CONSOLIDATED FINANCIAL STATEMENTS

2021

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ensemble

VICAT

Summary

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021

Consolidated income statement

(in thousands of euros)	Notes	2021	2020
Revenue	**4**	**3,122,940**	**2,805,162**
Goods and services purchased		(2,002,119)	(1,720,244)
Added value		**1,120,821**	**1,084,918**
Employees expenses	5	(483,699)	(489,921)
Taxes		(56,968)	(62,078)
Gross operating income		**580,154**	**532,919**
Other operating income (expenses)	7	38,964	24,396
EBITDA		**619,118**	**557,315**
Net charges to operating depreciation, amortization and provisions	6	(259,196)	(259,467)
EBIT		**359,922**	**297,848**
Other non-operating income (expenses)	7	(28,291)	(6,080)
Net charges to non-operating depreciation, amortization and provisions	6	4,793	(14,207)
Operating income (expense)		**336,424**	**277,561**
Cost of net financial debt		(28,442)	(36,870)
Other financial income		19,363	20,671
Other financial expenses		(20,919)	(18,630)
Financial income	**8**	**(29,998)**	**(34,829)**
Share of profit (loss) of associates	11.1	5,156	4,021
Profit (loss) before tax		**311,582**	**246,753**
Income tax	9	(89,398)	(74,609)
Consolidated net income		**222,184**	**172,144**
Portion attributable to minority interests		18,005	16,149
Portion attributable to the Group		**204,179**	**155,995**
EARNINGS PER SHARE *(in euros)*			
Basic and diluted earnings per share	15	4.55	3.47

Consolidated statement of comprehensive income

(in thousands of euros)	**2021**	2020 [1]
Consolidated net income	**222,184**	**172,144**
Other comprehensive income		
Items not recycled to profit or loss:		
Remeasurement of the net defined benefit liability	7,350	3,328
Other items not recycled to profit and loss:	(2,127)	-
Tax on non-recycled items	(2,574)	(547)
Items recycled to profit or loss:		
Changes in currency translation adjustments	69,699	(281,574)
Cash flow hedge instruments	1,946	4,878
Tax on recycled items	(386)	(1,157)
Other comprehensive income (after tax)	**73,908**	**(275,072)**
TOTAL COMPREHENSIVE INCOME	**296,092**	**(102,928)**
Portion attributable to minority interests	25,671	(20,570)
Portion attributable to the Group	**270,421**	**(82,358)**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Consolidated statement of financial position

(in thousands of euros)	Notes	December 31, 2021	December 31, 2020 (1)
ASSETS			
Goodwill	10.1	1,157,232	1,118,874
Other intangible assets	10.2	173,653	170,812
Property, plant and equipment	10.3	2,169,041	1,987,852
Right of use related to leases	10.4	195,112	186,829
Investment properties	10.5	32,218	14,831
Investments in associated companies	11.1	92,774	77,873
Deferred tax assets	9	68,012	68,965
Receivables and other non-current financial assets	11.2	219,241	239,176
Total non-current assets		**4,107,283**	**3,865,212**
Inventories and work-in-progress	12.1	429,243	354,937
Trade and other accounts	12.2	436,219	440,874
Current tax assets	9	6,947	3,328
Other receivables	12.3	206,475	152,496
Cash and cash equivalents	13	527,393	422,843
Total current assets		**1,606,277**	**1,374,478**
TOTAL ASSETS		**5,713,560**	**5,239,690**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

(in thousands of euros)	Notes	December 31, 2021	December 31, 2020 (1)
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital		179,600	179,600
Additional paid-in capital		11,207	11,207
Treasury shares		(52,194)	(53,587)
Consolidated reserves		2,800,755	2,689,713
Translation reserves		(579,950)	(640,805)
Shareholders' equity, Group share		**2,359,418**	**2,186,128**
Minority interests		**246,681**	**234,310**
Total shareholders' equity	**15**	**2,606,099**	**2,420,438**
Provisions for pensions and other post-employment benefits	16.1	108,529	125,860
Other provisions	16.2	104,974	116,764
Financial debts and put options	14.2	1,291,434	1,270,162
Lease liabilities	14.2	159,883	157,563
Deferred tax liabilities	9	219,800	214,196
Other non-current liabilities		23,927	37,999
Total non-current liabilities		**1,908,547**	**1,922,544**
Provisions	16	10,381	13,522
Financial liabilities and put options at less than one year	14.2	371,119	165,375
Lease liabilities at less than one year	14.2	55,502	47,382
Trade and other accounts payable	17.1	459,647	375,329
Current taxes payable		27,558	24,557
Other liabilities	17.2	274,707	270,543
Total current liabilities		**1,198,914**	**896,708**
Total liabilities		**3,107,461**	**2,819,252**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**5,713,560**	**5,239,690**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Consolidated statement of cash flow

(in thousands of euros)	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**222,184**	**172,144**
Share of profit (loss) of associates		(5,156)	(4,021)
Dividends received from associated companies		1,208	4,860
Elimination of non-cash and non-operating items:			
• depreciation, amortization and provisions		255,811	276,796
• deferred taxes		5,717	5,086
• net gain (loss) from disposal of assets		(7,622)	(5,114)
• unrealized fair value gains (losses)		(3,625)	128
• others		19,070	10,693
Cash flows from operating activities		**487,587**	**460,572**
Change in working capital		(48,674)	67,647
Net cash flows from operating activities (1)	**18.1**	**438,913**	**528,219**
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows linked to acquisitions of non-current assets:			
• tangible and intangible assets		(386,570)	(319,370)
• financial investments		(40,157)	(23,613)
Inflows linked to disposals of non-current assets:			
• tangible and intangible assets		10,759	18,946
• financial investments		4,105	4,912
Impact of changes in consolidation scope		(31,005)	(2,992)
Net cash flows from investing activities	**18.2**	**(442,868)**	**(322,117)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(74,116)	(74,282)
Increases/decreases in capital		-	250
Proceeds from borrowings	14	331,443	210,729
Repayments of borrowings	14	(140,122)	(209,432)
Repayment of lease liabilities	14	(52,963)	(62,198)
Acquisitions of treasury shares		(22,887)	(7,555)
Disposals or allocations of treasury shares		24,701	4,423
Net cash flows from financing activities		**66,056**	**(138,065)**
Impact of changes in foreign exchange rates		9,182	(37,552)
Change in cash position		**71,283**	**30,485**
Net cash and cash equivalents - opening balance	13.2	359,159	328,674
Net cash and cash equivalents - closing balance	13.2	430,442	359,159

(1) - Of which cash flows from income taxes: (€84.3 million) in 2021 and (€34.5 million) in 2020.
- Of which cash flows from interest paid and received: (€27 million) in 2021 including (€10.2 million) for financial expenses on IFRS 16 leases and (€36 million) in 2020 including (€9.7 million) for financial expenses on IFRS 16 leases.

Statement of changes in consolidated shareholder's equity

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity, Group share	Minority interests	Total shareholders' equity
At January 1, 2020 (1)	**179,600**	**11,207**	**(52,416)**	**2,606,610**	**(405,786)**	**2,339,215**	**264,767**	**2,603,982**
Net income	-	-	-	155,995	-	155,995	16,149	172,144
Other comprehensive income (1) (2)	-	-	-	(3,394)	(234,959)	(238,353)	(36,719)	(275,072)
Total comprehensive income	**-**	**-**	**-**	**152,601**	**(234,959)**	**(82,358)**	**(20,570)**	**(102,928)**
Dividends paid	-	-	-	(66,369)	-	(66,369)	(8,232)	(74,601)
Net change in treasury shares	-	-	(1,171)	(1,455)	-	(2,626)	-	(2,626)
Other changes	-	-	-	(1,674)	(60)	(1,734)	(1,655)	(3,389)
At December 31, 2020 (1)	**179,600**	**11,207**	**(53,587)**	**2,689,713**	**(640,805)**	**2,186,128**	**234,310**	**2,420,438**
At January 1, 2021	**179,600**	**11,207**	**(53,587)**	**2,689,713**	**(640,805)**	**2,186,128**	**234,310**	**2,420,438**
Net income	-	-	-	204,179	-	204,179	18,005	222,184
Other comprehensive income (2)	-	-	-	5,387	60,855	66,242	7,666	73,908
Total comprehensive income	**-**	**-**	**-**	**209,566**	**60,855**	**270,421**	**25,671**	**296,092**
Dividends paid	-	-	-	(66,314)	-	(66,314)	(7,890)	(74,204)
Net change in treasury shares	-	-	1,569	174	-	1,743	-	1,743
Changes in scope of consolidation and additional acquisitions	-	-	-	(26,024)	-	(26,024)	(5,328)	(31,352)
Other changes	-	-	-	(6,535)	-	(6,535)	(82)	(6,617)
AT DECEMBER 31, 2021	**179,600**	**11,207**	**(52,018)**	**2,800,580**	**(579,950)**	**2,359,419**	**246,681**	**2,606,099**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).
(2) Breakdown by nature of other comprehensive income:
Other comprehensive income includes mainly cumulative translation adjustments from end 2003. To recap, applying the option offered by IFRS 1, the conversion differences accumulated before the transition date to IFRS were reclassified by allocating them to retained earnings as at that date.

Group translation reserves as of December 31, 2021 and 2020, are detailed as follow:

(in thousands of euros)	December 31, 2021	December 31, 2020 (1)
US dollar	42,103	5,681
Swiss franc	220,766	206,123
Turkish lira	(329,617)	(299,777)
Egyptian pound	(129,937)	(126,196)
Kazakh tenge	(105,245)	(99,069)
Mauritanian ouguiya	(8,391)	(10,556)
Brazilian real	(98,638)	(100,930)
Indian rupee	(170,991)	(216,081)
TOTAL	**(579,950)**	**(640,805)**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2021

GENERAL ACCOUNTING POLICIES AND CONSOLIDATION SCOPE

General remarks

The consolidated financial statements reflect the accounting position of Vicat SA and of its subsidiaries (jointly referred to as the "Group"), along with the Group's investments in associates and joint ventures. The Group, with its registered office at 4 Rue Aristide Bergès - Les Trois Vallons - 38080 L'Isle d'Abeau, is specialized in cement, ready-mixed concrete, aggregates alongside the sale of other complementary products and services.

These financial statements were finalized and approved by the Board of Directors at its meeting of February 11, 2022 and will be submitted to the Shareholders General Meeting of April 13, 2022 for approval.

NOTE 1 GENERAL ACCOUNTING POLICIES

1.1 Statement of compliance

In compliance with European Regulation (EC) 1606/2002 of the European Parliament on July 19, 2002 on the application of International Accounting Standards, Vicat's consolidated financial statements have been prepared, since January 1, 2005 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Vicat Group has adopted the standards in force on December 31, 2021 for its accounting policies. The accounting policies and methods applied in the consolidated financial statements as at December 31, 2021 are consistent with those applied for the prior financial year with the exception of standards that must be applied for periods beginning January 1, 2021 and that the Group did not adopt early.

New accounting standards applicable from January 1, 2021

Various new standards and amendments are mandatory as from January 1, 2021 including:

- Amendment to IFRS 4 - Insurance Contracts: Extension of the Temporary Exemption from Applying IFRS 9;
- Amendment to IFRS 9, IAS 39 and IFRS 7- Interest Rate Benchmark Reform—Phase 2;
- Amendment to IFRS 16 – Covid-19-Related Rent Concessions (Extension applicable as from April 1, 2021).

These changes had no significant impact on the consolidated financial statements as at December 31, 2021. With respect to phase 2 of the interest rate benchmark reform, the purpose of this amendment is to clarify the accounting impact of the effective replacement of benchmarks. Its coming into effect did not have a major impact on the Group given the lack of effective changes to benchmarks in the Group's contracts at December 31, 2021 that would impact the Group's consolidated financial statements. The IFRS IC decision published on May 24, 2021 covering the period of service over which a company attributes a benefit for a defined benefit plan (IAS 19) was applied to the 2021 consolidated accounts. This application, retroactive to January 1, 2020, represents a change in accounting policy. This impacted several defined benefit plans within the Group, primarily in France and in United States. The effects are presented in note 16.1.1.

Published accounting standards, amendments and interpretations which are not yet mandatory

As at December 31, 2021, the Group has not early adopted standards and interpretations published by the IASB, adopted by European Union, that will be mandatory in 2022:

- amendment to IAS 37 "Onerous contracts": cost of fulfilling a contract;
- amendment to IAS 16: "Property, plant and equipment": proceeds before intended use;
- amendment to IFRS 3: "Business combinations": changes to the conceptual framework;
- Annual improvements to IFRS –2018-2020 Cycle

The Group does not expect the application of these standards and amendments to have a significant impact on the Group's consolidated financial statements.

1.2 Basis of preparation of financial statements

The financial statements are presented in thousands of euros.

The consolidated statement of comprehensive income is presented by nature in two separate tables: the consolidated income statement and the consolidated statement of other comprehensive income.

The consolidated statement of financial position segregates current and non-current assets and liability accounts and splits them according to their maturity (classified into maturities of less and more than one year).

The statement of cash flows is presented according to the indirect method.

The financial statements are prepared using the historical cost method, except for the following assets and liabilities, which are recognized at fair value: derivatives, assets held for trading, available-for-sale assets, and the portion of assets and liabilities covered by hedging transactions.

The accounting policies and valuation methods described hereinafter have been applied on a permanent basis to all of the financial years presented in the consolidated financial statements.

The establishment of consolidated financial statements under IFRS requires the Group's management to make a number of estimates and assumptions, which have a direct impact on the financial statements. These estimates are based on the going concern principle and are established on the basis of the information available at the date they are carried out. They concern mainly the assumptions used to:

- value provisions (note 16), in particular those for pensions and other post-employment benefits (note 16.1);
- value the put options granted to third parties on shares in fully consolidated subsidiaries (note 14);
- measure financial instruments at their fair value and exposure to credit risk (note 14);
- measure deferred tax assets and, in particular, the probability that the Group will generate sufficient future taxable income against which to allocate them (note 9);
- estimate the assets and liabilities of an activity in the context of business combinations (note 10.1);
- perform the valuations adopted for impairment tests (note 10.1);
- define the accounting policy to be applied in the absence of a standard (note 12.1 concerning emissions allowances);
- define certain leases, determine lease terms (enforceable periods), and in particular qualify extension periods as reasonably certain or not, as well as determine the related discount rates (note 10.4).

The estimates and assumptions are reviewed regularly, whenever justified by the circumstances, at least at the end of each year, and the pertinent items in the financial statements are updated accordingly.

Impact of the pandemic on the financial statements

In 2021, despite the ongoing impact of the Covid-19 pandemic on the global economy, the Group observed a marked upsurge of its activities across all its markets (see note 3). Changes in work practices introduced to face up the pandemic context are still applied by the Group in 2021, generating additional costs recognized under EBITDA totaling (€1.1) million, compared to (2€) million in 2020. In addition, most of the measures put in place by governments to support economy in 2020 (mainly partial unemployment) were gradually withdrawn in 2021 and did not have a significant impact on 2021 income statement.

Lastly, the Group closely reviewed the impact of Covid-19 on the assumptions and judgements used when preparing the 2021 consolidated financial statements. Among these subjects, it worth to mention impairment of receivables and inventory, non-current assets, investment in associates, deferred taxes asset recovery as well as any evidence of impairment and review of the assumptions used in the impairment tests.

None of these subjects had a significant impact on the Group's financial statements as of December 31, 2021.

Impact of climate risks on the financial statements

Given the energy-intensive nature of its business, the Group emits greenhouse gases. As noted during its Capital Markets Day on November 16, 2021, the Group is committed to its environmental transition on a daily basis, aiming to gradually reduce its scopes 1, 2 and 3 CO_2 emissions to achieve carbon neutrality across its value chain by 2050. This process means incorporating climate risk into the Group's strategic planning to change its production systems (plants and processes), shift its market positioning, its organization and its product innovations. Indeed, customers taking climate risk into account could enable the Group to develop new products and services. Furthermore, the regulatory framework (national and international) is changing and is placing additional constraints on the Group's subsidiaries, which may also have an impact on the Group's financial statements.

