

Constellium SE

Statutory auditors' report on the financial statements

(For the year ended 31 December 2020)

PricewaterhouseCoopers Audit

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

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

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

**Statutory auditors' report on the financial statements
(For the year ended 31 December 2020)**

To the annual general meeting

Constellium SE

Washington Plaza
40-44 rue Washington
75008 PARIS

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Constellium SE for the year ended December 31, 2020.

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

Basis for Opinion***Audit Framework***

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

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

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

Justification of Assessments

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

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, relate to the appropriateness of the accounting principles followed, as well as to the reasonableness of significant estimates adopted in particular for valuation of financial assets.

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

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (code de commerce).

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

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

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

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Neuilly-sur-Seine and Paris, March 16, 2021

PricewaterhouseCoopers Audit

RSM PARIS

Pierre Marty

Paul Vaillant

(Free English translation of
“Comptes annuels 2020
Constellium SE”)

FINANCIAL STATEMENTS 2020

Constellium SE
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75008 Paris
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BALANCE SHEET AS AT DECEMBER 31, 2020 AND AS AT DECEMBER 31, 2019

(in thousands of euros)	Notes	At December 31, 2020 Net amount	At December 31, 2019 Net amount
FINANCIAL ASSETS			
Investments in subsidiaries and associates	5.1	104,442	105,442
Intercompany loans	5.2	2,112,660	2,117,269
		<u>2,217,102</u>	<u>2,222,711</u>
OTHER ASSETS			
Trade receivables		-	54
Other receivables	5.3	208,950	227,467
Cash and cash equivalents		1	14
Deferred arrangement fees on borrowings		26,925	26,138
Unrealized foreign exchange losses	5.4	54,657	87,319
		<u>290,533</u>	<u>340,992</u>
TOTAL ASSETS		2,507,635	2,563,703
EQUITY			
Share capital		2,799	2,757
Share premium		428,874	428,874
Accumulated retained earnings		(453)	(56,050)
Income for the year		17,507	55,639
TOTAL EQUITY	5.5	448,727	431,220
FINANCIAL LIABILITIES			
Borrowings	5.6	1,957,910	2,012,307
		<u>1,957,910</u>	<u>2,012,307</u>
OTHER LIABILITIES			
Trade payables		1,723	2,238
Tax and social security liabilities		3,704	3,475
Other payables	5.7	40,914	27,144
Unrealized foreign exchange gains	5.4	54,657	87,319
		<u>100,998</u>	<u>120,176</u>
TOTAL LIABILITIES		2,058,908	2,132,483
TOTAL EQUITY AND LIABILITIES		2,507,635	2,563,703

INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

<i>(in thousands of euros)</i>	<i>Notes</i>	<i>Year ended December 31, 2020</i>	<i>Year ended December 31, 2019</i>
Revenue	6.1	2,863	3,096
Other income		2,543	30
Total operating income		5,406	3,126
Stewardship expenses and other professional fees		(14,988)	(17,961)
Other taxes and similar levies		(391)	(3,328)
Salaries and wages		(1,767)	(2,107)
Social security charges		(1,126)	(846)
Other expenses		(1,087)	(925)
Total operating expenses		(19,359)	(25,167)
OPERATING LOSS		(13,953)	(22,041)
Interest income		136,317	141,862
Foreign exchange gains		92	35
Other finance gains		86	87
Total finance income		136,495	141,984
Interest expenses		(111,153)	(115,054)
Foreign exchange losses		(89)	(89)
Amortization of deferred arrangement fees		(5,310)	(5,267)
Depreciation of investment in subsidiaries		(1,000)	-
Other finance losses		(39)	(63)
Total finance expenses		(117,591)	(120,473)
FINANCE INCOME	6.4	18,904	21,511
CURRENT INCOME / (LOSS) BEFORE INCOME TAXES		4,951	(530)
Non-recurring income		-	222
Total non-recurring income		-	222
Non-recurring expenses on management operations		-	(2)
Non-recurring expenses on capital transactions		-	(206)
Total non-recurring expenses		-	(208)
NON-RECURRING GAIN	6.5	-	14
Income tax benefit	6.6	12,556	56,155
INCOME FOR THE YEAR		17,507	55,639

NOTES TO THE FINANCIAL
STATEMENTS 2020

Constellium SE
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Financial Statements 2020 – CONSTELLIUM SE

The information below comprises the notes to the financial statements for the year ended December 31, 2020 of Constellium SE, a *Societas Europaea* registered in the trade and companies register of Paris under number 831 763 743 R.C.S. Paris, having its registered office at Washington Plaza, 40-44 rue Washington, 75008 Paris, France (the “**Company**”).

