





**> ANNUAL
REPORT
2021**



Expert in technologies for energy transition

Altawest Group designs, develops and operates equipment for the energy, environmental, industrial and marine sectors. Using cutting-edge technologies developed by its subsidiaries Jeumont Electric, Leroux & Lotz and Inova, it provides clients with high added-value solutions to ensure their operational assets deliver outstanding energy efficiency and operational performance, with a controlled environmental footprint. Altawest Teams work in almost 30 countries, establishing long-term partnerships founded in excellence of service and precisely aligned with the needs of each of its markets.

Activities

 <p>ELECTRICITY PRODUCTION (nuclear, conventional, renewable)</p>	 <p>COGENERATION AND ENVIRONMENTAL INDUSTRIES</p>	 <p>PROCESS INDUSTRIES (oil and gas, paper, agrifood, etc.)</p>	 <p>MARINE</p>
---	---	---	--

> CONTENTS

- 01 Chairman's editorial
- 02 Altawest Group and its locations around the world
- 04 Key figures
- 05 Governance
- 06 Highlights
- 12 Operations business segment
- 13 Thermal business segment
- 14 Electrical business segment
- 15 Research & Development
- 16 Financial items



Editorial by
Philippe GARELLI,
Chairman, Altawest

2021 was another year significantly impacted by the health crisis. Despite the prevailing conditions, our order intake is looking healthy, up 13%, and turnover remains similar to 2020. Our order backlog continues to develop, despite the cancellation of the order for propulsion systems for Australian submarines.

The Thermal business segment, centred on Leroux & Lotz Technologies, was particularly dynamic, with double the number of orders for retrofitting waste-to-energy plants and designing solid recovered fuel (SRF) plants. It is now also feeling the benefits of having completed the transformation of its business model: advanced and/or core proprietary technologies offered via a bespoke engineering design office, with manufacturing fully outsourced; Leroux & Lotz Technologies enjoyed an exceptional 2021 as it shifted to become 100% fables. Similarly, the design office doubled its capacity despite staffing levels being almost unchanged, which will allow it to manage the forecast doubling of turnover.

There are tremendous prospects in the new market for SRF boiler islands. We are confident in the ability of our teams to seize these opportunities in France and Europe, leveraging our references at projects such as the Hooton SRF power plant in the United Kingdom.

The Electrical business segment had a far more difficult year owing to supply chain disruption and rising raw material prices, while also trying to make up for time lost during Covid lockdowns. Most major retrofit and maintenance programmes are now behind schedule, particularly in the nuclear industry, leading to a shortfall in orders and turnover. The cancellation of Naval Group's programme to supply submarines to Australia also clearly had an impact on us, particularly for medium-term activity. It is, however, important to bear in mind that cancellation of this contract in no way impacts the propulsion system retrofit programme for Australia's current submarine fleet, for which Jeumont Electric is the lead supplier.

In November 2021, Altawest sold its 50% stake in Inova Opérations to Paprec, its former co-owner.

All the Group's energy operations are now focused on the strongly growing market for SRF power plants. The Group conducts its activities in this market under the Inova brand name. They are primarily aimed at industrial business seeking to reduce their dependency on fossil fuels and to use a circular economy approach to meet their needs for heat or electricity.

