

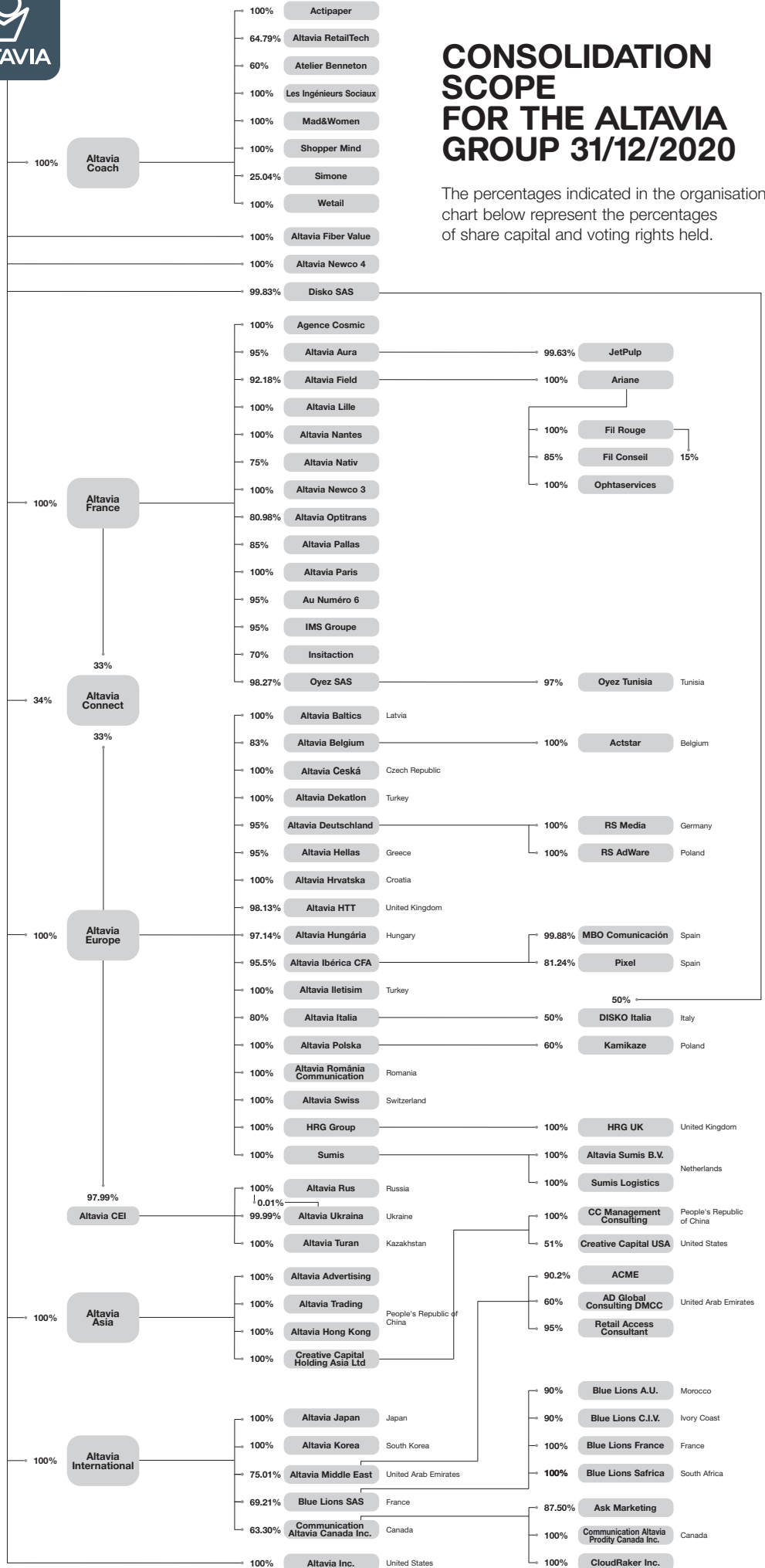
ALTAVIA FINANCIAL REPORT 2020



ALTAVIA

CONSOLIDATION SCOPE FOR THE ALTAVIA GROUP 31/12/2020

The percentages indicated in the organisational chart below represent the percentages of share capital and voting rights held.



CONSOLIDATED FINANCIAL STATEMENTS AS AT 31/12/2020

CONSOLIDATED BALANCE SHEET

In thousands of euros

Assets		31/12/20	31/12/19
Capital assets		101,420	90,327
Goodwill	note 3-1	81,754	71,108
Intangible fixed assets	note 3-2	4,326	3,827
Tangible fixed assets	note 3-3	9,820	9,973
Long-term investments	note 3-4	5,375	5,287
Securities accounted for under equity method	note 3-5	145	131
Current assets		293,934	274,321
Inventories and work-in-progress	note 3-6	15,007	20,986
Trade receivables and related accounts	note 3-7	131,364	155,495
Other receivables and accrual accounts	note 3-8	30,630	28,311
Treasury shares	note 3-9	5,268	5,268
5,268			
Marketable securities		187	353
Cash assets		111,478	63,907
Total assets		395,354	364,648
Liabilities & shareholders' equity			
Shareholders' equity (Group share)	note 3-10	66,094	67,544
Capital		3,846	3,846
Premiums		2,446	2,446
Consolidated reserves and earnings (1)		59,802	61,252
Minority interests	note 3-10	2,313	3,401
Provisions for contingencies and expenses	note 3-11	10,151	8,411
Debt		316,796	285,292
Borrowed funds and financial debt	note 3-12	106,067	62,301
Trade payables and related accounts		135,556	149,413
Other debts and accrual accounts	note 3-13	75,173	73,579
Total liabilities & shareholders' equity		395,354	364,648
(1) of which net earnings, Group share, for the fiscal year		-1,167	4,644

CONSOLIDATED INCOME STATEMENT

In thousands of euros

		2020	2019
Turnover	note 4-1	643,659	776,467
Other operating income	note 4-2	1,078	-5,224
Purchases used		-530,003	-643,708
Payroll costs	note 4-3	-98,018	-104,090
Other operating expenses		-1,669	-1,516
Taxes and levies		-4,092	-3,918
Allocations to amortisation/depreciation and provisions	note 4-4	-7,582	-5,929
Operating earnings		3,373	12,082
Financial expenses and income	note 4-5	-1,953	-1,151
Current earnings of consolidated companies		1,420	10,931
Extraordinary expenses and income	note 4-6	-1,358	-273
Income tax	note 4-7	-1,142	-4,442
Net earnings of consolidated companies		-1,081	6,215
Share of profit companies accounted under the equity method	note 3-5	14	-7
allocations to provisions of goodwill			-823
Net earnings of the consolidated Group		-1,063	5,387
Minority interests		104	743
Net earnings, Group share		-1,167	4,644
Group share of net earnings per share	in €	-0.9	3.6
Earnings per share before allocation to goodwill provisions	in €	-0.9	4.3
Diluted earnings per share	in €	-0.9	3.6
Gross income		147,183	166,518

CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros

	2020	2019
Cash flow from operations:		
Net earnings of consolidated companies after allocations and reversals for goodwill provisions	-1,063	5,387
Elimination of expenses and income with no cash flow impact or not related to the operations:		
- Amortisation, provisions, and reclassification of fixed assets	5,914	5,256
- Change in deferred taxes	200	522
- Gains on sale, net of tax	344	76
- Other eliminations	-14	7
Cash flow from operations of consolidated companies	5,381	11,248
Change in working capital requirements for operations:	15,382	14,038
- Inventories and work-in-progress	5,959	11,854
- Trade accounts receivable	23,638	-6,406
- Trade accounts payable	-12,829	13,168
- Other current assets and liabilities	-1,386	-4,578
Dividends received		37
Net cash flow generated from operations	20,763	25,324
Cash flow from investment operations:		
Acquisitions of fixed assets	-4,357	-6,705
Disposals of fixed assets	143	106
Impact of changes in scope	-11,222	-15,846
Net cash flow from investment operations	-15,437	-22,444
Net cash flow from financing operations:		
Dividends paid to shareholders in the parent company	-3,784	
Dividends paid to minority shareholders from consolidated companies	-780	-1,092
Debt issues	64,416	26,281
Debt repayments	-18,530	-15,283
Cash flow from financing operations	45,106	6,122
Impact of changes in foreign exchange rates	-804	401
Change in cash position	49,628	9,402
Opening cash position	61,652	52,251
Closing cash position	111,281	61,652

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Highlights of 2020

During fiscal year 2020, Altavia Group made certain acquisitions and underwent changes in its scope.

Refer to paragraph 1.2.2

Impacts of the health crisis linked to the COVID-19 epidemic.

This note summarises the impacts of the health crisis on the Group's activity and performance and the main effects of the crisis on the Group's consolidated financial statements.

The COVID-19 epidemic that hit France and the world in 2020 led the Group to guarantee the health and safety of its human capital, its partners and its customers. Against this background of great uncertainty, the Group has implemented an action plan designed to preserve all the assets of Altavia Group. The Group is confident in the measures taken to strengthen control over its investments, secure its cash position (State-guaranteed loan of €45 million and a BPI 'Atout' recovery loan of €15 million in France as well as a State-guaranteed loan in Italy of €4 million) and manage its profitability dynamically.

The roll-out of this scheme and the decisions taken by the governments of the countries in which the Group is established affected Altavia's activities and financial position. These consequences are not easily quantifiable, given that it is difficult to separate other development factors over the period.

The COVID-19 epidemic caused a general and considerable decline in turnover and gross income in 2020 for all services sold (marketing execution, creative commerce) with a more limited fall in some sectors such as the food retail industry and DIY. This decline was observed in both the first and second halves of the 2020 financial year.

Regarding the Group's operating costs, the main effects of the COVID-19 epidemic were a fall in payroll expenses due to partial lay-offs and State aid in some countries (€5.2 million impact on payroll expenses), a reduction in the workforce in some entities and lower remuneration for some executives. Other items of expenditure were also reduced such as rent (reduced surface area, renegotiation of rents) and travel and seminar costs.

Events subsequent to the end of the fiscal year

The COVID-19 health crisis is ongoing at differing degrees of intensity in the different countries in which the Group operates.

1. Principles and methods of consolidation

1.1 General principles

Altavia Group's consolidated financial statements have been prepared in accordance with regulation no. 99-02 of the French Accounting Regulatory Committee (Comité de la Réglementation Comptable) approved on 22 June 1999.

Furthermore, the new ANC regulation no. 2014-03 (French GAAP) will affect the statements during the fiscal year that will end on 31 December 2021.

The financial statements are expressed in thousands of euros.

1.2 Consolidation methods and criteria

The full consolidation method is applied to the financial statements of companies that Altavia SA controls exclusively by directly or indirectly holding a majority of the voting rights.

Companies over which Altavia SA exerts considerable influence are accounted for under the equity method.

Name and registered office of the consolidated companies

Altavia (parent company)	1, rue Rembrandt - 75008 Paris - France
Actipaper	2, place du Colonel Fabien - 75019 Paris - France
Active Creative Middle East	Office 203, floor 02, Loft Office No. 03, Dubai, United Arab Emirates
Actstar	Avenue Louise, 287 Bte 5 - 1050 Brussels - Belgium
AD Global Consulting DMCC	Jumeirah Lakes Towers, Plot n°JLT-PH1-RET-15, Dubai - United Arab Emirates
Agence Cosmic	2, place du Colonel Fabien - 75019 Paris - France
Altavia Advertising	Rooms 2202 and 2203, Floor 22, Zhongyu Plaza, A6 Gongti North Road, Chaoyang District, Beijing - China
Altavia Asia	Unit 7107B, Level 71, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong - China
Altavia Aura	1, rue Pablo Picasso, Bâtiment l'Imprimerie - 42000 Saint-Étienne - France
Altavia Baltics	Ieriku iela 5, Riga, LV-1084 - Latvia
Altavia Belgium	Avenue Louise, 287 Bte 5 - 1050 Brussels - Belgium
Altavia CEI	1, rue Rembrandt - 75008 Paris - France
Altavia Česká	Pocernicka 96/272, CP 108 00 - Prague 10 - Czech Republic
Altavia Coach	1, rue Rembrandt - 75008 Paris - France
Altavia Connect	10, rue Blanqui - 93400 Saint-Ouen - France
Altavia Dekatlon	Acibadem Mh. Çeçen Sok, Akasya Kent Kule 25A-A2 Blok, Kat 34, D. 238 Üsküdar Istanbul - Turkey
Altavia Deutschland	Grafenberger Allee 100, 40237 Düsseldorf - Germany
Altavia Europe	1, rue Rembrandt - 75008 Paris - France
Altavia Fiber Value	10, rue Blanqui - 93400 Saint-Ouen - France
Altavia Field	10 bis, rue de la Pature - 78420 Carrières-sur-Seine - France
Altavia France	10, rue Blanqui - 93400 Saint-Ouen - France
Altavia Hellas	Ethnikis Antistaseos 103 GR-15451 N. Psychiko (Athens) - Greece
Altavia Hong Kong	Flat 7107B 71/F, International Commerce Center, 1, Austin Road West Kowloon, Hong Kong - China
Altavia Hrvatska	Trg Marka, Marulica, 10000 Zagreb, Croatia
Altavia HTT	4 Park Square, Newton Chambers Road, Sheffield, S35 2PH - United Kingdom
Altavia Hungária	II k Erula, 14692 u. registered in kind 103 6 Budapest, Bécsi út 63 - Hungary
Altavia Ibérica CFA	Calle Orense no.16, Madrid - Spain
Altavia Iletisim	Acibadem Mh. Çeçen Sok, Akasya Kent Kule 25A-A2 Blok, Kat 34, D. 238 Üsküdar Istanbul - Turkey
Altavia Inc.	1675 South State St., Ste B, Dover, DE 19901 - USA
Altavia International	1, rue Rembrandt - 75008 Paris - France
Altavia Italia	Alzaia Naviglio Pavese 78/3 - 20142 Milan - Italy
Altavia Japan	Ohchu Daiichi Building 2F, 2-8-13, Yoyogi, Shibuya-ku, Tokyo, 151-0053 - Japan
Altavia Korea	#711 office ICT Tower 624, Gangnam-daero Gangnam-gu, Seoul - South Korea
Altavia Lille	31-33, rue du Molinel - 59800 Lille - France
Altavia Middle East	Office 504/505, Building 02, Emaar Business Park, Dubai - United Arab Emirates
Altavia Nantes	19 a, rue La Noue Bras de Fer - 44200 Nantes - France
Altavia Nativ	2, place du Colonel Fabien - 75019 Paris - France
Altavia Newco3	10, rue Blanqui - 93400 Saint-Ouen - France
Altavia Newco4	1, rue Rembrandt - 75008 Paris - France
Altavia Optitrans	19, chemin de la Plaine - 69390 Vourles - France
Altavia Pallas	2, place du Colonel Fabien - 75019 Paris - France
Altavia Paris	10, rue Blanqui - 93400 Saint-Ouen - France
Altavia Polska	Portico Office Building, ul. Spokojna 5, Warsaw - Poland
Altavia RetailTech	1330, rue Gullibert de la Lauzière, Building B2.9, PA Europarc de Pichaury - 13100 Aix-en-Provence - France
Altavia România Communication	178 Vasile Lascar Street, floor 2, apartment no. 4, sector 2, Bucharest - Romania
Altavia Rus	42, Novokuznetskaya Street, bld. 5, Moscow, 115054 - Russia
Altavia Sumis BV	Amsterdamseweg 206, 1182 HL Amstelveen, Postbus 905, 1180AX Amstelveen - Netherlands
Altavia Swiss	Industriestrasse 47, Postfach 4461, 6304 Zug - Switzerland
Altavia Trading	3rd Floor, Block A, No. 381 Pan Yu Road, Chang Ning District, Shanghai 200052 - China
Altavia Turan	Almalinsky district, ul. Nauryzbay Batyra, 8, second floor, office 27, Almaty - Kazakhstan
Altavia Ukraina	Anischenka 3 let B, Kiev - 01010 - Ukraine
Ariane	10 bis, rue de la Pature - 78420 Carrières-sur-Seine - France
Ask Marketing	1435 rue Saint-Alexandre, Suite 700, Montreal H3A 2G4 - Canada
Atelier Benneton	1, rue Rembrandt - 75008 Paris - France
Au Numéro 6	2, place du Colonel Fabien - 75019 Paris - France
Blue Lions CIV	Immeuble Les Elites Boulevard Valery Giscard D'Estaing Appartement 8B Zone 4 Abidjan - Ivory Coast
Blue Lions France	19, rue de Presbourg - 75016 Paris - France
Blue Lions Safrica	Building 18, The Woodlands Office Park, 20 Woodlands Drive, Johannesburg 2191 - South Africa
Blue Lions SARL AU	Corner of rue Taoufik Al Hakim and Najib Mahfoud, 6 th floor, Gauthier, Casablanca - Morocco
Blue Lions SAS	19, rue de Presbourg - 75016 Paris - France
CloudRaker Inc.	1435 rue Saint-Alexandre, Suite 700, Montréal H3A 2G4 - Canada
Communication Altavia Canada Inc.	1435 rue Saint-Alexandre, Suite 700, Montréal H3A 2G4 - Canada
Communication Altavia Prodiity Canada Inc.	1435 rue Saint-Alexandre, Suite 700, Montréal H3A 2G4 - Canada
Creative Capital Holding Asia	Pim-HK Limited, namely, Flat 7107B, 71/F, International Commerce Center, 1 Austin Road West, Kowloon, Hong Kong - China
Creative Capital Management	Unit 1520, no. 728 Xinhua Road, Changning District - Shanghai
Creative Capital USA	55 Bayard Street #3S, New York, NY 10013 - USA
Disko Italia	7 via Maurizio Gonzaga Milan, CAP 20123 Milan - Italy
Disko SAS	2, place du Colonel Fabien - 75019 Paris - France

Fil Conseil	10 bis, rue de la Pature - 78420 Carrières-sur-Seine - France
Fil Rouge	10 bis, rue de la Pature - 78420 Carrières-sur-Seine - France
HRG Group Limited	Mercury House, 8 Sandy Way, Grange Park, Northampton, NN4 5EJ - United Kingdom
HRG UK Limited	Mercury House, 8 Sandy Way, Grange Park, Northampton, NN4 5EJ - United Kingdom
IMS Groupe	ZA du Bois, 4 rue du Tilleul - 59 840 Perenchies - France
Insitaction	22, rue de Bergues, 59000 Lille - France
JetPulp	12-14, avenue Tony Garnier, Le Quatuor, Bâtiment 4C - 69007 Lyon - France
Kamikaze	Piotrowska 262/264, 90-361 Łódź - Poland
Les Ingénieurs Sociaux	50, rue de Courcelles - 75008 Paris - France
Mad & Women	1, rue Rembrandt - 75008 Paris - France
MBO Comunicación	Calle Orense no.16, Madrid - Spain
Ophtaservices	21, rue Clément Marot - 75008 Paris - France
Oyez SAS	2, place du Colonel Fabien - 75019 Paris - France
Oyez Tunisia	6, rue de l'artisanat, Charguia II, 2035, Ariana - Tunisia
Pixel & Pixel	Calle María Guerrero, 34, 28232 Las Rozas de Madrid, Madrid, Spain
Retail Access Consultant	Emaar Business Park, Building 02, Office 505, Dubai - United Arab Emirates
RS Media Adware Polska	ul. Towarowa 35 - 61-896 Poznan - Poland
RS Media Deutschland GmbH	Grafenberger Allee 100, 40237 Düsseldorf - Germany
Shopper Mind	2, place du Colonel Fabien - 75019 Paris - France
Simone	40, rue Sainte-Anne - 75002 Paris - France
Sumis BV	Amsterdamseweg 206, 1182 HL Amstelveen, Postbus 905, 1180AX Amstelveen - Netherlands
Sumis Logistics BV	Amsterdamseweg 206, 1182 HL Amstelveen, Postbus 905, 1180AX Amstelveen - Netherlands
Wetail	1, rue Rembrandt - 75008 Paris - France