The Company is the consolidating company of the Constellium group.

The year ended December 31, 2020 had a duration of 12 months, covering the period from January 1, 2020 to December 31, 2020.

The notes or tables below are an integral part of the 2020 financial statements.

NOTE 1. ACCOUNTING STANDARDS, PRINCIPLES AND POLICIES

The financial statements of the Company for the fiscal years ended December 31, 2020 and December 31, 2019 have been prepared in accordance with French accounting principles as set out in regulation no. 2014-03 dated June 5, 2014 of the French Accounting Principles Authority (*Autorité des Normes Comptables*, abbreviated as ANC) (“**ANC**”) relating to the General Chart of Accounts (*Plan Comptable Général*), as amended by ANC regulation no. 2018-01 dated April 20, 2018, which regulation was approved by the order of October 8, 2018 published in the *Journal Officiel* of October 9, 2018 and in accordance with the principles of prudence, consistency of policies, independence of annual closing and going concern.

The basis for the valuation of assets and liabilities is the historical cost method, subject to the exceptions mentioned hereafter.

The significant accounting policies applied are as follows:

1.1 Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost or at contribution value (including acquisition costs). A provision for impairment is recorded when the recoverable value is steadily below the net book value. The net asset value of each investment is assessed by management according to the criteria deemed most relevant to the specific case of each interest: share of net assets, remeasured net assets, discounted future cash flows.

1.2 Loans and receivables

Receivables are measured at their nominal value.

An impairment charge may be recorded when the recoverable value falls below the nominal value.

1.3 Foreign currency transactions

Receivables and payables denominated in foreign currencies (*i.e.*, currencies other than the euro) are recorded at their euro equivalent amount as at the transaction date.

The Company manages the foreign exchange exposure in order to minimize volatility in cash flow as a result of movements in foreign exchange rates and applies hedge accounting according to French accounting rules.

Payables, receivables and cash and cash equivalents are remeasured using the closing rate as at December 31. Differences between the historical book values and the above remeasurements are recorded in the balance sheet as “Unrealized foreign exchange gains / losses”. Unrealized foreign exchange losses (for their non-offset part) are subject to a provision, in full, in the case of unhedged transactions.

For hedged transactions, no provision is recorded unless a risk of loss resulting from partial ineffectiveness of the hedging relationship has been identified. As at December 31, 2020 and 2019, the foreign exchange effect is nearly nil as the dollar-denominated borrowings are naturally hedged by loans in dollars for the same nominal amount.

1.4 Provisions

Provisions are recorded when there is an obligation to a third party and it is probable or certain that this obligation will result in an outflow of resources to the third party without at least equivalent consideration.

When the equity value of a subsidiary is negative, without prospect of a rapid recovery, a provision is recorded for the amount that would be required to recapitalize the subsidiary.

1.5 Pensions and retirement indemnities

The obligations in respect of retirement indemnities are subject to an actuarial valuation and are reported as off-balance sheet commitments; no provision is recorded by the Company in this respect.

1.6 Borrowing and payables

Borrowings and payables are recorded at their nominal repayment value.

1.7 Related party transactions

There are no transactions, other than transactions entered into under normal market conditions, between the Company and its related parties.

1.8 Tax regime

Since January 1, 2018, the Company, in its capacity as a parent entity, is the only entity liable to pay corporate income tax and additional contributions (hereinafter collectively the “**Corporate Income Tax**”) for the French entities of the Constellium group that are members of the French tax group, pursuant to article 223 A of the French General Tax Code.

Companies of the Constellium group that are members of the French tax group pay their Corporate Income Tax, if any, to the Company, as if they were taxed separately.

1.9 Financial instruments

Risks related to exchange rate fluctuations are managed in a manner defined and coordinated by the Constellium group, which mainly consists of hedging risks related to exchange rate fluctuations, for assets and liabilities existing at the end of the fiscal year as well as for commitments and highly probable forecasted transactions.

The Company analyzes the characteristics of these financial instruments and designates them, where appropriate, as hedging transactions for accounting purposes. Transactions not settled at year-end are valued at market value, determined using generally accepted models and methods and according to the value, exchange rate and premium/discount assumptions provided by rating agencies.