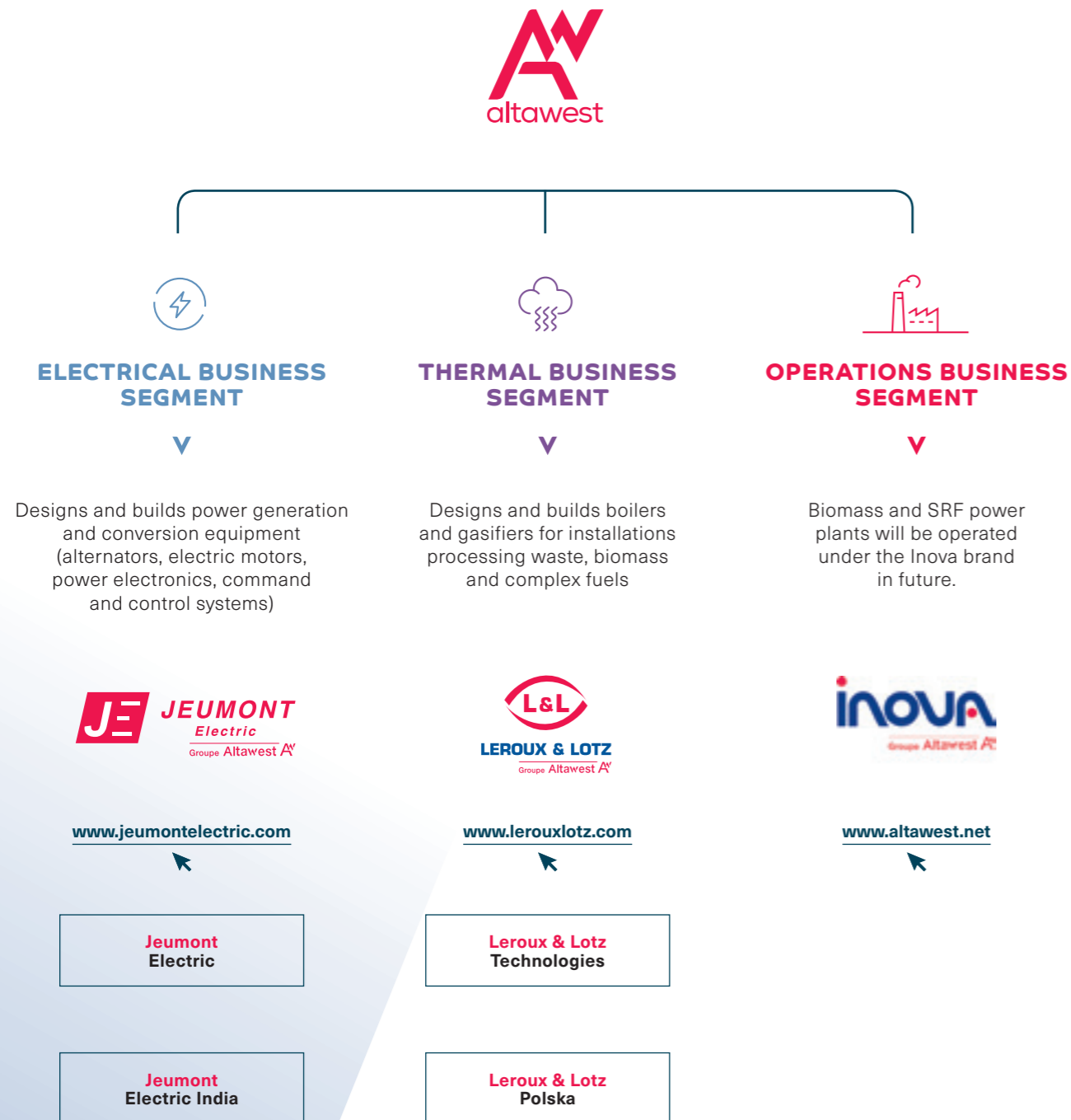
Finally, Altawest companies would not have their reputation for technological leadership without a constant stream of major innovations. We will maintain our high level of investment in R&D during 2022 at close to €5m.

" We will maintain our high level of investment in R&D during 2022 at close to €5m. "

