.1, 5.2.3*	*142, 146*
Point 19.1.6	*Option or agreement*	*N/A*	-
Point 19.1.7	History of share capital	5.2.3	146
Point 19.2	Corporate charter and bylaws	5.1.2	140
Point 19.2.1	*Registration in the register and corporate purpose*	*5.1.1, 5.1.2*	*140*
Point 19.2.2	*Existing share classes*	*5.2*	*142*
Point 19.2.3	*Provisions impacting a change of control*	5.3.3, 5.3.4	150
Section 20	**Major contracts**		
Point 20.1	Summary of each contract	N/A	-
Section 21	**Available documents**		
Point 21.1	Statement on searchable documents	5.4.3	151

8.3.2 Cross-reference table – Annual financial report

This Universal Registration Document includes all sections of the annual financial report listed under Article L.451-1-2 of the French Monetary and Financial Code, as well as Articles 222-3 and 222-9 of the General Regulations of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF). The documents referred to in Article 222-3 of the aforementioned regulation and the corresponding sections of this Universal Registration Document are specified below:

	Annual financial report	**Chapter/Section**	**Page**
1.	Annual accounts	4.2	120 *et seq.*
2.	Consolidated financial statements	4.1	78 *et seq.*
3.	Management report (information within the meaning of Article 222-3 of the AMF General Regulation)	See cross-reference table in Section 8.3.3 below	-
4.	Statement by the person responsible for the annual financial report	8.2.2	198
5.	Statutory auditors' report on the separate financial statement	4.2.5	133
6.	Statutory auditors' report on the consolidated financial statements	4.1.7	117
7.	Statutory auditors' report on regulated agreements and commitments	3.7.2	71
8.	Board of Directors' corporate governance report (Article L.225-37 of the French Commercial Code)	See cross-reference table in Section 8.3.4 below	-

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8.3.3 Cross-reference table of the consolidated management report (to which the corporate governance report and the statement of non-financial performance are attached)

This Universal Registration Document includes the items from the management report referred to in Articles L.225-100 et seq. and L.*232-1* of the French Commercial Code and the corporate governance report pursuant to Articles L.225-37 et seq. of the French Commercial Code.

	Consolidated management report	**Chapter/Section**	**Page**
1	BUSINESS MARKET		
1.1.	Position and activity of the Company over the past year	1.5, 4.1, 4.2	26 *et seq.*, 78 *et seq. and* 120 *et seq.*
1.2.	Results of the activity of the Company, its subsidiaries and companies under its control	1.1, 1.4, 4,1,4.2	8, 22, 78 *et seq. and 120 et seq.*
1.3.	Key financial performance indicators	1.1	8
1.4.	Key non-financial performance indicators	1.1 et 6	8, 153 *et seq.*
1.5.	Analysis of changes to the business its results and financial position	1.4	22
1.6.	Significant events occurring between the closing of the financial year and the date the management report was drawn up	1.3.4, Note 12.3 to the consolidated financial statements and Note 9.3 to the annual financial statements	21, 115, 132
1.7.	Foreseeable development and outlook	Message from the Chairperson, 1.3.2	2, 20
1.8.	Research and development activities	1.2.2, 1.3.3, Note 6 to the consolidated financial statements	11, 21, 99 *et seq.*
1.9.	Significant new shareholdings controlling interests acquired during the year in companies with head offices on French territory	1.2.3, 1.2.4, Note 2.2 to the consolidated financial statements	17, 18, 86
1.10.	Statement of existing branches	N/A	-
2.	RISK FACTORS – INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES		
2.1.	Description of the main risks and uncertainties facing the Group	2	31 *et seq.*
2.2.	Main characteristics of the internal control and risk management procedures implemented by the Company and the Group relating to the preparation and processing of accounting and financial information	3.8	74 *et seq.*
2.3.	Information on financial risks relating to the effects of climate change and presentation of the steps taken to mitigate such risks through a low-carbon strategy	2, 6.6	31 *et seq.*, 164
2.4.	Information on the use of financial instruments (policy and hedging)	Notes 8 to the consolidated financial statements	107 *et seq.*
2.5.	Anti-corruption system	6.7	166
3.	STATEMENT OF NON-FINANCIAL PERFORMANCE	**6**	**153 *et seq.***
3.1.	Business model	Introductory section	4
3.2.	Description of the main risks related to the activity of the Company and the Group	2	31 *et seq.*
3.3.	Information on the way in which the Group takes into account the social and environmental consequences of its activity	6.1 to 6.7	154 *et seq.*
3.4.	Results of the policies applied by the Group (key performance indicators)	6.2 to 6.7	157 *et seq.*

