MESSAGE FROM THE CHAIRMAN
of the Supervisory Board

70 years! We have come a long way since the small workshop where the first mechanical dial scales were created, under the impetus of my father Jean Escharavil assisted by his brother Emile. Initially a reseller of scales, my father decided to embark on the daring adventure of making his own brand of material. After several setbacks and rocky beginnings, the PRECIA brand was born in 1951.

Even though the global health crisis made it impossible for us all to get together, we still celebrated this anniversary together albeit remotely. We are extremely pleased to be part of a Group with strong family roots, constantly evolving know-how, and a solid entrepreneurial culture.

The invasion of Ukraine by Russia at the start of the year, soaring prices, and supply difficulties still require us to demonstrate adaptability and resilience. I would also like to take this opportunity to express our support for Volodymyr Fenkanin, our manager in Ukraine, as well as for all our local partners.

Nevertheless, this should not detract from our confidence in our ability to provide our clients with high-performance weighing solutions thanks to a diversified, adapted product range, our strong service culture, and our new ability to analyse and enhance the value of data from our clients' processes.

Our recent acquisitions, Creative IT, Scaletec in NZ, and CAPI in Senegal, are in line with this objective: a modern, international product range to serve our clients.

René Colombel, who came on board in 2004 and became Chairman of the Management Board in 2010, informed me of his intention to retire in the near future. On behalf of myself and my family, I would like to express my thanks to him for his unwavering commitment to the Group and for his strategic vision that enabled the transformation of PRECIA MOLEN into a global leader with nearly 42% of revenue generated internationally in 2021.

I am very pleased to welcome Frédéric Mey as Chairman of the Management Board as of 2 May 2022. Frédéric has extensive experience in the industry and in general management. He will provide the Group with a fresh perspective, enabling it to consolidate and accelerate its development.

Many thanks to each and every one of you, men and women of the Group, to our clients, to our shareholders, and to our partners. Your continued commitment will enable us to work together to write the history of PRECIA MOLEN for many years to come.

Anne-Marie Escharavil,
Chairman of the Supervisory Board
& Frédéric Mey, Chairman of the Management Board

Anne-Marie ESCHARAVIL
Chairman of the Supervisory Board

2021

SUMMARY

ANNUAL FINANCIAL REPORT

PRECIA MOLEN GROUP CONSOLIDATED FINANCIAL STATEMENTS

OTHER INFORMATION

MANAGEMENT BOARD'S REPORT
to the General Meeting of 17 June 2022

1 > GROUP FINANCIAL SITUATION IN 2021

The Covid-19 health crisis remained an issue for PRECIA S.A. and the Group in the first half of 2021 across all regions of the world, with travel restrictions gradually being lifted over the course of the year.

This gradual emergence from the crisis and the implementation of numerous stimulus programmes led to a strong recovery in economic activity worldwide, notably in France with GDP growth of 7%. Nevertheless, this strong growth resulted in sharp increases in raw material costs, supply chain difficulties, and a surge in inflation in the second half of 2021.

The year 2021 was thus defined by this strong post-COVID recovery.

After having succeeded in sustaining its revenue in 2020 at €136M despite the COVID crisis, the Group's revenue jumped by 10.9% in 2021, exceeding the symbolic €150M mark (€150.7M). With an average annual growth of more than 5% over the last two years, the company is now approaching the average annual growth seen over the last ten years.

Revenue in France recorded a healthy increase of 8.8% - 14.9% for PRECIA S.A. and 3.5% for PMS. Europe posted a slight increase of 2.5% with excellent results from Precia Polska at +44.6% and PM UK at +14.3%, both of which experienced serious difficulties in recent years.

Revenue in the "rest of the world" area rose by 25.7%, especially in Asia Pacific with a very strong contribution from PM India at +51.5%, accounting for 60% of the revenue growth in this area. PM ASPAC, PM NZ, and PM China also enjoyed strong revenue growth.

The Group's operating results increased by 13.9% to €14,458K. PRECIA MOLEN nevertheless fully benefited from this recovery with an operating profit improving by 13.9% to 9.6% of 2021 revenue compared to 9.3% in 2020.

The scarcity of certain components limited our ability to manufacture and hence to issue invoices at the end of the year. However, cost increases had a very limited impact on our margin levels at the tail end of 2021.

PMS, with €7.3M in operating income, an increase of 12.7%, maintains its 50% share of the Group's results. It should be noted that PMS, PRECIA S.A., PM India, PM NL, and PM West Africa are, in that order, the biggest contributors to the operating result. Together they represent more than 95% of the operating result.

Several subsidiaries have seen a significant improvement in their situation. PM UK and PM Polska returned to profitability thanks to extensive reorganisation efforts.

PM Brazil managed to maintain a profitable level for the second year running. The picture in Australia continues to look very bad for the second year. It was not possible to carry out the necessary reorganisation measures due to the COVID crisis. This represents a key focus for 2022 now that the country is once again open.

It should be noted that Creative IT, joining the Group on 30 April 2021, generated revenue of €1.9M with a profitability of 12.5%. Together with the assumption of depreciation, this contributes to the increase in profitability compared to 2020.

Post closing events

On 31 March 2022, the PRECIA MOLEN Group completed the acquisition of the business of Scaletec Ltd (www.scaletec.co.nz) in New Zealand via its subsidiary PRECIA MOLEN New Zealand. This confirms the Group's attraction for the Asia-Pacific region and New Zealand in particular.

Scaleted is specialized in marketing and servicing industrial weighing instruments throughout New Zealand. The company enjoys a strong market position, as well as an excellent reputation serving a large and renowned clientele. It employs 6 people and reports revenues of approximately €700K. Scaletec's activities will be included within the consolidation scope as of 1 April 2022.

At the end of April 2022, PRECIA S.A. was in the process of acquiring 100% of the shares of Vaucelle Nouvelles Technologies, a company based in Le Port on the island of Reunion.

Vaucelle Nouvelles Technologies is specialised in supplying and servicing weighing material and cash registers to retailers and industrialists in Reunion Island. This presence in the Indian Ocean sector, in addition to the Reunion Island market, becomes our bridgehead in the region for Madagascar, Mauritius, Mayotte, and the Comoros.

2 > THE COMPANY'S ACTIVITY DURING THE YEAR 2021

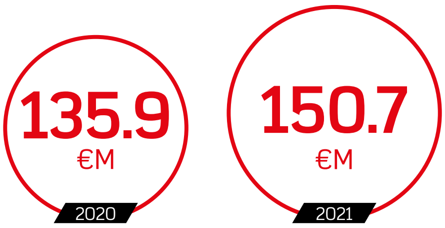
2.1 The PRECIA MOLEN Group

In 2021, the PRECIA MOLEN Group's consolidated revenue amounted to €150.7M compared to €135.9 M in 2020, representing an increase of 10.9%. On a like-for-like basis, the increase is 9.4%, the difference being explained by the inclusion of Creative IT. The currency effect was neutral overall.

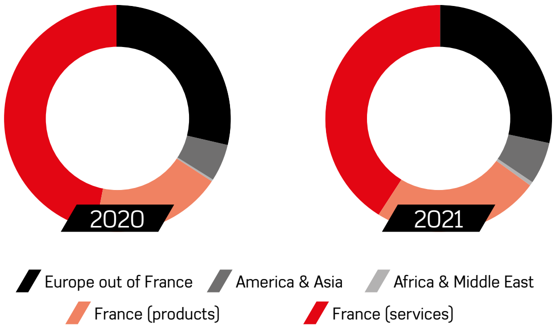
The Group generated 62% of its revenue in France, 23% in the rest of Europe, and 15% in the rest of the world, i.e. 38% from exports and 42% taking into account export sales from France.

REVENUE

55% products, 45% services



REVENUE BREAKDOWN BY CONTINENT



2.2 PRECIA S.A., Parent Company

In 2021, PRECIA S.A.'s revenue came in at €60.1M, compared with €53.7M in 2020, an increase of 11.9%.

3 > RESULTS

3.1 The PRECIA MOLEN Group

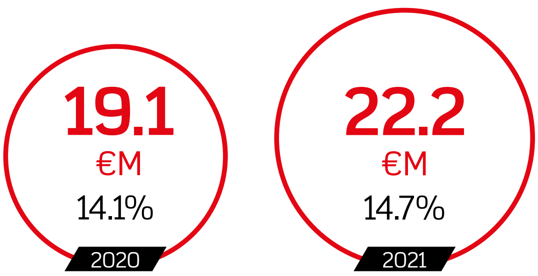
The PRECIA MOLEN Group's share of the consolidated result amounted to €9,250K compared to €7,061K in 2020. This result can be broken down as follows:

In €K	2021	2020
EBITDA[1]	**22,196**	**19,135**
Operating result	14,458	12,692
Financial result	119	(427)
Income tax expense	(4,593)	(4,728)
Non-Controlling interests	734	475
CONSOLIDATED INCOME (Group share)	**9,250**	**7,061**
EARNINGS PER SHARE (in euros)	**1.71**	**1.31**

[1] See &4 Accounting policies

GROSS OPERATING PROFIT

EBITDA / EBITDA rate



Operating profit was €14,458K compared to €12,692K in 2020, on a like-for-like basis. It therefore increased by 13.9% compared to the previous year, representing 9.6% of revenue, against 9.3% in 2020.
The Group's share of consolidated profit was €9,250K compared to €7,061K in 2020, on a consistent basis. It was up 31.0% over the previous year representing 6.1% of revenue versus 5.2% in 2020.
Earnings per share rose from €1.31 to €1.71 in 2021.
Long-term debt stood at €17.1M, up from €16.8M at the end of 2020. This includes the capitalisation of lease costs of €6.9M.
In the short term, the cash position net of overdraft on 31 December 2021 was €36.8M compared with €31.2M at the end of 2020.
Cash and equivalents net of debt amounted to €11.3M, an increase of €5.0M compared to the same period last year. This enabled the company to finance significant investments of €7.9M, to acquire Creative IT, and distribute a dividend of €1.9M.

3.2 PRECIA S.A.

In 2021, PRECIA S.A. recorded the following results: (In €K)

In €K	2021	2020
Operating Income	**1,948**	**1,813**
Financial result	1,363	1,316
Exceptional result	87	(296)
Income tax	199	158
NET INCOME	**3,199**	**2,674**

PRECIA S.A.'s operating profit increased by 7.5% compared to the previous year. This represents 3.2% of revenue, compared to 3.4% in the previous year.
Net income was €3,199K compared to €2,674K in 2020, representing an increase of 19.7%. This accounts for 5.3% of revenue compared to 5.0% last year. This net income figure again includes a high level of dividends distributed by PRECIA MOLEN Service, Creative IT, CAPI SA, PRECIA MOLEN Morocco, Milviteka, and PRECIA MOLEN India. It also reflects the impairment of shares.
Medium-term debt stood at €13.8M, up from €12.2M at the end of 2020. The debt/equity ratio was 25.2% compared to 23.1% at the end of 2020. A loan of €7,000K was taken out in 2021.

3.3 Allocation of results

We propose allocating the net book profits towards the distribution of a dividend of €0.40 per share(1), with the balance being transferred to the optional reserve.
In accordance with the statutory provisions, we would like to draw your attention to the dividends paid for the last three financial years: (40% allowance).
in respect of 2020: €2.70 per share €1,460K
in respect of 2019: €1.20 per share €649K
in respect of 2018: €2.40 per share €1,298K

(1) The Extraordinary General Meeting of Shareholders, held on 17 June 2021, decided to split the nominal value of the Company's shares by a factor of 10, with effect from 9 July 2021. On that date, the number of shares was multiplied by 10. Each shareholder received 10 new shares for 1 existing share.

3.4 Results of the subsidiaries

The net result of the PRECIA S.A. subsidiaries is as follows: (In €K)

France:		
PRECIA MOLEN Service	5,370	
Creative IT		271
International:		
MOLEN NL		662
PRECIA MOLEN UK		210
MOLEN Belgium		381
PRECIA Polska		(24)
PRECIA MOLEN CZ		39
PRECIA MOLEN India		1,775
PRECIA MOLEN Morocco		123
PRECIA MOLEN Scandinavia		(88)
PRECIA MOLEN Australia		(572)
PRECIA MOLEN South Australia		(648)
PRECIA MOLEN Brazil		44

PRECIA MOLEN Ireland	192
PRECIA MOLEN Asia Pacific	42
Weighpac	370
PRECIA MOLEN Ningbo	10
Kaspo Lab	64
PRECIA MOLEN Inc	(285)
J&S Weighing Solutions	(369)
CAPI	491
CAPI-BF	30
Milviteka UAB	577

4 ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated EBITDA stated in paragraph 3.1 above and in the Group's financial communications corresponds to the following definition: EBITDA is equal to the operating profit less provisions and depreciation. Namely:

- Allocations and reversals to provisions for depreciation of inventories;
- Allocations and reversals to provisions for depreciation of accounts receivable;
- Allocations and reversals to provisions for depreciation of retirement benefits;
- Allocations and reversals to provisions for depreciation of goodwill, tangible and intangible assets;
- Allocations and reversals to provisions for risks and charges; and
- Depreciation charges.

5 SUBSIDIARIES

5.1 Changes in the group's consolidation scope

The PRECIA MOLEN Group, via PRECIA S.A., acquired 81% of Creative IT SAS, based in Lyon. This acquisition was financed by a loan. The PRECIA MOLEN Group, through its subsidiary PRECIA MOLEN Inc, acquired the 15% minority interest in J&S Weighing Solutions, now wholly owned by the Group.

5.2 Equity investments as of 31 December 2021

On 31 December 2021, PRECIA S.A. held direct and indirect equity interests in the following companies:

5.2.1 Subsidiaries

France:	
PRECIA MOLEN Service	99.99%
Creative IT	81.10%
International:	
MOLEN NL	100%
PRECIA MOLEN UK	100%
MOLEN Belgium	100%
PRECIA Polska	100%
PRECIA MOLEN CZ	100%
PRECIA MOLEN India	73.94%
PRECIA MOLEN Morocco	60%
PRECIA MOLEN Scandinavia	98%
PRECIA MOLEN Australia	100%
PRECIA MOLEN South Australia	100%
PRECIA MOLEN Brazil	100%
PRECIA MOLEN Ireland	40%
PRECIA MOLEN Asia Pacific	100%
Weighpac	90%
PRECIA MOLEN Ningbo	90%
Kaspo Lab	100%
PRECIA MOLEN Inc	100%
J&S Weighing Solutions	100%
CAPI	80%
CAPI-BF	80%
Milviteka UAB	100%

5.2.2 Equity Investments

BACSA SA.................................... 5.9%
PRECIA MOLEN NEDERLAND BV is indirectly 100% owned via MOLEN NL BV.

The Group is structured as follows:
1) The PRECIA France industrial and commercial division, dedicated to designing, manufacturing, and marketing weighing equipment and solutions, includes the two factories located in PRIVAS and VEYRAS in ARDECHE, as well as an IT design site in WOIPPY, near Metz in Moselle.

2) The service division with PRECIA MOLEN Service dedicated to:
a. Installing new material on behalf of PRECIA S.A.;
b. Maintenance, maintenance contracts, and repair of all brands of weighing equipment; and
c. Mandatory periodic verification of equipment used for regulated purposes.

PRECIA MOLEN Service achieved revenue of €53.7M in 2021 compared to €51.0M in 2020, an increase of 5.4%. During the year, the company did not make any acquisitions. PRECIA MOLEN Service's net profit was €5,370K, equivalent to 10.0% of revenue.

3) The international division corresponds to the Group's commercial establishments throughout the European Union in the Netherlands, the United Kingdom, Belgium, Poland, the Czech Republic, and Lithuania, and in the rest of the world in Brazil, China, Australia, New Zealand, Scandinavia, Morocco, India, Malaysia, the United States, Côte d'Ivoire, and Burkina Faso. In 2021, the cumulative consolidated revenue of all these entities was €57.8M, an increase of 10.4% compared to the previous year. These entities contributed 38.3% of consolidated revenue, compared to 38.5% in 2020.

6 › INVESTMENTS AND RESEARCH AND DEVELOPMENT

6.1 Investments

The PRECIA MOLEN Group made the following investments in 2021:

Acquisitions	in €K
Intangible assets	446
Tangible assets	4,085
Financial assets	107
TOTAL	**4,638**

PRECIA S.A. carried out the following investments:

Acquisitions	in €K
Intangible assets	63
Tangible assets	1,686
Financial assets	11
TOTAL	**1,760**

6.2 Research and development

Research and development represents 1.0% of consolidated revenue and 2.6% of PRECIA S.A. revenue.

The R&D programmes were mainly devoted to:
• Creating new connected sensors and indicators that are autonomous in terms of consumption;
• Integrating mechanical, electronic, or software innovations into various products; and
• Developing and improving business solutions.

For 2021, Creative IT capitalised R&D expenditure of €371K.

7 › HUMAN RESOURCES AND LABOUR INFORMATION

7.1 Employment

The PRECIA Group's employees are mainly based in Europe for 80.6% and more particularly in France at 58.5%. Employees based outside Europe account for 19.4% of the workforce.

The PRECIA Group is made up of 17.7% women and 82.3% men. The percentage of women has therefore increased over the last three years from 17.6% in 2020 and 17.2% in 2019.

ENTITY	WOMEN	MEN	TOTAL ON 31/12/2021
PRECIA S.A.	81	262	343
PRECIA MOLEN SERVICE	70	339	409
PRECIA MOLEN India	3	110	113
PRECIA MOLEN Lithuania	6	66	72
PRECIA MOLEN Nederland BV	8	46	54
PRECIA MOLEN UK	13	36	49
CAPI CI	7	37	44
Creative IT	10	32	42
PRECIA MOLEN Morocco	2	27	29
PRECIA MOLEN Belgium	4	27	31
PRECIA MOLEN Ireland	8	23	31
PRECIA Polska	7	21	28
KASPO LAB	9	15	24
PRECIA MOLEN South Australia	1	18	19
PRECIA MOLEN New Zealand	2	12	14
PRECIA MOLEN Asia Pacific	3	13	16
PRECIA MOLEN Australia	2	5	7
PRECIA MOLEN CZ	1	7	8
CAPI BF	1	6	7
PRECIA MOLEN Brazil	1	6	7
J&S WEIGHING SOLUTIONS	1	3	4
PRECIA MOLEN Scandinavia	1	3	4
PRECIA MOLEN Ningbo	0	3	3
TOTAL	**241**	**1,117**	**1,358**

The breakdown by age group is as follows.

ENTITY	<26 YEARS	26 UP TO 44 YEARS	>44 YEARS
PRECIA S.A.	31	153	159
PRECIA MOLEN SERVICE	28	179	202
PRECIA MOLEN INDIA	13	87	13
PRECIA MOLEN LITHUANIA	1	36	35
PRECIA MOLEN NEDERLAND BV	1	19	34
PRECIA MOLEN UK	5	15	29
CAPI CI	1	23	20
CREATIVE IT	11	22	9
PRECIA MOLEN MOROCCO	1	27	1
PRECIA MOLEN BELGIUM	1	10	20
PRECIA MOLEN IRELAND	4	15	12
PRECIA POLSKA	2	17	9
KASPO LAB-	17	7	
PRECIA MOLEN SOUTH AUSTRALIA	3	8	8
PRECIA MOLEN NEW ZEALAND	2	6	6
PRECIA MOLEN ASIA PACIFIC	1	11	4
PRECIA MOLEN AUSTRALIA	-	5	2
PRECIA MOLEN CZ	-	5	3
CAPI BF	-	6	1
PRECIA MOLEN BRAZIL-	5	2	
J&S WEIGHING SOLUTIONS	-	-	4
PRECIA MOLEN SCANDINAVIA	-	3	1
PRECIA MOLEN NINGBO	-	3	-
TOTAL	**105**	**672**	**581**

At the PRECIA MOLEN Group level, 260 people were hired during the period, mainly in France at PRECIA MOLEN, PRECIA MOLEN Service, and Creative IT: 126).
45 dismissals were made during the year at Group level.

7.2 Organisation of working hours

The organisation of work in the PRECIA Group is designed to set up an efficient, competitive, and reactive industrial and commercial organisation while respecting the expectations of the personnel and the regulations in force.
Under normal circumstances, the working time organisation can therefore be modified according to production and market constraints, as well as adapted to local regulatory requirements.

