



LEXIBOOK - LINGUISTIC ELECTRONIC SYSTEM
Société anonyme with a capital of 3,881,659.50 €.
Registered office : 6, avenue des Andes - Bâtiment 11, 91940 Les Ulis. France.
323 036 921 R.C.S. Evry - LEI : 969500MBA2IX17UII261

UNIVERSAL REGISTRATION DOCUMENT 2022



The universal registration document was filed on June 29 2022 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

The universal registration document may be used for the purposes of an offer to the public of financial securities or the admission of financial securities to trading on a regulated market, if it is supplemented by a transaction note and, if applicable, a summary and any amendments to the universal registration document. The package then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Pursuant to Article 19 of the European Regulation n°2017/1129 on prospectuses, the following information is incorporated by reference in this Universal Registration Document:

- I. The consolidated and parent company financial statements for the year ended March 31, 2021 are included on pages 67 to 125 of the universal registration document filed with the AMF on June 29, 2021 under number D. 21-0639, and the corresponding audit reports are included on pages 64 to 66 and 100 to 102 of this universal registration document.
- II. The consolidated and parent company financial statements for the year ended March 31, 2020 are included on pages 64 to 127 of the universal registration document filed with the AMF on June 29, 2020 under number D.20-0584, and the corresponding audit reports are included on pages 61 to 63 and 101 to 104, respectively, of this universal registration document.

Copies of the universal registration document are available free of charge at the registered office of LEXIBOOK, 6 Avenue des Andes - Bâtiment 11 - 91940 LES ULIS, on the website of the company (www.LEXIBOOK.com), as well as on the website of the AMF (www.amf-france.org).

PREAMBLE

The universal registration document of LEXIBOOK contains information on the objectives, prospects and development of LEXIBOOK. This information should not be construed as a guarantee that the facts and data stated will occur or that the objectives will be achieved.

The forward-looking statements contained in the Universal Registration Document also address known and unknown risks, uncertainties and other factors that could cause the future results, performance and achievements of LEXIBOOK to differ materially from those expressed and implied. These factors may include, among others, changes in economic and business conditions, as well as the risk factors set forth in Part IV of this Universal Registration Document.

In the Universal Registration Document, LEXIBOOK is referred to as "LEXIBOOK", or "LEXIBOOK SA" or the "Company". The "Group" or the "LEXIBOOK Group" means LEXIBOOK and its direct and indirect subsidiaries, as described in Part VI of this Universal Registration Document.

Table of contents

I.	PERSONS RESPONSIBLE	6
I1.	Name and position of the person responsible for the universal registration document	6
I2.	Certification of the person responsible for the universal registration document	6
II.	LEGAL AUDITORS	7
II1.	Statutory Auditors	7
III.	RISK FACTORS	8
IV.	INFORMATION CONCERNING THE ISSUER	14
IV1.	Corporate and trade name of issuer	14
IV2.	Location, Registration Number and LEI of Issuer	14
IV3.	Date of incorporation and term of the issuer	15
IV4.	Registered office and legal form of the issuer	15
V.	OVERVIEW OF ACTIVITIES	15
V1.	Main activities	15
V2.	Main markets	16
V3.	Important events in the development of the issuer's activities	20
V4.	Strategy	22
V5.	Issuer's dependence on licenses	23
V6.	Basis for any statement by the issuer regarding its competitive position	23
V7.	Investments	23
V71.	Main investments made during the last three years	23
V72.	Principal investments in progress or firmly committed to by the management bodies	24
VI.	Organizational Structure	24
VI1.	Description of the Group	24
VI2.	List of subsidiaries	26
VII.	REVIEW OF FINANCIAL POSITION AND RESULTS	26
I1.	Review of the consolidated financial position for the years ended March 31, 2022, March 31, 2021 and March 31, 2020	27
I11.	Financial Position - Simplified Consolidated Balance Sheet: Fiscal Years 2021-2022 / 2020-2021	27
I12.	Financial position - consolidated summary balance sheet: fiscal years 2020-2021 / 2019-2020	28
I2.	Review of the consolidated income statement for the years ended March 31, 2022, March 31, 2021 and March 31, 2020	29
I21.	Consolidated income statement - fiscal years 2021-2022 / 2020-2021	29
I22.	Consolidated income statement - fiscal years 2020-2021 / 2019-2020	31
VIII.	CASH AND EQUITY	33
VIII1.	Simplified information on the issuer's equity	33
VIII2.	Cash flow	33
VIII3.	Borrowing conditions and financing structure	33
VIII4.	Restrictions on the use of capital	33
VIII5.	Sources of Financing for the Company's Future Investments	33
IX.	REGULATORY ENVIRONMENT	33
X.	TREND INFORMATION	34

X1.	Trends affecting the business since the end of the last fiscal year up to the date of the universal registration document	34
X2.	Known trends, uncertainties, demands or events that are reasonably likely to have a material effect on the issuer's prospects	35
XI.	PROFIT FORECASTS OR ESTIMATES	35
X11.	Issuer's statement.....	35
XII.	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT	36
XII1.	Corporate Officers and Corporate Governance Bodies	36
XII11.	Executive Committee	36
XII12.	Directory	37
XII13.	Supervisory Board	37
XII2.	Conflicts of interest at the level of the administrative, management and supervisory bodies and senior management	39
XIII.	COMPENSATION AND BENEFITS	39
XIII1.	Amount of compensation paid to corporate officers	43
XIII2.	Pensions and other benefits	45
XIV.	OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES.....	45
XIV1.	Expiry dates of the terms of office of the administrative and management bodies	45
XIV2.	Service contracts binding corporate officers	47
XIV3.	Specialized Committees - Audit Committee	47
XIV4.	Declaration on corporate governance	48
XIV5.	Information on corporate governance and internal control.....	48
XV.	EMPLOYEES.....	51
XV1.	Number of employees at the end of the period covered	51
XV2.	Stock options and/or other benefits granted to corporate officers.....	54
XV3.	Stock options and/or other benefits granted to employees	54
XVI.	MAJOR SHAREHOLDERS	54
XVI1.	Current distribution of share capital and voting rights	54
XVI2.	Differentiated voting rights.....	55
XVI3.	Control of the company	56
XVI4.	Description of agreements whose implementation could result in a change in control.....	56
XVII.	TRANSACTIONS WITH RELATED PARTIES	56
XVIII.	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, FINANCIAL POSITION AND RESULTS	62
XVIII1.	Consolidated financial statements at March 31, 2022.....	62
XVIII11.	Consolidated statement of financial position for the year ended March 31, 2022	65
XVIII12.	Statement of net income and other comprehensive income for the year ended March 31, 2022	66
XVIII13.	Statement of changes in equity for the year ended March 31, 2022.....	67
XVIII14.	Consolidated statement of cash flows for the year ended March 31, 2022	68
XVIII15.	Notes to the consolidated financial statements for the year ended March 31, 2022	69
XVIII2.	Pro forma financial information.....	98
XVIII3.	Parent company financial statements	98
XVIII4.	Audit of annual historical information.....	122
XVIII5.	Dates of latest financial information.....	123

XVIII6.	Interim and other financial information	123
XVIII7.	Dividends	123
XVIII8.	Legal proceedings and arbitration	123
XVIII9.	Significant changes in the financial or commercial situation	123
XVIII10.	Fees paid to the statutory auditors for the fiscal year ended March 31, 2022	123
XIX.	ADDITIONAL INFORMATION.....	124
XIX1.	Share capital.....	124
XIX11.	Amount of issued capital	124
XIX12.	Number and principal characteristics of shares not representing capital.....	124
XIX13.	Shares held by the company or its subsidiaries	124
XIX14.	Results for the last 5 years and table of payment terms to customers and suppliers	124
XIX15.	Convertible or exchangeable securities or securities with warrants.....	127
XIX16.	Information on acquisition rights and/or obligations attached to the subscribed capital not paid up	128
XIX17.	Information about the capital of any member of the Group under option or under conditional or unconditional agreement to place it under option and details of such options, including the identity of the persons to whom they relate	128
XIX18.	History of the capital	128
XIX2.	Memorandum and articles of association	129
XIX21.	Corporate purpose (Article 2)	129
XIX22.	Provisions concerning the members of the administrative, management and supervisory bodies of the company	129
XIX23.	Rights, privileges and restrictions attached to each class of existing shares	129
XIX24.	Actions required to modify the shareholders' rights	130
XIX25.	General Meetings	130
XIX26.	Provisions that delay, defer or prevent a change in control	146
XIX27.	Provisions establishing thresholds above which any interest must be disclosed	146
XIX28.	Conditions governing changes in capital	146
XX.	SIGNIFICANT CONTRACTS (TO WHICH ANY MEMBER OF THE GROUP IS A PARTY)	146
XXI.	AVAILABLE DOCUMENTS	146
XXII.	RECONCILIATION TABLES	147
XXII1.	Reconciliation table of the annual financial report (article 222-3 of the AMF General Regulation)	147
XXII2.	Management's Discussion and Analysis Reconciliation Table.....	147
XXII3.	Reconciliation table of the corporate governance report.....	149

I. PERSONS RESPONSIBLE

I1. Name and position of the person responsible for the universal registration document

The Chairman of the Executive Board, Mr. Aymeric LE COTTIER, is responsible for the information contained in this document, with the exception of the information contained in the report referred to in Article L. 225-68 of the French Commercial Code, which is the responsibility of the Chairman of the Supervisory Board, Mr. Luc LE COTTIER.

I2. Certification of the person responsible for the universal registration document

I hereby certify that the information contained in this universal registration document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and of all the companies included in the consolidation, and that the management report (the reconciliation table for which is provided on page 151 of the universal registration document) gives a true and fair view of the development of the business, the results and the financial position of the company and of all the companies included in the consolidation, and that it describes the main risks and uncertainties that the companies are faced with

Les Ulis, June 29, 2022
Aymeric LE COTTIER,
Chairman of the Board

II. LEGAL AUDITORS OF THE ACCOUNTS

II1. Statutory Auditors

- **GRANT THORNTON**
29 Rue du Pont
92200 NEUILLY-SUR-SEINE
Represented by Mr. Samuel CLOCHARD
Date of first mandate:
General Meeting of September 14, 2021
Date of end of mandate :
General Meeting of Shareholders convened to approve the financial statements for the year ending March 31, 2027

III. RISK FACTORS

The Group has reviewed the risks that could have a material adverse effect on its business, financial condition or results of operations (or on its ability to achieve its objectives) and considers that there are no significant risks other than those set out below and the financial risks presented in Note 29 of the notes to the consolidated financial statements (liquidity, interest rate and currency risks)

However, the Group cannot rule out the possibility that other risks may materialize in the future and have a material adverse effect on the company, its business, financial condition, results or development.

Risks related to trademark licensing agreements

	2021/2022	2020/2021
Chiffres d'affaires sous licences	26 637 702	14 010 205
%	58,9%	51,2%
Chiffres d'affaires hors licences	18 592 468	13 351 078
%	41,1%	48,8%
Total	45 230 170	27 361 283

1/ Minimum guarantee risk (MG)

Over the last three years, LEXIBOOK has signed trademark license agreements with partners such as Nintendo, Mattel, Walt Disney, Universal and Marvel. These agreements are for a period of two to five years, renewable, and provide for guaranteed minimum royalties to be paid to the licensors. The risk associated with these MGs is that royalties may be paid without achieving the corresponding contractually agreed sales figures.

These minimums are generally met for FY 202 1-202 2.

Royalty rates traditionally range from 5% to 19.4%.

2/ Non-renewal risk

The non-renewal of a license could result in a decrease in revenues, however, given the regular renewal of licenses over the last few years, this risk does not appear to be significant. Licenses are granted for variable periods, traditionally two to five years, with different terms, on several product families (on average 5 to 10). The Group considers that these factors in particular have a dilutive effect on the risk of dependence, since the probability of losing a license for all products seems low.

The risk of non-renewal of licenses would be to have goods in stock that would no longer be marketable. In recent years, the stakes have not been significant, especially since the license agreements all include a "sell-off" clause allowing the products to be sold for a period of 3 to 12 months after the end of the contract.

3/ Risk of dependency

The company has not identified any risk of dependence other than those identified above. However, the loss of a renowned license, resulting in the loss of exclusivity for certain products, could lead to a significant loss of revenue, delisting from certain customers, inventory liquidation and, in the worst case scenario, jeopardize the renewal of other licenses.

Regulatory risks

LEXIBOOK complies with the EC regulation 1103/97 modified by the EC regulation 2595/2000 and with the standards in force for its products.

All the products manufactured and marketed by LEXIBOOK comply with the electromagnetic compatibility standards applicable in the European Union. In addition, in accordance with current legislation, the specific

toy segment complies with all mechanical, chemical, electrical and flammability standards, guaranteeing that LEXIBOOK products comply with the standards in force in the various countries in which the Group markets its products.

Risks related to an epidemic or pandemic

The Group is exposed to crises linked to epidemics and pandemics such as the one linked to Covid-19 and to their possible recurrence. Such crises may paralyze production in China as well as deliveries, thus depriving the Group of some or all of its sources of supply. In the event of a rapid onset of such a crisis, the Group, deprived of supplies, would face a loss of business, which could be partial or total if the epidemic spreads rapidly and lasts for several weeks, and may be subject to increased logistics costs, penalties for delays by its customers and order cancellations. In addition to the production risk, the Group may face a commercial risk that would directly affect its business, particularly in the event of containment measures or store closures due to the epidemic. The direct effects may include order cancellations, payment delays, reduced or lost sales to certain customers, and the stocking of products that could be rendered obsolete if the crisis lasts several months. Such outbreaks can rapidly degrade the company's business and weigh heavily on cash flow, earnings and equity.

Tax risks

The company is not exposed to any significant tax risk.

Industrial and environmental risks

Risk of dependence on a supplier

LEXIBOOK is not dependent on any particular supplier. The company has the possibility to use different manufacturers if needed, which allows it to reorganize its production in a few weeks. This risk is therefore taken into account by the company.

Approximately fifty factories are involved in the manufacture of the products. They are subject to quality, price and deadline requirements, the lack of which is sanctioned by penalties. These plants were selected based on their financial strength and production quality.

Risk of technology and quality leakage

Factories are bound to LEXIBOOK by confidentiality and non-disclosure agreements and by a framework agreement negotiated on a case-by-case basis and also specifying the constraints of quality, technical standards, prices, deadlines and possible penalties. The payment period for these suppliers is 30 to 90 days by bank transfer or letter of credit.

The risk of defective components, which is inherent to the business and shared by all other manufacturers, is controlled through direct control by LEXIBOOK Hong Kong over the Asian manufacturing plants or indirectly through specialized companies.

Risk of component shortages and manufacturing price inflation

The risk of component shortages, which is usually not significant, is currently heightened in certain product categories. In a context of worldwide shortages, the Group is trying to anticipate its customers' needs as well as possible and is ordering critical components, which represent only a small part of the cost of products, in order to ensure production. In addition to this inventory risk, there is also a risk of price increases which could have a direct impact on margins if the shortage persists for several months. This risk is also linked to the exchange rate risk, as the components are purchased in US\$. The shortage of components also puts pressure on delivery times: the lengthening of production times, particularly for the most technological products such as tablets, is significant, forcing the Group to order products earlier than usual, increasing the risk of stock-outs, and limiting the possibilities of restocking.

Technological risks

LEXIBOOK controls its research and development as well as part of its production. Indeed, its design office based in Hong Kong is close to the manufacturing sites and thus ensures a close monitoring of the technological risk.

Intellectual property risk

Given the nature of its business, the company protects its trademarks and does not file patents. In the field of industrial property, the logos, the LEXIBOOK brands, and more than 40 brands belonging to the company, are registered in France and in part in Europe and / or throughout the world. The protections run until 2031 for the most distant.

Since several years, LEXIBOOK has extended the protection of its trademarks to the Internet, registering the main domain names corresponding to its strongest international trademarks.

Risk of product obsolescence

As the Group is positioned in technological or licensed segments, there is a risk of obsolescence for products that may be technologically outdated or for which licenses may be out of fashion. The Group tries to minimize these risks by adjusting its inventories as closely as possible to customer needs and by relying on traditional long-term licenses. Nevertheless, the company is obliged to make regular provisions for depreciation in order to value its inventories at their fair resale value .

Other specific risks

Intensified price pressure and risk of competition:

In the consumer electronics market, the erosion of selling prices is generally accompanied by an erosion of suppliers' margins.

The answer is:

- Launch new products,
- Create added value through new features, improve marketing around products,
- Increase sales and therefore supplies to obtain attractive purchasing conditions,
- Maintain structure costs at a lower level than competitors, who, due to their size, have higher incompressible fixed costs.

In the context of a global shortage of components and rising raw material prices, the market is currently experiencing widespread inflation. The Group is therefore raising prices when necessary to protect its margins. This generates a risk on the consumption of products, as higher public sales prices may impact consumption in a context of limited purchasing power.

In accordance with the provisions of Article L.225-102-1 of the French Commercial Code, you will find below information on the environmental consequences of the Company's activity:

As the Company's business is essentially the sale of electronic products (toys, calculators, tablets, audio CD players, alarm clocks, consoles, etc.), directly, through department stores, wholesalers or retailers, by mail order, and through e-commerce, it has no significant impact on the environment. The Company is not subject to any environmental risk related to the discharge or storage of hazardous materials.

The company's accounting and logistics departments are in charge of compliance with environmental regulations, and work daily to limit the company's impact on the environment.

The main missions related to the environment are the following:

Organize the management of waste treatment (containers, internal and external flows)

Organize selective sorting and reuse as much waste as possible

Implementing actions to reduce the impact of activities on the environment

Ensure a regulatory watch and anticipate new environmental directives

To liaise with the French and foreign eco-organizations in charge of recycling channels, to which the company is a member, within the framework of the extended responsibility of waste producers.

LEXIBOOK is concerned by the following recycling channels:

Packaging waste,

Waste batteries and accumulators,

Waste electrical and electronic equipment.

Packaging waste:

The decree n° 92-377 of April 1, 1992 entrusted to the conditioners the responsibility to contribute or provide for the elimination of the waste of packagings which result from the consumption by the households of their products.

Contributed packaging is usually marked with the appropriate logos. To meet its obligations, the Group is a member of the eco-organization ECO-EMBALLAGES in France and equivalent eco-organizations in other countries.

Waste batteries and accumulators:

The Decree n° 92-374 of May 12, 1999 established that the producers and importers of batteries, accumulators and devices containing them, must organize after use, the collection, the recycling and the elimination of the marketed products.

Batteries and accumulators are usually marked with the crossed-out garbage can symbol. To meet its obligations, the Group is a member of the SCRELEC eco-organization for France.

Waste electrical and electronic equipment:

According to the Decree n° 2005-289 of July 20, 2005, producers of electrical and electronic equipment are required to organize and finance the recovery and recycling of waste electrical and electronic equipment, officially in France since November 15, 2006.

In order to meet this obligation, the Company has chosen to contribute to Ecologic France, an approved eco-organization.

Customer risks

The average payment term is 60 days. The company takes out credit insurance on practically all its customers, covering 70 to 90% of the receivable excluding VAT, depending on whether the customers are named (i.e., reported and for which an authorization has been requested) or not.

The main customers are the major retailers and specialized retailers. These brands do not present a solvency risk.

32.03 % of the turnover is realized with the first customer and 5.5% with the second customer. The table below shows the distribution among the other players and highlights the limitation of the risk of customer dependence. Nevertheless, in a relatively concentrated market, the loss of one of the Company's main customers could result in a decrease in its revenues, if the Company were not able to attract new customers. In addition, even if the Company were able to attract new customers, they may not require the same level of products as the lost customers or may require different payment terms.

The following table shows the concentration of customers over the past two years:

	AU 31/03/22			
	CA HT	% CA	CA CUMULE	CA % CUMULE
Client 1	14 485 560	32,03%	14 485 560	32,03%
Client 2	2 261 699	5,00%	16 747 260	37,03%
Client 3	1 919 331	4,24%	18 666 591	41,27%
Client 4	1 554 344	3,44%	20 220 935	44,71%
Client 5	1 407 398	3,11%	21 628 333	47,82%
Client 6	1 109 592	2,45%	22 737 924	50,27%
Client 7	1 070 634	2,37%	23 808 558	52,64%
Client 8	1 043 198	2,31%	24 851 757	54,95%
Client 9	870 454	1,92%	25 722 211	56,87%
Client 10	784 390	1,73%	26 506 600	58,60%
Clients Autres	18 723 570	41,40%	45 230 170	100,00%
TOTAL	45 230 170	100,00%	45 230 170	100,00%

	AU 31/03/21			
	CA HT	% CA	CA CUMULE	CA % CUMULE
Client 1	5 753 521	21,03%	5 753 521	21,03%
Client 2	1 525 316	5,57%	7 278 837	26,60%
Client 3	1 099 163	4,02%	8 378 000	30,62%
Client 4	951 833	3,48%	9 329 833	34,10%
Client 5	874 768	3,20%	10 204 601	37,30%
Client 6	872 610	3,19%	11 077 211	40,48%
Client 7	867 091	3,17%	11 944 302	43,65%
Client 8	822 828	3,01%	12 767 130	46,66%
Client 9	803 389	2,94%	13 570 519	49,60%
Client 10	782 073	2,86%	14 352 592	52,46%
Clients Autres	13 008 691	47,54%	27 361 283	100,00%
TOTAL	27 361 283	100,00%	27 361 283	100,00%

Inventory risks

Net inventory at March 31, 202 2 represented 12 ,06 million compared to 4.98 million at March 31, 202 1. The majority of the inventory is centralized and managed in Gent by an external service provider.