Whether voluntary or forced, all these changes may impact the Group's financial statements in various ways. These risks have been identified and are measured at each reporting date to reflect as fairly as possible the effects of climate change on the financial statements:

Greenhouse gas emissions

Since January 1, 2005, major European industrial operators are permitted to buy and sell emissions quotas. This system, built around the ETS (Emissions Trading Scheme) Directive, allows companies that exceed their greenhouse gas emission ceilings to buy quotas and helps achieve the EU's goals under the Kyoto protocol. The legislation governing these CO_2 emissions is progressively reducing the free allocations while expanding the scope of industrial facilities that must comply. As at December 31, 2021, the Group had quotas totaling 4,781 thousand metric tons, not recognized on the balance sheet (with a market value of €387 million as at December 31, 2021), which it plans to keep to meet its need to surrender quotas over the coming years. In 2021, the following countries in which the Group operates were covered by the ETS: France, Switzerland and Italy. Regulations to cut greenhouse gas emissions are being drafted in many other countries. The Group calls for the introduction of regulations governing all players across the various markets in which it operates, to encourage strong efforts to cut emissions while allowing for the corresponding costs to be passed on to customers. However, the reduction in free allocations along with the higher price of quotas may have an impact on the Group's financial statements over time. This risk would result in a reduction in the margin on a portion of the Group's activities if it were not possible to pass on the cost of buying quotas in the sales price. For more details on the recognition of free quotas (see note 12.1).

Measurement of non-current assets

The climate transition undertaken by the Group across its value chain will be accompanied by targeted investments by 2030. These new investments together with the emergence of new technologies and the obsolescence of some others may have an impact on the estimated useful life or residual value of an asset resulting in impairment losses in the financial statements or in an updating of the depreciation and amortization schedules (See note 10.3). The Group has not currently identified any breakthrough technology that would have a significant impact on the residual value or useful life of non-current assets.

Measurement of inventories

Climate change may result in the obsolescence of certain inventory and/or give rise to new production costs. If the net realizable value were to fall below the net carrying amount of inventories, the Group may be required to recognize an impairment loss (see note 12.1).

The rapid turnover of the main components of the Group's inventories means we can rule out the risk of their obsolescence.

Measurement of provisions

The provisions recognized in the consolidated financial statements reflect the current obligations and legislation in the various territories in which the Group operates including with respect to climate change (see note 16.2). These measurements are periodically reviewed to reflect new future obligations associated with climate change.

Goodwill impairment testing

The Group ensures that the assumptions used in this testing fully reflect known regulatory obligations regarding climate change and the possible resulting consequences on future cash flows in line with the methodology laid down in IAS 36 (revenue, costs, investments, etc...), (see note 10.1).

NOTE 2 ACCOUNTING POLICIES RELATING TO THE CONSOLIDATION SCOPE

2.1 Consolidation principles

When a company is acquired, its assets and liabilities are measured at their fair value at the acquisition date.

The earnings of the companies acquired or disposed of during the year are recorded in the consolidated income statement for the period subsequent or previous to the date of the acquisition or disposal, as appropriate.

The annual statutory financial statements of the companies at December 31 are consolidated, and any necessary adjusting entries are made to restate them in accordance with the Group accounting policies. All intercompany balances and transactions are eliminated during the preparation of the consolidated financial statements.

Subsidiaries

Companies that are controlled exclusively by Vicat, directly or indirectly, are fully consolidated.

Control exists when the Group:

- has power over an entity;
- is exposed or entitled to variable returns as a result of its involvement with the entity;
- and has the ability to exercise its power over the entity in such a way as to affect the amount of returns it obtains.

In addition, the Group assesses the control exercised over an entity whenever facts and circumstances indicate that an element of assessment of control has changed.

Joint ventures and associates

Joint ventures, which are jointly controlled and operated by a limited number of shareholders, and associates, investments over which Vicat exercises significant influence are reported using the equity method. Any goodwill generated on the acquisition of these investments is presented in "Investments in associate companies".

When joint control is proven and the legal form of the legal vehicle establishes transparency between the assets of the co-participants and that of the partnership, the joint venture is classified as a joint operation. This type of partnership is then recognized in the Group's financial statements line by line up to its effective share.

The list of the main companies included in the consolidation scope as at December 31, 2021 is provided in note 23.

2.2 Business combinations

With effect from January 1, 2010, business combinations are reported in accordance with IFRS 3 "Business Combinations" (revised) and IAS 27 "Consolidated and Separate Financial Statements" (revised). As these revised standards apply prospectively, they do not affect business combinations carried out before January 1, 2010.

Business combinations carried out before January 1, 2010

These are reported using the acquisition method. Goodwill (see note 10.1) from business combinations carried out after January 1, 2004 is reported in the currency of the company acquired. Applying the option offered by IFRS 1, business combinations completed before the transition date of January 31, 2004 have not been restated, and the goodwill arising from them has been maintained at its net value as shown in the balance sheet prepared according to French GAAP as at December 31, 2003.

In the event that the pro-rata share of interests in the fair value of assets, liabilities and contingent liabilities acquired exceeds their acquisition cost ("negative goodwill"), the full amount of this negative goodwill is recognized in the income statement of the reporting period in which the acquisition was made, except for acquisitions of minority interests in a company already fully consolidated, in which case this amount is recognized in the consolidated shareholders' equity.

The values of assets and liabilities acquired through a business combination must be definitively determined within 12 months of the acquisition date. These values may thus be adjusted at any closing date within that time frame.

Minority interests are valued on the basis of their pro-rata share in the fair value of the net assets acquired.

If the business combination takes place through successive purchases, each material transaction is treated separately, and the assets and liabilities acquired are then valued and goodwill thus determined.

Business combinations carried out on or after January 1, 2010

IFRS 3 "Business Combinations" (revised), which is mandatory for business combinations carried out on or after January 1, 2010, introduced the following main changes compared with the previous IFRS 3 (before revision):

- goodwill is determined once on the date the acquirer obtains control.

  The Group then has the option, in the case of each business combination, upon obtaining control, to value the minority interests:

  - either at their pro-rata share in the identifiable net assets of the company acquired ("partial" goodwill option),
  - or at their fair value ("full" goodwill option).

  Measurement of minority interests at fair value has the effect of increasing the goodwill by the amount attributable to such minority interests, resulting in the recognition of a "full" goodwill;
- any adjustment in the acquisition price at fair value from the date of acquisition is to be reported, with any subsequent adjustment occurring after the 12-month appropriation period from the date of acquisition to be recorded in the income statement.
- the costs associated with the business combination are to be recognized in the expenses for the period in which they were incurred;
- in the case of combinations carried out in stages, upon obtaining control, the previous holding in the company acquired is to be revalued at fair value on the date of acquisition and any gain or loss which results is to be recorded in the income statement.

2.3 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated into the operating currency at the exchange rates in effect on the transaction dates. At the end of the year, all monetary assets and liabilities denominated in foreign currencies are translated into the operating currency at the year-end exchange rates, and the resulting exchange rate differences are recorded in the income statement.

Translation of financial statements of foreign companies

All assets and liabilities of Group companies denominated in foreign currencies that are not hedged are translated into euros at the year-end exchange rates, while income, expense and cash flow statement items are translated at average exchange rates for the year. The ensuing exchange differences on translation are recorded directly in shareholders' equity.

In the event of a later sale, the cumulative amount of translation differences relating to the net investment sold and denominated in foreign currency is recorded in the income statement. Applying the option offered by IFRS 1, exchange differences on translation accumulated before the transition date were zeroed out by allocating them to consolidated reserves at that date. They will not be recorded in the income statement in the event of a later sale of these investments which are denominated in foreign currency.

The following foreign exchange rates were used:

	2021		2020	
	Closing	Average	Closing	Average
Brazilian real	6.310	6.381	6.374	5.890
Swiss franc	1.033	1.081	1.080	1.070
Egyptian pound	17.802	18.512	19.234	18.028
Indian rupee	84.229	87.486	89.661	84.506
Kazakh tenge	488.909	504.258	516.253	472.692
Mauritanian ouguiya	41.073	42.458	43.671	43.369
Turkish lira	15.234	10.467	9.113	8.044
US dollar	1.133	1.184	1.227	1.141
CFA Franc	655.957	655.957	655.957	655.957

NOTE 3 CHANGES IN CONSOLIDATION SCOPE AND OTHER SIGNIFICANT EVENTS

Macroeconomic environment and business trend within the Covid-19 pandemic context

In 2021, while certain markets remained disturbed by the ongoing Covid-19 pandemic, the measures put in place by governments to deal with it, and the dynamism of demand made possible a clear rebound in the construction sector. As a result, the Group's activity in 2021 shows strong growth supported by the dynamism of its markets and favorable sales prices. The fiscal year was nevertheless marked by a strong contrast between a first half which largely benefited from a very favorable comparison base effect, and a second half impacted by the sharp increase in costs, in particular energy.

In France: the Group's business rose sharply over during the year. While the pandemic continued to create adverse effects, actions taken by governments in response, along with those taken by the Group, allowed it to take all growth opportunities and post strong performance across all its businesses.

In Europe (excluding France): the Swiss market, which was only slightly affected by the pandemic in 2020, enjoyed solid growth in 2021. Italy, which benefitted from a very favorable comparison base due to difficult health and macro-economic conditions in the first half of 2020, posted a strong performance over the year, underpinned by an upbeat construction sector.

In the Americas: business remained buoyant in both the US and Brazil, despite the worrying health situation, especially in Brazil. Following a sharp upswing in sales in Brazil in Q3 2020, the second half of 2021 was affected by a markedly less favorable comparison base, with nevertheless a strong underpinning across the sector. In the US, the construction of a new 5,000 metric ton per day firing line at the Ragland plant in Alabama, continued in 2021. This new line will come on stream in the first half of 2022.

In Asia: in India, after a strong growth at beginning of 2021, thanks to the favorable comparison base with 2020, affected by the pandemic effects on the country's economic climate, conditions remained favorable in the second half, albeit heavily impacted by the surge in costs, especially energy costs, and more volatile prices, particularly in Q4. In Kazakhstan, the Group's business grew throughout the year, supported by a dynamic domestic market and rising selling prices. It should be noted that the political events that took place in January 2022 had no significant effect on the Group's business.

In the Mediterranean area: in Turkey, while macro-economic and industry conditions remained impacted by the effects of the steady depreciation and high volatility of the currency since August 2018, the construction market nevertheless continued to recover. In Egypt, following the signing of an agreement governing market regulation between the Egyptian authorities and all producers, which came into effect in July 2021, the sector became more stable in the second half, allowing for steady increases in sales prices, on a favorable market trend.

In Africa: the Group benefitted from favorable industry conditions, despite the pandemic, underpinned by improved performance at the Rufisque plant in Senegal and the ramp-up of the new rawmill in Mali.

Volatility of exchange rates and impact on the income statement

The income statement for 2021 was strongly impacted by the strengthening of the average euro rate against the majority of foreign currencies, mainly the US Dollar, the Brazilian real, the Indian rupee and the Turkish lira. Over the period, this resulted in a negative currency effect of €(102) million on consolidated revenue and €(16.6) million on EBITDA.

Consolidated shareholders' equity included, for its part, net positive translation differences in 2021 of €68.3 million given the strengthening of foreign currencies against the euro at the end of the period.

Egypt

Against the background of ongoing security complications in the Sinai region, commercial activities and logistics flows are gradually improving. As a result, sales were up sharply, with volumes up 38% on 2020. The effects of the pandemic are receding. Nevertheless, the cement industry remained impacted during the first half by a state-backed cement player. A market regulation agreement, approved by the Competition Authority, was signed by all producers. It came into force in July 2021. This agreement, which is designed to create a more rational environment for the various players, provides for sales limits for one year for all plants in the domestic market capped at 65% of their theoretical capacity. As anticipated by the agreement, sales prices recovered significantly in the second half of 2021.

Provided no further adverse geopolitical, health or security developments occur, the current climate is unlikely to jeopardize the prospects of an improvement in the subsidiary's profitability, which should begin to gradually occur. Renewed growth in cement consumption amid the upturn in Egypt's macroeconomic conditions holds out the prospect of major development opportunities for Sinaï Cement Company, especially if this return to growth is accompanied, as announced by the Egyptian authorities, by a solution to the troubles in the Sinai region and the Gaza Strip as well as the opening of new export opportunities.

In April 2018, the Group undertook a capital increase for 650 million Egyptian pounds designed to strengthen the subsidiary's balance sheet and fund its investments. The release of the funds contributed by the shareholders will take place after obtaining the administrative approvals, the process of which has been ongoing since. This deadlock was due in particular to a difference in the interpretation of the legislation on foreign interests in the Sinai region. On the back of a favorable decision by the Cairo Economic Court in January 2020, in early June 2021 the Group brought proceedings before an international court of arbitration to find a resolution to this dispute.

There has been contact with the authorities in order to find an out-of-court settlement. The temporary suspension of the arbitration proceedings for a number of weeks gave space for positive discussions, pointing to a solution in the short-term.

US private placement

On November 15, 2021, the Group entered into a €250 million financing agreement structured as a US private placement with leading US investors. This financing agreement has two tranches:

- The first: €100 million in 10-year maturities bearing a fixed rate of 1.27%, which was drawn down on December 15, 2021;
- The second: €150 million in 15-year maturities bearing a fixed rate of 1.57%, which will be drawn down on February 15, 2022.

This financing will allow the Group to strengthen the cash position on its balance sheet, to lengthen the overall maturity of its debt and reduce the Group's average debt ratio.

Disposal of Créabéton Matériaux SA in Switzerland

In line with the agreement signed on June 30, 2021, Vicat Group disposed of its subsidiary Créabéton Matériaux in Switzerland to the Müller Steinag Holding Group.

The 380 employees at Créabéton Matériaux SA will be backed by a leading player with critical size in a highly competitive sector that has the necessary resources to successfully pursue their development.

The Group's 2021 financial statements include revenue from Créabéton (prior to its disposal) of €40.7 million (versus €82.6 million in 2020).

CONSOLIDATED INCOME STATEMENT

Definition of management indicators

Added value

Value-added, an intermediate operating subtotal, represents the value of production less consumption of materials used in the production process.

Gross operating income

Gross operating income, an intermediate operating subtotal, is equal to value-added less employees expenses, taxes and duties (except income taxes and deferred taxes), plus grants and subsidies.

EBITDA

EBITDA (Earnings Before Interest, Tax, Depreciation {and Amortization): this is gross operating income plus other ordinary income and expenses.

EBIT

EBIT (Earnings Before Interest and Tax): EBITDA less net depreciation, amortization, additions to provisions and impairment losses on ongoing business.

NOTE 4 REVENUE

Accounting policy

Revenue

In accordance with the IFRS 15 accounting standard, revenue is recognized when control over the goods or services is transferred to the customer, which generally, given the nature of the Group's business, corresponds to the date of delivery. It is reported for an amount that reflects the consideration to which the Group expects to be entitled in exchange of transferring those goods or services, net of commercial discounts and rebates and after deduction of excise duties collected by the Group in the course of its business activities. It includes transport and handling costs invoiced to customers. The Group's sales are mainly of goods and services forming a single obligation because the promise to supply the service or good cannot be identified separately, insofar as the Vicat Group offers services integrated with the provision of the product to its customers.

Seasonality

Demand in the Cement, Ready-Mixed Concrete & Aggregates businesses is seasonal and tends to decrease in winter in temperate countries and during the rainy season in tropical countries. The Group therefore generally records lower revenue in the first and fourth quarters, i.e. the winter season in its main markets in Western Europe and North America. In the second and third quarters, in contrast, revenue is higher, due to the summer season being more favorable for construction work.

(in thousands of euros)	2021	2020
Sales of goods	2,864,668	2,581,948
Sales of services	258,272	223,214
REVENUE	**3,122,940**	**2,805,162**

Change in revenue on a like-for-like basis

(in thousands of euros)	2021	Changes in consolidation scope	Change in foreign exchange rate	2021 At constant scope and exchange rates	2020
REVENUE	**3,122,940**	**(34,166)**	**(101,658)**	**3,258,764**	**2,805,162**

NOTE 5 EMPLOYEES EXPENSES AND WORKFORCE

(in thousands of euros)	2021	2020
Wages and salaries	360,373	371,372
Payroll taxes	115,256	113,791
Employee profit sharing (French companies)	8,070	4,758
EMPLOYEES EXPENSES	**483,699**	**489,921**
Average number of employees of the consolidated companies	*9,476*	*9,902*

Profit sharing is granted to employees of the Group's French companies in the form of either cash or shares, at the employee's option.

The allocation price of the profit share is determined on the basis of the average of the 10 closing prices between the five days before and the five days after the publication of the results.

Share-based payments

The Shareholders General Meeting and the meeting of the Board of Directors of April 9, 2021 decided to establish a free share plan comprising 271,497 shares delivered in annual tranches, over a period of up to 2037 that varies depending on the beneficiaries. This plan, partly to make up for an Article 39 pension plan that was terminated, is intended for certain executives holding managerial functions within the Group along with certain company officers. This plan is subject to continued employment with the Group. Should this condition of continued employment not be satisfied on the annual delivery dates, only shares that have already been delivered will be retained by the beneficiary. This plan provides in particular that each tranche will have a vesting period of one year plus the vesting period of the previous period and a holding period of five years limited to continued employment within the Group.

