



Manitou Group: 2021 annual result

- FY'21 Net sales of €1,875 m, +18% vs. FY'20 (+18% like for like*)
- Recurring operating income at €123.7 m (6.6%) vs. € 85.3 m (5.4%) in 2020
- EBITDA* at €167 m (8.9%) vs. €120 m in 2020
- Net income group part at €87 m vs. €40 m in 2020
- Cash superior to debt* at €19 m, gearing* at -2%
- Dividend payment proposition at €0.80 per share
- Anticipation of an increase in sales for 2022 of more than +20% compared to 2021
- Anticipation of a stable recurring operating income rate compared to 2021

Ancenis, 03 March 2022 – The Board of Directors of Manitou BF, meeting on this day, approved the accounts for 2021. Michel Denis, President and Chief Executive Officer stated: *“The year 2021 has been marked by a fantastic commercial dynamic, with an unprecedented order intake and a record order book of 3 billion euros at the end of 2021. Our revenues grew by 18% compared to 2020 in an operating context disrupted by health crises, component shortages and inflationary pressures. Recurring operating income amounted to 6.6% of revenues. The Group's financial solidity was strengthened during the year, which led the Board of Directors today to propose the payment of a dividend of 0.80 euro per share at the next General Shareholders' Meeting. The acceleration of inflation at the end of last year has created a squeeze on margins which we expect to continue in the first half of 2022, before being gradually corrected in the second half. Furthermore, in the absence of new major disruptions in the global economy, inflation dynamics, and based on the assessment to date of the effects of the war in Ukraine, the group expects its revenues to grow by more than 20% compared to 2021 and to sustain its operating income rate to revenue.*

In millions of €	Product division	S&S division	Total	Product division	S&S division	Total	Var.
	2020	2020	2020	2021	2021	2021	
Net sales	1,285.0	300.1	1,585.1	1,534.8	339.8	1,874.6	+18%
Sales margin	159.8	89.0	248.8	223.9	92.5	316.3	+27%
Sales margin as a % of sales	12.4%	29.6%	15.7%	14.6%	27.2%	16.9%	
Recurring Operating Income	46.9	38.4	85.3	91.3	32.5	123.7	+45%
Recurring Op. Income as a % of sales	3.6%	12.8%	5.4%	5.9%	9.6%	6.6%	
Operating Income	36.7	38.0	74.8	87.2	32.0	119.2	+59%
Net income attributable to the group			39.6			86.8	+119%
Net debt excluding IFRS 16			39.9			-18.5	-146%
Net debt including IFRS 16			56.8			3.0	-95%
Shareholder's equity			669.9			751.3	+12%
% Gearing excluding IFRS 16			6%			-2%	
% Gearing including IFRS 16			8%			0%	
Working capital			455			473	+4%

Percentage data in parentheses expresses a percentage of revenue

*On a like-for-like basis at constant scope of consolidation and exchange rates: terms defined in the appendix

*EBITDA: Earnings before interest, taxes, depreciation, and amortization, restated from IFRS 16 impacts

*Net debt and Gearing excluding lease commitments IFRS 16



Business review by division

The **Product division** (combining the former MHA and CEP divisions) reported revenue of €1,534.8 million in 2021, up 19.4% compared with a 2020 base that had been deeply impacted by the Covid-19 crisis. The division benefited from the rebound seen at the end of 2020. Its revenues have increased in all geographic areas and in all its markets. In 2021, the acceleration of production speeds and supply chain management took place in a disrupted context by component shortages. The margin on cost of sales was 223.9 million, up 40.1% compared with financial year 2020. It benefited from the upturn in business and the 2.2 points improvement in the margin rate, which had been affected in 2020 by production shutdowns and the implementation of sanitary measures. In 2021, the margin is benefiting from the increase in prices and the control of fixed costs. However, material price inflation, which increased in the second half of the year, had an unfavorable impact. R&D and other indirect costs increased to support innovation and growth. Thus, the recurring operating income rose by 44.4 million euros (+94.7%) to 91.3 million euros (5.9% of revenues) compared with 46.9 million euros in 2020 (3.6% of revenues).