The inventory of the American subsidiary is located in the USA and managed by an external service provider. This inventory represents a net value at March 31, 2002 2 of 758,6 K€.

The inventory of the Hong Kong subsidiary is located in Hong Kong directly on the manufacturing site. This stock represents a net value at March 31, 2002 2 of 397 , 08 K€.

The Company is exposed to the risk of stock-outs and overstock in the event that actual demand does not meet expectations. In the event that the company's products become unavailable due to a stockout, the company's reputation could be damaged, which could adversely affect its marketing efforts. In the event that the Company's products do not sell satisfactorily, the Company may have to concede significant price reductions.

In order to reduce this risk, the company :

- Uses an information system to place orders and manage inventory.
- Places orders with its suppliers, either when it has firm orders, or at least in view of each customer's history and purchasing intentions expressed in during the year .

Finally, the company has taken out comprehensive insurance covering losses on inventories and related operating losses.

In the event that actual orders exceed forecasts and supplies, LEXIBOOK may have to ship the backlog of goods by air and by express delivery trucks, which could result in significant costs on purchases, directly impacting the margin. In the event that LEXIBOOK is unable to deliver these goods even by air transport, the Group would be faced with a loss of earnings and possibly penalties for late delivery or non-delivery by its customers. As LEXIBOOK is aware of its customers' orders or order forecasts several months in advance, this risk is nevertheless low.

In the event of very poor sales "out of the box" in stores, LEXIBOOK could be forced by certain distributors to grant trade discounts and/or take back some of the products in stock in stores on a commercial basis. However, this risk is limited given the rebalancing of the product mix.

Risks related to transport

LEXIBOOK, when selling NON FOB, is responsible for the transport from the countries where it manufactures to its warehouse in Ghent and then to its distribution markets. The company has recourse to different carriers and means of transport (sea and air) and has taken out transport insurance. The Covid-19 pandemic has caused a shortage of containers and ships. This is currently creating pressure on prices and delivery times for sea, rail and air freight. This could have an impact on the Group's margins or sales volumes if it were to continue for a long time.

Risk of seasonality

In the toy sector, nearly two-thirds of the activity of the activity are usually generated in a short period between August and November. This requires good planning, leads to cash flow peaks and makes it more difficult to see the results in the last three months of the year.

As this risk is a fact of its market, LEXIBOOK is taking steps to secure this peak in activity, in particular by monitoring supply times and negotiating additional financing lines with its banking partners during this period.

Risks related to deferred taxes

At March 31, 2022 deferred taxes were capitalized in the accounts for 0.27 M€ against 0.12 M€ on March 31, 2021. 71.7 K€ correspond to the capitalized taxes on the losses carried forward of Lexibook Iberica. In the event that the subsidiary does not generate future profits, the Group will have to recover this tax.

The remaining deferred tax assets correspond to timing differences mainly related to IFRS restatements and do not present any particular risk.

Insurance - Coverage of possible risks that may be incurred

The company has insurance coverage for all the general risks inherent in its business. In particular, the company has a multi-risk professional insurance policy covering fire (up to €813,218 per claim), additional operating expenses (up to €250,570 per claim), theft (up to €60,991), corporate liability insurance covering bodily injury, property damage and consequential loss (up to €10,000,000 per claim), inventory insurance (up to €9 million per claim, including €2 million in the event of theft) and transported goods (up to €2,500,000 per transport), including €2 million in case of theft) and transported goods (up to €2,500,000 per transport), customer risk insurance (France and export), key man insurance (in the event of the death of Aymeric or Emmanuel LE COTTIER, LEXIBOOK will receive €840,000 individually), fraud insurance (up to €500,000 per claim in the event of cyber-theft, and €500,000 per claim in the event of fraud), and insurance for the company's vehicle fleet. The risks likely to be incurred have been objectively assessed and are adequately covered. For the financial year 2021-2022 the premiums for all these insurance policies amounted to 278,107 for the entire LEXIBOOK Group.

Risks resulting from the company's activities

The LEXIBOOK Group pursues a resolute social policy within the framework of the national legislation governing its subsidiaries. In particular, it refrains from resorting to concealed labor and, more generally, undertakes to respect all of its obligations as defined in the French Labor Code.

It is committed to respecting the United Nations Convention on the Rights of the Child and the Conventions of the International Labor Organization, and in particular to not using child or forced labor, and is careful to ensure that its subcontractors in Asia also respect these obligations.

The Group is aware of the difficulties associated with the increase in household waste and promotes packaging made of recyclable materials wherever commercially possible. The company has joined organizations for the collection and recycling of electronic waste in accordance with the WEEE directive.

Risks related to the Company's business sector

The Company must expect competition to adapt rapidly in terms of offerings and prices and to change the conditions under which products are offered and made attractive. The markets in which the Company operates are always changing.

The Company competes with a number of companies, both listed and unlisted, in the product lines it develops. It is possible that existing or new competitors may emerge in each of the product lines developed by the Company. The concept of media convergence, which was once a precursor, is becoming a stronger economic and industrial reality every day. This convergence may significantly affect the Company's competitive environment.

LEXIBOOK's main competitors are major players in the consumer electronics industry: V-tech, BigBen Interactive, Ryght, Lowtronic, Sony, LG, Archos, Muse, IMC Toys, Buki ... The Company's competitors operate both in their local markets and in international markets.

As a result, certain competitors have, in comparison with the Company, a longer operating life, significantly greater technical resources, greater brand recognition, product offering and number of consumers, as well as long-established relationships with the Company's current or potential customers, which could have a material adverse effect on the Company's business, results and financial condition.

In addition, certain manufacturers have a much greater size and financial power than LEXIBOOK and it cannot be excluded that these players will take advantage of this superiority and their knowledge of the sector to try to establish strong competitive positions in the market segments that they consider to be the most promising.

In all of these cases, it is likely that the offers developed by these players would create significant competition for the Company.

Given this context, the Company cannot ensure that it will maintain or increase its current market share in the future

Exceptional events and litigation

The Group may become involved in a number of legal proceedings in the normal course of its business. In particular, the Group cannot guarantee that some of its customers will not experience quality problems with its products. In the event of malfunction of the products marketed by the Company, the Company could be held liable in tort or under contract. Damages may be claimed in such proceedings.

To date, there are no exceptional events or disputes that may have or have had in the recent past a significant impact on the business, results, financial situation or assets of the company and its subsidiaries.

IV. INFORMATION ABOUT THE ISSUER

IV1. Corporate name and business name of the issuer

The name of the company is LEXIBOOK Linguistic Electronic System. The commercial name is LEXIBOOK.

IV2. Location, registration number and LEI of the issuer

The company is registered in the EVRY Trade and Companies Register under number B 323 036 921. Its legal entity identifier (LEI) is 969500MBA2IX17UII261.

LEXIBOOK is listed on the Euronext Growth market of NYSE Euronext, since July 6, 2015 under the ISIN code: FR0000033599 ALLEX.

IV3. Date of incorporation and life of the issuer

The company was created on October 1,^{er} 1981 for 99 years, i.e., until September 30, 2080, except in the event of extension or early dissolution, decided by the General Meeting of Shareholders by the majority provided for amendments to the Articles of Association.

IV4. Registered office and legal form of the issuer

Its head office is 6 Avenue des Andes - Bâtiment 11 - 91 940 LES ULIS.

The Company can be reached at 00 33 (1) 73 23 23 23.

LEXIBOOK is a French Société Anonyme (limited liability company) with a Board of Directors and a Supervisory Board, incorporated under French law on December 19, 2006 and subject to the law of July 24, 1966 and its implementing decree.

The company's website is www.lexibook.com. Please note that the information on the website is not part of the prospectus.

V. OVERVIEW OF ACTIVITIES

V1. Main activities

LEXIBOOK designs and markets a complete range of intelligent entertainment electronic products under its various brands and licenses, such as educational robots and computers, electronic games, audio and video products, alarm clocks, walkie-talkies, karaoke, radio-controlled vehicles, electronic translators and dictionaries...

The company operates a number of licenses, including Snow Queen, Disney Cars, Disney Princesses, Avengers, Minions, Patrol, Barbie, Spider-Man, Super Mario, etc.

These allow us to develop a range of products under license, with LEXIBOOK positioning itself not as a subcontractor but as an independent player developing its own products after having received the agreement of the Licensors.

Other "technical" licenses give it access to a number of technologies necessary for the development and use of its products, such as Bluetooth, HDMI, etc.

These licenses give rise to the regular payment of royalties, in particular but not exclusively to : Mattel, The Walt Disney Company, Universal, Nickedoleon Viacom, Larousse, Nintendo...

The company also has a portfolio of brands and markets many products under its own brands such as Lexibook®, Decotech®, iParty®, Yeno®, Powerman®, Cyber Arcade®, Chessman®... The Group continues to enrich its portfolio by focusing on new promising brands: iParty®, Acoustix®, Crosslander®,

As the European leader in multimedia electronic products for children, the Group has solid assets:

- An innovative and complete range of products,
 - Major licenses: Disney, Marvel, Minions, Scrabble, Larousse, The Voice, Pat' Patrouille, Barbie, Super Mario...
- a strong European distribution network and a balanced customer mix
 - recognized own brands
- a flexible fabless business model
- a balanced product mix

The key success factors are:

- the innovation, design, playfulness, content and user-friendliness of the tools
- the combination of electronics and the emotional side linked to the children's favorite characters
- product safety

-the ability to produce products with an optimum time to market

Lexibook is positioned on the following 11 segments:

- Dictionaries and calculators (historical trade)
- Watchmaking
- Toys, consoles and educational robots
- Scientific games and toys
- Radio-controlled vehicles
- Audio products: mainly speakers and headphones
- Video products: Digital cameras and DVD players mainly
- Radio telecommunication products: walkie-talkies and GSM
- Musical products: karaoke and musical instruments for children
- Educational tablets and computers for children
- Innovative lighting and decoration products under the Decotech brand.

The Group has focused on building a balanced product mix in segments with high margins. Lexibook has thus bet on new segments and has successfully diversified into the edutainment market for teenagers and young adults with its iParty brand, which has created a new high-tech range of mobile and connected products. Lexibook has also successfully invested in two new promising segments: radio-controlled vehicles with its Crosslander® brand and scientific games. The Group has also focused on innovative decorative products since 2017, including lamps and nightlights, grouped under the Decotech brand. Lastly, Lexibook has relied on educational toys and board games, which are particularly popular in times of confinement to keep children occupied. This rebalancing was made possible thanks to the licenses that acted as a natural shield during this period of upheaval in the mix. Indeed, in order to establish its leadership in licensed products for children, Lexibook has formed partnerships with Licensors on the most popular properties for children and teenagers, for all age groups and for both girls and boys. These partnerships have been focused in part on properties that are in the news, in order to take full advantage of the Licensors' marketing campaigns. The years 2020 and 2021 were marked by an unusual lack of movie releases due to the worldwide Covid-19 pandemic. Lexibook has thus relied on classic properties completed by licenses from cartoons, such as Pat' Patrouille, Peppa Pig or PyjaMasques, but also on properties linked to successful TV programs such as The Voice or linked to successful video games such as Super Mario. This positioning makes Lexibook the key player in the licensed entertainment segments for children. The year 2021 was also marked by the renewed success of sales of Powerman educational robots, 500,000 of which were sold over the last 4 fiscal years. Lexibook also launched its new Interpretor II® instant voice translator, which has given a new lease of life to the electronic dictionary segment. These elements logically explain a rebalancing of the Group's sales mix: the range of licensed products thus represented 58.9% of 2021-2022 sales generated from licensed products, compared with 51.2% of 2020-2021 sales.

V2. Main markets

LEXIBOOK markets its products in more than forty countries, mainly through specialized and general retailers and on the Internet via e-commerce sites.

Lexibook is positioned at the crossroads of the consumer electronics and toy markets, which are evolving in different ways. Lexibook's size is insignificant in such markets. Indeed in 2018, according to GfK figures, the global consumer electronics market 2018 represents a total turnover of about 138 billion euros, including 100 billion euros on TVs. The GfK firm describes an exceptional year 2021 for manufacturers and distributors of these products. In one year, until the end of October 2021, the firm estimates that the global turnover generated by consumer high-tech equipment has reached 726 billion dollars, up 17%. (Source: <https://www.usinenouvelle.com/article/la-pandemie-dope-le-marche-des-equipements-high-tech-grand-public.N1173222>). The pandemic has given a major boost to sales of equipment related to telecommuting, home cleaning, meal preparation and health and wellness monitoring. Sales growth reached 22% for dishwashers, 27% for headphones, 23% for coffee and espresso machines, 16% for laptops, 15% for blood pressure monitors, 19% for dental care devices and 44% for wearables (smart watches, fitness trackers, etc.).

The Covid effect has changed shopping habits by directing consumers to e-commerce. This channel accounted for 34% of sales in one year. But in Western Europe, after peaking at 41% in May 2021, it fell to 32% in October 2021, while remaining at a higher level than before the pandemic.

For 2022, GfK forecasts further growth, driven in particular by a rebound in TV sales due to the soccer World Cup in Qatar and the election period, with continued trends towards health and wellness products, more sustainable products and higher value-added products.

This performance is mainly due to price increases, while sales volume increased by only 3%. The year 2021 is marked by the shortage of electronic components and soaring raw material prices. The shift towards higher value-added products has contributed to the market's value dynamics. Sales of television sets have thus fallen by 11% in volume, but have risen by 11% in value.

In France, according to GfK, the Home Furnishings sector had a good year in 2021, with nearly 29 billion euros generated, or +4% compared to 2020. The sector was largely driven by sales of IT and office equipment (+18% in revenues), small household appliances (+11%) and consumer electronics (+6%). These three sectors have benefited from the "home" trend, initiated by the closure. Taking into account the 3 months of forced closure of physical Home Equipment outlets in 2020, the weight of Internet sales has logically increased, by 6 points, exceeding 30% of the turnover generated. The markets already oriented online (Photo, Computers, Telecoms) have seen an even stronger acceleration, while the progression is below the average for the universe on the GEM and Consumer Electronics side.

French consumers have in fact made more use of e-commerce: their online spending has increased by 34% in 2020 to reach nearly 7 billion euros, with a stronger dynamic on Click&Mortar sites (growth of more than +50% in turnover) than on pure-players (up more than +10%). (Source : <https://itnnews.com/articles/188894/equipements-de-la-maison-un-marche-de-29-milliards-deuros-en-croissance-tout-au-long-de-lannee-2020.html>)

According to the latest U.S. toy sales statistics, consumers spent \$38.19 billion on toys in 2021. This marks a whopping 14.2% increase over the previous year and comes despite an overall reduction in consumer spending due to the coronavirus pandemic.

However, this increase is a slowdown from the previous year. In 2020, total U.S. toy market sales increased 20.6 percent to \$33.43 billion.

Analysts attribute the growth of the U.S. toy market in 2021 to the pandemic, which has affected consumer behavior. With restrictions on travel and entertainment, many people have diverted their money to other forms of entertainment, such as toys (Source: <https://www.oberlo.com/statistics/toy-sales-statistics>).

In France, Santa's sack was well filled in 2021. Despite the drop in the birth rate, and supply difficulties from Asia, the toy market grew by 3% compared to 2020, passing the €3.7 billion mark, according to NPD (+5% in volume). Compared to 2019, before the Covid-19 pandemic, growth reaches 3.3%. This allows France to double England, and become the second European market behind Germany. However, the year 2021 has not been easy for toy manufacturers and distributors, between the still complicated health context, the inflation of raw material and transport costs, and logistical difficulties. (Source: [https://www.lesechos.fr/industrie-services/conso-distribution/le-marche-du-jouet-a-enregistre-une-hausse-historique-en-2021-1378880#:~:text=La%20hotte%20du%20p%C3%A8re%20No%C3%ABl,\(%2B5%20%25%20in%20volume\)](https://www.lesechos.fr/industrie-services/conso-distribution/le-marche-du-jouet-a-enregistre-une-hausse-historique-en-2021-1378880#:~:text=La%20hotte%20du%20p%C3%A8re%20No%C3%ABl,(%2B5%20%25%20in%20volume).)

e)) 2021 will have been the year of the stores' revenge. Toy specialists, which account for one-third of the market, saw their sales increase by 9% compared to 2020. Sales, on the other hand, fall by 1% in hypermarkets, and even by 7% compared to 2019. Internet sales are down slightly but still growing very strongly (+32%) compared to 2019. Specialized networks with stores, which have digitized at high speed in 2020, contribute to this.

2022 is shaping up to be a bit more challenging for the toy industry. The explosion in production and transportation costs had little or no effect on toy prices in 2021. But it will eventually have an impact in 2022. It will surely weigh on margins and perhaps sales. "Innovation by manufacturers and licensing will help sustain the market," says Frédérique Tutt. But we have to pedal all the faster because the birth rate is constantly falling. The INSEE, in fact, counts 15,000 to 20,000 fewer children each year, which are as many fewer small customers for manufacturers and distributors. (Source : <https://www.lefigaro.fr/conso/2021-annee-record-pour-le-marche-du-jouet-malgre-les-difficultes-d-apvisionnement-20220113>)

The NPD Group reported that UK toy sales fell by 3% in 2021 to £3.2 billion. In what has been a turbulent year for the industry, the UK toy market has shown remarkable resilience to pre-pandemic numbers, they say, and while there has been a decline in 2021, the market is up +2% overall compared to 2019.

Several toy categories grew last year, including plush toys, up +9%, and vehicles, up +7% year-over-year. Top toy properties in 2021 include classics like Barbie, Star Wars and Paw Patrol as well as fast-growing properties like Pokémon, Bluey and Minecraft. The last week of activity before Christmas also saw +35% year-over-year growth, and the entire month of December was up +2%.

"The toy industry has faced enormous challenges in 2021, including, but not limited to, supply chain concerns and the ongoing Covid-19 pandemic," commented Roland Earl, BTHA chief executive. "Despite these hurdles, the UK toy market has held up relatively strongly compared to pre-pandemic figures and there are reasons to be optimistic about the year ahead, with some categories showing growth and a strong range of new releases for 2022."

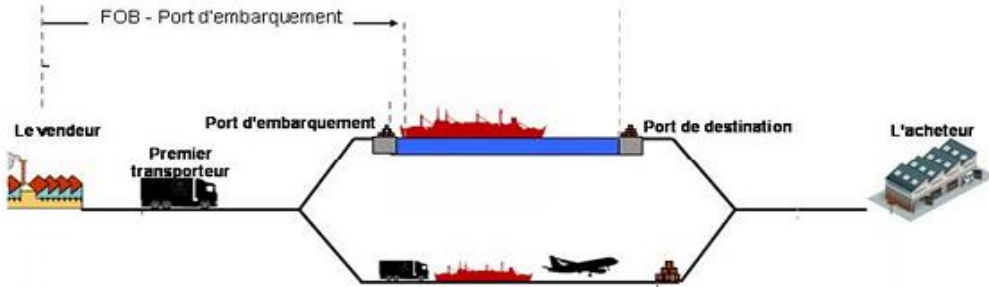
Melissa Symonds, executive director, UK Toys, The NPD Group, adds, "Last year, the UK toy market managed to retain 35% of the value it gained in 2020, with seven out of 11 categories up on 2019 figures. Even more impressive is that licensed toys grew for the third year in a row, reaching 28% of the market - the highest share ever. With a large number of Tokyo movie releases scheduled for this year, as well as continued strong performance from streaming, YouTube and video game licenses, 2022 is shaping up to be a good year for toys. " (Source: <https://toyworldmag.co.uk/npd-says-uk-toy-market-shows-resilience-despite-challenging-year/>).

Since late 2020, the global industry has been alarmed by a semiconductor shortage, which has been exacerbated by the pandemic and some supply chain disruptions.

Distribution channels: FOB / NON FOB

FOB: Free On Board:

The seller (exporter) is responsible for delivering the goods from his company and loading them on board the ship at the port of export. He is also responsible for customs clearance in the country of export. As soon as the goods pass the "bridge of the ship" the "risk of loss" is transferred to the buyer (importer). From that moment on, the buyer must assume the costs of transport and insurance, and must also take care of customs clearance in the country of import. An FOB transaction will read "FOB, port of export" (in the case of LEXIBOOK; FOB Hong Kong)



Since September 30, 2010, the financial information of the LEXIBOOK Group is given in relation to its two distribution channels which are FOB sales and non-FOB sales. This breakdown is the one used by the company's internal reporting.

This information corresponds not only to a distribution channel, but also to the turnover achieved by the two companies that make up the LEXIBOOK Group today: LEXIBOOK SA in France and LEXIBOOK LTD in Hong Kong. The sales of the latter are made on an FOB basis and those of LEXIBOOK SA on a domestic billing basis (NON FOB).