The year 2021, like 2020 because of the Covid-19 pandemic, was marked by the implementation of a specific work organisation enabling the health of the company's employees to be protected while at the same time working towards the sustainability of the business.

Absenteeism remains a critical issue for the PRECIA Group in that it can lead to the disruption of production and service schedules and thus the quality of service provided to our clients.
Absenteeism at the PRECIA Group level stands at 7.14 days per person per year.

7.3 Labour relations

PRECIA MOLEN Group companies are committed to maintaining relations with employees and their representative bodies, where they exist, in accordance with local requirements. They also undertake to comply with all mandatory procedures for informing staff and their representatives.

The various areas of reflection and negotiation carried out over the past year concerned collective and individual remuneration, the publication of a teleworking charter, and also the Forward-looking Management of Jobs and Skills (GPEC).

Collective agreements or action plans may be reached locally. The currently accepted collective agreements or action plans relate to the length of working hours, gender equality, profit-sharing, incentive schemes, company savings plans (PEE PERCO), the mileage allowance for employees commuting to work by bicycle, and the health insurance plan.

7.4 Health and safety

In terms of workplace health and safety, the PRECIA Group implements the necessary organisation and resources enabling it to offer its employees suitable working and safety conditions. PRECIA MOLEN Group companies are committed to complying with local requirements and to respecting all mandatory procedures. For Precia S.A. and PRECIA MOLEN Service, there is a Health - Safety - Working Conditions Commission that meets on a quarterly basis.

Special organisations and resources are available at sites where the risks are most significant, such as production sites and client sites requiring the company safety improvement manual (MASE,) certification.

In this respect, high-risk situations are identified, then the means enabling them to be mitigated are implemented, including material resources, training, and work instructions.
With regard to measures to prevent the spread of Covid-19, protective resources and a specific plan were implemented and reviewed throughout the year.

As was the case last year, a seasonal flu vaccination campaign was offered to employees based in Privas. A large proportion of the workforce voluntarily participated in the campaign.

The PRECIA Group also has a significant number of employees who regularly travel to its clients' sites. In this respect, these people can benefit from safety training within the framework of these technical interventions on clients' sites.

There is currently no collective agreement supplementing this organisation in terms of workplace health and safety.
The frequency and severity rates of occupational accidents resulting in time off work are calculated at the PRECIA Group level. These concern almost exclusively companies conducting production and service activities in France.

The organisation put in place in terms of workplace safety does not distinguish between the various types of agreements between people. Temporary workers are therefore treated in exactly the same way as the company's direct employees (reception, training, etc.). The statistics below therefore include elements relating to the employment of temporary workers.

Severity rate	0.91
Frequency rate	10.82
Number of occupational illnesses	0

7.5 Training

The training initiatives implemented mainly concern knowledge of PRECIA MOLEN products, mastery of English, industrial production techniques, as well as health and safety at work.

At the Group level, 15,448 training hours were provided in 2021, 41% of which were devoted to safety and environmental issues.

This year, 2021, the PRECIA Group introduced its "PM Academy". The aim is to provide all employees with support in the digitalisation process and to make a variety of training courses available to everyone. The objective is to build a knowledge database and to harmonise the training processes throughout the Group. E-learning training sessions were created, filmed, and tested within the Group and then put online so that everyone can complete them according to their needs and activity. For this purpose, all employees, including workers, will receive a professional e-mail address and computer workstations are available in the workshops. This roll-out started in 2021 at the Veyras and Privas sites and is to continue in 2022.

7.6 Equal treatment

As a result of negotiations with employee representatives, particularly on the subject of gender equality, various concrete measures were introduced. They relate to:
- Recruitment,
- Equal pay and internal promotion, and
- The balance between work and family responsibilities.

In addition, a portion of the manufacturing of Ci5 and Ci20 products was outsourced to a structure enabling disabled workers to continue their professional careers.

The company is equally committed to accommodating people with disabilities or those who have been recognised as disabled workers in its operations. In this respect, an agreement was signed with an establishment and service for assistance through work (ESAT) to regularly host a disabled worker within the production teams.

In this way, the PRECIA MOLEN Group endeavours to contribute to improving awareness of disability in society by supporting values such as trust, cohesion, and solidarity.

7.7 Promotion of and respect for the provisions of the core International Labour Organisation agreements

Key aspects of workers' rights are based on the most demanding international standards such as those of the International Labour Organisation (ILO) that serve as a basis for local human resource management policies.

Each PRECIA MOLEN Group entity conducts its business autonomously on these issues.

Nevertheless, a common Ethics Charter for the PRECIA MOLEN Group entities is in place. It includes an Anti-Corruption Code, a Gift Policy, and an Internal Alert System. This Ethics Charter was signed by all subsidiaries of the PRECIA MOLEN Group.

8 > ENVIRONMENTAL INFORMATION

8.1 General environmental policy

Production sites are the main source of environmental pollution. PRECIA S.A., the parent company, encompasses the largest production facilities of the PRECIA MOLEN Group. PRECIA S.A. adopted a voluntary approach towards environmental protection. Implementing the necessary resources enables us to meet the legal requirements and applicable standards. Setting up control procedures and improving performance through targeted actions are part of the measures taken to reduce the company's environmental impact.

Measures enabling the prevention of environmental risks and pollution have been implemented. These are of the following types:

- Technical - use of safety equipment, integrating risk control measures into the design of equipment and facilities, managing a waste collection and security area,

- Organisational - field visits, audits, and improvement actions,

- Human - safety and environmental training, awareness of waste sorting, and communication of best practices.

The environmental risks arising from the MOLEN Group's operations are concentrated in its production activities. To cover the cost of these risks, the PRECIA S.A. production site, which is the Group's main facility, has specific insurance coverage for all its operations.

8.2 Pollution and waste management

In order to prevent and reduce emissions into the air, water, and soil, particular attention is paid to pollutant collection systems through the choice of equipment, maintenance planning, machine tool maintenance, and the implementation of more environmentally friendly equipment.

Waste emissions are mainly produced by PRECIA S.A.'s activities, where product manufacturing operations are carried out. PRECIA S.A. is the source of almost all the waste emitted by the companies whose waste output is consolidated. The quantities of waste generated by the other environmentally consolidated entities could not be consolidated due to the lack of reliable data.

For PRECIA S.A., waste emissions and the proportion recovered by weight are measured annually. Significant efforts were undertaken in recent years to achieve a high and stable level of recovery of all waste from PRECIA S.A.'s. The waste recovery rate for this entity in 2021 was slightly higher than in the previous year.

The waste recovery rate for the PRECIA S.A.'s operations was thus 87% for the year 2021. The quantity of ordinary industrial waste (OIW), which is the type of waste that is least recovered, was 47.22 tonnes. This is for a total quantity of waste of 375,77 tonnes representing 363,23 tonnes of non-hazardous waste and 12,55 tonnes of hazardous waste.

In order to limit the environmental impact of the materials consumed and the waste generated by its business, PRECIA S.A. focuses its efforts on the best practices to be implemented for storing and using chemical products, as well as for sorting and recovering waste.

Waste is collected in specific containers at the various production points. Depending on its nature, the waste is grouped together and directed towards appropriate treatment channels in accordance with the applicable regulations.

PRECIA S.A. pays particular attention to the choice of waste treatment channels in order to ensure a high level of recovery.

To help raise awareness among its employees, PRECIA S.A. offers them a "Battery Recycling" challenge each year during European Battery Recycling Week, enabling them to return their batteries.

PRECIA S.A. also seeks to use local service providers for collecting, treating, and recovering certain types of waste in order to reduce the environmental impact associated with transport.

The main environmental nuisances, such as noise and visual pollution, are encountered at PRECIA S.A.'s production sites. In this respect, particular attention is paid to limiting the impact of the industrial operations on the local population and stakeholders around the company's premises. Technical soundproofing solutions and organisational measures, such as operating hours, are in place to achieve this objective.

The PRECIA MOLEN Group does not provide a company cafeteria service. It is therefore not directly concerned by the fight against food waste.

8.3 Sustainable use of resources

Implementing programmes designed to enable the sustainable use of resources is one of the PRECIA Group's main priorities. It enables reconciling a range of varied and important objectives such as respect for the environment, both globally and locally, cost reduction, and the rallying of teams around structuring projects that may involve raw material and energy.

At the production sites, particular attention is given, for example, to reducing the amount of scrap material and the quantity of waste recycled.

Resource consumption 2021		Consolidated entities
Water (m^3)	5,154	PRECIA S.A. ; PRECIA MOLEN Service; PRECIA MOLEN MOROCCO; PRECIA MOLEN NL; PRECIA MOLEN UK
Electricity (Kwh)	2,779,614	PRECIA S.A. ; PRECIA MOLEN Service, PRECIA MOLEN INDIA; PRECIA MOLEN LITHUANIA; PRECIA MOLEN MOROCCO; PRECIA MOLEN NL; PRECIA MOLEN UK
Petrol and fuel (litres)	2,157,207	PRECIA S.A. ; PRECIA MOLEN Service, PRECIA MOLEN INDIA; PRECIA MOLEN LITHUANIA; PRECIA MOLEN MOROCCO; PRECIA MOLEN NL; PRECIA MOLEN UK
Combustible gases (kWh PCI)	1,479,052	PRECIA S.A. ; PRECIA MOLEN SERVICE; PRECIA MOLEN NL; PRECIA MOLEN UK
Coal (kWh PCI)	588,046	PRECIA MOLEN LITHUANIA

Consolidation scope: See Chapter 2 Organisation of the Group

NB: In the above table, only the environmental data of the listed consolidated entities were taken into account. Data from other entities was either not available or not sufficiently reliable.

For the PRECIA MOLEN Service entity, water consumption is consolidated for the branches for which data is available through invoices, representing 29 branches out of 49. Electricity consumption is consolidated for all branches. The consolidated invoices are those received during the period under review.

Energy consumption is mainly incurred by the activities of PRECIA S.A. and PRECIA MOLEN Service, which represent the consolidated scope:

- 77% of consolidated electricity consumption,
- 83% of consolidated fuel consumption,
- 63% of consolidated combustible gas consumption.
- 86% of consolidated water consumption.

The PRECIA MOLEN Group's operations do not involve the use of land, except for those areas necessary for establishing administrative or production buildings. In this case, urban planning and environmental protection rules are part of the constitution and framework of the construction projects.

Some of the products designed within the PRECIA MOLEN Group have applications that enable them to reduce the client's environmental impact. One example is the Electro-Generator for belt scales that is able to create its own source of electrical energy by using the energy generated by the running of the conveyor belt on which it is installed.

8.4 Climate change

The immediate activities of the PRECIA MOLEN Group are not directly exposed to the consequences of climate change, nor do they have a significant impact on biodiversity.
Nevertheless, the PRECIA MOLEN Group is mindful of its greenhouse gas emissions. These are mainly related to temperature control in the buildings through heating, air conditioning, and ventilation, through the operation of industrial equipment, and the use of the PRECIA S.A. and PRECIA MOLEN Service car fleet. Emission sources are maintained and periodically checked.

A CO2 emissions balance sheet was drawn up for the PRECIA MOLEN Group's activities consolidated at the environmental level only (see chapter 2). This concerns the operations carried out in France, the Netherlands, the United Kingdom, India, Australia, Morocco, and Lithuania. The energy sources concerned by this balance sheet are the electricity consumed by the process, lighting, heating, and air-conditioning, by the fuel for vehicles and machinery, and by the gas for heating and the process.

Resource consumption 2021	
CO^2 emissions (tonnes)	7,543

Calculated according to the Bilan Carbone® v8.1 method

8.5 Other topics

The Group's activities, the energy and materials used in its processes and its products have no impact on animal welfare. No specific action is taken in this respect.
In terms of protecting biodiversity, no specific action has been taken on this issue.

9 > INFORMATION ON CORPORATE COMMITMENTS TOWARDS SUSTAINABLE DEVELOPMENT

9.1 Territorial, economic, and social impact of the business

Within the PRECIA Group, PRECIA S.A. promotes the values of sport such as team spirit and solidarity as well as effort and reward.

This support is exemplified by its active involvement with sports associations. For example, in 2021, Ardèche Sport Attitude organised the Ardèche Gorges Triathlon, as well as supporting the association "Emerveillés par l'Ardèche" that works for the attractiveness and image of the county (département).

Education in the field of weighing is very important for PRECIA S.A., which is one of the world leaders in this industry and the leading French manufacturer of weighing instruments. PRECIA S.A. therefore supports numerous technical high schools and post-baccalaureate schools through the payment of the apprenticeship tax and through sponsorship actions.

PRECIA S.A. also opens its doors to trainees and apprentices thus enabling them to integrate into the professional world and to carry out projects in line with their school curriculum. Hence, in 2021, 8 work-study students and 26 trainees were able to join our teams.

PRECIA S.A. also opted to favour short supply channels for its subcontractors as well as for its raw material and goods. As a result, since the 2012 fiscal year, the company internalised the production of certain electronic weighing indicators previously manufactured in Asia. This internalisation was made possible by streamlining the product range and a thorough value analysis.

PRECIA S.A. continued to invest with the aim of strengthening the company's capacity to meet the needs of its clients, as well as providing better working conditions for its employees.

The wood waste from PRECIA S.A.'s operations is collected by a company that transforms this material into wood chips for use in wood-fired heating systems. Employees also have the possibility of disposing of their own used batteries and printer cartridges in the company's collection bins.

PRECIA S.A. is a major player in its original economic area, to which it is deeply attached, and intends to remain so in the long term, particularly by investing in production resources. It is also committed to local associations through the provision of computers to the most disadvantaged.

In 2021, at the request of the President of the French Republic, the PRECIA Group contributed to an exceptional solidarity operation in support of the Indian people, who were severely impacted by the Covid-19 pandemic.

In 2021, a blood donation campaign was organised for employees based in Privas. A large proportion of the workforce voluntarily participated in the campaign.

9.2 Subcontractors and suppliers

PRECIA S.A. occasionally calls upon subcontractors for partial or complete mechanical parts, or for certain machine installations. In the majority of cases, it is a question of specialty and sometimes capacity subcontracting aimed at completing the available means of production or the locations where the services are performed. This mainly applies to the production sites.
The relative size of PRECIA S.A. among these subcontractors remains limited. Well-balanced business partner relationships have been established with the subcontractors.

Most subcontractors are sourced locally where possible, ensuring that the social and environmental requirements they must meet are at least equivalent to those of the French-based production sites.

9.3 Fair practices

The PRECIA Group intends to act in strict compliance with the law and regulations. In this respect, the fight against corruption, compliance with trade embargoes and action against tax havens are invariably integrated into its commercial policy, in particular with regard to its international markets.
A system relating to business ethics, anti-discrimination, and anti-harassment is in place.

When designing its products, the PRECIA Group takes into account the regulatory requirements related to the health and safety of end users in order to offer its clients high-performance and safe products.

9.4 Other actions undertaken on behalf of human rights

The PRECIA Group has not undertaken any additional actions on behalf of Human Rights.

9.5 Other actions that are having an impact

The PRECIA Group is developing tools capable of meeting the expectations of civil society. For example, a new product enables its clients to reduce food waste by selectively weighing waste from collective catering (Optigaspi).

10 〉 RISK FACTORS

10.1 Market risks

Our business operates in a highly competitive sector. The company's market position relies on a number of factors, including its innovative capacity, its commercial offering of complete solutions, its product quality, its supply management, and its sales and service network organisation.

A specificity of our business is its regulatory constraint, whether it be Legal Metrology or the regulations relating to products installed in explosive atmospheres (ATEX), to which we comply by implementing our Quality System. This is subject to regular audits and certification by authorised bodies.

The operational importance of IT data management prompted the company to be particularly vigilant with regard to the security of its systems.

10.2 Risks related to financial issues

The Group is exposed to credit, liquidity, and market risks, albeit in limited proportions. The Group therefore makes little use of financial instruments to reduce this exposure.

Like any commercial company, the Group is confronted with client risks that mainly relate to the ever-present risk of non-payment, and to a more cyclical risk of client concentration. The company has a base of large accounts for which the risk of non-payment is low. The largest client accounted for 2.0% of revenue in 2021 as well as 2.7% in 2020. The top ten clients accounted for approximately 8.6% of sales in 2021 compared to 8.8% in 2020. In addition, sales of material are subject to retention of title clauses. The history of losses on trade receivables does not indicate any significant impact.

With regard to interest rates, the Group's policy generally favours fixed-rate borrowings. 98% of the Group's borrowings are at fixed or swapped variable rates.

In addition, the Group's exposure to currency risks is relatively low.

10.3 Liquidity and cash management risks

Liquidity risk refers to the Group's financial ability to cover its liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, to the extent possible, that it will always hold sufficient liquidity to settle its liabilities when due, under normal or stressed conditions, without incurring unacceptable losses or causing reputational damage to the Group. Market risk corresponds to fluctuations in interest rates and currency exchange rates.

The risk of the company defaulting on its financial commitments is low. In fact, it is periodically assessed by the Banque de France that gives us a probability of default within three years of 0.1%, compared to the overall industry score: 3.0%.

10.4 Financial risks relating to climate change

The exposure to financial risks from the effects of climate change in the short to medium term is negligible.

10.5 Insurance

The company insures its activities, with the assistance of a specialised insurance broker, in accordance with industry standards.

11 MISCELLANEOUS INFORMATION

11.1 Sumptuary expenses

In 2021, the amount of non-tax-deductible sumptuary expenses was €81K. The tax incurred as a result of these expenses was €22K.

11.2 Main shareholders

The main shareholders of PRECIA S.A. Are:

	Shareholding	Voting rights
The ESCHARAVIL Group S.A.	from 33.33% to 50%	from 50% to 66.67%
ESCHARAVIL family	from 0 to 5%	from 0 to 5%
Escharavil MC	from 5% to 10%	from 5% to 10%
Lazard Frères Gestion SAS	from 5% to 10%	from 5% to 10%
Invesco Advisers,Inc.	from 5% to 10%	from 0% to 5%
TOTAL NUMBER OF VOTING RIGHTS		8,243,560

There were no significant changes in share ownership during the year.

In addition, management did not carry out any transactions involving the Company's shares during the year.

11.3 Ownership of PRECIA S.A. treasury shares and information on the Company's shares and stock market situation

As of 31/12/2021, PRECIA S.A. held 326,630 treasury shares, or 5.7% of the capital. The acquisition cost of these shares was €3,154K. The market value at the end of the year was €12.2M. In accordance with Article R.233-19 paragraph 2 of the French Commercial Code, we inform you that PRECIA S.A. did not change the number of treasury shares held during the 2021 fiscal year.

In addition, 268,983 shares of the Company were traded during the 2021 fiscal year, at an average price of €29.28. The trading costs related to these exchanges are not known.

11.4 Inventory of marketable securities

As of 31/12/2020, PRECIA and PRECIA MOLEN Service did not hold any marketable securities. Short-term liquidity is held in the form of Term Deposits and Term Accounts with major French banking institutions and also in the form of interest-bearing current accounts.

11.5 Client payment terms

On 31 December 2021, the breakdown of PRECIA S.A.'s client balance by due date was as follows: (In €K)

TOTAL	19,595
Due in 91 days or more	-
Due in 61 to 90 days	674
Due in 31 to 60 days	3,926
Due in 1 to 30 days	4,442
0 to 30 days overdue	2,036
31 to 60 days overdue	1,201
61 to 89 days overdue	527
> to 90 days overdue	6,788

Total overdue invoices amounted to €10,553K incl. tax, i.e. 17.6% of pretax revenue, representing a total of 3,467 invoices, including:

- 879 invoices corresponding to delays of between 0 and 30 days;
- 336 invoices corresponding to delays of between 31 and 60 days;
- 179 invoices corresponding to delays of between 61 and 89 days;
- 2,043 invoices corresponding to delays of over 90 days;

The payment deadline used is the one indicated on the invoices.

11.6 Suppliers payment terms

On 31/12/2021, the breakdown of PRECIA S.A.'s trade payables by due date was as follows: (In €K)

TOTAL	7,827
Due for 91 days or more	424
Due for between 61 to 90 days	66
Due for between 31 to 60 days	50
Due for between 1 to 30 days	511
Due on 31/12/2021	178
Due in 1 to 30 days	2,993
Due in 31 to 60 days	3,300
Due in 61 to 90 days	233
Due in 91 days or more	71

Total due dates amount to €1,230K incl. tax, i.e. 2.83% of purchases incl. tax, and represent a total of 451 invoices, including:

- 240 invoices corresponding to due dates of 91 days or more;
- 25 invoices corresponding to due dates of between 61 and 90 days;
- 37 invoices corresponding to due dates of between 31 and 60 days;
- 92 invoices corresponding to due dates of between 1 and 30 days;
- 57 invoices corresponding to due dates on 31/12/2021;

The payment deadline used is the one indicated on the invoices.

