

Financial statements



Designing solutions for a positive life

2020

Foreword

Frédéric Abbadie

CHIEF FINANCIAL OFFICER

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The purpose of this document is to give an overview of the 2020 consolidated accounts of the Artelia Group. It does not follow any standardised presentation. In no circumstances can it take the place of the financial documents required by law, and in particular the appendix to the accounts attached to the management report.

We have the pleasure to inform you that our auditors have certified the group accounts without reserve. The Administration and Finance Department is at your disposal to provide any further information that you may require.

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Organisation chart

AT 31 DECEMBER 2020

ARTELIA HOLDING SAS

FRANCE

ARTELIA SAS	100
↳ ARTELIA DÉVELOPPEMENT SAS	100
↳ CICA SAS	99,99
↳ CLI SAS	100
↳ GANTHA SAS	100
↳ PCSI SAS	100
↳ QUADRIC SAS	100
↳ RFR STRUCTURE ET ENVELOPPE SAS	100
↳ SECOA SAS	100
↳ SIS CONSEIL SAS	100
↳ SPRETEC SAS	100
↳ SAM ARTELIA MONACO	99,75
↳ ARTELIA LLC	49
↳ SAUDI/CO	100
↳ SAUDI ARABIA	100
ARTELIA INDUSTRIE SAS	100
ARTELIA DIGITAL SOLUTIONS SAS	100
↳	100
PRINCIPIA SAS	66.67
↳ PRINCIPIA ASIA SDN BHD	100
↳ MALAISIE	100
SPGA SAS	100
SAGA SAS	100

EUROPE

GERMANY	100
ARTELIA GMBH	100
BELGIUM	99,92
ARTELIA BELGIUM S.A.	100
SHER S.A.	100
↳ JVL CONSULTING S.A.	100
↳ SHER CONSULT LTD	100
RWANDA	100
CYPRUS	51
ARTELIA CYPRUS LIMITED	51
DENMARK	100
ARTELIA DENMARK AP-S	100
MØE A/S	100
↳ EJENDOMSSELSKABET NAESTVEDVEJ APS	100
↳ MØE RÅDGIVERNE INGENIØRER AS	100
↳ NORWAY	100
↳ PHILIPPINES	100
↳ PACIFIC TECH SOLUTIONS INC	100
NORWAY	100
DR TECHN OLAV OLSEN AS	100
UNITED-KINGDOM	100
ARTELIA PROJECTS UK LIMITED	100
↳ APPLEWARDS LIMITED	100
↳ AUSTIN NEWPORT GROUP LTD	100
SPAIN	100
ARTELIA SPAIN S.L.U	100
ITALY	99
ARTELIA ITALIA S.P.A	99
NETHERLANDS	100
ARTELIA NEDERLAND B.V.	100
AUSTRIA	100
ARTELIA AUSTRIA GMBH	100
↳ ARTELIA SP. ZO.O	100
↳ POLAND	100
↳ ARTELIA S.R.O.	100
↳ CZECH REP.	100
SWITZERLAND	100
ARTELIA INDUSTRIE SUISSE SA	100
↳ ARTELIA SUISSE S.A.	99,80
TURKEY	100
ARTELIA MUHENDISLIK VE DANISMANLIK HIZMETLERI A.S.	100