Pursuant to IFRS 2 "Share-based Payment", the Group estimated the value of this plan with reference to the fair value of the equity instruments on the award date at €11,620 thousand. This measurement is based on the share price on the award date, minus an expected loss of dividend over the period, representing a fair value of €42.8 per share. This expense will be recognized under employees expenses for the period pro-rata to the vesting of rights offset in equity.

In 2021, €2,538 thousand was recognized under employees expenses in respect of this plan.

NOTE 6 NET DEPRECIATION, AMORTIZATION AND PROVISIONS EXPENSES

(in thousands of euros)	2021	2020
Net depreciation and amortization charges	(204,932)	(203,091)
Net depreciation and amortization charges for right of use related to leases	(53,517)	(53,237)
Net provision expenses	(747)	(3,139)
NET CHARGES TO OPERATING DEPRECIATION, AMORTIZATION AND PROVISIONS	**(259,196)**	**(259,467)**
Other net charges to non-operating depreciation, amortization and provisions [1]	4,793	(14,207)
NET CHANGES TO DEPRECIATION, AMORTIZATION AND PROVISIONS	**(254,403)**	**(273,674)**

(1) Mainly including December 31, 2021:
- *A net reversal of provisions for risks and charges at Ciplan of €18 million for which the company received a firm and irrevocable guarantee from its minority shareholder (allocation to provisions of €8.9 million at December 31, 2020) for indemnifiable disputes provisioned and relating to the period before Vicat's acquisition, (see note 11.2)*
- *an impairment loss of €(15.6) million on loans made in connection with investments in the Mediterranean area (see note 11.2)*

NOTE 7 OTHER INCOME AND EXPENSES

Accounting policy

Other income and expenses are those arising from the Group's operating activities that are not received or incurred as part of the direct production process or sales activity. These other income and expenses consist mainly of insurance payments, patent royalties, sales of surplus greenhouse gas emission rights, the lease revenues and investment properties and certain charges relating to losses or claims.

(in thousands of euros)	2021	2020
Net income from disposal of assets	4,663	5,221
Income from investments properties	3,997	4,126
Other [1]	30,304	15,049
Other operating income (expense)	**38,964**	**24,396**
Other non-operating income and expenses [2]	(28,291)	(6,080)
TOTAL	**10,673**	**18,316**

(1) As at December 31, 2021, it included €4.3 million for the write-off of a ICMS debt recognized by our Brazilian subsidiary
(2) At December 31, 2021, it mainly included an €18.3 million expense (€8.9 million at December 31, 2020) at Ciplan guaranteed by the firm and irrevocable guarantee provided by the non-controlling shareholder in respect of disputes arising from the period prior to the acquisition (note 6).

NOTE 8 FINANCIAL INCOME (EXPENSES)

(in thousands of euros)	**2021**	2020
Interest income from financing and cash management activities	22,863	22,897
Interest expense from financing and cash management activities	(44,766)	(50,049)
Interest expense from lease liabilities	(10,164)	(9,718)
Change in fair value of derivatives	3,625	-
Cost of net financial debt	**(28,442)**	**(36,870)**
Dividends	899	942
Foreign exchange gains	15,810	11,122
Write-back of impairment of financial assets	407	2,040
Net expense from disposal of financial assets	849	-
Discounting income	-	3,179
Other income	1,398	3,388
Other financial income	**19,363**	**20,671**
Foreign exchange losses	(16,192)	(11,983)
Impairment on financial assets	(4,546)	(6,095)
Net expense from disposal of financial assets	-	(107)
Discounting expenses	(2,223)	-
Other expenses	2,042	(445)
Other financial expenses	**(20,919)**	**(18,630)**
FINANCIAL INCOME (EXPENSES)	**(29,998)**	**(34,829)**

NOTE 9 INCOME TAX

Accounting policy

Deferred taxes are calculated at the tax rates passed or virtually passed at the year-end and expected to be applied during the period when assets are sold or liabilities are settled.

Deferred taxes are calculated, based on an analysis of the balance sheet, on timing differences identified in the Group's subsidiaries between the values recognized in the consolidated statement of financial position and the values of assets and liabilities for tax purposes.

Deferred taxes are recognized for all timing differences, including those on restatement of finance leases, except when the timing difference results from goodwill. Deferred tax assets and liabilities are netted out at the level of each tax entity.

When the net amount represents a receivable, a deferred tax asset is recognized if it is probable that the Company will generate future taxable income against which to allocate the deferred tax assets. Uncertainty over the accounting treatment of risks related to income taxes and the non-acceptance by the tax authorities of the tax treatment adopted is recognized in income tax assets/liabilities in accordance with the probability of its occurrence, which does not take into account the probability of non-detection by the tax authorities. Each uncertainty analyzed individually is assessed either by using the most probable amount or the weighted average of the different possible scenarios.

Component of the tax expense

(in thousands of euros)	2021	2020
Current taxes	(83,681)	(69,523)
Deferred taxes	(5,717)	(5,086)
TOTAL	**(89,398)**	**(74,609)**

Reconciliation between the theoretical and the effective tax expense

The difference between the theoretical and the effective tax expense is analyzed as follows:

(in thousands of euros)	2021	2020
Net earnings from consolidated companies	217,028	168,121
Income tax	89,398	74,609
Profit (loss) before tax	306,426	242,730
Theoretical tax rate	28.4%	32.0%
Theoretical income tax expense at the parent company rate	**(87,056)**	**(77,722)**
Reconciliation:		
France/Foreign jurisdictions spreads (1)	6,744	11,597
Transactions taxed at specific rates	201	(494)
Changes in tax rates	750	5,407
Permanent differences	(6,859)	(11,537)
Tax credits	350	373
Other	(3,528)	(2,233)
EFFECTIVE TAX EXPENSE	**(89,398)**	**(74,609)**

(1) Differences between French and foreign tax rates relate mainly to Switzerland and the United States.

Change in deferred tax assets and liabilities

	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
(in thousands of euros)	2021	2020 (1)	2021	2020 (1)
Deferred tax at January 1:	**68,965**	**89,938**	**214,196**	**253,194**
Expense / income for the year	(1,608)	(12,857)	4,109	(7,771)
Deferred tax recognized in other comprehensive income	(4,446)	1,570	(1,475)	3,274
Changes in consolidation scope	671	(94)	(4,447)	(6,102)
Reclassification	94	(255)	94	(255)
Translation and other changes	4,336	(9,337)	7,323	(28,144)
DEFERRED TAX AT DECEMBER 31:	**68,012**	**68,965**	**219,800**	**214,196**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Analysis of net deferred tax (expense)/income by principal category of timing difference

(in thousands of euros)	2021	2020
Net assets and right of use	4,681	17,249
Financial instruments	(582)	(589)
Pensions and other post-employment benefits	(3,852)	6,469
Special tax depreciation, regulated provisions and other provisions	271	(3,637)
Other timing differences, tax loss carry-forwards and miscellaneous	(9,195)	(25,428)
NET DEFERRED TAX INCOME/(EXPENSE)	**(8,677)**	**(5,936)**
• *recognized in consolidated net income*	*(5,717)*	*(5,086)*
• *recognized in other comprehensive income*	*(2,960)*	*(850)*

Source of deferred tax assets and liabilities

(in thousands of euros)	December 31, 2021	December 31, 2020 (1)
Net assets and right of use	147,935	155,386
Financial instruments	6,656	5,565
Pensions and other post-employment benefits	(26,834)	(30,932)
Special tax depreciation, regulated provisions and other provisions	20,647	19,460
Other timing differences, tax loss carry-forwards and miscellaneous	3,384	(4,248)
Net deferred tax liabilities	**151,788**	**145,231**
Deferred tax assets (2)	(68,012)	(68,965)
Deferred tax liabilities	219,800	214,196
NET BALANCE	**151,788**	**145,231**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (see note 16.1.1).

(2) Deferred tax assets mainly stem from tax losses carried forward by the subsidiaries, the main contributor being India with €18 million in deferred tax assets, which can be carried forward indefinitely.

Deferred tax assets not recognized in the financial statements

Unrecognized deferred tax assets amounted to €22.4 million at December 31, 2021 (€15.5 million at December 31, 2020).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOTE 10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

10.1 Goodwill

Accounting policy

Impairment of non-current assets

In accordance with IAS 36 and IFRS 3 (revised), the carrying amounts of assets with indefinite lives are reviewed at each year-end, and during the year, whenever there is an indication that the asset may be impaired. Those with finite lives are only reviewed if impairment indicators show that a loss is likely.

An impairment loss has to be recorded as an expense on the income statement when the carrying amount of the asset is higher than its recoverable value. The recoverable value is the higher of the fair value less the costs of sale and the value in use. The latter is calculated primarily on a discounted projected cash flow basis over ten years, plus the terminal value calculated on the basis of a projection to infinity of the cash flow from operations in the last year.

This time period corresponds to the Group's capital-intensive nature and the longevity of its industrial equipment.

The projected cash flows are calculated after tax on the basis of the following components that have been inflated and then discounted:

- EBITDA from the Long-Term Plan over the first five years, then projected to year 10;
- investments on upkeep, and the change in working capital.

Assumptions, estimates and judgements

Impairment of non-current assets

The assumptions used in calculating impairment tests are derived from forecasts made by operational staff reflecting as closely as possible their knowledge of the market, the commercial position of the businesses and the performance of the industrial plant. Such forecasts include the impact of foreseeable developments in cement consumption based on macroeconomic and industry sector data, changes likely to affect the competitive position, technical improvements in the manufacturing "process" and expected developments in the cost of the main production factors contributing to the cost price of the products.

In the case of countries subject to social tensions and security concerns, the assumptions used also include the potential improvement resulting from the progressive and partial easing of some of these tensions and concerns, based on recent data and an examination of the effect of these tensions on current business conditions.

Cash flows before financial expenses but after tax are discounted at the weighted average cost of capital (WACC). The use of an after-tax rate results in the determination of recoverable amounts identical to those obtained using pre-tax rates with non-taxed cash flows. The discount rate is made per country, taking into account the cost of risk-free long-term money, market risk weighted by a sector volatility factor, a size-specific premium and a country premium reflecting the specific risks of the market in which the cash generating unit in question operates.

When it is not possible to estimate the value in use of an isolated asset, it is assessed at the level of the cash generating unit that the asset is part of (defined by IAS 36 as the smallest identifiable group of assets that generates cash inflows which are largely independent of the cash inflows from other assets or groups of assets) insofar as the industrial sites or facilities, products and markets form a coherent whole. The analysis was thus carried out for each geographical area/market/business, and the cash-generating units were determined depending on the existence or not of vertical integration between the Group's activities in the area concerned.

These impairment tests are sensitive to the assumptions held for each cash-generating unit, mainly:

- the discount rate as previously defined;
- the inflation rate, which must reflect the selling price and expected future costs;
- the normalized EBITDA margin;
- the long-term investment rate;
- the growth rate to infinity.

Tests are conducted at each year-end on the sensitivity to an increase or decrease of one point in the discount rate and growth rate to infinity applied, in order to assess the effect on the value of the Group's CGUs. Moreover, the discount rate includes a country risk premium and an industry sector risk premium reflecting the cyclical nature of certain factors inherent in the business sector, enabling to understand the volatility of certain elements of production costs, which are sensitive in particular to energy costs.

Recognized impairments can be reversed and are recovered in the event of a decrease, except for those corresponding to goodwill, which are definitive.

The change in the net goodwill is analyzed in the table below:

(in thousands of euros)	December 31, 2021	December 31, 2020
Opening	**1,118,874**	**1,231,538**
Changes in consolidation scope	8,006	77
Impairment	-	(9,814)
Change in translation effect	30,352	(97,527)
Other movements	-	(5,400)
CLOSING	**1,157,232**	**1,118,874**

Impairment test on goodwill

In accordance with IFRS 3 (revised) and IAS 36, at the end of each year and in the event of any evidence of impairment, goodwill is subject to an impairment test using the method described in the above accounting policy.

Goodwill is distributed as follows by cash-generating unit (CGU):

	December 31, 2021			DECEMBER 31, 2020	
	Goodwill *(in thousands of euros)*	**Discount rate after tax used for the impairment tests** *(in %)*	**Growth rate to infinity used for the impairment tests (%)** *(in %)*	Discount rate after tax used for the impairment tests *(in %)*	Growth rate to infinity used for the impairment tests (%) *(in %)*
India CGU	222,447	12.1%	4.8%	9.7%	5.5%
West Africa Cement CGU	149,651	10% to 14.4%	2% to 5.5%	7.8% to 11.8%	3.5% to 4%
France-Italy CGU	235,019	7.8%	1.5%	6.5%	1.3%
Switzerland CGU	142,237	8.1%	1%	6.5%	1.0%
Brazil CGU	141,867	10.4%	3%	8.3%	3%
United States CGU	124,670	8.0%	2%	6.7%	2%
Other CGUs cumulated	141,341	12.6% to 18.5%	3.3% to 8%	6.6% to 18.3%	2% to 8.3%
TOTAL	**1,157,232**	-	-	-	-

	December 31, 2021	
	Impairment which would result from a change of +1% in the discount rate	**Impairment which would result from a change of -1% in the growth rate to infinity**
India CGU	(65,892)	(28,109)
Other CGUs cumulated	(18,499)	(8,635)
TOTAL	**(84,391)**	**(36,744)**

The impairment tests carried out in 2021 did not result in the recognition of any impairment of goodwill. Sensitivity tests for a +1% change in the discount rate and a -1% change in the perpetual growth rate carried out at the balance sheet date resulted in the recoverable amount of two CGUs (India and Turkey) in both cases being less than their net carrying amount.

10.2 Other intangible assets

Accounting policy

Other intangible assets (mainly patents, rights and software) are recorded in the consolidated statement of financial position at historical cost less accumulated amortization and any impairment losses. This cost includes acquisition or production costs and all other directly attributable costs incurred for the acquisition or production of the asset and for its commissioning. Assets with finite lives are impaired on a straight-line basis over their useful lives (generally not exceeding 15 years) or, in the case of mining rights, as and when they are extracted.

Research costs are recognized as expenses in the period in which they are incurred. Development costs meeting the criteria defined by IAS 38 are capitalized.

Gross amounts *(in thousands of euros)*	Concessions, patents & similar rights	Software	Other intangible assets	Intangible assets in progress	Total
At December 31, 2019	**131,683**	**62,434**	**89,127**	**16,378**	**299,622**
Acquisitions	2,003	3,384	2,035	10,381	17,803
Disposals	-	(536)	(280)	(2,392)	(3,208)
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	(13,531)	(816)	(7,026)	(48)	(21,421)
Other movements	2,446	1,670	(49)	(4,575)	(508)
At December 31, 2020	**122,601**	**66,136**	**83,807**	**19,744**	**292,288**
Acquisitions	2,025	1,497	859	8,497	12,878
Disposals	(149)	(1,737)	(6)	(1,484)	(3,376)
Changes in consolidation scope	8	(3,315)	(4,792)	77	(8,022)
Change in translation effect	1,227	480	1,921	274	3,902
Other movements	670	8,241	5,968	(9,480)	5,399
AT DECEMBER 31, 2021	**126,382**	**71,302**	**87,757**	**17,628**	**303,069**

Depreciation and impairment *(in thousands of euros)*	Concessions, patents & similar rights	Software	Other intangible assets	Intangible assets in progress	Total
At December 31, 2019	**(28,897)**	**(43,204)**	**(40,475)**	**-**	**(112,576)**
Increase	(1,578)	(6,735)	(4,249)	-	(12,562)
Decrease	-	48	280	-	328
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	525	347	(2,022)	-	(2,894)
Other movements	259	(45)	226	-	440
At December 31, 2020	**(29,691)**	**(49,589)**	**(42,196)**	**-**	**(121,476)**
Increase	(1,723)	(6,696)	(4,232)	-	(12,651)
Decrease	118	1,448	6	-	1,572
Changes in consolidation scope	-	3,101	1,967	-	5,068
Change in translation effect	(514)	(315)	(1,039)	-	(1,868)
Other movements	(227)	(14)	180	-	(61)
AT DECEMBER 31, 2021	**(32,037)**	**(52,065)**	**(45,314)**	**-**	**(129,416)**
Net book value at December 31, 2020	92,910	16,547	41,611	19,744	170,812
NET BOOK VALUE AT DECEMBER 31, 2021	**94,345**	**19,237**	**42,443**	**17,628**	**173,653**

No development costs were capitalized in 2021 and 2020.