1.2.1 Interest and control expressed as a percentage and consolidation method applied

Companies	31/12/20		31/12/19	
	% holding	% control	% holding	% control
Full consolidation				
Altavia (consolidating company)	100.00	100.00	100.00	100.00
Active Creative Middle East	67.65	90.20	67.65	90.20
Actipaper	100.00	100.00	100.00	100.00
Actstar	82.97	100.00	82.97	100.00
AD Global Consulting DMCC	45.00	60.00	—	—
Agence Cosmic	100.00	100.00	95.47	95.47
Altavia Advertising	90.00	100.00	90.00	100.00
Altavia Asia	90.00	100.00	90.00	90.00
Altavia Aura	95.00	95.00	95.00	95.00
Altavia Baltics	100.00	100.00	100.00	100.00
Altavia Belgium	82.97	82.97	82.97	82.97
Altavia CEI	97.99	97.99	97.99	97.99
Altavia Česká	100.00	100.00	100.00	100.00
Altavia Coach	100.00	100.00	100.00	100.00
Altavia Connect	100.00	100.00	100.00	100.00
Altavia Dekatlon	100.00	100.00	100.00	100.00
Altavia Deutschland	95.00	95.00	95.00	95.00
Altavia Europe	100.00	100.00	100.00	100.00
Altavia Fiber Value	100.00	100.00	100.00	100.00
Altavia Field	92.18	92.18	92.18	92.18
Altavia France	100.00	100.00	100.00	100.00
Altavia Hellas	95.00	95.00	95.00	95.00
Altavia Hong Kong	90.00	100.00	90.00	100.00
Altavia Hrvatska	100.00	100.00	100.00	100.00
Altavia HTT	98.13	98.13	98.13	98.13
Altavia Hongrie	97.14	97.14	97.14	97.14
Altavia Ibérica	95.50	95.50	95.50	95.50
Altavia Iletisim	100.00	100.00	100.00	100.00
Altavia Inc.	100.00	100.00	100.00	100.00
Altavia International	100.00	100.00	100.00	100.00
Altavia Italia	80.00	80.00	80.00	80.00
Altavia Japan	100.00	100.00	100.00	100.00
Altavia Korea	100.00	100.00	100.00	100.00
Altavia Lille	100.00	100.00	100.00	100.00
Altavia Middle East	75.01	75.01	75.00	75.00
Altavia Nantes	100.00	100.00	100.00	100.00
Altavia Nativ	75.00	75.00	75.00	75.00
Altavia Newco3	100.00	100.00	100.00	100.00
Altavia Newco4	100.00	100.00	100.00	100.00
Altavia Optitrans	80.98	80.98	80.98	80.98
Altavia Pallas	85.00	85.00	85.00	85.00
Altavia Paris	100.00	100.00	100.00	100.00
Altavia Polska	100.00	100.00	100.00	100.00
Altavia RetailTech	64.79	64.79	64.79	64.79
Altavia România Communication	100.00	100.00	100.00	100.00
Altavia Rus	97.99	100.00	97.99	100.00
Altavia Sumis BV	100.00	100.00	100.00	100.00
Altavia Swiss	100.00	100.00	100.00	100.00
Altavia Trading	90.00	100.00	90.00	100.00
Altavia Turan	98.00	100.00	98.00	100.00
Altavia Ukraina	98.00	99.99	98.00	99.99
Ariane	92.18	100.00	92.18	100.00
Ask Marketing	55.39	87.50	47.48	75.00

Atelier Benneton	60.00	60.00	60.00	60.00
Au Numéro 6	95.00	95.00	95.00	95.00
Blue Lions CIV	62.29	90.00	62.29	90.00
Blue Lions France	69.21	100.00	69.21	100.00
Blue Lions Safrica	69.21	100.00	69.21	100.00
Blue Lions SARL AU	62.29	90.00	62.29	90.00
Blue Lions SAS	69.21	69.21	69.21	69.21
CC Holding Asia	90.00	100.00	90.00	100.00
CloudRaker	63.31	100.00	63.31	100.00
Communication Altavia Canada	63.31	63.31	63.31	63.31
Communication Altavia Prodigy Canada Inc.	63.31	100.00	63.31	100.00
Creative Capital Management	90.00	100.00	90.00	100.00
Creative Capital USA	45.90	51.00	45.90	51.00
Disko Italia	89.92	100.00	88.68	100.00
Disko SAS	99.83	99.83	97.36	97.36
Fil Conseil	92.18	100.00	92.18	100.00
Fil Rouge	92.18	100.00	92.18	100.00
HRG Group Ltd	100.00	100.00	76.00	76.00
HRG UK Ltd	100.00	100.00	76.00	100.00
IMS Groupe	95.00	95.00	95.00	95.00
Insitaction	70.00	70.00	70.00	70.00
JetPulp	94.65	99.63	92.48	97.35
Kamikaze	60.00	60.00	52.25	55.00
Les Ingénieurs Sociaux	100.00	100.00	100.00	100.00
Mad & Women	100.00	100.00	80.00	80.00
MBO Comunicación	95.39	99.88	95.39	99.88
Ophtaservices	92.18	100.00	92.18	100.00
Oyez SAS	98.26	98.26	90.77	90.77
Oyez Tunisie	95.31	97.00	88.05	97.00
Pixel	77.58	81.24	—	—
Retail Access	71.25	95.00	71.25	95.00
RS Media Adware	95.00	100.00	95.00	100.00
RS Media Deutschland GmbH	95.00	100.00	95.00	100.00
Shopper Mind	100.00	100.00	100.00	100.00
Sumis BV	100.00	100.00	100.00	100.00
Sumis Logistics BV	100.00	100.00	100.00	100.00
Wetail	100.00	100.00	100.00	100.00

Equity method

Simone	25.04	25.04	25.04	25.04
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1.2.2 Changes in the consolidation scope

During fiscal year 2020, Altavia Group notably:

- purchased shares in Disko SAS, through Altavia SA, thereby increasing its stake from 97.36% on 31.12.2019 to 99.83% on 31.12. 2020
- purchased shares in Agence Cosmic, through Altavia France, thus increasing its stake from 95.47% on 31.12.2019 to 100% on 31.12.2020
- purchased shares in JetPulp, through Altavia Europe, thereby increasing its stake in the company from 97.35% on 31.12.2019 to 99.63% on 31.12.2020
- purchased shares in Mad&Women, through Altavia Coach, thereby increasing its stake in the company from 80% on 31.12.2019 to 100% on 31.12.2020
- purchased shares in Kamikaze, through Altavia Polska, thereby increasing its stake from 55% on 31.12.2019 to 60% on 31.12. 2020
- purchased shares in HRG, through Altavia Europe, thereby increasing its stake in the company from 76% on 31.12.2019 to 100% on 31.12.2020
- acquired Pixel, through Altavia Iberica, at 81.24% in February 2020
- liquidated Blue Lions Middle East FZ owned by Blue Lions SAS
- liquidated Altavia Morocco owned by Altavia International
- sold Capital Innovation owned by Altavia Coach
- purchased shares in Ask Marketing, through Altavia Canada, thus increasing its stake from 75% on 31.12.2019 to 87.5% on 31.12.2020
- created AD Global Consulting DMCC, 60% owned by Altavia Middle East

1.2.3 Non-consolidated companies

Altavia has stakes in Stimshop, Braineet, My Genius and Untienots through Altavia Coach of 5.21%, 8.33%, 4.32% and 14.42% respectively.

Sumis also holds a minority stake in Peecho (4.43%), as does Actstar, which holds a minority stake in Dammet (6.9%).

1.2.4 Treatment of goodwill

Goodwill represents the difference between the acquisition price (plus related costs) after taxes of the subsidiary's securities and the Group's share in the fair value of its net assets on the date when

the interest was acquired.

Moreover, complementary goodwill is determined when Group interest in a consolidated company increases without impacting the valuations of identified assets and liabilities on the date when control is taken. In this case, goodwill is treated as previously described.

The ANC (Autorité des Normes Comptables) accounting regulations nos. 2015-06 and 2015-07 transpose the European Accounting Directive into French regulations.

Pursuant to these texts, the Group considers that their useful life is unlimited. The Group carries out annual impairment tests.

1.2.5 Restatement of foreign companies' financial statements

At the end of the period, items on the balance sheets of foreign companies, except shareholders' equity (which remains at the historical rate), are converted at the exchange rate of the closing date of the fiscal year. The difference is entered under the item "Exchange conversion differences".

Profit and loss account items are converted at the average rate for the fiscal year.

Exchange rates used at 31 December 2020 and 31 December 2019 are expressed in currency units per €1:

Country	Currency	Closing rate		Average rate	
		31/12/20	31/12/19	2020	2019
South Africa	Rand	17.91	15.78	18.61	16.18
Canada	Canadian dollar	1.56	1.46	1.53	1.49
South Korea	Korean Won	1,336.00	1,296.28	1,334.35	1,304.78
Ivory Coast	CFA franc	655.97	655.97	655.97	655.95
Croatia	Croatian Kuna	7.55	7.44	7.54	7.42
United Arab Emirates	Emirati Dirham	4.49	4.08	4.17	4.11
United States	US Dollar	1.23	1.12	1.14	1.12
Hong Kong	Hong Kong dollar	9.51	8.75	8.82	8.78
Hungary	Forint	363.89	330.53	351.86	324.73
Japan	Japanese Yen	126.49	121.94	121.38	122.13
Kazakhstan	Tenge kazakh	514.72	421.03	472.94	428.90
Morocco	Moroccan Dirham	10.86	10.65	10.83	10.77
Poland	Polish Zloty	4.56	4.26	4.45	4.30
People's Republic of China	Yuan	8.02	7.82	7.84	7.73
Czech Republic Koruna		26.24	25.41	26.53	25.69
Romania	New Romanian leu	4.87	4.78	4.84	4.74
United Kingdom	Pound sterling	0.90	0.85	0.89	0.88
Russia	Ruble	91.47	69.96	82.42	72.68
Switzerland	Swiss franc	1.08	1.09	1.07	1.11
Tunisia	Tunisian Dinar	3.29	3.13	3.23	3.15
Turkey	Turkish Lira	9.11	6.68	8.01	6.34
Ukraine	Hryvnia	34.61	27.79	30.87	28.93

1.2.6 Deferred taxes

Deferred taxes are calculated based on temporary differences between the tax base and the balance sheet.

The method used to recognise deferred taxes is the liability method: taxes are calculated at each year-end based on the last known tax rate applicable to future fiscal years.

The effects of tax rate changes are posted in the earnings for the fiscal year in which the change occurred.

Deferred tax assets are analysed on a case-by-case basis and posted in the balance sheet when it is probable that they will be recovered in subsequent years.

In addition, the application of the tax consolidation regime makes it possible to allocate the losses of subsidiaries included in the Altavia SA tax consolidation scope.

Deferred taxes for French companies expected to be settled in 2020 are valued at 31% and at 27.5% for those expected to be settled after 2022.

In foreign countries, the tax rate is consistent with the local tax system.

1.2.7 Treatment of Group internal operations

Reciprocal transactions between fully consolidated companies have been eliminated in the balance sheet, income statement and cash flow statement.

No adjustments were made to current internal profits, as they did not significantly impact the Group's net earnings (margin on inventory).

Internal margin revenues have been eliminated in order to record the assets at fair value.

Earnings from internal transfers of fixed assets from one company of the Group to another are not eliminated because of the absence of disposal gains and their minimal impact on balance sheet items.

No adjustment has been made for differences resulting from the different amortisation rates applied within the Group's companies to the same type of fixed assets, as they are insignificant.

2. Accounting principles and valuation methods

2.1 Changes in valuation or presentation methods

No change in valuation or presentation methods for the 2020 fiscal year.

2.2 Valuation methods

Definition of cash in the balance sheet

Cash and cash equivalents correspond to cash in hand, marketable securities and bank overdrafts. The definition excludes recourse factoring contracts, which are considered as "Receivables discounting credits" under financial debts. Similarly, in the cash flow statement, as the credits for the discounting of receivables are a financing resource, changes in these credits are allocated to the line items for debt issues/repayments.

Intangible and tangible fixed assets

Tangible and intangible fixed assets are booked at their acquisition price.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

- Software	1 year
- Fixtures and general facilities	4 to 10 years
- Office and computer equipment	2 to 10 years
- Furniture	5 to 10 years
- Industrial equipment	2 to 5 years
- Other equipment	3 to 5 years
- Transport equipment	4 to 5 years
- Industrial equipment and tools	2 to 5 years

Some fixed assets are regulated by lease contracts under the terms of which the Group assumes the benefits and risks of ownership. In such cases, an adjustment is made in order to recognise the value of the rented property under assets and the corresponding financial debt under liabilities. The fixed asset is depreciated over its economic life for the Group. The debt is amortised over the term of the lease. Impact of the restatement on the profit and loss statement is the cancellation of rents and the recording of the allocation to depreciation and amortisation and the debt-related interest charges.

Development costs

The recognition of development costs as an asset is related to the development of substantially individualised projects whose technical feasibility is proven and that the company anticipates and is able to achieve. The capitalisation of these costs is justified insofar as these projects generate future economic benefits.

The accounting depreciation term used is based on the evaluated marketing lifetime of each developed product or, in case of non-marketing, the useful life.

Equity securities and securities accounted for using the equity method

The value of securities of companies accounted for by the equity method represents the Group's share in shareholders' equity and in the profits of these companies, taking into consideration the application of the applied consolidation principles.

Equity securities in these companies are valued at their gross book value or at their inventory value if it is lower. In this case, a provision for depreciation is made.

The inventory value is established on the basis of the corresponding share of the shareholders' equity of the company concerned, possibly adjusted for specific future risks.

Inventory and work-in-progress

Inventories of raw materials and other supplies are valued at their acquisition value. Products and work in progress have been valued at their production cost; they correspond to work for which the margin is estimated on delivery.

Trade receivables and related accounts

Trade receivables and related accounts are posted at their nominal value. The risk of non-recovery is subject to appropriate provisions for depreciation, determined on an individual basis or on the basis of seniority criteria.

Treasury shares

Treasury shares held under the Group's share buyback programme are recorded as treasury shares. They are valued at purchase price. At the end of the financial year, if the inventory value is lower than the purchase price, impairment losses are recorded equal to the difference. On 31 December 2020, Altavia SA held 5.26% of its capital.

Marketable securities

Marketable securities are valued at purchase price. At the end of the financial year, if the inventory value is lower than the purchase price, impairment losses are recorded equal to the difference.

Deferred revenue

Deferred revenue is generated each time an invoice is issued for a product not delivered, equal to the invoiced amount.

Accrual and similar accounts

Accrual and similar accounts are recorded as assets and include the following primary items:

- prepaid expenses
- deferred tax assets

Exchange conversion differences

Conversion differences resulting from transactions denominated in foreign currencies are posted in the income statement.

Retirement benefits

In France, retirement benefits are payable on retirement if the employee is still with the Group at that date. These benefits are valued and provisioned based on the employee's salary and seniority on the date of departure, according to the regulations of the applicable agreements. The amount of the commitment is determined in accordance with the provisions of Appendix 1 to ANC recommendation no. 2013-02.

The posting of actuarial gains and losses is determined using method 1, known as the "Corridor" method.

Under the assumptions used, the retirement age is 65 years and the social contribution rate assumption is 45%. The discount rate and the rate of salary increases used to calculate commitments are 0.55% and 1% as at 31 December 2020, compared to 1.05% and 2% respectively as at 31 December 2019.

The portion of the change in actuarial gains and losses exceeding 10% of the commitment is spread over the average remaining period of service.

Retirement benefits are primarily attributable to the French subsidiaries.

See paragraph 3.11

Provisions for risks and expenses

Provisions for risks and expenses are posted when their purpose is clearly specified at the end of the fiscal year or before the financial statements are drawn up.

Tax consolidation

A tax consolidation agreement includes Altavia SA, Altavia Coach, Altavia Europe, Altavia France, Altavia Paris, Altavia Lille, Altavia Nantes, Altavia Aura, Jetpulp, Disko SAS, Wetail, Agence Cosmic, Altavia CEI, Actipaper, Shopper Mind, Au Numéro 6, Altavia International, IMS Groupe, Altavia Newco4, Altavia Newco3 and Altavia Fiber Value.

Under this agreement, each company in the tax consolidation group accounts for its own tax. In addition, the income and expenses of the tax consolidation group are posted by the Group's parent company in its profit and loss statement.

Posting turnover

The various services and income from ordinary activities are posted using the percentage-of-completion method. The same is true for operations partially completed at the end of the fiscal year; as the margin is established only upon delivery of the operation. Services invoiced on a fixed fee basis are posted monthly.

For our subsidiaries whose main activity is digital, services are posted using the percentage of completion method.

Gross income

Gross income is defined as the difference between turnover and net expenditure directly related to services provided to customers, and includes income from rebates and financial discounts.

3. Notes to the consolidated balance sheet

3.1 Goodwill

In thousands of euros	31/12/20	31/12/19
Gross value on 1s January	117,708	101,426
New goodwill for the financial year (1)	10,646	16,282
Disposals during the financial year		
Gross value at year-end	128,354	117,708
Goodwill amortisation at 1st January	-46,600	-45,777
Charges to provisions for impairment of goodwill		-823
Net goodwill value at end of period	81,754	71,108

The new goodwill for the year (1) relates to acquisitions and purchase of minority interests made during the 2020 fiscal year:

- Pixel in Spain
- Buyout of 24% of minority interests in HRG in Great Britain

3.2 Intangible fixed assets

Gross values

In thousands of euros	Gross value on 31 Dec. 2019	Increases the fiscal year	Diminutions the fiscal year	Variation in scope	Misc. movements	Gross value on 31 Dec. 2020
Incorporation expenses	31					31
Research and development expenses	3,041	41	-492		492	3,082
Concessions, patents and licences	10,955	3,691	-1,473	73	-25	13,220
Business Goodwill	108		-90			18
Other intangible assets	53	4			-3	54
Intangible assets in progress		1,673	467	-1,347	-492	301
Advances & down payments on intangible assets	11		-11			
TOTAL	15,870	4,203	-3,413	73	-28	16,705

Amortisation and provisions

In thousands of euros	Amortisation and provisions for the financial year on 31 Dec. 2019	Provisions for the financial year	Reductions for the financial year	Variation in scope	Misc. Movements and provisions	Amortisation and provisions on 31 Dec. 2020
Incorporation expenses	31					31
Research and development expenses	2,936	69				3,005
Concessions, patents and licences	8,917	843	-490	26	-22	9,273
Business Goodwill	108		-90			18
Other intangible assets	50		3		-1	52
TOTAL	12,042	912	-577	26	-23	12,379

3.3 Tangible fixed assets

Gross values

In thousands of euros	Gross value on 31 Dec. 2019	Increases the fiscal year	Diminutions the fiscal year	Variation in scope	Misc. movements	Gross value on 31 Dec. 2020
Buildings	2,937	5	-56		-139	2,746
Other tangible fixed assets	27,349	2,590	-1,305	444	-439	28,639
Tangible fixed assets in progress	320	1,272	-1,004			588
Advances and down payments on fixed assets						
Own fixed assets	30,606	3,867	-2,364	444	-578	31,974
Other leased tangible fixed assets	377		-27		-5	345
Leased tangible fixed assets	377		-27		-5	345
TOTAL	30,982	3,867	-2,391	444	-583	32,319

Amortisation and provisions

In thousands of euros	Amortisation and provisions for the financial year on 31 Dec. 2019	Provisions for the financial year	Reductions for the financial year	Variation in scope	Misc. Movements	Amortisation and provisions on 31 Dec. 2020
Buildings	1,269	118	-56		-57	1,273
Other tangible fixed assets	19,507	2,557	-1,035	186	-324	20,892
Own fixed assets	20,775	2,675	-1,090	186	-382	22,165
Other leased tangible fixed assets	234	38	-27		-3	241
Leased tangible fixed assets	234	38	-27		-3	241
TOTAL	21,009	2,713	-1,117	186	-385	22,406

3.4 Long-term investments

Gross values

In thousands of euros	Gross value on 31 Dec. 2019	Increases the fiscal year	Diminutions the fiscal year	Variation in scope	Misc. movements	Gross value on 31 Dec. 2020
Other long-term securities	2,802	106	-10		-10	2,888
Loans	22	8	-7		-0	22
Other long-term investments	2,545	98		12	-8	2,646
TOTAL	5,369	211	-17	12	-19	5,557

Other long-term investments correspond to security deposits related to commercial leases.