All foreign exchange hedges are entered into using listed instruments (forward purchases or sales), or over-the-counter products with top-tier financial counterparties.

1.10 Deferred arrangement fees on borrowings

Costs of issuance of borrowings comprising the fees related to the Company’s borrowings are capitalized and amortized over the respective term of each borrowing.

NOTE 2. HIGHLIGHTS OF THE YEAR ENDED DECEMBER 31, 2020

On December 12, 2019, Constellium SE (hereinafter “**Constellium SE**” or the “**Company**”) completed the transfer of its registered office from Amsterdam, Netherlands to France at Washington Plaza, 40-44 rue Washington, 75008 Paris, France. Thus, Constellium SE is a French company since that date and applies the French accounting principles since the year ended December 31, 2019.

On June 30, 2020, Constellium SE issued Senior Notes for an aggregate principal amount of \$325 million (equivalent to €290 million as of the issuance date) due 2028, bearing interest at a fixed rate of 5.625% per annum payable semi-annually. The Company used a portion of the net proceeds of that issuance to redeem all of the outstanding Euro-denominated Senior Notes due May 2021 (i.e., redemption of €200 million in principal plus accrued interests).

The 2020 annual financial statements of the Company have been prepared in accordance with the principle of going concern of the operations. The COVID-19 crisis did not have a significant impact on the Company’s 2020 annual financial statements.

NOTE 3. CHANGE IN ACCOUNTING PRINCIPLES

No change in accounting principles occurred during year 2020.

NOTE 4. SUBSEQUENT EVENTS

On February 24, 2021, the Company completed a private offering of \$500 million in aggregate principal amount of 3.750% Sustainability-Linked Senior Notes due 2029. The Company used the net proceeds from the offering, together with cash on hand, to repurchase or redeem the Company’s 6.625% Senior Notes due 2025, and to pay related fees and expenses.

NOTE 5. INFORMATION ON THE BALANCE SHEET

5.1. Investments in subsidiaries and associates

The investments in subsidiaries and associates comprise the ownership of shares of the following companies:

	At December 31, 2019	Foreign exchange effect	Increase	Decrease	Impairment	At December 31, 2020
<i>(in thousands of euros - gross value)</i>						
Constellium International	93,276	-	-	-	-	93,276
Constellium Deutschland GmbH	11,166	-	-	-	-	11,166
Constellium Extrusions Deutschland GmbH	1,000	-	-	-	(1,000)	-
TOTAL	105,442	-	-	-	(1,000)	104,442

<i>(in thousands of euros)</i>	Capital	Reserves and retained earnings before allocation of profit	Income (loss) of the most recently completed fiscal year	Share of ownership	Carrying amounts of the shares held as at December 31, 2020			Dividends received in 2020
					Gross	Impairment	Net	
Constellium International (1)	20,169	189,192	57,049	100%	93,276	-	93,276	-
Constellium Deutschland GmbH (2)	133,958	(101,600)	(1,618)	10%	11,166	-	11,166	86
Constellium Extrusions Deutschland GmbH (1)	16,420	(12,957)	(3,974)	10%	1,000	(1,000)	-	-
TOTAL					105,442	(1,000)	104,442	86

(1) As per 2019 audited financial statements of the relevant entity

(2) As per 2020 unaudited reporting of the relevant entity

5.2 Intercompany loans

Intercompany loans correspond mainly to loans granted by the Company to some of its subsidiaries:

<i>(in thousands of euros)</i>	<i>At December 31, 2019</i>	<i>Foreign exchange revaluation</i>	<i>Increase</i>	<i>Decrease</i>	<i>At December 31, 2020</i>
Loans to Constellium International :					
\$400M from May 7, 2014 to May 15, 2024	356,062	(30,090)	-	-	325,972
€300M from May 7, 2014 to May 15, 2021	150,000	-	-	(150,000)	-
€150M from December 19, 2014 to February 15, 2028	150,000	-	-	-	150,000
€200M from September 28, 2017 to May 15, 2021	200,082	-	-	-	200,082
\$325M from June 30, 2020 to June 15, 2028	-	(25,380)	290,232	-	264,852
Loans to Constellium France Holdco :					
\$650M from February 16, 2017 to March 1, 2025	578,601	(48,896)	-	-	529,705
€200M from November 9, 2017 to February 15, 2026	200,000	-	-	-	200,000
Loans to Constellium Finance :					
\$500M from November 9, 2017 to February 15, 2026	445,077	(37,612)	-	-	407,465
Accrued interest on loans	37,361	-	136,317	(139,180)	34,498
Guaranteed dividends	86	-	86	(86)	86
TOTAL	2,117,269	(141,978)	426,635	(289,266)	2,112,660