Research & development costs recognized as expenses in 2021 amounted to €4.3 million (€3.4 million in 2020).

10.3 Property, plant and equipment

Accounting policy

Property, plant and equipment are reported in the consolidated statement of financial position at historical cost less accumulated depreciation and any impairment losses, using the component approach provided for in IAS 16. When an article of property, plant and equipment comprises several significant components with different useful lives, each component is depreciated on a straight-line basis over its respective useful life, starting at commissioning.

Quarries are depreciated on the basis of tonnage extracted during the year as a ratio of total estimated reserves.

Certain parcels of land owned by French companies acquired prior to December 31, 1976 were revalued, and the adjusted value was recognized in the financial statements, but without a significant impact on the lines concerned.

Interest expenses on borrowings incurred to finance the construction of facilities during the period prior to their commissioning are capitalized. Exchange rate differences arising from foreign currency borrowings are also capitalized inasmuch as they are treated as an adjustment to interest costs and within the limit of the interest charge which would have been paid on borrowings in local currency.

The main depreciation periods are presented below depending on the assets category:

	Cement assets	Concrete & Aggregates
Civil engineering	15 to 30 years	15 years
Large equipment	15 to 30 years	10 to 15 years
Other industrial equipment	8 years	5 to 10 years
Electricity	15 years	5 to 10 years
Automation equipment, controls and instrumentation	5 years	5 years;

Gross amounts *(in thousands of euros)*	Lands & Buildings	Industrial sites or facilities	Other property, plant and equipment	Assets in progress and advances/ down payments	Total
At December 31, 2019	**1,349,009**	**3,145,899**	**151,321**	**180,102**	**4,826,331**
Acquisitions	16,167	31,569	9,067	249,359	306,162
Disposals	(3,612)	(30,194)	(6,512)	(378)	(40,696)
Changes in consolidation scope	-	250	16	-	266
Change in translation effect	(88,011)	(166,279)	(2,814)	(12,723)	(269,827)
Other movements	36,382	103,553	2,531	(147,616)	(5,150)
At December 31, 2020	**1,309,935**	**3,084,798**	**153,609**	**268,744**	**4,817,086**
Acquisitions	14,413	33,086	5,254	327,548	380,301
Disposals	(3,399)	(25,493)	(5,576)	(6)	(34,474)
Changes in consolidation scope	(32,946)	(41,164)	(10,539)	(418)	(85,067)
Change in translation effect	22,923	51,644	2,010	16,963	93,540
Other movements	7,857	147,285	(17,253)	(164,503)	(26,614)
AT DECEMBER 31, 2021	**1,318,783**	**3,250,156**	**127,505**	**448,328**	**5,144,772**

Depreciation and impairment *(in thousands of euros)*	Lands & Buildings	Industrial sites or facilities	Other property, plant and equipment	Assets in progress and advances/ down payments	Total
At December 31, 2019	**(594,501)**	**(2,091,244)**	**(108,805)**	**-**	**(2,794,550)**
Increase	(45,875)	(135,219)	(9,584)	-	(190,678)
Decrease	811	26,328	6,039	-	33,178
Changes in consolidation scope	-	-	(5)	-	(5)
Change in translation effect	21,813	93,169	1,519	-	116,501
Other movements	(2,818)	12,584	(3,446)	-	6,320
At December 31, 2020	**(620,570)**	**(2,094,382)**	**(114,282)**	**-**	**(2,829,234)**
Increase	(45,608)	(139,993)	(7,213)	-	(192,814)
Decrease	2,448	24,779	4,406	-	31,633
Changes in consolidation scope	18,197	33,752	9,742	-	61,691
Change in translation effect	(13,193)	(33,267)	(1,381)	-	(47,841)
Other movements	723	(17,805)	(17,916)	-	834
AT DECEMBER 31, 2021	**(658,003)**	**(2,226,916)**	**(90,812)**	**-**	**(2,975,731)**
Net book value at December 31, 2020	689,365	990,416	39,327	268,744	1,987,852
NET BOOK VALUE AT DECEMBER 31, 2021	**660,780**	**1,023,240**	**36,693**	**448,328**	**2,169,041**

Property, plant and equipment under construction amounted to €418 million as at December 31, 2021 (€258 million as at December 31, 2020) and advances/down payments on property, plant and equipment represented €31 million as at December 31, 2021 (€11 million as at December 31, 2020). Contractual commitments to acquire property, plant and equipment and intangible assets amounted to €277 million as at December 31, 2021 (€160 million as at December 31, 2020).

Capitalized interest amounted to €2.4 million as at December 31, 2021 (€1.9 million in 2020).

10.4 Rights of use relating to leases

Accounting policy

Leases, with the exception of those falling within the scope of the exemptions provided for by IFRS 16, are recognized in the balance sheet, when the asset underlying the lease becomes available, as a right-to-use asset and a liability representing the lease payments. The service component of the lease, and in particular that relative to transportation, is identified during the analysis and treated separately from the lease component. Contracts giving the lessee the right to control the use of an identified asset for a fixed term in return for payment are categorized as leases.

The Group applies the exemptions stipulated in the IFRS 16 standard, where the payments are not included in the lease liability and right to use in the following cases:

- payments relating to short-term leases (below or equal to 12 months);
- payments relating to leases of low-value assets (less than US$5 thousand or equivalent);
- payments relating to the service component of the lease when this is identical and measurable;
- payments related to leases of intangible assets, which are very small in number.

Lease payments for these contracts or components of leases are recognized as operating expenses for the term of the lease.

The lease term is the non-cancellable contractual period plus, where applicable, extension options considered reasonably certain to be exercised (extension options being exercised during the period or those that the Group has a statistical track record of exercising).

The definition of this enforceable duration takes into account both contractual and economic aspects to the extent that the existence of significant penalties in the event of the lessee's termination are analyzed for each contract.

The rights of use related to leases initially include the lease liability, the initial direct costs, prepaid rents and the estimate of the costs of dismantling or restoring the assets provided for in the contract, and exclude any service component. They are depreciated in accordance with IAS 16 "Property, Plant and Equipment" over the shorter of the lease term and the useful life of the underlying asset, and if necessary impaired in accordance with IAS 36 "Impairment of Assets".

After initial recognition, the right of use related to leases is reported at cost less accumulated depreciation and any impairment losses.

Lease payments are recognized by applying IFRS 16 with a resulting depreciation charge and interest expense taken to the income statement.

The tax impact of the application of IFRS 16 results in recognition of deferred taxes, assessed on the net lease asset after deduction of the corresponding lease liability.

Assumptions, estimates and judgements

The lease liability is initially measured at the present value of future payments, which include the present value of fixed and variable lease payments, if they are subject to an index or rate, and estimated expected payments at the end of the contract, such as the residual value guarantee and the purchase option, if its exercise is considered reasonably certain. The discount rate used to calculate the lease liability is based on the interest rate implicit in the lease or, failing that, the lessee's incremental borrowing rate at the date of signature of the lease. This marginal borrowing rate takes into account several elements including the currency and lease term, the lessee's economic context and its financial solidity.

The Group applied interest rates corresponding to the average repayment term of the lease liability, by defining and using yield curves by maturity, taking into account the structure of lease payments and the typology of the available interest rates.

After initial recognition, the lease liability is calculated at amortized cost using the effective interest rate method and is remeasured, with a corresponding adjustment of the right-of-use asset, if future lease payments are modified as a result of negotiation or when renewal or termination options are remeasured.

The Group's leasing activities

Most of the leases in force in the Group concern vehicles directly linked to operational activity (construction sites, road transportation and private cars) and real estate (land and buildings). In fact, the Group leases land and buildings, mainly for its offices, concrete batching plants, quarries and warehouses. To a lesser extent, they also concern machinery, equipment and IT equipment.

The majority of these contracts are carried by the Group's French entities, and to a lesser extent by American, Swiss and Turkish companies. The other countries in which the Group operates have no significant number of contract.

Gross amounts *(in thousands of euros)*	Land	Buildings	Plant, machinery and equipment	Other property, plant and equipment	Total
At December 31, 2019	**82,147**	**74,784**	**172,719**	**69,191**	**398,841**
Acquisitions	5,544	5,470	26,339	12,640	49,993
Disposals	(914)	(3,793)	(46,505)	(13,072)	(64,284)
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	(3,427)	(1,813)	(9,239)	(1,130)	15,609
Other movements	(1,624)	23	(1,345)	(11,388)	(14,334)
At December 31, 2020	**81,726**	**74,671**	**141,969**	**56,241**	**354,607**
Acquisitions	11,603	8,886	26,821	14,669	61,979
Disposals	(4,713)	(3,750)	(16,672)	(12,578)	(37,713)
Changes in consolidation scope	1,397	1,353	(1,661)	(608)	481
Change in translation effect	2,502	1,684	(1,606)	167	2,747
Other movements	(178)	(133)	(2,378)	(41)	(2,730)
AT DECEMBER 31, 2021	**92,337**	**82,711**	**146,473**	**57,850**	**379,371**

Depreciation and impairment *(in thousands of euros)*	Land	Buildings	Plant, machinery and equipment	Other property, plant and equipment	Total
At December 31, 2019	**(26,905)**	**(40,061)**	**(84,628)**	**(28,181)**	**(179,775)**
Increase	(5,882)	(7,601)	(29,471)	(11,346)	(54,300)
Decrease	900	3,169	42,540	12,965	59,574
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	695	891	4,259	242	6,087
Other movements	1,324	1,134	(3,030)	1,208	636
At December 31, 2020	**(29,868)**	**(42,468)**	**(70,330)**	**(25,112)**	**(167,778)**
Increase	(6,526)	(8,324)	(28,326)	(11,037)	(54,213)
Decrease	3,187	3,913	15,105	12,457	34,662
Changes in consolidation scope	-	-	2,403	452	2,855
Change in translation effect	(366)	(807)	27	(86)	(1,232)
Other movements	144	479	808	16	1,447
AT DECEMBER 31, 2021	**(33,429)**	**(47,207)**	**(80,313)**	**(23,310)**	**(184,259)**
Net book value at December 31, 2020	51,858	32,203	71,639	31,129	186,829
NET BOOK VALUE AT DECEMBER 31, 2021	**58,908**	**35,504**	**66,160**	**34,540**	**195,112**

10.5 Investment properties

Accounting policy

The Group recognizes its investment properties at historical cost less accumulated depreciation and any impairment losses. They are depreciated on a straight-line basis over their useful life (10 to 25 years). The fair value of its property investments is calculated by the Group's specialist departments, assisted by an external consultant, primarily by reference to market prices observed on transactions involving comparable assets or published by local notary chambers. It is presented in the notes at each year-end.

(in thousands of euros)	Gross value	Depreciation and impairment	Net book value
At December 31, 2019	**41,078**	**(25,953)**	**15,125**
Acquisitions/Additions	654	(870)	(216)
Disposals/Decreases	(569)	314	(255)
Change in translation effect	59	(20)	39
Changes in consolidation scope and other	326	(188)	138
At December 31, 2020	**41,548**	**(26,717)**	**14,831**
Acquisitions/Additions	628	(890)	(262)
Disposals/Decreases	(719)	653	(66)
Change in translation effect	1,301	(205)	1,096
Changes in consolidation scope and other	16,923	(304)	16,619
AT DECEMBER 31, 2021	**59,681**	**(27,463)**	**32,218**
Fair value of investment properties at December 31, 2020			78,568
FAIR VALUE OF INVESTMENT PROPERTIES AT DECEMBER 31, 2021			**79,549**

The rental income from investment properties recognized under "Other operating income (expenses)" (see note 7) amounted to €4 million at December 31, 2021 and at December 31, 2020.

NOTE 11 JOINT VENTURES AND OTHER NON-CURRENT ASSETS

11.1 Investments in associated companies

Change in investments in associated companies

(in thousands of euros)	2021	2020
At January 1	**77,873**	**85,212**
Share of profit (loss) of associates	5,156	4,021
Dividends received from investments in associated companies	(1,208)	(4,860)
Changes in consolidation scope	8,986	(902)
Change in translation effects and other	1,967	(5,598)
AT DECEMBER 31	**92,774**	**77,873**

11.2 Receivables and other non-current assets

(in thousands of euros)	Gross value	Impairment	Net book value
At December 31, 2019	**238,551**	**(2,409)**	**236,142**
Acquisitions/Additions	55,900	(11,918)	43,982
Disposals/Decreases	(10,198)	1,707	(8,491)
Changes in consolidation scope	-	-	-
Change in translation effect	(29,739)	-	(29,739)
Changes of other items in other comprehensive income	(5,990)	115	(5,875)
Other	3,694	(537)	3,157
At December 31, 2020	**252,218**	**(13,042)**	**239,176**
Acquisitions/Additions	168,669	(16,463)	152,206
Disposals/Decreases	(33,023)	-	(33,023)
Changes in consolidation scope	(82,110)	-	(82,110)
Change in translation effect	8,418	(1,342)	7,076
Changes of other items in other comprehensive income	5,853	(2,127)	3,726
Other	(67,854)	44	(67,810)
AT DECEMBER 31, 2021	**252,171**	**(32,930)**	**219,241**
Of which investments in subsidiaries & affiliated companies (see note 14.2)	*66,139*	*(2,561)*	*63,578*
Of which loans and receivables [(1) (2)]	*185,313*	*(30,369)*	*154,944*
Of which employee benefit plan assets (see note 16.1)	*719*	-	*719*
Of which financial instruments (see note 14.1.1)	-	-	-
AT DECEMBER 31, 2021	**252,171**	**(32,930)**	**219,241**

(1) Ciplan:
At the time of its acquisition by the Vicat Group, Ciplan received a firm and irrevocable guarantee from its minority shareholders for all litigation or future litigation relating to the period prior to the acquisition. This guarantee is recognized in other non-current assets in the amount of €28 million at end-December 2021 (€48 million at end-December 2020) for the same amount as provisions for indemnifying claims (see note 16.2).

(2) Bharathi Cement:
On December 31, 2021, €34.3 million (including interest) recorded in "Other non-current receivables", is the subject of two provisional attachments on the bank accounts of an Indian company in the Group, Bharathi Cement, as part of a preliminary investigation by the administrative and judicial authorities into events before Vicat entered its capital.
The Group's partner in Bharathi Cement is the focus of an inquiry by the CBI (Central Bureau of Investigation) regarding the source and the growth of his assets. In connection with this inquiry, the CBI filed 14 charge sheets in September 2012 and over the course of 2013, presenting its allegations. Among these, four also involve Bharathi Cement (the CBI is interested in determining whether the investments made in this company by Indian investors were carried out in good faith in the ordinary course of business and if the mining concession was granted in accordance with regulations).
The proceedings initially led, in 2015, to a precautionary seizure by the Enforcement Directorate of INR950 million (approximately €12 million) on a bank account held by Bharathi Cement. A second precautionary seizure of INR1,530 million (approximately €19 million) was made in 2016 within the context of charges regarding the mining concession.
While these measures are not such as to hinder the Company's operations, the Company is appealing to the administrative and judicial authorities to challenge their validity.
In July 2019, the Court of Appeal in Delhi invalidated the seizure of INR1,530 million, and demanded a bank guarantee prior to the repayment of the funds. The Enforcement Directorate has appealed this judgment.
The provisional attachments do not prejudice the merits of the case (CBI investigation) which is still under review and has not at this point led to a charge. The Company has no reason to think there is any probable or measurable financial risk.
Given how long the proceedings, started in 2012, are taking, the receivable related to these precautionary seizures was reclassified at end-2018 as "Other non-current receivables" (see note 12.2)

Impairment of loans and receivables

Difficulties related to the macroeconomic environment led the Group to record an impairment loss of €15.6 million in 2021 related to loans in connection with investments in the Mediterranean area.

NOTE 12 CURRENT ASSETS

12.1 Inventories and work-in-progress

Accounting policy

Inventories and work-in-progress

Inventories are valued using the weighted average unit cost method, at the lower of purchase price or production cost, and net realizable value (sales price less completion and sales costs).

The gross value of goods and supplies includes both the purchase price and all related costs.

Manufactured goods are valued at production cost, including the cost of goods, direct and indirect production costs and the depreciation on all consolidated non-current assets used in the production process.

In the case of inventories of manufactured products and work-in-progress, the cost includes an appropriate share of fixed costs based on the standard conditions of use of the production plant.

Inventory impairments are recorded when necessary to take into account any probable losses identified at year-end.