	Consolidated management report	Chapter/Section	Page
3.5.	Social information	6.5	160
3.6.	Environmental information	6.2 ,6.6	157, 164
3.7.	Societal information	6.3, 6.7	158, 166
3.8.	Fight against corruption	6.7	166
3.9.	Human rights actions	6.7	166
3.10.	Seveso site – risk management	N/A	-
3.11.	Collective agreements and their impact on the Company's economic performance and on employees' working conditions	6.5	160
3.12.	Statement by the independent third party	6.8	167
4.	SHAREHOLDERS AND SHARE CAPITAL		
4.1.	Shareholder structure and changes occurring during the financial year, crossing of ownership thresholds	5.2, 5.3	142 *et seq.*
4.2.	Employee share ownership statement	5.3.5	150
4.3.	Repurchase and resale by the Company of its treasury shares	5.2.2	145
4.4.	Names of controlled entities and interests held	Note 13 to the consolidated financial statements	116
4.5.	Transfers of shares to regularize cross-shareholdings, possible adjustments for securities giving access to the capital in the event of share buybacks or financial transactions	N/A	-
4.6.	Trading on Company shares by senior managers and persons with close ties to them	3.1.4	52
4.7.	Information on stock option plans granted to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1	60 *et seq.*, 142 *et seq.*,
4.8.	Information on free shares allocated to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1, Notes 5.4 and 5.5 to the consolidated financial statements	60 *et seq.*, 142 *et seq*, 97, 98
5.	**CORPORATE GOVERNANCE REPORT (ART. L. 225-37 *ET SEQ.* OF THE French Commercial Code)**	**See cross-reference table in Section 8.3.4 below**	-
6.	OTHER INFORMATION		
6.1.	Non-tax-deductible expenses and expenses added back following tax adjustment	1.5.2	26
6.2.	Table of financial results for the past five financial years	1.5.5	27
6.3.	Total dividends and other income paid out over the previous three financial years	1.5.3, 5.4.2, 7.1	26, 151, 172
6.4.	Orders or financial penalties for anti-competitive practices	N/A	-
6.5.	Amount of intercompany loans granted under Article L.511-6-3 *bis* of the French Monetary and Financial Code	N/A	-
6.6.	Works council opinion on changes to the Company's financial and legal structure	N/A	-
6.7.	Payment times for trade receivables and payables	1.5.4, Note 5.2 to the separate financial statements	26, 128