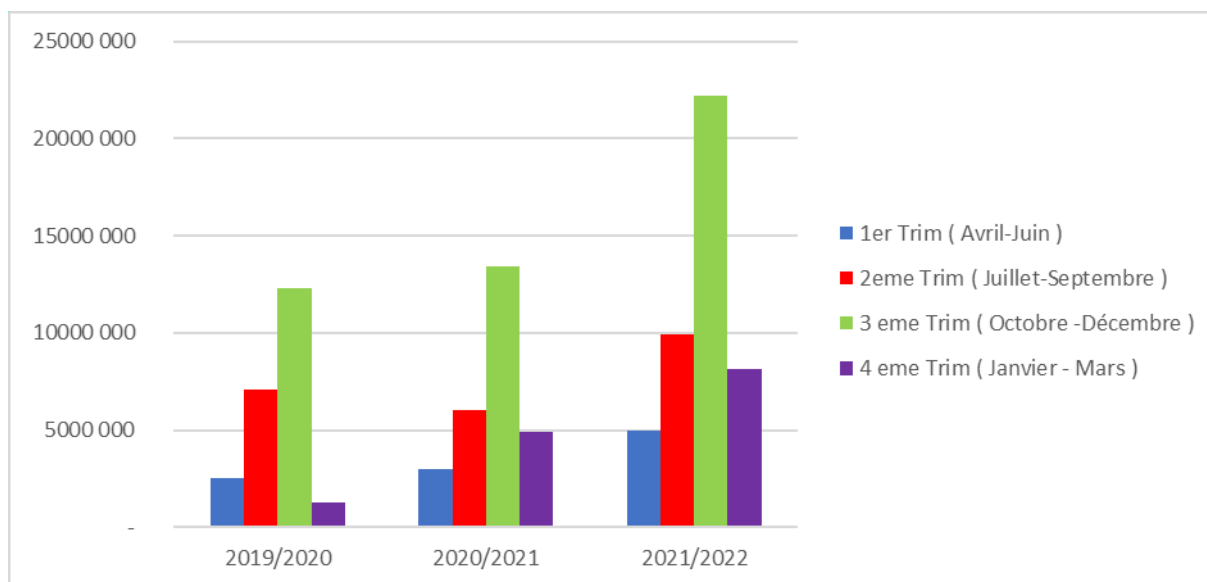
Since March 2010, LEXIBOOK, which used to distribute its products through subsidiaries located in the main European countries, has chosen to reorganize around local distribution partners in order to reduce its costs on the one hand, and to reduce its outstanding customers on the other hand.

Previously, the turnover of the other European and American subsidiaries of LEXIBOOK was almost entirely realized on a domestic invoicing basis (NON FOB). This activity has been reported on an FOB basis from Hong Kong and on a NON FOB basis.

The breakdown of activities between Hong Kong (FOB sales) and France (Domestic or NON FOB sales) varied respectively by +57.6% (7.99 M€ as of 31/03/2022 vs. 5.07 M€ as of 31/03/2021) and by +67.07% (37.24 M€ as of 31/03/2022 vs. 22.29 M€ as of 31/03/2021)

This variation has no impact on the Group's profitability, but allows for greater adaptability to customer demand and to fluctuations in the dollar (this last distribution channel (FOB) has the advantage of not requiring currency hedging, as invoicing from HK is done in USD, of not incurring transport costs, of not incurring returns and of shortening financing times (see § on FOB/NON FOB distribution channel)

The following graph shows the quarterly turnover in euros for the last three years:



When possible and when the environment is more favorable, the Group tries to develop the FOB distribution channel which has the following advantages

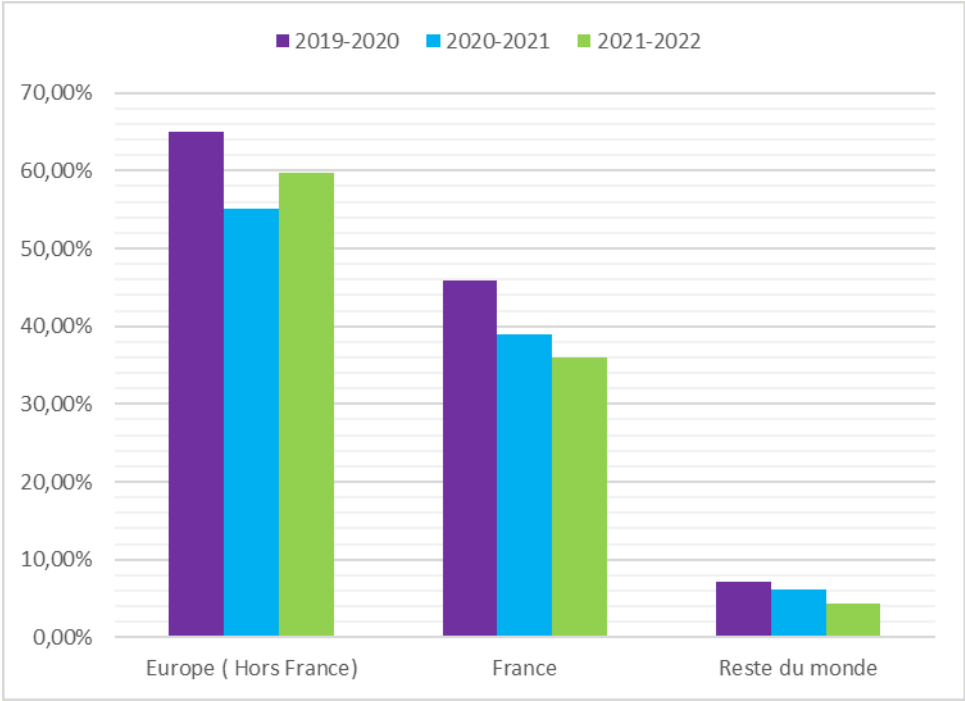
1/ Logistics and inventory: since the goods are sold on shipment, the Group reduces its transportation, insurance, inventory and handling costs.

2/ Financing: customers open letters of credit directly with LEXIBOOK LTD with the maturity date of the transfer of ownership, which reduces the time of outstanding receivables and facilitates the financing of the

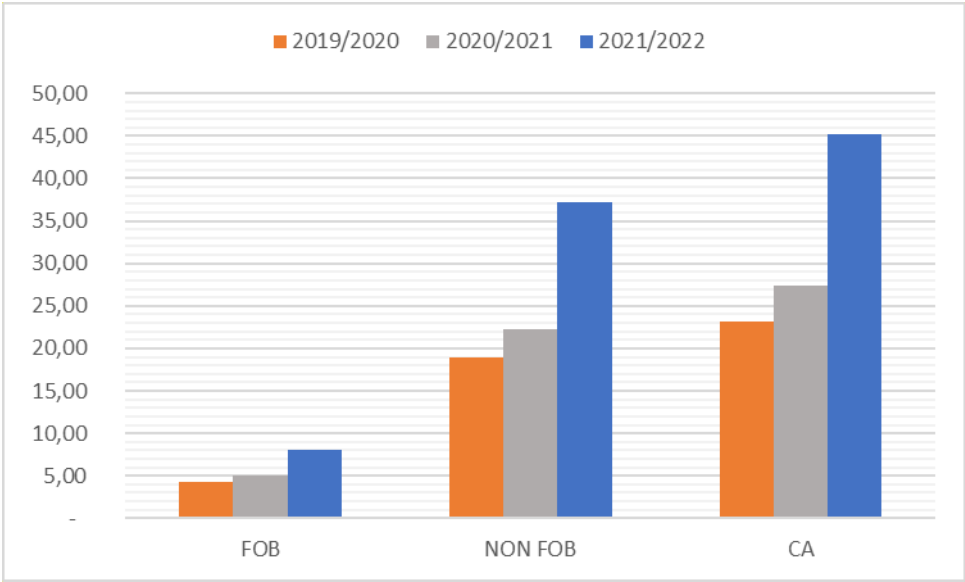
corresponding purchases from the factories. In addition, FOB customers are not factoring and their receivables do not need to be hedged as they are denominated in US dollars.

Evolution of sales over the last three years (by destination)

Percentage distribution France / Europe (excluding France) / Rest of the world



Breakdown of revenues by distribution channel in millions of euros



V3. Important events in the development of the issuer's activities

Many years of experience that allow LEXIBOOK to confirm its position as leader (This is an internal estimation of the company based on verbal information collected from its distributors and customers and on the place of LEXIBOOK products in the shelves of its customers) in the consumer electronics market and the success of its diversification into the electronic game market

- 1993-1997** Launch of the LEXIBOOK brand with the creation of the Grand Dictionyme. Extension of the range of dictionaries, translators, electronic organizers including the TouchMan.
- 1997** Introduction to the New Market and creation of subsidiaries in Spain, Portugal and the United Kingdom.
- 1998 -2008** Acquisition of ITMC (France) and SPACE TOYS (Hong Kong), specialists in educational electronic games, and creation of subsidiaries in Poland and Germany. Signing of numerous licensing contracts, including Disney. Launch of alarm clocks, watches, euro calculators, electronic toys and musical games. Opening of a subsidiary in Italy. Rapid development of international sales.
- 2008-2010** The Group is rethinking itself to increase its profitability and prepare for future growth and is deploying a strategy of cost reduction and refocusing on the two French and Hong Kong divisions. Lexibook consolidates its licensing agreements and focuses its developments on higher margin products.
- 2011-2014** Successful launch of children's tablets. Major TV advertising campaign in France, Spain and the UK. First major listings in the USA. Development of sales in Scandinavia, Italy and Russia. A capital increase is carried out on February 28, 2011 for 2.7M€. Obtaining a PPI (Loan for Innovation) from the BPI for 600K€.
- 2014-2015** New large-scale television advertising campaigns in France, England and Spain. Maturity of the children's tablet segment. Development of sales in the audio and musical instrument segments for children. Obtained a PPI (Loan for Innovation) from the BPI for 600K€.
- 2015-2016** New large-scale television advertising campaigns in France and England. Success of the licensed products "The Snow Queen" and "Minions". Signature of the Star Wars license. Launch of the Playdroid, the first Android-based TV console, and the first educational robot penguin, Marbo. First "Lexibook inside" license agreement for software developed by Lexibook for other brands. Issuance of a bond issue subscribed in full with the GIAC for an amount of €1 million over 10 years. Capital increase in 2015 for 1.87M€. Second capital increase of 2.47M€ in 2016.
- 2016-2017** Launch of the first mobile and connected karaoke under the iParty brand. Launch of the first phones and accessories under the "Snow Queen", "Avengers" and "Minions" licenses. Successful capital increase of €2.47M on May 26, 2016. Launch of a savings plan to optimize the Group's structural expenses.
- 2017-2018** Launch of the official Scrabble dictionary in France and the Decotech brand. New partnership with Sensorwake for the manufacture and distribution of olfactory alarm clocks. Opening of the new e-commerce website www.lexibook.com. Signature of the license for "The Voice, the most beautiful voice". Resumption of the distribution of Franklin products in France and the United Kingdom. Launch of Langie, the first professional translator based on artificial intelligence. Capital increase of €1 million through the free allocation of BSARs to shareholders.
- 2018-2019** Launch of PowerMan, the first edutainment robot. TV advertising campaign in France. Launch of the first products under the brand "The Voice, the most beautiful voice". Renewal of the Group's main licensing contracts for the next 3 years. Impact of the yellow vest movement and the restructuring of retail chains in financial difficulty on customer orders during the Christmas season.
- 2019-2020** Launch of PowerMan Max, the first programmable edutainment robot, PowerGirl and PowerMan Junior. TV advertising campaign in France. Launch of the first licensed products "Toy Story 4", "The Snow Queen 2", "The Lion King" and "Star Wars Episode 9". Launch of the new Official Scrabble Dictionary and the new instant voice translator "Interpreter". Capital increase of €1.5 million in December 2019 and subscription of a €1.5 million loan over 5 years from Vatel Capital in March 2020.
- 2020-2021** Launch of the Powerman Kid, the first edutainment robot for learning English. Launch of Crosslander radio-controlled cars® Launch of the Crosslander radio-controlled cars, the first

scientific games, the new educational computers, and the TrioMax screen. The Powerman is listed at Costco. Signed licenses for Baby Shark with Nickedoleon and Super Mario with Nintendo. Setting up of a State Guaranteed Loan of 2.18M€ over 5 years.

2021-2022 Launch of Power Puppy®, the Group's first radio-controlled edutainment dog, and the new Powerman® Master and Star. Launch of the new Crosslander® radio-controlled cars, the first scientific games, the new sleep coaches and storytellers. Introduction of the new Bio Toys® brand, focused on eco-responsible and recyclable toys and games. Development of internet sales in Europe. Signature of a multi-annual and multi-license agreement with Warner and release of the first products under Harry Potter licenses. Entry of 2 new banking partners to support the growth.

V4. Strategy

At the time of its IPO, the company had presented a development plan based mainly on three strategic axes:

- Continued development in France,
- International sales development,
- Development of new products.

These objectives were generally achieved. They remain important areas of development for the future. With its success in France and in order to take advantage of its technological assets, LEXIBOOK decided to expand its export sales and to take an interest in the toy market by acquiring the companies ITMC France and SPACE TOYS Hong Kong in 1998.

In addition to the initial objectives, the following objectives have recently been added

- To ensure the evolution of the ranges towards leisure electronics,
- Entering into and maintaining major licensing agreements which are negotiated at Group level and which include guaranteed minimums that can be disbursed upon signature of the contract or as revenues are earned, depending on the contract,
- Continue prospecting and business development in territories identified as priorities,
- Optimize its distribution chain and develop electronic data interchange (EDI) with its international customers.
- Develop its brands internationally.
- **Technological innovation:** Launching innovative products at moderate prices, especially for children, teenagers and seniors.
- Integrate more and more leisure electronics products with attractive design and adapted to each target in terms of functionality into the catalog.
- To allow users of LEXIBOOK products to access technology effortlessly and to take full advantage of technical advances with ease.
- Integrate the latest technologies developed within LEXIBOOK products into LEXIBOOK toys.
- To develop ever more effective educational content adapted to the different ages of children and to integrate it into its new products and in particular into the new educational robots.

International sales development :

- Replicate the French successes in European countries such as England, Germany, Spain and other European countries as a priority, then on other international markets.
- By rationalizing its marketing investments in each of these countries.
- Development of online sales on leading international merchant sites.

Upcoming trends:

The consumer electronics market revenue is expected to reach US\$1,057 billion by 2022. The market is expected to grow at a CAGR of 1.82% annually (CAGR 2022-2026).

The largest market segment is telephony with a market volume of US\$482.90 billion in 2022.

By global comparison, most of the revenue is generated in China (US\$250.90 billion in 2022).

In the consumer electronics market, 43.6% of total revenue will be generated by online sales by 2022.

In the consumer electronics market, the volume is expected to reach 8,947.8 million pieces by 2026. The consumer electronics market is expected to show volume growth of 1.6% in 2023. Source:

<https://www.statista.com/outlook/cmo/consumer-electronics/worldwide#:~:text=Revenue%20in%20the%20Consumer%20Electronics,US%24482.90bn%20in%2022> .

The global toy market reached a value of US\$156.5 billion by 2021. Looking ahead, the publisher forecasts the market to reach a value of US\$249.6 billion by 2027, growing at a CAGR of 7.50% between 2022 and 2027. Keeping in mind the uncertainties of COVID-19. (Source: <https://www.prnewswire.com/news-releases/global-toys-market-2022-to-2027---industry-trends-share-size-growth-opportunity-and-forecasts-301488626.html>)

The world's population is expected to grow from the current 7.6 billion to over 9.6 billion by 2030. Population growth, coupled with ever-increasing consumer disposable income, is expected to be a powerful catalyst for the global toys and games market. Furthermore, in addition to children, toy and game sales are also expected to be driven by older consumers, especially in segments such as action figures and accessories. Some of the other factors driving the demand for toys and games are adoption of free games, increasing popularity of educational and scientific toys, growing demand for eco-friendly toys, etc.

V5. Dependence of the issuer on licenses

See paragraph III of this Universal Registration Document on licensing risk.

V6. Basis for any statement by the issuer regarding its competitive position

The elements to which the company refers are internal estimates based on verbal information gathered from its distributors and customers and on the position of LEXIBOOK products in its customers' shelves.

V7. Investments

V71. Main investments made over the last three years

Investments made by the company consist mainly of research and development and the renewal or acquisition of new licenses. See Note 4 to the consolidated financial statements for the year ended March 31, 2022.

As of March 31, 2022, LEXIBOOK's net intangible assets consisted mainly of R&D costs (0,38 M€).

Representing 0,9 % of the turnover, we indicate the following data relating to R&D:

Détail des flux d'immobilisations incorporelles	31/03/2021	Augmentation	Diminution	31/03/2022
Frais de R&D	693 216	181 523	-41 279	916 018
Amortissement de R&D	279 754	226 708	-23 003	529 465
Frais Net de R&D	869 493	-482 940		386 553

Part des Frais sur projets abandonnés ou sur projets déjà lancés non activés	2019/2020	2020/2021	2021/2022
	379 529	628 111	535 650

Costs on abandoned or already launched projects are expensed each year.

LEXIBOOK has a research and development team located in Hong Kong. This is an essential part of the company's value added and focuses on regular product development.

This team is in charge of the complete conception of the product, from the design, the drafting of the specifications to the manufacturing of the molds required for the production. The R&D department also manages the databases and software interfaces of the products. In particular, it ensures that new technologies are well adapted to products intended for children. Finally, the team manages all product certifications to ensure compliance with the standards of the various markets.

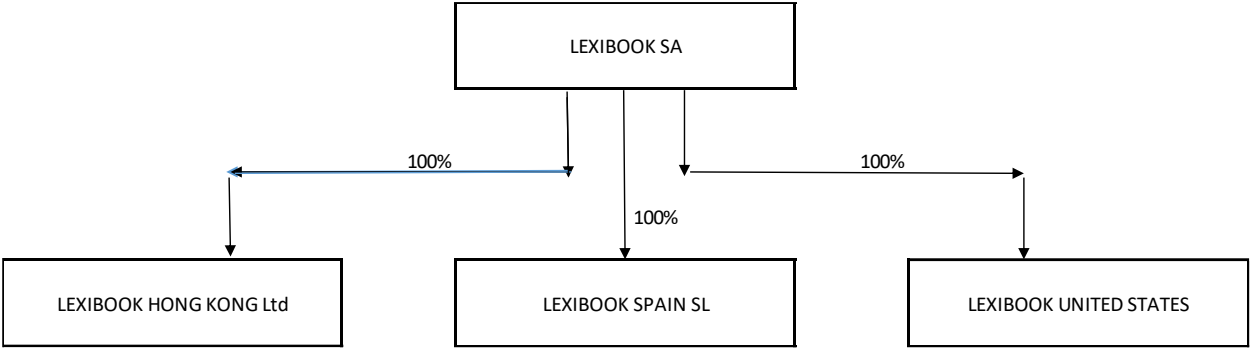
The company does not have any significant tangible fixed assets and does not plan any acquisition in 2022. As of March 31, 2022, property, plant and equipment consisted mainly of computer equipment and fixtures and fittings for the new premises of LEXIBOOK France and LEXIBOOK Hong Kong. To the best of the Company's knowledge, no environmental factor has had or is likely to have a significant direct or indirect impact on the operations of LEXIBOOK.

V72. Main investments in progress or firmly committed to by the management bodies

Not Applicable

VI. Organizational structure

VII. Description of the Group



The percentages in this chart are based on ownership and voting rights.

LEXIBOOK develops its activity by relying on a staff of 57 people whose expertise and quality have been proven for many years.

Production control

The LEXIBOOK Hong Kong subsidiary, with a staff of 34, is in charge of product research and development. The development cycle of a product is between six and eighteen months depending on the project. LEXIBOOK's primary objective is to adapt a new technology to target the consumer segment. The manufacturing process is launched as soon as the project is validated by the management.

Manufacturing consists of the production of either LEXIBOOK branded products, licensed products or private label products. With regard to private label products, manufacturing is carried out solely by O.E.M. (Original Equipment Manufactures). O.E.M.'s are factories whose purpose is to assemble components according to precise specifications leading to the realization of the product. Depending on the customer, LEXIBOOK will then put a brand on these products. This process allows a linear management of the production and facilitates the treatment of seasonal demands. The production units are based in China (10 factories representing about 2/3 of the production and assembly). They generally occupy a surface area of 10,000 m² and have a seasonal workforce of over 300 people.

For LEXIBOOK products, integrated circuits (often developed specifically for LEXIBOOK) are first designed in Hong Kong and then "masked" (a production system that ensures the protection of systems designed by LEXIBOOK), before being mass-produced by Taiwanese or Chinese suppliers, still using the O.E.M.

system. Other, non-masked components are purchased as needed for direct assembly in China. There are no factories dedicated to private label products. The factories can independently process all products. All LEXIBOOK products are manufactured by 50 subcontractors with an average production capacity per plant of between 0.5 and 10 million pieces per month. The proximity of the production plants allows the LEXIBOOK Hong Kong subsidiary to coordinate production operations. All of the Group's production is outsourced.

LEXIBOOK owns, controls and develops most of the tooling necessary for the manufacturing process of these plants. These sites are occupied either by specialized suppliers or by OEMs.