Emission quotas

In the IFRS standards, there is as yet no standard or interpretation dealing specifically with greenhouse gas emission rights. As of January 1, 2016, the Group decided to adopt the method recommended by the ANC since 2013, compatible with the IFRS standards in force (Regulation No. 2012-03 of October 4, 2012, approved on January 7, 2013), that provides more reliable and relevant financial information to reflect the quotas' economic model, in particular eliminating the impacts associated with the volatility of the prices of quotas.

According to this method, provided the quotas are intended to fulfill the obligations related to emissions (production model):

- quotas are recognized in inventories when acquired (free of charge or against payment). They are drawn down as and when necessary to cover greenhouse gas emissions, as part of the surrender procedure, or
- at the time of their sale, and are not revalued at closing;
- a debt is recognized at the period-end if there is an quota shortfall.

Since today the Group only has the quotas allocated free of charge by the State under National Quotas Allocation Plans, applying these rules means they are posted as inventories for a zero value. Moreover, as the Group has recorded surpluses to date, no debt is posted to the balance sheet and, if they are not sold, no amount is posted to the income statement.

	December 31, 2021			DECEMBER 31, 2020		
(in thousands of euros)	**Gross**	**Provisions**	**Net**	Gross	Provisions	Net
Raw materials and consumables	351,561	(29,560)	322,001	268,824	(28,162)	240,662
Work-in-progress, finished goods and goods for resale	111,914	(4,672)	107,242	120,284	(6,009)	114,275
TOTAL	**463,475**	**(34,232)**	**429,243**	**389,108**	**(34,171)**	**354,937**

Surplus greenhouse gas emissions quotas received free of charge are recorded under inventories at a zero value (corresponding to 4,781 thousand metric tons at year-end 2021 and 5,155 thousand metric tons at year-end 2020).

12.2 Trade and other receivables

Accounting policy

Receivables are valued at amortized cost and recognized for their nominal value (initial amount of the invoice). Receivables are impaired according to the expected losses model defined by IFRS 9 (see note 14.2).

Receivables may be subject to assignment to financial institutions. In this case, a transaction analysis is carried out to assess the transfer of the risks and rewards of ownership of these receivables and especially the one related to credit risk, late payment risk and the risk of dilution. If this assessment concludes to the transfer of contractual rights to the cash flows and also substantially all the risks and rewards related to the assignment, it leads to the derecognition of receivables in the consolidated statement of financial position and all the rights created or retained during the transfer are recognized where necessary. In the opposite situation, receivables are maintained in the consolidated statement of financial position.

(in thousands of euros)	Trade and other receivables	Provisions for trade and other receivables	Net trade and other receivables
At December 31, 2019	**443,991**	**(27,423)**	**416,568**
Increase	-	(5,631)	(5,631)
Reversal of provisions used	-	6,675	6,675
Change in translation effect	(26,376)	2,305	(24,071)
Changes in consolidation scope	406	-	406
Changes	46,948	(21)	46,927
At December 31, 2020	**464,969**	**(24,095)**	**440,874**
Increase	-	(4,976)	(4,976)
Reversal of provisions used	-	3,057	3,057
Change in translation effect	(9,330)	85	(9,245)
Changes in consolidation scope	(3,574)	(826)	(4,400)
Changes	10,460	449	10,909
AT DECEMBER 31, 2021	**462,525**	**(26,306)**	**436,219**
of which past due as at December 31, 2021:			
• less than 3 months	59,492	(3,687)	55,805
• more than 3 months	21,769	(11,629)	10,140
of which not past due as at December 31, 2021:			
• less than 1 year	378,589	(8,400)	370,189
• more than 1 year	2,675	(2,590)	85
AT DECEMBER 31, 2021	**462,525**	**(26,306)**	**436,219**

The Group is not dependent on any of its major customers, and no single customer accounts for more than 10% of revenue.

12.3 Other receivables

(in thousands of euros)	Other tax receivables	Payroll-related receivables	Other receivables [1]	Provisions other receivables	Net total other receivables
At December 31, 2019	**72,040**	**4,158**	**119,270**	**(2,692)**	**192,776**
Increase	-	-	-	(123)	(123)
Reversal of provisions used	-	-	-	149	149
Change in translation effect	(7,173)	(91)	(3,513)	139	(10,638)
Changes in consolidation scope	(6)	-	53	-	47
Other movements	(494)	567	(31,746)	1,958	(29,715)
At December 31, 2020	**64,367**	**4,634**	**84,064**	**(569)**	**152,496**
Increase	-	-	-	(45)	(45)
Reversal of provisions used	-	-	-	102	102
Change in translation effect	(655)	62	958	(17)	348
Changes in consolidation scope	172	(507)	6,360	-	6,025
Other movements	1,155	(269)	47,107	(444)	47,549
AT DECEMBER 31, 2021	**65,039**	**3,920**	**138,489**	**(973)**	**206,475**
of which past due as at December 31, 2021:					
• less than 3 months	2,674	2,211	25,198	(173)	29,910
• more than 3 months	1,367	276	5,457	(606)	6,494
of which not past due as at December 31, 2021:					
• less than 1 year	47,971	1,433	99,797	(194)	149,007
• more than 1 year	13,027		8,037	-	21,064
AT DECEMBER 31, 2021	**65,039**	**3,920**	**138,489**	**(973)**	**206,475**

(1) Including on December 31, 2021 a total of €2.9 million (€16.0 million at December 31, 2020) corresponding to a tax credit (including interest) for a sales tax (PIS COFIN) contested by our Brazilian subsidiary which obtained a favorable final judgment in the courts in the second half of 2019.

NOTE 13 CASH AND CASH EQUIVALENTS

13.1 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include both cash and short-term investments of less than three months' maturity that do not present any risk of a change in value. The latter are marked to market at the end of the period.

Net cash, the change in which is presented in the statement of cash flows, consists of cash and cash equivalents less any bank overdrafts.

(in thousands of euros)	December 31, 2021	December 31, 2020
Cash	126,839	145,416
Marketable securities and term deposits < 3 months	400,554	277,427
CASH AND CASH EQUIVALENTS	**527,393**	**422,843**

Cash deposits include, at December 31, 2021, €36.5 million (€34 million at the end of 2020) corresponding to the exchange value in "euros" of subscriptions by the shareholders of Sinaï Cement Company, our Egyptian subsidiary, for the ongoing capital increase subscription for which release and thus availability will be contingent on approval of the local competent regulatory authorities (see note 3).

13.2 Analysis of net cash balances

(in thousands of euros)	December 31, 2021	December 31, 2020
Cash and cash equivalents (see note 13.1)	527,393	422,843
Bank overdrafts	(96,951)	(63,684)
NET CASH BALANCES	**430,442**	**359,159**

NOTE 14 NET DEBT AND FINANCIAL INSTRUMENTS

14.1 Net financial liabilities and put options

Financial liabilities as at December 31, 2021 break down as follows:

(in thousands of euros)	December 31, 2021	December 31, 2020
Financial liabilities at more than one year	1,274,493	1,261,797
Put options at more than one year	16,941	8,365
Lease liabilities at more than one year	159,883	157,563
Financial liabilities and put options at more than one year	**1,451,317**	**1,427,725**
Financial instrument assets at more than one year - see note 9[1]	-	(7,115)
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS AT MORE THAN ONE YEAR	**1,451,317**	**1,420,610**
Financial liabilities at less than one year	371,119	165,375
Put options at less than one year	-	-
Lease liabilities at less than one year	55,502	47,382
Financial liabilities and put options at less than one year	**426,621**	**212,757**
Financial instrument assets at less than one year[1]	(15,892)	(300)
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS AT LESS THAN ONE YEAR	**410,729**	**212,457**
Total financial liabilities net of financial instruments assets[1]	1,845,105	1,624,702
Total put options	16,941	8,365
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS	**1,862,046**	**1,633,067**

(1) As at December 31, 2021, financial instrument assets (€7.4 million as at December 31, 2020) are presented either under non-current assets (see note 11.2), if their maturity is more than one year (€7.1 million at December 31, 2020) or under other receivables, if their maturity is less than one year (€0.3 million at December 31, 2020).

The change, by type of net financial liabilities and put options, breaks down as follows:

(in thousands of euros)	Financial liabilities and put options > 1 year	Financial instrument assets > 1 year	Lease liabilities > 1 year	Financial liabilities and put options < 1 year	Financial instrument assets < 1 year	Lease liabilities < 1 year	Total
At January 1, 2020	**1,109,769**	**(13,105)**	**178,398**	**391,594**	**(30,072)**	**59,864**	**1,696,448**
Issues	196,169	-	42,768	14,560	-	7,226	260,723
Repayments	(106)	-	(10,994)	(209,326)	-	(51,203)	(271,630)
Change in translation effect	(17,819)	-	(8,223)	(8,253)	-	(2,945)	(37,239)
Changes in consolidation scope	109	-	26	-	-	-	135
Other movements	(17,960)	5,990	(44,412)	(23,200)	29,772	34,440	(15,370)
At December 31, 2020	**1,270,162**	**(7,115)**	**157,563**	**165,375**	**(300)**	**47,382**	**1,633,067**
Issues	257,919	-	55,926	73,524	-	6,052	393,421
Repayments	(130,584)	-	(11,141)	(9,538)	-	(41,822)	(193,085)
Change in translation effect	1,856	-	3,429	(10,877)	1,154	(2,048)	(6,486)
Changes in consolidation scope	1,048	-	3,113	369	-	86	4,616
Other movements	(108,967)	7,115	(49,007)	152,266	(16,746)	45,852	30,513
AT DECEMBER 31, 2021	**1,291,434**	**-**	**159,883**	**371,119**	**(15,892)**	**55,502**	**1,862,046**

(in thousands of euros)	December 31, 2021	December 31, 2020
Gross debt	1,845,105	1,624,702
Cash and cash equivalents (see note 13.1)	(527,393)	(422,843)
NET DEBT	**1,317,712**	**1,201,859**

14.1.1. Financial liabilities

Analysis of financial liabilities by category and maturity

December 31, 2021 (in thousands of euros)	Total	2022	2023	2024	2025	2026	More than 5 years
Bank borrowings and financial liabilities	1,491,475	220,861	23,869	187,728	568,269	159,859	330,889
Of which financial instrument assets	*(15,892)*	*(15,892)*	-	-	-	-	-
Of which financial instrument liabilities	*2,007*	*2,007*	-	-	-	-	-
Miscellaneous borrowings and financial liabilities	19,951	16,288	1,316	-	2,071	-	276
Lease liabilities	215,385	55,502	33,679	23,116	17,713	12,817	72,559
Current bank lines and overdrafts	118,294	118,294	-	-	-	-	-
FINANCIAL LIABILITIES	**1,845,105**	**410,944**	**58,865**	**210,844**	**588,052**	**172,676**	**403,724**
of which commercial paper	*550,000*	-	-	-	*550,000*	-	-

Financial liabilities due in less than one year are mainly composed of bilateral lines of Sococim Industries in Senegal, IFRS 16 debts, and bank credit balances.

December 31, 2020 *(in thousands of euros)*	Total	2021	2022	2023	2024	2025	More than 5 years
Bank borrowings and financial liabilities	1,319,515	74,478	126,010	25,307	176,634	564,104	352,982
Of which financial instrument assets	*(7,415)*	*(300)*	*(7,115)*	-	-	-	-
Of which financial instrument liabilities	*1,856*	*31*	-	*803*	*333*	-	*689*
Miscellaneous borrowings and financial liabilities	15,214	5,569	216	116	164	5,141	4,008
Lease liabilities	204,945	47,382	40,660	24,315	15,425	11,296	65,867
Current bank lines and overdrafts	85,028	85,028	-	-	-	-	-
FINANCIAL LIABILITIES	**1,624,702**	**212,457**	**166,886**	**49,738**	**192,223**	**580,541**	**422,857**
of which commercial paper	*550,000*	-	-	-	-	*550,000*	-

Reconciliation of financial liabilities with the cash flow statement

	MONETARY CHANGE			NON-MONETARY CHANGE			
(in thousands of euros)	Opening	Proceed	Repayments	Change in foreign exchange rate	Changes in consolidation scope	Other movements	Total
Financial liabilities and put options < 1 year	1,109,769	196,169	(106)	(17,819)	109	(17,960)	1,270,162
Financial instrument assets > 1 year	(13,105)	-	-	-	-	5,990	(7,115)
Lease liabilities > 1 year	178,398	-	(10,994)	(8,223)	26	(1,644)	157,563
Financial liabilities and put options < 1 year	391,594	14,560	(209,326)	(8,253)	-	(23,200)	165,375
Financial instrument assets < 1 year	(30,072)	-	-	-	-	29,772	(300)
Lease liabilities < 1 year	59,864	-	(51,203)	(2,945)	-	41,666	47,382
At December 31, 2020	**1,696,448**	**210,729**	**(271,630)**	**(37,239)**	**135**	**34,624**	**1,633,067**
Financial liabilities and put options < 1 year	1,270,162	257,919	(130,584)	1,856	1,048	(108,967)	1,291,434
Financial instrument assets > 1 year	(7,115)	-	-	-	-	7,115	-
Lease liabilities > 1 year	157,563	-	(11,141)	3,429	3,113	6,919	159,883
Financial liabilities and put options < 1 year	165,375	73,524	(9,538)	(10,877)	369	152,266	371,119
Financial instrument assets < 1 year	(300)	-	-	1,154	-	(16,746)	(15,892)
Lease liabilities < 1 year	47,382	-	(41,822)	(2,048)	86	51,904	55,502
AT DECEMBER 31, 2021	**1,633,067**	**331,443**	**(193,085)**	**(6,486)**	**4,616**	**92,491**	**1,862,046**

Characteristics of borrowings and financial liabilities (currencies and interest rates)

By currency (net of currency swaps) *(in thousands of euros)*	December 31, 2021	December 31, 2020
Euro	1,370,835	1,058,153
US dollar	42,258	81,728
Turkish lira	40,506	17,766
CFA Franc	148,715	117,954
Swiss franc	68,681	212,644
Mauritanian ouguiya	3,562	4,284
Egyptian pound	92,064	59,901
Indian rupee	34,300	27,581
Kazakh tenge	379	394
Brazilian real	43,806	44,297
TOTAL	**1,845,105**	**1,624,702**

By interest rate *(in thousands of euros)*	December 31, 2021	December 31, 2020
Fixed rate	957,571	826,224
Floating rate	887,534	798,478
TOTAL	**1,845,105**	**1,624,702**

The average interest rate on gross debt at December 31, 2021 was 3.1%, unchanged compared to December 31, 2020.

The average maturity of the debt at December 31, 2021 is 5 years, unchanged compared to Décember 31, 2020.

14.1.2. Put options granted to the minority shareholders on shares in consolidated subsidiaries

Accounting policy

Under IAS 27 and IAS 32, put options granted to minority third parties in fully consolidated subsidiaries are reported in the financial liabilities at the present value of their estimated price offset by a reduction in the corresponding minority interests.

The difference between the value of the option and the amount of the minority interests is recognized:

- in goodwill, in the case of options issued before January 1, 2010;
- as a reduction in shareholders' equity – Group share (options issued after January 1, 2010).

No impact is reported in the income statement other than the impact of the annual discounting of the liability recognized in net financial income; the income – Portion attributable to the Group – is calculated on the basis of the percentage held in the subsidiaries concerned, without taking into account the percentage holding attached to the put options.

Assumptions, estimates and judgements

The liability is estimated based on the contract information available (price, formula, etc.) and any other relevant factor to its valuation. Its value is reviewed at each year-end and the subsequent changes in the liability are recognized:

- either as an offset to goodwill (options granted before January 1, 2010);
- or as an offset to shareholders' equity – Group share (options issued after January 1, 2010).

At December 31, 2021, various agreements between Vicat and the non-controlling shareholders of multiple subsidiaries include put options that can be exercised at any time. These put options totaled €16.9 million at December 31, 2021, corresponding to the present value of their exercise prices.

14.2 Financial instruments

Accounting policy

Financial assets

The Group classifies its financial assets, upon initial recognition, according to IFRS 9 based on the contractual cash flow characteristics and on the business model assessment of their ownership.

In practice, for the Vicat Group, the criterion of the contractual cash flow characteristics led to make a distinction between, on one side, loan and receivables instruments, for which the evaluation depends on the business model assessment of their ownership, and, on the other side, equity instruments.

According to the standard, there are three types of loan and receivables assets, each associated with a business model and a valuation method:

- assets valued at the amortized cost: the objective is only to hold the assets to collect the contractual cash flows. This is the case with most loans and receivables;
- assets valued at the fair value through other comprehensive income: the objective is to hold the assets to collect the contractual cash flows and to sell them;
- assets valued at the fair value through the income statement: applied to assets not covered by any of the two previous models.