Amortisation and provisions

In thousands of euros	Amortisation and provisions on 31 Dec. 2019	Provisions for the financial year during the financial year	Reductions for the financial year during the financial year	Movements during the financial year	Misc. Movements	Amortisation and provisions on 31 Dec. 2020
Other long-term securities	82		100			182
Loans						
Other long-term investments						
TOTAL	82		100			182

Schedule of loans and other long-term investments

In thousands of euros	Due in less than 1 year	Due in more than 1 year	Accrued interest	TOTAL
Loans		22		22
Other long-term investments		2,646		2,646

3.5 Securities accounted for under equity method

In thousands of euros	31/12/20	31/12/19
Net value as at 1s January	131	223
Opening correction		-48
Distribution of dividends		-37
Earnings for the period	14	-7
TOTAL	145	131

3.6 Inventory and work-in-progress

In thousands of euros	Gross value as at 31 Dec. 2020	Depreciation as at 31 Dec. 2020	Net value as at 31 Dec. 2020	Net value as at 31 Dec. 2019
Raw materials and supplies	1,972	959	1,012	1,445
In progress	13,509		13,509	19,031
Finished goods	8	6	2	2
Goods	559	76	484	508
Stocks in transit				
TOTAL	16,048	1,041	15,007	20,986

3.7 Trade receivables and related accounts

In thousands of euros	31/12/20	31/12/19	Variation
Gross value	135,305	158,861	-23,556
Provisions	-3,941	-3,365	576
Net value	131,364	155,495	-24,131

Receivables are debts due in under one year.

3.8 Other receivables and accrual accounts (assets)

In thousands of euros	Gross value as at 31 Dec. 2020	Depreciation as at 31 Dec. 2020	Net value as at 31 Dec. 2020	Net value as at 31 Dec. 2019
Advances and deposits	677		677	673
Other receivables	26,985	17	26,968	23,736
Prepayments and deferred charges	2,159		2,159	2,514
Deferred tax assets	826		826	1,387
TOTAL	30,647	17	30,630	28,311

The various debtors have due dates within one year.

3.9 Treasury shares

Treasury shares remain dedicated to share option plans.

3.10 Shareholders' equity, Group share and minority interests

The share capital is made up of 1,282,137 shares, each with a face value of €3.

In thousands of euros	Registered capital	Share premium accounts	Consolidated income and reserves (Group share)	Shareholders' equity	Minority interests	Total
Net position on 31/12/18 after net income appropriation	3,846	2,446	60,013	66,305	3,928	70,233
Changes in scope (2)					-439	-439
Dividend distributions			-3,784	-3,784	-831	-4,615
Change in translation differences			189	189	-6	183
Other variations			190	190	6	196
Net income on 31/12/19			4,644	4,644	743	5,387
Net position on 31/12/19 after net income appropriation	3,846	2,446	61,252	67,544	3,401	70,945
Changes in scope (2)					-340	-340
Distribution of dividends					-927	-927
Change in translation differences			-118	-118	59	-59
Other variations			-165	-165	16	-149
Net income on 31/12/20			-1,167	-1,167	104	-1,063
Net position on 31/12/20 after net income appropriation	3,846	2,446	59,802	66,094	2,313	68,407

(1) Changes in scope correspond mainly to minority interests in Creative Capital Group, RAC & ACME and the Oyez Group.

(2) Changes in scope correspond mainly to buyouts of minority interests in HRG.

3.11 Provisions for contingencies and expenses

In thousands of euros	31/12/20	31/12/19
Provisions for contingencies	1,496	691
Provisions for expenses (incl. retirement benefits)	8,655	7,719
TOTAL	10,151	8,411

Change in provisions for contingencies and expenses

In thousands of euros	Provisions on 31 Dec. 2019	Allocations for the fiscal year	Reversals for the fiscal year	Variation in scope	Misc. movements	Provisions on 31 Dec. 2020
Provisions for contingencies	691	1,282	-492	-1	-4	1,496
Provisions for expenses (incl. retirement benefits)		7,719	2,400	-1,434	-30	8,655
TOTAL	8,411	3,682	-1,906	-1	-34	10,151

Provisions for contingencies include mainly trading and wage disputes.

Provisions for expenses are related for the most part to provisions for retirement benefits.

The "Corridor" method is used to account for the provision for retirement benefits.

The application of this method results in spreading over the average remaining contribution period (9 years), the portion of the variation exceeding 10% of the commitment. Thus the provision at 31 December 2020 amounts to €8,245K for Altavia Group entities.

3.12 Borrowed funds and financial debts

In thousands of euros	31/12/20	31/12/19
Borrowings from credit institutions	102,311	55,370
Other financial debts	1,303	1,808
Current bank overdrafts	2,197	4,956
Leasing loans	92	132
Accrued interest not yet due on loans	165	35
TOTAL	106,068	62,301

Since 7 January 2015, Altavia Group has a confirmed line of credit of up to €135 million, drawn down in the amount of €36 million at 31 December 2020.

In the context of the COVID-19 health crisis, Altavia Group obtained a State-guaranteed loan over the course of the 2020 fiscal year for an amount of €45 million and a BPI 'Atout' loan for the amount of €15 million in France. Furthermore, a loan guaranteed by the Italian State for €4 million was obtained in 2020.

Schedule of loans and debts

In thousands of euros payable after more than	TOTAL	Debts payable after		Debts payable after more than 5 years
		less than 1 year	1 to 5 years	
Borrowings from credit institutions		2,659	99,439	213
Accrued interest not yet due		165		
Other financial debts		1,303		
Bank loans and overdrafts		2,197		
Leasing loans		92		
TOTAL		6,416	99,439	213

3.13 Other debts and accrual accounts (liabilities)

In thousands of euros	31/12/20	31/12/19
Tax and payroll-related payables	36,480	38,275
Miscellaneous debts	11,100	9,913
Other deferred revenue	26,867	24,586
Debts on fixed assets and related accounts	726	805
TOTAL	75,173	73,579

All debts are payable in under one year.

3.14 Off-balance sheet commitments 31/12/2020

In thousands of euros	TOTAL	Due dates	
		< 1 year	1-5 years > 5 years
Off-balance sheet commitments given			
First-demand guarantees	343	300	43
Comfort letters			
Bank guarantees	407	358	49
Lease guarantees			
Transfer undertakings	7	7	
Earn-outs	1,279		1,219
Loan agreements	1,000	1,000	
Mortgages/Pledges	1,726		1,726
Asset and liability guarantees	906	906	
TOTAL	5,608	2,751	1,311 1,726
Off-balance sheet commitments received			
Asset and liability guarantees	22,038	15,294	6,744
Lease guarantees			
Loan guarantees	1,000	1,000	
TOTAL	23,038	16,294	6,744

Other commitments

Pledges: Commitment of Altavia SA to BNP Paribas: Pledge of a Financial Securities Account covering 60% of the shares comprising the capital of Altavia France (i.e. 10,292 shares) and 60% of the shares in Altavia Europe (i.e. 3,356,957 shares) or 51% of the shares if the maximum authorised outstanding amount is less than €20 million, with effect from 07/01/2015 under a €20 million Refinancing Loan, a €75 million Revolving Loan 1 and a €20 million Revolving Loan 2.

Share purchase commitments granted by ALTAVIA SA, ALTAVIA France, ALTAVIA EUROPE and ALTAVIA INTERNATIONAL to minority shareholders under predefined conditions.

Commitments to sell shares granted by minority shareholders to ALTAVIA SA, ALTAVIA France, ALTAVIA EUROPE, ALTAVIA INTERNATIONAL and COMMUNICATION ALTAVIA CANADA under predefined conditions.

Acquisition of Groupe Fil Rouge: Option to convert 37,439 preference shares held by a minority shareholder in Altavia Field into ordinary shares based on the achievement of performance targets for a period up to 31 December 2022.

4. Notes on the consolidated income statement

4.1 Breakdown of turnover by geographical area

	2020		2019	
	in thousands of euros	as a percentage	in thousands of euros	as a percentage
Sales in France	404,616	63%	470,365	61%
EU countries sales	175,069	27%	253,135	33%
Sales outside the EU	63,974	10%	52,967	7%
TOTAL	643,659	100%	776,467	100%

4.2 Other operating income

In thousands of euros	2020	2019
Inventory production	-5,477	-11,652
Self-constructed assets	2,362	1,934
Operating subsidiaries	12	313
Reversals of operating provisions	1,430	2,055
Transfers of operating expenses	903	607
Other operating income	1,848	1,519
TOTAL	1,078	-5,224

4.3 Payroll expenses and staff size

In thousands of euros	2020	2019
Salaries	74,053	78,638
Social security charges	23,965	25,451
TOTAL	98,018	104,090

A profit-sharing agreement between Altavia France and some of its subsidiaries was entered into in 2004.

Staff size of fully consolidated companies at year-end

	2020	2019
France	915	984
Abroad (excluding China)	850	835
China	78	144
GROUP TOTAL	1,843	1,963

4.4 Operating depreciations and provisions

In thousands of euros	2020	2019
Allocations to depreciation of intangible fixed assets	912	1,115
Allocations to depreciation of own fixed assets	2,675	2,894
Allocations to depreciation of leased tangible fixed assets	38	58
Allocations and reversals of provisions on inventories	269	141
Allocations and reversals of provisions on receivables	576	102
Allocations and reversals of provisions for risks and operating expenses	1,683	-428
TOTAL	6,152	3,883
of which total allowances	7,582	5,929
of which total reversals (note 4.2)	1,430	2,055

4.5 Financial expenses and income

In thousands of euros	2020	2019
Foreign exchange gains and losses	4	-172
Allocations and reversals of financial provisions	-169	39
Financial interest and expenses	-1,834	-1,059
Other financial income	41	40
Income from disposal of investment securities	4	2
TOTAL	-1,953	-1,151

4.6 Extraordinary expenses and income

In thousands of euros	2020	2019
Extraordinary income and expenses on capital transactions -655 -31		
Allocations and reversals of extraordinary provisions	873	-106
Extraordinary income and expenses on management transactions	-1,576	-136
TOTAL	-1,358	-273

4.7 Income tax

In thousands of euros	2020	2019
Taxes payable on profits	942	3,920
Deferred taxes	200	522
TOTAL	1,142	4,442

Tax credits directly related to an operating expense have been classified as operational. These include research, innovation and donation tax credits.

4.8 Tax analysis

In thousands of euros	2020	2019
Net earnings of the consolidated entity	-1,063	5,387
Goodwill impairment cancellation		823
Share of earnings from companies accounted for under the equity method	-14	7
Income tax	1,142	4,442
Theoretical tax base	64	10,660
Tax rate applicable to the consolidating company	31%	33.3%
Theoretical tax	20	3,553
Impact of permanent differences	340	182
Tax credits and other corporate tax elements		-200
596		
Tax rate differences	-237	-165
Capitalisation of tax loss	-327	-816
Deferred taxes not recorded on losses	1,546	1,092
Income tax posted	1,142	4,442

5. Remuneration of administrative and management bodies

The remuneration of the management body is not given as this would amount to identifying the remuneration of a specified member. The amount recorded for the financial year 2020 concerning attendance fees for the Board of Directors is €103,000.

in €K	AUDIT			OTHER SERVICES			Grand Total
	Statutory auditors certification, examination of individual and consolidated financial statements	Other missions and other audit missions	Audit sub-total	Legal, tax, social	Other	Other sub-total	
ALTAVIA SA							
End December 2020	78		78		53	53	131
Deloitte	34		34		53	53	87
Crowe	32		32				32
Angeli	12		12				12
SUBSIDIARIES							
End December 2020	395	21	416	52	9	61	477
Deloitte	164	9	173	8	7	15	188
Crowe	207	13	219				219
Franck Droze	6		6				6
Mazars	4		4				4
SJA	4		4				4
Van Oers				15	2	17	17
Other	10		10	28		28	38
Total Fees 2020	473	21	494	52	62	114	608
ALTAVIA SA							
End December 2019	143		143				143
Deloitte	116		116				116
Angeli	27		27				27
SUBSIDIARIES							
End December 2019	426	20	446	30	3	34	480
Deloitte	334	13	347	6	1	7	354
Crowe	13	6	20				20
Franck Droze	11		11				11
Mars Audit	5		5				5
Mazars	5		5				5
SJA	4		4				4
Van Oers	39	1	40	24	2	26	65
Other	15		15		1	1	16
Total Fees 2019	569	20	589	30	3	34	622

MANAGEMENT REPORT INCLUDING THE GROUP REPORT ON CORPORATE GOVERNANCE

BOARD OF DIRECTORS MEETING OF 25 MARCH 2021

The COVID-19 epidemic that hit France and the world in 2020 led Altavia Group to guarantee the health and safety of its human capital, its partners and its customers. Against this background of great uncertainty, Group Altavia has implemented an action plan designed to preserve all of its assets. The Group is confident in the measures taken to strengthen control over its investments, secure its cash position and manage its profitability dynamically.

The roll-out of this scheme and the decisions taken by the governments of the countries in which Altavia Group is established affected Altavia's activities and financial position. These consequences are not easily quantifiable, given that it is difficult to separate other development factors over the period.

The COVID-19 epidemic caused a general and considerable decline in turnover and gross income in 2020 for all services sold (marketing execution, creative commerce) with a more limited fall in some sectors such as the food retail industry and DIY. This decline was observed in both the first and second halves of the 2020 financial year.

Regarding the Group's operating costs, payroll expenses were adjusted due to partial lay-offs and State aid in some countries, a reduction in the workforce in some entities and lower remuneration for some executives. The reduction in rent (reduced surface area, renegotiation of rents) and travel and seminar costs contributed significantly to revising other operating costs downwards.

Your Board of Directors met six times during the fiscal year, and specifically discussed the consequences of the health crisis and the appropriate measures to take. The company's priority was to guarantee the health and safety of its human capital, its partners and its customers.

1. MANAGEMENT REPORT

I - ALTAVIA GROUP ACTIVITY IN 2020

1) Net income on 31/12/2020

In 2020, consolidated turnover amounted to €643.7 million, down 17.1% compared to 2019. Consolidated gross turnover (main indicator of the Group's level of activity, made up of both turnover minus external purchases directly related to projects completed and income from discounts) was €147.2 million in 2020, compared to €166.5 million in 2019, down 11.6%. This fall is linked to the general decline in activities for all services sold (marketing execution, creative commerce) with a more limited fall in some sectors such as the food retail industry and DIY and for all of the geographical areas where Altavia Group is established.

Operating earnings totalled €3.4 million in 2020, down from €12.1 million in 2019. This fall mechanically stems from the decline in gross turnover which was partially offset by the reduced costs (hiring freeze, partial lay-offs, lower remuneration for some executives, reduced rent and lower travel and seminar costs).

Net financial earning totalled -€2.0 million, down compared to 2019 following the financing of the acquisitions until that point, the sale of Capital Innovation and the closure of the Moroccan subsidiary.

Extraordinary earnings totalled -€1.4 million in 2020, compared to -€0.3 million in 2019.

In 2020, in accordance with accounting regulations, impairment tests were conducted on goodwill but did not lead to an impairment charge.

Following a tax charge of €1.1 million and minority interests representing €0.1 million, the 2020 Group share of net earnings stood at -€1.1 million compared to a profit of €4.6 million in 2019.

2) Financial position at 31.12.2020

Total consolidated shareholders' equity as at 31 December 2020 was €68.4 million compared to €70.9 million as at end of 2019. Shareholders' equity (Group share) was €66.1 million, 31 December 2020 compared to €67.5 million the previous year.

Gross financial debt increased to €106.1 million at the end of 2020 compared to €62.3 million at the end of 2019, following the financing of external growth operations by drawing on the line of credit set up in 2015 and the introduction of additional financing (State-guaranteed loan, BPI 'Atout' loan). The Group's gross debt ratio (gross loans and financial debt over consolidated shareholders' equity) was 155.1% on 31 December 2020, compared to 87.8% at end 2019.

Consolidated available cash and cash equivalents at 31 December 2020 (excluding treasury shares) stood at €111.7 million compared to €64.3 million in 2019. This increase was due to good management of the Group's working capital requirement and the prudential management of cash flows with the introduction of additional financing (see above), the funds from which had not been used as at 31 December 2020.

Net cash and cash equivalents (investments and cash, excluding treasury shares, less gross loans and financial debts) on 31 December 2020 stood at €5.6 million compared to €2.0 million on 31 December 2019. It is impacted appreciably by the acquisitions made during the year and the cash generated over the year.

A loan agreement guaranteed by the French State in accordance with Article 6 of Act No. 2020-289 of 23 March 2020 amending the 2020 finance act and the decree of 23 March 2020 was requested and concluded on 29 May 2020 between (i) the company as borrower, (ii) BNP Paribas as Agent and (iii) Banque Palatine, Banque Populaire Grand Ouest, BNP Paribas, Crédit Lyonnais, HSBC France and Société Générale as lenders. A BPI 'Atout' loan was also obtained.

3) Events subsequent to the end of the fiscal year

In accordance with the provisions of articles L. 232-1 and L. 233-26 of the French Commercial Code, we inform you that the 2020 financial statements were prepared during the health crisis and pandemic linked to COVID-19. The Company's priority is to guarantee the health and safety of its human capital, its partners and its customers.

Against this background of great uncertainty, the Company has implemented and followed an action plan designed to preserve all of its assets. The Company is confident in the measures taken to strengthen control over its investments, secure its cash position and manage its profitability dynamically.

On 26 February 2021, the company Altavia Hellas carried out a capital increase of €3,000 through the issue of 1,000 new shares with a nominal value of 3 euros and an issue premium of €2.567 per share (i.e. a subscription price of €2.570 per share). The capital increase was subscribed in full by Altavia Europe by offsetting its Member's current account by €1,747,600 and through a cash contribution of €822,400. The capital of Altavia Hellas now stands at €63,000 divided into 21,000 shares of which 20,000 shares held by Altavia Europe, i.e. 95.24% of the share capital of Altavia Hellas.

II - OUTLOOK

Subject to the development of the COVID-19 epidemic, Altavia Group intends to continue to strengthen its Marketing Services and Digital expertise to serve its "Retail" customers. In 2021, the group will be implementing its "Trust 2025" strategy focused on Marketing Execution and Creative Commerce and will continue to establish synergies with the companies acquired.

As such, Altavia will continue negotiations to renew the line of credit set up in 2015 so that it can continue its development in targeted countries and in certain businesses where it wishes to improve its position.

III - ALTAVIA (PARENT COMPANY) FINANCIAL AND LEGAL INFORMATION

1) Altavia operations

In addition to leading the Group, defining and managing its policies and overseeing their implementation, ALTAVIA SA provides various services to Group companies.

Its turnover, consisting mainly of income from services and rebilling of property rents, was €15,715,536, compared to €14,593,585.33 in 2019.

After taking into account €15,294,710.22 in operating expenses, the operating earnings for 2020 amounts to €436,447.43 compared to a loss of €200,708.51 in 2019.

The financial earnings in 2020 were €6,767,505.07 compared to €3,350,243.49 in 2019.

Earnings before tax and extraordinary items totalled €6,740,834.02 in 2020 compared to €3,593,266.16 in 2019.

Extraordinary earnings in 2020 were a loss of €19,314, compared to gain of €109,189.38 in 2019.

In 2020, Altavia SA's tax charge was negative and amounted to €1,622,302.00. In 2019, the negative amount was €640,326.00.

Net earnings for the 2020 fiscal year thus come to €8,343,822.02 compared to €4,342,781.54 in 2019.

All of the French companies in the Altavia Group, with the exception of Altavia Optitrans, Capital Innovation, Altavia Pallas, Insitaction, Atelier Benneton, Altavia Nativ, Simone, Stimshop, Altavia Retailtech, Altavia Field and its subsidiaries, Oyez, Braineet, My Genius, Untienots, were more than 95% owned as at 31/12/2020, directly or indirectly, by Altavia SA and are therefore included in its tax consolidation scope.