All finished products are then subject to quality control to ensure that they meet the requirements of the customers on the one hand, and the specific standards in force in the recipient countries on the other. By working skillfully with OEMs and IC suppliers, LEXIBOOK benefits from relatively short lead times. The average delivery time for components is six weeks, and manufacturing and assembly time is two weeks. Optimizing the management of strategic component purchases gives LEXIBOOK this competitive advantage.

From Hong Kong to the rest of the world

All our product lines are therefore manufactured according to the process described above. In the event that volumes are sufficient, LEXIBOOK Hong Kong is responsible for sales in all territories where the Group does not have subsidiaries, except for a few deliveries to European customers who order large volumes in bulk. From Hong Kong, the distribution of these products is organized according to the following geographical distribution:

To Europe :

- French and international buying groups,
- The French parent company.
- International distributors for OEM products co-branded with their specific brand or under the LEXIBOOK brand.

To the rest of the world:

Many of the products in the LEXIBOOK range can be exported to countries outside Europe. However, these countries cannot be approached from a French structure for reasons of cost and image. LEXIBOOK's presence in Hong Kong is a competitive and credible export base.

Organization of the distribution

Hong Kong

The LEXIBOOK Hong Kong subsidiary is at the heart of the Group's activity. This subsidiary ensures :

- the development of the Group through its innovations. To achieve this, it invests in research and development and employs high-level engineers;
- control of the manufacturing process from the choice of factories and production tools, the purchase of components and the monitoring of the manufacturing process to the quality control of the finished products;
- a contribution to consolidated revenues of €7.99 million at March 31, 2022, compared to €5.07 million at March 31, 2021.

The Group's parent company is a distribution structure, as all production is carried out in China. The parent company is the decision-making body in charge of strategy. It houses all the commercial and financial forces and a significant part of the logistics. As part of the savings plan initiated in 2015, the workforce has been reduced to 21 people as of March 31, 2022 vs. 32 as of 03/31/2016. Indeed, since the 2015-2016 fiscal year, the Group has undertaken a major reorganization of its supply and distribution chain, involving increased use of dematerialization of information flows and rationalization of its activities in order to gain in efficiency and profitability. LEXIBOOK France is in charge of managing the delivery of products worldwide for the NON FOB part.

VI2. List of subsidiaries

Liste des filiales et participations en €	% de détention	Capitaux propres (hors capital)
A. Filiales détenues à plus de 50%		
Lexibook Hong Kong Limited	99,9%	3 594 663
Lexibook Iberica SL	99,9% -	262 496
Lexibook USA	100,0% -	834 668

VII. REVIEW OF FINANCIAL POSITION AND RESULTS

Selected financial information

The table below presents the Group's principal accounting and operating data for the last two fiscal years. They are extracted from the consolidated financial statements of LEXIBOOK (presented in accordance with IFRS) for the fiscal years ended March 31, 202 2 and March 31, 202 1.

This table should be read in conjunction with the consolidated financial statements and their respective notes for the same periods (see paragraph XVIII of this Universal Registration Document).

Table of key figures (in euros) as of March 31, 202 2 and March 31, 202 1 :

Table of key figures (in €)	31/03/2022	31/03/2021
Share capital	3 881 660	3 881 660
Shareholders' equity (group share)	8 981 328	5 164 209
Financial debts	8 489 775	6 153 505
<i>Of which factoring</i>	<i>3 723 630</i>	<i>1 608 824</i>
<i>Of which quasi-equity</i>	<i>3 487 751</i>	<i>4 451 332</i>
Cash and cash equivalents	2 448 891	3 457 619
Fixed assets	870 047	1 438 979
Balance sheet total	28 043 055	16 812 173
Free Cash Flow (1)	-2 197 828	3 536 082
Operating income	45 852 956	28 094 142
Gross margin (2)	23 611 963	14 004 256
Profit (loss) from continuing operations before financial charges and before tax	4 337 231	2 235 688
Adjusted net margin (3)	16 123 647	10 347 051
Income from ordinary activities before tax	4 001 784	1 615 745
Consolidated net income (group share)	3 744 848	1 574 943
Consolidated net income per share	0,48	0,20
Net debt to equity ratio (4)	67%	119%
Restated net debt ratio (5)	-9%	3%
Dividends distributed	0	0

- (1) Free cash flow represents the net change in cash and is shown at the bottom of the cash flow statement
- (2) Gross margin is equal to net sales minus the cost of goods sold, both amounts being read directly from the income statement
- (3) The restated net margin is equal to the gross margin adjusted for the net impact of exchange rates (presented in note 19 of the consolidated financial statements), advertising contributions (included in external services) and royalties (included in other operating income and expenses).
- (4) The net debt to equity ratio is calculated as total financial debt less cash and cash equivalents, divided by total equity
- (5) The restated net debt ratio is calculated by taking the total financial debt restated for factoring, the counterpart of activations under IAS17 and IFRS 16 minus cash assets and quasi-equity, compared with total equity and quasi-equity. In discussions with our banking partners, financing received from VATEL, GIAC and BPI under a Loan for Innovation (PPI), as well as the PGE obtained, are treated as quasi-equity and not as financial debt.

I1. Review of Consolidated Financial Position for the years ended March 31, 2022 , March 31, 202 1 and March 31, 20 20

In addition to the information below, see Chapter X - Trends.

I11. Financial position - simplified consolidated balance sheet: financial years 202 1-202 2 / 20 20-20 21

En K€	31 MARS 2022	31 MARS 2021	Var
Trésorerie et équivalents de trésorerie	2 449	3 458	-29%
Créances d'exploitation	11 349	5 941	91%
Stocks	12 064	4 980	142%
Immobilisations incorporelles	390	971	-60%
Immobilisations corporelles	240	189	27%
Immobilisations financières	240	278	-14%
Droits d'utilisation de l'actif	741	628	18%
Autres postes d'actif	570	366	56%
TOTAL ACTIF	28 043	16 812	67%
Concours bancaires courants	1 264	75	1588%
Dettes financières - Part courante	4 671	2 633	77%
Engagements locatifs, part courante	288	154	87%
Dettes financières - Part non courante	2 555	3 445	-26%
Engagements locatifs, part non courante	546	519	5%
Dettes d'exploitation	7 597	3 571	113%
Autres dettes d'exploitation	1 512	1 022	48%
Autres postes du passif	628	229	175%
Capitaux propres	8 981	5 164	74%
TOTAL PASSIF	28 043	16 812	-40%

Intangible assets decreased by 581 K€.581K, of which 27 K€ on R&D, and 5 54 K€ due to the consumption of guaranteed minimums on license contracts.

The company has been making a major effort to destock for several years: inventory levels had reached an all-time low of €4.9 million by March 31, 2021. Given the high level of orders for the first few months of 2022/2023 and the situation regarding the shortage of components, the Group has chosen to secure its supplies by bringing in the goods as soon as possible. The level of inventories thus amounts to 12.1 M€ as of March 31, 2022 vs. 4.9 M€ as of March 31, 2021. This level of inventory meets the production expectations necessary to fulfill orders and secure margins. This increased level of inventory explains the evolution of the working capital requirement, which increased by €2.5 million.

The average depreciation rate was 7.3% at March 31, 2022, compared with 13.8% at March 31, 2021. This average rate is down due to the presence of many new items in inventory, reflecting a very healthy inventory.

LEXIBOOK repaid a total of 963.58 K€ for the loan for innovation obtained from the BPI, the GIAC, VATEL and the PGE.

Shareholders' equity, including net income for the year 2021-2022 amounted to 8.98 M€.

Net debt was €6.04 million at March 31, 2022, compared with €2.69 million at March 31, 2021. This change results mainly from the repayment of short-term debt (-963.58 K€), the change in factoring (+2.11 M€) and the net change in cash (-2.2 M€).

112. Financial position - simplified consolidated balance sheet: fiscal years 2020-2021 / 2019-2020

En K€	31 MARS 2021	31 MARS 2020	Var
Trésorerie et équivalents de trésorerie	3 458	664	421%
Créances d'exploitation	5 941	5 498	8%
Stocks	4 980	4 509	10%
Immobilisations incorporelles	971	2 195	-56%
Immobilisations corporelles	189	226	-16%
Immobilisations financières	278	343	-19%
Droits d'utilisation de l'actif	628	899	-30%
Autres postes d'actif	366	409	-10%
TOTAL ACTIF	16 812	14 744	14%
Concours bancaires courants	75	817	-91%
Dettes financières - Part courante	2 633	1 630	62%
Engagements locatifs, part courante	154	664	-77%
Dettes financières - Part non courante	3 445	2 515	37%
Engagements locatifs, part non courante	519	273	90%
Dettes d'exploitation	3 571	3 327	7%
Autres dettes d'exploitation	1 022	1 086	-6%
Autres postes du passif	229	830	-72%
Capitaux propres	5 164	3 602	43%
TOTAL PASSIF	16 812	14 744	-12%

Intangible assets decreased by €1.22 million, of which €456 thousand was for R&D and €754 thousand for the consumption of guaranteed minimums on license contracts.

The net value of the inventory reached an all-time low at the end of December but increased by 0.47 M€ at March 31, 2021 vs N-1 due to the needs of the first fiscal quarter 2021-22.

LEXIBOOK has repaid a total of 509 K€ for the Participative Development Credit obtained from OSEO, the Loans for Innovation obtained from BPI, the GIAC and VATEL.

The company Lexibook has subscribed to a loan guaranteed by the State up to 2.18 M€.

Shareholders' equity including the result of the 2020-2021 fiscal year amounts to 5.16 M€.

Net debt was €2.70 million at March 31, 2021 compared to €4.30 million at March 31, 2020. This change results mainly from the repayment of short-term debt (-490 K€), the change in factoring (+242 K€), the obtaining of State Guaranteed Loans (+2.18 M€) and the net change in cash (-3.53 M€).

12. Review of the consolidated income statement for the years ended March 31, 2022, March 31, 2021 and March 31, 2020

121. Consolidated income statement - fiscal years 2021 -2022 / 2020-2021

In K€	31 MARS 2022	31 MARS 2021	Variation %
Net sales	45 249	27 361	65,4%
Cost of goods sold	-21 637	-13 357	62,0%
Gross Margin	23 612	14 004	68,6%
External services	-10 753	-6 434	67,1%
Taxes (excluding corporate tax)	-82	-77	6,5%
Personnel expenses	-4 474	-3 283	36,3%
Other operating income and expenses	-3 966	-1 974	100,9%
Operating income	4 337	2 236	94,0%
EBITDA	5 426	3 087	75,8%
Cost of net debt	-318	-286	11,3%
Net interest on leases	-38	-35	9,2%
Other financial income and expenses	21	-299	-107,0%
Net financial income	-335	-620	-45,9%
Current income before tax	4 002	1 616	147,6%
Income tax expense	-257	-41	526,7%
Net income	3 745	1 575	137,8%

NB: EBITDA is operating income plus net depreciation and amortization and net charges to provisions and impairment less reversals of provisions and impairment. Items relating to net provisions on inventories and amortization of license concessions are not restated in the calculation of EBITDA as they are included in the Group's operating margin.

1. Sales and margin :

For the year, sales reached €45.2 million, up 65.4%, a historically high level of sales for the Group. FOB sales (sales invoiced directly from HK on FOB HK deliveries by full containers) and non-FOB sales are both up, reflecting the popularity of the Group's products among international distributors.

France accounted for 36% of sales and grew by 53%. International operations are driving growth, with rapid progress in Germany, Spain, the United Kingdom, Scandinavia and Eastern Europe. In the USA, the Group is also progressing, and benefits from significant growth potential. Overall, international sales rose by 73%.

In terms of products, growth was widespread across all the most profitable segments. Tablet sales now represent less than 2% of revenues for the year. Sales growth was spectacular in toys, with the success of the Powerman® robot range, the Crosslander® radio-controlled vehicles and also educational products and electronic games. Alarm clocks, audio and music products are also particularly popular.

Licensed products also contributed to this growth, both on existing, very dynamic licenses such as The Snow Queen®, Patrol®, Spiderman® and on new licenses such as Super Mario®, Miraculous®, and Harry Potter®.

Finally, the Group's digitalization is bearing fruit: digital sales are up sharply both in France and in the various European markets, thanks in particular to a massive, Europe-wide digital marketing campaign on the Group's new products. Overall, the digital communication campaigns have generated more than 500 million impressions on Lexibook products, contributing to strengthening the reputation of the Lexibook brand and the other brands of the Group.

The table below shows gross profit, gross profit adjusted for the impact of exchange rates, which are included in financial income, and exceptional items included in gross profit, and net profit after advertising contributions and royalties:

	Notes	31 MARS 2022	31 MARS 2021
Chiffre d'affaires net		45 248 664	27 361 283
Coûts d'achat des produits vendus		-21 636 701	-13 357 027
Marge brute		23 611 963	14 004 256
Taux de marge brute		52,2%	51,2%
Impact net de change	22	13 985	-219 629
Marge brute retraitée		23 625 948	13 784 627
Taux de marge brute retraitée		52,2%	50,4%
Participations publicitaires		4 467 185	1 875 854
Royalties		3 035 116	1 561 722
Marge 4 nets retraitée		16 123 647	10 347 051
Taux de marge 4 nets retraitée		35,6%	37,8%

Thanks to a favorable product mix, the launch of new high-margin products, and an equally favorable customer mix, the gross margin adjusted for currency effects rose by 1.8 points to 52.2%. This improvement was made possible by the increase in volumes in a context of rising raw material prices, thanks to economies of scale on the one hand, and the optimization of logistics costs on the other, despite the significant increase in freight costs.

This difference is partially reflected in the restated net margin, which amounted to €16.1 million versus €10.3 million a year earlier, due to increased advertising investments and a slight increase in the share of licensed products in total revenues.

2. Operating income :

External services increased by €4.3 million, mainly due to advertising contributions and logistics services linked to the growth in the volume of business and inventory.

Personnel expenses increased by €1.19 million, mainly due to bonuses provisioned for the increase in activity.

Other operating expenses increased by nearly €2 million. This change is essentially due to the increase in royalties, again linked to the increase in activity.

Operating profit reached €4.33 million, up €2.1 million. This positive trend is mainly due to the increase in business volume, the improvement in the net margin volume adjusted for exchange rates and the control of expenses.

3. Financial result :

	31/03/2022	31/03/2021
Coût de l'endettement net (produits / charges)	-318 185	-285 820
Intérêts nets relatifs à des contrats de location	-38 210	-35 023
Gains de change	364 093	169 991
Pertes de change	-389 301	-355 497
Revalorisation d'instruments financiers dérivés à leur juste valeur	39 193	-34 123
Sous total impact change	13 985	-219 629
Autres produits financiers	52 563	13 432
Provisions financières	-10 000	-70 000
Autres charges financières	-35 600	-22 903
Sous total Autres	6 963	-79 471
TOTAL RESULTAT FINANCIER	-335 447	-619 943

The cost of debt increased slightly due to the increased use of short-term financing lines. Net financial income improved by 285 K€, mainly due to the change in the net exchange rate result on the evolution of the USD/EUR parity, for +234 K€.

Taxes for the period represent an expense of 257 K€ linked to changes in the value of deferred tax assets for -155 K€ and to IS provisions payable for 412 K€.

In this context, consolidated net income at March 31, 2022 was 3,74 million, compared with 1, 57 million at March 31, 20 21.

122. Consolidated income statement - fiscal years 2020-2021 / 2019-2020

En K€	31 MARS 2021	31 MARS 2020	Variation %
Chiffre d'affaires net	27 361	23 199	17,9%
Coûts d'achat des produits vendus	-13 357	-12 142	10,0%
Marge Brute	14 004	11 057	26,7%
Services Extérieurs	-6 434	-5 526	16,4%
Taxes (hors impôt société)	-77	-64	20,8%
Dépenses de personnel	-3 283	-3 466	-5,3%
Autres produits et charges d'exploitation	-1 974	-1 887	4,6%
Résultat d'exploitation	2 236	115	1844,1%
EBITDA	3 087	-68	-4639,7%
Coût de l'endettement net	-286	-381	-25,0%
Intérêts nets relatifs aux contrats de location	-35	-42	-16,6%
Autres produits et charges financiers	-299	190	-257,4%
Résultat financier	-620	-232	167,2%
Résultat Courant avant impôt	1 616	-118	-1469,3%
Impôt sur le résultat	-41	6	-780,0%
Résultat net	1 575	-112	-1506,2%

NB: EBITDA is operating income plus net depreciation and amortization and net charges to provisions and impairment less reversals of provisions and impairment. Items relating to net provisions on inventories and amortization of license concessions are not restated in the calculation of EBITDA as they are included in the Group's operating margin.

1. Sales and margin :

As of March 31, 2021, the Group's revenues amounted to €27.36 million, compared to €23.2 million as of March 31, 2020, representing an increase of 17.93%. This clear growth in activity can be explained by the following factors

- The excitement over its new products, including Powerman robots, educational toys, board games and walkie-talkies.
- The very strong growth of sales on e-commerce thanks to an adapted policy of highlighting its products and a flawless logistics organization.
- The success of licensed products, including the Snow Queen, Spiderman, Patrol and the new Super Mario and Baby Shark licenses.
- The development of international sales, particularly in the UK, Italy, Northern Europe and Eastern Europe.
- A very good consumption of Lexibook products during the Christmas season.

The table below shows gross profit, gross profit adjusted for the impact of exchange rates, which are included in financial income, and exceptional items included in gross profit, and net profit after advertising contributions and royalties:

	31 MARS 2021	31 MARS 2020
Chiffre d'affaires net	27 361 283	23 199 378
Coûts d'achat des produits vendus	-13 357 027	-12 142 241
Marge brute	14 004 256	11 057 137
Taux de marge brute	51,2%	47,7%
Impact net de change	-219 629	209 487
Marge brute retraitée	13 784 627	11 266 624
Taux de marge brute retraitée	50,4%	48,6%
Participations publicitaires	1 875 854	1 240 657
Royalties	1 561 722	1 389 947
Marge 4 nets retraitée	10 347 051	8 636 020
Taux de marge 4 nets retraitée	37,8%	37,2%

In a context of sustained business growth, the company continued its inventory reduction efforts. Inventory levels reached an all-time low after the Christmas season. The arrival of new products and the success of the ranges offered, particularly to e-tailers, explain the increase in the gross margin adjusted for currency effects, which rose to 50.4% from 48.6% a year earlier. This improvement is logically reflected in the restated net margin, which rose to € 10,347 million from € 8,636 million a year earlier, while increasing the advertising pressure on the Group's brands and products.

2. Operating income :

The increase in operating income of €2.12 million was mainly due to the increase in business volume and savings on personnel costs.

The margin remains at a high level in percentage terms and has increased significantly in value. This allows the operating result to be +2.23 M€ at March 31, 2021 vs +115 K€ at March 31, 2020.

3. Financial result :

	31/03/2021	31/03/2020
Coût de l'endettement net (produits / charges)	-285 820	-380 668
Intérêts nets relatifs à des contrats de location	-35 023	-41 824
Gains de change	169 991	517 906
Pertes de change	-355 497	-302 135
Revalorisation d'instruments financiers dérivés à leur juste valeur	-34 123	-6 284
Sous total impact change	-219 629	209 487
Autres produits financiers	13 432	4 731
Provisions financières	-70 000	
Autres charges financières	-22 903	-24 154
Sous total Autres	-79 471	-19 423
TOTAL RESULTAT FINANCIER	-619 943	-232 428

The financial result, down 388 K€, is mainly marked by the change in the net foreign exchange result on the evolution of the USD/EUR parity, for -429 K€, by a provision for -70 K€ and by savings on the cost of net debt and net interest related to lease contracts for 102 K€.

Taxes for the period represent an expense of 40.8 K€ related to changes in the value of deferred tax assets and provisions for corporate income tax in France.

In this context, the consolidated net result as of March 31, 2021 is 1.57 M€ against -0.1 M€ as of March 31, 2020.

VIII. CASH AND EQUITY

VIII1. Simplified information on the issuer's equity

The table below shows the changes in the LEXIBOOK Group's shareholders' equity over the last three years.