AROUND THE WORLD

AFRICA	
ALGERIA	%
CO.TE.BA. EL DJAZAIR SARL	100
SOGREAH ALGERIE EURL	100
IVORY COAST	100
ARTELIA CÔTE D'IVOIRE SASU	100
EGYPT	
SOGREAH MIDDLE EAST SA	88
MOROCCO	
ARTELIA MAROC S.A.	100
MADAGASCAR	
ARTELIA MADAGASCAR SRL U	100
MIDDLE EAST	
U.A.E.	
SOGREAH GULF FZE	100
OMAN	
ARTELIA MUSCAT ENGINEERING CONSULTANCY LLC	65
ASIA/AMERICA	
MEXICO	
ARTELIA CAL Y MAYOR S.A. DE C.V.	70
CHINA	
GUANGZHOU ARTELIA ENVIRONMENTAL PROTECTION CONSULTANCY CO.LTD	100
INDIA	
ARTELIA (INDIA) PRIVATE LIMITED	75
VIETNAM	
ARTELIA VIETNAM COMPANY LIMITED	100
SINGAPORE	
ARTELIA SINGAPOUR PTE. LTD.	100
↳ ARTELIA MYANMAR COMPANY LTD	100
↳ MYANMAR	100
↳ ARTELIA (CAMBODIA) Co., Ltd	100
↳ CAMBODIA	100
THAILAND	
ARTELIA CORNERSTONE LTD	60
PHILIPPINES	
ARTELIA PHILIPPINES INC.	100
INDONESIA	
PT ARTELIA ISOPLAN INDONESIA	67
FIDJI ISLANDS	
COTEBA (FIDJI) LIMITED	100

Consolidated balance sheet

IN EUROS THOUSANDS - AT 31 DECEMBER 2020

ASSETS	2020		2019
	Gross value	Depreciation, amortisations and provisions	Net value
Goodwill	198 407	-26 774	171 633
Intangible assets	23 203	-18 939	4 264
Property, plant & equipment	82 680	-55 719	26 961
Financial assets	11 121	-971	10 150
Equity-accounted investments	158	-	158
NON-CURRENT ASSETS	315 569	-102 403	213 166
Inventories & work in progress	20	-	20
Advances and progress payments	1 212	-	1 212
Trade & related accounts receivable ⁽¹⁾	293 875	-21 916	271 959
Other receivables ⁽²⁾	64 028	-150	63 878
Marketable securities	30 339	-	30 339
Cash ⁽³⁾	125 432	-899	124 533
Prepaid expenses	10 474	-	10 474
CURRENT ASSETS	525 380	-22 965	502 415
TOTAL ASSETS	840 949	-125 368	715 581

⁽¹⁾ of which trade receivables from agent/principal arrangements

0 k€ 5 326 k€

⁽²⁾ of which trade receivables from agent/principal arrangements

16 001 k€ 11 900 k€

⁽³⁾ of which cash held for agent/principal arrangements

11 845 k€ 11 582 k€

Equity & Liabilities

	2020	2019
Share capital	76 583	76 583
Additional paid-in capital	40 423	34 334
Foreign currency translation reserves - Group	1 613	823
Profit for the period	10 790	10 673
EQUITY	129 409	122 413
Minority interest	2 074	126
PROVISIONS FOR CONTINGENCIES AND LIABILITIES	68 919	62 906
Loans and borrowings	99 709	88 232
Advances received	21 336	16 863
Trade and related accounts payable ⁽⁴⁾	49 831	52 881
Other current liabilities ⁽⁵⁾	233 886	216 054
Deferred income	110 417	84 145
LIABILITIES	515 179	458 175
TOTAL EQUITY & LIABILITIES	715 581	643 620

⁽⁴⁾ of which trade payables for agent/principal arrangements

69 k€ 303 k€

⁽⁵⁾ of which current liabilities for agent/principal arrangements

27 777 k€ 28 505 k€

Consolidated income statement

IN EUROS THOUSANDS - AT 31 DECEMBER 2020

	2020	2019
REVENUE	637 469	580 834
Capitalised own production	26	-
Other operating income	5 705	5 219
Cost of sales	-195 366	-215 463
Personnel expenses	-379 978	-312 618
Other operating expenses	-5 600	-6 477
Taxes and levies	-16 625	-16 116
Depreciation & amortisation, and net change in provisions	-21 772	-10 632
OPERATING PROFIT	23 859	24 747
Financial income and expense	-2 496	-1 377
CONSOLIDATED PROFIT FROM RECURRING OPERATIONS, BEFORE INCOME TAX	21 363	23 370
Non-recurring income and expense	-599	-571
Income tax expense (incl.deferred tax)	-5 762	-7 847
PROFIT OF FULLY-CONSOLIDATED COMPANIES	15 002	14 951
Share of profit of equity-accounted investments	53	52
Goodwill amortisation	-4 094	-4 248
CONSOLIDATED PROFIT	10 961	10 756
Profit attributable to minority interests	-171	-83
PROFIT ATTRIBUTABLE TO OWNERS OF THE GROUP	10 790	10 673