Ms Catherine Dunand and VIATEAM represented by Mr Joël Jung were reappointed as Directors for a term of six years and Mr Jean-Michel Gabriel was appointed as Director for a term of six years, i.e. until the General Meeting of Shareholders to approve the financial statements for fiscal year 2025 which will be held in 2026. Ms Delphine Larrandaburu now represents BNP PARIBAS DEVELOPPEMENT as Non-Voting Director within the Company.

The mandate of the Deloitte et Associés partnership, based at 6, Place de la Pyramide - 92908 Paris la Défense, was renewed as Statutory Auditor for a period of six financial years, i.e. until after the Ordinary General Meeting called to approve the 2025 financial statements, which will be held in 2026.

Cabinet Crowe HAF, domiciled at 85, rue Edouard Vaillant in Levallois-Perret, was appointed as Statutory Auditors of the company for a period of six fiscal years, i.e. until the end of the Ordinary General Meeting called to approve the 2025 financial statements, which will be held in 2026.

The General Meeting of Shareholders will be asked to renew the terms of office of Messrs Daniel de Botton, Michel Duval, Pierre Milchior, Alain Roubach and Lorenzo Bertagnolio, as well as the mandate of the company Andera Partners for a period of 6 fiscal years, i.e. until the end of the Ordinary General Meeting called to approve the 2026 financial statements, which will be held in 2027.

With three co-Statutory Auditors, the Board of Directors will put forward to the General Meeting of Shareholders that the current Statutory Auditor ANGELI SARL not be renewed, nor Bertrand Dubel, alternate Auditor, whose terms of office will come to an end after the General Meeting to approve the 2020 financial statements.

2) Allocation of earnings

In euros	2020	2019	Change as a %
Turnover excl. VAT	15,715,536.09	14,593,585	7.69
Other income	8,763.78	95.02	N/A
Operating income	15,731,157.65	14,612,120.88	7.66
Operating expenses	15,294,710.22	14,812,829.39	3.25
Of which salaries and payroll taxes	6,180,652.25	5,554,748.23	11.27
Operating earnings	436,447.43	-200,708.51	N/A
Joint ventures	-463,118.48	443,731.18	N/A
Financial earnings (loss)	6,767,505.07	3,350,243.49	102
Earnings before tax and extraordinary items	6,740,834.02	3,593,266.16	87.60
Extraordinary earnings	-19,314.00	109,189.38	117.69
Earnings before taxes	6,721,520.02	3,702,455.54	81.54
Taxes	-1,622,302.00	-640,326	153.36
Earnings after taxes	8,343,822.02	4,342,781.54	92.13

We propose that you approve the following allocations:

3) Allocation of 2020 earnings

After discussion and exchange of views, the Board decided to propose to the next General Meeting of Shareholders to allocate the profit for the year, i.e. the sum of €8,343,822.02, as follows:

I. AMOUNTS TO BE ALLOCATED

- Retained earnings €48,999,583.33*

*(including the dividends for the 2018 fiscal year attached to the 69,176 treasury shares for an amount of €215,829.12)

- Earnings for fiscal year 2020: €8,343,822.02

- total to be allocated: €57,343,405.35

II. ALLOCATIONS

Dividends* €2,000,133.72

- To a special reserve account pursuant to article 238bis AB of the French General Tax Code €11,100

- To the "Retained Earnings" account €6,332,588.30

The "Retained Earnings" account will be €55,332,171.60 after allocation

The dividends attached to the 67,408 treasury shares for an amount of €105,156.48 will be included with "Retained Earnings" which will consequently be increased from €55,332,171.60 to €55,437,328.11

The gross dividend amounting to €2,000,133.72 to attribute to the fiscal year is therefore set at €1.56 for each of the 1,282,137 shares. It will be payable on decision of the Chairman as of the Ordinary General Meeting to approve the 2020 financial statements.

* This payment will take place after the required agreements have been obtained in connection with bank financing contracts in the form of State-Guaranteed Loans.

In line with the adopted changes to the tax and social security regime for dividends, by the 2018 Finance Act and the 2018 Social Security Financing Act, dividends received by individuals (with the exception of those received in connection with a share savings plan, PEA in French) have been subject to the following rules since 1 January 2018:

- compulsory social security contributions, totalling 17.2%, are made at source when dividends are paid.

- dividends are subject to a compulsory flat-rate withholding tax at source at the rate of 12.8% and not charged in lieu of income tax. This flat-rate charge (known as PFNL in French) may be deducted from income tax itself calculated at the flat rate of 12.8% (known as PFU in French) or, if the taxpayer so chooses, for all income and gains covered by the single flat-rate withholding tax, from the progressive tax scale after an allowance of 40%.

In the latter case, the charge (PFNL) is seen as an advance payment of income tax, deductible from the income tax due the following year in respect of the year in which it was made. This withholding tax is refundable in the event of a surplus.

It should be noted that, in accordance with the provisions of Article 242 quater of the French General Tax Code, individual shareholders who, prior to 30 November 2020, sent the Company a certificate on their honour stating that their reference tax income for 2019 was less than €50,000 (for single persons) and €75,000 (for those subject to joint taxation) are exempt from this flat-rate charge.

The Company will make the compulsory deduction, declare the transaction and make the payment to the Treasury, at the latest on the 15th of the month following the dividend payment.

Furthermore, shareholders holding their shares in a PEA must notify the Company and provide any necessary justification 8 days before payment of the dividend, i.e. by 18 May 2021 at the latest, in order to benefit from the exemption from the above-mentioned withholding taxes.

Pursuant to article 243 a of the French General Tax Code, we remind you that the dividends distributed per share over the last three fiscal years were as follows:

Dividend statement

Financial years of distribution Decisions	Total of the sums distributed (in euros)	Number of shares concerned	Dividend per share (in euros)	Income distributed by shares	
				Eligible for the deduction 40% in mentioned in 2° of 3 of article 158 of the CGI	Not eligible for the deduction 40% in mentioned in 2° of 3 of article 158 of the CGI
2017	4,000,267.44	1,282,137 shares	3.12	3.12	0
2018	4,000,267.44	1,282,137 shares	3.12	3.12	0
2019	0.00	1,282,137 shares	N/A	N/A	N/A

4) Registered capital and share ownership

The breakdown of capital and share ownership was not modified during 2020.

On 31 December 2020, the capital amounted to €3,846,411, divided into 1,282,137 shares, each with a face value of €3 and distributed as follows:

- Mr Raphaël Palti: 38.42% of the capital
- FIRAPA: 11.69% of the capital
- VIATEAM: 9.63% of the capital
- ANDERA PARTNERS: 9.57% of the capital
- Mr Lorenzo Bertagnolio: 6.81% of the capital
- BNP PARIBAS DEVELOPPEMENT: 6.37% of the capital
- Other shareholders (1): 12.25% of the capital
- Treasury shares: 5.26% of the capital

(1) mainly other members of the Company's Board of Directors and certain employees or corporate officers of the Company or its subsidiaries.

On 31 December 2020, there were no other shareholders holding directly or indirectly more than 5% of the registered capital or voting rights.

The Articles of Association provide for dual voting rights attached to all fully paid-up shares that have been registered in the name of the same shareholder for at least four years. Each shareholder may temporarily waive his double voting right on all or part of his shares.

5) Stock options and treasury shares

No stock options or employee share options were awarded during the fiscal year.

6) Employee shareholding

The Company has not set up any employee shareholding mechanism since the closing of the Stock Option Plan introduced in 2010.

7) Summary of the delegations of powers or authority granted by the General Meeting of the Shareholders to the Board of Directors in the field of capital increases

NONE.

8) Treasury shares held by the Company

We inform you that the company held, on 31 December 2020, 67,408 of its own shares, i.e. 5.26% of the capital.

Summary table:

	Number of shares acquired by the company during the 2020 fiscal year	Number of shares sold by the company during the 2020 fiscal year	Number of shares registered in the name of the company at the end of the 2020 fiscal year	Purchase value of the treasury shares held on 31/12/20
2020	0	0	67,408	€5,263,294.29

9) Subsidiaries and Equity Interests

- Equity investments and divestments occurring during the 2020 financial year (direct and indirect)

In accordance with the deliberations of your Board of Directors and our development strategy, we have pursued our development despite the COVID-19 epidemic and the difficult economic situation we have faced. During the fiscal year, the Group acquired interests or controlling interests in the following companies:

ALTAVIA SA

1. It is specified that the creation of this endowment fund, hereafter called "ALTAVIA FOUNDATION", is in keeping with the values of the company and the Palti family and their commitment to the economic and social development of the regions in which ALTAVIA is established and the conviction that micro-businesses are vectors of social links. This fund will thus be one of the levers of ALTAVIA's action to support social innovation projects led by players from the social economy that are beneficial to all, to contribute to reducing social inequalities and to greater territorial cohesion.

The initial capital contribution of ALTAVIA FOUNDATION is €200,000, introduced by ALTAVIA SA for the amount of €15,000, by Raphaël Palti for €1,000 and by Altavia Paris for the amount of €184,000.

2. Acquisition of 95 shares in the company Disko held by minority shareholders of Disko, through ALTAVIA SA. On 14 May 2020, following a capital increase to restore the shareholders' equity of Disko, Altavia acquired 8,964 shares. Following these operations, Altavia holds 99.83% of Disko's share capital.

We inform you that Disko has been included in the tax consolidation scope of ALTAVIA S.A. with effect from 1 January 2020.

A new Managing Director was appointed in January 2021.

ALTAVIA France SA

1. Acquisition via Altavia France, on 31 December 2020, of 875 shares, accounting for 7.50% of the authorised capital and voting rights of OYEZ, a simplified joint stock company with capital of €116,730, whose registered office was modified on 31 January 2020 and is now at 2, Place du Colonel Fabien à Paris (75019). Altavia France holds 98.27% of the capital of Oyez.

2. We inform you that on 24 February 2020, a minority shareholder sold 16,446 shares in the company AGENCE COSMIC to Altavia France, representing 4.53% of the company's share capital. Altavia France consequently holds 100% of the share capital and voting rights of AGENCE COSMIC.

3. In June 2020, two minority shareholders sold 2,498 shares in the company Jetpulp to ALTAVIA AURA. The latter thus holds 98.47% of the share capital of JETPULP.

4. We inform you that pursuant to an act of 29 December 2020 recording the unanimous decisions of the shareholders of JETPULP, a subsidiary of ALTAVIA AUVERGNE RHONE ALPES (Altavia AURA), 95% owned by the Company, the shareholders unanimously decided to restore the shareholders' equity of Jetpulp and offset its losses. A capital increase was carried out by offsetting against due and payable receivables held by Altavia AURA, followed by a capital reduction by cutting the nominal value per share from 1 euro to 0.20 euros. Following these operations, the share capital stood at €184,444.40 divided into 922,222 shares each worth €0.20.

Following this recapitalisation operation, AURA now holds 918,826 shares in JETPULP, i.e. 99.63% of its share capital.

ALTAVIA Europe SAS

1. Two minority shareholders in the company HRG Group Ltd each sold all of their shares on 4 March 2020. Altavia Europe thus now holds all the share capital of HRG Group Ltd.
2. We inform you that Altavia Iberica acquired 81.24% of the share capital, representing 2,442 shares, in PIXEL AND PIXEL MARKETING AND DESIGN SOLUTIONS, S.L., a limited liability company under Spanish law, with its registered office at Calle María Guerrero 34, 2º, Rozas de Madrid, registered under tax identification number B-83325472.
3. We inform you that the liquidation procedure for the company Rokivo inc. initiated on 31 October 2019, was finalised on 11 February 2020.
4. On 22 May 2020, 5% of the shares held by its Managing Director were sold to Altavia Polska which now holds 60% of the share capital of Kamikaze. The Managing Director left Altavia Polska.
5. On 26 February 2021, the company Altavia Hellas carried out a capital increase of €3,000 through the issue of 1,000 new shares with a nominal value of 3 euros and an issue premium of €2.567 per share (a subscription price of €2.570 per share). The capital increase was subscribed in full by Altavia Europe by offsetting its Member's current account by €1,747,600 and through a cash contribution of €822,400. The capital of Altavia Hellas now stands at €63,000 divided into 21,000 shares of which 20,000 shares held by Altavia Europe.

ALTAVIA International

1. We inform you that Blue Lions Middle East FZLLC was liquidated on 27 February 2020.
2. We inform you that the Manager of Blue Lions Maroc resigned on 5 June 2020 and was replaced. The Manager sold the ten members' shares she held in the capital of Blue Lions Maroc to a new shareholder.
3. Altavia Morocco, 99.98% of the share capital of which was held by Altavia International, was liquidated on 30 December 2020.
4. AD GLOBAL CONSULTING DMCC, a company in a free zone with capital AED 50,000, with its registered address at Unit N° 15 -PF-193 Detached Retail I5 Plot n° JLT-PH1-RET-I5 Jumeirah Lakes Towers Dubai, was constituted by Altavia Middle East (a subsidiary held at 75.01% by Altavia International) on 8 September 2020. On 14 September 2020, Altavia Middle East sold 20 shares in AD GLOBAL CONSULTING DMCC to a new shareholder. Altavia Middle East now holds 60% of the capital of AD GLOBAL CONSULTING DMCC.
5. On 11 December 2020, the Managing Director resigned from her post as General Manager and Representative Director of Altavia Japan and was replaced by a new manager.
6. On 15 December 2020, a minority shareholder submitted his resignation from his post as Chairman and Chairman of the Board of Directors of the company Ask Marketing, and was replaced. He sold the 125 shares he held in Ask Marketing to Communication Altavia Canada Inc, which now holds 87.50% of the share capital of Ask Marketing.

ALTAVIA CEI SARL

1. By decision of 22 June 2020, ALTAVIA TURAN recorded a capital increase subscribed and paid by ALTAVIA CEI for the amount of €11,323,750.00 tenge, equivalent to €22,705.00 (twenty-two thousand seven hundred and five euros).

The share capital of ALTAVIA TURAN is now 40,509,880 tenge.

2. By decision of 16 September 2020, ALTAVIA UKRAINA recorded the capital increase subscribed and paid by ALTAVIA CEI for the amount of 1,609,329.05 UAH, equivalent to 49,995.00 euros, on the one hand, and by ALTAVIA RUS for the amount of 160.95 UAH, equivalent to 5.00 euros (five euros) on the other hand.

The share capital of ALTAVIA UKRAINA is therefore now 2,138,865 UAH, i.e. 100,000 euros.

ALTAVIA Coach SC

1. On 31 January 2020, the manager of the company Mad & Women was removed from her post of Managing Director of Mad & Women and sold all of her stakes in Mad & Women to Altavia Coach. On 31 January 2020, Mad & Women also redeemed the 143 convertible bonds held by the former manager.
2. We inform you that by a General Meeting of 10 November 2020, Mad & Women was dissolved and put into voluntary liquidation. ALTAVIA SA, represented by Mr Joël Jung, was designated liquidator of the company.
3. On 4 November 2020, Altavia COACH sold all 3,241 of the shares it held in the capital of the company CAPITAL INNOVATION (402 939 755 RCS Caen) to its minority shareholders. These transfers were carried out for the symbolic sum of one (1) euro. Altavia COACH also transferred its members' current-account receivable, due by CAPITAL INNOVATION, to the minority shareholders. These assignments of receivables were granted for the symbolic sum of one (1) euro.

These assignments were carried out under ad hoc mandate, under an order of the Chairman of the Caen Commercial Court on 21 July 2020.

All of these assignments (of company shares and current account) were carried out under the resolutive condition of attestation without reserve of these assignments by the competent court within the framework of the conciliation procedure opened on 21 December 2020 by order of the Chairman of the Caen Commercial Court for a duration of four (4) months, extended to ten (10) months taking into account the COVID-19 situation.

10) Activity of subsidiaries and affiliates:

The table of subsidiaries and equity interests included in the notes to the financial statements provides information on the identity and results of subsidiaries held directly or indirectly by Altavia.

a) in France:

- Altavia

Disko modified its registered office and is domiciled since 31 January 2020 at 2, Place du Colonel Fabien, Paris (75019).

- Altavia France:

The subsidiaries of Altavia France are: Altavia Paris (100%), Altavia Nantes (100%), Altavia Lille (100%), Altavia Optitrans (80.98%), Altavia Auvergne-Rhône-Alpes (95%), Altavia Pallas (85%), Agence Cosmic (100%*), Au Numéro 6 (95%), IMS Groupe (95%), Altavia Nativ (75%), Insitaction (70%), Altavia Field (92.18%), Altavia Newco 3 (100%) and Oyez (98.27%).

The indirect subsidiaries of Altavia France are: Jetpulp (99.63%-owned subsidiary of Altavia Auvergne-Rhône-Alpes), Ariane, Ophtaservices, Fil Rouge, Fil Conseil and Oyez T in Tunisia (97%-owned subsidiary of Oyez SAS).

Altavia France also holds an equity stake of 33% in Altavia Connect.

France's contribution to the Group's consolidated turnover amounted to €404,616K.

- Altavia Paris

In 2020, Altavia Paris was hit hard by the health crisis due to the collapse of production volumes among Major Food Retailers during the first lockdown. Activity in the second half of the year was similar to 2019, and helped limit the drop in results.

- Altavia Nantes

Altavia Nantes' main activity i.e. pre-media, demonstrated great resilience in the face of the health crisis. Advertising production persisted through the use of different distribution channels. The commercial impetus surrounding "creative commerce" combined with a saving plan made it possible to maintain a result close to that of 2019.

- Altavia Lille

Despite the disruptions linked to the health crisis, Altavia Lille was able to maintain a positive result. The client base was severely undermined over 2020, and the conquest dynamic initially envisaged in 2020 will come into its own in 2021.

- Altavia Optitrans

The activity of Altavia Optitrans experienced a slowdown in the first half of the year, down almost one-third during the first lockdown. Altavia Optitrans demonstrated good resilience in terms of results thanks to the good level of activity outside of this period and a solid client base.

- Altavia Auvergne-Rhône-Alpes

2020 was marked by the loss of several customers, which had a significant impact on the results. Altavia AURA's industrial clients implemented austerity measures that were partially offset by the BU's very aggressive commercial dynamism. Altavia AURA acquired a dozen new customers which allowed it to renew its client base in 2021.

- Jetpulp

The action plan launched in 2019 enabled JETPULP to carry out an in-depth restructuring plan, even though the health crisis masked its positive effects. JETPULP will reap the full benefits in 2021.

- Altavia Pallas

2020 was greatly affected by the COVID-19 crisis, with the majority of customers postponing their retail design projects. Altavia Pallas was nevertheless selected at the end of 2020 to participate in the roll-out of a new retail concept by a major French retailer, which suggests good prospects for 2021.

Altavia PALLAS also transferred its registered office to 2, Place du Colonel Fabien in Paris (75019) at the start of 2020.

- Altavia Cosmic

The agency experienced a year 2020 marked by a fall in business for some of its long-standing customers but also by commendable successes with several new high-potential customers in its portfolio.

Agence Cosmic also transferred its registered office to 2, Place du Colonel Fabien in Paris (75019) at the start of 2020.

- Au Numéro 6

Au N°6 also transferred its registered office to 2, Place du Colonel Fabien in Paris (75019) at the start of 2020.

- IMS

2020 saw a marked pick-up for IMS with a result boosted by the acquisition of a new structuring client in 2019.

Under the terms of a deed recording the unanimous decisions of the partners of IMS GROUPE dated 12 March 2021, the company changed its name to "ALTAVIA IMS" with effect from 12 March 2021 and transferred its registered office to 31-33 rue du Molinel, 59800 Lille, France with effect from 1 April 2021.

- Insitaction

Insitaction posted strong growth in 2020 despite the health crisis. The crisis led to the emergence of new needs among Insitaction's clients, which seized the opportunity. Insitaction also showed strong commercial dynamism which allowed it to greatly develop its client base.