Etat de variation des capitaux propres										
Pour l'exercice clos le 31 mars 2022										
Attribuable aux propriétaires de la Société										
En euros	Note	Capital Social	Primes d'émission	Réserve de conversion	Réserve de couverture	Stocks options	Réserves d'actions propres	Composante "capitaux propres" des obligations convertibles	Résultats non distribués	Total des capitaux propres
Solde au 31 mars 2021		3 881 660	7 237 431	- 392 161	- 677	-	-	-	- 5 562 047	5 164 209
Résultat global de la période									3 744 848	3 744 848
Résultat net									- 35 853	72 271
Autres éléments du résultat global				107 447	677					
Résultat global de la période				107 447	677				3 708 995	3 817 119
Transactions avec les propriétaires de la Société										
Contributions et distributions										
Emission d'actions ordinaires										
Emission d'obligations convertibles										
Actions propres vendues										
Dividendes										
Total des contributions et distributions										
Variations des parts d'intérêts										
Acquisition de participations ne donnant pas le contrôle sans modification de contrôle										
Total des variations des parts d'intérêts										
Total des transactions avec les propriétaires de la Société				107 447	677				3 708 995	3 817 119
Solde au 31 mars 2022		3 881 660	7 237 431	- 284 714	0	-	-	-	- 1 853 052	8 981 328

Etat de variation des capitaux propres										
Pour l'exercice clos le 31 mars 2021										
Attribuable aux propriétaires de la Société										
En euros		Capital Social	Primes d'émission	Réserve de conversion	Réserve de couverture	Stocks options	Réserves d'actions propres	Composante "capitaux propres" des obligations convertibles	Résultats non distribués	Total des capitaux propres
Solde au 31 mars 2020		3 881 660	7 237 431	- 421 550	0	39 780	-	-	- 7 135 634	3 601 690
Résultat global de la période									1 574 943	1 574 943
Résultat net									- 1 356	- 12 424
Autres éléments du résultat global				29 389	- 677	- 39 780				
Résultat global de la période				29 389	- 677	- 39 780			1 573 587	1 562 519
Transactions avec les propriétaires de la Société										
Contributions et distributions										
Emission d'actions ordinaires										
Emission d'obligations convertibles										
Actions propres vendues										
Dividendes										
Total des contributions et distributions										
Variations des parts d'intérêts										
Acquisition de participations ne donnant pas le contrôle sans modification de contrôle										
Total des variations des parts d'intérêts										
Total des transactions avec les propriétaires de la Société				29 389	- 677	- 39 780			1 573 587	1 562 519
Solde au 31 mars 2021		3 881 660	7 237 431	- 392 161	- 677	-	-	-	- 5 562 047	5 164 209

VIII2. Cash flow

See Note 29.1 to the consolidated financial statements on liquidity risk.

VIII3. Borrowing conditions and financing structure

See Note 29.1 to the consolidated financial statements on liquidity risk.

VIII4. Restrictions on the use of capital

None.

VIII5. Sources of financing for the Company's future investments

Not Applicable.

IX. REGULATORY ENVIRONMENT

LEXIBOOK complies with EC regulation 1103/97 modified by EC regulation 2595/2000 and with the standards in force for its products.

All the products manufactured and marketed by LEXIBOOK comply with the electromagnetic compatibility standards applicable in the European Union. In addition, in accordance with current legislation, the specific toy segment complies with all mechanical, chemical, electrical and flammability standards, guaranteeing that LEXIBOOK products comply with the standards in force in the various countries in which the Group markets its products.

To date, the Company has not identified any governmental, economic, budgetary, monetary or political factors that have had a material impact in the past or are likely to have a material impact in the future, either directly or indirectly, on the operations of LEXIBOOK.

X. TREND INFORMATION

X1. Trends affecting the business since the end of the last fiscal year to the date of the universal registration document

The Group presented its new 2022 products via video to international buyers. The reception from retailers was favorable, particularly in the educational products segments such as robots and educational computers, but also in the watch, board game and musical toy segments. The market for children's tablets remains anecdotal and represents only a very marginal share of Lexibook's sales. After two years 2020 and 2021 exceptionally poor in releases due to the pandemic, several block-buster releases are scheduled for 2022. The crisis has forced producers to postpone their planned releases again, in particular the new Minions film, initially scheduled for July 2020, which Universal has postponed to July 2022, thus cancelling all associated commercial operations for 2021.

2022 will therefore mark a return to almost normal film activity, and will see the continued growth of video platforms such as Netflix, Amazon, YouTube or Disney+, helping to push classic properties to the public. In addition to licensed products, the Group is also counting on the success of its new own-brand products.

After the success of its Powerman robot over the last 4 years, it will present its new models as well as some great new products in its segments starting in September 2022. The Group will also launch new products on new licensing contracts, notably with Warner whose flagship properties such as Harry Potter, Tom & Jerry, Scooby-Doo, Looney Tunes, Batman and Justice League will be added to the Group's portfolio.

The impact of Covid-19 remains a risk factor for 2022, both for manufacturing and for household consumption. Even if Chinese production is not impacted in 2022, the strong demand linked to the end of the Covid crisis and the war in Ukraine will create pressure on raw materials and electronic components. Manufacturing costs have been subject to general inflation since 2021. The unfavorable evolution of the Euro/USD and Euro/GBP parities over the last few months has only amplified these inflationary phenomena. In addition, the shortage of containers and the saturation of freight, whether by sea, rail or air, are prolonging, keeping logistics costs at an abnormally high level. In order to protect its margins, the Group, like almost all suppliers, has reviewed its price lists at the beginning of 2022. It may have to review them again if these movements are prolonged or amplified.

The situation is extremely evolving and it is currently difficult to quantify the effects.

AFTER-SALES SERVICE

In order to reduce the level of after-sales returns, the Group generally sells merchandise to distributors by including, whenever possible, a percentage of free products in lieu of after-sales service on FOB Hong Kong sales. This practice is difficult to apply to domestic sales. The Group has therefore chosen to outsource the after-sales service of tablets from the end of 2013 to a specialized company. Since the 2013/2014 financial year, the Group has succeeded in making its tablets more reliable by learning the

lessons of the 2012/2013 financial year by strengthening its quality requirements, controls and after-sales policy. This very positive response has helped strengthen LEXIBOOK's brand image with both retailers and end consumers. The decline in sales in the tablet segment has accelerated this trend, and the Group has thus reached a new low point in both returns and credit notes in 2020/2021. With the significant increase in activity in fiscal year 2021-22, the Group has tightened its quality standards and thus succeeded in maintaining the number of products processed by the after-sales service in 2021-22 close to the 2020/21 level:

Processed products	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Exchange	362	438	230	284	281
Have	9 310	8 570	2 926	1 068	1 590
Repair	2 531	968	651	467	271
Verification	341	172	100	116	67
Total	12 544	10 148	3 907	1 935	2 209

No significant changes in financial performance have occurred within the Group between the end of the last fiscal year for which financial information has been published and the date of this Universal Registration Document.

X2. Known trends, uncertainties, demands or events that are reasonably likely to have a material effect on the issuer's prospects

In the context of the Covid-19 global pandemic, Lexibook's priority has been to continue the mobilization undertaken since January 2021 with its customers despite the absence of international trade fairs, in order to pursue as efficiently as possible the commercial actions and confirm the launch of new projects and the end-of-year referencing. Lexibook also intends to maintain an intense commercial activity, by directing it towards customers who still have potential, especially internationally. In parallel to the traditional network, Lexibook has strongly accelerated its process of digitalization and development of sales on the web, not only by making its product catalog available on the main European e-tailers, but also by implementing an aggressive policy of effective targeted digital communication. These actions have resulted in a generalized growth of the activity in France as well as internationally for the fiscal year 2021-22. Lexibook intends to continue this momentum in 2022-23 by reinforcing the most effective devices to make its products visible and boost consumption. The release of several blockbusters in 2022, for which Lexibook holds the operating licenses, should also be a dynamic factor for sales during the year.

On the financial side, Lexibook has the necessary cash for its new fiscal year: after the capital increase carried out in December 2019, Lexibook obtained in March 2020 a medium-term loan from Vatel Capital up to 1.5M€ over 5 years amortizable monthly, and a State Guaranteed Loan up to 2.18M€ repayable monthly until June 2026. All the necessary bank lines have been renewed until January 31, 2023 by the historical partners.

A new bank has joined the pool as of June 1, 2020 for new campaign credits for the season and has strengthened its lines in 2022. Two new banking partners have also joined the pool in 2022 to enable the Group to finance the growth in working capital and to organize production serenely.

After a third year of sustained growth, the Group intends to continue its positive trend and is focusing its efforts on accelerating sales in e-commerce and specialized distribution.

Consumption remains strong for Lexibook products. The Group expects double-digit sales growth in H1 2022-23 despite a high base effect and a dynamic FY 2022-23, in line with FY 2021-22.

XI. PROFIT FORECASTS OR ESTIMATES

XI1. Issuer's statement

Not Applicable.

XII. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

XII1. Corporate officers and corporate governance bodies

During the last five years at least, none of the members of the Supervisory Board and the Executive Board has been subject to :

- any conviction for fraud within the last five years at least;
- of a bankruptcy, receivership or liquidation or has been associated with a bankruptcy, receivership or liquidation acting in the capacity :
 - member of an administrative, management or supervisory body,
 - of a general partner,
 - founder of a company founded less than 5 years ago,
 - of General Manager ;
- any official public incrimination and/or sanction imposed on him or her, or on a company of which he or she is or has been a partner, by statutory or regulatory authorities (including designated professional bodies), nor has he or she ever been disqualified by a court from acting as a member of an administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of an issuer for at least the previous five years."

XII11. Executive Committee

The current composition of the Management Committee (Executive Committee) is as follows

- **Aymeric Le Cottier**

Chairman of the Board of Directors, responsible for leading the Executive Committee

Born on April 7, 1969

A graduate of EDHEC and holder of a Master's degree from the Ecole Centrale de Paris, Aymeric Le Cottier began his career at LEXIBOOK as Area Manager in 1994. In 1996, he was appointed Sales Director, then in 1997 Sales Director. He has been Chairman of the Board since December 19, 2006.

- **Emmanuel Le Cottier**

General Manager, Sales and Business Development Manager.

Born on April 7, 1969

A graduate of ESC Lille and the University of Granada (Spain), Emmanuel Le Cottier began his career in the Finance Department of Total in 1994. In 1995, he joined LEXIBOOK in the Management Control department. He was appointed General Manager in charge of sales and business development for the Group in 2002.

- **David MARTINS**

Chief Financial Officer and Director of Human Resources

Born on December 20, 1974

David Martins holds a Diploma in Accounting and Finance and has more than twenty years of experience within the LEXIBOOK Group. His experience includes consulting and auditing as well as management control and financial consolidation. He has been the Chief Financial Officer and Director of Human Resources at LEXIBOOK since mid 2012.

- **Delphine Le Lan**

Marketing Director

Born on January 11, 1973

A graduate of ESC Nantes, Delphine Le Lan began her career at Hachette Editions in the Marketing Department in 1995. Two years later she joined the LEXIBOOK Group as Toy Marketing Director. She was appointed Group Marketing Director in 2002.

XII12. Board of Directors

The Board of Directors met 7 times during the financial year 2021-2022. Its members are Emmanuel Le Cottier and Aymeric Le Cottier.

Aymeric Le Cottier, Chairman of the Management Board of LEXIBOOK SA, is also a Director of LEXIBOOK Limited Hong Kong.

Mr. Emmanuel Le Cottier, Member of the Executive Board and Chief Executive Officer of LEXIBOOK SA, is also 1) Director of LEXIBOOK Limited Hong Kong, 2) Director of LEXIBOOK Iberica, 3) Director of LEXIBOOK USA.

The mandates described above cover the last five years.

Aymeric LE COTTIER and **Emmanuel LE COTTIER** bring a more specific expertise in the respective fields of product strategy and market development strategy.

XII13. Supervisory Board

The Supervisory Board met 12 times during the year. 12 times during the year 2021-2022.

The terms of office of the members of the Supervisory Board described below cover the last five years.

- **Luc Le Cottier**

Born on February 17, 1943.

EDHEC

Father of Mr Aymeric and Mr Emmanuel Le Cottier

Chairman of the Supervisory Board, he is also 1) director of LEXIBOOK limited Hong Kong, 2) managing partner of SCI Trio, 3) managing partner of SCI Anastase IV, 4) partner of EURL LLC Invest. He was manager of GEPRIM and ELVECO before creating LEXIBOOK in 1993 and was also director of REALTRACE until the end of 2019.

Founder and President of the LEXIBOOK Group, he has a very intimate knowledge of the company, its customers, its markets and their needs. These qualities combined with his strategic vision have greatly contributed to the development of the Group.

- **Caroline PUECHOULTRES, Independent member,**

Born on April 12, 1969

Was a member of the Board of Directors of Kaufman & Broad from 2014 to 2021 and a director of Groupe Flo between 2015 and 2016.

She benefits from an expertise in Marketing, Commerce and Digital, notably through her ten years of experience at Club Méditerranée as Director of Global Strategy and more recently, her positions as Sales & Marketing Director at Intermarché and Carrefour Supermarché.

She is now CEO in charge of Customer Strategy at group level, corporate officer and member of the Management Board of Unibail Rodamco Westfield.

Graduated from HEC in 1991 (majoring in Marketing in 3rd year).

She owns 10 LEXIBOOK shares.

- **Gérard Abadjian, Independent Member,**

Vice-Chairman of the Supervisory Board, he is also co-manager of SELARL A&C ASSOCIES.
Born on February 24, 1956
As a lawyer, he brings a particular expertise in the fields of risk identification and prevention.

He owns 20 LEXIBOOK shares

- **CORTEN, represented by Pierre FOREST, Independent Member**

Born on July 28, 1960

Pierre is a graduate of the EMBA of HEC J/2002. He is Chairman of Corten SAS and Chairman of the Board of NexRad. Previously, he chaired the holding company of Inicea, a network of private clinics and day hospitals, as well as Sterience SAS, the leader in medical device sterilization in France. He participated with the investment fund Ekkio Capital in the construction of the Novescia Group, recognized by the financial and biological community as an example of a good alignment of medical and economic interests.

He has extensive experience in the management and development of companies which he brings to our company.

He owns 10 LEXIBOOK shares.

- **Pascal Gandolfini, Independent Member**

Born on June 8, 1961

Diploma in Electrical Engineering with an option in electronics in 1981

Finance training for executives at Cégos in 2000

1982 - 1986 worked in the development of electronic products for the Rafale

1986 - 1994 joined the company Elexience as a sales manager

1994 - 2000 buys Elexience with 2 partners and creates Milexia after the acquisition of the Italian company Microelit

Today, as President of Milexia, he brings a commercial and financial expertise, but also a business expertise, the functioning of his company being close to the one of LEXIBOOK. Indeed, Milexia buys products in Asia and in the USA and resells them in France and in Europe in B to B. They market in particular "hardened" products for a professional clientele.

He owns 400 LEXIBOOK shares

- **Julie HUGUENIN, Independent member**

Born on May 25, 1970

Graduated from the Institut Supérieur de Gestion (ISG Paris) in 1993, she started her career in the retail industry with Evian, before joining the marketing department of Lexibook. She then moved up the ladder at Microsoft in 2000 as a marketing and sales manager, notably with the French Ministry of the Army, and then in the field of cybersecurity.

She has expertise in Marketing, Sales and .

She does not hold any other office

It does not own any LEXIBOOK shares

- **Bénédicte EVEILLARD**

Born on February 5, 1972

Graduated from the Institut Supérieur du Commerce (ISC Paris) in 1995 and from a DUT in Marketing Techniques, she specialized in communication and press relations. After two experiences in Parisian communication agencies, she then took over the communication department of the city of Gif sur Yvette (Essonne). She then turned to the education of her three children and the theater as an actress and author of plays.

She does not hold any other office

She owns 100 LEXIBOOK shares

XII.2. Conflicts of interest at the level of administrative, management and supervisory bodies and senior management

There are no conflicts of interest between the duties to the issuer of any of the members of the Board of Management or the Supervisory Board and their private interests and/or other duties.

Apart from the service contracts listed below, which are part of the normal operation of the company, there are no other service contracts binding members of the administrative, management or supervisory bodies to the issuer or any of its subsidiaries and providing for the granting of benefits at the end of such a contract.

1/ Lease agreement between LEXIBOOK and SCI TRIO for the buildings located at 6 avenue des Andes - Building 11 in Les Ulis. SCI TRIO is owned by Messrs Le Cottier Aymeric, Emmanuel and Luc, respectively Chairman of the Management Board, Chief Executive Officer and Chairman of the Supervisory Board. During the financial year 2021-2022, 148,47 thousand in expenses.

2/ Legal advice contract between LEXIBOOK and SELARL A&C AVOCATS, of which Mr. Gérard Abadjian, a member of the Supervisory Board and the Audit Committee, is a shareholder. During the financial year 2021-2022, the following amounts were recorded 44,9 K€ of expenses.

XIII. COMPENSATION AND BENEFITS

COMPENSATION POLICY FOR CORPORATE OFFICERS

Approval of the compensation policy for the Company's corporate officers (6^{ème} to 8^{ème} resolutions)

In accordance with Article L.22-10-26 of the French Commercial Code, shareholders will be asked at the Combined General Meeting of September 14, 2022 (the "Combined General Meeting") to approve the remuneration policy for the Company's corporate officers (members of the Executive Board and members of the Supervisory Board), it being hereby specified that the policy was unanimously approved at the Combined General Meeting held on September 14, 2021.

The Supervisory Board considers that the compensation policy for the Company's corporate officers is in line with the Company's corporate interest and contributes to its long-term viability and business strategy, as it is based on an ongoing search for a balance between the Company's interests, consideration of the performance of its executives and continuity in compensation practices.

The compensation policy for the Company's corporate officers is reviewed annually by the Supervisory Board (determination of the compensation of the members of the Executive Board, the compensation of the Chairman of the Supervisory Board and proposal for the determination of the total compensation of the members of the Supervisory Board).

Elements of the remuneration policy specifically applicable to members of the Board of Directors by virtue of their office

Subject to the resolutions submitted to the Shareholders' Meeting of September 14, 2022 and their approval by the shareholders, the components of the compensation of the Chairman and members of the Executive Board for fiscal year 2021/2022 are presented below

The Chairman of the Board of Directors has had an employment contract since he joined the Company. As his duties have not changed, the continuation of this contract seemed normal.

The Supervisory Board has formally decided to suspend the employment contracts of the two members of the Board of Directors, Aymeric and Emmanuel Le Cottier. Their contracts are to be considered as suspended by operation of law since their appointment as members of the Executive Board, i.e. since December 19, 2006. They will automatically resume upon the expiration of their respective terms of office.

Fixed remuneration

The members of the Board of Directors receive a fixed remuneration for their corporate offices. This is set taking into account the fixed remuneration usually paid in the market, even if the remuneration paid to members of the Board of Directors is lower.

The level and terms of compensation are determined by the Supervisory Board, in accordance with legal and regulatory requirements and taking into account recommendation R13 of the Middledent Code 2016, with in particular the assessment of the criteria of Completeness, Balance, Benchmark, Consistency, Readability of Measurement and Transparency.

The gross fixed annual compensation of Mr. Aymeric LE COTTIER, Chairman of the Executive Board, amounts to €141,500. It was set at the Supervisory Board meeting of February 1, 2019.

The gross fixed annual compensation of Mr. Emmanuel LE COTTIER, member of the Executive Board, amounts to €141,500. It was set at the Supervisory Board meeting of February 1, 2019.

Variable compensation

The Supervisory Board takes into account the principles set out in the AFEP-MEDEF Code: comprehensiveness, balance between compensation components, consistency, intelligibility of rules, measurement.

The Supervisory Board is committed to defining a compensation policy that achieves the following objectives:

- ✓ attract and retain the best skills,
- ✓ define a balanced compensation structure, taking into account the scope of responsibilities,
- ✓ to define a remuneration based on performance, in particular linked to the commercial strategy, in line with the interests of LEXIBOOK - L.E.S. and its shareholders.

In accordance with paragraph 25.12 of the AFEP-MEDEF Code, the compensation of corporate officers is based on the work performed, the responsibilities assumed and the missions entrusted to them.

The results obtained, which show a very significant increase in the Company's sales and earnings, undoubtedly attest to the fact that the members of the Board of Directors (sales managers at both the national and international levels) devote a great deal of time and energy to their missions, which enables the Company to develop.

Under these conditions, the Supervisory Board, at its meeting of October 8, 2021, decided, in view of the extent of the work done and the results obtained, to review the variable compensation of the members of the Executive Board, as follows:

- ✓ Net income below 1,000,000 Euros: no remuneration
- ✓ Result superior to 1,000,000 Euros: payment of a bonus of 10,000 €.
- ✓ Result superior to 1.500.000 Euros : payment of a 40.000 € bonus in addition to the previous floor
- ✓ Result superior to 2.000.000 Euros : payment of a 50.000 € bonus in addition to the previous floors, within the limit of 100.000 Euros
- ✓ Result superior to 2.500.000 Euros: payment of a bonus of 50.000 € in addition to the preceding floors, within the limit of 150.000 Euros
- ✓ Result superior to 3.000.000 Euros: payment of a bonus of 50.000 € in addition to the preceding floors, within the limit of 200.000 Euros
- ✓ Result superior to 3.5000.000 Euros : payment of a 50.000 € bonus in addition to the previous floors, within the limit of 250.000 Euros
- ✓ Result superior to 4.000.000 Euros: payment of a bonus of 100.000 € in addition to the previous floors, within the limit of 350.000 Euros,

for each member of the Board of Directors.

Exceptional remuneration

The Supervisory Board may decide to grant exceptional compensation to one or more members of the Executive Board, in particular in connection with specific transactions carried out by the Company.

The amount of the exceptional compensation thus decided may not exceed a maximum of 50% of the annual fixed compensation.

Where applicable, the payment of exceptional compensation for the previous fiscal year is subject to approval by the Ordinary Shareholders' Meeting of the components of the compensation and benefits of any kind paid to members of the Executive Board during the previous fiscal year or granted in respect of the said fiscal year (ex post vote).

The Supervisory Board of April 9, 2021 decided, in view of the results obtained, marking a very important evolution of the turnover and the result, attesting indisputably to the fact that Mr. Aymeric LE COTTIER and

Mr. Emmanuel LE COTTIER devoted to their missions an enormous amount of time and energy, thus allowing the development of the Company, to grant them an exceptional bonus of 40,000 €uros gross, including the aforementioned variable part of 0.5% of the consolidated net result.