- **Loans dated May 7, 2014 to Constellium International**
 - Nominal amount of \$400 million: This loan matures on May 15, 2024, and bears interest at a fixed rate of 7.500% per annum up to November 15, 2019 and at 7.330% per annum thereafter.
 - Nominal amount of, initially, €300 million, and, as of January 1, 2020, €150 million: On June 30, 2020, the remaining outstanding nominal of this loan (*i.e.*, €150 million) was repaid. This loan was maturing on May 15, 2021, and, in 2020, was bearing interest at a fixed rate of 6.400% per annum.
- **Loan dated December 19, 2014 to Constellium International**
 - Nominal amount of €150 million: This loan matures on February 15, 2028 and bears interest at a fixed rate of 6.375% per annum.
- **Loan dated September 28, 2017 to Constellium International**
 - Nominal amount of €200 million: This loan matures on May 15, 2021 and bears interest at a fixed rate of 6.500% per annum.
- **Loan dated June 30, 2020 to Constellium International**
 - Nominal amount of \$325 million: This loan matures on June 15, 2028 and bears interest at a fixed rate of 5.906% per annum.
- **Loan dated February 16, 2017 to Constellium France Holdco**
 - Nominal amount of \$650 million: This loan matures on March 1, 2025 and bears interest at a fixed rate of 7.050% per annum.
- **Loan dated November 9, 2017 to Constellium France Holdco**
 - Nominal amount of €200 million: This loan matures on February 15, 2026 and bears interest at a fixed rate of 4.750% per annum.
- **Loan dated November 9, 2017 to Constellium Finance**
 - Nominal amount of \$500 million: This loan matures on February 15, 2026 and bears interest at a fixed rate of 6.375% per annum.

5.3 Other receivables

<i>(in thousands of euros)</i>		<i>At December 31, 2020</i>	<i>At December 31, 2019</i>
Tax credit - VAT		336	217
Current accounts - group	(1)	170,218	199,971
Corporate Income Tax	(2)	35,896	27,279
Other	(3)	2,500	-
	<i>TOTAL</i>	<i>208,950</i>	<i>227,467</i>

- (1) This item represents the current account towards Constellium Finance, an indirect subsidiary of the Company which serves as a treasury and cash pooling entity of the Constellium group.
- (2) This receivable against French tax authorities corresponds to the employment tax credits ("CICE") for 2018 and to the research and development tax credits ("CIR") for 2020, 2019 and 2018 of the French tax group.
- (3) Receivable in respect to indemnification right for pension benefits payable to former employees of the Group.

5.4 Type, amount and accounting treatment for unrealized foreign exchange gains / losses

<i>(in thousands of euros)</i>	<i>Amount at December 31, 2020</i>	
	<i>Unrealized foreign exchange losses</i>	<i>Unrealized foreign exchange gains</i>
Intercompany loans	54,657	
Borrowings		54,657
	<i>Total</i>	<i>54,657</i>
	<i>54,657</i>	<i>54,657</i>

As at December 31, 2020 and 2019 the net exposure of the company to foreign exchange is nil. The Company applies hedge accounting; therefore, unrealized foreign exchanges losses are not accrued for.

5.5 Equity

- Changes in equity

<i>(in thousands of euros)</i>	<i>At December 31, 2019</i>	<i>Distribution of dividends</i>	<i>Allocation of income</i>	<i>Increase (+) Decrease (-)</i>	<i>At December 31, 2020</i>
Share capital	2,757	-	-	42	2,799
Share premium	428,874	-	-	-	428,874
Accumulated retained earnings	(56,050)	-	55,639	(42)	(453)
Net income for the year	55,639	-	(55,639)	17,507	17,507
TOTAL EQUITY	431,220	-	-	17,507	448,727

The Annual General Meeting held on June 29, 2020 decided to allocate the 2019 net profit (*i.e.*, €55,639 thousand) to the accumulated retained earnings.

The other changes in equity, in 2020, are mainly related to several capital increases (of an aggregate total amount of circa €42 thousand) carried out during the period (as described below).