Altawest Group companies

as of 31 December 2021

From technological process to operational expertise



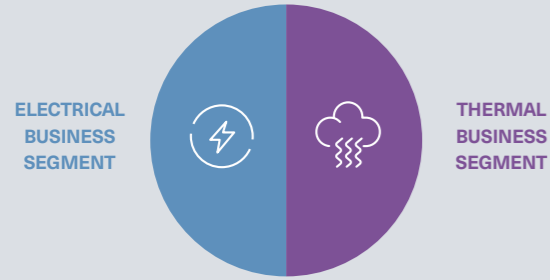
Locations around the world

as of 31 December 2021



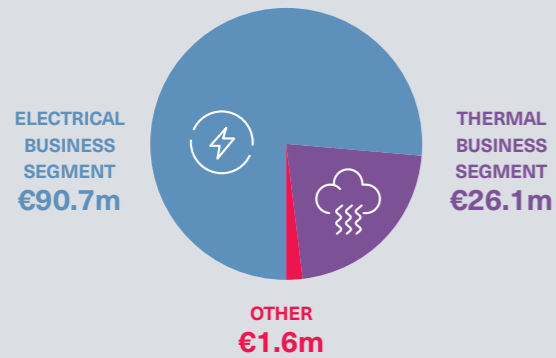
GROUP ORDER INTAKE
€138.7m

ORDER INTAKE BY BUSINESS SEGMENT



GROUP TURNOVER
€118.5m

TURNOVER BY BUSINESS SEGMENT



SHARE OF TURNOVER FROM EXPORTS

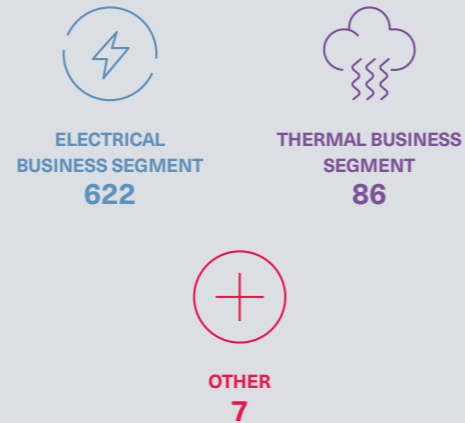


INVESTMENT
€4.3m



HEADCOUNT AS OF 31/12/2021
715

BY BUSINESS SEGMENT



BY CATEGORY



Executive Committee



- ① **Philippe GARELLI**, Chairman, Altawest & Jeumont Electric
- ② **Assia GAOUAR**, Administrative and Financial Director, Altawest
- ③ **Emmanuel AUGEREAU**, General Counsel, Altawest
- ④ **Jean-Marc SIBBONI**, Development Director, Altawest
- ⑤ **Patrick BLANC**, Chairman, Leroux & Lotz Technologies

Strategy Committee

Philippe GARELLI
Florent BATTISTELLA
Hervé GUILLOU
Bernard HARAMBILLET
Alix GARELLI
Clotilde GARELLI
Violaine GARELLI

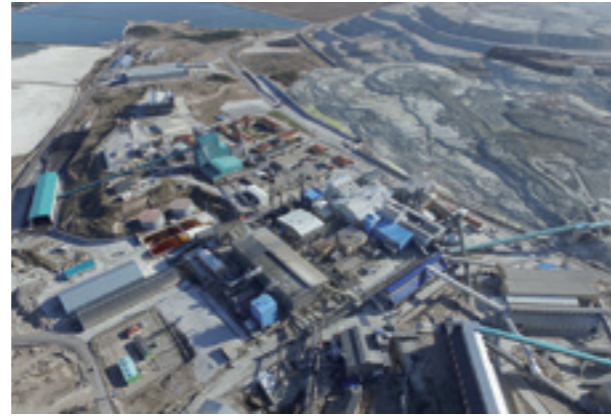
JANUARY

ENERGY FOR SWITZERLAND

Teams from Jeumont Electric started work on the design phase for a contract to supply an alternator (4-pole, 16.8 KV for approximately 42 MW) to be installed at a new waste-to-energy plant for Swiss electricity producer KEBAG. The future plant will treat and recycle combustible waste and residues from 182 municipalities.



KEBAG waste-to-energy plant, Switzerland



ETI Maden sulphuric acid production plant, Turkey

MEANWHILE IN TURKEY

Jeumont Electric signed a contract with Skoda Power to supply an alternator for Turkey's ETI Maden, the world's leading supplier of boron. The alternator, once coupled to a steam turbine and boiler, will primarily provide electricity for one of Turkey's largest sulphuric acid production plants, with an annual capacity of 350,000 tonnes.

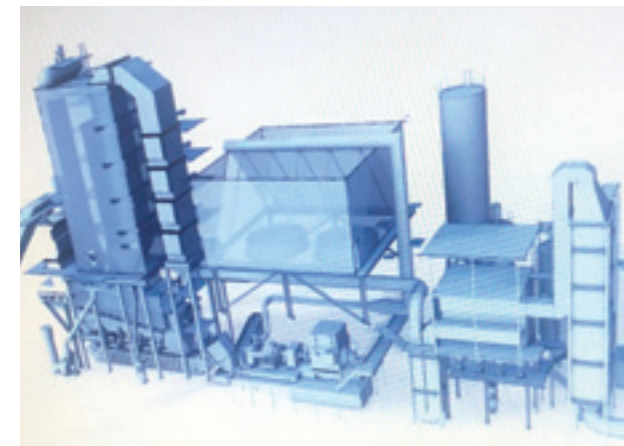
FEBRUARY

LARGEST WOOD WASTE-SRF BOILER IN FRANCE

Suez ordered a 43.5 MW boiler from Leroux & Lotz for the city of Le Havre. Every year, the new boiler will recover energy from 115,000 tonnes of wood waste and solid recovered fuels. The boiler will produce 125-bar superheated steam for local industrial clients and the city's district heating network. The new plant, named Biosynergy, will enter service at the end of 2024. It will be home to France's largest boiler for recovering wood waste and SRF.



Future SRF plant, Le Havre, France



Project for a waste-to-energy incinerator line, Montauban, France

MARCH

FIRST NEW INCINERATOR LINE MADE 100% BY LEROUX & LOTZ

Leroux & Lotz signed a design-build contract with S  ch   Environnement for a waste-to-energy line in Montauban. The new line will recover energy from 5 tonnes of household waste every hour, producing 15 tonnes of superheated steam at 39 bar and 390   C to power a turbine and district heating network. The furnace, boiler and flue gas treatment system will be the first all-new WtE line made entirely by Leroux & Lotz.