The **Services & Solutions (S&S) division** recorded revenue growth of 13.2% for the year (+13.3% at constant exchange rates). Business grew in all geographical areas and in all its markets, except for services activities, which were more resilient in 2020. This rebound resulted in an increase in the margin on cost of sales of 3.5 million euro compared to 2020, to 92.5 million euro. The impact of the increase in activity was, however, limited by the 2.4 points decline in the margin on cost of sales. This deterioration was due to higher material and direct costs. Administrative, sales, marketing and service expenses were up 18.1% (+€9.2 m), given the rebound in activity. As a result, the division's profitability was €32.5 million (9.6% of revenues), down €6.0 million compared to 2020 (€38.4 million, or 12.8% of revenues).

Dividend proposed at the next Shareholders' Meeting

The Board of Directors has decided to propose to the Annual General Shareholders' Meeting to be held on June 16, 2022, the payment of a dividend of €0.80 per share.

Warning regarding forward-looking items

This presentation may include forward-looking statements, which are based on current beliefs, expectations and assumptions, including without limitation assumptions regarding present and future business strategies and the business environment in which the Company operates, and involve known and unknown risk, uncertainties and other factors, which may cause actual results, performances or achievements, or industry results or other events, to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date of this presentation and the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements that this presentation may contain to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Forward looking statements are for illustrative purposes only. Recipients of this presentation are cautioned that forward-looking information and statements are not guarantees nor undertakings of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and beyond the control of the Company.

ISIN code: FR0000038606

Indices: CAC ALL SHARES, CAC ALL-TRADABLE, CAC INDUSTRIALS, CAC MID & SMALL, CAC SMALL,
EN FAMILY BUSINESS



FORTHCOMING EVENTS

**April 26, 2022 (after market closing)
Q1'22 Sales Revenues**

Manitou Group is a worldwide reference in the handling, access platforms, and earthmoving. By improving workplace conditions, safety, and performance, our environment remains renewable and sustainable for mankind.

Through its 3 iconic brands—Manitou, Gehl, and Mustang by Manitou—the group develops, manufactures, and provides equipment and services for the construction, agriculture, and industrial markets.

By constantly innovating its products & services, Manitou Group constantly adds value to exceed its stakeholders' expectations.

Always attuned to its customers via its expert network of over 1,050 dealers, the group continues to be true to its roots by keeping its headquarters in France. That focus, which powered sales to €1.9 billion in 2021, informs its talented worldwide team of 4,500 today whose passion ceaselessly motivates the group.

Warning regarding forward-looking items

This presentation may include forward-looking statements, which are based on current beliefs, expectations and assumptions, including without limitation assumptions regarding present and future business strategies and the business environment in which the Company operates, and involve known and unknown risk, uncertainties and other factors, which may cause actual results, performances or achievements, or industry results or other events, to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date of this presentation and the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements that this presentation may contain to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Forward looking statements are for illustrative purposes only. Recipients of this presentation are cautioned that forward-looking information and statements are not guarantees nor undertakings of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and beyond the control of the Company.

FINANCIAL EXTRACT 2021

1. STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT

	<i>In thousands of euros</i>	2020	2021
Net sales		1 585 105	1 874 583
Cost of goods & services sold		-1 336 314	-1 558 238
Research & development costs		-24 520	-27 356
Selling, marketing and services expenses		-89 879	-108 200
Administrative expenses		-51 958	-59 585
Other operating income and expenses		2 907	2 543
Recurring operating income		85 342	123 747
Non-recurring operating income and expenses		-10 561	-4 560
Operating income		74 781	119 188
Share of profits of associates		1 683	2 875
Operating income including Net income from associates		76 464	122 063
Financial income		37 418	23 773
Financial expenses		-48 733	-29 648
Financial result		-11 315	-5 875
Income before tax		65 149	116 188
Income taxes		-24 851	-29 178
Net income		40 298	87 009
Attributable to equity holders of the parent		39 583	86 757
Attributable to non-controlling equity interests		715	252

EARNINGS PER SHARE (IN EUROS)

	2020	2021
Net income attributable to the equity holders of the parent	1,03	2,27
Diluted earnings per share	1,03	2,27