- Share capital: number and nominal value of the shares

	<i>Number, beginning of year 2020</i>	<i>Issued during the year 2020</i>	<i>Number, end of year 2020</i>	<i>Nominal value</i>
Ordinary shares	137,867,418	2,095,254	139,962,672	€0.02
TOTAL	137,867,418	2,095,254	139,962,672	

- Share-based compensation (RSUs/PSUs)

The Company has periodically put in place the following share-based incentives plans:

- Restricted Stock Units (“**RSUs**”) granted to selected employees of the Constellium group. RSUs vest upon expiry of a vesting period (defined at the grant date), subject to the beneficiary’s continued service to the Company/Constellium group through the end of the vesting period. Upon vesting, each RSU gives rise to free delivery to the beneficiary of one Company’s share;
- Restricted Stock Units granted to the non-executive members of the Board of Directors of the Company (“**RSUs/Equity Awards**”). These RSUs/Equity Awards vest in two equal installments on the earlier of (i) each anniversary or (ii) the date of the annual general meeting of shareholders of that year, subject to continued service. Upon vesting each RSU/Equity Award gives rise to free delivery to the beneficiary of one Company’s share. In 2020, no RSUs/Equity Awards were granted to the non-executive members of the Board of Directors of the Company;
- Performance-Based Restricted Stock Units (“**PSUs**”) granted to selected employees of the Constellium group. PSUs vest upon expiry of a vesting period (defined at the grant date), subject to the beneficiary’s continued service to the Company/Constellium group through the end of the vesting period and certain market-related performance conditions being satisfied. Upon vesting, PSUs give rise to free delivery to the beneficiary of a number of the Company’s shares based on an applicable vesting multiplier dependent on the level of achievement of the applicable performance conditions.

The performance condition for vesting of PSUs granted from 2017 to 2020 is contingent on the TSR performance of Constellium over the vesting period compared to the TSR of specified indices. PSUs ultimately vest based on a vesting multiplier which ranges from 0% to 200%.

Tables below summarize movements that occurred in respect of RSUs and PSUs over the fiscal year 2020:

- RSU/Equity award plans

Grant year Grant month		2017 March	2017 July	2018 May	2018 May	2019 April	2019 April	2019 August	2020 April
	Share-based incentives types	RSU	RSU	RSU	Equity awards	RSU	Equity awards	Equity awards	RSU
	Grand total								
	<i>Number of RSUs as at December 31, 2019</i>	8,000	610,095	559,396	13,694	889,012	41,357	24,475	-
	Number of share units granted in 2020	-	-	-	-	-	-	-	910,047
	Number of share units vested in 2020	(8,000)	(581,655)	-	(13,694)	-	(20,682)	(12,238)	-
	Number of share units cancelled in 2020	-	(28,440)	(35,099)	-	(58,162)	-	-	(33,283)
	<i>Number of RSUs as at December 31, 2020</i>	-	-	524,297	-	830,850	20,675	12,237	876,764

- PSU plans

Grant year Grant month		2017 July	2018 May	2019 April	2020 April
	Grand total				
	<i>Number of PSUs as at December 31, 2019</i>	808,948	685,204	1,025,142	-
	Number of share units granted in 2020	-	-	-	1,049,839
	Number of potential additional share units (overperformance)	677,944	-	-	-
	Number of share units vested	(1,458,985)	(1,458,985)	-	-
	Number of share units cancelled (termination and underperformance)	(27,907)	(49,420)	(70,311)	(46,127)
	<i>Number of PSUs as at December 31, 2020</i>	-	635,784	954,831	1,003,712

Upon vested, the RSUs/PSUs give rise to a free delivery of the Company's shares to the beneficiary. When the Company was Dutch, the Company's shares to be delivered under RSUs/PSUs could be (i) either new shares issued by the Company (ii) or existing shares repurchased by the Company. Since the Company became French, the option (ii) is not currently available. Therefore, no provision is recorded in the financial statements of the Company as at December 31, 2020, and the Company does not have any contingent liability, in respect of RSUs/PSUs.

For RSUs/PSUs granted since January 1, 2018, a specific employer's contribution is due in France in the month following the date of delivery of the Company's shares to beneficiaries. A provision is recorded in this respect by the Company for each beneficiary and accrued gradually over the vesting period. As at December 31, 2020, the aggregate total amount of this provision amounts to €544 thousand (€139 as at December 31, 2019). For RSUs/PSUs granted before January 1, 2018, such employer's contribution was paid (and such payment was recorded in full) during the fiscal year of the grant of RSUs/PSUs.