MARCH

PROPULSION SYSTEM RETROFITS

Despite the difficulties caused by the health crisis, Jeumont Electric installed and commissioned propulsion system retrofits on board two cruise liners. With long experience of working with set timeframes in confined spaces, the teams had to deal with constant changes in their day-to-day habits and working environments, showing exceptional levels of commitment.



Ferry propulsion system



Boarding the Disney Magic, Dover, United Kingdom

COMMISSIONING ON BOARD A FERRY

Working at Fosen Yard, a shipyard in Norway, teams from Jeumont Electric commissioned the electrical energy generation and propulsion system for the ferry initially named Honfleur. In 2017, the Altawest subsidiary was chosen to supply four alternators, three bow thrusters with starters and a complete 20 MW electrical propulsion system with full remote control and automation.

APRIL

COMMISSIONING TRIALS AT HOOTON

Leroux & Lotz began commissioning tests on two SRF treatment and energy recovery lines at the Hooton plant in the United Kingdom. The Altawest subsidiary manufactured combustion chambers and energy recovery boilers for both lines. Once fully operational, these will produce 57 tonnes of steam at 61 bar and 420   C every hour, generating enough electricity to power the equivalent of 50,000 homes.



EDF's Combe d'Avrieux hydropower plant in the Alps, France

NEW HYDROPOWER ALTERNATOR FOR EDF

EDF chose Jeumont Electric to rebuild the alternator at the Combe d'Avrieux hydropower plant, part of the Haute-Maurienne hydroelectric complex in the French Alps. The aim is to raise the alternator's power from 132 to 140 MVA, which will deliver an increase in the amount of electricity produced.



SRF plant, Hooton, United Kingdom



Jeumont Electric supplies inductive connections to the SNCF railway network

APRIL

CONTRACT RENEWED WITH THE SNCF

The SNCF continued to show its confidence in Jeumont Electric with the signature of a six-year contract for the supply of inductive power transmission connections. These ensure a continuous supply of electricity to trains on the tracks and for train control systems. They are among the longstanding items produced by Jeumont Electric at Carquefou.

RETRO-ENGINEERING POWER UNITS

In 2021, working on behalf of cruise company Carnival Australia, Jeumont Electric completed its first-ever mission to retro-engineer and repair power components for thyristor converters made by a competing manufacturer. The repairs and optimisation enhanced the vessel's operational capacities and safety. Teams from Jeumont Electric reacted rapidly to support the client and successfully intervened on site to return the propulsion system to service.



Constellium aluminium rolling mill in Biesheim, France

MAY

MOTOR DELIVERED TO CONSTELLIUM

The direct current motor rebuilt by Jeumont Electric for an aluminium rolling mill owned by Constellium reached its destination in Biesheim. The 180-tonne motor was completely redesigned using 3D technologies to improve the insulation rating and ventilation circuit.

JUNE

SMART PERFORMANCE FOR A GASIFIER

Cristal Union Bazancourt called on Leroux & Lotz's Smart Performance services as part of a process optimisation contract for a Berkes biomass gasifier. The goal was to optimize availability by improving reliability. And the results speak for themselves, with a 14% drop in fuel costs, a 50% increase in production capacity and a 3% uplift in the overall boiler yield.



Cristal Union gasifier, Bazancourt, France



Princess Cruises and Disney Cruises

JUNE

RETROFITS FOR THE CRUISE INDUSTRY

Princess Cruises and Disney Cruises continued to show their trust in Jeumont Electric for retrofitting propulsion command and control systems on board Emerald Princess and Disney Wonder. Deliveries are scheduled for late 2022 and late 2023. With this turnkey contract, Jeumont Electric increases the working life of a vessel by 10 to 20 years, offering a full 24/7 service.

SEPTEMBER

NICE OPTIMISES ITS WASTE-TO-ENERGY PLANT

In Nice, Veolia and Leroux & Lotz won a delegated public service contract to replace and optimise boilers at the city's waste-to-energy plant. The goal is to increase the plant's capacity and availability.



Waste-to-energy plant, Nice, France

AUGUST

GENERATORS AND THRUSTERS FOR CRUISE SHIPS

Fincantieri signed its first order for rotating machines from Jeumont Electric. The order, on behalf of Viking Cruises, includes a firm commitment for two vessels with an option for two more and comprises four alternators and two bow thruster motors.