OTHER COMPONENTS OF COMPREHENSIVE INCOME AND EXPENSES & COMPREHENSIVE INCOME

	<i>In thousands of euros</i>	2020	2021
Income (loss) of the year		40 298	87 009
Items that will be reclassified to profit or loss in subsequent periods			
Adjustments to fair value of the financial assets		286	-439
Translation differences arising on foreign activities		-23 200	19 362
Interest rate hedging and exchange instruments		3 351	-1 993
Tax impacts		-1 191	582
Items that will not be reclassified to profit or loss in subsequent periods			
Actuarial gains (losses) on defined benefits plans		-325	3 605
Tax impacts		156	-1 228
Total gains and losses recognized directly in other components of comprehensive income		-20 923	19 890
Comprehensive income of the year		19 374	106 899
Attributable to equity holders of the parent		19 103	106 246
Attributable to non-controlling interests		271	654

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

	<i>In thousands of euros</i>	December 31, 2020	Net amount as of December 31, 2021
Goodwill		288	566
Intangible assets		56 879	62 112
Tangible assets		212 663	219 614
Right-of-use of leased assets		15 785	20 064
Investments in associates		18 277	18 818
Sales financing receivables		6 699	4 469
Other non-current assets		11 815	17 806
Deferred tax assets		13 393	17 261
Non-current assets		335 800	360 712
Inventories & work in progress		450 867	532 285
Net trade receivables		300 034	326 312
Current income tax		13 777	13 468
Other current assets		48 256	78 465
Cash and cash equivalents		120 721	194 305
Assets held for sale		0	0
Current assets		933 656	1 144 836
Total assets		1 269 456	1 505 547

EQUITY & LIABILITIES

	<i>In thousands of euros</i>	December 31, 2020	Net amount as of December 31, 2021
Share capital		39 668	39 668
Share premiums		46 098	46 098
Treasury shares		-23 799	-23 998
Reserves and profit for the year – equity holder of the parent		601 200	688 476
Equity attributable to owners of parent		663 167	750 244
Non-controlling interests		6 780	1 019
Total Equity		669 947	751 263
Non-current provisions		41 600	43 344
Non-current financial liabilities		145 089	126 638
Non-current lease debts		12 105	16 433
Other non-current liabilities		2 130	5 307
Deferred tax liabilities		2 854	7 605
Non-current liabilities		203 779	199 327
Current provisions		20 403	26 222
Current financial liabilities		17 375	51 686
Current lease debts		4 806	5 091
Trade payables		215 887	312 589
Current income tax		1 139	2 003
Other current liabilities		136 120	157 367
Current liabilities		395 730	554 957
Total equity & liabilities		1 269 456	1 505 547

3. CONSOLIDATED SHAREHOLDERS' EQUITY

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

<i>In thousands of euros</i>	Share capital	Share premium	Cumulative translation adjustment	Treasury shares	Consolidated reserves	Total equity		
						Attributable to equity holders of the parent company	Non-controlling interests	Total
As of december 31, 2019	39 668	46 098	8 148	-23 714	594 447	658 831	5 815	664 646
Impact of new standards					4 158	4 158		4 158
As of january 1, 2020	39 668	46 098	8 148	-23 714	598 605	662 989	5 815	668 804
Gains and losses recognized in equity			-23 200		2 277	-20 479	-444	-20 923
Net income					40 298	39 583	715	40 298
Comprehensive income	0	0	-23 200	0	42 575	19 103	271	19 374
Stock option plan-related expenses								
Dividends paid					-19 443	-19 417	-25	-19 443
Treasury shares				-85	18	-67		-67
Capital increase								
Changes in control of consolidated entities								
Acquisition and disposal of minority interests' shares								
Purchase commitments for minority interests' shares					719		719	719
Other					560	560		560
As of December 31, 2020	39 668	46 098	-15 053	-23 799	623 034	663 167	6 780	669 947
Impact of new standards								
As of January 1, 2021	39 668	46 098	-15 053	-23 799	623 034	663 167	6 780	669 947
Gains and losses recognized in equity			19 362		528	19 682	207	19 890
Net income					87 009	86 563	446	87 009
Comprehensive income	0	0	19 362	0	87 537	106 246	654	106 899
Stock option plan-related expenses								
Dividends paid					-22 975	-22 966	-9	-22 975
Treasury shares				-199	58	-141		-141
Capital increase								
Changes in control of consolidated entities								
Acquisition and disposal of minority interests' shares					-2 993	3 492	-6 485	-2 993
Purchase commitments for minority interests' shares								
Other					526	447	80	526
As of december 31, 2021	39 668	46 098	4 309	-23 998	685 187	750 244	1 019	751 263