Other benefits of any kind

1^{er} The decision of the Board of Directors of August 29, 2003 authorized LEXIBOOK - L.E.S. to take out identical unemployment insurance contracts (GSC) with GAN for the benefit of Emmanuel LE COTTIER and Aymeric LE COTTIER, effective September 1, 2003.

The last authorization to renew these contracts was decided by the Supervisory Board at its meeting of March 31, 2022:

- ^{er}At the meeting of the Supervisory Board on March 13, 2009, it was decided that Aymeric and Emmanuel Le Cottier would benefit from the class 4 basic plan and the class F supplementary plan as of January 1, 2009, for a period of 24 months with option 2, thus allowing each of them to receive a total compensation of 150,956 euros over 24 months;
- ^{erer}At the meeting of the Supervisory Board held on February 1, 2019, it was decided that Aymeric and Emmanuel Le Cottier would benefit from the basic class 4 plan and the supplementary class G plan as of January 1, 2019, for a period of 24 months with option 2, thereby entitling each of them to an annual compensation of 93,205 euros;

2/ The decision of the Board of Directors on January 6, 2005 authorized LEXIBOOK - L.E.S. to take out RIP provident insurance policies with GAN, identically for the benefit of Messrs. Emmanuel LE COTTIER and Aymeric LE COTTIER.

The last authorization to renew these contracts was granted by the Supervisory Board at its meeting of March 31, 2022.

3/ Expenses are reimbursed only upon presentation of receipts.

Elements of the remuneration policy specifically applicable to the members of the Supervisory Board by virtue of their office

No change in the remuneration policy for the Chairman and other members of the Supervisory Board is envisaged for the financial year 2021/2022 compared to the financial year 2020/2021.

As a reminder, the members of the Supervisory Board are remunerated by the allocation of a fixed global sum allocated by the General Meeting of Shareholders and distributed by the Supervisory Board among its members.

The distribution of this remuneration must take into account the attendance of Supervisory Board members and the time they devote to their duties.

The Chairman of the Supervisory Board receives an additional sum in respect of his duties as Chairman of the Board (Article L.225-81 of the French Commercial Code). No additional sum is provided for in respect of membership of any committee.

Annual fixed sum allocated by the General Meeting of Shareholders

The Ordinary General Meeting of September 14, 2017, in its 7^{ème} resolution, set the overall remuneration of the members of the Board at the fixed annual sum of €50,000 valid for the current financial year until further decision of the General Meeting.

At the Ordinary General Meeting of September 13, 2018, the overall remuneration of the members of the Board was set at the sum of €6,000, both for the 2018/2019 financial year and for subsequent financial years.

At the Ordinary General Meeting of September 9, 2019, the overall remuneration of the Board, per fiscal year, remains fixed at the sum of €6,000, both for the 2019/2020 fiscal year and for subsequent fiscal years.

At the Ordinary General Meeting of September 14, 2021, the total remuneration of the Board, per fiscal year, was set at the sum of €20,000, both for the 2020/2021 fiscal year and for subsequent fiscal years, it being recalled that the Supervisory Board will determine the distribution of this amount among its members.

The total fixed amount allocated for the 2021/2022 financial year is the subject of the 13^{ème} resolution submitted for approval to the Combined General Meeting of September 14, 2022. The amount of this remuneration remains unchanged from the previous year.

Fixed remuneration of the Chairman of the Supervisory Board

Mr. Luc LE COTTIER, in his capacity as Chairman of the Supervisory Board, receives a fixed annual remuneration of €30,000, it being specified here that Mr. Luc LE COTTIER has significantly reduced this amount in certain financial years, thus waiving the balance.

This compensation may be reviewed annually by the Supervisory Board.

^{er}At the Supervisory Board meeting of March 31, 2021, Mr. Luc LE COTTIER was granted the following options for the fiscal year from April 1, 2021 to March 31, 2022:

- 1/ as remuneration (article L.225-83 of the Commercial Code) (ex directors' fees), the sum of 6,000 (six thousand) €uros, to be paid according to the available cash,
- 2/^{er} as remuneration for his activity as Chairman of the Supervisory Board, on the basis of Article L.225-81 of the French Commercial Code: the sum of thirty thousand (30,000) euros, to be paid for the financial year from April 1, 2021 to March 31, 2022.

At the Supervisory Board meeting of March 31, 2022, it was decided, in view of the fact that Mr. Luc LE COTTIER has never measured his efforts during the previous fiscal years, to grant Mr. Luc LE COTTIER :

- an additional payment of €4,000 as compensation for his activity as a member of the Supervisory Board (formerly directors' fees), to be applied to the 2021/2022 financial year, the amount of the sum allocated, pursuant to Article L.225-83 of the French Commercial Code, up to €20,000, having been unanimously adopted by the General Meeting of Shareholders of September 14, 2021, in its 13^{ème} resolution;
- as compensation for his activity as Chairman of the Supervisory Board, on the basis of Article L.225-81 of the French Commercial Code, the sum of 30,000 (thirty thousand) euros, to be paid for the financial year from^{er} April 1, 2022 to March 31, 2023
- as remuneration for his activity as a member of the Supervisory Board (i.e. attendance fees), on the basis of Article L.225-83 of the Commercial Code, the sum of 10,000 (ten thousand) euros, to be paid for the financial year from 1^{er} April 2022 to 31 March 2023

Fixed remuneration of the Chairman of the Supervisory Board

Mr. Luc LE COTTIER, in his capacity as Chairman of the Supervisory Board, receives a fixed annual remuneration of €36,000, it being specified here that Mr. Luc LE COTTIER significantly reduces his remuneration in certain financial years, thus waiving the balance.

This compensation may be reviewed annually by the Supervisory Board.

^{erer}At the Supervisory Board meeting of March 31, 2021, Mr. Luc LE COTTIER was awarded, for the fiscal year from April 1, 2021 to March 31, 2022, as compensation for his activity as Chairman of the Supervisory Board, on the basis of Article L.225-81 of the French Commercial Code: the sum of thirty-six thousand (36,000) euros, to be paid for the fiscal year from April 1, 2021 to March 31, 2022. The latter has decided to reduce the amount of his remuneration to the sum of 34,000 euros.

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At the Supervisory Board meeting of March 31, 2022, it was decided, in view of the fact that Mr. Luc LE COTTIER has never measured his efforts during the previous fiscal years :

- to allocate to Mr. Luc LE COTTIER, as remuneration for his activity as a member of the Supervisory Board (ex attendance fees), on the basis of article L.225-83 of the Commercial Code, the sum of 6,000 (six thousand) euros, to be paid for the current financial year, i.e. from 1^{er} April 2021 to 31 March 2022
- to maintain, as remuneration for his activity as Chairman of the Supervisory Board, on the basis of Article L.225-81 of the Commercial Code, the sum of 36,000 (thirty-six thousand) euros, to be paid for the financial year from 1^{er} April 2022 to 31 March 2023

Exceptional remuneration

Compensation may be paid to members of the Board for exceptional assignments, subject to compliance with the provisions of Article L.225-84 of the French Commercial Code.

Benefits of any kind

Expenses are reimbursed only upon presentation of receipts.

Approval of the report on the remuneration of the Company's corporate officers and of the remuneration paid or awarded in respect of the financial year ending March 31, 2022 (9^{ème} to 12^{ème} resolutions)

Subject to the resolutions submitted to the Shareholders' Meeting of September 14, 2022 and their approval by the shareholders, the components of the compensation of the Chairman of the Supervisory Board, the Chairman of the Executive Board and the other members of the Executive Board for the fiscal year 2021/2022 are presented below

In accordance with Article L.22-10-34 II of the French Commercial Code, the Combined Shareholders' Meeting convened for September 14, 2022 must vote on a draft resolution concerning the information mentioned in Article L.22-10-9 I of the said Code.

This information concerns each corporate officer, including those whose term of office has ended and those newly appointed during the 2021/2022 financial year.

The fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the 2021/2022 financial year or granted in respect of the same financial year by separate resolutions for the Chairman of the Supervisory Board, the Chairman of the Executive Board and the other members of the Executive Board must therefore be submitted to the shareholders for approval.

Accordingly, the following subsections present the information required under the above-mentioned legislative provisions.

XIII1. Amount of compensation paid to corporate officers

In accordance with the recommendations of AFEP-MEDEF, the following tables present a summary of the compensation of all kinds granted to the executive directors, i.e. the members of the Executive Board and the Chairman of the Supervisory Board

	2021/2022	2020/2021	2019/2020
LE COTTIER Aymeric, Président du directoire			
Rémunérations dues au titre de l'exercice	510 303	202 185	158 798
Valorisation des options attribuées au cours de l'exercice			
Valorisation des actions de performances attribuées au cours de l'exercice			
TOTAL	510 303	202 185	158 798
LE COTTIER Emmanuel, Directeur Général			
Rémunérations dues au titre de l'exercice	510 213	202 275	158 798
Valorisation des options attribuées au cours de l'exercice			
Valorisation des actions de performances attribuées au cours de l'exercice			
TOTAL	510 213	202 275	158 798
LE COTTIER Luc, Président du Conseil de Surveillance			
Rémunérations dues au titre de l'exercice (1)	40 000	12 000	7 800
Valorisation des options attribuées au cours de l'exercice			
Valorisation des actions de performances attribuées au cours de l'exercice			
TOTAL	40 000	12 000	7 800

- (1) The provision of The €12,000 due for the 2020/2021 fiscal year has been maintained as of March 31, 2022, and the €40,000 due for the 2021/2022 fiscal year has been provided for as of March 31, 2022.

	2021/2022		2020/2021		2019/2020	
	Montants dus	Montants versés	Montants dus	Montants versés	Montants dus	Montants versés
LE COTTIER Aymeric, Président du directoire						
rémunération fixe	141 500	141 500	143 625	139 800	139 800	139 800
rémunération variable	350 000	40 000	40 000			
rémunération exceptionnelle						
jetons de présence						
avantages en nature	18 803	18 803	18 560	18 560	18 998	18 998
TOTAL	510 303	200 303	202 185	158 360	158 798	158 798
LE COTTIER Emmanuel, Directeur Général						
rémunération fixe	141 500	141 500	143 625	139 800	139 800	139 800
rémunération variable	350 000	40 000	40 000			
rémunération exceptionnelle						
jetons de présence						
avantages en nature	18 713	18 713	18 650	18 650	18 998	18 998
TOTAL	510 213	200 213	202 275	158 450	158 798	158 798
LE COTTIER Luc, Président du Conseil de Surveillance						
rémunération fixe	34 000	0	6 000	4 800	4 800	9 600
rémunération variable						
rémunération exceptionnelle						
jetons de présence	6 000	0	6 000	3 000	3 000	6 000
avantages en nature						
TOTAL	40 000	0	12 000	7 800	7 800	15 600

The Chairman of the Board of Directors has had an employment contract since he joined the company. As his duties have not changed, the continuation of this contract seemed normal. On February 15, 2011, the Supervisory Board formally decided to suspend the employment contracts of the two members of the Board of Directors, Aymeric and Emmanuel Le Cottier. Their employment contracts are to be considered as suspended by operation of law since their appointment as members of the Board of Directors, i.e. since December 19, 2006. They will automatically resume upon the expiration of their respective terms of office. The benefits in kind available to corporate officers, members of the Board of Directors, are GSC (unemployment insurance for corporate officers) and life insurance.

The level and terms of executive compensation are determined by the Supervisory Board, in accordance with legal and regulatory requirements and taking into account recommendation R13 of the 2016 Midlenext Code, with in particular the assessment of the criteria of Completeness, Balance, Benchmark, Consistency, Readability of Measurement and Transparency.

Dirigeants Mandataires Sociaux	contrat de travail		Régime de retraite supplémentaire		Indemnités ou avantage dus ou susceptible d'être du à raison de la cessation ou du changement de fonction		Indemnités relatives à une clause de non concurrence	
	Oui	Non	Oui	Non	Oui	Non	Oui	Non
LE COTTIER Aymeric Président du directoire Date début mandat Date fin mandat	X 19/12/2006 17/12/2024			X		X		X
LE COTTIER Emmanuel Directeur Général - Membre du Directoire Date début mandat Date fin mandat	X 19/12/2006 17/12/2024			X		X		X
LE COTTIER Luc Président du Conseil de Surveillance Date début mandat Date fin mandat		X 19/12/2006 31/03/2024		X		X		X

The non-executive directors received no compensation or directors' fees.

No performance shares have been granted to corporate officers and no performance shares have become available.

As of March 31, 2022, the members of the Supervisory Board and the Executive Board together held 2 378 158 LEXIBOOK shares, including Aymeric LE COTTIER, 1 145 346 shares, Emmanuel LE COTTIER, 1 117 272 shares, Luc LE COTTIER, 1 15 000 shares, Gérard ABADJIAN, 20 shares, Bénédicte EVEILLARD, 100 shares, Pascal GANDOLFINI, 400 shares, Pierre FOREST, 10 shares and Caroline PUECHOULTRES, 10 shares .

The gross amount of total compensation paid to senior executives for the 2021-2022 financial year was €. This remuneration concerns two executives as Chairman of the Executive Board and Chief Executive Officer and the Chairman of the Supervisory Board as director's fees and compensation.

No loans and/or guarantees have been granted to the Directors since the creation of the company.

The provision of 12,000 for remuneration and directors' fees for 2020/2021 has been maintained as at 31/03/2022.

A provision of €40,000 has been recorded for remuneration and directors' fees for 2021/2022.

The benefits in kind available to members of the Executive Board are GSC (Garantie sociale des Chefs d'entreprise) under the conditions defined by the Supervisory Board, and life insurance.

It is specified that, in accordance with the provisions of Law No. 2016-1691 of December 9, 2016, all of the elements of this compensation policy will be submitted to the vote of the next LEXIBOOK General Meeting .

XIII.2. Pensions and other benefits

Not Applicable.

XIV. OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

XIV.1. Expiry dates of the terms of office of the administrative and management bodies

The operating rules of the Supervisory Board and the Executive Board are set out in Articles 17 to 33 of the Articles of Association. At the meeting of February 15, 2011, the principle of internal rules of procedure for the Supervisory Board was adopted, in accordance with recommendation R6 of the MiddleNext code.

The Executive Board and the Supervisory Board are governed by Articles L.225-57 to L.225-93 of the French Commercial Code.

As of March 31, 2022, the composition of the Supervisory Board was as follows

Luc LE COTTIER, born February 17, 1943, Chairman of the Supervisory Board, appointed on December 19, 2006 for a term of six years, which expired at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2012. Reappointed at the Ordinary General Meeting of September 13, 2018 for a term of six years ending at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2024.

Gérard ABADJIAN, born February 24, 1956, Vice-Chairman of the Supervisory Board, appointed on December 19, 2006 for a term of six years, which expired at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2012. Reappointed at the Ordinary General Meeting of September 13, 2018 for a term of six years ending at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2024.

Pierre FOREST, representing the company CORTEN, born on July 28, 1960, Member of the Supervisory Board, appointed on July 18, 2016 for a term of six years, ending at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2022.

Pascal GANDOLFINI, born on June 8, 1961, Member of the Supervisory Board, appointed on September 12, 2011 for the remainder of his predecessor's term of office, i.e., at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2012. Term of office renewed at the Ordinary General Meeting held on June 26, 2012 for a period of six years ending at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2018. Reappointed at the ordinary general meeting of September 13, 2018 for a term of six years ending at the ordinary general meeting called to approve the financial statements for the fiscal year ending March 31, 2024.

Caroline PUECHOULTRES, born on April 12, 1969, Member of the Supervisory Board, appointed on September 10, 2013 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2019.

Julie HUGUENIN, born on May 25, 1970. Member of the Supervisory Board, appointed on September 14, 2017 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2024.

Bénédicte EVEILLARD, born February 5, 1972. Member of the Supervisory Board, appointed on September 14, 2017 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2024.

As of March 31, 2022, the composition of the Executive Board was as follows

Aymeric LE COTTIER, born April 7, 1969, Chairman of the Executive Board, appointed on December 19, 2006 for a term of six years, expiring at the ordinary general meeting called to approve the financial statements for the fiscal year ending March 31, 2012, reappointed by the Supervisory Board on December 18, 2012 for a term of six years expiring on December 17, 2018, reappointed by the Supervisory Board on December 18, 2018 for a term of six years expiring at the ordinary general meeting called to approve the financial statements for the fiscal year expiring on March 31, 2024

Emmanuel LE COTTIER, born April 7, 1969, Chief Executive Officer, appointed on December 19, 2006 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the fiscal year ending March 31, 2012.

Organization and Operation of the Supervisory Board

The Executive Board determines and decides on the company's strategy. The Supervisory Board ensures that the measures taken by the Executive Board are in the interests of the shareholders and the company.

The Chairman of the Supervisory Board, in direct and regular contact with all members of the Supervisory Board, centralizes requests and then draws up a draft agenda for the next Board meeting. He ensures that this draft agenda meets the expectations of each member of the Supervisory Board and sends the Chairman of the Executive Board the list of items to be prepared for presentation to the next Supervisory Board meeting. The involvement of persons from outside the Board and the company (other than the

Statutory Auditors) is possible and is left to the discretion of the Chairman. This option was not used during the financial year 2021-2022.

During Board meetings, items on the agenda that fall within the sole competence of the members of the Supervisory Board are discussed by the members themselves, while the work requested of the Executive Board is formally presented by it. The Chairman of the Board of Directors may be assisted, at his convenience, by any "business manager" of the Executive Committee when he deems that direct explanations by the latter would be conducive to a better understanding of the matter by the Board members.

During the fiscal year from April 1, 2021 to March 31, 2022 twelve Supervisory Boards were held. The Executive Board is responsible for the quality of the information it provides to the Board. It leads the Executive Committee and ensures that all measures conducive to the achievement of strategic objectives are diligently and effectively implemented. In this respect, he implements any action he deems necessary and relies, in particular, on the internal control procedures put in place within the company. At the annual meeting of March 31, 2022, 71% of the members were present, and discussions on the functioning of the Board took place.

The Audit Committee, whose creation was approved by the Board of Directors on March 26, 2004, was abolished by the Supervisory Board on February 15, 2011, as it now performs this mission, in accordance with Article L823-20 of the French Commercial Code.

Balanced representation of women and men on the Supervisory Board

Law n° 2011-103 of January 27, 2011 introduced a principle of balanced representation of women and men on the Supervisory Boards of certain companies.

LEXIBOOK - L.E.S. is concerned by this law.

This proportion of women on Supervisory Boards may not be less than 20% at the end of the first Ordinary General Meeting held after January 1, 2014, and 40% after January 1, 2017.

This concern had already been raised at Audit Committees or informal meetings held prior to the aforementioned Law.

This law has the advantage of setting clear deadlines for achieving a balance between men and women on Supervisory Boards.

Consequently, at the meeting of September 10, 2013, the Combined Shareholders' Meeting proceeded with the appointment of Mrs. Caroline PUECHOULTRES.

Following this appointment, the Supervisory Board has 5 members, including one woman, and is therefore in compliance with Law n° 2011-103 of January 27, 2011.

During the 2016/2017 fiscal year one of the male members of the Supervisory Board resigned and two female candidates were presented at the General Assembly held in September 2017.

With these two new members having been co-opted, the Supervisory Board is composed of 7 members, including 3 women, i.e. 43% of women members, the LEXIBOOK Group is therefore in compliance with the Law n° 2011-103 of January 27, 2011.

XIV2. Service contracts binding corporate officers

See paragraph XII2.

XIV3. Specialized Committees - Audit Committee

Given the composition of the Audit Committee and the reduced size of the Supervisory Board, the Supervisory Board meeting of February 15, 2011 decided to abolish the Audit Committee, whose mission will be carried out by the Supervisory Board, in accordance with Article L823-20 of the French Commercial Code. Members of the Executive Board may be invited to attend in an advisory capacity.

The composition of the Supervisory Board in its role as audit committee complies with the provisions of Article L. 823-19 of the French Commercial Code because:

- that it comprises only members of the administrative or supervisory body in office in the company, to the exclusion of those exercising management functions,
- that it includes members who, through their significant experience as company managers over many years, have particular expertise in financial or accounting matters,

- that at least two of its members are independent.

The independence of its members has been determined on the basis of the criteria specified by recommendation (R3) issued within the MiddleNext Code 2016, which are:

- Not to have been an employee or executive officer of the company or of a company in its Group during the last five years.
- Not having been, during the last two years, and not being in a significant business relationship with the Company or its Group.
- Not being a reference shareholder of the Company or holding a significant percentage of voting rights
- Not to have a close relationship or family ties with a corporate officer or a reference shareholder,
- Not to have been, during the last six years, the company's auditor.

On February 15, 2011, the Supervisory Board approved the qualifications and independence criteria of its members as defined above.

When the Supervisory Board meets as an Audit Committee, it generally does so in an expanded configuration, in particular when the annual and half-yearly financial statements are approved. It may invite the members of the Board of Directors to attend. This meeting precedes the Supervisory Board meetings and reviews the risks set out in paragraph IV of this universal registration document.

The Supervisory Board also ensures that the compensation of members of the Board of Directors is in line with market practices and the interests of shareholders, while taking into account the reality of the tasks performed and the company's corporate interest.

LEXIBOOK does not have a compensation committee.