8.3.4 Cross-reference table – Corporate governance report pursuant to Article L.225-37 of the French Commercial Code

	Corporate governance report – Headings	Chapter/Section	Page
1.	INFORMATION ON THE COMPOSITION, OPERATION AND POWERS OF THE Board		
1.1.	Composition of the Board of Directors	3.1	44 *et seq.*
1.2.	Presentation of the members of the Board of Directors, list of their offices and positions	3.1	44 *et seq.*
1.3.	Conditions for the preparation and organization of the Board of Directors' work	3.1.7	52
1.4.	Gender balance on the Board of Directors	3.1.3	52
1.5.	Diversity policy applied to Board members	3.1.1, 3.1.3	44, 52
1.6.	Parity within the committee set up by the Executive Management	N/A	-
1.7.	Diversity for the 10 positions with the highest responsibility	N/A	-
1.8.	Forms of Executive Management	3.1.6	52
1.9.	Limitations of CEO powers	3.1.6	52
1.10.	Reference to a Corporate Governance Code	3.5	68 *et seq.*
1.11.	Summary table of delegations granted by the shareholders' meeting for share capital increases that are still valid	5.2.3	146
1.12.	Assessment procedure for current agreements signed under normal term and conditions	3.7.1	69
2.	INFORMATION CONCERNING REMUNERATION		
2.1.	Corporate officer remuneration policy	3.2	54 *et seq.*
2.2.	Information referred to in I of Article L.225-37-3 of the French Commercial Code	3.3	54 *et seq.*
2.3.	Individual remuneration of executive corporate officers for the past financial year	3.4	64 *et seq.*
2.4.	Agreements entered into between corporate officer or a significant shareholder and subsidiary	3.7.1, 1.5.1	69, 26
2.5.	Holding modalities by corporate officers of the free shares granted and/or shares from the exercise of stock options	3.3 (Tables 6, 10)	58 *et seq.*
3.	INFORMATION ON FACTORS LIABLE TO HAVE AN IMPACT IN THE EVENT OF AN IPO		
3.1.	Structure of the Company's share capital	5.2	142 *et seq.*
3.2.	Statutory restrictions on the exercise of voting rights and the transfer of shares or clauses in agreements brought to the Company's knowledge in application of Article L.233-11 of the French Commercial Code regarding capital increases	5.1.2, 5.3.4	140, 160
3.3.	Direct or indirect investments in its share capital that the Company is aware of pursuant to Articles L.233-7 and L. 233-12 of the French Commercial Code	5.3.1	149
3.4.	List of bearers of all securities with special control rights and description of these rights	5.3.1, 5.3.4	149, 150
3.5.	Control mechanisms provided for by any employee shareholding system, when the control rights are not exercised by the system	5.3.5	150
3.6.	Shareholder agreements known to the Company that may lead to restrictions on the transfer of shares and the exercise of voting rights	N/A	-
3.7.	Rules applicable to the appointment and renewal of members of the Board of Directors and amendments to the Company's bylaws	3.1.1, 5.1.2	44 *et seq.*, 140
3.8.	Agreements that end in the event of a change of control	N/A	-
4.	SPECIAL ARRANGEMENTS FOR SHAREHOLDER PARTICIPATION IN SHAREHOLDERS' MEETINGS	3.6	69

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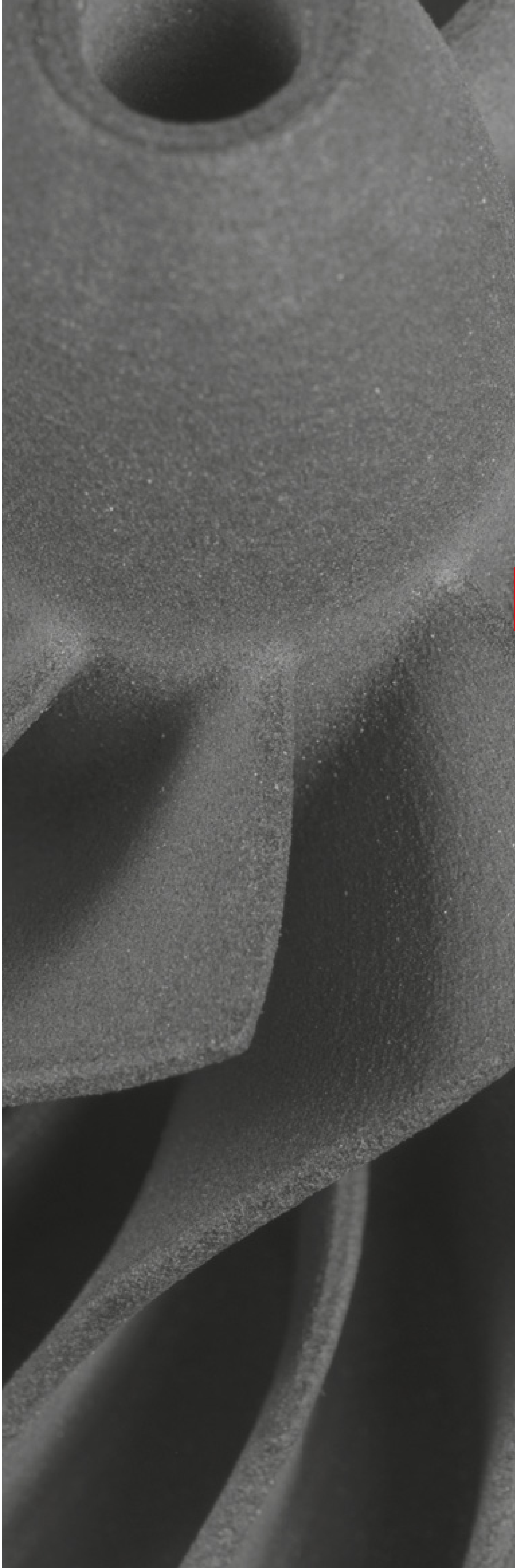

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