11.7 Employee shareholding

As of 31/12/2021, the percentage of capital held by employees in the form of collective management was 2.9%.

11.8 Information on company share transactions carried out by senior managers and their relatives during the past year

During the past financial year, senior managers and their relatives did not carry out any of the following transactions on the company's securities: acquisitions, disposals, subscriptions, exchanges of securities, or transactions in securities by means of forward financial instruments.

11.9 Information on internal control and risk management procedures

Internal control is a process initiated by management designed to provide reasonable assurance regarding the achievement of the following objectives:
- Compliance with applicable laws and regulations;
- Implementation of Management Board decisions; and
- The reliability of financial information.

In accordance with Article L.225-100-3, the capital structure is provided in the Management Report.

The internal control organisation within our Group is based on:
- A clear definition of objectives;
- Documentary control;
- A coherent organisation; and
- A monitoring and improvement process.

We also supplemented this system with an analysis of the risks associated with our business. Thus, we determined six main types of risks:
- Industrial risk
- Technological risk
- Supplier risk
- Raw material risk
- Client risk
- IT risk

11.9.1 Industrial risks

The Director and the Quality, Safety, and Environment Manager are responsible for analysing these risks along with defining and implementing the most appropriate prevention measures.
Our prevention approach, reflected in a controlled documentary system, involves all staff members.

Fire risk
The nature of our activities and the specifications of the premises are not such as to constitute a risk of fire. To begin with, our commercial agencies are small structures, and the industrial sites in Privas and Veyras are made up of several widely spread out buildings. By its very nature, this dispersal has fire protection value.

Preventive measures are nevertheless taken. For the industrial sites of Veyras and Privas:

- The storage of flammable products is carried out on the Veyras site in an independent, adapted building. This building is equipped with a ventilation system, a temperature control unit, a large-capacity retention tank, and a locking system.
- Special Industrial Waste, including flammable waste, is stored in a covered area reserved for this purpose, with a protected retention system.
- Sensitive premises are equipped with an automatic detection and warning system. An on-call service is organised to respond to the triggering of this system.

- The quantity of flammable products present in the workshops is kept to the minimum level consistent with production requirements.
- The fire extinguishing system is certified Q4 on 29 March 2012 by the French Association of Damage Insurance Companies (APSAD). The fire extinguishers comprising this installation are checked periodically by internal means and annually by an approved body.
- A fire permit is required for all relevant work.
- Training in the use of fire extinguishers is provided.

For all sites:
- The fire extinguisher installations are in compliance with the Labour Code and are periodically checked by an approved body.
- The electrical installations are subject to an annual check. Actions that may arise from these checks are programmed and monitored.

Environmental risks and effects
In terms of the environment, PRECIA is subject to the reporting regime. The environmental impact of our industrial operations remains minimal.

Hazardous products and waste are stored in a specially designed area. It is equipped with retention equipment. Waste is evacuated by a service provider meeting the regulatory requirements for its transport and disposal.

PRECIA takes steps to limit its energy consumption, in particular hydrocarbon consumption. The Veyras industrial site is equipped with a centralised management system for its heating and air conditioning. The system's use enables reducing the consumption of electricity and heating oil.

The development of manufacturing processes takes into account environmental issues, in particular the equipment's energy consumption. The consumption of natural resources, in particular water, is also a focus of attention. Technical measures to reduce water consumption were taken in recent years.

Employee health and safety risks
Our policy on health and safety at work leads us to:
- Analyse the risks:
  Risk analysis, recorded in a single document for each establishment, is carried out at least once a year or whenever there is a significant change in working and safety conditions.

- Raising awareness and training:
  Awareness-raising initiatives are carried out according to changes in regulations, implementing new working methods, situations encountered in the workshops, and on the basis of the annual risk prevention programme.
  Mandatory safety training is conducted. Thus, forklift drivers, mobile elevating platform users, and personnel working on electrical installations receive appropriate training. We also provide training in the use of fire extinguishers and internal technical safety checks. We have trained first aiders at work. Additional training can be provided as needed.
- Give priority to the principle of collective protection:
  Atmospheric pollutant extraction systems are checked on a regular basis. These cover welding and painting activities in particular.
- Substituting hazardous products with less risky ones:
  Although our company uses very few hazardous products, we nevertheless analyse the chemical risk. As a result of this analysis, we substituted products in order to reduce employee exposure.
- Providing the most appropriate Personal Protective Equipment:
  Some workplaces require the use of personal protective equipment, such as work clothes, safety shoes, gloves, helmets, face and respiratory equipment, and hearing protection.
- Ensuring that work equipment is appropriate and maintained:
  On our Privas and Veyras sites, preventive maintenance is carried out on equipment and installations. Electrical installations, lifting and handling equipment and accessories are checked periodically.
- Communicating rules and regulations:
  Our production sites display internal regulations, instructions concerning work accidents, smoking bans, and the use of personal protective equipment.

11.9.2 Technological risk

"Regulatory" risk is inherent to our activity:
PRECIA's products are subject to two specific regulations: those relating to Legal Metrology (LM) and those concerning products installed in explosive areas (ATEX).

In order to prevent the risks covered by these regulations, PRECIA has taken the following measures:

- Implementation of the Quality Management System, certified by an accredited body, as well as by the two organisms designated by the State, namely the LNE for Legal Metrology and the LCIE for Explosive Atmospheres (ATEX).
- Appointment of two Experts, one in each field, whose mission is to maintain the required level of knowledge in these fields in order to design, manufacture, sell, check, or repair, as the case may be, products that comply with these regulations.
- The qualification of specialised personnel, as well as the monitoring of their qualification, in certain tasks related to these regulations. These qualifications are the subject of formalised procedures:
    - Authorised verifiers (ML);
    - Authorised repairers (ML) via PRECIA MOLEN Service, and
    - ATEX operators.
- The verification or calibration of measuring, control, and testing equipment concerned by the regulations is ensured. Thus, test weights, electrical measuring instruments, length measuring instruments, etc. are periodically calibrated in laboratories accredited by the COFRAC.
- Documents relating to products subject to these regulations are backed up.

11.9.3 Supplier risks

Supplier risk is under control.
We have a sufficient number of suppliers handled by the purchasing department. Our arrangements enable us to quickly replace a defaulting supplier.
All suppliers are assessed twice a year in terms of their ability to provide the requested service or product. This evaluation is formalised within a procedure.
Some items are developed by suppliers according to our specifications. We have a complete file on these items. This enables us to switch suppliers quickly, should it become necessary.

11.9.4 Raw material risk

The weighing instruments we manufacture and sell are constructed of steel, plastic, and electronic components. These various components are subject to cost fluctuations.
In order to control raw material risk, cost monitoring and availability are carried out under the responsibility of the Production and Purchasing Manager. The latter may decide to take preventive stockpiling action.

11.9.5 Client risk

Client risk is also fairly low, given the wide dispersion of our clients, none of whom account for more than 5% of our revenue.

11.9.6 Computer risk

Computer equipment risk is reduced by two factors:
- The computer equipment is selected from among certified professional equipment;
- The computer equipment is covered by appropriate maintenance contracts.

Software risk is controlled by the fact that only the IT Department is authorised to purchase, test, put into service, and upgrade software.
The "sources" of the software and their operating licences are kept securely by the IT Department.

Data risk:
- All IT resources are networked.
- Data is centralised and secured. Backups are made in line with our "computer data control procedure".
- The organisation and technical means deployed ensure a high level of security for our IT system.
- Identifying our main risks is complemented by an analysis of the potential consequences and actions taken to reduce our exposure.
- Risk management and monitoring are built into our Quality Management System.
- Awareness-raising, training, and even qualification actions, as well as regulatory monitoring are carried out on a regular basis.

However, we are mindful that internal control does not provide an absolute guarantee against all malfunctions.

11.10 Regulated agreements concluded during the fiscal year

In accordance with Article 225-40-1 of the French Commercial Code, we inform you that no regulated agreements were concluded during the 2021 fiscal year.

The list of regulated agreements in progress is as follows:
- Financial and technical support provided within the framework of a contract consisting of a guarantee of €600K in favour of PRECIA MOLEN Morocco SARL.
- Loan of €222K to PRECIA MOLEN Ireland bearing interest at 3-month EURIBOR + 1.5% per annum. This loan generated interest of €869.51. It was fully repaid on 1 May 2021.
- Animation and management agreement with Groupe Escharavil SA resulting in €510K in services.
- Remuneration of the Chairman of the Supervisory Board: the Chairman waives her right to any remuneration in respect of her corporate office.
- Remuneration of the Vice-Chairman of the Supervisory Board: The mandate of Vice-Chairman of the Supervisory Board is not remunerated.

ANSA believes that the report should only mention agreements entered into during the fiscal year in question and not those entered into during previous fiscal years (Communication Ansa, Legal Committee No. 14-063 of 3-12-2014).

11.11 Pensions other than the basic and mandatory supplementary pension plans

The Company has no pension obligations other than basic pension plans and mandatory supplementary pension plans. Nor does it have any lifetime benefits for its corporate officers.

12 INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION:

Financial information is released under the supervision of the Chairman of the Management Board, whether it is press releases, the management report, the annual and interim financial statements, or the annual financial report.

12.1 The Group's accounting structure

The Administrative and Financial Department is responsible for preparing and controlling the Group's accounting and financial data.

- It ensures the preparation of the Group's consolidated financial statements and PRECIA S.A.'s parent company financial statements within the deadlines required by law.
- It steers the budgetary and forecasting process.
- It generates the monthly management reporting, ensuring the coordination of the various entities; and
- It is in charge of the accounting processes and information systems.

Each subsidiary has its own accounting structure, adapted to its organisation. The main subsidiaries use an integrated information system. The consolidated accounts are drawn up internally using dedicated software under the supervision of the Finance Department.

12.2 Accounting reports

All Group entities are engaged in the annual budget process. The reporting frequency is on a monthly basis. All subsidiaries are subject to regular operational reviews.

The company accounts of the main subsidiaries and the information notes presented in the interim and annual consolidations are certified by the local external auditors. In addition, the heads of each subsidiary sign a semi-annual declaration to the auditors, if any, committing them to full transparency.

12.3 The Group's accounting standards and policies

The Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

Any change in accounting principles is pre-approved by the statutory auditors.

12.4 Planning of interim closing procedures

In order to coordinate the interim financial statements as well as possible, the Group issues audit instructions. These include the Group consolidation procedure and the schedule for escalating the required information.

Within the framework of their legal mandate, the statutory auditors carry out a limited review every six months at the end of June and a full audit of the accounts at year-end. In this way, they provide an external evaluation reference complementing the internal control process. The implementation of their recommendations is monitored by the Administrative and Finance Department.

13 > REMUNERATION POLICY FOR CORPORATE OFFICERS

This section sets out the remuneration policy for corporate officers for fiscal year 2022 as well as the remuneration packages for corporate officers paid or granted during fiscal 2021.

13.1 Corporate officers' remuneration policy for the 2022 fiscal year (ex ante)

In accordance with Article L.22-10-26 of the French Commercial Code, the General Meeting of 17 June 2022 will be requested to approve the corporate officer remuneration policy for the fiscal year 2022. To this end, four resolutions will be presented for, respectively, the members of the Supervisory Board, the Chairman of the Supervisory Board, the members of the Management Board, and the Chairman of the Management Board.

13.1.1 General principles for determining, reviewing, and implementing the corporate officer remuneration policy

This policy describes all the various aspects of the remuneration awarded to the Company's directors and officers by virtue of their office. It explains the process followed for its determination, allocation, review, and implementation.

The remuneration policy approved in year N shall apply to any person holding a corporate office in year N. Furthermore, in the event of departure, or if a corporate officer is appointed between two General Meetings, their remuneration is defined pro rata temporis in application of the remuneration policy approved by the last General Meeting.

It is specified that if a new member of the Management Board, a new Chairman of the Management Board, a new member of the Supervisory Board, or a new Chairman of the Supervisory Board is appointed, the principles, criteria, and elements of remuneration laid down in the remuneration policy for members of the Management Board, the Chairman of the Management Board, members of the Supervisory Board, or the Chairman of the Supervisory Board, respectively, shall be applied.

Should a new executive officer be recruited from outside the company, the Supervisory Board may decide to grant an amount, in cash or in shares, to compensate the new executive officer for the loss of remuneration linked to the departure from their previous position, possibly subject to a repayment clause, particularly in the event of early departure. In any event, the payment of such remuneration will be subject to the approval of the General Assembly pursuant to Article L.22-10-34 of the Commercial Code.

The remuneration policy for corporate officers must be approved by the General Meeting in accordance with Article L.22-10-26 of the French Commercial Code.

The Company refers to the Middlenext corporate governance code to determine the compensation and benefits granted to executive officers.

13.1.1.1 Process for determining and implementing the remuneration policy for corporate officers

The corporate officers' remuneration policy is determined by the Company's Supervisory Board.

In particular, remuneration should aim to promote the Company's performance and competitiveness. It should ensure its growth, sustainability, and the creation of sustainable value for its shareholders, employees, and all its stakeholders.
The Supervisory Board members, based on the specificities of the Company, regularly benchmark the remuneration levels of the Company's executive officers to ensure they are competitive and consistent with other companies in the sector.

Additionally, the other members of the Board regularly discuss and study the financial, accounting, and tax impacts of the proposed remuneration policy.

The remuneration policy is not subject to regular review. The most recent re-evaluation of the remuneration policy for executive officers was carried out in February and March 2022 within the framework of appointing a new Chairman of the Management Board.

Moreover, some of the terms for implementing the policy are defined by the Supervisory Board on an annual basis. This is the case, for example, with the performance criteria applied to the annual variable remuneration of the Chairman of the Management Board.

In this respect, the successful achievement of the performance criteria is examined by the Supervisory Board in order to decide whether or not the previously set performance criteria were met.

13.1.1.2 Derogation from the remuneration policy

In accordance with the provisions of Article L.22-10-26 of the Commercial Code, under exceptional circumstances, the Supervisory Board may depart from the remuneration policy. This will occur if such a deviation is temporary, in line with the company's interest, and necessary to ensure the company's continuity or viability.

Exceptional circumstances may result in particular from a development or even a substantial change in the economy, the Group's market conditions or the competitive environment. It may arise from a significant alteration in the Group's consolidation scope, such as a transforming operation like a merger, disposal, for example, the acquisition or creation of a significant new business, or the discontinuation of a particular operation.
In this context, the Supervisory Board may adjust the performance criteria and conditions for variable and multi-year remuneration in shares. Under no circumstances may the ceilings of such remuneration be modified.

These adjustments shall be duly justified and strictly implemented. This remuneration will be submitted to the vote of the General Meeting. They may only be paid in the event of a positive vote of approval by the latter. These changes will necessarily require maintaining the alignment of the interests of shareholders and beneficiaries.

13.1.1.3 Conflict of interest management policy

The prevention of conflicts of interest is ensured in accordance with the regulations in force. Each member of the Supervisory Board must, in the event of an actual or potential conflict of interest, inform the Supervisory Board of such a situation and draw the consequences thereof. In particular, they must refrain from taking part in voting on deliberations concerned or from attending Supervisory Board meetings during which they would be in a situation of conflict of interest.

13.1.1.4 General principles and objectives

The Company's remuneration policy was established on the basis of the following general principles:

- Completeness - The remuneration policy details all the elements allocated or paid to the corporate officers;
- Balance - Each element of the remuneration policy is justified with regard to the profiles of the corporate officers. Officers must demonstrate the skills required to perform their duties and their willingness to make a long-term commitment to Precia in the interests of the company. This remuneration is assessed globally, i.e. by taking into account all the elements that contribute to the overall compensation;
- Benchmark - The Supervisory Board regularly assesses the relevance and competitiveness of the corporate officers' remuneration while ensuring it remains proportionate to the company's situation and its sector of activity;
- Consistency - The Supervisory Committee, being informed annually of the Group's human resource policy, ensures that the medium-term trend in the remuneration of corporate officers is not out of line with that of the remuneration of all Group employees;
- Clarity - The Supervisory Board agreed to a formal overhaul of the remuneration policy for corporate officers in 2022 with the aim of achieving greater clarity and simplified comprehensibility;
- Measure - The Supervisory Board set the remuneration policy applicable to executive officers in order to achieve a fair balance between respect for the Company's interests, the sustainability and long-term development of the Company while taking into consideration the social and environmental challenges of its business. The Supervisory Board ensures that the company's interest, the challenge of achieving the company's strategy, and the stakeholders' expectations are taken into account;
- Transparency - The remuneration policy details all remuneration elements allocated or paid to corporate officers. As mentioned above, the Supervisory Board resolved to formally revise the remuneration policy for corporate officers in order to improve its transparency.

13.1.2Remuneration policy applying to Supervisory Board members for the 2022 fiscal year

13.1.2.1 Total amount of compensation

The total annual remuneration of the members of the Supervisory Board is determined by a vote of the Company's General Meeting. Subject to approval by the Annual General Meeting on 17 June 2022, the annual remuneration package for members of the Supervisory Board will be increased to €18,000 for the fiscal year 2022 and for subsequent fiscal years until further decision by the General Meeting. In view of the family nature of the Group and the Company, it was decided that the mandates of the Supervisory Board members, including the Vice-Chairman, would not be remunerated, with the exception of the Chairman of the Audit Committee due to the latter's additional function on the Board.

13.1.2.2 Other compensation details

The members of the Supervisory Board do not receive any other remuneration for their Company mandate, in particular no variable remuneration.
They are reimbursed for expenses incurred in connection with their mandate, in particular travel and accommodation expenses.
A list of the other offices held by the members of the company's Supervisory Board is provided below.

13.1.2.3 Remuneration policy applying to the Chairman of the Supervisory Board for fiscal year 2022

The remuneration policy for the Supervisory Board Chairman is based on the principles common to all corporate officers presented above, the elements applicable to Supervisory Board members, and the specific elements developed below.
In accordance with Article 22 of the articles of association, the Chairman may receive remuneration for this function. The amount of this remuneration shall be determined by the Supervisory Board, taking into account the tasks assigned.

The allocated remuneration, if any, shall be a fixed amount. It may not include any variable component, additional benefits, or share-based compensation.

Compensation
In view of the assignments performed by the Chairman of the Supervisory Board, the Board resolved to remunerate the Chairman as of 2022.

Subject to approval by the Annual General Meeting on 17 June 2022, the annual remuneration of the Chairman of the Supervisory Board will be increased to €55,000 for the fiscal year 2022 and for subsequent fiscal years until further decision by the General Meeting.

Other compensation details
The Supervisory Board Chairman does not receive any other remuneration for their mandate, in particular no variable remuneration and no remuneration in securities or shares.

The Chairman is reimbursed for expenses incurred in connection with their mandate, in particular travel and accommodation expenses.

The table below summarises the other positions and offices held by the members of the Company's Supervisory Board.

13.1.3 List of offices held by members and the Chairman of the Supervisory Board

Mrs Anne-Marie ESCHARAVIL Member and Chairman of the Supervisory Board	Chairman of S.A.S. BERGEROUX and LA FINANCIERE DE BENAT Chairman and member of the Management Board of S.A. Group ESCHARAVIL Director of the S.A. LUC ESCHARAVIL
Mrs Alice ESCHARAVIL Member of the Supervisory Board	Member and Chairman of the Supervisory Board of S.A. Group ESCHARAVIL
Mrs Marie-Christine ESCHARAVIL Member of the Supervisory Board	
Mr Luc ESCHARAVIL Member and Vice-Chairman of the Supervisory Board	Director - Chairman and Managing Director of the S.A. LUC ESCHARAVIL Chairman of the S.A.S. RAFFIN Member of the Management Board and Managing Director of S.A. Group ESCHARAVIL
Mr Frédéric HAFFNER Member of the Supervisory Board	Head of the Audit Committee Independent Director
Mr François THINARD Member of the Supervisory Board	

13.1.4 Remuneration policy applying to members of the Management Board for the fiscal year 2022

The remuneration policy for Management Board members is based on those principles common to all corporate officers presented above and includes the specific elements described below. In accordance with Article 18 of the Company's articles of association, the remuneration of the Management Board members is set by the Supervisory Board. It is reviewed regularly by the Supervisory Board.