- Altavia Nativ

2020 was greatly affected by the COVID-19 crisis. Despite this, Altavia Nativ has continued to deploy its offer and its customer portfolio.

Altavia Nativ also transferred its registered office to 2, Place du Colonel Fabien in Paris (75019) at the start of 2020.

- Fil Rouge

The restructuring and refocusing project for the Fil Rouge activity was launched as scheduled in 2020. These improvements did not enable Fil Rouge to post improved earnings as the nature of its operations made it vulnerable in the face of the health crisis. Indeed, Fil Rouge was forced to suspend its activity for two months.

On 15 February 2021, the companies Fil Rouge and Fil Conseil were renamed Altavia Fil Rouge and Altavia Fil Conseil.

At the start of 2021, the registered offices of the companies Altavia Field, Fil Rouge, Ariane, Fil Conseil and Ophtha services were transferred to Saint-Ouen sur Seine, 10, rue Blanqui.

Altavia also holds an equity stake of 34% in Altavia Connect.

The EIG pursued its goal of structuring and optimisation of its operational and functional services for the group's subsidiaries in 2020.

The positive earnings generated by the EIG, taking into account tax transparency, will be passed on to its members in proportion to their holdings, i.e. 34% to Altavia.

- Altavia Coach:

Altavia Coach, a sub-holding company of the group dedicated to innovation, holds the following companies: Actipaper, Shopper Mind, Altavia RetailTech, Wetail, Mad&Women (voluntary liquidation), Atelier Benneton, and Les Ingénieurs Sociaux. Altavia Coach holds equity stakes in the following companies: Simone, Stimshop, My Genius, Teeps, Braineet, and Untienots.

- Actipaper

The company, which produces the daily newsletter Altavia Watch, posted a 2020 result up from 2019.

Actipaper also transferred its registered office to 2, Place du Colonel Fabien in Paris (75019) at the start of 2021.

- Capital Innovation

Divestiture of shares held (71.4% of the capital) on 4 November 2020 within the framework of an ad hoc mandate.

- Wetail

The subsidiary hosts co-workers and organises events on the future of retail and private events for companies. In 2020, the Company had not achieved sufficient business volume to allow it to reach operating breakeven.

- Simone

Simone, a Paris-based strategy and brand image consulting agency, posted a good year in 2020 with a positive net result, on a sharp uptrend.

- Shoppermind

This subsidiary specialised in consumer studies posted an operating result of -€38K in 2020, up on 2019 (-€98K).

- Altavia Retail Tech (Ex Ubiq Toolbox)

The start-up posts location-based messages on social networks by brand. Altavia Coach holds 64.8% of the capital. The company is expanding, but is not yet at breakeven in 2020.

- Mad & Women

The company is in voluntary liquidation since 10 November 2020.

- Atelier Benneton

Altavia Coach invested in January 2018 to acquire 60% of the capital of this family business specialising in heraldic engraving.

The company recorded a result in 2020 down on 2019 due to the health crisis.

- Les Ingénieurs Sociaux

There was no activity within this subsidiary in 2020 as the events were postponed due to the pandemic.

b) In Europe:

As at 31 December 2020, Altavia Europe's subsidiaries are: Altavia CEI, Altavia Belgium, Altavia Ceska, Altavia Deutschland, Altavia Hellas, Altavia HTT, Altavia Iberica CFA, Altavia Iletisim, Altavia Dekatlon, Altavia Italia, Altavia Polska, Altavia Swiss, Altavia Romania Communication, Altavia Hungaria, HRG, SIA Altavia Baltics, Altavia Hrvatska, Altavia Sumis Marketing Services B.V.

It is specified that Pixel and Pixel Marketing and Design Solutions and MBO Communication are subsidiaries of Altavia Iberica CFA.

Altavia Rus, Altavia Ukraina and Altavia Turan are subsidiaries of Altavia CEI.

HRG UK is a subsidiary of the HRG Group.

Actstar is a subsidiary of Altavia Belgium.

Kamikaze Sp. Z.o.o. is a 60% subsidiary of Altavia Polska.

Altavia Sumis BV and Sumis Logistics are 100%-owned subsidiaries of Altavia Sumis Marketing Services B.V.

RS Media Marketing Services GmbH and RS Adware Polska sp. z o.o. are 100%-owned by Altavia Deutschland.

Altavia Europe also holds a 33% stake in Altavia Connect.

The contribution of Altavia Europe and its subsidiaries to the Group's consolidated turnover amounted to €206.9 million

- Altavia Belgium and Actstar recorded a decline in 2020, but the development dynamic made it possible to cope with the fall in volumes and therefore to limit the impact.

- Altavia Ceska posted a stable year in 2020.

- Altavia Deutschland acquired important clients in 2020 and therefore posted growth despite the crisis context.

- Altavia Hellas contended with a difficult year in connection with the pandemic, the excellent result being due to the VAT refund connected to the bankruptcy of a long-standing client.

- Altavia HTT had a difficult year due to the sharp decline in print volumes.

- HRG experienced a difficult year due to the halt in air transport which impacted its Travel Retail activity.

- Altavia Iberica CFA was confronted with a drastic reduction in print volumes and operations due to the pandemic.

- Altavia Iletisim: this company is no longer active.

- Altavia Dekatlon posted a year of recovery despite the drastic reduction in print, primarily thanks to its main client.

- Altavia Italia had a very trying year due to the sharp drop in print volumes, while the MS activity posed growth thanks to NEWBIZ and INBIZ.

- Altavia Polska recorded a year of growth by expanding its existing clients and developed its complex POS offer. The reinforcement of management helped establish a very positive commercial dynamic.

- Kamikaze recorded a stable year thanks to the development of its existing clientèle.

- Sumis achieved a rebound thanks to the expansion of its offer and the acquisition of new clients, despite the fall in print volumes due to the pandemic.

- Altavia Romania Communication was severely affected by the fall in print volumes in retail.

- Altavia Hungaria had a stable year.

- Altavia Baltics recorded slight growth thanks to the development of its business with its clients despite the crisis.

- Altavia Swiss is inactive.

- ALTAVIA Turan, Limited Liability Partnership, was created on 22 February 2018 in Kazakhstan, with a share capital of 29,186,130 tenge, 100%-owned by Altavia CEI. The company is growing thanks to the acquisition of international customers, much slower as Kazakhstan experienced a steep decline in its economy due to a drastic lockdown in 2020.

- Altavia Rus saw its business grow in 2020, despite the pandemic. The market was less affected than other European countries.

- Altavia Ukraina recorded a relatively stable year despite the pandemic. The new, retail-focused management contributed to an increase in activity as of the end of year. The registered office of Altavia UKRAINA was transferred to Levandovska 3 let B - Kiev 01010 on 16 September 2020.

c) Asia – America – Africa

i) Asia

Altavia Korea continued its activities in 2020 on a stable trend.

Since 29 April 2020, the registered office of Altavia Korea LLC has been located at #711, ICT Tower 624 Gangnam-daero Gangnam-Gu, Seoul, Korea -06035.

Altavia Japan expanded its client base in 2020 with promising new international clients. Our Japanese subsidiary has continued to develop its colour management commercial offer, optimising colour conformity and thus allowing colours that are as close as possible to reality to be achieved, which is particularly useful for customers specialising in beauty care.

Altavia Trading and Altavia Advertising recorded a decline in their activity in 2020, and initiated an in-depth transformation and merger of their offer with Creative Capital.

Creative Capital, which specialises in branding, accelerated the development of its offer in 2020 with a view to strong integration with Altavia, which already operates in China.

ii) America

Communication Altavia Canada, a 100%-owned subsidiary of Altavia International, is pursuing the group's international development in Canada through research into new technologies to complement Altavia's portfolio in Canada.

Communication Altavia Prodigy Canada acquired a highly structuring international client in 2020, which marks a milestone in the development of the company and the Marketing Execution offer in North America.

CloudRaker, acquired in 2017, recorded a year of resilience in 2020 in terms of its activity, with new clients signed over the course of the year.

Ask Marketing posted a decline in its activity in 2020 due to the direct effect of the lockdown measures connected to the health crisis.

iii) Africa

Altavia Morocco, 99.98% of the share capital of which was held by Altavia International, was liquidated on 30 December 2020.

Altavia Middle East, based in Dubai, was created in May 2017. It is 75% owned by Altavia International. The company achieved strong development in its operational activity in 2020 with the signing of a number of new clients both in Marketing Execution and Digital.

Active Creative Middle East, which specialises in point-of-purchase communication for premium beauty customers, confirmed its position and its resilience over 2020 as a whole.

Retail Access Consultants, mainly specialised in Travel Retail Design consulting, was able to limit the decline in its activity thanks to the continuation of projects signed in 2019 into 2020 and the successful expansion of its offer with new clients, against a backdrop of the health crisis which notably affected the Travel Retail business.

The Blue Lions Group consists of a consolidating company in France (Blue Lions SAS) 69.21% owned by Altavia International, and subsidiaries established in France (Blue Lions France), Ivory Coast (Blue Lions CIV), Morocco (Blue Lions Maroc), and South Africa (Blue Lions Safrica).

The Blue Lions Group was created in 2013 and joined Altavia Group at the end of 2018 with a rich portfolio of international brands present in the African market. The digital activity of the Blue Lions Group withstood the health crisis, posting a controlled decline.

Blue Lions Middle East FZLLC, 100% owned by the company Blue Lions SAS, was liquidated on 27 February 2020.

ALTAVIA CONNECT

We inform you that pursuant to the Ordinary General Meeting of the members of the Altavia CONNECT EIG of 31 December 2020 and following the resignation of the Chairman of Altavia Europe, and consequently from his post as permanent representative of Altavia Europe within the EIG, the members appointed Mr Jon Wellings as the new permanent representative of Altavia Europe within the Altavia CONNECT EIG.

11) Changes made to the presentation of the annual financial statements or to the valuation methods used in prior years

We inform you that our Company's accounts have been drawn up in accordance with the standards and methods prescribed by the general accounting plan.

12) Research and development activity

Altavia Group is developing a permanent research and innovation activity based on its teams and partnerships. These teams are made up of specialists in their respective fields of expertise with the aim of fostering innovation and excellence.

13) Non-deductible charges as stipulated in Article 39-4 of the French General Tax Code

We point out that the accounts for the past financial year included charges that are not deductible from taxable income in accordance with article 39-4 of the French General Tax Code for an amount of €53,011 but that they are of no consequence, given the tax loss carried forward.

14) Payment periods

In accordance with the provisions of articles L. 441-6-1 paragraph 1 and D. 441-4 of the French Commercial Code, we provide you below with information on invoices received and issued that had not been paid by the closing date of the financial year and which are now overdue (table required by Article D.441-4(I)).

	Article D. 441 I.-1: Invoices received but not paid at the end of the financial year for which the term is overdue						Article D. 441 I.-2: Invoices issued and outstanding at the date of the balance sheet for the financial year for which the term is overdue					
	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment instalments												
Number of invoices concerned	45					85	82					187
Total amount of the invoices concerned including VAT	148,804	237,768	13,302	47,713	6,285	305,068	383,580	95,048	102,159	0	1,835,739	2,032,946
Percentage of amount total purchases excluding VAT for the year	1.06	1.69	0.09	0.34	0.04	2.17						
Percentage of turnover net of tax for the year							1.93	0.48	0.51	0	9.22	10.21
(B) Invoices excluded from (A) relating to disputed or unrecorded payables and receivables												
Number of invoices excluded											28	
Total amount of excluded invoices											389,407	
(C) Reference payment periods used (contractual or legal period - article L. 441-6 or article L. 443-1 of the French Commercial Code)												
Terms of payment used for calculating late payments	Contractual periods: invoices received are generally payable within 30 days						Contractual periods: invoices issued are usually paid within 30 days					

15) Table of the Company's earnings for each of the last five financial years or each of the financial years closed since the Company's incorporation

The table stipulated in the Companies' Act is attached to this report.

16) Administration and control of the company

Having examined the terms of office of the Directors and the Statutory Auditors, the Board of Directors finds that:

The renewal of the terms of office of Messrs Daniel de Botton, Michel Duval, Pierre Milchior, Alain Roubach and Lorenzo Bertagnolio, as well as the mandate of the company Andera Partners, represented by Mr Pierre-Yves Poirier, is proposed for a period of 6 fiscal years.

With three co-Statutory Auditors, the Board of Directors will put forward to the General Meeting of Shareholders that the current Statutory Auditor ANGELI SARL not be renewed, nor Mr Bertrand Dubel, alternate Auditor, whose terms of office will come to an end after the General Meeting to approve the 2020 financial statements.

In addition, it was found that the Strategic Orientation Committee, the Accounts and Investments Audit Committee, and the Appointments and Remuneration Committee, in preparation and support for the decision-making process of our company's Board of Directors, met regularly during 2020 and completely fulfilled their examination and advisory role.

CORPORATE GOVERNANCE REPORT

17) Agreements referred to in articles L. 225-38 of the French Commercial Code

In accordance with articles L. 225-38 *et seq.* of the French Commercial Code, we ask you to approve the agreements listed in said articles and signed during the past financial year after having been duly authorised by your Board of Directors.

Your Statutory Auditor has been duly advised of these agreements, which it described in its special report.

18) Agreements referred to in articles L.225-37 of the French Commercial Code

It is also specified, as required by article L. 225-37 of the French Commercial Code, that no agreement was concluded during financial year 2020 between the Managing Director, a Deputy Managing Director, a board member or a shareholder holding more than 10% of the Company's voting rights and another company in which the Company directly or indirectly holds more than half of the registered capital.

19) Summary table of delegations of authority and powers

In accordance with the provisions of article L225-37-4, paragraph 3 of the French Commercial Code, you will find below a table summarising the delegations of authority and powers granted by the General Meeting to the Board of Directors with respect to capital increases pursuant to the provisions of articles L.225-129-1 and L.225-129-2 of said Code.

Delegation of authority: None.

Delegation of powers: None.

20) Body selected to perform General Management duties

In application of Article L. 225-37-4 paragraph 4 of the French Commercial Code, we inform you that your Board of Directors has decided to combine the functions of Chairman of the Board of Directors and of Managing Director.

21) List of corporate offices held in any company by each corporate officer during the financial year

Offices held by Raphaël Palti in 2020

In the Altavia Group:

- **Chairman and Managing Director and Director:** Altavia SA, Actipaper SA;
- **Director and Chairman of the Board:** Altavia Belgium SA, Altavia Beijing Advertising Co. Ltd, Altavia Shanghai Trading Co. Ltd, Altavia Japan KK, Altavia Asia Ltd, Communication Altavia Canada Inc., Altavia Inc., Altavia France SA;
- **Director and Vice-Chairman:** MBO Communication LSA, Altavia Iberica CFA,
- **Director:** Altavia Hellas AE, Altavia Italia Srl, Altavia HTT Ltd, HRG UK Ltd, Altavia Romania Communication SRL, HRG Group Ltd, Altavia Hong Kong Ltd, Communication Altavia Canada Prodigy Inc., Altavia Morocco (until 30 December 2020), Altavia Baltics, Altavia Middle East DMCC, Cloud Raker Inc., Altavia Sumis Marketing Services b.v., Altavia Hrvatska d.o.o., Disko Italia Srl, Pixel & Pixel Marketing and Design solutions;
- **Executive Director:** Altavia Korea Llc,
- **Chairman:** Atelier Benneton SAS, Altavia Newco 4;
- **Member of the Executive Board:** Altavia Polska Sp z.o.o., Kamikaze Sp. Z.o.o., Altavia Adware;
- **Member of the Supervisory Board:** Altavia Hungaria Kft, Altavia Ukraina Sarl,
- **Member of the Executive Committee:** Agence Cosmic SAS, Altavia International SAS, IMS Groupe SAS, Disko SAS, Insitaction, Jetpulp, Altavia Paris, Altavia Optitrans, Altavia Lille, Altavia Nantes, Au numéro 6, Altavia Fiber Value, Altavia Auvergne-Rhône-Alpes, Altavia Field, Mad & Women, Blue Lions, Oyez, Les Ingénieurs sociaux;
- **Member of the Management Committee:** Wetail SARL;
- **Co-Manager:** Altavia Ceska SRO, Altavia Deutschland GmbH, Altavia RS Media GmbH;
- **Legal representative of Altavia SA:** Manager of Altavia Coach SC, Chairman of Altavia International SAS, Member of the Altavia Nativ Executive Committee;
- Permanent representative of Altavia SA on the Board of Directors of Altavia Europe SAS;
- Member of the Altavia SA Remuneration Committee;

- Member of the Untienots and Altavia Retailtech Strategy Committee;
- Chairman and Director of the Altavia Foundation Endowment Fund.

Outside the Altavia Group:

- Chairman and Chief Executive Officer and Director of Foncière Blanqui SA;
- Chairman of Firapa SAS;
- Co-Manager of SCI Rembrandt Courcelles, SCI Bellesherbes;
- Chairman of Firapa SAS, itself Chairman of Viateam SAS;
- Director of Fondiaria 78/3 Srl;
- Director of the Fondation du Collège de France;
- Member of the Supervisory Board: Etam Développement SCA;
- Manager of SNC Terre de la Côte.

Offices held by Lorenzo Bertagnolio

In the Altavia Group, in France:

- **Deputy Managing Director, Director:** Altavia SA;
- **Chairman and Director:** Altavia Europe SAS (until 31 December 2020);
- **General Manager and member of the Executive Committee:** Altavia International;
- **Manager and member of the Management Committee:** Altavia CEI SARL;
- **Chairman and member of the Executive Committee:** Altavia Fiber Value;
- **Member of the Executive Committee:** Blue Lions;
- Representative of Altavia Europe, member of the Management Committee of Altavia CEI;
- Representative of Altavia International, Chairman of Blue Lions SAS.

In the Altavia group, abroad:

- **Chairman of the Board of Directors and Deputy Director:** Altavia Hellas AE;
- **Chairman and Managing Director and Director:** Altavia Morocco (until 30 December 2020),
- **Director and Chairman of the Board of Directors:** MBO Communication LSA, ALTAVIA IBERICA CFA, Altavia Romania Communication SRL,
- **Member and Chairman of the Management Board:** Altavia Polska Sp. z.o.o.;
- **Co-Manager:** Altavia Ceska SRO, Altavia Deutschland GmbH;
- **Director:** Altavia Belgium SA, Altavia HTT Ltd (Executive Director), Altavia Dekatlon AS, Altavia Italia Srl, HRG Group LTD, HRG UK LTD, SIA Altavia Baltics, Altavia Sumis Marketing Services b.v., Altavia Hrvatska d.o.o, Communication Altavia Canada Inc., Communication Altavia Prodigy Canada Inc., Cloud Raker Inc., Altavia Inc., Altavia Asia Ltd, Altavia Japan KK, Altavia Hong-Kong Ltd, Altavia (Beijing) Advertising Co. Ltd., Altavia (Shanghai) Trading Co. Ltd, Altavia Korea LLC, 8844607 Canada Inc. (ASK Marketing),
- Vice-Chairman of the Altavia Iletisim Board of Directors;
- **Member of the Supervisory Board:** Altavia Hungaria KFT, Altavia Ukraina,
- **Member of the Executive Board:** Kamikaze Sp. Z.o.o., Altavia Adware (until 18 February 2020).
- Manager and Director of Altavia Middle East DMCC.