4. CASH FLOW STATEMENT

	<i>In thousands of euros</i>	December 31, 2020	December 31, 2021
Net Income		40 298	87 009
Income from equity affiliates net of dividends		-1 683	-25
Amortizations and depreciations		50 741	53 791
Provisions and impairments		3 520	8 637
Income tax expense (current and deferred)		24 851	29 178
Other non-cash income and expenses		437	-448
Cash flow operations		118 165	178 142
Taxes paid		-30 876	-27 706
Change in working capital requirement		146 443	-1 036
Change in capitalized lease machines		-12 180	-19 413
Net cash flow from operating activities		221 552	129 986
Proceeds from sales of intangible assets		-18 330	-20 325
Proceeds from sales of tangible assets		-28 117	-31 530
Change in fixed assets payables		-3 593	503
Disposals of tangible and intangible assets		-37	10 447
Acquisitions of investments in obtaining control, net of cash acquired		0	0
Disposals of investments with loss of control, net of cash transferred		0	0
Others		-197	-717
Net cash flow from investing activities		-50 275	-41 621
Capital increase		0	0
Dividends paid		-19 442	-22 976
Purchase of treasury shares		0	-199
Repurchase of non-controlling interests		0	-2 993
Change in others financial liabilities and assets		-20 424	13 967
Payment of finance lease liabilities		-5 600	-5 940
Others		-512	-1 630
Net cash flow from financing activities		-45 977	-19 771
Net increase (decrease) in cash, cash equivalents, and bank overdrafts		125 300	68 594
Cash, cash equivalents and bank overdrafts at beginning of the year		-4 997	119 818
Exchange gains (losses) on cash and bank overdrafts		-485	4 300
Cash, cash equivalents and bank overdrafts at end of year		119 818	192 712

5. EXTRACT FROM THE NOTES OF THE CONSOLIDATED FINANCIAL STATEMENTS OF THE UNIVERSAL REGISTRATION DOCUMENT

IMPACT OF NEW STANDARDS AND INTERPRETATIONS

ALLOCATION OF BENEFITS TO PERIODS OF SERVICE (IAS 19 EMPLOYEE BENEFITS)

In June 2021, the IAS Board validated the proposal of the IFRS Interpretations Committee (IFRS IC) to change the way in which the obligations relating to certain defined benefit plans are calculated, while specifying that there was no need to change anything in IAS 19 which already allows this interpretation. These plans provide for:

- the payment of an indemnity to the employee
- if the employee is still employed at the date of retirement,
- of which the amounts depends on length of service and,
- is capped at a certain number of years of service.

For IFRS IC, the commitment must be constituted only for those years of service prior to retirement in respect of which the employee generates a right to the benefit. This method is applicable to agreements where the rights are defined by length of service.

This change in method concerns the national collective agreement for engineers and managers in the metallurgy sector, which covers the French companies of the group (MBF, MGS, CFM and LMH).

The group has applied this interpretation with retrospective effect from January 1, 2020.