13.1.4.1 Fixed remuneration

In light of the practices of comparable companies in the sector in which the Company operates, the members of the Management Board receive compensation for their corporate office consisting solely of a fixed component. It is determined by taking into account:

- The scope of responsibility and complexity of the tasks;
- The background and experience of the individual holding the position;
- Consistency with other positions in the Group;
- Market practices for the same or similar positions.

As a matter of principle, the remuneration of the Management Board members is only re-evaluated after a relatively long period of time and if it is justified. For example, this is based on changes in the scope of responsibility of the function or on the positioning of the remuneration in relation to market and internal practices.

Accordingly, each member of the Management Board, with the exception of its Chairman, receives a gross fixed monthly remuneration of €800.

13.1.4.2 Other compensation details

The members of the Management Board do not receive any other compensation for their mandate. They are also bound to the Company or a Group company by employment contracts:

- René Colombel, Sébastien Longelin, and Gilles Faurie are under an employment contract with the Company; while
- Mr Eric Meynard holds an employment contract with Groupe Escharavil.

The employment contracts of the Management Board members were maintained insofar as they have extensive technical skills essential to the proper functioning of the Company and the Group.

13.1.5 Remuneration policy applying to the Chairman of the Management Board for the fiscal year 2022

The remuneration policy for the Chairman of the Management Board is based on those principles common to all corporate officers presented above and includes the specific elements described below.

Mr René Colombel, as Chairman of the Management Board until 1 May 2022, receives a remuneration in accordance with the remuneration policy applicable in 2021, i.e. a gross annual fixed remuneration of €16,800. He does not receive any other compensation for this corporate mandate. From 2 May 2022 until his retirement at the end of 2022, Mr René Colombel will remain a member of the Management Board and will, in particular, assist his successor in taking up his duties.

Upon the appointment of Mr Frédéric Mey as the new Chairman of the Management Board, the Supervisory Board agreed to modify the remuneration policy, subject to approval by the General Meeting of 17 June 2022.

Subject to this reservation, the remuneration policy for the Management Board Chairman set out below applies to the new Management Board Chairman, as well as to any new Chairman appointed at a later date.

13.1.5.1 General principles and mandate of the Management Board Chairman

As previously mentioned, the Supervisory Board, meeting on 7 April 2022, appointed Mr Frédéric Mey as Chairman of the Management Board with effect from 2 May 2022. Mr Frédéric Mey will not be bound by any employment contract with the Company or any other Group company.

The remuneration policy for the Management Board Chairman will come into effect as of the appointment of Mr Frédéric Mey subject to approval by the Annual General Meeting on 17 June 2022. The policy aims to support the company's strategy and align its interests with those of the shareholders by:

- Providing a transparent, competitive, and motivating remuneration package in line with market practices;
- Establishing a close link between performance and remuneration in the short and long term.

The Company seeks to establish and maintain a balanced remuneration structure between fixed remuneration, benefits in kind, and short-term variable remuneration in cash.

Thus, the overall remuneration of the Management Board Chairman is mainly composed of a cash component, including a fixed part, a variable part, and benefits in kind. The Chairman will also receive a loss of employment benefit due to the absence of an employment contract within the Group.

In setting the target structure of the total remuneration and the level of its components, the Supervisory Board relies on market positioning studies of similar positions in companies of the same size. They also take into account the practices of the Group's main competitors in France and abroad.

13.1.5.2 Fixed remuneration

The annual fixed remuneration, intended to recognise the importance and complexity of the responsibilities, is also correlated to the experience and career path of the Chairman of the Management Board.

For 2022, the fixed remuneration will be calculated pro rata temporis as of the date of his appointment.

13.1.5.3 Variable compensation

The objective of the annual variable remuneration is to motivate the Chairman of the Management Board to achieve the annual performance targets. These are set by the Supervisory Board in close connection with the Group's ambitions as regularly presented to the shareholders. It is structured around clear and demanding operational performance criteria of a quantitative and qualitative nature.
The target level is expressed as a percentage of the fixed remuneration. In order to monitor the company's performance as closely as possible and proactively support it in following its ambition and strategy, the selection and weighting of performance criteria may be reviewed each year as part of the annual remuneration policy review and approval. The Supervisory Board's setting of the objectives for each of these criteria and the resulting review are carried out on an annual basis.

13.1.5.4 Benefits in kind

The Management Board Chairman is provided with a company car. In addition, the executive officers benefit from the collective pension and health insurance schemes in force in the company under the same conditions as those covering employees.
Finally, in the absence of coverage by the Employment Office, Mr Frédéric Mey will be covered by the loss of employment insurance taken out by the Company.

13.1.5.5 Other compensation details

The Chairman of the Management Board is not bound by any other corporate mandate within the Company or Group company. He is not subject to any employment contract within the Company or any Group company and does not benefit from a supplementary pension scheme.

13.2 Corporate officers' remuneration for the 2021 fiscal year (ex post)

In accordance with Article L.22-10-34, I of the Commercial Code, the General Meeting shall rule on the information mentioned in I of Article L.22-10-9 of the Commercial Code. It will therefore be proposed to the General Meeting of 17 June 2022 to vote on this matter.

13.2.1 Compensation paid or allocated to Supervisory Board members

The total remuneration is shown below, including benefits of any kind granted or paid during or in respect of the fiscal year ended 31 December 2021 to each member of the Supervisory Board, both by the Company and by companies controlled by the Company within the meaning of Article L.233-16 of the Commercial Code.

In accordance with the remuneration policy, the Supervisory Board members did not receive any remuneration for their mandate. In accordance with the Supervisory Board's decision of 17 June 2021, only Mr Frédéric Haffner received, as a member of the Supervisory Board, an amount of €8,000 paid by the Company for his mandate.

13.2.2 Remuneration paid or awarded to Mrs Anne-Marie Escharavil, Chairman of the Supervisory Board

Under Article L.22-10-34, II of the Commercial Code, the General Meeting must decide on the fixed, variable, and exceptional components of the total remuneration and benefits in kind paid during the past fiscal year or allocated for the same fiscal year to the Chairman of the Supervisory Board.

It will therefore be proposed to the General Meeting of 17 June 2022 to determine the remuneration paid or allocated in respect of the fiscal year 2021 to Mrs Anne-Marie Escharavil, Chairman of the Supervisory Board, as set out below. It is specified that she has not received any remuneration in respect of her office within the Company since the 2017 fiscal year.

The constituent elements of the total remuneration and benefits in kind paid during the past fiscal year or awarded in respect of the same fiscal year to Mrs Anne-Marie Escharavil, Chairman of the Supervisory Board, are submitted for approval to the General Meeting of 17 June 2022 in the resolutions pursuant to Article L.22-10-34, II of the Commercial Code.

13.2.3 Remuneration paid or allocated to Mr René Colombel, Chairman of the Management Board

The General Meeting of 17 June 2022 will be asked to approve the remuneration paid or awarded to René Colombel, Chairman of the Management Board, in respect of his office for the fiscal year 2021, as set out below.

These elements are in line with the remuneration policy for the Chairman of the Management Board for the fiscal year 2021. They are consistent with those paid or allocated for the 2020 fiscal year.

These fixed, variable, and exceptional components of the total remuneration and benefits in kind paid during the past fiscal year or granted during the same fiscal year to Mr René Colombel, Chairman of the Management Board, in respect of his corporate mandate, are subject to the approval of the General Meeting of 17 June 2022 pursuant to Article L.22-10-34, II of the Commercial Code.

Mr René Colombel received a fixed gross compensation of €16,800 in 2021 for his mandate with the Company. He did not receive any other form of compensation in this respect.

13.2.4 Remuneration paid or awarded to Mr Gilles Faurie, member of the Management Board

The General Meeting of 17 June 2022 will be asked to approve the remuneration paid or awarded to Mr Gilles Faurie, member of the Management Board, in respect of his corporate mandate for the fiscal year 2021, as set out below.

These items are in line with the remuneration policy for Management Board members in respect of the 2021 fiscal year.

These fixed, variable, and exceptional components of the total remuneration and benefits in kind paid during the past fiscal year or granted in respect of the same fiscal year to Mr Gilles Faurie, member of the Management Board, in respect of his corporate mandate, are subject to the approval of the General Meeting of Shareholders of 17 June 2022.

Mr Gilles Faurie was appointed to the Management Board with effect from 1 July 2021.

He received a fixed gross remuneration of €6,400 in 2021 for his mandate within the Company. He did not receive any other form of compensation in this respect.

13.2.5 Remuneration paid or awarded to Mr Sebastien Longelin, member of the Management Board

The General Meeting of 17 June 2022 will be asked to approve the remuneration paid or awarded to Mr Sebastien Longelin, member of the Management Board, in respect of his corporate mandate for the fiscal year 2021, as set out below.

These items are in line with the remuneration policy for Management Board members in respect of the 2021 fiscal year.

These fixed, variable, and exceptional components of the total remuneration and benefits in kind paid during the past fiscal year or granted in respect of the same fiscal year to Mr Sebastien Longelin, member of the Management Board, in respect of his corporate mandate, are subject to the approval of the General Meeting of Shareholders of 17 June 2022.

Mr Sebastien Longelin was appointed to the Management Board with effect from 1 July 2021.

He received a fixed gross remuneration of €6,400 in 2021 for his mandate within the Company. He did not receive any other form of compensation in this respect.

13.2.6 Remuneration paid or awarded to Mr Eric Meynard, member of the Management Board

The General Meeting of 17 June 2022 will be asked to approve the remuneration paid or awarded to Mr Eric Meynard, member of the Management Board, in respect of his corporate mandate for the fiscal year 2021, as set out below.

These items are in line with the remuneration policy for Management Board members in respect of the 2021 fiscal year.

These fixed, variable, and exceptional components of the total remuneration and benefits in kind paid during the past fiscal year or granted in respect of the same fiscal year to Mr Eric Meynard, member of the Management Board, in respect of his corporate mandate, are subject to the approval of the General Meeting of Shareholders of 17 June 2022.

Mr Eric Meynard was appointed to the Management Board with effect from 1 July 2021.

He received a fixed gross remuneration of €6,400 in 2021 for his mandate within the Company. He did not receive any other form of compensation in this respect.

14 > FUTURE OUTLOOK

As the Group embarks on its new five-year business plan for 2022-2026, the uncertainties linked to the health situation have not all been resolved and the war in Ukraine is complicating the situation even further.

The Group's 2022 targets are consolidated revenue excluding acquisitions of €160M and an operating profit of 9.1% compared to 9.6% in 2021, a decline of approximately 0.5 points.

Despite an order backlog that is 33% higher than at the beginning of 2021, shortages of electronic components are impacting our manufacturing capacity, thereby mechanically limiting our revenue growth. At the same time, the very sharp increases in the cost of all raw material will have a significant impact on our margins, which is not easily measurable today.

The level of order intake remains outstanding at the beginning of the year with an order book that continues to swell due to a level of invoicing slowed by shortages.

15 STATEMENT OF CERTIFICATION

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position, and results of the company, and of all the companies included in the consolidation. I certify that the attached management report presents a true and fair view of the development of the business, the results, the financial situation of the company, and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

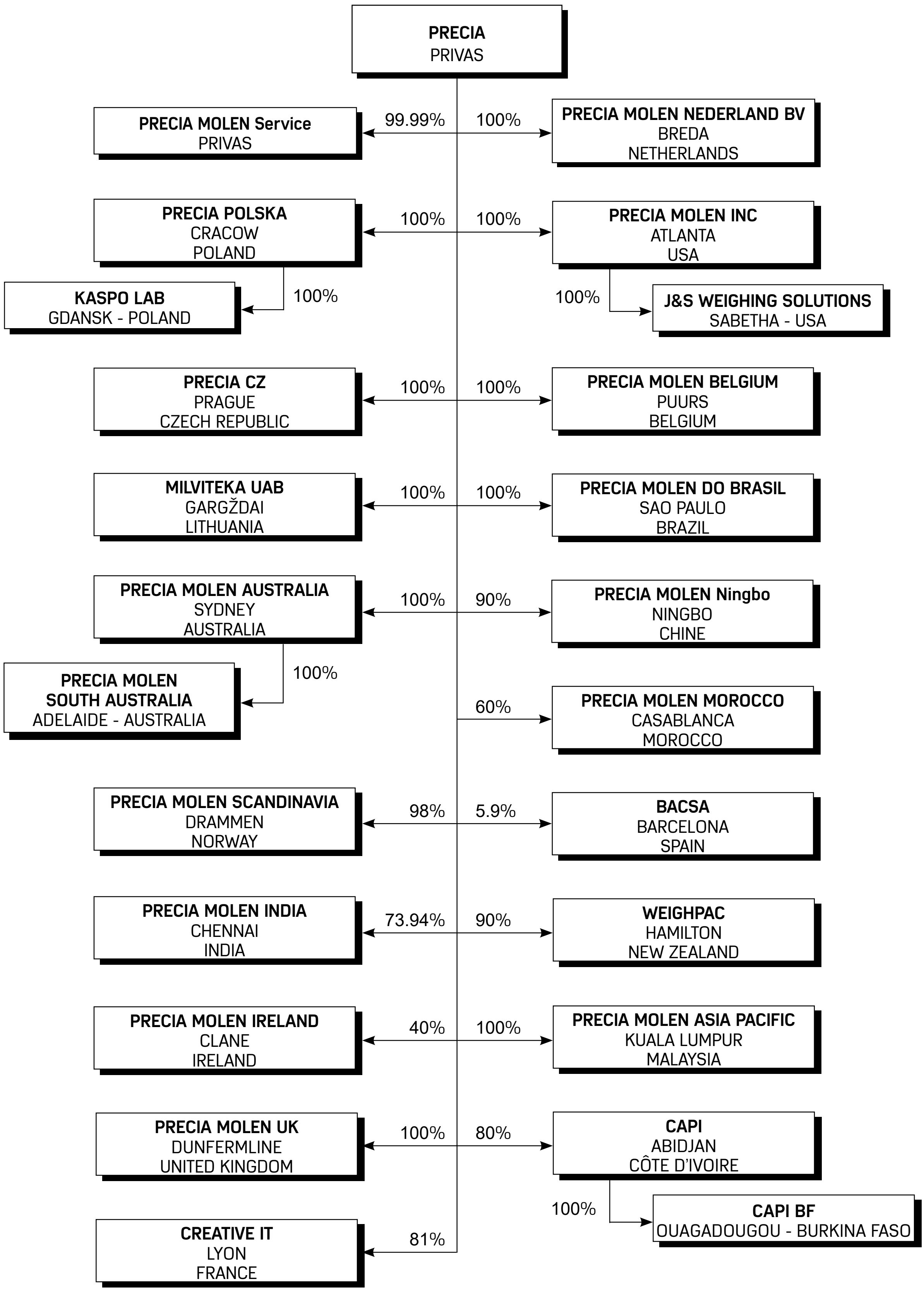
Done in Privas, on 29 April 2022

The Chairman of the Management Board
René COLOMBEL

FUNCTIONAL ORGANISATIONAL CHART

of the PRECIA MOLEN Group

on 31/12/2021



EXECUTIVE OFFICERS' MANDATE

ADMINISTRATION - MANAGEMENT

Mrs Anne-Marie ESCHARAVIL Member and Chairman of the Supervisory Board	Chairman of S.A.S. BERGEROUX and LA FINANCIERE DE BENAT Chairman and member of the Management Board of S.A. Group ESCHARAVIL Director of the S.A. LUC ESCHARAVIL
Mrs Alice ESCHARAVIL Member of the Supervisory Board	Member and Chairman of the Supervisory Board of S.A. Group ESCHARAVIL Director of the S.A. LUC ESCHARAVIL
Mrs Marie-Christine ESCHARAVIL Member of the Supervisory Board	
Mr Luc ESCHARAVIL Member and Vice-Chairman of the Supervisory Board	Director - Chairman and Managing Director of the S.A. LUC ESCHARAVIL Chairman of the S.A.S. RAFFIN Member of the Management Board and Managing Director of S.A. Group ESCHARAVIL
Mr Frédéric HAFFNER Member of the Supervisory Board	Head of the Audit Committee Independent Director
Mr François THINARD Member of the Supervisory Board	
Mr René COLOMBEL Member and Chairman of the Management Board	Chairman of the S.A.S. PRECIA MOLEN Service Member of the Board of Directors of MOLEN BV, PRECIA MOLEN UK Ltd, PRECIA MOLEN SCANDINAVIA AS, PRECIA MOLEN (IRL) Ltd and PRECIA MOLEN INDIA Ltd Director of MOLEN BELGIUM BV Co-manager of PRECIA MOLEN MOROCCO SARL Director of PRECIA MOLEN AUSTRALIA Pty Ltd, Weighpac Ltd, and PRECIA MOLEN Servicos de Pesagem Ltda Director of CAPI SA Chairman of the Board of MILVITEKA UAB
Mr Sébastien LONGELIN Member of the Management Board	Member of the Board of Directors of PRECIA MOLEN INDIA Ltd and MILVITEKA UAB Director of PRECIA MOLEN AUSTRALIA Pty Ltd, Weighpac Ltd, PRECIA MOLEN Asia Pacific, PRECIA MOLEN Ningbo, PRECIA Ploska Sp.z.o.o., Kaspo Lab and PRECIA MOLEN CZ S.r.o.
Mr Eric MEYNARD Member of the Management Board	Member of the Board of Directors of MILVITEKA UAB Director of CAPI SA
Mr Gilles FAURIE Member of the Management Board	

REGULATED AGREEMENTS

Pursuant to the statutory provisions, we hereby inform you of the agreements entered into, directly or through an intermediary, between a corporate officer or a significant shareholder of the company and a subsidiary (C. com. Art. L.225-37-4, 2 issued by ord. 2017- 1162 of 12-7-2017 and Art. L.225-68, al. 6 amended by ord. 2017-1162), between:

- On the one hand, one of the members of the Management Board or Supervisory Board, the Managing Director, one of the Deputy Managing Directors, one of the directors, or one of the shareholders holding more than 10% of the voting rights of a public limited company;
- And on the other hand, another company in which PRECIA owns, directly or indirectly, more than half of the share capital.

However, agreements relating to current operations, concluded under normal conditions, are excluded.
This obligation applies to agreements entered into between either a director or a significant shareholder of the parent company with a subsidiary. Such agreements are not regulated agreements subject to prior authorisation by the board of directors or supervisory board, since the parent company is not a party to the agreement.

LIST OF AGREEMENTS CONCLUDED DURING THE FISCAL YEAR

None

LIST OF REGULATED AGREEMENTS IN EFFECT

- Financial and technical support provided within the framework of a contract consisting of a guarantee of €600K in favour of PRECIA MOLEN Morocco SARL.
- Loan of €222K to PRECIA MOLEN Ireland bearing interest at 3 month EURIBOR + 1.5% per annum. This loan generated interest of €869.51. It was fully repaid on 1 May 2021.
- Animation and management agreement with Groupe Escharavil SA resulting in €510K in services.
- Remuneration of the Chairman of the Supervisory Board: the Chairman waives her right to any remuneration in respect of her corporate office.
- Remuneration of the Vice-Chairman of the Supervisory Board: The mandate of Vice-Chairman of the Supervisory Board is not remunerated.

ANSA believes that the report should only mention agreements entered into during the fiscal year in question and not those entered into during previous fiscal years (Communication Ansa, Legal Committee No. 14-063 of 3-12-2014).

COMMENTS ON THE MANAGEMENT REPORT AND THE ANNUAL FINANCIAL STATEMENTS

We would like to remind you that, in accordance with Article L.225-68 of the Commercial Code, the Supervisory Board must submit its observations on the Management Board's management report and the financial statements for the year to the Annual General Meeting.

We hereby inform you that the Management Board provided the Supervisory Board with the annual financial statements, the consolidated financial statements, and the management report within three months of the end of the fiscal year.

The financial statements for the fiscal year ended 31 December 2021 disclose the following main items:

Total balance sheet:	€92,613,121.50
Revenue:	€60,054,255.39
Profit or loss for the fiscal year:	€3,199,318.90

PRECIA's revenue increased by 11.9% from one year to the next. This improvement was observed in most of the Company's markets in France and internationally and can be attributed to the post-Covid-19 recovery and the growing awareness of our products.