All acquisitions and disposals of financial assets are recorded at the transaction date.

Impairment of receivables is based on the expected credit losses during the full lifetime of the asset and credit risk is assessed on the basis of historical data and any available information at the closing date.

Financial liabilities

The Group classifies its non-derivative financial liabilities, upon initial recognition, as financial liabilities valued at amortized cost. These comprise mainly borrowings, other financings, bank overdrafts. The Group does not have financial liabilities at fair value through the income statement.

Derivatives and hedging

The Group uses hedging instruments to reduce its exposure to changes in interest and foreign currency exchange rates resulting from its business, financing and investment operations.

These hedging transactions have recourse to derivatives. The Group uses interest rate swaps and caps to manage its exposure to interest rate risks and forward foreign exchange contracts and currency swaps are used to hedge foreign exchange rate risks.

The Group uses derivatives solely for economic hedging purposes and no instrument is held for speculative ends.

Hedge accounting for an asset/liability/firm commitment or cash flow is applicable if:

- the hedging relationship is formally designated and documented at its date of inception;
- the effectiveness of the hedging relationship is demonstrated at the inception and then by the regular assessment and correlation between the changes in the market value of the hedging instrument and the market value of the hedged item. The ineffective portion of the hedging instrument is always recognized in the income statement.

Derivative instruments may be designated as hedging instruments, depending on the type of hedging relationship:

- fair value hedging is hedging against exposure to changes in the fair value of a booked asset or liability, or of an identified part of that asset or liability, attributable to a particular risk, for instance interest rate or exchange risks, which would affect the net income presented;
- Cash flow hedging is hedging against exposure to changes in cash flow attributable to a particular risk, associated with a recorded asset or liability or with a scheduled transaction (e.g. expected sale or purchase or "highly probable" future transaction), which would affect the net income presented.

The application of hedge accounting results as follows:

- in the event of a documented fair value hedging relationship, the change in the fair value of the hedging derivative is recognized in the income statement as an offset to the change in the fair value of the underlying hedged financial instrument. The income statement is only impacted by the ineffective portion of the hedging instrument;
- in the event of a documented cash flow hedging relationship, the change in the fair value of the effective portion of the hedging derivative is initially recorded in shareholders' equity, and the change in the fair value of the ineffective portion is directly recognized in the income statement. The accumulated changes in the fair value of the hedging instrument previously recorded in shareholders' equity are transferred to the income statement at the same rate as the hedged cash flows.

Assumptions, estimates and judgements

Financial assets

Equity instruments covered by IFRS 9 have to be measured at fair value, for which the Group may elect to recognize changes in fair value, either in the income statement or in other comprehensive income not recycled in profit or loss, depending on the option taken from the beginning, investment by investment. For some unquoted equity investments, the amortized cost was maintained as this method is the best approximation available for the fair value.

Derivatives and hedging

Derivatives are valued at their fair value in the balance sheet. Except for the cases detailed below, the change in fair value of derivatives is recorded as an offset under net financial expense in the income statement ("Change in fair value of financial assets and liabilities"). The fair values of derivatives are estimated by the following valuation models:

- the market value of interest rate swaps, foreign exchange rate swaps and forward purchase/sale transactions is calculated by discounting the future cash flows on the basis of the "zero coupon" interest rate curves applicable at the end of the presented reporting periods, and is restated where applicable to reflect accrued interest not yet payable;
- interest rate options are revalued on the basis of the Black and Scholes model incorporating the market parameters as at year-end.

In accordance with IFRS 13, counterparty risks were taken into account. This mainly relates to derivatives (cross currency swaps) used to hedge the foreign exchange risk of debts in US dollars, which is not the Group's operating currency. The impact of the credit value adjustment (CVA, or the Group's exposure in the event of counterparty default) and of the debit value adjustment (DVA, or the counterparty's exposure in the event of Group default) on the measurement of derivatives was determined by assuming an exposure at default calculated using the add-on method, a 40% loss given default, and a probability of default based on the credit ratings of banks or the estimated credit rating of the Group. The impact on fair value was not material and was not included in the market value of financial instruments as presented above.

In 2021, the ongoing health crisis did not call into question the risk management policy relating to financial instruments. The Vicat Group continued to manage its hedging instruments and its liquidity risk without difficulty throughout the year, as evidenced by the following:

Foreign exchange risk

The Group's activities are carried out by subsidiaries operating almost entirely in their own country and local currency. This limits the Group's exposure to foreign exchange risk. These companies' imports and exports denominated in currencies other than their own local currency are generally hedged by forward currency purchases and sales. The foreign exchange risk on intercompany loans is hedged, where possible, by the companies when the borrowing is denominated in a currency other than their operating currency.

The table below sets out the breakdown of the Group's total assets and liabilities denominated in foreign currencies as at December 31, 2021:

(in thousands of euros)	USD	EUR	CHF
Assets	115,902	81,872	131,000
Liabilities and contracted commitments	(152,157)	(79,340)	(20,600)
Net position before risk management	**(36,255)**	**2,532**	**110,400**
Hedging instruments	40,196	7,128	(135,000)
Net position after risk management	**3,941**	**9,660**	**(24,600)**

The net position after "risk management" in Swiss francs corresponds mainly to the debts of the Kazakh subsidiary to the Group, not swapped in the operating currency, in the absence of a sufficiently structured and liquid hedge market.

The risk of a foreign exchange loss on the net currency position assuming an unfavorable and uniform change of one percent in the operating currencies against the US dollar, totals, in euro equivalent, €0.2 million (mainly for the Kazakh loan).

Moreover the principal and interest due on loans originally issued by the Group in US dollars (US$ 120 million for Vicat) was translated into euros through a series of cross currency swaps, included in the portfolio presented below.

Interest rate risk

Floating rate debt is hedged through the use of caps on original maturities of 5, 7 and 10 years.

The Group is exposed to an interest rate risk on its financial assets and liabilities and its cash. This exposure corresponds to the price risk for fixed-rate assets and liabilities, and cash flow risk related to floating-rate assets and liabilities.

The Group estimates that a uniform change in interest rates of 100 basis points would not have a material impact on its earnings, or on the Group's net financial position as illustrated in the table below:

(in thousands of euros)	Impact on income before tax [1]	Impact on shareholders' equity (excluding impact on earnings) before tax [2]
Impact of a +100 bps. change in the interest rate	(5,127)	(7,637)
Impact of a -100 bps. change in the interest rate	5,500	3,469

(1) A positive figure corresponds to lower interest expense.
(2) A negative figure corresponds to a lower financial liability.

Liquidity risk

As at December 31, 2021, the Group had €462 million in unutilized confirmed lines of credit that were not allocated to the hedging of liquidity risk on commercial paper (€536 million as at December 31, 2020).

The Group also has a €550 million commercial paper issue program. At December 31, 2021, the amount of commercial paper issued stood at €550 million. Commercial papers which constitute short-term credit instruments are backed by lines of credit confirmed for the issued amount and are treated as such in medium-term financial debts in the consolidated balance sheet.

Unused confirmed lines of credit are used to cover the risk of the Group's inability to issue commercial paper on the market, for an amount corresponding to the notes issued, i.e. €550 million on December 31, 2021.

Some medium-term or long-term loan agreements contain specific covenants especially with regards to compliance with financial ratios, reported each half year, which can lead to an early repayment (acceleration clause) in the event of non-compliance. These covenants are based on a profitability ratio (leverage: net indebtedness/consolidated EBITDA) and on capital structure ratio (gearing: net indebtedness/consolidated shareholders equity) of the Group or its subsidiaries concerned. For the purposes of calculating these covenants, the net debt is determined excluding put options granted to minority shareholders. Furthermore, the margin applied to some financing operations depends on the level reached on one of these ratios.

Considering the small number of companies concerned, essentially Vicat SA, the parent company of the Group, the low level of gearing (50.56%) and leverage (2.12) and the liquidity of the Group's balance sheet, the existence of these covenants does not constitute a risk for the Group's financial position. As at December 31, 2021, the Group is compliant with all ratios required by covenants included in financing agreements.

The portfolio of derivatives was as follows at the end of December 2021:

				RESIDUAL MATURITY		
(in thousands of currency)	Nominal value *(foreign currency)*	Nominal value *(euro)*	Market value *(euro)*	< 1 year *(euro)*	1-5 years *(euro)*	> 5 years *(euro)*
CASH FLOW HEDGES						
Composite instruments						
• Cross Currency Swap $ fixed/€ fixed	$120,000	105,951	15,596	15,596	-	-
OTHER DERIVATIVES						
Interest rate instruments						
• Euro Caps	€714,500	714,500	2,699	-	(76)	2,775
FOREIGN EXCHANGE INSTRUMENTS						
Hedging for foreign exchange risk on intra-group loans						
• VAT $	$113,000	99,770	226	226	-	-
• AAT BRL	BRL10,000	1,585	132	132	-	-
• VAT CHF	CHF135,000	130,675	(253)	(253)	-	-
TOTAL	-	**1,052,481**	**18,400**	**15,701**	**(76)**	**2,775**

In application of IFRS 7, the breakdown of financial instruments measured at fair value by hierarchical level of fair value in the consolidated statement of financial position is as follows as at December 31, 2021:

(in millions of euros)	December 31, 2021
Level 1: instruments quoted on an active market	-
Level 2: valuation based on observable market information	18.4
Level 3: valuation based on non-observable market information (see note 11.2)	63.6

NOTE 15 SHARE CAPITAL

Accounting policy

Treasury shares

In compliance with IAS 32, Vicat treasury shares are deducted from shareholders' equity.

Vicat share capital is composed of 44,900,000 fully paid-up ordinary shares with a nominal value of €4 each, including 723,505 treasury shares as at December 31, 2021 (717,855 as at December 31, 2020) acquired under the share buyback programs approved by the Ordinary General Meetings, and through Heidelberg Cement's disposal of its 35% stake in Vicat in 2007. The company is owned and controlled by the Parfininco holding company.

These are registered shares or bearer shares, at the shareholder's option. Voting rights attached to shares are proportional to the share of the capital which they represent and each share gives the right to one vote, except in the case of fully paid-up shares registered for at least four years in the name of the same shareholder, to which two votes are assigned.

The dividend paid in 2021 in respect of 2020 amounted to €1.50 per share, totaling €67,350 thousand, equal to €1.50 per share paid in 2020 in respect of 2019 and totaling €67,350 thousand. The dividend proposed by the Board of Directors to the Ordinary General Meeting for 2021 amounts to €1.65 per share, totaling €74,085 thousand.

Basic earnings per share are calculated as the ratio of net income for the year (Group share) and the weighted average number of shares outstanding during the year, excluding treasury shares. These earnings per share are adjusted for any potentially dilutive ordinary shares such as free shares (see note 5).

Since June 30, 2018, for a period of 12 months renewable by tacit agreement, Vicat has engaged Oddo BHF (previously Natixis Securities) to implement a liquidity agreement in accordance with the AMAFI (French financial markets professional association) Code of Ethics of September 20, 2008.

The following amounts were allocated to the liquidity agreement for its implementation: 20,000 Vicat shares and €3 million in cash.

As at December 31, 2021, the liquidity account was composed of: 53,605 Vicat shares and €1,909 thousand in cash.

NOTE 16 PROVISIONS

16.1 Employee benefits

Accounting policy

The Group recognizes the entire amount of its commitments relating to post-employment benefits in accordance with IAS 19 revised.

Regulations, standard practices and agreements in force in countries where the Group's consolidated companies have operations provide for various types of post-employment benefits: lump-sum payments on retirement, supplemental pension benefits, etc., as well as other long-term benefits (such as medical cover for retirees, etc.).

Defined contribution plans are those for which the Group's commitment is limited only to the payment of contributions recognized as expenses when they are incurred.

Defined benefit plans include all post-employment benefit programs, other than those under defined contribution plans, and represent a future liability for the Group.

The corresponding liabilities are calculated on an actuarial basis (changes in salaries, mortality, rotation, etc.) using specific actuarial assumptions and the projected unit credit method, in accordance with the clauses provided for in the collective bargaining agreements and with standard practices and law.

Dedicated financial assets, which are mainly equities and bonds, are used to cover all or a part of these liabilities, principally in the United States and Switzerland. The net position of each pension plan is fully provided for in the statement of financial position less, where applicable, the fair value of these invested assets, the amount of which may be adjusted using the asset ceiling mechanism. Any surplus (in the case of overfunded pension plans) is only recognized in the statement of financial position to the extent that it represents a future economic benefit that will be effectively available to the Group, within the limits defined by the standard.

Actuarial gains and losses arise from changes in actuarial assumptions and/or variances observed between these assumptions and the actual figures. Actuarial gains and losses on post-employment benefits are recognized under "Other comprehensive income" and are not recycled to profit or loss

Estimates, assumptions and judgements

The measurement of the present value of post-employment obligations, under defined benefit plans, is dependent on the actuarial assumptions, both demographic and financial, made by the Group.

Discount rates are determined in accordance with the principles set out in IAS 19 Revised, with reference to a market rate at year-end, based on the yields of high-quality corporate bonds issued in the monetary zone in question. They are determined on the basis of yield curves derived by outside experts from AA-rated public bonds.

When the corporate bond market in a zone is not sufficiently liquid, IAS 19 (revised) recommends using government bonds as a benchmark.

In any event, the benchmarks used must have a maturity comparable to the commitments.

In terms of the recognition of actuarial gains and losses, the Group has chosen to apply the IFRS 1 option and to zero the ones linked to employee benefits not yet recognized on the transition balance sheet by allocating them to shareholders' equity.

(in thousands of euros)	**December 31, 2021**	December 31, 2020 [(1)]
Pension plans and termination benefits (TB)	45,299	60,351
Other benefits	63,230	65,509
Total pension and other post-employment benefit provisions	**108,529**	**125,860**
Plan assets (see note 11.2)	(719)	(13,141)
NET LIABILITY	**107,810**	**112,719**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Description of the Group's main plans

The main defined benefit pension plans are located in Switzerland, the United States and France. Most of these plans are pre-funded through insurance policies or investments in pension funds. Funding approaches used comply with local law, particularly with respect to the minimum funding requirements for past entitlements. Given the material nature of these commitments, the Group updates its actuarial analysis each year in order to reflect the cost of these plans in its financial statements. More specifically, the main defined benefit plans within the Group are as follows:

- France: in the French subsidiaries, there are multiple mechanisms relating to post-employment benefit obligations. These include retirement plans, open to all employees, the amount of which corresponds to the average gross monthly salary over the final 12 months, calculated pro-rata to length of service within the Group and the specific details of the collective bargaining agreement covering the employees. The Group also provides for the payment of a lump sum, via length of service plans, rewarding the service of employees at the following milestones: 20 years, 30 years, 35 years and 40 years.

  The length of plans is estimated at 10 years for the French subsidiaries.
- In the US: the retirement plans are affiliated with independent pension funds tasked with collecting and investing contributions. Benefits accrue upon retirement, declaration of disability or death.

  The length of plans is estimated at 14 years for the US subsidiaries. On top of retirement plans, the employees benefit from health plans, post-employment, that cover a large range of medical expenses (visits, dentist, ophthalmology, etc.). The benefits provided depend on the ratings and the age of renewal.

- In Switzerland: the plans cover the benefits paid upon retirement, in the event of dismissal, declaration of disability or death, in the form of an annuity or lump sum payment. The collection and management of employer and employee contributions are handled by a special foundation.

  The length of plans is estimated at 12 years for the Swiss subsidiaries.

The average duration of benefits under all plans within the Group is 13 years. It is expected that €11 million in contributions will be paid into the plans over the coming year.