The impact for the group is a decrease in the provision for employee benefits of 5.6 million euro. This decrease is recorded net of tax against consolidated reserves. The effects of the transition are summarized below:

RECONCILIATION OF THE PUBLISHED CONSOLIDATED BALANCE SHEET WITH THE RESTATED CONSOLIDATED BALANCHE SHEET AT THE END OF DECEMBER 2020

ASSETS

<i>In thousands of euros</i>	December 31, 2020 (Published)	IFRS IC (IAS 19) impacts	December 31, 2020 (Restated)
Goodwill	288		288
Intangible assets	56 879		56 879
Tangible assets	212 663		212 663
Right-of-use of leased assets	15 785		15 785
Investments in associates	18 277		18 277
Sales financing receivables	6 699		6 699
Other non-current assets	11 766	49	11 815
Deferred tax assets	14 829	-1 435	13 394
Non-current assets	337 186	-1 386	335 800
Inventories & work in progress	450 867		450 867
Net trade receivables	300 034		300 034
Current income tax	13 777		13 777
Other current assets	48 256		48 256
Cash and cash equivalents	120 721		120 721
Assets held for sale	0	0	0
Current assets	933 656	0	933 656
Total assets	1 270 842	-1 386	1 269 456

EQUITY & LIABILITIES

<i>In thousands of euros</i>	December 31, 2020 (Published)	IFRS IC (IAS 19) impacts	December 31, 2020 (Restated)
Share capital	39 668		39 668
Share premiums	46 098		46 098
Treasury shares	-23 799		-23 799
Reserves and profit for the year - equity holder of the parent	597 042	4 158	601 200
Equity attributable to owners of parent	659 009	4 158	663 167
Non-controlling interests	6 780		6 780
Total Equity	665 789	4 158	669 947
Non-current provisions	47 157	-5 557	41 600
Non-current financial liabilities	145 089		145 089
Non-current lease debts	12 105		12 105
Other non-current liabilities	2 130		2 130
Deferred tax liabilities	2 841	13	2 854
Non-current liabilities	209 323	-5 544	203 779
Current provisions	20 403		20 403
Current financial liabilities	17 375		17 375
Current lease debts	4 806		4 806
Trade payables	215 887		215 887
Current income tax	1 139		1 139
Other current liabilities	136 120		136 120
Current liabilities	395 730	0	395 730
Total equity & liabilities	1 270 842	-1 386	1 269 456

IMPACT ON THE CONSOLIDATED INCOME STATEMENT PUBLISHED AT DECEMBER 31, 2020

PROFIT & LOSSES

The impact on the consolidated income statement isn't significant.

MONITORING OF LITIGATION FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

In May 2017, Manitou Group was sued by JC Bamford Excavators Limited (JCB) in France, the United Kingdom and then Italy for alleged infringement of two European patents relating to certain features concerning the overload cut-off control system of certain telescopic forklift trucks manufactured and/or marketed in these three countries.

In May 2017, the plaintiff filed a claim in the French court for a provision of 20 million euros, to be increased to 50 million euros in June 2018. The financial claims before the English court were not quantified and are still not quantified at the date of publication of this report, but the summons indicates that for procedural purposes the commercial value of the claim is estimated to be in excess of 10 million. For Italy, the summons does not specify any quantified claim.

In December 2018, JCB served Manitou Group with a new patent infringement suit in France and the United Kingdom relating to a third European patent, also relating to certain features concerning the overload cut-off control system of certain telescopic forklift trucks. This summons takes up the request for a provision in the amount of 50 million euros, subsequently increased to 100 million euros in its last conclusions communicated in May 2020. The summons for this third patent has been the subject of joint proceedings in the United Kingdom but remains separate in France.

In 2018, JCB had produced an expert opinion estimating its damages of 160 million euros for the first two patents. At the end of 2019, in the first main proceedings, JCB increased its damage assessment to 190 million euros in its final conclusions. This increase is due to an update of the injury in its duration, which according to JCB is until March 2019. This assessment also includes the estimated injury under the third patent.

In France, in the context of a procedural incident in 2018, JCB applied for preliminary injunctions against Manitou BF. A decision was issued by the Pre-Trial Judge on 31 January 2019, which dismissed the applicant's request for preliminary injunction on the first patent on which JCB based its allegations and, regarding the second patent, prohibited Manitou BF from manufacturing, offering for sale, renting and owning an old configuration of certain telescopic forklift trucks. This decision has no impact on Manitou BF's business as it relates to the ordering system for certain models produced and sold before August 2017 which are therefore no longer manufactured by Manitou BF, as underlined in the order. Manitou BF immediately appealed this decision in order to challenge the prohibition order in so far as it related only to a configuration that Manitou had ceased to produce for 18 months. This immediate appeal on the grounds of abuse of authority was held to be inadmissible, reserving the possibility of appeal with judgment on the merits.