Furthermore, the Supervisory Board acknowledges having been informed of the consolidated accounts.

In view of the above, we have no particular comments to make with regard to the Management Board's report and the financial statements for the fiscal year ended 31 December 2021.

REMUNERATION OF CORPORATE OFFICERS

In accordance with the provisions of Article L.22-10-9 of the French Commercial Code, we report to you on the following information.

Total remuneration and benefits in kind:

It is hereby specified that:

- The office of Chairman of the Supervisory Board has not been remunerated since 1 January 2017
- The office of Vice-Chairman of the Supervisory Board is not remunerated

In respect of his corporate office in PRECIA, Mr René COLOMBEL received gross fixed annual compensation of €16,800. No variable compensation was received. It is also specified that the mandates held by Mr René COLOMBEL in the subsidiaries are not subject to remuneration.

In respect of his corporate office held in PRECIA, Mr Eric MEYNARD received a gross fixed annual remuneration of €6,400. No variable compensation was received. It is also specified that the mandates held by Mr Eric MEYNARD in the subsidiaries are not subject to remuneration.

In respect of his corporate office in PRECIA, Mr Sebastien LONGELIN received gross fixed annual compensation of €6,400. No variable compensation was received. It is also specified that the mandates held by Mr Sebastien LONGELIN in the subsidiaries are not subject to remuneration.

In respect of his corporate office held in PRECIA, Mr Gilles FAURIE received a gross fixed annual remuneration of €6,400. No variable compensation was received.

In respect of his work carried out in the context of his corporate mandate in PRECIA, Mr Frédéric Haffner invoices for services amounting to €8,000 per year. No variable compensation was received.

This remuneration was adopted by the competent bodies at the time of the appointment and renewal of each corporate officer concerned. This is done with regard to the mandate entrusted within the company and consistency with the company's position within the Group.

FACTORS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

In order to ensure greater transparency about measures likely to have an influence on the price or outcome of public offers, our report must set out and, where applicable, explain the factors liable to have an impact in the event of a public takeover bid (Article L.22-10-11 of the Commercial Code).

EXECUTIVE OFFICERS' MANDATE

To the best of the knowledge of the members of the Supervisory Board, apart from the provisions of the Company's articles of association and all the regulations and laws relating to the Company in its current form, taking into account the structure of the shareholding and voting rights, there are currently no factors that are likely to have an impact in the event of a public offer.

BOARD MEMBERSHIP / GENDER BALANCE

It should be recalled here that the Action Plan for the Growth and Transformation of Companies (PACTE) includes several measures aimed at reinforcing gender equality and promoting the advancement of women in senior positions. Among the main themes addressed by the PACTE is gender parity within corporate governance bodies.

PRECIA S.A.'s Executive Management is committed to respecting professional equality between men and women and has always worked to ensure that actions are taken to combat prejudice and differences in treatment based on gender, and that corrective action is taken in the event of any inequalities being observed.

It should be noted, however, that there is a slight structural imbalance between women and men, linked to the Metallurgy sector, more specifically to our industrial weighing activity.

Thus, the Company's policy on professional and salary equality between women and men continued during the past fiscal year. This was particularly the case in the significant areas of recruitment, promotion, and the balance between professional activity and personal and family life.

PROCEEDINGS OF THE SUPERVISORY BOARD

The Supervisory Board met six times during the year under review and discussed the following agenda:

- Distribution of attendance fees;
- Miscellaneous matters.

8 February 2021	- Consideration of an acquisition project: presentation, - Authorisation to be granted: 5-year loan of €7,000,000 from Banque Société Générale, - Other business.
8 April 2021	- Review of the annual accounts for the fiscal year ended 31 December 2020; - Review of the Management Board's report; - Deliberation on the Company's policy on professional and salary equality; - Review of the regulated agreements; - Preparation of the report on corporate governance containing the Board's observations and on the financial statements for the year; - Borrowings and other investments, presentations and authorisations to be issued; - Update on current acquisitions; - Other business.
20 May 2021	- Management Board - Selection process for new members of the Management Board; - Other business.
17 June 2021	- Distribution of attendance fees; - Appointment of three new members of the Management Board; - Powers to carry out formalities, - Other business.
20 September 2021	- Review of the interim financial statements for the period 1 January to 30 June 2021 and the interim management report prepared by the Management Board; - The Management Board presented the strategic review and the 2021-2025 business plan. The Supervisory Board approved the 2021-2025 business plan; - Update on current acquisitions; - Authorisations to be issued; - Other business.
15 December 2021	- Update on current acquisitions; - Authorisations to be issued; - Other business.

PROCEDURES FOR SHAREHOLDER PARTICIPATION IN THE GENERAL MEETING

Pursuant to Article L.22-10-10, 5º of the Commercial Code, Articles 29 to 36 of the Company's articles of association set out the specific terms & conditions relating to the participation of shareholders in the General Meeting. The articles of association are available at the Company's registered office and at the Commercial Court Registry.

REFERENCE TO A CORPORATE GOVERNANCE CODE PRINCIPLE

The Company refers to the MIDDLENEXT Code on Corporate Governance.
This code can be viewed at the Company's registered office.

To date, the Supervisory Board did not decide to disregard any of the provisions of this code, which it felt was more in line with the size of the company and the way in which its governance operates.

DESCRIPTION OF THE PROCEDURE ENABLING THE REGULAR ASSESSMENT OF AGREEMENTS

The procedures enabling a periodic assessment of whether agreements relating to current transactions entered into under normal conditions actually meet these criteria are at the Audit Committee's discretion.

PUBLIC STATEMENT

In accordance with the provisions of Article L.621- 18- 3 of the Monetary and Financial Code (amended by Ord. 2017-1162 of 12-7-2017 and AMF Gen. AMF Art. 222-9 amended on 3-1-2018), this report on corporate governance is made available to the public.

STATUTORY AUDITORS' SPECIAL REPORT
on regulated agreements

for the year ended 31 December 2021

To the General Meeting of PRECIA S.A.;

In our capacity as statutory auditors of your company, we hereby present our report on regulated agreements.

On the basis of the information provided to us, it is our responsibility to inform you of the characteristics, the essential terms and conditions, as well as the reasons justifying the interest for the company of the agreements brought to our attention or that we may have discovered during our assignment, without being required to express an opinion on their usefulness and appropriateness, or to seek the existence of other agreements. Under the terms of Article R.225-58 of the French Commercial Code, it is your responsibility to assess the interest in concluding these agreements with a view towards their approval.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in Article R.225-58 of the French Commercial Code relating to the execution, during the past fiscal year, of agreements already approved by the General Meeting.

We performed those procedures that we deemed necessary in accordance with professional guidance issued by the French national auditing body relating to this assignment. These procedures consisted in verifying whether the information provided to us was consistent with the source documents from which it was extracted.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

We hereby inform you that we were not notified of any agreements authorised and entered into during the past fiscal year to be submitted to the approval of the General Meeting pursuant to the provisions of Article L.225- 86 of the Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Pursuant to Article R.225-57 of the French Commercial Code, we were informed that the following agreements, already approved by the General Meeting in previous fiscal years, continued to be executed during the past fiscal year.

FACILITATION AND MANAGEMENT SERVICES - SAS GROUPE ESCHARAVIL
Person concerned:
Mrs Anne Marie ESCHARAVIL, Chairman of the Supervisory Board of SA PRECIA and Chairman of the Management Board of SA Groupe ESCHARAVIL.

Procedures:
SA Groupe ESCHARAVIL invoices facilitation and management fees.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
In respect of the 2021 fiscal year, SA PRECIA recorded an expense of €510,000 pretax.

REMUNERATION OF THE SUPERVISORY BOARD CHAIRMAN
Person concerned:
Mrs Anne Marie ESCHARAVIL, Chairman of the Supervisory Board of SA PRECIA.

Procedures:
Your Chairman waives the right to receive remuneration for her corporate office.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
No remuneration was paid during the fiscal year 2021.

REMUNERATION OF THE SUPERVISORY BOARD VICE-CHAIRMAN
Person concerned:
Mr Luc ESCHARAVIL, Vice-Chairman of the Supervisory Board of SA PRECIA.

Procedures:
The office of Vice-Chairman of the Supervisory Board is not remunerated.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
No remuneration was paid during the fiscal year 2021.

GUARANTOR - PRECIA MOLEN MOROCCO
Person concerned:
Mr Rene COLOMBEL, Chairman of the Management Board of SA PRECIA and co-manager of PRECIA MOLEN MOROCCO SARL, a 60% subsidiary of SA PRECIA.

Procedures:
Your company committed to provide PRECIA MOLEN MOROCCO with financial and technical support in the context of a contract.

Application:
Your company acted as guarantor for PRECIA MOLEN MAROC for an amount of €600,000 with Société Générale, guaranteeing the contract. The guarantee was not called in during the 2021 fiscal year.

LOAN ADVANCE - PRECIA MOLEN IRELAND
Person concerned:
Mr Rene COLOMBEL, Chairman of the Management Board of SA PRECIA and Board member of PRECIA MOLEN IRELAND, a 40%-owned subsidiary of SA PRECIA.

Procedures:
Your company granted PRECIA MOLEN IRELAND a loan with an outstanding balance of €222,400 as of 31/12/2020, bearing interest at the 3-month Euribor rate + 1.5% per year. This loan was repaid in the year 2021.

Application:
The income recorded for the fiscal year 2021 was €869.51 pretax.

The statutory auditors

Paris, 29 April 2022

BM&A
Alexis THURA
Partner

Lyon, 29 April 2022

implid Audit
Bruno GUILLEMOIS
Partner

PRECIA S.A.'S RESULTS

over the last five years

in thousands of euros

	Year 2021	Year 2020	Year 2019	Year 2018	Year 2017
CAPITAL AT YEAR END					
Share capital	2,867	2,200	2,200	2,200	2,200
Number of common shares[2] outstanding	5,733,040	573 304	573 304	573 304	573 304
OPERATIONS AND RESULTS FOR THE FISCAL YEAR					
Turnover	60,054	53,653	57,022	53,951	49,672
Result before tax and calculated expenses (depreciation and provisions) [1]	6,455	5,472	7,747	6,563	6,329
Income tax	199	158	511	42	245
Employee profit-sharing due for the year	-	-	-	-	-
Profit or loss after tax and calculated expenses (Depreciation and provisions)	3,199	2,674	1,537	5,771	5,676
Earnings distributed	2,163	1,460	649	1,298	1,321
EARNINGS PER SHARE [2] (in euros)					
Aftertax Income, profit-sharing but before calculated expenses (depreciation and provisions) [1]	1.09 €	9.27 €	12.62 €	11.38 €	10.61 €
After tax income [2], profit sharing, and calculated expenses (depreciation and provisions)	0.56 €	4.66 €	2.68 €	10.07 €	9.90 €
Dividend allocated to each share [2]	0.40 €	2.70 €	1.20 €	2.40 €	2.40 €
STAFF					
Average number of employees during the fiscal year	339	322	307	288	271
Amount of the payroll	14,821	13,466	13,365	12,742	11,525
Amount paid for employee benefits	5,556	5,275	5,111	4,877	4,308

(1) Excluding financial and exceptional provisions.

(2) The Extraordinary General Meeting of Shareholders, held on 17 June 2021, decided to split the nominal value of the Company's shares by a factor of 10, with effect from 9 July 2021. On that date, the number of shares was multiplied by 10. Each shareholder received 10 new shares for 1 existing share.

REPORT OF THE SUPERVISORY BOARD

to the General Meeting of 17 June 2022

Ladies and Gentlemen,

The Management Board of our company convened an Ordinary General Meeting in accordance with the law and our articles of association in order to:

- On the one hand, present you the company's activity during the fiscal year ended 31 December 2021, the company's results and those of its subsidiaries, the future outlook, and provide you with the other statutory disclosures;
- On the other hand, to submit for your approval the accounts for this fiscal year and to decide on the allocation of the results.

The Management Board's report was read to you by Mr René COLOMBEL, its Chairman.

You will also be read the reports of the statutory auditors on the execution of their audit and control assignment as well as on the agreements referred to in Article L.225-86 of the Commercial Code.

In accordance with Article L.225-68 of the French Commercial Code, we would like to inform you that we have no comments to make on either the Management Board's report or the financial statements for the fiscal year 2021.

Anne-Marie ESCHARAVIL
Chairman of the Supervisory Board

CONSOLIDATED FINANCIAL STATEMENTS

STATUTORY AUDITORS' REPORT
on the consolidated financial statements

for the year ended 31 December 2021

In accordance with the assignment entrusted to us by your General Meeting, we audited the accompanying consolidated financial statements of PRECIA S.A. for the year ended 31 December 2021.

We certify that, according to International Financial Reporting Standards (IFRS) criteria as adopted in the European Union, the consolidated financial statements consisting of all entities included in the consolidation are sincerely and fairly presented, providing a true and faithful view of the results of the company's operations over the past financial year as well as its financial position and assets at the end of the year.

The opinion expressed above is consistent with our report to the Audit Committee.

1 BASIS OF OUR OPINION

Audit standards
We carried out our audit in accordance with the professional standards applicable in France. We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Auditors' Responsibilities for Auditing the Consolidated Financial Statements" section of this report.

Independence
In accordance with the rules of independence set out in the French Commercial Code and the Code of Ethics for Statutory Auditors we conducted our audit for the period from 1 January 2021 to the issuance date of our report, and in particular we did not provide any services prohibited by Article 5 (1) of Regulation (EU) no. 537/2014.

2 JUSTIFICATION OF OUR ASSESSMENTS - KEY POINTS OF THE AUDIT

The global crisis resulting from the COVID-19 pandemic created special conditions for preparing and auditing the accounts for this fiscal year. Indeed, this crisis and the exceptional protective measures taken within the framework of the health emergency led to multiple consequences for companies, particularly concerning their business activity and their financing, as well as heightened uncertainties regarding their future prospects.

A number of these measures, such as travel restrictions and teleworking, also impacted the internal organisation of companies and the way audits were actually carried out.

It is in this complex and evolving context that, pursuant to 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. In our professional opinion, these were the points the most significant for the audit of the consolidated financial statements for the year, as well as the responses we provided to these risks.

The assessments thus made fall within the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on any elements of these consolidated financial statements taken in isolation.

We determined that there were no key audit issues to report.

3 SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we also performed the specific verifications required by law of the information provided in the Management Board's report on the Group.

We have no comments to make as to their fairness and consistency with the consolidated financial statements.

We hereby certify that the consolidated statement of non-financial performance provided for in Article L.225-102-1 of the Commercial Code is included in the information relating to the Group contained in the management report. It is specified that, in accordance with the provisions of Article L.823-10 of this code, the information contained in this statement has not been verified by us as to its fairness or consistency with the consolidated financial statements. They must be the subject of a report by an independent third party.

Other verifications or information required by law and the regulations

Format of the consolidated financial statements intended to be included in the annual financial report
In accordance with the professional standard on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic information format, we also performed the verification of compliance with this format defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 when presenting the consolidated financial statements included in the annual financial report referred to in Article L.451-1- 2 of

the Monetary and Financial Code that are prepared under the responsibility of the Chairman of the Management Board. As these are consolidated financial statements, our work includes verifying whether the presentation of these accounts complies with the format defined by the above-mentioned regulation.

Based on our work, we concluded that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

Appointment of the statutory auditors
The firms implid audit and BM&A were appointed as statutory auditors of PRECIA S.A. by the General Meeting of 22 July 2020.

On 31 December 2021, implid audit and BM&A were in the second year of their uninterrupted assignment.

4 > RESPONSIBILITIES OF MANAGEMENT AND CORPORATE GOVERNANCE OFFICERS VIS-À-VIS THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of management to prepare consolidated accounts that present a true and fair view in accordance with IFRS as adopted by the European Union. Management must implement the internal controls it deems necessary for preparing consolidated accounts that do not contain any material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, Management must evaluate the company's ability to continue as a going concern. Management shall present in these accounts, as the case may be, the necessary information relating to the continuity of operations, and apply the going concern accounting policy unless it intends to wind up the company or cease its activity.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems. If necessary, the audit committee must monitor the internal audit, as regards the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were prepared by Management.

5 > RESPONSIBILITIES OF THE STATUTORY AUDITORS VIS-À-VIS THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The audit's objective and approach
It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that, taken as a whole, the consolidated financial statements do not contain any material misstatements. Although reasonable assurance is a high level of assurance, it does not guarantee that an audit performed in accordance with professional standards will systematically detect all material misstatements. The anomalies may stem from fraud or be due to errors. They are considered significant if it can be reasonably expected that, individually or cumulatively, they can influence the economic decisions account users make based on them.

As specified by Article L.823-10-1 of the French Commercial Code, our account certification mission is not to guarantee the viability or the quality of your company's management.

As part of an audit conducted in accordance with the professional standards applied in France, the statutory auditor exercises their professional judgement throughout the audit.

In addition:

- They identify and assess the risks that the consolidated financial statements contain material misstatements, whether due to fraud or error. They define and implement audit procedures to confront these risks. They collect elements they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a significant anomaly due to fraud is higher than missing a significant misstatement resulting from an error. This is because fraud can involve collusion, falsification, wilful omission, misrepresentation, or the circumvention of internal controls.
- They take note of the internal control relevant to the audit in order to define appropriate audit procedures, and not for the purpose of expressing an opinion on the effectiveness of the internal control.
- They assess the appropriateness of the accounting policies used and the suitability of management's estimates, as well as the information related thereto provided in the consolidated accounts;
- They assess the appropriateness of management's application of the going concern accounting policy. According to the information collected, they determine the existence or not of a significant uncertainty related to events or circumstances that could jeopardize the company's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report. However, it is recalled that subsequent circumstances or events could jeopardize the continuity of operations. If they conclude there is significant uncertainty, they draw the attention of the readers of the report to the information provided in the annual financial statements related to this uncertainty. If this information is not provided or is not relevant, they formulate a qualified certification or a refusal to certify.

STATUTORY AUDITORS' REPORT
on the consolidated financial statements

for the year ended 31 December 2021

- They assess the overall presentation of the financial statements, determining whether the annual accounts reflect the underlying transactions and events, thereby providing a true and fair picture;
- With regard to the financial information of the individuals or entities included in the scope of consolidation, they collect information deemed sufficient and appropriate to express an opinion on the consolidated financial statements. They are in charge of managing, supervising, and auditing the consolidated financial statements as well as the opinion expressed on these accounts.

Report to the Audit Committee

We submit to the Audit Committee a report that outlines, among other things, the scope of the audit, program implemented, and the conclusions arising from our work. We also inform on, where appropriate, any significant internal control weaknesses identified with respect to the procedures relating to the preparation and processing of the accounting and financial information.

Among the items disclosed in the report to the Audit Committee are the risks of material misstatement that we consider the most significant for the audit of the consolidated financial statements for the year. As such, they constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration under Article 6 of EU Regulation no. 537- 2014 confirming our independence within the meaning of the rules applicable in France pursuant to Articles L.822 -10 to L.822-14 of the Commercial Code and the code of ethics of the statutory auditor profession. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguard measures applied.

The statutory auditors

Paris, 29 April 2022	Lyon, 29 April 2022
BM&A Alexis THURA Partner	implid Audit Bruno GUILLEMOIS Partner

2021 CONSOLIDATED INCOME STATEMENT

in thousands of euros

	Notes	2021	2020
REVENUE	3.1	**150,711**	**135,949**
Cost of goods sold		(34,976)	(30,428)
Staff costs	3.2.1	(66,431)	(59,932)
External costs	3.2.2	(27,011)	(23,919)
Operational taxes		(1,788)	(1,964)
Depreciation	3.2.2	(7,496)	(7,069)
Changes in work in progress and finished goods		227	(318)
Other operating incomes		1,251	481
Other operating expenses		(29)	(107)
CURRENT OPERATING RESULT		**14,458**	**12,692**
Income from cash and equivalents		289	201
Cost of gross financial debt		(316)	(282)
COST OF NET FINANCIAL DEBT	3.3	(27)	(81)
Currency exchange gains and losses		146	(347)
Income tax expense	3.4	(4,593)	(4,728)
CONSOLIDATED NET INCOME		**9,984**	**7,536**
Non-controlling interests		734	475
Group share		9,250	7,061
BASIC AND DILUTED EARNINGS PER SHARE IN EUROS[1]	2.10	**1.71**	**1.31**

[1] Following the GM of 17 June 2021, PRECIA S.A. split the nominal value of its shares by 10, exchanging 10 new shares of €0.50 nominal value for 1 old share of €5.00 nominal value. The number of shares making up the share capital was multiplied by 10, increasing from 573,304 to 5,733,040, starting on 9 July 2021. Earnings per share as of 31/12/2020 were calculated on the basis of 5,733,040 shares.