Assets and liabilities recognized in the balance sheet

	December 31, 2021			DECEMBER 31, 2020 [1]		
Net liability recognized *(in thousands of euros)*	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Present value of funded liabilities	398,795	63,230	462,024	507,363	65,509	572,872
Fair value of plan assets	(407,531)	-	(407,531)	(464,627)	-	(464,627)
Net liability before asset limit	**(8,736)**	**63,230**	**54,493**	**42,736**	**65,509**	**108,245**
Limit on recognition of plan assets (asset ceiling)	53,317	-	53,317	4,474	-	4,474
NET LIABILITY	**44,581**	**63,230**	**107,810**	**47,210**	**65,509**	**112,719**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Analysis of net annual expense

	2021			2020 [1]		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Current service costs	(12,678)	(2,350)	(15,028)	(14,764)	(2,134)	(16,898)
Financial cost	(3,348)	(1,855)	(5,203)	(3,779)	(2,582)	(6,361)
Interest income on assets	2,067	-	2,067	2,332	-	2,332
Curtailments and settlements	6,734	(127)	6,607	6,415	-	6,415
Total Expense with income statement impact	**(7,225)**	**(4,332)**	**(11,557)**	**(9,796)**	**(4,716)**	**(14,512)**
Actuarial gains and losses on plan assets	(10,124)	-	(10,124)	20,846	-	20,846
Experience adjustments	(3,545)	5,523	1,977	(20,975)	8,566	(12,409)
Adjustments related to demographic assumptions	8,081	1,345	9,426	15,238	611	15,849
Adjustments related to financial assumptions	3,857	2,214	6,071	(9,688)	(11,270)	(20,958)
Total Expense with impact on other comprehensive income	**(1,731)**	**9,081**	**7,350**	**5,421**	**(2,093)**	**3,328**
TOTAL EXPENSE FOR THE YEAR	**(8,957)**	**4,749**	**(4,208)**	**(4,375)**	**(6,809)**	**(11,184)**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Change in financial assets used to fund the plans

	2021			2020		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Fair value of assets at January 1	**464,627**		**464,627**	**446,339**		**446,339**
Interest income on assets	2,067		2,067	2,332		2,332
Contributions paid	15,722		15,722	17,684		17,684
Translation differences	19,430		19,430	(2,744)		(2,744)
Benefits paid	9,181		9,181	(24,346)		(24,346)
Changes in consolidation scope	(139,832)		(139,832)	-		-
Actuarial gains (losses)	36,336		36,336	25,362		25,362
ASSETS FAIR VALUE AT DECEMBER 31	**407,531**		**407,531**	**464,627**		**464,627**

Analysis of plan assets by type and country at December 31, 2021

Breakdown of plan assets	France	Switzerland	United-States	India	Total
Cash and cash equivalents	-	2.8%	-	-	9,805
Equity instruments	-	26.5%	-	-	92,450
Debt instruments	-	30.9%	-	-	107,800
Real estate assets	-	24.2%	-	-	84,426
Assets held by insurers	100.0%	0.1%	-	100.0%	1,875
Other	-	15.6%	100.0%	-	111,174
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**407,531**
PLAN ASSETS *(in thousands of euros)*	**72**	**349,177**	**56,751**	**1,532**	**407,531**

Change in net liability

	2021			2020 (1)		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Net liability at January 1	**47,210**	**65,509**	**112,719**	**57,687**	**66,872**	**124,559**
Expense for the year	8,957	(4,749)	4,208	4,371	6,809	11,180
Contributions paid	(9,603)	-	(9,603)	(10,765)	-	(10,765)
Translation differences	145	5,039	5,184	(2,737)	(5,916)	(8,653)
Benefits paid by employer	(2,276)	(2,568)	(4,844)	(1,695)	(2,256)	(3,951)
Changes in consolidation scope	-	-	-	69	-	69
Other	146	-	146	280	-	280
NET LIABILITY AT DECEMBER 31	**44,579**	**63,231**	**107,810**	**47,210**	**65,509**	**112,719**

(1) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Principal actuarial assumptions	France	Europe (excluding France)	United-States	Turkey and India	West Africa & the Middle East
Discount rate					
2021	1.0%	0.3% to 1%	3.0%	6.2% to 18.5%	4.5% to 15%
2020	0.3%	0.15% to 0.5%	2.8%	5.9% to 13%	4.5% to 14.5%
Rate of increase in medical costs					
2021	-	-	6.65% to 4.5%	-	-
2020	-	-	7.1% to 4.5%	-	-

Sensitivity analysis

The main factors contributing to the volatility of the balance sheet are the discount rate and the rate of increase in medical costs.

The sensitivity of the defined benefit obligation at the end of 2021 corresponding to a variation of +/-50 basis points in the discount rate is €(28.1) million and €31.5 million, respectively.

The sensitivity of the defined benefit obligation at the end of 2021 corresponding to a change of +/-1% in the rate of increase of medical costs is €10 million and €(8.3) million, respectively.

16.1.1 Impact of the application of the decision of the IFRS IC

The effects of the application of the decision of the IFRS IC are presented as follows in the financial statements:

Consolidated statement of comprehensive income

(in thousands of euros)	2020 figures reported	Impact of the decision of the IFRIC	2020 figures restated
Consolidated net income	**172,144**	-	**172,144**
Other comprehensive income	-	-	-
Items not recycled to profit or loss:			
Remeasurement of the net defined benefit liability	46	3,282	3,328
Tax on non-recycled items	307	(854)	(547)
Items recycled to profit or loss:			
Changes in currency translation adjustments	(280,898)	(676)	(281,574)
Cash flow hedge instruments	4,878	-	4,878
Tax on recycled items	(1,157)	-	(1,157)
Other comprehensive income (after tax)	**(276,824)**	**1,752**	**(275,072)**
TOTAL COMPREHENSIVE INCOME	**(104,680)**	**1,752**	**(102,928)**
Portion attributable to minority interests	(20,570)	-	(20,570)
Portion attributable to the Group	**(84,110)**	**1,752**	**(82,358)**

Consolidated statement of financial position

(in thousands of euros)	At January 1, 2020 reported	Impact of the decision of the IFRIC	January 1, 2020 restated	December 31, 2020 reported	Impact of the decision of the IFRIC	December 31, 2020 restated
ASSETS						
Goodwill	1,231,538	-	1,231,538	1,118,874	-	1,118,874
Other intangible assets	187,046	-	187,046	170,812	-	170,812
Property, plant and equipment	2,031,781	-	2,031,781	1,987,852	-	1,987,852
Right of use related to leases	219,066	-	219,066	186,829	-	186,829
Investment properties	15,125	-	15,125	14,831	-	14,831
Investments in associated companies	85,212	-	85,212	77,873	-	77,873
Deferred tax assets	89,938	(2,372)	87,566	71,922	(2,957)	68,965
Receivables and other non-current financial assets	236,142	-	236,142	239,176	-	239,176
Total non-current assets	**4,095,848**	**(2,372)**	**4,093,476**	**3,868,169**	**(2,957)**	**3,865,212**
Inventories and work-in-progress	401,551	-	401,551	354,937	-	354,937
Trade and other accounts	416,568	-	416,568	440,874	-	440,874
Current tax assets	72,811	-	72,811	3,328	-	3,328
Other receivables	192,776	-	192,776	152,496	-	152,496
Cash and cash equivalents	398,514	-	398,514	422,843	-	422,843
Total current assets	**1,482,220**	**-**	**1,482,220**	**1,374,478**	**-**	**1,374,478**
TOTAL ASSETS	**5,578,068**	**(2,372)**	**5,575,696**	**5,242,647**	**(2,957)**	**5,239,690**

(in thousands of euros)	At January 1, 2020 reported	Impact of the decision of the IFRIC	January 1, 2020 restated	December 31, 2020 reported	Impact of the decision of the IFRIC	December 31, 2020 restated
SHAREHOLDERS' EQUITY AND LIABILITIES						
Capital	179,600	-	179,600	179,600	-	179,600
Additional paid-in capital	11,207	-	11,207	11,207	-	11,207
Treasury shares	(52,416)	-	(52,416)	(53,587)	-	(53,587)
Consolidated reserves	2,598,620	7,990	2,606,610	2,679,297	10,416	2,689,713
Translation reserves	405,843	57	(405,786)	(640,130)	(675)	(640,805)
Shareholders' equity, Group share	**2,331,168**	**8,047**	**2,339,215**	**2,176,387**	**9,741**	**2,186,128**
Minority interests	**264,767**		**264,767**	**234,306**	**4**	**234,310**
Total shareholders' equity	**2,595,935**	**8,047**	**2,603,982**	**2,410,693**	**9,745**	**2,420,438**
Provisions for pensions and other post-employment benefits	141,235	(10,866)	130,369	139,022	(13,162)	125,860
Other provisions	140,243	-	140,243	116,764	-	116,764
Financial debts and put options	1,109,769	-	1,109,769	1,270,162	-	1,270,162
Lease liabilities	178,398	-	178,398	157,563	-	157,563
Deferred tax liabilities	253,194	447	253,641	213,736	460	214,196
Other non-current liabilities	52,072	-	52,072	37,999	-	37,999
Total non-current liabilities	**1,874,911**	**(10,419)**	**1,864,492**	**1,935,246**	**(12,702)**	**1,922,544**
Provisions	10,635	-	10,635	13,522	-	13,522
Financial liabilities and put options at less than one year	391,594	-	391,594	165,375	-	165,375
Lease liabilities at less than one year	59,864	-	59,864	47,382	-	47,382
Trade and other accounts payable	354,652	-	354,652	375,329	-	375,329
Current taxes payable	49,162	-	49,162	24,557	-	24,557
Other liabilities	241,315	-	241,315	270,543	-	270,543
Total current liabilities	**1,107,222**	**-**	**1,107,222**	**896,708**	**-**	**896,708**
Total liabilities	**2,982,133**	**(10,419)**	**2,971,714**	**2,831,954**	**(12,702)**	**2,819,252**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**5,578,068**	**(2,372)**	**5,575,696**	**5,242,647**	**(2,957)**	**5,239,690**

Statement of changes in consolidated shareholder's equity

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity, Group share	Minority interests	Total shareholders' equity
At January 1, 2020 reported	**179,600**	**11,207**	**(52,416)**	**2,598,620**	**405,843**	**2,331,168**	**264,767**	**2,595,935**
Impact of the decision of the IFRS IC on other comprehensive income	-	-	-	7,990	57	8,047	-	8,047
At January 1, 2020 restated	**179,600**	**11,207**	**(52,416)**	**2,606,610**	**(405,786)**	**2,339,215**	**264,767**	**2,603,982**
Net income	-	-	-	155,995	-	155,995	16,149	172,144
Other comprehensive income	-	-	-	(5,822)	(234,283)	(240,105)	(36,719)	(276,824)
Impact of the decision of the IFRS IC on other comprehensive income	-	-	-	2,428	(675)	1,753	-	1,753
Comprehensive income reported	**-**	**-**	**-**	**150,173**	**(234,283)**	**(84,110)**	**(20,570)**	**(104,680)**
Comprehensive income restated	**-**	**-**	**-**	**152,601**	**(234,958)**	**(82,357)**	**(20,570)**	**(102,927)**
Dividends paid	-	-	-	(66,369)	-	(66,369)	(8,232)	(74,601)
Net change in treasury shares	-	-	(1,171)	(1,455)	-	(2,626)	-	(2,626)
Other changes	-	-	-	(1,676)	-	(1,676)	(1,659)	(3,335)
Impact of the decision of the IFRS IC on other changes	-	-	-	2	(61)	(59)	4	(55)
AT DECEMBER 31, 2020 REPORTED	**179,600**	**11,207**	**(53,587)**	**2,679,293**	**(640,126)**	**2,176,387**	**234,306**	**2,410,693**
AT DECEMBER 31, 2020 RESTATED	**179,600**	**11,207**	**(53,587)**	**2,689,713**	**(640,805)**	**2,186,128**	**234,310**	**2,420,438**

16.2 Other provisions

Accounting policy

In accordance with IAS 37, a provision is recognized when the Group has a current commitment, whether statutory or implicit, resulting from a significant event prior to the closing date which would lead to an outflow of resources without corresponding inflow after the closing date, which can be reliably estimated.

These include, notably, provisions for site reinstatement, which are set aside progressively as quarries are used and include the projected costs related to the Group's obligation to reinstate such sites.

In accordance with IAS 37, provisions are discounted when the impact is significant. The effects of this discounting are recorded under net financial income.

(in thousands of euros)	Restoration of sites	Dismantling	Other risks (1)	Other expenses	Total
At December 31, 2019	**51,420**	**564**	**91,590**	**7,305**	**150,878**
Increase	7,420	28	11,364	3,238	22,050
Reversal of provisions used	(2,226)	(73)	(19,589)	(1,124)	(23,012)
Reversal of unused provisions	(17)	-	(113)	-	(130)
Change in translation effect	(302)	3	(19,938)	(338)	(20,575)
Changes in consolidation scope	-	-	-	-	-
Other movements	2,973	-	(2,480)	582	1,075
At December 31, 2020	**59,268**	**522**	**60,834**	**9,663**	**130,286**
Increase	4,898	39	9,789	1,798	16,524
Reversal of provisions used	(5,162)	(106)	(24,477)	(4,584)	(34,329)
Reversal of unused provisions	-	-	-	-	-
Change in translation effect	2,006	21	1,061	361	3,449
Changes in consolidation scope	200	-	(424)	(247)	(471)
Other movements	-	-	(105)	1	(104)
AT DECEMBER 31, 2021	**61,210**	**476**	**46,678**	**6,992**	**115,355**
of which less than one year	*29*	*-*	*5,877*	*4,475*	*10,381*
of which more than one year	*61,181*	*476*	*40,800*	*2,517*	*104,974*

Impact (net of expenses incurred) on the income statement for 2021	Additional expense	Reversals unused
Operating income (expense):	15,383	-
Non-operating income (expense):	1,140	-

(1) At December 31, 2021, other risks included:

- *The provisions recognized in Ciplan's (Brazil) financial statements for a total amount of €20.7 million (€38.8 million at December 31, 2020) which mainly concern:*
  - *tax litigation relating chiefly to tax credits (ICMS) attributable to import duties related to the purchase of coke and diesel for production purposes, and disputed by the tax authorities (€18.4 million),*
  - *industrial relations and labor tribunal disputes following the departure of former employees (€1.8 million),*
  - *civil litigation involving fines and claims challenged by the company (€0.4 million).*

  At the time of its acquisition by the Vicat Group, Ciplan received a firm and irrevocable guarantee from its Brazilian partners for all litigation or future litigation relating to the period prior to the acquisition. This guarantee is recognized in other non-current assets for €28.0 million (see note 11.2), on the one hand in respect of indemnifiable claims accounted for as a provision (€20.2 million) and on the other hand, in respect of a tax recorded as tax debts at more than one year (€7.7 million).
- *An amount of €12.9 million (€9.7 million as at December 31, 2020) corresponding mainly to the estimated amount of the deductible at year-end for work-related accident claims in the United States and which will be paid by the Group.*
- *The remaining amount of other provisions for risks amounting to €13.1 million as at December 31, 2021 (€12.3 million as at December 31, 2020) corresponds to the sum of other provisions that, taken individually, are not material.*

NOTE 17 CURRENT LIABILITIES

17.1 Trade payables and related accounts

(in thousands of euros)	2021	2020
At January 1	**375,329**	**354,652**
Changes	88,335	38,724
Change in translation effect	(1,464)	(18,181)
Changes in consolidation scope	(2,455)	2,221
Other movements	(98)	(2,087)
AT DECEMBER 31	**459,647**	**375,329**

17.2 Other liabilities

(in thousands of euros)	December 31, 2021	December 31, 2020
Payroll liabilities	76,547	73,291
Tax liabilities	71,602	65,278
Other liabilities and accrued expenses	126,558	131,974
TOTAL	**274,707**	**270,543**

NOTE 18 CASH FLOWS

18.1 Net cash flows generated from operating activities

Net cash flows from operating activities conducted by the Group in 2021 totaled €439 million, compared with €528 million as at December 31, 2020.

This reduction in cash flows generated by operating activities between 2021 and 2020 is mainly due to a change in working capital of €(116) million compared to 2020, partly offset by the increase in cash flow from operations of €28 million.

(in thousands of euros)	Working capital December 31, 2019	Change Working capital 2020	Other changes	Working capital December 31, 2020	Change in Working capital 2021	Other changes	Working capital December 31, 2021
Inventories	401,551	(24,942)	(21,672)	354,937	93,682	(19,376)	429,243
Other Working capital components	(8,570)	(42,705)	5,613	(45,662)	(45,008)	3,179	(87,491)
WORKING CAPITAL	**392,981**	**(67,647)**	**(16,059)**	**309,275**	**48,674**	**(16,197)**	**341,752**

18.2 Net cash flows from investing activities

Net cash flows from investing activities conducted by the Group in 2021 were €(443) million, compared with €(322) million in 2020.

Acquisitions of property, plant and equipment and intangible assets

These reflect outflows for industrial investments (€376 million in 2021 and €300 million in 2020) mainly corresponding, in 2021 and 2020, to investments made in the United States, France and Senegal.

Acquisition/disposal of shares in consolidated companies

Operations for the acquisition/disposal of consolidated companies carried out in 2021 resulted in total outflows of €(31) million. The main outflows over the period related to the acquisition of majority interests in France and the acquisition of a minority interest in a Brazilian subsidiary, partly offset by the inflow resulting from the Group's disposal of a subsidiary in Switzerland.