On the occasion of the same incident, Manitou BF had proposed in the alternative, if the judge considered the request for prohibition to be wellfounded, the establishment of a bank guarantee of 470,000 euros for the two patents as a replacement for the prohibitions. This proposal became irrelevant for the first patent, for which the judge did not pronounce a prohibition. JCB requested that this guarantee, if ordered, be 30 million euros (also for the two patents) on the basis of the expert opinion it had produced estimating its damages at 160 million euros (for the two patents). This proposal was not accepted by the judge, nor was JCB's request for a penalty payment of 100 000 euros per day of delay, the penalty payment ordered by the judge being 1 000 euros per infringement, the decision having emphasized that the damage alleged by the plaintiff relates to the overload cut-off control system alone and not to the machine as a whole.

In 2020, the legal proceedings on the merits of the dispute relating to the first two patents continued. On February 26, 2021, the Paris Court of Justice ("Tribunal Judiciaire") ruled, in first instance, on the French part relating to these first two patents.

Under the terms of this decision, the Tribunal invalidated the French part of the second patent in its entirety rendering ineffective the January 31, 2019 preliminary injunction order against Manitou BF.

Then, JCB tried unsuccessfully to limit its 2nd patent to the EPO (European Patent Office), which rejected its limitation claim on October 4th, 2021. JCB didn't appeal against this decision.

The Court also invalidated most of the claims of the French part of the first patent. The Court found that only two claims of the French part of the first patent were infringed by three models of equipment from an old configuration which is no longer marketed by Manitou BF since May 2017. Manitou challenges this decision while noting that it has no impact on its business as this old configuration is no longer marketed.

Given the very residual character of the infringement upheld, the Court ordered Manitou BF to pay the plaintiff the total sum of 150,000 euros for the loss suffered, rejecting the claim of JCB, which was claiming a loss of 190 million euros. The Court's decision reinforces the position of Manitou, which has always contested the merits of the plaintiff's action and the disproportionate nature of its claims. JCB and Manitou BF appealed against this decision.

An interim pleading date is set for May 11, 2022 but only on the matter relating to the invalidity of the 'saisie-contrefaçon'. The proceeding on the merits relating to the third patent is still pending, and no pleading date has been yet set.

In the United Kingdom, no progress was made in the course of 2018 as JCB did not carry out any due diligence in this respect. A case management conference was held in January 2019 after JCB finally performed its due diligence. The litigation schedule has been established and the hearing originally scheduled for October 2020 has been postponed due to the increased length of the trial resulting from the addition of the third patent in the proceeding. According to this new schedule, the case has been pleaded before the High Court of Justice in November 2021. No decision has been made at the date of the closing accounts.

In Italy, the proceedings on the merits relating to these first two patents remain in a preliminary phase, the appointment of a court expert was pronounced at the end of 2019 and the court expert measures are still in progress at the closing date.

In Italy, JCB had also requested interim injunctions against Manitou's Italian subsidiary on the second and third patents. This request was rejected by the Italian courts by decision of January 30, 2020. JCB has not appealed this decision.

Following the decision of the Paris Court of Justice on February 26, 2021, which strengthened the group's position, a provision of 0.2 million euros was recorded for the first patent and no provision was recorded for the second patent.

For the third patent, given the progress of the proceedings, the financial risk likely to be incurred is still difficult to measure with reliability. Furthermore, a significant outflow of resources in respect of this claim seems unlikely in respect of the matters put forward by Manitou Group to defend itself. Consequently, no provision for this claim has been recognized in the group's financial statements.

The group will continue to firmly defend itself against infringement allegations of three patents claimed by JCB.

INFORMATION ON OPERATING SEGMENTS

CONSOLIDATED INCOME STATEMENT BY DIVISION

In 2021, the Manitou Group has evolved his operational management to speed up the implementation of its new roadmap by 2025, the “2025 New Horizons” plan. In particular, this new operational management promotes the pooling of know-how through coordination of teams working in close areas.