- Capital increases carried out in 2020 for the purposes of free deliveries of shares

The share capital of the Company was increased several times over the fiscal year 2020, for an aggregate total amount of circa €42 thousand, for the purposes of free deliveries of shares under RSUs/PSUs:

- On April 1, 2020 the Company issued 28,682 ordinary shares, each with a nominal value of €0.02 (i.e., a capital increase of a total amount of circa €0.57 thousand);
- On May 25, 2020 the Company issued 13,694 ordinary shares, each with a nominal value of €0.02 (i.e., a capital increase of a total amount of circa €0.27 thousand);
- On June 29, 2020 the Company issued 12,238 ordinary shares, each with a nominal value of €0.02 (i.e., a capital increase of a total amount of circa €0.24 thousand);
- On August 3, 2020 the Company issued 2,040,640 ordinary shares, each with a nominal value of €0.02 (i.e., a capital increase of a total amount of circa €41 thousand).

5.6 Borrowings

<i>(in thousands of euros)</i>	<i>At December 31, 2019</i>	<i>Foreign Exchange revaluation</i>	<i>Increase</i>	<i>Decrease</i>	<i>At December 31, 2020</i>
Senior Unsecured Notes					
\$400M issued May 7, 2014	356,062	(30,090)	-	-	325,972
€300M issued May 7, 2014	200,000	-	-	(200,000)	-
\$650M issued February 16, 2017	578,601	(48,896)	-	-	529,705
\$500M issued November 9, 2017	445,077	(37,612)	-	-	407,465
€400M issued November 9, 2017	400,000	-	-	-	400,000
\$325M issued June 30, 2020	-	(25,380)	290,232	-	264,852
Interest accrued on senior notes	32,567	-	111,106	(113,757)	29,916
<i>TOTAL</i>	<i>2,012,307</i>	<i>(141,978)</i>	<i>401,338</i>	<i>(313,757)</i>	<i>1,957,910</i>

Costs of issuance of Senior Notes have been capitalized under “Deferred arrangement fees on borrowings” and are amortized over the life of each series of Senior Notes to which they are directly related.

- **Senior Notes issued on May 7, 2014**
 - Nominal amount of \$400 million: These Senior Notes mature on May 15, 2024 and bear interest at the fixed rate of 5.750% per annum (effective rate of 6.26% per annum).
 - Nominal amount, initially, of €300 million and, as of January 1, 2020, of €200 million: These Senior Notes were maturing on May 15, 2021 and bearing interest at the fixed rate of 4.625% per annum (effective rate of 5.16% per annum). On June 30, 2020, the remaining outstanding €200 million of these Senior Notes were redeemed.
- **Senior Notes issued on February 16, 2017**
 - Nominal amount of \$650 million: These Senior Notes mature on March 1, 2025 and bear interest at the fixed rate of 6.625% per annum (effective rate of 7.13% per annum).
- **Senior Notes issued on November 9, 2017**
 - Nominal amount of \$500 million: These Senior Notes mature on February 15, 2026 and bear interest at the fixed rate of 5.875% per annum (effective rate of 6.26% per annum).
 - Nominal amount of €400 million: These Senior Notes mature on February 15, 2026 and bear interest at the fixed rate of 4.250% per annum (effective rate of 4.57% per annum).
- **Senior Notes issued on June 30, 2020**
 - Nominal amount of \$325 million: These Senior Notes mature on June 15, 2028 and bear interest at the fixed rate of 5.625% per annum (effective rate of 6.05% per annum).

Each of the Senior Notes are senior unsecured obligations of the Company and are guaranteed on an unsecured basis by certain subsidiaries of the Company.

The indentures governing each of the Senior Notes contain customary terms and conditions, including, among other things, limitation on incurring or guaranteeing additional indebtedness, on paying dividends, on making other restricted payments, on creating restriction on dividend and other payments to the Company from certain of its subsidiaries, on incurring certain liens, on selling assets and subsidiary stock, and on merging.

The Company was in compliance with all applicable debt covenants at and for the years ended December 31, 2020 and December 31, 2019

5.7 Other payables

<i>(in thousands of euros)</i>		<i>At December 31, 2020</i>	<i>At December 31, 2019</i>
Current accounts - French tax group	(1)	40,795	26,308
Tax payables - VAT		119	836
	<i>Total</i>	<i>40,914</i>	<i>27,144</i>

(1) At December 31, 2020, this payable to entities of the French tax group corresponds to:

- a. The employment tax credits ("CICE") claimed for 2018 and the research and development tax credits ("CIR") claimed for 2020, 2019 and 2018 by the entities members of the French tax group and due to them, for a total amount of €28,155 thousand;
- b. The net between the amount of Corporate Income Tax due by entities members of the French tax group less the amount of installments paid by them to the Company during the year representing a total net amount of €12,640 thousand.