The main outflows by the Group during 2020 were made for capital contributions to the Group's equity-accounted entities.

SEGMENT INFORMATION

Accounting policy

In accordance with IFRS 8 "Operating Segments" the segment information is based on information taken from the internal reporting. This information is used internally by the General Management responsible for implementing the strategy defined by the Chairman of the Board of Directors for measuring the Group's operating performance and for allocating capital expenditure and resources to geographical areas and business segments.

The operating segments defined pursuant to IFRS 8 comprise the following six geographical areas in which the Group operates and which can, as permitted by IFRS 8, combine countries with similarities:

- France;
- Europe (except France) including Switzerland and Italy;
- Americas including United States and Brazil;
- Asia including India and Kazakhstan;
- Mediterranean region including Turkey and Egypt;
- Africa including Senegal, Mali and Mauritania.

This organization by region is means of assessing the financial nature and impact of economic environments in which the Group operates and reflects its matrix-based organization as well as the predominance of geographical aspects in the strategic analyses presented to the General Management. More concise additional information is presented per business sector.

The management indicators presented were adapted in order to be consistent with those used by the General Management, while complying with IFRS 8 disclosure requirements: revenue from operations and consolidated revenue, EBITDA and EBIT, total non-current assets, net capital employed, industrial investments, depreciation and amortization and number of employees.

The management indicators used for internal reporting are identical for all the segments defined above and are determined in accordance with the IFRS principles applied by the Group in its consolidated financial statements.

Breakdown by operating segment

Information relating to operating segment is presented according to the geographical location of the entities concerned.

December 31, 2021 *(in thousands of euros except headcount)*	France	Europe (excluding France)	Americas	Asia	Mediterranean	Africa	Total
Income statement							
Operating revenue	1,105,336	396,295	671,935	428,010	228,377	341,222	3,171,175
Inter-country eliminations	(31,358)	(2,761)	-	(80)	-	(14,036)	(48,235)
Consolidated revenue	1,073,978	393,534	671,935	427,930	228,377	327,186	3,122,940
EBITDA (see Definition of management indicators)	201,096	88,959	139,624	121,648	3,152	64,639	619,118
EBIT (see Definition of management indicators)	117,693	55,294	83,638	88,137	(14,743)	29,903	359,922
Balance sheet							
Total non-current assets	848,356	643,387	1,109,531	701,396	269,113	535,500	4,107,283
Net capital employed (1)	898,022	573,217	942,014	729,171	290,384	573,678	4,006,486
Other information							
Acquisitions of property, plant and equipment and intangible assets	133,818	38,913	175,447	20,945	19,013	67,660	455,796
Net depreciation and amortization charges	(88,996)	(34,645)	(53,429)	(32,300)	(16,817)	(32,262)	(258,449)
Average number of employees	3,071	725	2,161	1,216	1,353	950	9,476

December 31, 2020 (in thousands of euros except headcount)	France	Europe (excluding France)	Americas	Asia	Mediterranean	Africa	Total
Income statement							
Operating revenue	987,283	425,712	635,788	348,068	173,210	272,764	2,842,825
Inter-country eliminations	(24,136)	(2,243)	-	(72)	-	(11,212)	(37,663)
Consolidated revenue	963,147	423,469	635,788	347,996	173,210	261,552	2,805,162
EBITDA (see Definition of management indicators)	170,502	97,483	141,468	102,746	(11,009)	56,125	557,315
EBIT (see Definition of management indicators)	92,065	55,296	86,461	68,498	(29,391)	24,919	297,848
Balance sheet							
Total non-current assets (2)	792,705	651,369	946,352	679,009	290,748	505,029	3,865,212
Net capital employed (1) (2)	815,911	623,455	750,738	669,945	278,996	536,163	3,675,208
Other information							
Acquisitions of property, plant and equipment and intangible assets	92,861	42,968	169,708	16,687	14,764	38,489	375,477
Net depreciation and amortization charges	(83,231)	(37,518)	(55,519)	(33,440)	(16,028)	(30,592)	(256,328)
Average number of employees	2,987	1,097	2,132	1,228	1,510	948	9,902

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital, after deduction of provisions and deferred taxes.
(2) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

Information by business segment

December 31, 2021 *(in thousands of euros)*	Cement	Concrete & Aggregates	Other Products and Services	Total
Income statement				
Operating revenue	1,913,585	1,191,065	452,993	3,557,643
Inter-segment eliminations	(281,063)	(32,849)	(120,791)	(434,703)
Consolidated revenue	1,632,522	1,158,216	332,202	3,122,940
EBITDA (see Definition of management indicators)	456,217	133,308	29,593	619,118
EBIT (see Definition of management indicators)	300,016	48,883	11,023	359,922
Balance sheet				
Net capital employed (1)	2,841,342	951,101	214,043	4,006,486

December 31, 2020 *(in thousands of euros)*	Cement	Concrete & Aggregates	Other Products and Services	Total
Income statement				
Operating revenue	1,673,216	1,082,841	434,414	3,190,471
Inter-segment eliminations	(252,160)	(33,076)	(100,073)	(385,309)
Consolidated revenue	1,421,056	1,049,765	334,341	2,805,162
EBITDA (see Definition of management indicators)	415,240	120,776	21,299	557,315
EBIT (see Definition of management indicators)	264,432	33,531	(115)	297,848
Balance sheet				
Net capital employed (1) (2)	2,598,255	945,489	131,464	3,675,208

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital, after deduction of provisions and deferred taxes.

(2) 2020 figures have been restated based on IFRS IC about the periods of service to which a company attributes benefit for a particular type of defined benefit plan (See note 16.1.1).

OTHER INFORMATION

NOTE 19 REMUNERATION OF EXECUTIVES

Pursuant to the provisions of article 225.102-1 of the French Commercial Code, and in accordance with IAS 24, we hereby inform you that the total gross compensation paid to each company officer in 2021 was as follows:

Guy Sidos €1,447,100 and Didier Petetin: €471,722.

These amounts represent the total compensation paid by Vicat SA and any companies it controls, or is controlled by, as defined by article L. 233-16 of the French Commercial Code.

As from 2021, the two aforementioned company officers no longer benefit from a supplemental pension plan as defined in Article 39 of the French General Tax Code (CGI). In fact, this supplemental pension plan was terminated during the year. The obligations in question were thus cancelled during the same period.

In addition, to partly offset the loss of this supplemental pension plan, a free share plan was established in 2021: the two aforementioned company officers were beneficiaries, along with a number of executives who benefitted from this supplemental pension plan. In 2021, neither of the two company officers received shares under the free share plan.

Outside of this free share plan, no stock or stock options have been granted to the above company officers with the exception of any received under legal or contractual employee profit-sharing or incentive plans.

NOTE 20 TRANSACTIONS WITH RELATED COMPANIES

In addition to information required for related parties regarding the senior executives, described in note 19, related parties with which transactions are carried out include affiliated companies in which Vicat directly or indirectly holds a stake, and entities that hold a stake in Vicat.

These related-party transactions were not material and were all concluded on an arm's length basis.

These transactions have all been recorded in compliance with IAS 24 and their impact on the Group's consolidated financial statements for 2021 and 2020 is as follows, broken down by type of related party:

	December 31, 2021				DECEMBER 31, 2020			
(in thousands of euros)	Sales	Purchases	Receivables	Liabilities	Sales	Purchases	Receivables	Liabilities
Associates	3,359	1,424	3,542	2,294	2,780	2,615	3,226	4,152
Other related parties	29	1,200	1	-	84	1,207	12	148
TOTAL	**3,388**	**2,624**	**3,543**	**2,294**	**2,864**	**3,822**	**3,238**	**4,300**

NOTE 21 AUDIT FEES

Fees paid to statutory auditors and other professionals in their networks as recognized in the financial statements of Vicat SA and its fully consolidated subsidiaries for 2021 are as follows:

2021	KPMG AUDIT		WOLFF & ASSOCIÉS		OTHER	
(in thousands of euros)	Amount (excl. tax)	%	Amount (excl. tax)	%	Amount (excl. tax)	%
AUDIT						
Certification of individual and consolidated financial statements	1,176	47%	457	18%	871	35%
• VICAT SA	304	58%	224	42%	-	0%
• Controlled entities	872	44%	233	12%	871	44%
Services other than the certification of the financial statements	60	62%	-	0%	37	38%
• VICAT SA	60	100%	-	0%	-	0%
• Controlled entities	-	0%	-	0%	37	100%
Subtotal audit	**1,236**	**48%**	**457**	**18%**	**908**	**35%**
OTHER SERVICES						
Legal, tax, employment and other matters	-	0%	1	0%	544	95%
Subtotal Other services	**-**	**0%**	**1**	**0%**	**544**	**95%**
TOTAL	**1,265**	**40%**	**458**	**14%**	**1,452**	**46%**

NOTE 22 POST-BALANCE SHEET EVENTS

No post-balance sheet event has had a material impact on the consolidated financial statements as at December 31.

NOTE 23 LIST OF MAIN CONSOLIDATED COMPANIES AS AT DECEMBER 31, 2021

Fully consolidated: France

			% INTEREST	
COMPANY	Country	City	December 31, 2021	December 31, 2020
VICAT	France	L'Isle d'Abeau	-	-
AGENCY BULK CHARTERING VICAT	France	Nantes	49.99	49.99
ANNECY BETON CARRIÈRES	France	L'Isle d'Abeau	49.98	49.98
LES ATELIERS DU GRANIER	France	CHAPAREILLAN	99.98	99.98
BÉTON CONTRÔLE CÔTE D'AZUR	France	Nice	99.97	99.97
BÉTON VICAT	France	L'Isle d'Abeau	99.98	99.98
BÉTON TRAVAUX	France	L'Isle d'Abeau	99.98	99.98
CARRIÈRE DE BELLECOMBES	France	L'Isle d'Abeau	99.97	49.98
CENTRE D'ÉTUDE DES MATÉRIAUX ET DES BÉTONS	France	Fillinges	79.99	79.99
DELTA POMPAGE	France	Chambéry	99.98	99.98
GRANULATS VICAT	France	L'Isle d'Abeau	99.98	99.98
PARFICIM	France	L'Isle d'Abeau	100.00	100.00
SATMA	France	L'Isle d'Abeau	100.00	100.00
SATM	France	Chambéry	99.98	99.98
SIGMA BÉTON	France	L'Isle d'Abeau	99.99	99.99
VICAT PRODUITS INDUSTRIELS	France	L'Isle d'Abeau	99.98	99.98

Fully consolidated: Rest of the world

			% INTEREST	
COMPANY	Country	City	December 31, 2021	December 31, 2020
CIPLAN	Brazil	Brasilia	74.13	66.07
VICAT BRASIL	Brazil	Brasilia	100.00	100.00
SINAÏ CEMENT COMPANY	Egypt	Cairo	56.20	56.20
JAMBYL CEMENT PRODUCTION COMPANY LLP	Kazakhstan	Almaty	90.00	90.00
MYNARAL TAS COMPANY LLP	Kazakhstan	Almaty	90.00	90.00
BUILDERS CONCRETE	USA	California	100.00	100.00
KIRKPATRICK	USA	Alabama	100.00	100.00
NATIONAL CEMENT COMPANY OF ALABAMA	USA	Alabama	100.00	100.00
NATIONAL CEMENT COMPANY INC	USA	Delaware	100.00	100.00
NATIONAL CEMENT COMPANY OF CALIFORNIA	USA	Delaware	100.00	100.00
NATIONAL READY MIXED	USA	California	100.00	100.00
VIKING READY MIXED	USA	California	100.00	100.00
WALKER CONCRETE	USA	Georgia	100.00	100.00
CEMENTI CENTRO SUD Spa	Italy	Genova	100.00	100.00
CIMENTS & MATÉRIAUX DU MALI	Mali	Bamako	94.90	94.90
GECAMINES	Senegal	Thies	100.00	100.00
POSTOUDIOKOUL	Senegal	RUFISQUE (DAKAR)	100.00	100.00
SOCOCIM INDUSTRIES	Senegal	RUFISQUE (DAKAR)	99.90	99.90

COMPANY	Country	City	% INTEREST December 31, 2021	% INTEREST December 31, 2020
ALTOLA AG	Switzerland	Olten (Solothurn)	100.00	100.00
KIESWERK AEBISHOLZ AG	Switzerland	Aebisholz (Soleure)	100.00	100.00
BETON AG BASEL	Switzerland	Basel	100.00	100.00
BETON AG INTERLAKEN	Switzerland	Interlaken (Bern)	75.42	75.42
BETONPUMPEN OBERLAND AG	Switzerland	Wimmis (Bern)	82.46	82.46
CREABETON MATERIAUX SA	Switzerland	Lyss (Bern)	-	100.00
EMME KIES + BETON AG	Switzerland	Lützelflüh (Bern)	66.67	66.67
FRISCHBETON AG ZUCHWIL	Switzerland	Zuchwil (solothurn)	88.94	88.94
FRISCHBETON LANGENTHAL AG	Switzerland	Langenthal (Bern)	81.17	79.17
FRISCHBETON THUN	Switzerland	Thoune (Bern)	53.48	53.48
KIESTAG STEINIGAND AG	Switzerland	Wimmis (Bern)	98.55	98.55
KIESWERK NEUENDORF	Switzerland	Neuendorf (Soleure)	50.00	50.00
SABLES + GRAVIERS TUFFIERE SA	Switzerland	Hauterive (Fribourg)	50.00	50.00
SHB STEINBRUCH + HARTSCHOTTER BLAUSEE MITHOLZ AG	Switzerland	Frutigen (Bern)	98.55	98.55
SOLOTHURNER ENTSORGUNGS GESELLSCHAFT	Switzerland	Flumenthal (Solothurn)	100.00	100.00
SONNEVILLE AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER BETON JURA SA	Switzerland	Belprahon (Bern)	84.81	84.81
VIGIER BETON KIES SEELAND AG	Switzerland	Lyss (Bern)	100.00	100.00
VIGIER BETON MITTELLAND AG	Switzerland	Feldbrunnen (Solothurn)	100.00	100.00
VIGIER BETON ROMANDIE SA	Switzerland	St. Ursen (Fribourg)	100.00	100.00
VIGIER BETON SEELAND JURA AG	Switzerland	Safnern (Bern)	94.24	94.24
VIGIER CEMENT AG	Switzerland	Pery (Bern)	100.00	100.00
VIGIER HOLDING AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER MANAGEMENT AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER RAIL	Switzerland	Müntschemier (Bern)	100.00	100.00
VIGIER TRANSPORT AG (ex-GRANDY)	Switzerland	Langendorf (Soleure)	100.00	100.00
VITRANS AG	Switzerland	Pery (Bern)	100.00	100.00
BASTAS BASKENT CIMENTO	Turkey	Ankara	91.60	91.60
BASTAS HAZIR BETON	Turkey	Ankara	91.60	91.60
KONYA CIMENTO	Turkey	Konya	83.08	83.08
KONYA HAZIR BETON	Turkey	Konya	83.08	83.08
TAMTAS	Turkey	Ankara	100.00	100.00
MAURICIM	Mauritania	Nouakchott	100.00	100.00
BHARATHI CEMENT	India	Hyderabad	51.02	51.02
KALBURGI CEMENT	India	Hyderabad	99.98	99.98

Equity method: France

Company	Country	City	% INTEREST December 31, 2021	December 31, 2020
ALTèreNATIVE	France	L'Isle d'Abeau	49.99	-
BIOVAL	France	L'Isle d'Abeau	39.99	39.99
CARRIÈRES BRESSE BOURGOGNE	France	Épervans	33.28	33.28
DRAGAGES ET CARRIÈRES	France	Épervans	49.98	49.98
SABLIÈRES DU CENTRE	France	Les Martres d'Artière	49.99	49.99
SCI ABBÉ CALES	France	Chambéry	69.99	69.99
EST LYONNAIS GRANULATS	France	Dijon	33.33	33.33

Equity method: Rest of the world

Company	Country	City	% INTEREST December 31, 2021	December 31, 2020
HYDROELECTRA	Switzerland	Au (St. Gallen)	50.00	50.00
PROBETON	Switzerland	Vernier	50.20	-
SILO TRANSPORT AG	Switzerland	Bern	50.00	50.00
SINAÏ WHITE CEMENT	Egypt	Cairo	14.27	14.27
PLANALTO	Brazil	Brasilia	36.32	32.38
BIKILTAS ENERJI PETROL MADENCILIK INSAAT AS	Turkey	Selcuklu/Konya	50.00	50.00