As of the closing of the consolidated financial statements for H1 2021 and following the combination of the Material Handling & Access (MHA) and Compact Equipment Products (CEP) divisions, the group is organized operationally around two divisions:

- the Product division includes all French, Italian, American, and Indian production sites dedicated in particular to telehandlers, industrial masted forklift trucks and all-terrain trucks, truck-mounted forklifts, aerial work platforms, compact wheel loaders, compact track loaders, and articulated compact loaders, backhoe loaders and telescopic loaders. Its mission is to optimize the development and production of Manitou, Gehl, and Mustang by Manitou brand name products.
- the S&S (Services & Solutions) division includes service activities to support sales (financing approaches, warranty contracts, maintenance and full service contracts, fleet management, etc.), after-sales services (spare parts, technical training, warranty contract management, used equipment management, etc.) and services to end users (geolocation, user training, advice, etc.). The aim of this division is to create service offers to meet the expectations of each of our customers in our value chain and increase the resilience of group sales.

These two divisions design and assemble the products and services that are distributed by the sales and marketing organization to dealers and the group’s major accounts in 140 countries.

The 2020 segment information has been restated to enable comparison and monitoring of operational performance.

	Product division		S&S division		TOTAL	
	2020	2021	2020	2021	2020	2021
<i>In thousands of euros</i>						
Net Sales	1 284 999	1 534 832	300 106	339 751	1 585 105	1 874 583
Cost of goods & services sold	-1 125 161	-1 310 977	-211 153	-247 261	-1 336 314	-1 558 238
Gross margin	159 838	223 855	88 954	92 490	248 791	316 345
As a %	12,4%	14,6%	29,6%	27,2%	15,7%	16,9%
Research & development costs	-24 520	-27 356	0	0	-24 520	-27 356
Selling, marketing & service expenses	-48 331	-59 214	-41 548	-48 986	-89 879	-108 200
Administrative expenses	-42 360	-48 181	-9 598	-11 403	-51 958	-59 585
Other operating income and expenses	2 271	2 185	637	359	2 907	2 543
Recurring operating profit	46 898	91 289	38 444	32 459	85 342	123 747
As a %	3,6%	5,9%	12,8%	9,6%	5,4%	6,6%
Non-recurring operating income and expenses	-10 150	-4 083	-411	-476	-10 561	-4 560
Operating Income	36 748	87 205	38 033	31 982	74 781	119 188
As a %	2,9%	5,7%	12,7%	9,4%	4,7%	6,4%
Share of profits of associates			1 683	2 875	1 683	2 875
Operating Income including Net Income from associates	36 748	87 205	39 716	34 857	76 464	122 062

The spare parts and accessories distribution business, which is integrated within the Services & Solutions division, benefits from services provided by the Product division (R&D, qualification of parts, qualification of suppliers), the already existing basis of sold units, as well as the brand name recognition built by those divisions.

In order to compensate for all of these benefits, the group’s divisional reporting includes fees from the Services & Solutions division to the Product division. This fee is calculated based on comparable indicators of external independent spare parts distributors for which the median

operating income over a five year period amounted to 4.25% and 4.87% in Europe and the US, respectively, the main regions in which the S&S division operates. That fee is included in the line item «Cost of goods and services sold» of each division, which therefore includes the charges related to goods and services sold plus or minus the interdivision fees.

Assets, cash flows or even liabilities are not allocated to the individual divisions, as the operating segment information used by the group’s management does not incorporate those various items.

NET SALES BY DIVISION AND GEOGRAPHICAL REGION

Net sales 2020						Net sales 2021				
SOUTHERN EUROPE	NORTHERN EUROPE	AMERICAS	APAM*	TOTAL	in millions of euros and % of total	SOUTHERN EUROPE	NORTHERN EUROPE	AMERICAS	APAM*	TOTAL
448,2	477,5	244,6	114,7	1 285,0	Product division	484,9	627,8	276,4	145,8	1 534,8
28%	30%	15%	7%	81%		26%	33%	15%	8%	82%
106,7	106,1	51,6	35,6	300,1	S&S division	117,1	121,9	58,3	42,4	339,7
7%	7%	3%	2%	19%		6%	7%	3%	2%	18%
554,9	583,6	296,2	150,3	1 585,1	TOTAL	602,0	749,7	334,8	188,2	1 874,6
35%	37%	19%	9%	100%		32%	40%	18%	10%	100%

* Asia, Pacific, Africa and Middle East

POST-CLOSING EVENTS

To the company's knowledge, there are no significant post-closing events as of the closing date of the annual consolidated financial statements closed on December 31, 2021 by the Board of Directors meeting on March 3, 2022.