Outside the Altavia Group:

- **Director:** Fondiaria 78/3 srl

Offices held by Daniel de Botton

In the Altavia Group:

- **Director:** Altavia SA, Altavia France, Altavia Europe,

Outside the Altavia Group:

- **Deputy Managing Director and Board Member:** Foncière Blanqui SA,
- **Chairman of the Board and Director:** Fondiaria 78/3 Srl,
- **Manager of the following SCIs:** EPP Ile de France, Paradis Ile de France, Rafiloc, Suresnes Nieuport, Rugelec, LE Nil, Ivry Michelet, Scartemple, Audoen et Paul, Rhône Alpes, Manzabott, SCI Nrna;
- **Joint Manager of the following SCIs:** Rembrandt-Courcelles, Paradalp, Ferber Ile de France, FDL 1, Saint-Antoine 18/30, Bellesherbes;
- **Manager of the following limited liability companies (SARLs):** TIGRE, EPP Montreuil Beaune, EPP Montreuil Holdings, Le Raphael, EPP Vanves, EPP Ile de France Holdings, SB Investissements, FRS Conseils, EPP Rue Martel, Le Martel, FPP Real Estate, EPP Ivry Hoche, EPP Suresnes Curie, Classic European Real Estate, EPP Noisy Le Grand 2012 Holding, EPP Bezons,

EPP Funding, SARL Loire Boulogne 66, Bezons Jaurès, Bezons Parc, EPP Ivry Hoche Holding, EPP Noisy le Grand Paris, EPP Noisy le Grand 2012, EPP Holdings Paris, EPP Ile de France Paris;

- **Joint Manager of the following limited liability companies (SARLs):** Le Noisy le Grand, Sezarr, Petinan, A&G Valcke et Cie, V DE Villiers, K DE Kleber, S.B. Investments;
- Joint Manager of SC 3B;
- **Manager of the following SNCs (general partnerships):** EPP Bezons, EPP Massy Ile de France;
- Chairman of SAS Tifuh.

Offices held by Catherine Dunand

In the Altavia Group:

- **Director:** Altavia SA and Altavia France,

Outside the Altavia Group:

- **President:** Promontoires SAS, Cemag Invest SAS, SAUL Foundation for Progress (USA),
- Chairman of the Diabeloop Board;
- **Director:** Novinvest Partners SARL,
- **Director:** Advicenne (a company listed in Eurolist Sub-fund C), Aryballe Technologies SA, Feeligreen SA, Faber Novel SAS, Wandercraft SAS, Cosmot Tech, FAAU Foundation, Diabeloop SA, Avicenna SAS.

Offices held by Michel Duval

In the Altavia Group:

- **Director:** Altavia SA and Altavia France.

Outside the Altavia Group:

- **Manager:** SCI La Mare,
- **Co-Manager:** MD Conseil.

Offices held by Pierre-Yves Poirier

In the Altavia Group:

- Permanent Representative of Andera Partners SCA, member of the Board of Directors of Altavia SA.

Outside the Altavia Group:

- **Permanent representative of Andera Partners on the Board of Directors:** Platinum Group SAM;
- **Permanent representative of Andera Partners on the Board of Directors:** PGSAM Holding SAS,
- Permanent Representative of Andera Partners, Member of the Supervisory Committee, Financière Louis,
- Permanent representative of Andera Partners, member of the Strategy Committee of Globasia - La Générale pour l'Enfant,
- **Member of the Supervisory Committee:** Hawker Invest, Financière TMG,
- Permanent Representative of Andera Partners, Chairman of the Supervisory Committee: Arche TMG,
- **Director in his own name:** China Investment Partners Limited (Hong Kong).

Offices held by Corinne Evens

In the Altavia Group:

- Director of Altavia SA;
- Member of the BLUE LIONS SAS Executive Committee.

Outside the Altavia Group:

- **Vice-President:** BMIP-Bethlehem Multidisciplinary Industrial Park;
- **Director:** Bold Rock Management Ltd. (United Kingdom), WILCZA SP. Z.O.O. (Poland), Baunat (Belgium), Link Resources Ltd (Israel); Link Resources Ltd (Hong Kong);
- **President:** Siiffa SAS (France), Georges Evens & Co N.V. (Belgium), LP UP (Luxembourg);
- **Chairman of the Executive Committee:** Link Point SA (Luxembourg);
- **Honorary President:** Evens Foundation (Belgium);
- **Executive Member of the Trustees:** The Africa Center (United States);

- **Member of the Executive Committee:** Learning for Well Being Foundation (Netherlands);
- **Member of the governance:** Tel Aviv University.

Offices held by Laurent Gampel

In the Altavia Group:

- **Deputy Managing Director:** Altavia SA;
- **Director:** Altavia Europe, Altavia HTT Ltd (non-Executive Director).

Outside the Altavia Group:

None

Offices held by Pierre Milchior

In the Altavia Group:

- Director of Altavia SA.

Outside the Altavia Group:

- Manager of Etam Développement SCA;
- Chairman of the Board of Directors and Director of Gerset SAS;
- Chairman and Director of Setger SAS;
- Chairman of Imminvest SAS, Egest SAS and Tarmilind SAS;
- Manager of H.A.H. SAS;
- Chairman of Etam SAS and Covi 2 SAS;
- Representative of Etam Développement SCA, itself Chairman of Norpierre SAS;
- Director of Nora Limited, Finora SA, Vivar Global Ltd., Vivar Resources Limited;
- Deputy Managing Director of Elan Industries SAS and Nortex SAS;
- Representative of Investint on the Board of Directors of Société Luxembourgeoise Etam, 123 Luxembourg;
- Permanent representative of Etam SAS on the Board of Directors of Société Belge Etam and Investint;
- Permanent representative of Société Belge Etam on the Board of Directors of Société Foncière Etel;
- Manager of Seva, Selau and Tami;
- Chairman of the Board of Directors of Mordka SA

Offices held by Joël Jung:

In the Altavia Group:

- Representative of Viateam SAS on the Board of Directors and Chief Financial Officer of Altavia SA,
- Representative of Altavia SA on the Board of Directors of Altavia France SA;
- Member of the Executive Committee of IMS Group, Disko, Altavia Fiber Value, Jetpulp, Blue Lions, Oyez, Altavia International, Insitaction
- Director of Actipaper SA, Altavia Hellas Ae, Altavia HTT Ltd, MBO communication, Altavia Iberica CFA, Altavia Asia limited (Hong Kong), Altavia Hong Kong Limited, Altavia Beijing Advertising co. Ltd, HRG Group Ltd, HRG UK Ltd, Altavia Baltics, Communication Altavia Canada Inc, Communication Altavia Prodivy Canada Inc., Cloud Raker Inc. Ask Marketing, Kamikaze sp.z.o.o., Altavia Shanghai Trading co. Ltd, Altavia Korea Llc, Altavia Japan kk, Altavia Europe, CC Holding Asia, Pixel & Pixel Marketing and Design Solutions, Altavia Morocco (until 30 December 2020);
- Member of the Executive Board of Altavia Polska Sp. z o.o.;
- Co-Manager of Altavia Ceska sro, Altavia RS Media GmbH;
- Member of the Supervisory Board of Altavia Ukraina SARL;
- Member of the Management Committee of Wetail;
- Member of the Selection and Monitoring Committee of Altavia Coach;
- Member of the Altavia Foundation endowment fund Advisory Committee.

Outside the Altavia Group:

None

Offices held by Alain Roubach

In the Altavia Group:

- **Director:** Altavia SA and Altavia Europe.

Outside the Altavia Group:

- **Manager:** Opera Immobilier SARL, SCI des Petibous,
- **Co-Manager:** Alclan SC Anegada Company SARL
- **Director:** Ogury LTD, Arts et Biens SA, ASP, ORT France
- **Member of the Supervisory Committee:** Praditus SAS, Siiffa SAS, Little Extra SAS,
- DS Cafe SAS, Mozoo SAS,
- **Member of the Strategy Committee:** Askmona SAS.

Offices held by Olivier Nachba

In the Altavia Group:

- Deputy Managing Director of Altavia SA.

Outside the Altavia Group:

- Manager of Ipcom
- Chairman of Little Big Step.

Offices held by Jean-Michel Gabriel

In the Altavia Group:

- **Director:** Altavia SA (Since 26 March 2020) and Altavia Europe (since 25 September 2020).

Outside the Altavia Group:

- Member of the Supervisory Board of Azulis SA and Impact Partners SA;
- Chairman and member of the Antemeta SAS Supervisory Committee.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT

PART 1 - PRESENTATION OF THE GROUP AND ITS CSR UNDERTAKINGS

I – Background

A – Regulatory framework

The Order of 19 July 2017 transposing Directive 2014/95/EU of 22 October 2014 on the publication of non-financial information and information relating to diversity by certain large companies and groups, created the extra-financial performance statement (French abbreviation DPEF).

The Law of 30 October 2018 amended Article L.225-102-1 of the French Commercial Code, which stipulates that the DPEF must include information concerning the manner in which the company takes into account the social and environmental consequences of its activity.

Article R. 225-105 of the French Commercial Code specifies that the statement presents the company's business model and, for each category of information:

- a description of the main extra-financial risks (e.g. through a materiality analysis)
- a description of the policies applied (where the company does not apply a policy with regard to one or more of these risks, the statement should include a clear and supported explanation of the reasons for this);
- where applicable, the due diligence procedures implemented to prevent, identify and mitigate the occurrence of risks;
- the results of these policies, including key performance indicators.

The indicators in Article R. 225-105, which are similar to the list in the previous system, are only required if they are relevant to the main risks identified.

B – Control of extra-financial information

The information contained in the extra-financial reporting will be subject to verification by an independent third-party organisation in accordance with specific procedures.

The independent third-party organisation (ITO) mentioned in Article L.225-102-1(V) is appointed by the Chairman and CEO, for a period that may not exceed six financial years, from among the organisations accredited for this purpose by the French Accreditation Committee (COFRAC) or by any other accreditation body that is a signatory to the multilateral recognition agreement drawn up by the European Coordination of Accreditation Bodies.

This audit by the ITO results in a notice, which is sent to the shareholders together with the management report. Pursuant to the provisions of the French Commercial Code set out above, the ITO report must include:

- a) A reasoned opinion on the conformity of the report with the provisions of Article R.225-105(I) and (II), as well as on the accuracy of the information provided pursuant to 3° of Article R.225-105 (I) and (II);
- b) Due diligence measures implemented to conduct its audit.

II – Presentation of the Altavia Business Model

Founded in 1983 by its Chairman and CEO, Altavia is the leading independent international group specialising in commercial communication for the retail sector. It is a federation of some fifty independent companies. Operating in 28 countries, Altavia, with 2,000 employees and a governance structure that encourages local initiative, continues to grow in the service of retailers and brands.

Our mission: “Helping our retail clients forge fruitful relationships with their customers on a daily basis”.

In the view of Altavia, retail is so much more than an economic transaction. It is a social bond. Since its creation, Altavia has defended and promoted an open and respectful commerce, creating peace, encounters and diversity.

Today more than ever, we believe in the physical dimension of commerce, which creates life, encounters, joy and opportunities. A physical commerce that, without opposing the development of new online consumption habits, is being transformed.

We are convinced that the performance of sales communication is the result of a unique alchemy that creates fruitful links between a retailer or brand and its customers. This relational alchemy must be constantly nourished, enriched and transformed. That is what we do every day for more than 500 of the world’s leading retail brands.

All our energy is devoted to accomplishing our ambitious mission.

Our 10 values are: progress; energy; enthusiasm; humanity; sharing; integrity; transparency; proximity; simplicity; fluidity.

Altavia offers its clients commercial communication solutions designed to create value and delight the retail world. These solutions can be grouped into three main categories:

Sales activation: shopper insights; strategic consulting; commercial communication; product innovation; retail design

Multi-channel content production: pre-press and pre-media solution, digital production; management of digital assets

Print management: eco-design; paper purchasing; print logistics; print optimisation

For 38 years, its employees have shared the same commitment to retail and are mobilised every day in the service of Sales Activation for hundreds of brands and retailers. Altavia’s multi-channel approach to commercial communication issues enables it to offer tailored solutions at all levels of the value chain: strategic consulting, print management, marketing services and digital communication.

Faced with the abolition of the boundaries between physical stores and e-commerce, the retail revolution is under way, led by increasingly better informed, more demanding and versatile citizens. Retailers need to reinvent themselves and rebuild their relationships with customers. Altavia’s mission is to help its retailer clients build productive relationships with their own customers on a daily basis by offering sales activation solutions.

A – Organisation and structure of Altavia

Altavia is a public limited company with capital of €3,846,411 and a Board of Directors. Altavia’s subsidiaries are led and coordinated through executive committees.

Altavia has a Board of Directors, an Accounts and Investments Audit Committee and a Remuneration Committee, which meet several times a year. The Board of Directors consists of eleven members appointed by the General Meeting for a term of 6 years.

The Board of Directors takes all decisions relating to the company’s major strategic, economic, social, financial or technological policies and ensures that they are implemented by the company’s management. Decisions are taken according to the conditions of quorum and majority provided for by law.

Every four years, the medium-term framework for Altavia’s activities is defined by a strategic plan called MOVE (Make Our Vision Effective). The plan is structured around 6 core values: Human capital, Client base, Finances, Offerings and expertise, Identity and Image, CSR, deployed in each subsidiary through actions, pilot projects and innovations.

MOVE is adopted by the Board of Directors. The business units work on their roadmap in advance and set their objectives. In 2019, they were thus able to plan for a new MOVE, the framework, themes and goals of which have been adopted for 2023.

This MOVE notably includes a projection of changes in Altavia's main CSR, operational and financial indicators. The Chairman and CEO presents a draft annual budget within the framework of these guidelines to the Board of Directors, which approves it.

Although not a publicly listed company, Altavia has been publishing its annual report every year since 2000. This demanding exercise is in line with the group's beliefs and values of transparency.

B. Management of the health crisis in 2020:

The global coronavirus pandemic drove all companies to adapt in order to ensure business continuity and to find new work arrangements while guaranteeing the safety of their employees.

With a presence on several continents, Altavia was particularly vulnerable to this crisis and its consequences, taking into account the different health contexts, local cultures and procedures introduced for remote working.

As of March 2020, a crisis unit was formed, composed of the members of the Executive Committee, to monitor activity and operating conditions on a daily basis and to respond to customer requests under optimum operating and health conditions while ensuring the safety and jobs of our employees.

A set of measures was quickly implemented at Group level and within all Business Units. These measures notably included the following:

The widespread introduction of remote working for all activities wherever possible and specific measures in the case of on-site work due to production constraints

The training of 150 managers in remote management (manager proximity, adapting oversight tools, tailored habits and routines). In France specifically, training was also rolled out within the framework of the FNE training scheme

Compensation for low wages on a partial work basis, depending on the country context. In France, annual wages below €28,000 net were compensated at a level of 100% in the Paris region (€25,000 in the provinces).

The implementation of a psychological support unit accessible to all employees

The appointment of a COVID officer per site to ensure a local representative for related matters

The introduction of tailored health protocols within each business unit approved by a third party

C. Overview of our major challenges and associated risks

Altavia's main environmental and social challenges and risks revolve around three main areas:

- Our employees: the attraction of talent and their retention are in line with our policy of diversity, broadening skills to ensure the growth in our areas of expertise, non-discrimination and equal pay. This is addressed in particular through the "Positive for Humans" pillar and its "Internal Practices". The Group Human Capital and local teams work together to implement actions to respond to these key issues promoted through the CSR approach broadly incorporated into our different actions.

- Our partners: our customers and suppliers. Altavia places its customers at the heart of all its business thinking and actions. All creative and technological innovation, all value propositions as well as the execution of these propositions through the supply chain take into account a responsible approach and will be increasingly designed in a sustainable development approach. The procurement procedure, and particularly the roll-out of a Responsible Business Partner Policy. It is our duty to monitor these aspects with ever greater precision.

- The environment: controlling the impacts of our activity and our products and services in terms of energy and paper consumption, greenhouse gas emissions and waste. These actions are deployed through the "Positive for the Planet" pillar of the Group's CSR roadmap.

It is vital that we move towards a responsible paper procurement policy in order to contribute to the sustainability (in terms of the environment and over time) of this vital resource for the climate and biodiversity.

D. Priorities and sustainable value creation strategy

1. An ambitious CSR policy at all levels of the company

Altavia is a company that is aware of the environmental, social and societal challenges and the expectations of its stakeholders. The Group has also been historically committed to Corporate Social Responsibility issues. A strong sign of this commitment is its membership of the UN Global Compact since 2008. Renewed each year, this membership is proof that Altavia's General Management wishes to act with complete transparency and commit to a process of continuous improvement. The CSR function is represented on the Executive Committee (ExCom).

The Global Compact aims to help companies to structure their sustainable development approach, and requires proof of their actions, in particular through the drafting of a key document: the Communication on Progress (COP). Since 2018, Altavia has achieved "advanced" level, a score obtained by just 8% of companies worldwide, demonstrating our sincere commitment and our maturity.

Based on the Sustainable Development Goals set by the UN, Altavia has defined 4 major priorities for the coming years, in line with our activities, our main impacts and our greatest margins for manoeuvre in order to make a positive change:

SDG 8: Decent work for all and economic growth

SDG 12: Sustainable consumption and production

SDG 13: Combating climate change

SDG 15: Terrestrial and biodiversity

Beyond this strong commitment, an action plan focused on our offerings (products & services) has been set out year after year to incorporate this CSR component and respond to our customers' demands and our commitments through our supply chain.

With regard to our certification, labels and CSR recognition, we adhere to two frameworks:

FSC® and PEFC™: these two certifications guarantee the traceability and responsible origin of wood-based raw materials, first and foremost paper, in order to ensure sustainable supply from sustainably managed forests.

To date, 15 of our "publishing" business units are concerned by this Group certification, i.e. a coverage rate of 88% in turnover.

Ecovadis: this assessment framework, widely used at international level, notably by large groups with extensive supply chains and partner or supplier ecosystems, is our main continuous improvement tool in terms of sustainable development.

To date, 17 of our business units are concerned by Ecovadis assessment, of which two are at Platinum level, ten at Gold level, and five at Silver level. We aim to cover 100% of our agencies at the highest recognition level in the medium term.

Furthermore, 2 of our business units are ISO 14001 (Environmental Management Systems) certified and 6 are ISO 9001 (Quality Management Systems) certified.

We want to implement these actions in each of our BUs and measure their effectiveness.

a. Positive for Humans

In house, Altavia focuses on a social development objective colour management through its Human Capital policy and actions.

Indeed, the company wishes to guarantee optimal working conditions for all its employees by pursuing the objectives of diversity, gender equality and quality of life at work.

Through its operational value chain, Altavia has also developed a responsible purchasing programme with a positive social impact, entitled "Positive Sourcing".

The company interacts with a large number of economic players, suppliers and especially printers, fostering integration into society through work for many people whose ties with society have been severed.

Historically focused on relationships with establishments for integration through employment (ESAT) and Adapted Enterprises (EA) suppliers, companies working to promote the integration of people with disabilities, Positive Sourcing is being gradually expanded and encompasses new supplier categories based on set criteria and thresholds in order to combat discrimination and promote greater inclusion in the different geographic zones in which we are established. These notably include:

Companies run by one or more women

Small businesses

Companies located in disadvantaged areas

Social integration enterprises

With regard to the collaboration with EA and ESAT, we draw on our partnership with the Gesat network in France, alongside which we took action in November 2020 during European Disability Employment Week to raise awareness and train our French ambassadors as well as the purchasing and business development departments.

b. Positive for the Planet

In 2020, we structured our actions to combat climate change focusing on the impact of our agencies and the impact of our production service supply chain.

The issue of climate change and therefore the reduction of CO₂ emissions is of capital importance to Altavia, and we strive to further expand the best practices in force within our ecosystem.

In England, for example, we have been measuring our carbon footprint for a number of years and offsetting the impacts linked to our employees' business trips and energy use in their offices. Carbon offsetting is provided by the World Land Trust which works on forest protection projects in various countries (Vietnam, Ecuador, Paraguay, Guatemala).

Having set out a simplified carbon footprint assessment (scopes 1 and 2, scope 3 in part), we are now working on its roll-out within pilot units with the aim of incorporating a maximum number of our business units into this approach in 2021. The approach remains the same: measuring the internal carbon footprint of our agencies (their everyday operation), targeting and implementing actions to reduce the impact on the climate, and potentially taking part in certified carbon offsetting projects so as to have a positive impact on local ecosystems and communities.

Our goal is to put in place a decision-making tool in the medium term to determine the CO₂ scoring of our products and services and thus guide our clients choices in the matter, encouraging responsible projects.

In addition, we are shifting our portfolio of offerings and services. The Group is FSC and PEFC certified since 2010. These certifications are essential to guarantee responsible sourcing of raw materials (paper from sustainably managed forests) and the traceability of products throughout the manufacturing stages. Currently, some fifteen of our business units are FSC/PEFC certified.