5.8 Accrued expenses

<i>(in thousands of euros)</i>		<i>At December 31, 2020</i>	<i>At December 31, 2019</i>
Accrued interest on borrowings		29,916	32,567
Trade payables and related accounts		1,032	2,125
Tax and social security payables		1,620	1,467
	<i>Total</i>	<i>32,568</i>	<i>36,159</i>

5.9 Deferred revenue / income

<i>(in thousands of euros)</i>		<i>At December 31, 2020</i>	<i>At December 31, 2019</i>
Accrued interest on loan receivable - Constellium International		8,850	9,674
Accrued interest on loan receivable - Constellium France Holdco		15,907	17,046
Accrued interest on loan receivable - Constellium Finance		9,741	10,640
	<i>Total</i>	<i>34,498</i>	<i>37,360</i>

5.10 Maturities of receivables and payables

<i>A - Receivables (in thousands of euros)</i>		<i>Gross amount</i>	<i>Up to one year</i>	<i>Between one year and five years</i>	<i>Over five years</i>
Intercompany loans					
	<i>Intercompany loans</i>	2,078,076	200,082	855,677	1,022,317
	<i>Accrued interests on intercompany loans</i>	34,498	34,498	-	-
	<i>Dividends to be received</i>	86	86	-	-
	TOTAL OF RECEIVABLES RELATED TO FINANCIAL ASSETS	2,112,660	234,666	855,677	1,022,317
Trade receivables					
Other receivables					
	<i>Intercompany</i>	170,218	170,218	-	-
	<i>Value added tax</i>	336	336	-	-
	<i>Income taxes</i>	35,896	-	35,896	-
	<i>Other</i>	2,500	-	-	2,500
	TOTAL OF RECEIVABLES RELATED TO OTHER ASSETS	208,950	170,554	35,896	2,500
	TOTAL RECEIVABLES	2,321,610	405,220	891,573	1,024,817
Repayments received during the year		150,000			
<i>B - Payables (in thousands of euros)</i>		<i>Gross amount</i>	<i>Up to one year</i>	<i>Between one year and five years</i>	<i>Over five years</i>
Borrowings					
	<i>Borrowings</i>	1,927,994	-	876,456	1,051,538
	<i>Accrued interests on borrowings</i>	29,916	29,916	-	-
	TOTAL OF FINANCIAL LIABILITIES	1,957,910	29,916	876,456	1,051,538
Trade accounts payable and related accounts					
Tax and social security payables					
	<i>Salaries and related accounts</i>	879	879	-	-
	<i>Social security and similar administration</i>	875	875	-	-
	<i>Tax- Other provisions</i>	1,880	1,880	-	-
	<i>Tax authorities - Other</i>	70	70	-	-
Other payables					
	<i>Tax authorities - VAT</i>	119	119	-	-
	<i>Intercompany</i>	40,795	13,012	27,783	-
	TOTAL OTHER LIABILITIES	46,341	18,558	27,783	-
	TOTAL LIABILITIES	2,004,251	48,474	904,239	1,051,538
Borrowings repaid during the year		200,000			

NOTE 6. INFORMATION ON THE INCOME STATEMENT

6.1 Revenue

The Company's revenue corresponds to management fees invoiced to subsidiaries of the group.

6.2 Average number of employees

Workforce	Average number of employees in the course of the fiscal year 2020	
	Female	Male
Employees	1	4
TOTAL	1	4

6.3 Compensation of members of the board of directors and management

The total amount of directors' fees is €1,047 thousand for 2020 (corresponding to €892 thousand after deducting Dutch and French withholding tax and French social contributions). This amount is recorded under "Stewardship expenses and other professional fees".

In accordance with applicable French legislation, no advances or loans have been granted to directors and management.

The Company did not have any commitments in respect of pension and similar benefits for directors and management as at December 31, 2020.

6.4 Finance income and expense

The net finance income mainly comprises interest expenses related to the borrowings of the Company and interest income due by subsidiaries in respect of loans granted to them by the Company.