XIV4. Corporate Governance Statement

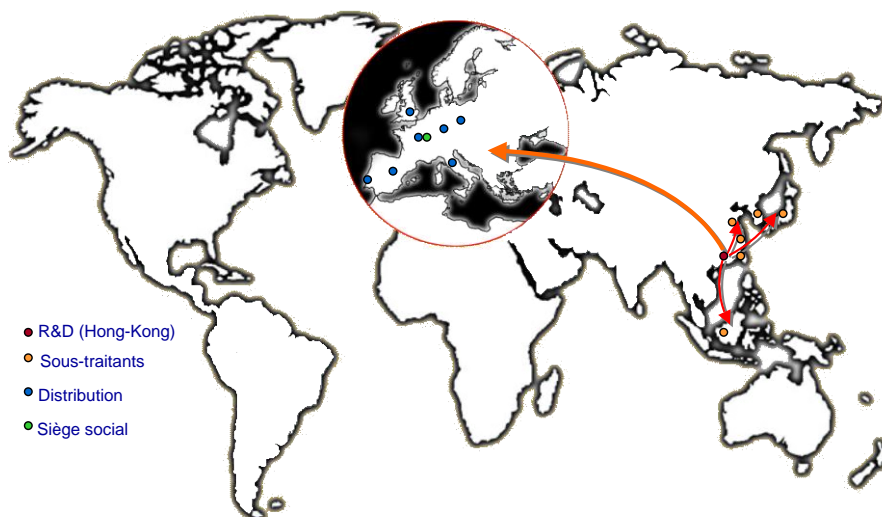
At its meeting of February 15, 2011, the Supervisory Board, after having read the entire MiddleNext Code of Corporate Governance for Small and Midcaps, decided that its content was in line with the company's corporate governance approach, and that the MiddleNext Code of Corporate Governance for Small and Midcaps would be the one to which the company would refer for the preparation of the report provided for in Article L.225-68 of the French Commercial Code, as from the 2011-2012 financial year.

XIV5. Information on corporate governance and internal control

Internal control procedures implemented by the company

General organization: strategic locations and shared resources

The LEXIBOOK Group benefits from strategic locations in different geographical areas, whether in the field of research, production or distribution.



LEXIBOOK SA, the Group's holding company, is involved in the entire value chain, from product design to after-sales service for end customers. The parent company LEXIBOOK SA develops a distribution activity on the French and European market. The Spanish and American subsidiaries only provide service (sales assistance) and do not, in principle, invoice.

The Hong Kong subsidiary is in charge of product design: mold development, product design, technical engineering and software programming (definition of specifications only, programming is subcontracted to IT companies).

A set of specifications (type of product, quantity, mode of transport, etc.) is transmitted by LEXIBOOK SA to its Hong Kong subsidiary. The latter manages the sourcing and orders directly with the O.E.M. subcontractors.

LEXIBOOK Hong Kong assists the O.E.M. in bringing their products up to standard and in complying with specifications. The subsidiary assists its subcontractors in the manufacturing of products aiming at reaching a target price: suggestions of other components or construction materials, new manufacturing techniques, etc.

LEXIBOOK IBERIA acts as an office to support the customer service of LEXIBOOK SA. Some domestic invoicing is done.

LEXIBOOK USA has no staff and is only used for billing in North America.

LEXIBOOK relies on about fifty Chinese subcontractors to ensure the manufacturing of products. The integrated circuits developed by LEXIBOOK are "masked" before being transmitted to the subcontractors in order to avoid any knowledge transfer.

After-sales service is managed directly by LEXIBOOK SA for all of its product lines except for tablets, , mainly due to the low level of returns for defective products. This low rate allows LEXIBOOK to systematically exchange returned products for new ones to the end customer, in order to satisfy them as much as possible. The product is then exchanged or returned to the retailer.

The after-sales service for the tablet range, a specific sector for the Group, has been entrusted to an external service provider, partners of world-renowned brands, since October 2013.

This after-sales service provider now responds in an average of 72 hours, which allows us to have a quality of service worthy of the biggest brands.

As of March 31, 2022 the subsidiaries of LEXIBOOK S.A. are the following:

Liste des filiales et participations	% de participation et des droits de vote détenus par le Groupe au 31/03/2022	% de participation et des droits de vote détenus par le Groupe au 31/03/2021
Lexibook Hong Kong Limited	99,9%	99,9%
Lexibook Iberica SL	99,9%	99,9%
Lexibook USA	100,0%	100,0%

Implementation and limits of internal control during the year 2021-2022

Given the impact of the potential risks inherent in the sourcing and R&D functions, the Chairman of the Board of Directors usually travels to Hong Kong four to five times a year to monitor the implementation of existing procedures and make any necessary improvements. This year, controls were carried out remotely, in particular by video, as travel was not possible due to the pandemic. The control work aimed at optimizing these cycles did not reveal any significant malfunctions.

One of the objectives of the internal control system is to prevent and control the risks resulting from the company's activities and the risks of error or fraud, particularly in the accounting and financial fields. Like any control system, however, it cannot provide an absolute guarantee that these risks are totally eliminated.

In addition, given the size of the company, the internal control systems are based on a limited number of people, particularly with regard to the supervision of operations and the segregation of duties.

Procedures related to the preparation of financial information

General framework for the preparation and control of financial information

LEXIBOOK has set up written procedures which the Directors and department heads ensure are properly applied under the supervision of the Board of Directors. In 2003, the procedures were collected, analyzed and grouped together in a single procedures manual ("Management Information Manual").

The procedures manual has a strong accounting and financial orientation and nearly 70% of its content is intended to provide all LEXIBOOK Group companies with rules and methods for the preparation of financial information. This applies whether the information is intended for management or for external communication.

The procedures cover the following main areas: the role of the Group Chief Financial Officer and the local Chief Financial Officers, management reporting, the keeping of legal books, insurance, accounting rules and methods, investment procedures and corresponding authorisation levels for the commitment of expenses, rules for the approval of medium or long-term contracts, the Group's financing policy and specific procedures relating to Research and Development.

In the preparation of financial information, the role of the Administrative and Financial Directors is more specifically marked. The procedures manual sets out the scope of their duties and responsibilities:

"The role and responsibilities of an Administrative and Financial Director (or equivalent) within a LEXIBOOK subsidiary are wide and varied (...). The purpose of this section is to document his or her major responsibilities inherent in the proper maintenance of the legal books in the name of and on behalf of the ultimate majority shareholder LEXIBOOK S.A. (...). The following are the major areas that need to be closely monitored to ensure that the legal books are properly maintained and reflect as accurately as possible the financial condition of the subsidiary at all times. (...) The Chief Financial Officer :

Ensures that the subsidiary's accounting records are properly kept, that they accurately reflect the financial situation and that they allow for easy and efficient auditing in accordance with Group rules.

Ensures that ALL LEXIBOOK rules and procedures are followed or that a formal waiver request exists if exceptional circumstances warrant.

Ensures that issues raised by the internal or external audit are properly and promptly communicated and resolved.

Ensures that tax records and related documents are maintained in accordance with the rules issued by the competent authorities.

Ensures that all financial practices of the subsidiary for which he/she is responsible comply with the Group's procedures and in particular the rules relating to the ethics of the personnel employed.

Performs sufficient personal review of information systems, procedures, and accounting elements to be fully satisfied with the achievement of the above.

Ensures that a succession plan is in place for any key members of the finance and administration team.

Ensures that the responsibilities and commitment levels of management personnel have been properly and appropriately defined, and that responsibilities are appropriately delegated within the strict scope of each individual's authority.

It is the responsibility of the Chief Financial Officer to immediately inform the Chief Executive Officer of the subsidiary and the Chief Financial Officer of the Group if a significant malfunction in the information systems and procedures may impede the achievement of any of the objectives assigned above."

Financial circuits

In addition to its legal obligations, the company uses various management statements to quantify the financial impact of the strategic decisions taken by the Board of Directors, both in the medium term (strategic plan) and in the short term (budget), to monitor the performance of the subsidiaries in relation to the budget and the previous year (monthly financial statements: income statement, balance sheet and cash flow statement), and to prevent certain financial risks (credit management reporting, foreign exchange position reporting, presentation of investment requests to the Executive Committee, etc.).

All management statements are prepared in standard formats published by the parent company and in accordance with Group rules and methods. Regular reporting of these documents to headquarters provides multiple opportunities to ensure the overall quality of financial information.

These different reporting systems have been progressively put in place over the last few years. Today, the quality of the reporting is relatively satisfactory and there are various ways to improve it as the company continually seeks to optimize its management tools.

Securing financial circuits

The control and analysis of information, prior to its aggregation for distribution to the Executive Committee, is the primary responsibility of the central Management Control, Consolidation and Credit Management departments.

Audit of financial information

The application of all the above-mentioned rules and fundamental principles is regularly monitored as part of management's supervision of the company's operations.

The statutory audit of the accounts, in March of each year, is also an opportunity to ensure that the objectives of "quality of financial information" are met.

Limitations placed by the Supervisory Board on the powers of the Chief Executive Officer.

To date, there are no limitations in addition to those already included in the legal or regulatory frameworks.

Principles and rules for determining compensation and benefits in kind granted to corporate officers

In public limited companies with an Executive Board and a Supervisory Board, the Supervisory Board has the power to set the principles and rules for determining the compensation and benefits in kind granted to corporate officers.

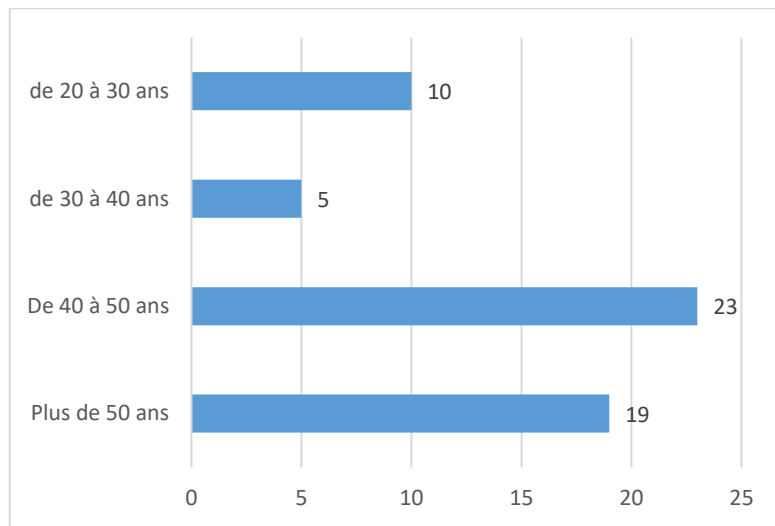
XV. EMPLOYEES

XV1. Workforce at the end of the reporting period

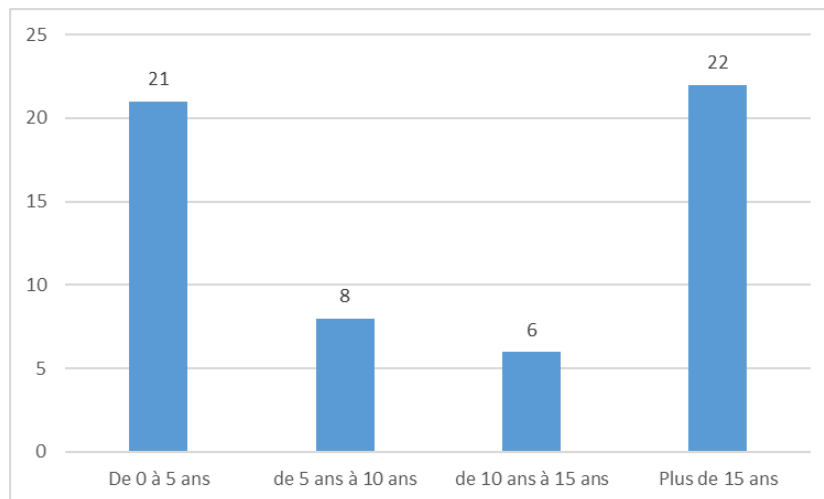
As of March 31, 2022 the Group's workforce was 57 people, distributed as follows

- France: 21 people
- Spain: 2 people
- Hong Kong: 34 people

The average age of the workforce is as follows:



The average seniority is as follows:



The distribution of men and women is as follows:

Hommes	27
Femmes	30
Total	57

In accordance with the provisions of Article L.225-102-1 of the French Commercial Code, you will find below information on the social consequences of the Company's activity.

A) Total headcount, new hires, distinguishing between fixed-term and open-ended contracts, and analyzing any difficulties in recruiting, layoffs and their reasons, overtime, external labor, and, where applicable, information on plans to reduce headcount and safeguard employment, outplacement efforts, rehiring and support measures.

As of March 31, 2022, the company employed 57 employees.

Société du Groupe	CDI	CDD	Contrat de Professionnalis ation	Contrat d Apprentissage	Total 31/03/2021
LEXIBOOK IBERICA	2				2
LEXIBOOK France	20	1	0	0	21
LEXIBOOK Hong Kong	34				34
LEXIBOOK US					0
	56	1	0	0	57

The young and dynamic population of the company leads to a classic turnover which leads to the search for candidates on a permanent basis, essentially for replacements for departures or absences such as maternity leave.

The Group made six redundancies between April 1, 2021 and March 31, 2022 :

- 5 dismissals for real and serious reasons.

In addition, during this period, our company also managed the following departures

- 0 conventional rupture,
- 10 resignations,
- 0 trial period terminations at the initiative of our company,
- 0 retirements,
- 0 end of fixed-term contract.

Société du Groupe	Licencieme nts pour faute grave	Licencieme nts pour cause réelle et sérieuse	Ruptures conventionnell es	Démissions	Départ à la retraite	Fin de contrat à durée déterminée	Rupture de la période d essai	Total 31/03/2022
LEXIBOOK IBERICA	0	0	0	0	0	0	0	0
LEXIBOOK France	0	5	0	4	0	0	0	9
LEXIBOOK Hong Kong	0	0	0	6	0	0	0	6
LEXIBOOK US	0	0	0	0	0	0	0	0
	0	5	0	10	0	0	0	15

the number of overtime hours worked by the employees of the company Lexibook France, over the period from April 1^{er} 2021 to March 31 2022 amounts to 255.58 hours and represents a gross cost of 4 584.88 euros.

B) The organization of working hours, the duration of working hours for full-time and part-time employees, absenteeism and its reasons.

The work of the company "LEXIBOOK France" is essentially organized, except for the executives on fixed price contracts and the senior executives, on weekly schedules of 39 hours or on schedules of 37.5 hours per week with the granting of days off (RTT). Since the end of 2008, all new hires of non-managerial staff or managers who do not have fixed-term contracts are systematically based on 39-hour workweeks.

The work of "LEXIBOOK Hong-Kong" is essentially organized on schedules smoothed over 45 hours per week.

The company's overall absenteeism rate is not significant.

C) Remuneration and changes in remuneration, social security contributions, application of the provisions of Title IV of Book IV of the French Labor Code (profit-sharing, employee shareholding, employee savings plan), and professional equality between men and women

Increases are always granted in accordance with the principles of fairness among employees and the preservation of the company's competitiveness. General annual increases may be granted, together with individual increases linked to changes in duties, the achievement of objectives or to reward performance. The majority of the Company's managers are associated with the company's results through a bonus plan based on the amount of consolidated net income, which is designed to encourage them, but also to retain and motivate them.

The amount of social charges for 2021/2022 is 881 004 881,004, which represents a total payroll (charges + remuneration) of 4,473,797, i.e. 9.88% of the turnover for the year (compared to 1.2% the previous year).

There is no professional inequality between women and men within the company, which ensures that the same position held by a man or a woman gives rise to the same remuneration.

D) Industrial relations and the assessment of collective agreements

As the average number of employees in France during the year was less than 50, no agreement relating to employee profit-sharing has been signed.

E) Health and safety conditions and social works

As the average number of employees in France during the year was less than 50, there is no committee acting in this capacity.

F) Training

LEXIBOOK is committed to taking into account the human factor, which contributes to the creation of added value and represents a key factor in the Group's competitiveness. The Company commits to training expenses that are potentially aimed at all of its employees. Specific programs are defined according to identified needs (technical training, skills upgrading, foreign language training, management training, etc.) and legal obligations.

LEXIBOOK invests in the professional training of its employees and spends its entire training budget each year.

G) Employment and integration of disabled workers

During the year, the Group did not use a C.A.T. but employs a disabled worker in its Hong Kong subsidiary.

H) The importance of subcontracting and the manner in which the Company promotes among its subcontractors and ensures compliance by its subsidiaries with the provisions of the fundamental conventions of the International Labor Organization.

The LEXIBOOK Hong Kong subsidiary buys its products mainly from several factories in Asia. LEXIBOOK France and its subsidiaries are then in charge of marketing them.

LEXIBOOK has imposed on its factories, by means of precise specifications, that the principles of the fundamental conventions of the ILO be strictly applied, particularly with regard to child labor. These factories are visited at least once a year by a member of the Group's management to ensure compliance with these principles and/or by independent audit firms.

I) How the Company takes into account the territorial impact of its activities in terms of employment and regional development.

Due to the location of the Parent Company on the "Des Ulis" site, jobs have been created in this region.

XV2. Stock options and/or other benefits granted to corporate officers

There is no stock option plan.

XV3. Stock options and/or other benefits granted to employees

NIL

XVI. MAJOR SHAREHOLDERS

XVI1. Current distribution of share capital and voting rights

The breakdown of capital at March 31, 2022 is as follows

Actionnaires	Nombre d'actions	% du capital	Nombre de droits de vote	% des droits de vote
Luc Le Cottier	115 000	1,48%	163 188	1,75%
Aymeric Le Cottier	1 145 346	14,75%	1 917 160	20,60%
Emmanuel Le Cottier	1 117 272	14,39%	1 837 736	19,74%
Famille Le Cottier	4 600	0,06%	5 800	0,06%
Concert familial	2 382 218	30,69%	3 923 884	42,15%
Actions identifiées à droit de vote double	3 412	0,04%	6 824	0,07%
Actions identifiées à droit de vote simple	7 703	0,10%	7 703	0,08%
Vatel Capital	326 106	4,20%	326 106	3,50%
Public	5 043 880	64,97%	5 043 880	54,19%
Total	7 763 319	100,00%	9 308 397	100,00%

The company is 30.69% by members of the Le Cottier family (Parents & Fils), who in fact act in concert. No specific measures have been taken to ensure that this control is not exercised in an abusive manner, apart from the existence of the Supervisory Board.

XVII.2. Differentiated voting rights

In accordance with paragraph 18.2 of Appendix 1 of European Regulation n° 809-2004, we inform you that the main shareholders do not have different voting rights from the other shareholders, except for the double voting rights declared by the Le Cottier family for 1 541 666 shares.

In accordance with the 14th resolution, the Board of Directors on December 9, 2010 carried out a capital increase of 18,100.50 euros by issuing 36,201 new shares.

1,164,269 through the issue of 2,328,538 new shares with an issue premium of 0.51 euro per new share.

In accordance with the 10th resolution, the Board of Directors on January 2, 2012 reduced the capital by €21,020 by cancelling 42,040 treasury shares held by the company.

In accordance with the second resolution, on January 27, 2012 the Board of Directors carried out a capital increase of €120,482.50 through the conversion of Turenne Capital bonds, by issuing 240,965 new shares on the basis of a conversion parity of €4.15, of which €3.65 was allocated to the issue premium.

In accordance with the 2nd resolution, on May 12, 2014, the Executive Board carried out a capital increase through the conversion of Turenne Capital bonds, of €46,186.50, by issuing 92,373 new shares on the basis of a conversion parity of €5.41, of which €4.91 was allocated to the issue premium.

In accordance with the 19th resolution of the Extraordinary General Meeting of July 24, 2015, the Board of Directors on August 3, 2015 carried out a capital increase with cancellation of preferential subscription rights, of 413,338.50 euros by issuing 862,677 new shares with an issue premium of 1.77 euro per new share.

In accordance with the 17th resolution of the Extraordinary General Meeting of July 24, 2015, the Board of Directors on May 26, 2016 carried out a capital increase with preferential subscription rights of €644,893.50 through the issue of 1,289,787 new shares with an issue premium of €1.50 per new share.

In accordance with the 17th resolution of the Extraordinary General Meeting of July 24, 2015, the Board of Directors on May 22, 2017 issued free BSARs for each share held. At the end of the subscription period on November 30, 2017, a capital increase of €287,985 was recorded through the issue of 575,970 new shares with an issue premium of €1.26 per new share.

In accordance with the 15th resolution of the General Meeting of September 13, 2018, the Board of Directors on December 11, 2019 carried out a capital increase by issuing ordinary shares with cancellation of preferential subscription rights through an offer referred to in 1° of Article L.411-2 of the

French Monetary and Financial Code (formerly worded L.411-2-II) of €468,750 by issuing 937,500 new shares with an issue premium of €1.10 per new share.

Since that date, we confirm that, to the best of our knowledge, there have been no changes in the distribution of capital and voting rights.