Altavia has also been a forerunner in creating an Ecopublishing® reference frame. Created and launched in 2012, this eco-design approach, designed to guarantee our customers an optimal environmental footprint, is based on a set of criteria covering the entire production and distribution chain for communication media, including:

- Responsible source of paper.
- Commitment of paper makers to a responsible environmental approach.
- Commitment of printers to a responsible environmental approach.
- A more easily recyclable medium.
- Environmentally friendlier transport.

Our objective for the coming years is to facilitate processes related to the application of Ecopublishing® in order to move towards a generalisation of the standard when conditions allow, that is to say when technical characteristics are not at odds with an eco-design approach.

We are also developing an UpCycling® offering as part of the circular economy. The aim is to give a second life to communication media through integration companies. Raw material (tarpaulins, fabric) is recovered and then transformed into new objects (goodies, furniture).

This continuous improvement process incorporating eco-design plays an active role within our agencies with opportunities in the field of point-of-sale advertising (POS) and "Green Digital".

2. A robust network of CSR officers and regular oversight

Altavia Group's CSR policy is driven by a network of employees on whom the CSR Department relies to deploy, raise awareness on and share local initiatives.

There are some forty CSR ambassadors currently working on our CSR issues in close collaboration with the business unit management. An extensive exchange programme designed to step-up our dynamic was run in September 2020.

Lastly, the CSR Department provides training on current topics in order to maintain and develop a consistent level of knowledge within the group.

3. A Responsible Purchasing Policy within Altavia Group

Our "Responsible Business Partner Policy" launched in September 2020 constitutes a comprehensive approach to our Responsible Purchasing policy and encompasses all the requirements to be met to work with Altavia.

At the same time, we are working closely with our supplier ecosystem to make improvements and to gradually support them in achieving the sustainable development goals in France and internationally.

4. Respect for Human Rights

a. Human Capital: a lever for the development of Altavia

Human capital, our most valuable resource. The decision was made to ensure maximum transparency in the group's Human Capital policy.

In recent years, we have placed the monitoring of our employees and our talent development (skills, training needs, mobility requests) on a professional footing as part of a longer term career management view through a reference framework and tailored tools rolled out in early 2020.

In 2020, 85% of the group's employees attended an appraisal interview, and 60% of talent reviews were conducted.

The Human Capital Department is also strengthening talent support through a mentoring programme designed to optimise inter-generational exchanges, to share expertise and knowledge, and to allow the different Altavia teams to pool their skills.

Manager best practices (The Art and Style of the Manager) are also available to employees.

The Group's code of ethics, entitled "The Art and Style of Altavia", sets out the ethical foundations shared by the business units and guarantees current and future Altavia employees a serene working environment. Altavia and its subcontractors undertake to respect the rights of women and men in all countries where they operate. A code of ethics code has also been put in place in all Group subsidiaries.

b. Diversity: a real asset for Altavia

Altavia values diversity, notably expressed in the wide range of career paths followed by its employees and the representation and valorisation of all generations.

Altavia confirms its commitment to a policy of integration and support for employees recognised as disabled. In this respect, as in previous years, the actions carried out in France concern:

- Recruitment: in France, job offers are published as soon as the need is identified on partner websites of the APEC and Pôle Emploi job centres, specialised in the recruitment of disabled employees. We systematically use temping agencies that have divisions specialised in the placement of disabled workers.
- Identification of employees recognised as disabled

c. Duty of care with regard to respect for Human Rights

Respect for Human Rights is an integral part of the "Responsible Business Partner Policy" sent to and signed by our commercial partners. The latter undertake to eliminate any form of discrimination and to guarantee that no children work for them or their subcontractors.

Altavia's ambition is to implement a Responsible Purchasing policy based on the integration of social and governance criteria into the supplier and subcontractor referencing process. A risk analysis and audits will be conducted among strategic suppliers in countries identified as posing a risk.

A whistleblowing system is also in place within the Group to allow all employees to report any human rights breach.

5. Respect for labour standards

Wherever the Group operates, employees are fully aware of the labour standards to be respected. Altavia also ensures that labour standards are respected by its suppliers by having them sign the Responsible Business Partner Policy.

a. Health and safety of employees

"The Art and Style of Altavia" notably reminds all employees of the health and safety rules to be respected in the workplace and the alert system in the event of hazards.

In France, the business units apply labour law in close cooperation with the employee representatives and members of the local CSE (Social and Economic Committee). Regarding social dialogue, employees are aware of who the staff representatives are and their role.

The safety instructions and regulations to be observed in the workplace are posted in the offices.

Fire and first-aid training courses are run on a regular basis for employees.

Furthermore, a safety logbook is kept to monitor mandatory maintenance operations (fire extinguishers, emergency lighting units). All risk assessment results are contained in a single document ('document unique').

Regarding quality of life at work, satisfaction surveys and Human Capital surveys are regularly carried out within the teams to anonymously assess satisfaction and potential risks.

Our aim is to go even further by trialling the use of platforms (in France and Canada in particular), notably including suggestions for improvement, stress level measurement and work organisation. This participative and voluntary system is designed to streamline managerial dialogue and improve our collective performance and the way we work.

b. Training

The training policy is based on operational strategic issues and the needs expressed by employees and managers in order to:

- Develop sales performance: managing customer and prospect relations (negotiation, communication)
- Adapt to changes and anticipate technical and business developments (digital, production tools)
- Strengthen professional efficiency by appropriate means (office automation, management, foreign languages)
- Respond to the challenges of the future and the development of new skills (CSR, etc.)

c. Conviviality and well-being

Altavia has instilled the principle of routines and habits at all levels of the group since its creation. These occasions encourage the sharing of vital information to our operations, provide information to employees on our business lines and create convivial moments. We also encourage joint activities such as well-being workshops and sports.

In the current context of the pandemic, it was not possible to organise as many events as usual in 2020. The group adjusted by holding a 100% digital group seminar in March 2020, for example. There will be a gradual return to "normal" once health conditions allow.

d. Work/life balance

Altavia and its subsidiaries have taken various measures to enable employees to strike a better work/life balance.

e. Evaluation of the social footprint

In France, the company's social footprint is measured annually (workforce, employment, temporary staff, absenteeism, workplace accidents, training, social dialogue, discrimination, remuneration and social benefits). In 2020, a gender index was also put in place, the calculations for which are those set by the French Ministry of Labour.

We also conduct regular audits within our business units to ensure compliance with the rules in place.

6. Reliable environmental protection policies and procedures

a. Responsible communication

Within the framework of the ISO 14001 standard, our business units, audited by recognised third-party organisations, carry out an annual assessment of environmental indicators (impact diagnosis, improvement actions, implementation of dedicated policies, evaluation of efficiency, internal and stakeholder commitment).

Some of our business units are also committed to the ISO 9001 Quality Management standard. This gradually improves efficiency by materialising processes, targeting non-conformities and setting progress objectives on various management indicators.

Altavia is currently undertaking a broader reflection on CSR certification and labels with a view to providing our agencies with the best possible tools to make progress.

b. Employee training on responsible communication

Employees receive training on responsible communication offerings, and the Group Executive Committee is informed every year of the issues relating to FSC & PEFC certification management during periodic reviews.

We want to go further in 2021 by raising awareness more broadly of our CSR challenges (targeted training, toolkit, etc.) as employee mobilisation is key to accelerating change.

c. Employee mobility: remote meetings

In order to reduce carbon emissions from business travel since 2016, Altavia Group has put in place solutions to facilitate remote working thanks to effective tailored tools. The business units also take measures to reduce car use by a single person.

These practices already in place greatly facilitated the transition to the remote working arrangements put in place during the ongoing health crisis, and therefore the continuity of our activities and our relationships with the different stakeholders.

d. Waste sorting and reduction of greenhouse gas emissions (GHG)

Several business units manage their waste responsibly by sorting as much of it as possible and by using specialist waste collection companies. In addition to paper and packaging, batteries and electronic waste are collected separately.

We also encourage the development of new practices in all regions in which we operate. With, for example:

- The adoption of an approach based on life cycle analysis to reduce greenhouse gas emissions,
- The involvement of employees in a programme to offset their greenhouse gas emissions.

7. Anti-corruption and personal data protection

Promoting ethics within the value chain is not only vital to protect Altavia's reputation and avoid legal proceedings, but also to meeting stakeholder expectations. Altavia has a code of ethics, "The Art and Style of Altavia", that sets out the principle of anti-corruption and aims to stop fraud and non-compliance with the law in several Group policies.

A whistleblowing system has been introduced: employees will be able to send to a dedicated email address a message that is later forwarded to the Appointments and Remuneration Committee. No alerts were reported in 2020.

To ensure its employees have the same level of protection as its customers, Altavia has implemented a global approach to data protection which was strengthened in 2018 in compliance with the new General Data Protection Regulation (GDPR).

8. Endowment Fund & Skills-based sponsorship

In 2020, Altavia decided to take its sponsorship policy one step further by becoming involved in a meaningful philanthropic project. Thus Altavia Foundation was created (<https://www.altavia-group.com/fr/altavia-foundation/>) with the aim of inspiring and supporting the players involved in micro-retail to promote societal change.

Why micro-retail? Because micro-business (retail, craftsmanship, service provision) represents an incredible opportunity for people in a precarious social position to make a fresh start in their professional lives. Micro-retail is also an essential link in local life as it creates a social bond and revitalises regions.

With this in mind, Altavia Foundation works on a daily basis to gather inspiring micro-retail models ready to be replicated, whether mobile grocery stores, home IT services or food trucks.

Altavia Foundation also teams up with associations working in the field to implement inclusive and innovative projects that enable project leaders to reintegrate into society through micro-retail.

Altavia Foundation will swiftly become participative and be rolled out around the world. 47 business units will be represented to breathe life into this mission in their own countries. Employees will also be able to take part in skills-based sponsorship projects.

PART 2 - 2020 INDICATORS AND INTERPRETATION

I - Indicators and Objectives

1. Responsible Purchasing

Our goal is to become a sustainable partner of choice for our customers by guaranteeing a responsible supply chain.

In a world where trust matters, we decided at the start of 2019 to focus our efforts on this value chain, and we intend to keep up our efforts with the same determination up to 2023 by:

- Maximising the supply of responsibly sourced paper in all the regions in which we operate
- Expanding our FSC and PEFC certifications and other labels to 100% of paper purchased
- Achieve 100% of our Positive Sourcing objective

a. Responsible Business Partner Policy and our suppliers' CSR policies

As explained in Part 1, our "Responsible Business Partner Policy" constitutes a comprehensive approach to our Responsible Purchasing policy and encompasses all the requirements to be met to work with Altavia.

To date, 14% of the suppliers of the business units taken into account have returned the signed document. In France, where the launch began, 43.5% of suppliers have signed our Responsible Business Partner Policy.

The results of this survey complement the classification of our Paper & Print suppliers carried out by the business units, which allows us to better understand the assets of our commercial partners when it comes to sustainable development.

The labels and certifications taken into account in the indicator include: FSC; PEFC; ISO 14001; ISO 50001; ISO 45001; ISO 12647; ISO 9001; SEDEX; Ecovadis; Lucie Label; BSCI; Imprim'Vert; Print'Ethic; Der Blaue Engel (The Blue Angel).

On this basis, 72% of purchase amounts were deposited with certified suppliers. In France, the use of certified or labelled suppliers is common practice, with a ratio of 79%.

b. Positive Sourcing

Altavia firmly believes in inclusive commercial models. Our Positive Sourcing® programme encompasses the promotion and development of collaboration with our socially and economically disadvantaged suppliers and partners in order to offer them inclusion opportunities through growth based on the criteria outlined above.

Due to the nature of the services that may be provided by suppliers meeting the Positive Sourcing criteria (non-eligible paper purchases, for example, when they represent significant amounts), the percentage of purchases entrusted to them reached 1.3% of our total purchases in 2020. As the process of identifying Positive Sourcing suppliers was still under way at the end of 2020, the scope for progress is still great. Indeed, only ESAT and EA organisations and one Women-Owned Business have been taken into account.

c. Supply of responsibly sourced paper

93% of the tonnage of our paper purchases were FSC or PEFC certified in 2020. In France, this ratio stands at 99% of centralised paper purchases.

2. Certifications and labels

a. Ecovadis

Ecovadis is a rating programme widely recognised at global level which we use to measure the CSR maturity of our business units. Our goal by the end of our MOVE2023 is for 100% of our business units to have been assessed at least once by Ecovadis and achieved the highest scores.

Seventeen business units have been assessed since 2018, achieving an average score of 66/100 and representing 84% of the Group's turnover in 2020. To date, ten business units have received a Gold medal and two have achieved a Platinum medal, the highest possible standard. Eleven new entities were under assessment in 2020, for which we are still awaiting the results.

(1) The total amount of purchases includes non-eligible paper purchases when they represent a very significant share of our activity

b. Other certifications and labels

The CSR team supports the business units in their continuous improvement processes which can involve obtaining a certification or label. An overview of relevant labels and certifications with regard to our activities is currently being prepared for the coming year. Our approach extends to labels covering other aspects of our historic activity, such as the AACCC label, specific to communication agencies in France, but also more demanding labels linked to our raison d'être and our stakeholders.

Summary at 31/12/2020:

	Ecovadis	FSC & PEFC	ISO 9001	ISO 14001
# business units certified within the Group	17	15	6	2

3. Social indicators and Human Capital

a) Workforce

Around half of our employees work in France. Almost 38% of the workforce is based in Europe (excluding France) and 11.5% are spread between China, Japan, Korea, Kazakhstan, Turkey, Tunisia and Canada.

Across all employees, all functions combined, parity is almost reached with a number of women employees slightly above the number of men: 54% compared to 46%.

Workforce at 31/12/2020 average FTE*	2018	2019	2020
France	51%	50%	49%
Europe	32%	35%	40%
Rest of world	17%	15%	11%
GROUP TOTAL	1,844**	1,963	1,843

In 2020, the variation in headcount was broken down into 349 arrivals and 418 departures, i.e. a turnover of 22%, down almost 2 points compared to 2019. 28% of employees have been in the Group for 1 to 3 years.

The turnover rate observed is in line with the trends in the business sector and the communication agency sphere.

Recruitment*	2018	2019	2020
France	55%	55%	52%
Europe	27%	22%	30%
Rest of world	18%	19%	18%
GROUP TOTAL	475	373	348

Departures*	2018	2019	2020
France	53%	52%	50%
Europe	25%	18%	23%
Rest of world	22%	29%	28%
GROUP TOTAL	449	465	421

b) Work organisation

90% of employees are on a permanent work contract or equivalent.

The nature of our activity means we occasionally use temporary workers and freelancers. This figure represented 103 FTEs in 2020. In comparison, the number of FTEs corresponding to staff on a permanent or fixed-term contract stands at 1,698, i.e. 97% of our total workforce.

c) Diversity and gender equality

Our goal by 2023 is to ensure fair and equitable compensation of all our employees, both women and men, worldwide.

Gender parity is a cornerstone of our diversity. There is still scope for improvement, particularly in terms of equal pay for top earners.

Breakdown in percentage of FTEs according to age and sex (at 31 December 2020)

	<20-30	30-40	40-50	> 50
Men	9.7%	15.5%	12.1%	8.4%
Women	15.5%	19.8%	13.2%	5.7%

The role of women in the Group

Within the Europe (excluding France) and North America scope, half of General Management positions are held by women or a two-person woman-man team.

Average annual wages by age bracket and by gender have been calculated with a rate covering 90% of our workforce.

The average pay gap between men and women is 17% broken down as follows:

	<20-30	30-40	40-50	> 50
M/W pay gap	11%	8%	17%	32%

Note that the pay gap increases with age, which is primarily explained by a predominately male presence in management positions.

This is in line with an analysis of the gender breakdown in the five to ten highest earners (depending on the size of the structure), the measurement of which was conducted by 95% of our entities. In 2020, we reached a gender breakdown in terms of high earners of 56% men and 44% women.

Disabled employees

On the Group scale, the percentage of employees having declared a disability is 1.2%.

The Group works to provide people with disabilities with access to digital content, for example by making the website, scheduled to be revamped in 2021, accessible to the visually impaired.

d) Health and safety

Absenteeism stood at 1.8% in 2020. Contrary to the previous two years, workplace accidents are not covered by an indicator in their own right but are included in the calculation of the rate of absenteeism. The other absences taken into account are illness and unexplained absence.

In 2019 and 2020, 285 employees received health & safety training, i.e. 16% of our total workforce.

The proportion of business units that have formalised a risk prevention document covers 74.5% of our workforce.

e) Training

38% of employees took at least one training course in 2020. Training courses funded by the business units (representing a coverage rate of 74% of the Group's workforce) amounted to a total of €414,000.

4. Environment

We adhere to a medium-term approach to establish a robust carbon strategy: a simplified carbon footprint assessment for all of our business units by 2023 combined with a full carbon review for our largest entities. These actions will be linked to an objective aimed at reducing or offsetting our impacts based on the Science-Based Targets (SBT).

2020 underscored our decision to step up our policy to reduce our GHG (greenhouse gas) emissions and to adopt a commitment to progress for the coming years to monitor these indicators in all the regions in which we operate.

Across the Group, 24.5% of our business units track the quantity of waste produced and recycled, corresponding to a coverage rate of 31% in terms of workforce.

Within these perimeters, tonnage of paper, plastic, cardboard and IT waste have been measured.

43% of business units track annual electricity consumption (i.e. 35% of our workforce). Electricity consumption is 2 MWh per employee for the entities concerned. As premises are rented in some cases, data is often difficult to obtain.

With regard to business travel, 43% of the business units (i.e. 11.5% of the workforce) declared car and plane journeys. This represents a fuel consumption corresponding to a total of €125,000 for cars and €40,000 for flights, below normal levels given the current health situation.

Lastly, regarding the monitoring of GHG emissions and carbon offsetting, we have based ourselves on the tools provided by the French Agency for Ecological Transition (ADEME). We now have best practices within the Group; With, for example:

- A business unit in the United Kingdom that offsets its carbon emissions with the World Land Trust Carbon Balanced Programme,

- An entity in Germany that proposes carbon offsetting for print productions for its customers since 2020, i.e. 830 tonnes of CO₂ equivalent offset to date,

In Dubai, the implementation of the simplified carbon footprint assessment covering its internal

HUMAN CAPITAL

Indicator	Calculation method and assumptions
Workforce (permanent and temporary contracts)	The figures collected correspond to the number of employees on permanent and fixed-term contracts (or their equivalents outside of France) at 31 December 2021. Employees absent due to sick leave or maternity leave have been taken into account.
FTEs (breakdown by age bracket and seniority)	Full-time equivalents at 31 December 2020
Temporary and freelance FTEs	This data corresponds to the number of days worked by temporary and freelance workers divided by the number of days worked in 2020
Number of hires	The types of contracts taken into account are permanent contracts, fixed-term contracts and work-study contracts. Interns are not taken into account.
Number of departures	Departures taken into account are end of contracts, retirements, disabilities, resignations, mutually agreed termination of contract, internal mobility. Interns are not taken into account.
Turnover	<p>The calculation method used is as follows:</p> $\frac{\text{(Number of departures + number of hires)}/2}{\text{Total number of FTEs}}$
Training expenses	Training courses covered by the BU are taken into account, not in-house training courses nor mandatory training programmes (e.g. fire drills)
Number of employees trained	Employees and apprentices training over the year are taken into account, even those not present on 31/12 of the year in question
Absenteeism rate	The formula is as follows: number of days absent / (365 * total workforce)
Number of BUs that have drafted a document on employee health and safety risk prevention	Single Documents (documents uniques) or their equivalents outside of France
Average wages by gender and age bracket	Wages correspond to the average annual net pay calculated over 2020.
Breakdown of highest earnings	If the BU has fewer than 25 employees, the women and men with the top 5 earnings are given. If the workforce is 25 employees or more, the 10 highest earnings are given.
Percentage wage increase	The method used calculates the percentage of employees by gender and by age bracket that received a wage increase in 2020. The calculation is based on the workforce at 31/12/2020.
Disputes and complaints	This section includes conflicts arising between an employee and another member of the company for harassment and cases brought before the industrial tribunal.
Number of employees with a declared disability	A declared disability is a disability, whether visible or not, declared by the employee to the BU (recognition of the status of disabled worker - RQTH in France - and equivalent)
Number of workplace health and safety training courses	As there was very little on-site activity in 2020, the question covered 2019 and 2020.