The foreign exchange effect is nearly nil as the dollar-denominated borrowings of the Company are naturally hedged by loans in dollars (for the same nominal amount) granted by the Company to its subsidiaries.

(in thousands of euros)	Year ended December 31, 2020	Year ended December 31, 2019
<i>Finance income</i>		
Interest income from loans to subsidiaries	136,317	141,862
Dividends	86	87
Foreign exchange gains	92	35
Total finance income	136,495	141,984
<i>Finance expense</i>		
Interest expenses on borrowings	(111,106)	(115,047)
Other income and expense interest	(47)	(7)
Amortization of borrowings issuance	(5,310)	(5,267)
Depreciation of investment in subsidiaries	(1,000)	-
Foreign exchange losses	(89)	(89)
<i>Other finance gains / (losses)</i>		
Banking Fees	(39)	(63)
Total finance expenses	(117,591)	(120,473)
FINANCE INCOME	18,904	21,511

6.5 Non-recurring income and expenses

<i>(in thousands of euros)</i>	<i>Year ended December 31, 2019</i>	
	<i>Non recurring expenses</i>	<i>Non recurring income</i>
Non-recurring expenses - other	(2)	-
Repurchase by the Company of its own shares	(206)	-
Re-invoicing of own shares delivered to serve RSUs/PSUs	-	177
Sales of assets	-	45
TOTAL	(208)	222

For the year ended December 31, 2020, the non-recurring income is nil.

6.6 Income taxes

Under the French accounting rules, the Company reviews each fiscal year the terms and conditions of reversal clauses of the tax integration agreements with its subsidiaries and assesses the probability of a return to profits of subsidiaries that had generated tax losses in the context of the French tax group and the related risk of having to recognize a payable of Corporate Income Tax towards French tax authorities while these subsidiaries do not recognize the corresponding payable towards the Company (through the use of their losses carried forward).

After such assessment made in respect of the fiscal year 2020, given the forecasted results of its loss-making subsidiaries, the Company did not record a provision for the risk that would arise from a return to profit of such subsidiaries and has considered the tax savings realized by the French tax group in 2020 as an immediate gain of the fiscal year ended on December 31, 2020.

Therefore, at December 31, 2020, the tax profit (calculated on the basis of a tax rate of 32.02%) mainly corresponds to:

- a gain of €13,945 thousand, corresponding to the 2020 tax saving for the French Tax Group which allows current year subsidiaries taxable profit and loss to offset each other;
- a loss of €1,366 thousand, corresponding to the 2019 true up on the tax profit.

For information, at December 31, 2019, the tax profit of €56,155 thousand (calculated on the basis of a tax rate of 34.43%) was mainly corresponding to:

- a gain of €12,080 thousand, corresponding to the use of the tax loss carryforwards generated by the previous French tax group;
- a reversal of €20,275 thousand, of the tax payable recognized in 2018 towards the loss-making subsidiaries;
- a gain of €24,421 thousand corresponding to the 2019 tax profit of the French tax group (including a tax gain of €867 thousand corresponding to the Company stand-alone tax loss);
- a loss of €600 thousand, corresponding to the 2018 true up on the tax profit.

The remaining tax loss carry forward at the French tax group level is estimated to €49,582 thousand as at December 31, 2020 (versus €2,316 thousand as at December 31, 2019).

NOTE 7. OFF-BALANCE SHEET COMMITMENTS AND OTHER INFORMATION

Apart from the off balance sheet commitments described below, there are no transactions or agreements between the Company and one or more other entities, even not constituted as companies, that would present material risks and benefits not reflected in the balance sheet and the knowledge of which is necessary to assess the Company's financial position.

7.1 Off-balance sheet commitments - pension obligations

The total amount of the pension obligations is €535 thousand as at December 31, 2020.

The main assumptions used in the actuarial valuation as at December 31, 2020 are as follows:

- discount rate: 0.50% (versus 0.95% applied as at December 31, 2019);
- inflation rate: 1.50% (versus 1.50% applied as at December 31, 2019);
- mortality: 2014-2016 TV/TD table;
- salary increase: 1.50% (versus 1.50% applied as at December 31, 2019).

7.2 Off-balance sheet commitments – guarantees issued

As at December 31, 2020, there was no guarantee issued by the Company and outstanding.

7.3 Off-balance sheet commitments – hedging instruments

As at December 31, 2020 and 2019, the Company did not hold any outstanding hedging instruments.