Chantiers de L'Atlantique

SEPTEMBER

FIRST OHT UNIT FOR CHANTIERS DE L'ATLANTIQUE

Leroux & Lotz commissioned the first hydrothermal oxidation (OHT) installation on board the vessel known as K34 APEX in the Chantiers de l'Atlantique shipyard. OHT is a proprietary treatment for liquid waste from cruise ships that replaces incineration.

OCTOBER

MEETING CLIENTS AT POLLUTEC 2021

Leroux & Lotz attended the first post-Covid edition of the Pollutec show at Eurexpo Lyon, where it presented a conference on the circular economy and decarbonisation. Pollutec, the leading event for energy and environment professionals, attracted 46,000 visitors from 83 countries.



Lyon metropolitan authority waste-to-energy plant, Rillieux-la-Pape, France

NOVEMBER TARGETS MET AT RILLIEUX-LA-PAPE

Lyon metropolitan authority inaugurated the Neovaly Suez waste-to-energy plant at Rillieux-la-Pape, renovated by Leroux & Lotz. Work to retrofit the plant involved improving the energy performance of the two incinerator lines and raising availability performance from 90% to 96%. The local authority congratulated the teams for the results achieved and for managing to stick to the agreed duration for technical stoppages, despite disruption caused by the health crisis.

STRATEGIC REALIGNMENT OF ALTAWEST'S OPERATIONAL ACTIVITIES

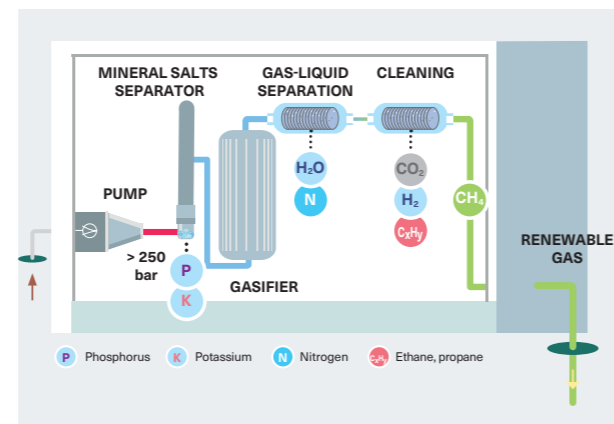
On November 26, 2021, Altawest completed the sale of its 50% stake in Inova Opérations, a company that operates domestic waste incinerators. Going forward, the Group will focus its energy site operations on the market for solid recovered fuels.



Innov'Energy, the R&D platform

LEROUX & LOTZ COMMITS TO NEW PROJECT IN SAINT-NAZAIRE

Leroux & Lotz confirmed its commitment to the Ghama hydrothermal gasification project in Saint-Nazaire. This innovative technology recovers energy from liquid waste, such as sewage sludge or leachate from methanisation, as a renewable gas that can be reinjected into a gas network. The subsidiary will be involved in its role as developer of the technology.



Hydrothermal gasification unit



Jeumont Electric stand at ADIPEC 2021

ADIPEC 2021, LEADING INTERNATIONAL EXHIBITION

Jeumont Electric attended ADIPEC in Abu Dhabi, where the world's oil and gas industry comes together. The event attracted over 150,000 professionals and 2,200 businesses, presenting a broad range of technologies, products and services for the energy industry.



Jeumont Electric team at WNE 2021

DECEMBER NUCLEAR INDUSTRY MEETS UP

Teams from Jeumont Electric attended the 4th edition of WNE, the World Nuclear Exhibition, at Paris-Villepinte. Organised by French industry body GIFEN, the event attracted 550 exhibitors and 18,000 participants from 55 countries.

PROSPECTS IN HYDROGEN FUEL CELLS

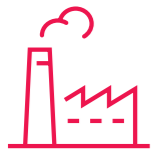
Jeumont Electric anticipates that one area for its future development will be hydrogen fuel cells, and it is a member of the Horizon project for multi-megawatt marine fuel cells. At the end of 2021 Jeumont Electric, in partnership with 12 other companies, received confirmation of European funding for the development of a 400 kW fuel cell. The Altawest subsidiary was selected for this project because of its skills and experience as a power system integrator on cruise ships.



Bois-Rouge thermal power plant, Reunion Island

WORKS ADVANCE AT BOIS-ROUGE

On Reunion Island, Leroux & Lotz is progressing well with the programme to transition coal-fired boilers to biomass. The teams are fitting a new secondary air fan and reheater to increase flow-rate and bring secondary air up to a temperature of 200 °C. This is designed to improve control over emissions and discharges to the atmosphere.



Operations business segment

A long-standing operator in waste treatment and recovery, since the end of 2021 Altawest's operations business segment has refocused its activities on the buoyant solid recovered fuels market. Determined to assist its industrial clients to meet their decarbonisation targets, it is developing projects for energy plants it will operate from 2024 onward.