CONSOLIDATED STATEMENT
of comprehensive income

in thousands of euros

	31/12/2021	31/12/2020
Net result of the consolidated group	9,984	7,536
Exchange rate conversion differences	588 (2)	(623)
Actuarial gains and losses	483	(345)
Assets available for sale	-	-
Derivative instruments used for hedging	-	-
Gains and losses recognised directly in equity, Group share, excluding equity accounted entities	1,070	(969)
Share of gains and losses recognised directly in equity excluding equity method entities	-	-
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY, GROUP SHARE	**1,070**	**(969)**
Net income and gains and losses recorded directly in equity with non-controlling interests	147	(187)
actuarial differences, non-controlling interests	2	-
NET INCOME AND GAINS AND LOSSES RECORDED DIRECTLY IN EQUITY	**1,219**	**(1,156)**
TOTAL INCOME AND EXPENSES FOR THE PERIOD	**11,203**	**6,380**

(2) On 31/12/2021, includes €280K of currency conversion differences on current accounts between the parent company and its subsidiaries, the settlement of which is neither planned nor likely in the foreseeable future, and which are therefore considered as quasi-equity in accordance with AS21. The impact on foreign exchange gains and losses is €377K; the effect on deferred tax is €103K; the net amount is therefore €274K.
On 31/12/2020, includes €419K of currency conversion differences on current accounts between the parent company and its subsidiaries, the settlement of which is neither planned nor likely in the foreseeable future, and which are therefore considered as quasi-equity in accordance with AS21. The impact on foreign exchange gains and losses is €565K; the effect on deferred tax is €164K; the net amount is therefore €402K.

CONSOLIDATED BALANCE SHEET
on 31/12/2021

In € thousands

ASSETS	Notes	31/12/2021	31/12/2020
Goodwill	2.1.1	26,680	21,395
Other intangible assets	2.2 and 2.3	2,400	1,028
Rights of use	2.2 and 2.3	9,153	8,556
Tangible assets	2.2 and 2.3	22,942	22,537
Financial assets	2.4 and 2.4	1,891	1,122
Deferred tax assets	2.9	1,312	1,429
NON-CURRENT ASSETS		**64,378**	**56,068**
Stocks and work in progress	2.5	21,596	20,341
Trade and other receivables	2.6	33,895	32,416
Current tax receivable		300	722
Other accounts receivable	2.7	2,655	2,439
Cash and equivalents	2.8	37,070	31,314
CURRENT ASSETS		**95,517**	**87,233**
TOTAL		**159,895**	**143,300**

LIABILITIES	Notes	31/12/2021	31/12/2020
Capital	2.10	2,867	2,200
Premiums from share issues, mergers, and contributions		4,487	4,487
Consolidated reserves		67,330	61,340
Treasury shares	2.10	(3,154)	(3,154)
Group's share of consolidated income		9,250	7,061
SUB-TOTAL EQUITY GROUP SHARE	2.11	**80,779**	**71,933**
Non-controlling interests in reserves		4,856	3,276
Non-controlling interests in the results		734	475
TOTAL EQUITY		**86,369**	**75,685**
Long-term provisions	2.13	4,793	4,843
Long-term financial liabilities	2.12	10,238	10,371
Long-term lease liabilities	2.12	6,882	6,396
Other non-current liabilities		-	-
NON-CURRENT LIABILITIES		**21,912**	**21,611**
Short-term financial liabilities excluding financial leases	2.12	6,182	5,867
Short-term lease liabilities	2.12	2,501	2,390
Trade and other payables		11,815	11,253
Current tax liability		519	466
Other current liabilities	2.14	30,597	26,027
CURRENT LIABILITIES		**51,613**	**46,005**
TOTAL		**159,895**	**143,300**

CONSOLIDATED STATEMENT
of changes in equity

in thousands of euros

	Share capital	Share premium	Treasury shares	Consolidated reserves	Profit for the period	Non-controlling interests	TOTAL
EQUITY AS OF 31/12/2019	**2,200**	**4,487**	**(3,154)**	**56,608**	**6,303**	**3,901**	**70,344**
Dividends paid					(649)	(255)	(904)
Allocation of previous results				5,654	(5,654)		
Treasury shares							
Actuarial gains and losses				(345)			(345)
Exchange rate conversion differences				(623)		(187)	(810)
Change in scope				(73)		(63)	(136)
Other changes				120		(120)	
Profit or loss for the period					7,061	475	7,536
EQUITY AS OF 31/12/2020	**2,200**	**4,487**	**(3,154)**	**61,340**	**7,061**	**3,752**	**75,685**
Dividends paid					(1,460)	(423)	(1,883)
Allocation of previous results				5,601	(5,601)		
Treasury shares							
Actuarial gains and losses				483		2	484
Exchange rate conversion differences				588		147	735
Capital increase	667			(667)			
Change in scope				(235)		1,614	1,380
Other changes				220		(235)	(15)
Profit or loss for the period					9,250	734	9,984
EQUITY AS OF 31/12/2021	**2,867**	**4,487**	**(3,154)**	**67,330**	**9,250**	**5,590**	**86,369**

CONSOLIDATED CASH FLOW
statement

in thousands of euros

	2021	2020
Operating activities		
Earnings before taxes, dividends, interest, depreciation, amortisation, impairment, and disposal of assets(*)	22,404	19,594
Change in working capital requirements - inventories	(1,032)	(1,933)
Change in working capital requirements - receivables	(507)	777
Change in working capital requirements - operating liabilities	4,060	1,658
Interest paid	(192)	(113)
Income tax paid	(4,149)	(5,194)
NET CASH FLOW FROM OPERATING ACTIVITIES	**20,584**	**14,790**
Investment transactions		
Acquisition of intangible assets	(446)	(536)
Acquisition of tangible assets	(4,085)	(5,573)
Acquisition of financial assets	(107)	(173)
Proceeds from disposals of intangible assets	-	-
Proceeds from disposals of tangible assets	463	482
Proceeds from disposals of financial assets	-	-
Proceeds from the disposal of equity securities	1	-
Acquisition of subsidiaries, net of cash acquired	(5,586)	(1)
NET CASH FLOW FROM INVESTING ACTIVITIES	**(9,761)**	**(5,801)**
Financing transactions		
Capital increase in subsidiaries	-	-
Repurchase and resale of treasury shares	-	-
Cash receipts from new loans	7,000	5,317
Repayment of rental debts	(3,108)	(3,093)
Loan repayments	(7,545)	(3,427)
Dividends paid	(1,883)	(904)
NET CASH FLOW FINANCE ACTIVITIES	**(5,536)**	**(2,107)**
Impact of currency exchange rate fluctuations	250	(282)
TOTAL INCREASE (DECREASE) IN THE CASH POSITION	**5,538**	**6,600**
Cash and equivalents at the beginning of the fiscal year	31,229	24,628
Cash and equivalents at the end of the fiscal year	36,767	31,229
TOTAL INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**5,538**	**6,600**

(*) Details are presented in note §4 page 58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
on 31/12/2021

In € thousands

The financial statements were approved by the Management Board and presented to the Supervisory Board on 07 April 2022.

KEY EVENTS OF THE PERIOD

In May 2021, PRECIA S.A. completed with the shareholders of CREATIVE IT the acquisition of 100% of the shares of this company. Founded in 1998 and based in Lyon (69), CREATIVE IT specialises in designing innovative software solutions that improve industrial processes and monitor production operations. It employs a staff of approximately forty people with a revenue of €3.2M in 2020. The company remains profitable and is experiencing sustained growth. This acquisition will enable the PRECIA MOLEN Group to position itself within the fast-growing Manufacturing Execution System (MES) software publishing and integration market. It will allow the Group to complete its recurring product and service offering with a third activity of data enhancement for its industrial customers in France and abroad.

In December 2021 PRECIA S.A. signed a bilateral transfer agreement with the shareholders of CAPI Senegal, subject to conditions precedent, with a view toward acquiring 80% of the shares in this company. These conditions precedent are expected to be lifted by the end of May 2022 at the latest.

This acquisition reinforces the Group's development strategy on the African continent with this fourth operation after Morocco, Côte d'Ivoire, and Burkina Faso.

This company specialises in the sale and servicing of industrial weighing instruments in Senegal and neighbouring countries where it is the long-standing leader in the field of weighing instruments. The company enjoys an excellent reputation serving a large clientele. It employs 10 people and reports revenues of approximately €800K. The parties expect to finalise the signing and share transfer by May 2022, at which point the company will be consolidated in the Group's accounts.

POST CLOSING EVENTS:

On 31 March 2022, the PRECIA MOLEN Group completed the acquisition of the business of Scaletec Ltd (www.scaletec.co.nz) in New Zealand via its subsidiary PRECIA MOLEN New Zealand. This confirms the Group's attraction for the Asia-Pacific region and New Zealand in particular.

Scaletec specialises in marketing and servicing industrial weighing instruments throughout New Zealand. The company enjoys a strong market position, as well as an excellent reputation serving a large and renowned clientele. It employs 6 people and reports revenues of approximately €700K. Scaletec's activities will be included within the consolidation scope as of 1 April 2022.

At the end of April 2022, PRECIA S.A. was in the process of acquiring 100% of the shares of Vaucelle Nouvelles Technologies, a company based in Le Port on the island of Reunion.

Vaucelle Nouvelles Technologies is specialised in supplying and servicing weighing material and cash registers to retailers and industrialists in Reunion Island. This presence in the Indian Ocean sector, in addition to the Reunion Island market, becomes our bridgehead in the region for Madagascar, Mauritius, Mayotte, and the Comoros.

1 > CONSOLIDATION PRINCIPLES AND ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements are presented in accordance with ASI 1.

1.1 Consolidation scope

1.1.1 Consolidation Scope

Identification	SIREN	% held
PRECIA S.A. 07000 Privas	386 620 165	Parent company
PRECIA MOLEN Service S.A.S 07000 Privas	349 743 179	99.99
CREATIVE IT S.A.S 69000 Lyon	421,315,144	81.10
MOLEN BV Breda	NETHERLANDS	100.00
PRECIA MOLEN NEDERLAND BV Breda	NETHERLANDS	100.00
MOLEN BELGIUM NV Puurs	BELGIUM	100.00
PRECIA MOLEN UK Ltd Dunfermline	UNITED KINGDOM	100.00
PRECIA POLSKA Sp.z.o.o. Krakow	POLAND	100.00
Kaspo Lab Gdansk	POLAND	100.00
PRECIA MOLEN CZ S.r.o. Prague	REP. CZECH REPUBLIC	100.00
PRECIA MOLEN MOROCCO S.A.R.L. Casablanca	MOROCCO	60.00
PRECIA MOLEN SCANDINAVIA A.S. Drammen	NORWAY	98.00
PRECIA MOLEN INDIA Ltd Chennai	INDIA	73.94
MILVITEKA UAB Gargždai	LITHUANIA	100.00
PRECIA MOLEN Asia Pacific Kuala Lumpur	MALAYSIA	100.00
PRECIA MOLEN Australia Pty Ltd. Sydney	AUSTRALIA	100.00
PRECIA MOLEN South Australia Pty Ltd. Adelaide	AUSTRALIA	100.00
Weighpac Hamilton	NEW ZEALAND	90.00
PRECIA MOLEN Ningbo Ningbo	CHINA	90.00
PRECIA MOLEN Serviços De Pesagem Ltda. Sao Paolo	BRAZIL	100.00
PRECIA MOLEN Inc Atlanta	UNITED STATES	100.00
J&S Weighing Solutions Sabetha	UNITED STATES	100.00
CAPI SA Abidjan	CÔTE D'IVOIRE	80.00
CAPI-BF SA Ouagadougou	BURKINA FASO	80.00
PRECIA MOLEN (IRL) Ldt Clane	IRELAND	40.00

All these companies are fully consolidated. They closed their accounts on 31 December 2021.
Precia S.A. is fully consolidated in the consolidated accounts of the PRECIA Group as parent company, and in the consolidated accounts of the Escharavil Group.

1.1.2 Changes in the consolidation scope

The PRECIA MOLEN Group, via PRECIA S.A., acquired 81% of Creative IT SAS, based in Lyon. This acquisition was financed by a loan.

The PRECIA MOLEN Group, through its subsidiary PRECIA MOLEN Inc, acquired the 15% minority interest in J&S Weighing Solutions, now wholly owned by the Group.

1.2 Comparability of accounts

The consolidated financial statements for the year ended 31 December 2021 are presented in euros, which is the Group's reporting currency in accordance with IFRS 1. The statements are presented in thousands of euros. At the end of the fiscal year, there were no differences impacting the Group between the standards used and those adopted by the IASB whose application is mandatory for the fiscal year presented. The accounting principles applied remain unchanged from the previous fiscal year, with the exception of adopting the following standards that have been applied since 1 January 2021.

1.2.1 New standards, amendments, and interpretations adopted by the European Union to be applied from 1 January 2021

The following standards were adopted by the European Union. They are effective as of 1 January 2021 but have no impact on the Group's accounts:
Amendment to IFRS 4 allowing a provisional exemption from IFRS 9 on insurance contracts. This new standard has no impact on the Group's accounts.
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16: Reform of the benchmark interest rate: these amendments complement those issued in 2019. They focus on the effects on the financial statements when a company replaces the old benchmark interest rate with another benchmark rate as a result of the reform of interbank benchmark rates. They have no influence on the Group's accounts.
Amendments to IFRS 16 providing for rent relief related to Covid 19 beyond 30 June 2021 do not have a material impact on the Group's accounts.
Amendments to IAS 1 and IAS 8: Definition of materiality: this new standard has no influence on the Group's accounts.

Furthermore, with regard to the IFRIC's interpretation of IAS 19, the Group implemented IFRIC's decision on how to allocate the expense for post-employment benefit plans with certain characteristics over time. This decision will have no impact on the Group's accounts.

In € thousands

1.2.2 Standards and interpretations issued by the European Union that apply in advance of 1 January 2021

There is no early application of the main standards to be adopted on 1 January 2022.

1.2.3 The Group has not anticipated, and does not at this stage expect to anticipate, the other new legislation applicable in advance according to the IASB's decisions that had not yet been adopted by the European Union as of the annual cut-off date

1.2.4 Finally, the following standards, already announced by the IASB, are expected to be promulgated by the European Union in the near future. They will have no impact on the Group's accounts.

Amendment to IFRS 3: Reference to the conceptual framework
Amendment to IAS 16: Revenue from the sale of items produced in the test phase
Amendment to IAS 37: Loss-making contracts and contract performance costs
IFRS 17 relating to insurance contracts replacing IFRS 4
2018-2020 cycle of annual improvements to standards
Amendment to IAS 1 clarifying the classification of debt and other liabilities as current or non-current
Amendments to IAS 1 and the Practical Application Guide to materiality
Amendments to IAS 8 on the distinction between changes in accounting policies and changes in estimates
Amendment to IAS 12 on the recording of deferred tax for transactions resulting in an asset and a liability
Amendments to IFRS 10 and IAS 28 on the recognition of a capital gain on the disposal or contribution of an asset to an equity accounted entity.

1.3 Accounting principles for consolidation

1.3.1 Business combinations and goodwill

Business combinations are recorded using the acquisition method, in accordance with IFRS 3 (Business Combinations). The identifiable assets, liabilities, and contingent liabilities of the acquired entity are recorded at their fair value on the acquisition date, after an assessment period of up to 12 months from the acquisition date.
For business combinations completed on or after 1 January 2010, the revised IFRS 3 applies. Under this standard, goodwill is now calculated as the difference between the fair value of the consideration paid and the sum of the acquiree's existing assets and liabilities, if any, measured individually at fair value. Costs directly attributable to the takeover are recorded as an expense. On the date of the takeover and for each business combination, the Group has the option to elect either partial goodwill limited to the Group's share of the acquisition or full goodwill. Where the full goodwill method is elected, non-controlling interests are measured at fair value and the Group recognises goodwill on all identifiable assets and liabilities. Business combinations prior to 1 January 2010 were accounted for under the partial goodwill method, which was the only applicable method.
For business combinations prior to 1 January 2010, goodwill on the acquisition date represents the excess of the cost of the acquisition over the acquirer's interest in the fair value of the identifiable assets, liabilities, and contingent liabilities.
For acquisitions prior to 1 January 2004, goodwill was maintained at its deemed cost representing the amount recorded under the previous GAAP. The classification and accounting treatment of business combinations occurring prior to 1 January 2004 was not changed for the preparation of the Group's opening IFRS balance sheet on 1 January 2004.
In all instances, negative goodwill from an acquisition is recognised immediately in profit or loss.
As of the acquisition date, goodwill is allocated to each of the cash-generating units (CGUs) likely to benefit from the business combination. Subsequently, goodwill is valued at its cost less any accumulated depreciation representing impairment losses. Goodwill is not amortised however it is tested for impairment at each year-end. This is done more frequently if there are any indications of impairment. Any depreciation of goodwill is irreversible. In the event of a write-down, the impairment is recorded under "Other current management expenses" or under "Restructuring expenses" if the depreciation is the result of a restructuring.
The cumulative amount of goodwill impairment recorded as of 31 December 2021 is €572K compared to €564K in 2020.

1.3.2 Converting the accounts of foreign subsidiaries

The closing rate method is used.
Monetary and non-monetary assets and liabilities were converted at the market rates prevailing on 31 December 2021.
The conversion of income and expenses was carried out, except for significant fluctuations, by applying the average rates recorded during the period.
The difference was recorded in a reserve account. The result was a positive change in equity of €455K over the period.
The consolidated financial statements are expressed in euros, the functional and presentation currency of PRECIA MOLEN SA.

1.3.3 Treatment of foreign currency transactions

The recognition and valuation of foreign currency transactions are defined by IAS 21 "The Effects of Changes in Foreign Currency Exchange Rates". Transactions in currencies other than the euro are recorded at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in such other currencies are converted at the rates prevailing on the balance sheet date. Gains and losses arising from currency conversions are recorded in the income statement for the period.
However, for financial assets and liabilities that are not monetary items, any changes in their fair value, including movements in exchange rates, are accounted for in accordance with the principles applying to the categories of financial assets to which they relate.
To account for foreign exchange gains and losses, monetary financial assets are recorded at their amortised cost in their original currency. Currency exchange differences arising from changes in amortised cost are recognised in the income statement, other changes are recognised directly to equity.
Goodwill and fair value adjustments resulting from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity.
As of 31 December 2021, none of the Group's subsidiaries are considered to be operating in a hyperinflationary economy as defined in IAS 29.

1.3.4 Internal transactions

Adjustments are made to all intragroup transactions. Intercompany transactions are cancelled as well as intercompany payables and receivables.
Any mark-up included in inventories relating to intra-group purchases and gains on intra-group disposals of fixed assets are eliminated.

1.3.5 Transactions with affiliated parties

Related party transactions are identified by direct enquiry and validated by direct confirmation. These transactions are recorded at market value.

1.3.6 Lease contracts

Upon entering into an agreement, the Group assesses whether the agreement is or contains a lease. The Group recognises an asset for its right of use and a corresponding lease obligation for all leases in which it is the lessee. This is the case except for term leases, defined as leases having a duration of 12 months or less, and leases in which the underlying asset has a low value of less than €5000. For these types of leases, the Group recognises lease payments as operating expenses on a straight-line basis over the life of the lease. The lease obligation is initially measured at the present value of the outstanding lease payments at the inception of the lease. They are calculated using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group applies its incremental borrowing rate that stands at 2.50%.
The cost of the rights of use assets includes the initial amount of the related lease obligation, the lease payments made on or before the commencement date, as well as the initial direct costs, if any. Rights of use assets are subsequently valued at cost less accumulated depreciation and accumulated impairment losses.
In respect of precarious commercial leases that the lessor may terminate at any time, the Group estimated that the remaining duration of the precarious leases outstanding at the balance sheet date was six months in respect of the penalties taken as a whole.
If the Group incurs a liability for the costs of dismantling and removing a leased asset, restoring the site on which it is located, or returning the underlying asset to the condition required under the lease terms, a provision is recorded and valued in accordance with IAS 37. These costs are included in the cost of the asset as part of the related right of use, unless they are incurred to produce inventory.
Rights of use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If the lease agreement transfers ownership of the underlying asset or if the cost of the right-of-use asset takes into account the expected exercise of a purchase option by the Group, the related right-of-use asset should be depreciated over the useful life of the underlying asset. Depreciation begins at the start of the lease. Rights of use assets are reported as a separate line item in the consolidated statement of financial position.
The Group applies IAS 36 to determine whether a right-of-use asset is depreciated. It recognises any impairment loss as described in the method for tangible assets not included in these notes.
Variable rents, that are not based on an index or rate, are not included in the assessment of the lease obligation and the right-of-use asset. The related payments are recorded as expenses for the period in which the event or circumstance giving rise to the payments occurs. They are included in "External expenses" in the income statement (see note 3.2.2).
By way of simplification, IFRS 16 provides the lessee with the option of not separating the lease components from the non-lease components, instead accounting for each lease component and the related non-lease components as a single lease component. The Group elected not to apply this simplification measure.
The Group followed the recommendations of the French Accounting Standards Authority (ANC) for the restatement of the 3,6,9 leases.