Cash flow statement

IN EUROS THOUSANDS - AT 31 DECEMBER 2020

	2020	2019
Profit attributable to owners of the Group	10 790	10 673
Share of profit attributable to minority interests	172	83
Adjustments to reconcile profit with net cash from operating activities:		
· Depreciation, amortisation and provisions	18 426	15 154
· Change in deferred tax	-2 543	546
· Net (gain) or loss on disposals	308	-97
· Share of profit of equity-accounted investments	-53	-53
GROSS CASH FLOW FROM OPERATIONS	27 099	26 306
Change in operating working capital	53 838	-11 264
NET CASH FROM OPERATING ACTIVITIES	80 936	15 043
Acquisition of non-current assets	-12 555	-9 619
Proceeds from disposal of non-current assets	658	331
Effect of change in scope	-30 015	-61 924
Change in amounts due for acquisition of non-current assets	8 416	27 499
NET CASH FLOW USED IN INVESTING ACTIVITIES	-33 495	-43 713
Dividends paid to shareholders of parent company	-4 595	-
Dividends paid to shareholders of minority interests	-65	-119
Proceeds from borrowings	23 341	86 097
Repayment of borrowings	-12 109	-48 115
NET CASH FLOW FROM FINANCING ACTIVITIES	6 572	37 863
Effect of exchange rate fluctuations	-423	171
NET INCREASE IN CASH AND CASH EQUIVALENTS	53 590	9 363
Cash and cash equivalents beginning of the year ⁽¹⁾	89 395	80 032
CASH AND CASH EQUIVALENTS END OF THE YEAR ⁽¹⁾	142 985	89 395

⁽¹⁾ excl. Agent/principal arrangements

For the year ended December 31, 2020

This is a translation into English of the statutory auditors' report on the financial statements of ARTELIA HOLDING issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

ARTELIA HOLDING

Société par actions simplifiée

16 rue Simone Veil

93400 Saint Ouen sur Seine

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2020

To the sole shareholder of ARTELIA HOLDING,

Opinion

In compliance with the engagement entrusted to us by your decisions, we have audited the accompanying consolidated financial statements of ARTELIA HOLDING for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with 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 under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2020 to the date of our report.

Justification of Assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

- Notes 2.9.2 "Amortization Rules" and 2.9.3 "Impairment Test" disclose the accounting methods relating accounting policies for amortization and/or depreciation of Goodwill in ARTELIA Group.
- As part of our assessment of the accounting rules and principles followed by your company, we have verified the appropriateness of the accounting principles applied. In addition, we assessed the approaches taken by the company to verify the reasonableness of the estimates on which the Goodwill assessment is based and ensured that the depreciation test modalities, as described in the notes to financial statements, were correctly implemented.
- Note 2.21 to the financial statements presents the recognition method of revenues resulting from long term contracts. Our procedures consisted in assessing data and assumptions used for determining estimated margin at the project completion dates, reviewing calculations prepared by the Company and in comparing prior periods' estimates with the related actual results.
- Your company books provisions to cover risks and social expenses and liabilities as described in notes 2.19, 6.9 and 6.10 to the financial statements. Our work consisted of assessing the data and assumptions on which these estimates are based, reviewing the Company's calculations, and reviewing the procedures for management approval of these estimates. We have assessed the reasonableness of these estimates.

Specific Verifications

We have also performed in accordance with professional standards applicable in France the specific verifications required by law and regulations of the information pertaining to the Group presented in the management report of the President.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the President.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable

assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation

Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible

for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Seyssinet-Pariset et Paris-La Défense, le 17 juin 2021.

The Statutory Auditors

French original signed by

Mazars Gourgue Deloitte & Associés

Christophe SUSZYLO Philippe CORIAT