Innov'Energy platform, Nantes, France

On 26 November 2021, Altawest Group sold its stake in Inova Opérations to Paprec, which already owned 50% of the subsidiary. Inova Opérations operated three plants on the group's behalf, at Pithiviers, Chinon and Noyelles-sous-Lens, and was involved in operating a plant at Besançon.

Working with solid recovered fuels

Altawest is shifting its focus and accelerating its investment in solid recovered fuels. The market for solid recovered fuels, pre-sorted waste that cannot be recovered as materials, has strong potential for growth in France and Europe. It is given added stimulus by policies limiting landfill and incineration. In France alone, Altawest estimates there will be 4 million tonnes to process every year by 2030.

Expertise in design and operation

The Group intends to position itself as a benchmark player in the recovery of final waste, both as project manager by leveraging the technological expertise of its Leroux & Lotz subsidiary, and as operator of waste recovery sites. Altawest prefers to enter into long-term partnerships in its relationships with fuel providers. Initial projects now in development should start operations during 2024 under the Inova brand, which remains the property of Altawest Group.

Innov'Energy: proven testbed

The Group makes significant use of its Innov'Energy test site in Nantes, which has a proven ability to characterise and test many types of solid recovered fuels prior to starting commercial operation. Innov'Energy operates for several months each year with the aim of providing clients with a meaningful technology demonstration at 1/10th scale, and helping operators to gain more experience in using installations that are more complex than conventional boilers. The site will be used to train future operation and maintenance teams for sites currently in development.

In 2030, in France:

Over **4 million tonnes of SRF**

Over **30 SRF-fuelled plants in service**



Thermal business segment

A leading specialist in thermal power generation, Leroux & Lotz Technologies designs, develops and deploys combustion systems for fuels of all types. The company optimises power plant performance, oversees conversions to green fuels and plays an active role in meeting the challenges of decarbonisation.

Leroux & Lotz Technologies operates in France, at Nantes and Grenoble, as well as via industrial and sales entities in Poland and Germany. After adapting to a slowdown in its activity for most of 2020, the Altawest subsidiary saw an uptick in its order book, ending 2021 with orders at a particularly high level in excess of forecasts.

Using solid recovered fuels

Two commercial successes demonstrate the expertise of Leroux & Lotz Technologies in recovering energy from household waste and SRF:

- contract signed with Séché Environnement for the supply of an incinerator line, high-pressure steam boiler and flue gas treatment at the waste-to-energy plant in Montauban;
- contract with Suez for the supply of a furnace and boiler for the future Biosynergy power plant in Le Havre. The plant will be home to France's largest boiler for recovering energy from wood waste and SRF.

Improving incinerator performance

Leroux & Lotz is also developing its Smart Performance services to support clients in their drive to optimize their installations. For example, the renewal of Veolia's delegated public service contract for the Nice waste-to-energy plant was supported by Leroux & Lotz Technologies work to improve the boilers' performance and availability. They will be replaced progressively in 2023 and 2024, with the other lines remaining in operation.

Supporting transition from coal boilers

On Reunion Island, teams carried out surveys and ordered the main components needed to modify combustion and fuelling mechanisms at the Bois-Rouge power plant. The operating company, Albioma, is committed to converting the coal-fired plant to biomass, with the aim of cutting its CO₂ emissions by 600,000 tonnes.

€26.4m

turnover

Order intake

€78.2m



Bois-Rouge waste-to-energy plant on Reunion Island

Exporting expertise

In Europe, the opportunities for converting coal-fired power plants to biomass continue to grow. Leroux & Lotz Technologies has taken an active position in Eastern Europe, the United Kingdom, Benelux, Germany and Spain. Its goal is for its international earnings to match turnover in the home market. The company is taking every step to reach this target, including a major reorganisation of its commercial operations. It has made new appointments to oversee each of its non-French markets.



Electrical business segment

Jeumont Electric is a major player in energy conversion and generation. It specialises in the manufacture of motors and alternators for the energy, marine and industrial sectors. These are value-creating solutions that help optimise clients' processes and accelerate their ecological and digital transitions.

Jeumont Electric is based in France, at Jeumont, Carquefou, Étupes and Champagne-sur-Seine, and operates in India via its subsidiary Jeumont Electric India. 2021 saw activity pick up again after Covid, but supply chain disruption and rising raw material costs combined to create bottlenecks and delays. A return to full stability is anticipated during 2022.

In September 2021, Naval Group's contract with Australia for 12 deep-sea submarines, with Jeumont Electric supplying the propulsion systems, was cancelled. Above all else, this cancellation, albeit with minimal impact on 2021, represents the loss of major opportunities for the years ahead.