In € thousands

1.3.7 Income taxes

Income tax expense corresponds to the current tax of each consolidated tax entity, adjusted for deferred taxes. The liability method is used on all existing differences between the book value and the tax value of assets and liabilities reported in the balance sheet. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will allow their allocation.
Tax is reported in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also accounted for in equity.
Deferred tax assets and liabilities are assessed at the tax rate that is expected to apply in the year in which the asset is realised or the liability is settled, based on tax rates that were adopted or virtually adopted by the balance sheet date.

1.4 Use of estimates

Preparing the financial information in accordance with generally accepted accounting principles requires management to make estimates and assumptions affecting the reported amounts of assets and liabilities as well as disclosures of contingent assets and liabilities as of the date of the financial information and the reported amounts of income and expenses during the reporting period. Management reviews its estimates and assessments on an ongoing basis, taking into account past experience and various other factors that are considered reasonable. These form the basis for its assessments of the book value of assets and liabilities. The main estimates made by the Group when preparing the financial statements relate in particular to the assumptions used to calculate provisions. This concerns in particular pension commitments as well as the valuation of non-current assets, notably goodwill. If the estimates and assumptions involve significant amounts or if there is a high probability that the amounts will be revised, information is provided in the notes to the financial statements. The main methods used are described below.

1.5 Valuation principles and methods applied

1.5.1 Assets

Tangible and intangible assets are valued at their cost, less any accumulated depreciation and any recognised impairment losses. Depreciation is calculated on a straight-line basis, according to the effective useful service life. The main useful service lives used are as follows:

Type	Service life
Software	3 to 5 years
Industrial buildings	30 years
Fixtures and fittings	15 years
Technical installations	10 to 15 years
Equipment and tools	6 years
Transport equipment	5 years
Computer hardware	3 years
Furniture, office equipment	10 to 15 years

If events or changes in the market place or internal indicators suggest that intangible and tangible assets may be impaired, they are subject to a detailed review. This is undertaken to determine whether their net carrying amount is less than their recoverable amount, which is defined as the higher of fair value less costs to sell and value in use. The value in use is calculated by discounting the future cash flows expected from the use of the asset and its disposal. During the reporting period, no indications of impairment were noted.

1.5.2 Goodwill and intangible assets with indefinite useful life

Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each year-end. This is also applied whenever there is any indication that they may be impaired. Other non-current assets are also tested for impairment whenever events or changes in circumstances indicate that their book value may not be recoverable.
The impairment test consists of comparing the net book value of the asset with its recoverable amount. This is the higher of its fair value less costs to sell and its value in use.
The recoverable amount is determined for each asset unless the asset does not generate any cash inflows that are largely independent of the cash inflows generated by other assets. In this case, particularly for goodwill, the recoverable amount is determined at the level of the cash-generating units (CGUs).
The methods for testing goodwill were changed in 2018. Goodwill is now tested at the level of three corresponding CGU groups:

- The first to all subsidiaries marketing and operating on the same products, under the same brand, monitored by the Group and benefiting from the Group's services
- The second to an independent CGU operating on products that are not of the Group.
- The third is an independent CGU involved in data software.

The CGU groups were defined in accordance with the Group's senior management's view of its internal reporting. A CGU group was formed whenever synergies from the business combination are expected at the level of that CGU group.

The applied approach consists essentially in collecting realistic key assumptions on the future operating conditions of the CGU groups and determining the future cash generation on the following basis:

- Determining a 5-year business plan;
- Determining the normative free cash flow, the sum of net income excluding depreciation and financial income, the change in working capital requirements, and renewal investments;
- Average perpetual growth rate of:
    - 1.6% for the Precia brand CGU group
    - 1.0% for the second group of CGUs, involved in products that are not those of the Group
    - and 1.4% for the third CGU group, involved in data software.

Value in use is calculated by totalling the present value of the expected cash flow from the use of the asset or group of CGUs. The projected cash flows used are consistent with the most recent budget and business plans approved by Group management. The pre-tax discount rate used reflects current market assessments of the time value of money and the risks specific to the asset or CGU group.

If the recoverable amount is less than the net book value of the CGU Group, the impairment loss is recorded in the income statement and is primarily allocated to goodwill.

An impairment loss recognised in respect of goodwill cannot be reversed. An impairment loss recognised for another asset is reversed if there is any indication that the impairment loss no longer exists or has decreased and if there has been a change in the estimates used to determine the recoverable amount. The book value of an asset, increased following the reversal of an impairment loss, shall not be higher than the book value that would have been determined, net of depreciation, if no impairment loss had been recognised.

As of 31 December 2021, the tests performed on the various groups of CGUs concerned by goodwill to confirm the value of goodwill showed that there was no need for impairment. The main CGU test was conducted with a weighted average cost of capital (WACC) of 9.0%, corresponding to that of the Group, calculated as the weighted average of the cost of equity, set at 11.5%, and the cost of debt, set at 0.9%. This test, performed with a 0.5 point higher WACC and slightly lower long-term growth (0.5 point) shows an average decline in recoverable value of 5.7% and 4.4% respectively, and no need for impairment.

With regard to the goodwill of the first independent CGU, involved in products that are not those of the Group, amounting to €854K, the impairment test, based on a WACC assumption of 6.5% and a long-term growth assumption of 1.0%, concludes that the recoverable amount is €2,364K, higher than the economic assets of €1,641K, thereby demonstrating that no impairment is required. If the WACC were to increase by 0.5%, or the long-term growth rate were to decrease by 0.5%, the recoverable amount would fall by 8.0% and 6.6% respectively. This would still be higher than the economic assets in both cases, so no impairment of goodwill would result.

As regards the goodwill of the second independent CGU, involved in data software, that amounts to €5,105K, the impairment test, based on a WACC assumption of 8.0% and a long-term growth forecast of 1.4%, concludes that the recoverable amount is €13,973K, higher than the economic assets of €7,882K, and therefore that no impairment is required. If the WACC were to increase by 0.5%, or the long-term growth rate were to decrease by 0.5%, the recoverable amount would fall by 7.0 % and 5.8 % respectively. This would still be higher than the economic assets in both cases, so no impairment of goodwill would result.

The ultimate value of this goodwill was determined on the basis of a long growth rate as defined above, cash flow generation in line with the profitability of the Group's industrial and commercial entities, and a stable profitability rate between year 4 and the ultimate value.

1.5.3 Development costs

According to IAS 38, development costs must be capitalised if the technical and commercial feasibility of the product can be demonstrated.
However, due to the time required for regulatory metrology approval, the marketing phase of new products can be significantly extended. This increases the difficulty in forecasting future economic returns, as well as the cannibalisation effect between sales of new and existing products.
In the event of uncertainties arising from these approval times, the Group records the development costs incurred as an expense amounting to €1,576K for 2021.
Only the independent CGU, involved in data software, recognises its development costs as a fixed asset, for an amount of €371K in 2021.

1.5.4 Financial instruments

Instruments used for hedging

In accordance with its corporate policies, the Group does not hold or use financial instruments for speculative purposes. Nevertheless, due to the lack of documentation and the absence of monitoring of fair value revaluation at each usage date of the hedging instruments, these instruments do not qualify for hedge accounting and changes in fair value are recorded directly in the income statement.

In € thousands

1.5.5 Inventories

Inventories of raw material and supplies are valued at their weighted average cost.
The gross value of goods and supplies includes the purchase price and incidental costs. Work in progress and finished goods are valued at their production cost. Including:

- Consumption of raw material and supplies;
- Direct labour costs;
- Depreciation of assets involved in production; and
- Indirect production costs.

Financial expenses are always omitted from the valuation of inventories.
Inventories are valued at the lower of cost and net realisable value. The latter corresponds to the estimated selling price in the normal course of business, less foreseeable costs incurred to complete or make the sale, taking into account stock rotation, as well as obsolescence and technical developments.

1.5.6. Current receivables and payables

Current receivables and payables are initially measured at their historical value.
Depreciation is recorded to cover the risk of expected credit losses upon revenue recognition. Expected credit losses represent a probability weighted estimate of credit losses. These losses were not material within the Group. Consequently, the application of IFRS 9 has no impact on the valuation of trade receivables.
Current receivables and payables denominated in foreign currencies are valued at the year-end exchange rate.

1.5.7 Interest-bearing debt

Interest-bearing borrowings are initially accounted for at fair value less attributable transaction costs. Subsequent to initial recognition, they are measured at their depreciated cost. The difference between cost and redemption value is recorded in the income statement over the term of the borrowings using the effective interest method.

1.5.8 Treasury shares

Treasury shares are deducted from equity based on their acquisition value. Gains and losses arising on the sale of treasury shares are recognised in equity.
As of 31 December 2021, the company had treasury shares at a total cost of €3,154K.

1.5.9 Provisions

A provision is recorded on the balance sheet if the Group has a present legal or constructive liability as a result of a past event and it is probable that an outflow of economic resources will be required to settle the liability. If the effect of time value is material, the amount of the provision should be determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.5.10 Employee benefits

The Group carried out an inventory of the long-term benefits granted to employees. In France, the Group has retirement benefit commitments defined by collective agreements. The Group uses the projected unit credit method to determine the present value of its defined benefit obligations.

1.5.11 Revenue recognition

Under this standard, revenue recognition henceforth reflects the transfer of control over goods and services to customers in an amount corresponding to the consideration that the entity expects to receive in exchange for those goods and services. IFRS 15 thus introduces a new general approach to revenue recognition in five steps:

- Identifying contracts with clients;
- Identifying distinct performance obligations or elements to be accounted for separately from each other;
- Determining the price of the transaction as a whole;
- Allocating the transaction price to the various separate performance obligations;
- Recognising revenue if the performance obligations are met.

The latter identified by the Group are:

- The delivery of manufactured products;
- Maintenance services.

Revenue is recognised when products are put into service and when maintenance is performed for the second revenue stream. It should be noted that the revenue components are only at fixed and not variable prices.

2 > DESCRIPTION OF THE BALANCE SHEET ITEMS

2.1 Goodwill

	Beginning of year	Increases	Conversion differences	End of year
Goodwill	21,395	5,105	179	26,680

	31/12/2021	31/12/2020
Group of CGUs corresponding to all subsidiaries marketing and operating the same products, under the same brand, monitored by the Group and benefiting from the Group's services	20,720	20,534
Independent CGU operating on products that are not those of the Group	854	861
Independent CGU involved in data processing software	5,105	
PRODUCTION AND MARKETING UNITS	**26,680**	**21,395**

2.1.1 Business combinations

The buyout of the 15% minority interest in J&S Weighing Solutions had no impact on goodwill.
The Group acquired 81% of Creative IT SAS, based in Lyon. The acquisition was completed in April 2021.
The total cost net of cash acquired and financial liabilities paid for the company's acquisition is €4,508K, the net assets acquired excluding cash is €782K and the fair value of minority interests is €1,380K, giving a total goodwill amount of €5,105K. The financing was provided by a loan paid up in 2021.
The net assets acquired correspond to non-current assets excluding goodwill of €2,489K, current assets of €997K, current liabilities of €1,096K, and long-term liabilities of €1,608K.
Goodwill consists of new markets and synergies between our traditional weighing and data activities. This entity is attached to the independent CGU involved in data software.

Creative IT's 2020 result, before being acquired by the Group, was as follows:

	31/12/2020
Production sold	3,176
Other income	411
External purchases and expenses	(423)
Personnel and other expenses	(2,637)
OPERATING RESULT	**557**
Financial result	(17)
Exceptional result	240
Income tax expense	(133)
NET RESULT	**647**

2.2 Fixed assets

	Beginning of year	Acquisitions and Increases	Decreases	Conversion differences and others	End of year
Other intangible assets	3,893	1,943	(1,612)	8	4,232
Rights of use of property	23,127	3,127	(1,426)	56	24,883
Rights of use vehicles	2,651	506	(551)	58	2,665
Rights of use of other movable property	92	15	-	1	108
Intangible assets	54,362	4,124	(8,248)	474	50,713
Financial assets	1,253	1,117	(357)	8	2,021
TOTAL	**85,378**	**10,832**	**(12,194)**	**605**	**84,621**

The main acquisitions of tangible fixed assets during the first half of the year were made by PRECIA S.A., including a new car park, a metrological certification laboratory, and a new commercial building, and by PRECIA MOLEN Services for rolling stock. The increase in intangible assets in the first half of the year relates to research costs at Creative IT. The increase in usage rights is mainly attributable to the extension of existing leases at CAPI SA and PRECIA MOLEN Services and the replacement of company vehicles at PRECIA S.A.
Increases in fixed assets include entries into the consolidation scope. Namely:

- €1,497K in intangible assets
- €891K in property usage rights
- €39K in intangible assets
- €63K in financial assets

In € thousands

2.3 Depreciation and amortisation statement

	Beginning of year	Acquisitions and Increases	Decreases	Conversion differences and others	End of year
Other intangible assets	2,865	576	(1,612)	3	1,832
Rights of use of property	15,879	2,323	(1,426)	30	16,806
Rights of use vehicles	1,418	761	(548)	30	1,661
Rights of use of other movable property	16	19	-	-	36
Intangible assets	31,825	3,816	(8,005)	134	27,770
Financial assets	131	-	(1)	-	130
TOTAL	**52,134**	**7,496**	**(11,592)**	**197**	**48,235**

2.4 Financial assets

	31/12/2021	31/12/2020
Unconsolidated companies	298	298
Other financial assets	1,593	825
TOTAL	**1,891**	**1,122**

2.4.1 Unconsolidated companies

BACSA S.A.	5.9% stake in the capital	98
Banque Populaire		250
Miscellaneous holdings		75

The fair value of these holdings corresponds to their acquisition price, with the exception of BACSA, which is depreciated by €98K, and other holdings that are written down by €28K.

2.4.2 Other financial assets

Other financial assets consist mainly of advances, long-term deposits, and guarantees.

2.5 Changes in inventory

INVENTORY DETAILS	31/12/2021	31/12/2020
Raw material and supplies	9,687	8,887
In process goods	2,968	3,097
Intermediate and finished goods	4,106	3,761
Goods	4,835	4,596
STOCKS	**21,596**	**20,341**

2.6 Trade receivables

Trade receivables amounted to €33,895K versus €32,416K at the end of 2020.

	31/12/2021	31/12/2020
Overdue trade receivables	12,471	11,201
Due in 1- 30 days	13,831	11,814
In 31- 60 days	6,112	6,985
In 61- 90 days	1,009	1,782
At 90 days and over	472	634
TOTAL TRADE RECEIVABLES	**33,895**	**32,416**

	31/12/2021	31/12/2020
Gross trade receivables	34,505	33,070
Depreciated trade receivables	(609)	(654)
TOTAL TRADE RECEIVABLES	**33,895**	**32,416**

2.7 Details of sundry debtors

	Total	Within 1 year	Over 1 year
Sales taxes (VAT)	223	223	-
Advance payments to suppliers	634	634	-
Prepaid expenses	1,182	1,182	-
Miscellaneous debtors	616	616	-
MISCELLANEOUS DEBTORS	**2,655**	**2,655**	**-**

2.8 Cash and cash equivalents

	31/12/2021	31/12/2020
Certificates of deposit (1)	18,542	11,641
Available funds	18,528	19,673
TOTAL	**37,070**	**31,314**

(1) Certificates of deposit are remunerated at prevailing market conditions, with the possibility of withdrawal at any time.

2.9 Deferred taxes

	31/12/2021	31/12/2020
Deferred tax on margin in stock	508	531
Deferred taxes on retirement benefits	924	990
Deferred taxes on employee profit-sharing	254	194
Deferred tax on losses carried forward (1)	-	125
Deferred tax on accelerated depreciation (319)	(331)	
Other deferred taxes	(54)	(80)
NET DEFERRED TAX ASSETS	**1,312**	**1,429**

(1) Losses carried forward are activated when the company is sustainably profitable.

Deferred tax assets are mainly recorded on PRECIA S.A. and PRECIA MOLEN Service, both of which are profitable companies.

2.10 Equity

The capital of € 2,866,520 is made up of 5,733,040 shares.
Treasury shares: 326,630 shares, i.e. 5.7% of the capital with an acquisition value of €3,154K.
Earnings per share is calculated by dividing the earnings by the average number of shares in circulation during the year, i.e. 5,406,410, excluding treasury shares.
The main shareholder of PRECIA S.A. is Groupe Escharavil SA, the holding company of the PRECIA Group.

2.11 Non-controlling interests

Non-controlling interests include the following:

- 60% of the capital of PRECIA MOLEN rl Ltd,
- 26.06% of the capital of PRECIA MOLEN India Ltd
- 40% of PRECIA MOLEN MOROCCO SARL
- 2% of PRECIA MOLEN Scandinavia AS
- 0.01% of PRECIA MOLEN Service
- 10% of Weighpac
- 10% of PRECIA MOLEN Ningbo
- 20% of CAPI SA and CAPI BF
- 19% of Creative IT

Non-controlling interests represent 6.5% of equity.

In € thousands

2.12 Loans and financial debts

	Total	Within 1 year	1 to 5 years	More than 5 years
Credit institutions [1]	10,238	-	10,202	36
Lease liabilities	6,882	-	4,355	2,527
Sub-total long-term financial debts	17,120	-	14,557	2 ,563
Credit institutions, short term	6,182	6,182	-	-
Short-term lease liabilities	2,501	2,501	-	-
Subtotal of short-term financial liabilities	8,682	8,682	-	-
TOTAL	25,802	8,682	14,557	2,563

(1) of which 100% at fixed rates. The vast majority of bank debt is made up of loans taken out for five years, repayable by equal instalments, from French banks, at an average rate of between 0.15% and 0.50%.

COMPARATIVE YEAR 2020	Total	Within 1 year	1 to 5 years	More than 5 years
Credit institutions [2]	10,371	-	10,318	52
Lease liabilities	6,396	-	3,874	2,522
Sub-total long-term financial debts	16,767	-	14,193	2,575
Credit institutions, short term	5,867	5,867	-	-
Short-term lease liabilities	2,390	2,390	-	-
Subtotal of short-term financial liabilities	8,258	8,258	-	-
TOTAL	25,025	8,258	14,193	2,575

(2) of which 100% at fixed rates. The vast majority of bank debt is made up of loans taken out for five years, repayable by equal instalments, from French banks, at an average rate of between 0.2% and 1.0%.

			Non-cash movements				
	Opening	Cash flow	New rental debt	Repayment of rental debt	Acquisition	Exchange rate differences	Closing
Credit institutions	10,371	(643)	-	-	506	4	10,238
Rental debts	6,396	-	2,757	(3,087)	781	33	6,882
Sub-total long-term financial debts	16,767	(643)	2,757	(3,087)	1,287	37	17,120
Short-term financial debts	5,867	313 [3]	-	-	1	-	6,182
Short-term rental debts	2,390	(3,108)	3,087	-	109	22	2,501
Sub-total short-term financial debts	8,258	(2,795)	3,087	-	110	23	8,682
TOTAL	25,025	(3,438)	5,844	(3,087)	1,398	60	25,802

(3) Of which €217K in bank overdrafts.