LIST OF SUBSIDIARIES AND AFFILIATES

		Parent company			
Manitou BF		Ancenis, France			
		Consolidated companies	Consolidation method	% control	% interest
Production companies					
LMH Solutions		Beaupréau-en-Mauges, France	FC	100%	100%
Manitou Equipment America LLC		West Bend, Wisconsin, United-States	FC	100%	100%
Manitou Equipment India		Greater Noida, India	FC	100%	100%
Manitou Italia S.R.L.		Castelfranco Emilia, Italia	FC	100%	100%
Distribution companies					
Compagnie Francaise de Manutention Ile-de-France		Jouy le Moutier, France	FC	100%	100%
Manitou Asia Pte Ltd.		Singapore	FC	100%	100%
Manitou Australia Pty Ltd.		Lidcombe, Australia	FC	100%	100%
Manitou Brasil Ltda		São Paulo, Brazil	FC	100%	100%
Manitou Benelux SA		Perwez, Belgium	FC	100%	100%
Manitou Centres SA Pty Ltd.		Johannesbourg, South Africa	FC	100%	100%
Manitou Chile		Las Condes, Chile	FC	100%	100%
Manitou China Co Ltd.		Shanghai, China	FC	100%	100%
Manitou Deutschland GmbH		Ober-Mörlen, Germany	FC	100%	100%
Manitou Global Services		Ancenis, France	FC	100%	100%
Manitou Interface and Logistics Europe		Perwez, Belgium	FC	100%	100%
Manitou Japan Co Ltd		Tokyo, Japan	FC	100%	100%
Manitou Malaysia MH		Kuala Lumpur, Malaysia	FC	100%	100%
Manitou Manutencion Espana SL		Madrid, Spain	FC	100%	100%
Manitou Mexico		Mexico DF, Mexico	FC	100%	100%
Manitou Middle East Fze		Jebel Ali, United Arab Emirates	FC	100%	100%
Manitou Nordics Sia		Riga, Latvia	FC	100%	100%
Manitou North America LLC		West Bend, Wisconsin, United-States	FC	100%	100%
Manitou Polska Sp Z.o.o.		Raszyn, Poland	FC	100%	100%
Manitou Portugal SA		Villa Franca, Portugal	FC	100%	100%
Manitou South Asia Pte Ltd.		Gurgaon, India	FC	100%	100%
Manitou Southern Africa Pty Ltd.		Johannesbourg, South Africa	FC	100%	100%
Manitou UK Ltd.		Verwood, United-Kingdom	FC	99,4%	99,4%
Manitou Vostok Llc		Moscou, Russia Federation	FC	100%	100%
Marpoll Pty Ltd (LiftRite Hire & Sales)		Perth, Australia	FC	95,5%	95,5%
Mawsley Machinery Ltd.		Northampton, United-Kingdom	FC	85%	85%
Associates companies					
Manitou Group Finance		Nanterre, France	EM	49%	49%
Manitou Finance Ltd.		Basingstoke, United-Kingdom	EM	49%	49%
Other companies*					
Cobra MS*		Ancenis, France	FC	100%	100%
Manitou America Holding Inc.		West Bend, Wisconsin, United States	FC	100%	100%
Manitou Développement		Ancenis, France	FC	100%	100%
Manitou Holding Southern Africa Pty Ltd.		Johannesbourg, South Africa	FC	100%	100%
Manitou PS		Verwood, United-Kingdom	FC	85%	85%

FC: Full Consolidation

EM: Equity Method

* Holdings and companies without activity

The adress of Manitou BF's headquarters is 430, rue de l'Aubinière, 44158 Ancenis, France.