However, Australia's strategic pivot means it must accelerate the programme to retrofit its current fleet, for which Jeumont Electric also provides the propulsion systems. The company now hopes this new order will be confirmed as of 2022.

A lean, agile organisation serving our clients

Strengthened by its historical role in the nuclear and naval markets, Jeumont Electric continues to reinforce its offerings in these segments by pooling the expertise of the engineers and specialist fitters at its various sites.

Jeumont Electric is currently focusing its efforts on international markets, reformulating the management matrix for its sales teams to provide enhanced support to



Constellium's aluminium rolling mill, where Jeumont Electric rebuilt the DC motor

both its historical clients and the wider industry at a time when there is a rapid uptick in economic activity.

Class-leading technology serving the planet

Jeumont Electric offers a range of generators and motors designed to provide the best possible efficiency of any on the market, delivering the energy savings that are vital for a more sustainable planet.

With the extension of its line-up of power converters, Jeumont Electric continues to follow its strategy of offering a comprehensive line-up of environmentally-friendly electrical solutions that include not only the benefits of variable speed but also those of our power regeneration technologies. Our high-voltage AFE (Active Front End) converters can be installed in front of any existing fixed speed motor, typically providing a 30% reduction in electricity use.

Turnover

€90.7m

Order intake

€78.3m

151

machines delivered

Innovation driving energy performance

2021 saw Altawest again spending close to 5% of its turnover on investment and innovation, cementing its technological leadership and key role in energy transition for the industrial, power generation and environmental services markets.

Innovative waste-recovery solutions

The R&D programmes run by Leroux & Lotz Technologies are focused on developing new technologies for treating and recovering complex waste such as solid recovered fuels, inputs that are difficult to treat with conventional technologies but represent a major source of recoverable energy. Since 2017, working at its Innov'Energy R&D platform in Nantes, Leroux & Lotz Technologies regularly carries out combustion testing of new types of SRF, including foams and waste with a high plastic content, in order to assess behaviours as well as energy and environmental performance.

The Altawest subsidiary also works with demonstration units that produce renewable biogas:

- power-to-gas with Jupiter 1000 in Fos-sur-Mer: the team is developing an industrial demonstrator to capture and store CO₂ from industrial flue gases for use in producing carbon-neutral synthetic methane. This paves the way to using conversion to store surplus electricity from intermittent wind and solar sources in natural gas networks;
- Titan V in Nantes: the Leroux & Lotz Technologies waste pyrogasification process combined with biological methanisation will produce renewable gas that can be re-injected into the network.

Leroux & Lotz Technologies is also looking into ways to recover energy from liquid effluent. After the commercial release of its hydrothermal oxidation solution for waste from cruise ships, the company is now taking part in a hydrothermal oxidation project seeking to produce biogas from sewage sludge at wastewater treatment plants.

Maximising energy efficiency, protecting the environment

The R&D teams at Jeumont Electric work constantly to improve the energy performance of the electrical equipment, motors, drive units and alternators they design, and to develop ways to extend their lifecycles.

The overall design of 4-pole alternators, whose power can reach 71 MVA, has been revised to maximise yield and save over 20,000 MWh for every 100,000 hours in operation. The teams also deliver constant improvements to equipment reliability and availability. For example, the internal polar coil insulation on our JEGSY alternators, which suffer from ageing,



has been deleted and the coils made simpler to remove. Furthermore, current efforts to develop predictive maintenance services will enable clients to optimise maintenance of their electrical machine installations, improve availability performance and extend life expectancy thanks to the ability to monitor in-service parameters.

Jeumont Electric has pulled off a considerable feat in terms of energy savings on board cruise ships: the introduction of variable-speed chiller compressors for this type of vessel with an 11 kV plug-to-grid unit that does not require a power transformer.

Lastly, the R&D teams also work with partners from the private and public sectors on longer term actions designed to promote the emergence of innovative solutions and extend Jeumont Electric's offerings into new markets.

Financial Items

1/ CHANGES TO SCOPE OF GROUP CONSOLIDATION

In accordance with European regulations, financial statements for Altawest (hereinafter "the Group") were prepared according to international accounting standards applicable within the European Union on 31 December 2021 (IAS/IFRS). They were certified without qualification by the Group's auditors.

The Group carried out its activities in the following three business segments "Scope of continuing operations"

- **Electrical:** comprises Jeumont brand companies (primarily Jeumont Electric France and Jeumont Electric India).
- **Thermal:** comprises Leroux & Lotz Technologies and its Polish and German subsidiaries.
- **Operations:** now focused on the development of energy recovery projects using solid recovered fuels (SRF) following the sale of its entire stake in Inova Opérations (operator of waste-to-energy plants).