2.13 Breakdown of provisions

	Start of period	Acquisition	Increase	Reversal with effect	Reversal without effect	Exchange rate effects	End of period
Charge risks	891	-	340	(138)	(80)	3	1,014
Retirement benefits [1]	3,953	320	769	(1,011)	(253)	-	3,778
Long-term provisions	4,843	320	1,109	(1,149)	(334)	3	4,793

Comparative information 2020	Start of period	Increases	Utilisation	Reversal without effect	Exchange difference	End of period
Long-term provisions	4,831	1,111	(1,043)	(58)	3	4,843

(1) In France, upon retirement, Group employees receive a retirement package, the amount of which varies according to seniority and other elements of the applicable collective agreement. The Group evaluates its commitments using an actuarial method based on projected credit units. The calculation is based on the following assumptions: discount rate: 0.98%, revaluation rate: 2.8%, Retirement age: 60/67 years, employer's contribution rate: 42%.
The value of the asset plans subtracted from the total commitment is €4,020K (2020: €3,855K).
Sensitivity analyses were carried out on the discount rate. If this rate were to be reduced by 0.5%, the Group's total commitment, before taking into account the fair value of external funds, would increase by approximately 7%.
The probable average time frame for paying retirement benefits is 11.8 years.
The increase for the period of €769K corresponds to expenses for the period, consisting of annual service costs of €452K, actuarial differences of €240K, and financial expenses of €76K.

In the normal course of its business, the Group is exposed to various types of litigation. Provisions for litigation are calculated on a case-by-case basis at the end of the fiscal year. Their amounts represent the best estimate of the financial risk involved, weighted by the most probable factor of occurrence.
As of 31 December 2021, no litigation provision was considered individually material.
If the Group is involved in legal proceedings with claims from opposing parties that are considered unfounded, the risk is not proven, then the Group does not consider it necessary to record a provision.
Future retirement costs are partly externalised through specific insurance contracts. The fair value of the funds as of 31 December 2021 was €4,020K (2020: €3,855K). The amount of the residual commitment, after taking into account the coverage, was €3,778K.
The Group is without any contingent liabilities.

2.14 Details of other current liabilities

	31/12/2021	31/12/2020
Tax and social security liabilities	18,818	17,393
Advance payments received on current orders	4,687	3,013
Other liabilities	1,455	828
Deferred income	5,638	4,793
TOTAL OTHER CURRENT LIABILITIES	**30,597**	**26,027**

2.15Off-balance sheet commitments

2.15.1 Export bank guarantees

The Group benefits from commitments received by its banks in connection with export commercial contracts. These are mainly in favour of its customers as part of advance payment guarantees or performance guarantees. On 31 December 2021, these commitments amounted to €1,747K.

2.16 Financial risk management

The Group is exposed to credit, liquidity, and market risks, albeit in limited proportions. The Group therefore makes little use of financial instruments to reduce this exposure.
Like any commercial company, the Group is confronted with client risks that mainly relate to the ever-present risk of non-payment, and to a more cyclical risk of client concentration. The company has a base of large accounts for which the risk of non-payment is low. The largest client accounted for 2.0% of revenue in 2021 as well as 2.7% in 2020. The top ten clients accounted for approximately 8.6% of sales in 2021 compared to 8.8% in 2020. In addition, sales of material are subject to retention of title clauses. The history of losses on trade receivables does not indicate any significant impact.

Liquidity risk refers to the Group's financial ability to cover its liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, to the extent possible, that it will always hold sufficient liquidity to settle its liabilities when due, under normal or stressed conditions, without incurring unacceptable losses or causing reputational damage to the Group.
Market risk corresponds to fluctuations in interest rates and currency exchange rates.

With regard to interest rates, the Group's policy generally favours fixed-rate borrowings. 98% of the Group's borrowings are at fixed or swapped variable rates.

In addition, the Group's exposure to currency risks is relatively low.

Liquidity and cash management risks
The risk of the company defaulting on its financial commitments is low. In fact, it is periodically assessed by the Banque de France that gives us a probability of default within three years of 0.1%, compared to the overall industry score: 3.0%.

Capital management
The Group's policy is to maintain a strong capital structure in order to preserve investor, creditor, and market confidence as well as to support the business's future development. The Management Board pays attention to the return on equity defined as operating income divided by total equity. It also monitors the level of dividends paid to shareholders.

In € thousands

3 > ANALYSIS OF INCOME STATEMENT ITEMS AND BREAKDOWN OF ACTIVITIES

3.1 Geographical breakdown of activities

The Group's organisation and financial reporting is single business in nature, based on a geographical organisation, with no level of disaggregation.

ALLOCATIONS OF FIXED ASSETS:	31/12/2021		31/12/2020	
France	39,214	62%	30,946	57%
Outside France	23,852	38%	23,692	43%
BREAKDOWN OF DEPRECIATION CHARGES:	**31/12/2021**		**31/12/2020**	
France	4,837	65%	4,413	62%
Outside France	2,659	35%	2,656	38%
BREAKDOWN OF INVESTMENTS:	**31/12/2021**		**31/12/2020**	
France	3,381	73%	3,741	60%
Outside France	1,257	27%	2,541	40%
BREAKDOWN OF NON-CURRENT LIABILITIES:	**31/12/2021**		**31/12/2020**	
France	19,115	87%	18,674	86%
Outside France	2,798	13%	2,936	14%
BREAKDOWN OF REVENUE:	**31/12/2021**		**31/12/2020**	
France	92,956	62%	83,646	62%
Outside France	57,755	38%	52,304	38%
BREAKDOWN OF OPERATING INCOME:	**31/12/2021**		**31/12/2020**	
France	8,466	59%	7,435	59%
Outside France	5,992	41%	5,256	41%
AVERAGE WORKFORCE:	**31/12/2021**		**31/12/2020**	
France		795		755
Outside France		573		571
Total		1,369 [2]		1,326 [3]

[2] Of which 43 temporary staff / [3] Of which 37 temporary staff

3.2 Staff costs, external charges, and depreciation

3.2.1 Personnel costs

	31/12/2021	31/12/2020
Salaries	48,415	43,421
Net social charges	15,024	14,684
Incentives and profit-sharing	1,039	798
Temporary staff	1,795	1,558
Retirement allowance provision (RAP) and asset plan	158	(528)
PERSONNEL EXPENSES	**66,431**	**59,932**

3.2.2 Impact on operating income resulting from IFRS 16

	31/12/2021	31/12/2020
Cancellation of rolling stock leasing	863	889
Cancellation of industrial and commercial premise leases	2,431	2,373
IMPACT OF EXTERNAL COSTS	**3,294**	**3,262**
Depreciation of rolling stock	(733)	(790)
Depreciation of industrial and commercial premises	(2,342)	(2,236)
DEPRECIATION IMPACT	**(3,076)**	**(3,027)**
IMPACT OF OPERATING INCOME	**219**	**235**

3.3 Cost of net financial debt

	31/12/2021	31/12/2020
Interest	124	87
Provision reversals	4	11
Investment income	95	94
Miscellaneous financial income	66	10
INCOME FROM CASH AND EQUIVALENTS	**289**	**201**

	31/12/2021	31/12/2020
Interest on lease liabilities	227	191
Other interest	87	60
Provisions	-	16
Miscellaneous financial expenses	2	16
COST OF GROSS FINANCIAL DEBT	**316**	**282**

3.4 Income taxes

3.4.1 Tax costs

Payable	4,654
Deferred	61
Net (expense)	4,593

3.4.2 Reconciliation between the recorded and the theoretical tax expense

Profit or loss	9,984	
Result before tax	14,577	
Tax expense recorded	(4,593)	spot rate 31.51%
Theoretical tax charge	(3,990)	
Difference	(603)	

Tax on permanent differences	29
Tax losses not previously capitalised	8
Uncapitalised tax losses(*)	(384)
Company value added contribution (CVAE) reclassified as tax	(334)
Spread on the rates and other	78
Total	(603)

(*) The amount of uncapitalised losses due to the probability of non-recovery was €10,672K on 31 December 2021.

3.4.3 Tax consolidation (France)

PRECIA S.A. is the head company of the Group within the framework of the tax consolidation with PRECIA MOLEN Service S.A.S.

3.5 Statutory auditors' fees recorded

Audit fees	BM&A	IMPLID	SUBSIDIARY AUDITORS
Auditing, certification, review of individual and consolidated accounts			
Issuer	26	28	-
Fully integrated subsidiaries	10	10	51
Services other than certifying the accounts			
Other audit-related services	-	-	-
Other non audit-related services (1)	3	2	-
TOTAL	**40**	**40**	**51**

(1) Audit related to acquisitions and proposed acquisitions during the fiscal year.

In € thousands

4 INFORMATION CONCERNING THE CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement is presented according to the indirect method, based on the net income of consolidated companies. It is calculated as follows:

	31/12/2021	31/12/2020
Net result of the consolidated group share	9,984	7,536
Deduction of corporate tax	4,859	4,462
Deduction of dividend income	-	-
Deduction of interest income and expenses	191	163
Depreciation deduction	7,496	7,069
Deduction of allocations and reversals of provisions for depreciation of fixed assets	(1)	1
Deduction of allocations and reversals of provisions for depreciation of current assets	(12)	(63)
Deduction of allocations and reversals of provisions for risks and charges	120	(274)
Deduction of gains and losses on disposal of assets	111	13
Deduction of foreign exchange gains and losses on intra-group debts and receivables and quasi-equity	(344)	687
Net result of the cash flow statement	**22,404**	**19,594**

Cash and equivalents consist of cash on hand less bank overdrafts.

	31/12/2021	31/12/2020
Cash and equivalents	37,070	31,314
Bank credit balances	(304)	(86)
CASH POSITION	**36,767**	**31,229**

5 STATEMENT OF CERTIFICATION

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position and results of the company, and of all the companies included in the consolidation. I certify that the management report presents a true and fair view of the development of the business, the results, the financial situation of the company, and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

The Chairman of the Management Board
René COLOMBEL

OTHER INFORMATION

TEXT OF THE RESOLUTIONS

to the Annual General Meeting of 17 June 2022

1 > FIRST RESOLUTION

Having reviewed the Management Board's report, the Supervisory Board's report provided for in Article L.225- 68 of the French Commercial Code, and the Statutory Auditors' reports, the Shareholders' General Meeting approves the annual financial statements for the year ended 31 December 2021, as presented, as well as the transactions reflected in these financial statements and summarised in these reports.

Pursuant to Article 223 quatar of the General Tax Code, the GM approves the expenses and charges referred to in Article 39- 4 of the said Code that amount to a total of €84,000 and gave rise to a tax of €22,000.

Consequently, the General Meeting gives the members of the Management Board discharge from their duties for the said fiscal year.

2 > SECOND RESOLUTION

Having reviewed the Group's management report and the statutory auditors' report, the General Meeting approves the consolidated financial statements as presented.

3 > THIRD RESOLUTION

The General Meeting approves the Management Board's proposal, and resolves to allocate and distribute the profit from the Company's individual financial statements for the year ended 31 December 2021 amounting to €3,199,318.90 as follows:

- Profit for the year €3,199,318.90
- As dividends to the shareholders.................... €2,162,564.00
  i.e. €0.40 per share
- The balance of....................................... €2,162,564.00
  In full to the "other reserves" account

The dividend payment terms will be determined by the Management Board.

It is specified that this allocation takes into account the shares held by the Company on the date of the dividend payment that are not entitled to the dividend, the corresponding amounts being allocated to the "other reserves" account.

The General Meeting notes that the shareholders were informed that:

- Since 1 January 2018, distributed income has been subject to a single flat-rate tax (PFU or "flat tax") of 30%, i.e. 12.8% for income tax and 17.2% for social security contributions;
- Individuals who belong to a tax household whose reference tax income for the penultimate year is less than €50,000 (single, divorced, or widowed taxpayers) or €75,000 (taxpayers subject to joint taxation) may apply for exemption from this levy. The request for exemption must be made, under the responsibility of the shareholder, no later than 30 November of the year preceding the dividend payment;
- It is still possible to opt for taxation of the dividend on the progressive scale. This is indicated on the tax return; in this case, the flat-rate deduction of 12.8% will be deducted from the tax owed. The 40% deduction will be maintained however social security contributions will be based on the amount prior to the deduction.

It is specified that the amount of income distributed in respect of the fiscal year ended 31 December 2021 eligible for the 40% deduction provided for in Article 158, 3-2 of the General Tax Code amounts to €2,162,564.00, i.e. all the dividends distributed.

Shareholders were also reminded that, in accordance with the provisions of Article L.136-7 of the Social Security Code, social security levies on dividends paid to individuals domiciled in France for tax purposes are subject to the same rules as the levy mentioned in Article 117 quatar of the General Tax Code. That is, they are withheld at source by the paying institution, if the latter is established in France, and paid to the Treasury within the first fifteen days of the month following the month of payment of the dividends.

In accordance with the law, the General Meeting notes that the dividends distributed in respect of the previous three fiscal years were as follows:

Year ended	Total distribution	per unit
31 December 2018	1,297,538.40 €	2.40 €
31 December 2019	648,938.40 €	€1.20
31 December 2020	1,459,730.70 €	€2.70

4 〉 FOURTH RESOLUTION

After having taken note of the statutory auditors' special report on the agreements referred to in Article L.225-86 of the French Commercial Code and ruling on this report, the General Meeting notes that the agreements concluded and authorised previously were continued and that no agreement referred to in Article L.225-86 of the said Code was concluded during the year.

5 〉 FIFTH RESOLUTION

The General Meeting resolves to appoint Mr Jean-Etienne Perin, born on 21 April 1989 in PRIVAS in the Ardèche, of French nationality, residing at VEYRAS in the Ardèche at 456 voie Impériale, as a new member of the Supervisory Board, in addition to the members currently in office. He is appointed for a period of six years, which will terminate at the end of the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2027.

Mr Jean-Etienne PERIN, present at the meeting, accepts the functions entrusted to him. He declares that he does not hold any office and is not affected by any incompatibility or prohibition likely to prevent him from carrying out the said duties.

6 〉 SIXTH RESOLUTION

The General Meeting sets the total annual amount of remuneration to be allocated to the members of the Supervisory Board at €18,000.

This decision shall apply for the current fiscal year and for subsequent fiscal years until a new decision is taken by the General Meeting.

7 - SEVENTH RESOLUTION

Pursuant to Article L.22-10-34 I of the French Commercial Code, after having reviewed the Supervisory Board's report on corporate governance that includes, in particular, the information relating to the compensation paid during the fiscal year 2021 or awarded during the same fiscal year to the Company's corporate officers in respect of their office, the Shareholders' General Meeting hereby approves the information referred to in I of Article L.22-10-9 of the French Commercial Code, as presented to the Shareholders' General Meeting in the above-mentioned report.

8 〉 EIGHTH RESOLUTION

The General Meeting, pursuant to Article L.22-10-34 II of the Commercial Code, having taken note of the Supervisory Board's report on corporate governance, approves the terms of the said report and approves the principles and criteria for determining, distributing, and allocating the fixed, variable, and exceptional components of the total remuneration and benefits of any kind that may be attributed to the directors by virtue of their corporate offices.

9 〉 NINTH RESOLUTION

On the proposal of the Management Board and in accordance with Articles L.225-10-62 et seq. and L.225-210 et seq. of the French Commercial Code, the General Meeting authorises the Management Board to acquire Company shares for a maximum amount of €10M within the limit of 10% of the share capital, i.e. 573,304 shares. This will be done under the following conditions:

Maximum purchase price per share: €40.

These shares may be acquired on one or more occasions, by any means, including during a public offering, in compliance with the regulations in force in decreasing order of priority:

-Promotion of the share price by an investment service provider, subject to the implementation of a liquidity contract compliant with the AMAFI code of conduct, recognised by the French Financial Markets Authority;

-Their retention or transfer, by any means, in particular by exchange or sale of shares.

The implementation of this share buyback programme is subject to the prior distribution of the programme description in accordance with the regulations of the Financial Markets Authority.

If the shares are purchased to promote liquidity under the conditions defined by the general regulations of the Financial Markets Authority, the number of shares taken into account for calculating the 10% limit provided for above corresponds to the number of shares purchased, less the number of shares resold during the period of the authorisation.

This authorisation is granted for a period of eighteen (18) months as from this day. For the unexpired period, it cancels and replaces the authorisation granted by the General Meeting of 17 June 2021.

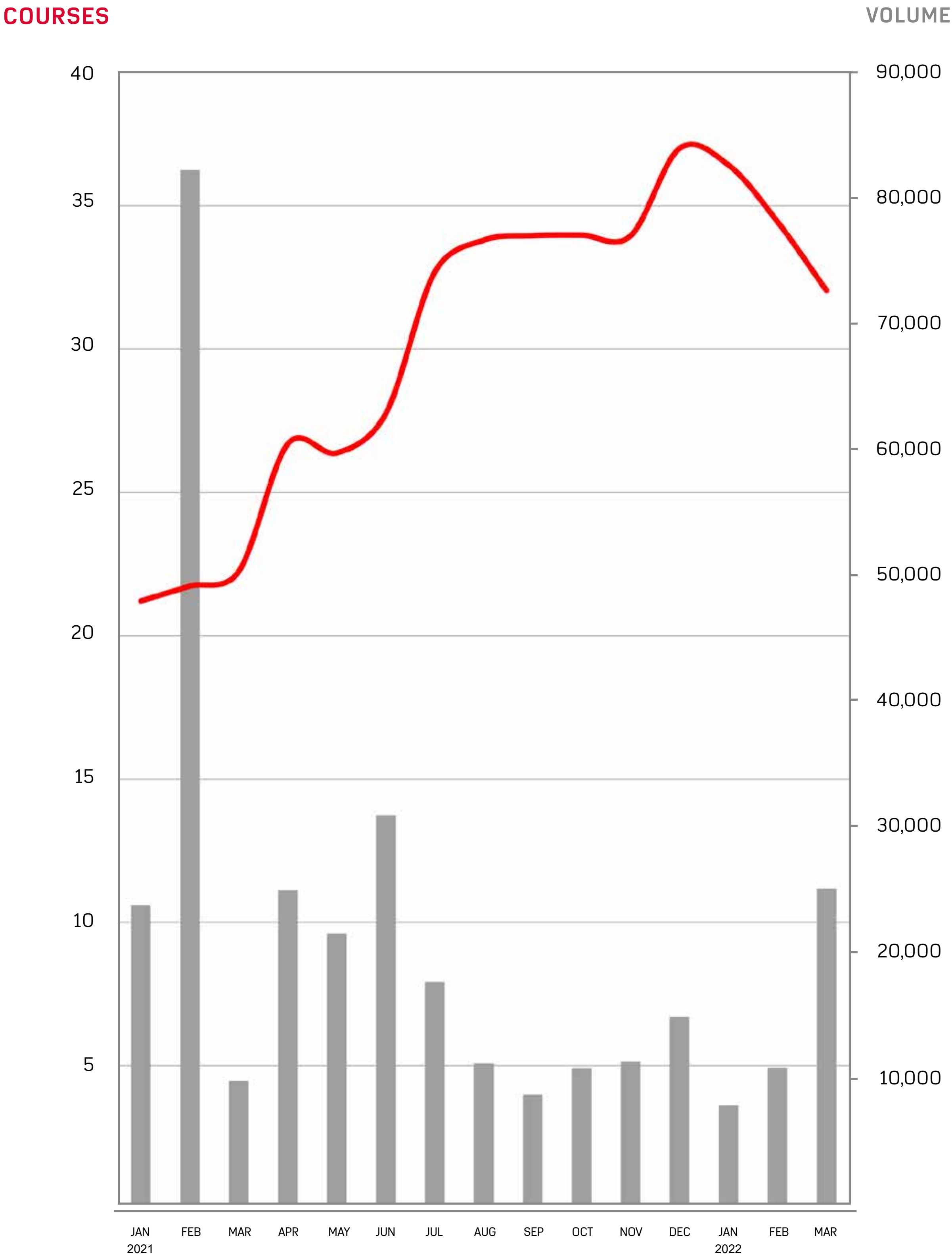
10 〉 TENTH RESOLUTION

The General Meeting gives full powers to the bearer of copies or extracts of these minutes to fulfil all legal formalities.

SHARE PRICE PERFORMANCE

AVERAGE CLOSING PRICE AND VOLUME (January 2021 - March 2022)

In euros



	JAN 2021	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN 2022	FEB	MAR
Average price (Close)	21	22	22	27	26	28	33	34	34	34	34	37	36	34	32
Volume	23,850	81,540	10,070	25,000	21,600	30,900	17,828	11,459	8,998	11,055	11,593	15,090	8,163	11,080	25,159