ETHICS

Indicator	Calculation method and assumptions
Number of employees having received anti-corruption training	Aggregation
Number of cases of corruption reported	This concerns cases identified via the whistleblowing process

ENVIRONMENT

Indicator	Calculation method and assumptions
Proportion of recycled paper	This takes into account business unit-specific consumption, not consumption linked with customer production, and 100% of collected waste volumes are recycled
Proportion of recycled cardboard	This takes into account business unit-specific consumption, not consumption linked to customer production, and 100% of collected waste volumes are recycled
Proportion of recycled or reused IT equipment	This takes into account business unit-specific consumption, not consumption linked to customer production, and 100% of collected waste volumes are recycled
Electricity consumption	This takes into account business unit-specific consumption, not consumption linked to customer production.
Expenditure associated with fuel consumption (car)	This takes into account vehicles owned by the BU and rental vehicles.
Expenditure linked to air travel	The data is provided by the travel agencies used by the BUs.
Business unit carbon footprint assessment	Use of recognised methodologies and emission factors, such as those set out by ADEME and Defra
CO ₂ emissions offset	With recognised partners

Description of the data collection and analysis process

Data collection was overseen by the CSR team which drew on the network of CSR ambassadors, Group Human Capital representatives and the central Purchasing team.

The data collection campaign began with the sending of an information memo to all of the stakeholders to explain the context, process and schedule. Once they had received the indicator grid to complete, the CSR ambassadors and Human Capital representatives took part in collective Q&A sessions (two in French, two in English) to clarify certain points. A specific communication and discussion channel was also set up to enable the different actors involved to share best practices and to simplify the process within a rationale of assistance and collective progress.

All of the data underwent checks (exhaustiveness, quality, coherence) in close collaboration with the persons responsible locally and at Group level. The data was also consolidated, thus allowing for its analysis.

* * *

After having read the reports presented by your Statutory Auditor, your board invites you to approve the resolutions submitted for your vote.

THE BOARD OF DIRECTORS

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2020

To the General Meeting of Altavia

Opinion

As part of the assignment entrusted to us by the General Meeting, we carried out the audit of ALTAVIA's consolidated financial statements for the financial year ended 31 December 2020, as attached to this report.

We certify that the consolidated financial statements are, with regard to French accounting regulations and principles, free from misstatements and give a true and fair view of the net income from operations during the past financial year, as well as the financial situation and assets of the group constituted by the persons and entities included in the consolidation

Basis of our opinion

Audit framework

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

Our responsibilities in accordance with these standards are set out in the section "Responsibilities of the Statutory Auditors in the audit of the consolidated financial statements" of this report.

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and the code of ethics of the audit profession, over the period from 1 January 2020 to the date of issue of our report.

Justification of our assessments

The global crisis linked to the COVID-19 pandemic created very particular conditions for the preparation and audit of the financial statements for the fiscal year. Indeed, the crisis and the exceptional measures taken within the framework of the health emergency entail numerous consequences for businesses, particularly with regard to their activity and their financing, as well as increased uncertainty regarding their prospects for the future. Some of these measures, such as travel restrictions and remote working, also impacted the internal organisation of businesses and the means of execution of audits.

It is within this complex and evolving context, pursuant to the provisions of articles L.823-9 and R.823-7 of the French Commercial Code to the basis for our assessments, we inform you that the most significant assessments we made, in our professional judgement, concerned the appropriateness of the accounting principles applied, the reasonableness of significant estimates made and the overall presentation of the accounts, in particular with respect to goodwill, the net amount of which is shown in the balance sheet dated 31 December 2020 at €81.7 million. The goodwill underwent impairment tests as described in note 1.2.4 of the notes to the consolidated financial statements. We examined the methods used to carry out these tests, as well as the cash flow forecasts and assumptions used and reviewed the calculations leading to the posted impairment amounts.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and in the context of forming our opinion expressed above. We do not express an opinion on individual items in these consolidated financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we also carried out the specific verifications required by the law and regulations on information relating to the Group given in the Board of Directors' management report.

We have no comment to make as to their fair presentation and consistency with the consolidated financial statements.

We certify that the consolidated extra-financial performance report provided for in Article L.225-102-1 of the French commercial code appears in the group data provided in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of that code, the information contained in this report was not verified for accuracy or consistent with the consolidated financial statements and must be the subject of a report by an independent third party.

Responsibilities of the management and the members of the corporate governance bodies concerning the consolidated financial statements

Management is responsible for preparing consolidated financial statements presenting a true and fair view in accordance with French accounting rules and principles and implementing the internal controls that it deems necessary for the preparation of consolidated financial statements free of any material misstatements, whether due to fraud or error.

In connection with the preparation of the consolidated financial statements, Management is responsible for assessing the company's ability to continue its operations, providing information on matters relating to the continued operations, where this is relevant, and preparing financial statements on a going-concern basis, unless the management company intends to wind up the company or discontinue its operations.

The consolidated financial statements have been approved by the Board of Directors.

Responsibilities of the statutory auditors in the audit of the consolidated financial statements

It is our responsibility to prepare a report on the consolidated financial statements. Our goal is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with the professional auditing standards will always detect any material misstatement. Misstatements may arise as a result of fraud or error and must be regarded as being material if it can reasonably be expected that they, individually or in the aggregate, will affect the financial decisions made by users of the financial statements on the basis of the financial statements.

As specified in Article L.823-10-1 of the French commercial code, our role of certifying the financial statements is not to guarantee the viability or the quality of the management of your company.

As part of an audit performed in accordance with the professional auditing standards applicable in France, the statutory auditor uses professional judgement throughout this audit. In addition:

- the statutory auditor identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether due to fraud or error, and defines and implements audit procedures for such risks and collects evidence considered sufficient and appropriate to serve as the basis of its opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve conspiracy, forgery, deliberate omission, misrepresentation, or non-observance of internal controls;
- the statutory auditor obtains an understanding of the internal controls of relevance to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the internal controls;
- the statutory auditor assesses whether the accounting policies applied by management are appropriate and whether the accounting estimates and judgements and related information provided in the consolidated financial statements are reasonable;
- the statutory auditor assesses whether the accounting convention of going concern applied by Management is appropriate and, according to the collected evidence, whether there is any material uncertainty related to events or circumstances likely to call into question the company's ability to continue its operation. This assessment is based on the evidence collected up to the date of the statutory auditor's report. However, subsequent circumstances or events could jeopardise the continuity of operations. If a material uncertainty is found, the statutory auditor must draw the attention of the readers of its report to the information provided in the consolidated financial statements about this uncertainty or, if such information is not provided or is not relevant, must express a qualified certification or a refusal to certify;
- the statutory auditor assesses the overall presentation of the consolidated financial statements and whether they reflect the underlying transactions and events so as to give a true and fair view;
- with regard to financial information about persons or entities included in the consolidation scope, the statutory auditor collects information considered sufficient and appropriate to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the management, supervision and execution of the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

Signed in Paris-La Défense, Levallois-Perret and Paris, 19 April 2021

By the Statutory Auditors

Cabinet ANGELI



Jacques Brun

DELOITTE & ASSOCIES



Frédéric Souliard



Bertrand Boisselier

CROWE HAF



Marc de Prémare

ALTAVIA S.A. COMPANY ACCOUNTS

BALANCE SHEET - ASSETS

Euros	Values at 31/12/2020			Values at 31/12/2019
	Gross	Amort. & deprec.	Net Values	
Uncalled subscribed capital				
Capital assets				
Intangible fixed assets				
Incorporation expenses				
Development costs	856,162	856,162		
Concessions, patents and similar rights	133,539	128,489	5,050	11,050
Goodwill (1)	1		1	1
Other intangible assets				
Intangible assets in progress				
Advances and deposits				
Tangible fixed assets				
Land				
Construction				
Tech. installations, industrial equipment and tools				
Other tangible fixed assets	6,310,063	3,655,919	2,654,145	1,472,374
Tangible assets in progress				
Advances and deposits	373,444		373,444	234,747
Long-term investments (2)				
Equity investments	38,616,833	1,936,211	36,680,622	36,509,700
Receivables related to equity holdings				
Equity securities held for investment				
Other fixed equity investments	76		76	76
Loans	31,415,881		31,415,881	35,428,655
Other long-term investments	1,092,660		1,092,660	904,883
TOTAL (I)	78,798,659	6,576,781	72,221,878	74,561,487
Current assets				
Inventory and work-in-progress				
Raw materials and other supplies				
Work in progress (goods and services)				
Intermediate and finished products				
Goods				
Advance payments on orders	1,062		1,062	
Receivables				
Customer Receivables and Related Accounts (3)	6,522,306	389,407	6,132,899	4,817,736
Other receivables (3)	68,316,411	4,053,810	64,262,602	28,850,890
Capital subscribed, called, unpaid				
Marketable securities				
Own shares	5,263,294		5,263,294	5,263,294
Other securities				
Treasury instruments				
Cash instruments and cash equivalents	25,120,191		25,120,191	7,498,906
Prepayments (3)	65,805		65,805	106,129
Total (II)	105,289,070	4,443,217	100,845,853	46,536,955
Deferred charges (III)				
Redemption premiums (IV)				
Currency translation adjustment (assets) (V)				
GRAND TOTAL (I + II + III + IV + V)	184,087,728	11,019,998	173,067,731	121,098,442
(1) Of which leasehold				
(2) Of which less than one year (gross)				
(3) Of which more than one year (gross)				

BALANCE SHEET - LIABILITIES & EQUITY

Euros	31/12/2019 Net	31/12/2019 Net
Shareholders' equity		
Capital (of which paid: 3,846,411)	3,846,411	3,846,411
Issue, merger, contribution premiums	2,446,046	2,446,046
Revaluation surplus		
Equity accounting difference		
Reserves		
Legal reserve	391,888	391,888
Statutory or contractual reserves		
Regulated reserves	564,590	564,590
Other reserves	5,523,479	5,493,479
Retained earnings	48,999,583	44,686,802
Earnings for the fiscal year (profit or loss)	8,343,822	4,342,782
Net position	70,115,819	61,771,997
Investment grants		
Regulated provisions	63,839	43,975
TOTAL (I)	70,179,658	61,815,972
OTHER OWN FUNDS		
Proceeds from issues of participating securities		
Conditional advances		
TOTAL (I) a		
PROVISIONS		
Provisions for risks		
Provisions for charges	773,549	668,476
TOTAL (II)	773,549	668,476
DEBTS (1)		
Convertible bonds		1,313,456
Other bonds		
Borrowed funds and debts with credit institutions (2)	96,186,220	5,770
Miscellaneous borrowed funds and financial debts (3)	1,696,066	318,654
Advance payments on orders in progress		
Trade payables and related accounts	1,106,164	1,336,946
Tax and social liabilities	2,971,535	2,387,753
Debts on fixed assets and related accounts		
Other debts	151,168	1,893,593
Treasury instruments		
Deferred revenue	3,370	4,570
TOTAL (III)	102,114,523	58,613,994
Currency translation adjustment (liabilities) (IV)		
GRAND TOTAL (I + II + III + IV)	173,067,731	121,098,442
(1) Of which more than one year	94,125,000	42,559,570
(1) Of which less than one year	7,989,523	16,054,424
(2) Of which bank loans, overdrafts and bank credit balances	1,362	850
(3) Of which equity loans		

INCOME STATEMENT

Euros	from 01/01/20 to 31/12/20	from 01/01/19 to 31/12/19	Variation as amount	Variation as a %
Sales of goods				
Production sold (goods/ serv.) of which export. : 4,884,029	15,715,536	14,593,585	1,121,951	7.69
Net turnover	15,715,536	14,593,585	1,121,951	7.69
Inventory production				
Self-constructed assets				
Operating subsidies				
Reversals of provisions (amortisation), transfers of charges	6,858	18,441	-11,582	-62.81
Other income	8,764	95	8,669	
TOTAL OPERATING INCOME (I) (1)	15,731,158	14,612,121	1,119,037	7.66
Purchases of goods				
Inventory change				
Purchases of raw materials and other supplies				
Inventory change				
Other purchases and external expenses	7,751,980	7,882,038	-130,058	-1.65
Taxes, duties and similar payments	849,693	968,724	-119,031	-12.29
Salaries and wages	4,364,158	3,920,026	444,131	11.33
Social security charges	1,816,494	1,634,722	181,773	11.12
Net allowances for amortisation, depreciation and impairment:				
On fixed assets: allocations to amortisation	346,614	246,117	100,497	40.83
On fixed assets: provisions for impairment				
On current assets: provisions for impairment				
Allocations to provisions	105,073	77,866	27,207	34.94
Other expenses	60,698	83,336	-22,638	-27.16
TOTAL OPERATING EXPENSES (II) (2)	15,294,710	14,812,829	481,881	3.25
OPERATING EARNINGS (I - II)	436,447	-200,709	637,156	317.45
Profit or transferred loss (III)		443,731	-443,731	-100.00
Profit or transferred loss (IV)	463,118		463,118	
From equity interests (3)	8,524,904	7,252,103	1,272,800	17.55
From other marketable securities and investments (3)				
Other interest and similar income (3)	1,014,665	757,875	256,790	33.88
Reversals of impairment and provisions, transfers of charges				
Positive exchange differences	38,348	10	38,338	
Income from disposal of marketable securities				
TOTAL FINANCIAL EXPENSES (VI)	9,577,916	8,009,988	1,567,928	19.57
Amortisation, depreciation and impairment allocations	1,865,337	4,124,684	-2,259,347	-54.78
Interest and similar expenses (4)	943,773	497,984	445,790	89.52
Negative exchange differences	1,300	37,077	-35,776	-96.49
Net losses on disposals of marketable securities				
TOTAL FINANCIAL EXPENSES (VI)	2,810,411	4,659,744	-1,849,334	-39.69
FINANCIAL EARNINGS (V - VI)	6,767,505	3,350,243	3,417,262	102.00
EARNINGS before extraordinary items and taxes (I+II+III+IV+V+VI)	6,740,834	3,593,266	3,147,568	87.60
Extraordinary income (VII)	1,200	134,825	-133,625	-99.11
Extraordinary expenses (VIII)	20,514	25,636	-5,122	-19.98
EXTRAORDINARY EARNINGS (VII - VIII)	-19,314	109,189	-128,503	-117.69
Employee profitsharing (IX)				
Income tax (X)	-1,622,302	-640,326	-981,976	-153.36
TOTAL INCOME (I+ III+V+VII)	25,310,274	23,200,665	2,109,608	9.09
TOTAL EXPENSES (II+IV+VI+VIII+IX+X)	16,966,452	18,857,884	-1,891,432	-10.03
PROFIT OR LOSS	8,343,822	4,342,782	4,001,040	92.13
(1) Of which income from previous fiscal years				
(2) Of which expenses from previous fiscal years				
(3) Of which income from related entities	9,539,568	8,009,976		
(4) Of which interest from related entities	21,962	186		

STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2020

To the General Meeting of Altavia Opinion

As part of the assignment entrusted to us by the General Meeting, we carried out the audit of Altavia's annual financial statements for the financial year ended 31 December 2020, as attached to this report.

We certify that the annual financial statements, with regard to French accounting regulations and principles, give a true and fair view of the net income from operations during the past financial year, as well as the financial situation and assets of the company at the end of that year.

Basis of our opinion Audit framework

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

Our responsibilities in accordance with these standards are set out in the section "Responsibilities of the Statutory Auditors in the audit of the annual financial statements" of this report.

Independence

We conducted our audit in accordance with the rules of independence applicable to us, over the period from 1 January 2020 to the date of issue of our report, and in particular we did not provide any services prohibited by the code of ethics of the audit profession.

Justification of our assessments

The global crisis due to COVID-19 pandemic leads to special conditions for this audit and its preparation. Indeed, this crisis and the exceptional measures taken in regard to the public health emergency generate multiple consequences for the companies, in particular on their activities and fundings, as well as increasing uncertainties on their prospects for the future. Many of these measures, such as travel bans and remote working, have a direct impact on companies' organization and audit implementation modality.

In this complex and evolving context, 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 hereby inform you that the most significant assessments that we made, in our professional judgement, concerned the appropriateness of the accounting principles applied, the reasonableness of the significant estimates made and the overall presentation of the financial statements, in particular those relating to long-term investments, which are valued in accordance with the methods described in the "Long-term investments" note in the notes to the accounts. We have verified the appropriateness of these accounting methods and assessed the reasonableness of the estimates used to determine the values in use of the long-term investments.

These assessments were made in the context of our audit of the annual financial statements taken as a whole, prepared in accordance with the conditions described above and in the context of forming our audit opinion expressed above. We do not express an opinion on individual items in these annual financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we also performed the specific verifications required by French law.

Information given in the management report and in the other documents

on the financial position and the annual financial statements sent to the shareholders

We have no observations to report as to the fair presentation and consistency with the annual accounts of the information given in the management report and in the other documents sent to the shareholders on the financial position and the annual financial statements sent to the shareholders.

We hereby certify that the information relating to the payment deadlines mentioned in article D.441-4 of the French Commercial Code is true and consistent with the annual financial statements.

Corporate governance information

We certify that the information required by article L.225-37-4 of the French Commercial Code has been included in the section of the Board of Directors' management report devoted to corporate governance.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of holdings and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Responsibilities of the management and the members of the corporate governance bodies concerning the annual financial statements

Management is responsible for preparing annual financial statements presenting a true and fair view in accordance with French accounting rules and principles and implementing the internal controls that it deems necessary for the preparation of annual financial statements free of any material misstatements, whether due to fraud or error.

In connection with the preparation of the annual financial statements, Management is responsible for assessing the company's ability to continue its operations, providing information on matters relating to the continued operations, where this is relevant, and preparing financial statements on a going-concern basis, unless the management company intends to wind up the company or discontinue its operations.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the statutory auditors in the audit of the annual financial statements

It is our responsibility to prepare a report on the annual financial statements. Our goal is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with the professional auditing standards will always detect any material misstatement. Misstatements may arise as a result of fraud or error and must be regarded as being material if it can reasonably be expected that they, individually or in the aggregate, will affect the financial decisions made by users of the financial statements on the basis of the financial statements.

As specified in Article L.823-10-1 of the French commercial code, our role of certifying the financial statements is not to guarantee the viability or the quality of the management of your company.

As part of an audit performed in accordance with the professional auditing standards applicable in France, the statutory auditor uses professional judgement throughout this audit. In addition:

- the statutory auditor identifies and assesses the risks that the annual financial statements contain material misstatements, whether due to fraud or error, and defines and implements audit procedures for such risks and collects evidence considered sufficient and appropriate to serve as the basis of its opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve conspiracy, forgery, deliberate omission, misrepresentation, or non-observance of internal controls;
- the statutory auditor obtains an understanding of the internal controls of relevance to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the internal controls;
- the statutory auditor assesses whether the accounting policies applied by management are appropriate and whether the accounting estimates and judgements and related information provided in the annual financial statements are reasonable;
- the statutory auditor assesses whether the accounting convention of going concern applied by Management is appropriate and, according to the collected evidence, whether there is any material uncertainty related to events or circumstances likely to call into question the company's ability to continue its operation. This assessment is based on the evidence collected up to the date of the statutory auditor's report. However, subsequent circumstances or events could jeopardise the continuity of operations. If a material uncertainty is found, the statutory auditor must draw the attention of the readers of its report to the information provided in the annual financial statements about this uncertainty or, if such information is not provided or is not relevant, must express a qualified certification or a refusal to certify;
- the statutory auditor assesses the overall presentation of the annual financial statements and whether they reflect the underlying transactions and events so as to give a true and fair view.

Signed in Paris-La Défense, Levallois-Perret and Paris, 19 April 2021

By the Statutory Auditors

Cabinet ANGELI

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