There were no changes to the scope of activities discontinued or held-for-sale compared to the previous year.

Main aggregates (€m) IFRS GAAP	FY 2020	FY 2021
Turnover	117.4	118.5
EBITDA	8.6	0.3
EBITDA as % of turnover	7%	0%
Current operating income	3.9	(4.9)
Current operating income as % of turnover	3%	-4%
Operating income	3.7	4.6
Operating income as % of turnover	3%	4%
Net income from continuing operations	4.3	1.2
Net profit as % of turnover	4%	1%
Net income from discontinued activities	(3.8)	(0.6)

2/ ORDER INTAKE AND ACTIVITIES

2021 saw very wide variations in commercial performance, very strong in the thermal business segment, weaker for the electrical business segment. Total order intake amounted to €156m, up 13% on 2020, with the thermal and electrical business segments accounting for 50% each.

For its overall activities, the Group recorded turnover of €118.4m, stable compared to 2020.

- The Thermal business segment performed in line with its budget.
- The Electrical business segment experienced a more difficult year. Specifically, it faced production bottlenecks caused by the deferral of 2020 turnover owing to the health crisis and supply difficulties resulting from shortages of raw materials. Taken together, these conditions led to fulfilment difficulties and delays in the progress of projects.

Exports accounted for 42%, up from 35% the year before.

The Group's investment expenditure was in excess of €4.3m, of which 50% is for R&D.

Turnover by business segment:

(€m)	FY 2020	FY 2021
Electrical business segment	87.6	90.7
Thermal business segment	29.0	26.1
Other	1.4	1.6
Turnover	118.0	118.5
Consolidation adjustment	(0.6)	-
Consolidated turnover	117.4	118.5
Turnover of companies held for sale or discontinued	0.9	-
Operations business segment (turnover of joint venture companies consolidated by the equity accounting method). Inova Opérations consolidated until 31/10/2021	19.6	15.7

3/ HIGHLIGHTS BY BUSINESS SEGMENT

Electrical business segment

The health crisis and supply chain difficulties continue to have significant impact on the Electrical business segment's activities and results.

Cumulative delays resulting from the health crisis and supply chain difficulties led to a production deficit and lack of progress with contracts, which impacted turnover.

Commercial activities were equally contrasting:

- activity was limited in the nuclear, industrial and EDF services sectors, where recovery was slow;
- very limited contribution to order intake from activities in India owing to the impact of the health crisis. Notwithstanding the above, subcontracting between France and India continued to operate efficiently;
- a deferred naval order, as well as the lost commercial opportunity resulting from the cancellation of Australia's order for new submarines.

Thermal business segment

The Thermal business segment, buoyed by strong market demand, continued to profit from sustained commercial momentum, particularly in France (O&M revamping and SRF), with a record order intake of €78.4m, compared to €42.6m in 2020. The level of orders booked as of the end of 2021 means a significant uplift in the segment's turnover is forecast for 2022.

Furthermore, in 2021 the segment felt the full benefit of the change in business model to become fully fables, making it far easier to align costs with workload.

Operations business segment

The Group sold its 50% stake in Inova Opérations. This sale marks the Group's exit from the operation of household waste incineration plants in France. The Operations business segment is now focused on the developing solid recovered fuel (SRF) projects with the aim of building and operating them.

4/ ANALYSIS OF THE GROUP'S PERFORMANCE

The Group's current operating income and EBITDA for 2021, -€4.9m and €0.3m respectively, are down markedly owing to fulfilment problems at the Electrical business segment and, to a lesser extent, an order shortfall for the same segment.

The cost of financial debt, €0.8m in 2021, remains very limited as in previous years.

For its continuing operations, in 2021 the Group recorded a net profit after tax of €1.2m. This result includes a one-off gain from disposal of the stake in Inova Opérations.

The Group share of net profit amounts to €0.6m, an amount similar to the year before.

5/ FINANCIAL STRUCTURE IS STABLE DESPITE THE IMPACT OF THE HEALTH CRISIS

Strengthened by gains from the sale of a joint-venture stake, and a reduction in short-term working capital requirements at the Thermal business segment, consolidated net financial debt was negative, in the amount of €6m, compared to +€13m in 2020.

With gross banking debt amounting to €60.3m (including €26.7 of state-backed loans) and cash reserves of €66.3m.

IMAGINATION
IN ENERGY



www.altawest.net

Written, designed and produced by: www.les-super-heros.com ★
Photo credits: Adobe Stock, Altawest, Jaumont Electric, Leroux & Loz, Technologies image libraries