XVI3. Control of the company

Cf. § XVI 1

XVI4. Description of agreement whose implementation could result in a change in control

Not Applicable

XVII. TRANSACTIONS WITH RELATED PARTIES

During the fiscal years ended March 31, 2022, 2021 and 2020 and through the date of this Universal Registration Document, the Company has entered into the following agreements with related parties:

For transactions concluded on current terms:

During the year ended December 31, 2002, no agreements, other than those relating to ordinary transactions and entered into on normal terms, were concluded directly or through an intermediary between a subsidiary of the Company and the Chief Executive Officer, one of the directors or one of the shareholders holding more than 10% of the voting rights in the Company.

For transactions concluded under regulated agreements

Special report of the statutory auditors on regulated agreements

General Meeting to approve the financial statements for the year ended March 31, 2022

To the General Assembly of the company Lexibook Linguistic Electronic System S.A.,

In our capacity as statutory auditors of your company, we hereby report on regulated agreements.

Our responsibility is to inform you, on the basis of the information provided to us, of the terms and conditions of agreements indicated to us, as well as the reasons for the interest of the company in the agreements of which we have been informed or which we may have discovered during our assignment, without having to express an opinion on their usefulness and appropriateness or to ascertain whether any other agreements exist. It is your responsibility, under the terms of Article R.225-58 of the French Commercial Code, to evaluate the benefits resulting from these agreements prior to their approval.

In addition, we are required to provide you with the information specified in Article R.225-58 of the French Commercial Code relating to the execution, during the past year, of agreements already approved by the General Meeting.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) relating to this engagement. These procedures consisted in verifying that the information provided to us is consistent with the source documents from which it was extracted.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE GENERAL MEETING

Agreements authorized and entered into during the year :

In accordance with Article L. 225-88 of the French Commercial Code, we have been advised of the following agreements entered into during the year ended December 31, 2009 which were authorized by your Supervisory Board.

Guarantee given by Lexibook Linguistic Electronic System S.A. for standard letters of guarantee for 4.947 M USD

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

On January 25, 2022, the Supervisory Board authorized the signature of all documents relating to the implementation of the letter of guarantee issue line, a wholly-owned subsidiary of Lexibook Linguistic Electronic System S.A., for the period from February 1, 2022 to January 31, 2023, in the following amounts

For HSBC: SBLC in favour of HSBC Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: 1,336,239 dollars, or 1,161,947 euros;

For BNP PARIBAS: SBLC in favour of BNPP Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: 1 781 339 dollars, i.e. 1 548 990 euros;

For SOCIETE GENERALE :

- SBLC in favour of SOCIETE GENERALE Hong Kong to fully cover the lines granted to Lexibook Hong Kong Limited: 1,329,738 dollars, or 1,156,294 euros;
- SBLC in favor of CITI BANK Hong Kong as full coverage of the lines granted to Lexibook Hong Kong Limited: 500,000 dollars, i.e. 434,782 euros.

Reasons justifying the interest of this agreement for the company Lexibook :

The implementation of these SBLCs will allow the opening of the aforementioned credit lines to be maintained, in the interest of LEXIBOOK Hong Kong, a wholly-owned subsidiary of LEXIBOOK - L.E.S.

It should be noted that LEXIBOOK Hong Kong is responsible for extremely important functions for SA LEXIBOOK - L.E.S., such as research and development, management and manufacturing of products, in addition to marketing activities outside the group, which are essential to the company's strategy.

Joint and several guarantee deed in favor of Société Générale for USD 1.83 million

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

The Supervisory Board meeting of March 21, 2022 authorized the signing of a joint and several guarantee on the Stand By Letter Of Credit Line for a total amount of 1,591,077 euros, i.e. 1,829,738 dollars, by Lexibook Linguistic Electronic System S.A. and its wholly-owned subsidiary, Lexibook Hong Kong Limited, in favor of Banque SOCIETE GENERALE.

Reasons justifying the interest of this agreement for the company Lexibook :

The implementation of these SBLCs allows the opening of the aforementioned lines of credit to be

maintained, in the interest of LEXIBOOK Hong Kong, a wholly-owned subsidiary of LEXIBOOK - L.E.S.

The purpose of the authorization given in the minutes of the Supervisory Board meeting of March 21, 2022 is to formalize the joint and several guarantee by LEXIBOOK - L.E.S. France of its wholly-owned subsidiary, LEXIBOOK Hong Kong, in favor of the guaranteed bank, SOCIETE GENERALE, for the aforementioned principal amount of 1,591,077 euros, which is 100% guaranteed.

It should be noted that LEXIBOOK Hong Kong is responsible for extremely important functions for SA LEXIBOOK - L.E.S., such as research and development, management and manufacturing of products, in addition to marketing activities outside the group, which are essential to the company's strategy.

Legal Counsel Fees

Person involved:

Member of the Supervisory Board concerned: Mr Gérard ABADJIAN

Modalities:

SELARL A&C Associés, of which Mr. Gérard ABADJIAN is Managing Partner, charges fees for its services as legal counsel to Lexibook Linguistic Electronic System S.A. The Supervisory Board meeting of March 31, 2022 ratified the fees recorded for the year, which amounted to 44,931, .71 euros excluding tax.

Reasons justifying the interest of this agreement for the company Lexibook :

The use of SELARL A&C Associés to provide legal advice allows LEXIBOOK - L.E.S. to be accompanied in its legal procedures and to benefit from legal expertise in the matters it may encounter.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements approved in previous years which continued to be executed during the year under review

In accordance with Article R. 225-57 of the French Commercial Code, we have been informed that the following agreements, already approved by the General Meeting in previous years, remained in force during the year under review

Guarantee given by Lexibook Linguistic Electronic System S.A. for standard letters of guarantee for 4.947 M USD

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

On January 25, 2021, the Supervisory Board authorized the signature of all documents relating to the implementation of the standard letter of credit facility (hereinafter "SBLC"), in favor of Lexibook Hong Kong Limited, a wholly-owned subsidiary of Lexibook Linguistic Electronic System S.A., for the period from February 1, 2021 to January 31, 2022, in the following amounts

For HSBC: SBLC in favour of HSBC Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: 1,336,239 dollars, or 1,161,947 euros;

For BNP PARIBAS: SBLC in favour of BNPP Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: 1 781 339 dollars, i.e. 1 548 990 euros;

For SOCIETE GENERALE :

- SBLC in favour of SOCIETE GENERALE Hong Kong to fully cover the lines granted to Lexibook Hong Kong Limited: 1,329,738 dollars, or 1,156,294 euros;

- SBLC in favor of CITI BANK Hong Kong as full coverage of the lines granted to Lexibook Hong Kong Limited: 500,000 dollars, i.e. 434,782 euros.

Joint and several guarantee deed in favor of Société Générale for USD 1.83 million

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

The Supervisory Board meeting of March 22, 2021 authorized the signing of a joint and several guarantee on the Stand By Letter Of Credit Line for a total amount of 1,591,077 euros, i.e. 1,829,738 dollars, by Lexibook Linguistic Electronic System S.A. and its wholly-owned subsidiary, Lexibook Hong Kong Limited, in favor of Banque SOCIETE GENERALE.

Unemployment insurance and provident fund contract

People involved:

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

On February 1, 2019, the Supervisory Board authorized Lexibook Linguistic Electronic System S.A. to update the coverage provided to Aymeric and Emmanuel Le Cottier under the GSC policies taken out with GAN, allowing them to opt as of January 1, 2019 for the basic class 4 plan and the supplementary class G plan for a period of compensation of 24 months with option 2, thereby granting each of them an annual compensation of 93,205 euros

As a reminder: the Supervisory Board of March 31, 2010, had authorized Lexibook Linguistic Electronic System S.A. to renew the following contracts, signed in favor of Mr. Aymeric LE COTTIER and Mr. Emmanuel LE COTTIER :

- Unemployment insurance contract for company directors, subscribed to identical conditions, allowing each one to receive, for one year, an indemnity and a retraining capital, in the event of loss of their professional activity. This contract took effect on September 1, 2003. The Supervisory Board meeting of March 13, 2009 decided to increase the duration of the compensation to 24 months as of January 1, 2009;
- Provident Fund contract, signed in 2005.

Insurance premiums expensed during the year amounted to 24,918 Euro for unemployment insurance for company directors.

Insurance premiums expensed during the year amounted to 12,650 , 74 for RIP provident policies.

Waiver of debt

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

The Supervisory Board meeting of July 2, 2018 authorized the waiver, in favor of the Chinese subsidiary, Lexibook Hong Kong Limited, of the claim it held on the latter in the amount of 1,400,000 (one million four

hundred thousand) euros as of March 31, 2018 in order to restore its net book position. This waiver is subject to a financial recovery clause valid for ten years from July 2, 2018. Lexibook Hong Kong Limited will be deemed to have returned to better fortunes when this subsidiary is able to repay all or part of the debt waiver without jeopardizing its operations and when its positive net worth is equal to or greater than 2,000,000 euros.

Reason for the Agreement:

This decision is justified by the recapitalization of the Chinese subsidiary in order to allow it to operate normally and, in particular, to be able to present a quality file to the banks with which it is, or will be, required to work.

Guarantee given by Lexibook Linguistic Electronic System S.A. in favor of Citibank for a short-term credit of \$3,000,000

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

On March 19, 2013, the Supervisory Board authorized the agreement between Lexibook Linguistic Electronic System S.A., Lexibook Hong Kong Limited, a subsidiary of Lexibook Linguistic Electronic System S.A., and Citibank, under which Lexibook Linguistic Electronic System S.A. appears as guarantor ("Guarantor") of its subsidiary's commitments relating to a short-term credit facility of up to USD 3,000,000.

It is hereby clarified that according to CitiBank's letter dated October 29, 2019 "Facility Letter", the credit facility, as of that date, is up to an aggregate limit of USD 1.3M with the following sub-limits:

- a. \$500,000 for the issuance of letters of credit and trust receipt loans; and
- b. \$800,000 for export invoice negotiations.

Commercial lease of December 4, 2017

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

A commercial lease was signed on December 4, 2017 between SCI TRIO, of which Messrs. Luc LE COTTIER, Emmanuel LE COTTIER and Aymeric LE COTTIER are partners, and the company Lexibook Linguistic Electronic System S.A.

An amendment dated December 23, 2021 to the commercial lease signed on December 4, 2017 between SCI TRIO and LEXIBOOK - L.E.S. SA.

This amendment concerns an increase in the rent from 10,000 € excl. tax/month to 11,500 € excl. tax/month and this as from January 1st, 2022, the amount of the deposit not having been readjusted.

This agreement was previously approved by the Supervisory Board on December 23, 2021.

For the period from April 1, 2002 1 to March 31, 2002 2, the amount of rent and rental charges assumed totaled 148,468 excluding tax.

Cash advances

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

The Supervisory Board meeting of March 31, 2022 approved the cash advances that Lexibook Linguistic Electronic System S.A. has granted to its subsidiaries. As of March 31, 2021, they amounted to

Lexibook Ierica :	354 555,00 euros
Lexibook Hong Kong :	1 867 668 , 02 euros
Lexibook USA :	1 079 581 , 64 euros

These advances are non-remunerated.

Structure and support fees with Lexibook Hong Kong Limited

People involved:

Member of the Supervisory Board concerned: Mr Luc LE COTTIER

Members of the Management Board concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Modalities:

The Supervisory Board meeting of March 31, 2022 approved the amount invoiced for structure and assistance costs to the Hong Kong subsidiary, based on the existing contract, for 264,494 , 35 euros.

Neuilly Sur Seine, June 29, 2022

GRANT THORNTON

Samuel CLOCHARD
Associate

XVIII. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, FINANCIAL SITUATION AND RESULTS

XVIII.1. Consolidated financial statements at March 31, 2022

Statutory auditors' report on the consolidated financial statements Year ended March 31, 2022

A l'Assemblée Générale de la société Lexibook Linguistic Electronic System S.A.,

Opinion

In compliance with the assignment entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Lexibook Linguistic Electronic System S.A. for the year ended March 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the year ended December 31, 2007 and of the financial position and assets and liabilities of the consolidated group of persons and entities at that date, in accordance with the accounting rules and principles of IFRS as adopted by the European Union.

Basis of 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 these standards are set out in the section of this report entitled "Statutory Auditors' Responsibilities in the Audit of the Consolidated Financial Statements".

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, for the period from^{er} April 1, 2021 to the date of issue of our report.

Justification of the assessments

The worldwide crisis linked to the COVID-19 pandemic has created special conditions for the preparation and audit of this year's accounts. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainty about their future prospects. Some of these measures, such as travel restrictions and remote work, have also had an impact on the internal organization of companies and on the way audits are carried out.

It is in this complex and changing context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the year.

The company records provisions for impairment of inventories and trade receivables as described in notes 3.6 Inventories and 3.5 Trade receivables and factoring. We have assessed the approaches adopted by the company, as described in the above-mentioned notes to the financial statements, on the basis of the information available to date, and have carried out detailed tests to verify, on a test basis, the application of this approach.

As part of our assessment, we verified the reasonableness of these estimates.

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

Specific checks

In accordance with professional standards applicable in France, we have also verified the information given in the Management Board's report on the Group's operations.

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

Responsibilities of management and those charged with governance in relation to the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements that give a true and fair view in accordance with the accounting rules and principles set out in IFRS as adopted by the European Union, and to implement the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for making an assessment of the company's ability to continue as a going concern, for making the necessary disclosures in the financial statements as a going concern and for applying the going concern basis of accounting, unless the company is to be wound up or cease trading.

The consolidated financial statements have been approved by the Executive Board.

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

Our responsibility is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with professional standards will result in the systematic detection of material misstatements. Misstatements may be due to fraud or error and are considered material when it is reasonable to expect that they could, individually or in the aggregate, influence the economic decisions that users of the financial statements make in reliance on them.

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

In the context of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit. In addition :

- it identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence that it believes is sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a

material misstatement due to error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;

- The auditor 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 internal control;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the consolidated financial statements;
- it assesses the appropriateness of management's application of the going concern accounting policy and, based on the information gathered, whether there is any material uncertainty related to events or circumstances that may affect the company's ability to continue as a going concern². This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If the auditor concludes that there is a material uncertainty, he draws the attention of the readers of his report to the information provided in the consolidated financial statements concerning this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify;
- evaluating the overall presentation of the consolidated financial statements and assessing whether the consolidated financial statements present fairly the underlying transactions and events;
- with respect to the financial information of the persons or entities included in the scope of consolidation, it gathers information that it considers sufficient and appropriate to express an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising and performing the audit of the consolidated financial statements and for expressing an opinion on those financial statements.

The auditors,

Neuilly Sur Seine, June 29, 2022

GRANT THORNTON

Samuel CLOCHARD

Associate

XVIII11. Consolidated statement of financial position for the year ended March 31, 2022

En Euros	Notes	31 MARS 2022	31 MARS 2021
Actifs non courants			
Immobilisations incorporelles	4	390 125	971 325
Immobilisations corporelles	5	240 236	189 205
Droits d'utilisation de l'actif	31	740 917	628 017
Autres actifs financiers	6	239 686	278 449
Impôt différé actif	23	271 160	123 809
Actifs non courants		1 882 124	2 190 805
Actifs courants			
Trésorerie et équivalents de trésorerie	10	2 448 891	3 457 619
Créances d'exploitation	8	11 349 089	5 941 202
Instruments financiers dérivés		5 070	
Stocks	7	12 063 811	4 980 166
Autres créances d'exploitation	9	294 070	242 381
Actifs courants		26 160 931	14 621 368
TOTAL ACTIFS		28 043 055	16 812 173
Capitaux propres			
Capital	11	3 881 660	3 881 660
Réserves et report à nouveau		1 639 530	99 763
Ecart de conversion		-284 710	-392 157
Résultat de l'exercice	13	3 744 848	1 574 943
Capitaux propres	12	8 981 328	5 164 209
Passifs non courants			
Dettes financières	14	2 554 575	3 445 216
Engagements locatifs	31	546 446	519 469
Impôt différé passif	23	65 296	70 134
Provisions pour pensions et avantages assimilés	16	137 249	123 337
Autres dettes non courantes	18,3	0	0
Passifs non courants		3 303 566	4 158 156
Passifs Courants			
Concours bancaires	14	1 263 968	74 868
Dettes financières	14	4 671 232	2 633 421
Engagements locatifs	31	288 087	153 760
Dettes d'exploitation	18,1	7 597 259	3 570 558
Dettes d'impôt société	23	425 540	0
Instruments financiers dérivés	28	0	35 060
Autres dettes d'exploitation	18,2	1 512 075	1 022 141
Passifs courants		15 758 161	7 489 808
TOTAL DES PASSIFS		19 061 727	11 647 964
TOTAL CAPITAUX PROPRES ET PASSIFS		28 043 055	16 812 173

XVIII12. Statement of net income and other comprehensive income for the year ended March 31, 2022

En Euros	Notes	31 MARS 2022	31 MARS 2021
Chiffre d'affaires net	19	45 248 664	27 361 283
Autres produits courants		604 292	732 859
Produits d'exploitation (I)		45 852 956	28 094 142
Coûts d'achat des produits vendus	19	-21 636 701	-13 357 027
Dépenses de personnel	20	-4 473 797	-3 283 483
Services Extérieurs		-10 752 958	-6 433 507
Taxes (hors impôt société)		-82 026	-77 319
Autres produits et charges d'exploitation	30	-4 570 243	-2 707 118
Charges d'exploitation (II)		-41 515 725	-25 858 454
Résultat d'exploitation	21	4 337 231	2 235 688
Coût de l'endettement net		-318 185	-285 820
Intérêts nets relatifs aux contrats de location		-38 210	-35 023
Autres produits et charges financiers		20 948	-299 100
Résultat financier (IV)	22	-335 447	-619 943
Résultat Courant avant impôt (V = III + IV)		4 001 784	1 615 745
Impôt sur le résultat	23	-256 936	-40 802
Produits (charges) des activités abandonnées			
Résultat net		3 744 848	1 574 943
Résultat net de base par action et résultat dilué	13	0,48	0,20
Résultat net de base par action hors activités abandonnées et résultat dilué	13	0,48	0,20
Autres éléments du résultat global			
Éléments qui seront reclassés ultérieurement en résultat net.			
Couverture de flux de trésorerie		937	-937
Impôt différé sur couverture de flux de trésorerie		-260	260
IFRS 16, prolongations contrats		-35 857	-1 356
Stock Options		0	-39 780
Variation des écarts de conversion		107 447	29 391
Résultat global		3 817 115	1 562 521

XVIII13. Statement of changes in equity for the year ended March 31, 2022

Etat de variation des capitaux propres										
Pour l'exercice clos le 31 mars 2022										
Attribuable aux propriétaires de la Société										
En euros	Note	Capital Social	Primes d'émission	Réserve de conversion	Réserve de couverture	Stocks options	Réserves d'actions propres	Composante "capitaux propres" des obligations convertibles	Résultats non distribués	Total des capitaux propres
Solde au 31 mars 2021		3 881 660	7 237 431	- 392 161	-	677	-	-	- 5 562 047	5 164 209
Résultat global de la période										
Résultat net									3 744 848	3 744 848
Autres éléments du résultat global				107 447	677				- 35 853	72 271
Résultat global de la période				107 447	677				- 3 708 995	3 817 119
Transactions avec les propriétaires de la Société										
Contributions et distributions										
Emission d'actions ordinaires										-
Emission d'obligations convertibles										-
Actions propres vendues										-
Dividendes										-
Total des contributions et distributions										-
Variations des parts d'intérêts										
Acquisition de participations ne donnant pas le contrôle sans modification de contrôle										-
Total des variations des parts d'intérêts										-
Total des transactions avec les propriétaires de la Société				107 447	677				- 3 708 995	3 817 119
Solde au 31 mars 2022		3 881 660	7 237 431	- 284 714	0	-	-	-	- 1 853 052	8 981 328

As all subsidiaries are wholly owned, there are no minority interests.

Etat de variation des capitaux propres										
Pour l'exercice clos le 31 mars 2021										
Attribuable aux propriétaires de la Société										
En euros	Capital Social	Primes d'émission	Réserve de conversion	Réserve de couverture	Stocks options	Réserves d'actions propres	Composante "capitaux propres" des obligations convertibles	Résultats non distribués	Total des capitaux propres	
Solde au 31 mars 2020	3 881 660	7 237 431	- 421 550	0	39 780	-	-	- 7 135 634	3 601 690	
Résultat global de la période										
Résultat net								1 574 943	1 574 943	
Autres éléments du résultat global			29 389	-	677	- 39 780		- 1 356	- 12 424	
Résultat global de la période			29 389	-	677	- 39 780		- 1 573 587	1 562 519	
Transactions avec les propriétaires de la Société										
Contributions et distributions										
Emission d'actions ordinaires									-	
Emission d'obligations convertibles									-	
Actions propres vendues									-	
Dividendes									-	
Total des contributions et distributions									-	
Variations des parts d'intérêts										
Acquisition de participations ne donnant pas le contrôle sans modification de contrôle									-	
Total des variations des parts d'intérêts									-	
Total des transactions avec les propriétaires de la Société			29 389	-	677	- 39 780		- 1 573 587	1 562 519	
Solde au 31 mars 2021	3 881 660	7 237 431	- 392 161	-	677	-	-	- 5 562 047	5 164 209	

As all subsidiaries are wholly owned, there are no minority interests.

XVIII14. Consolidated statement of cash flows for the year ended March 31, 2022

En euros	Note	CONSO 31/03/2022	CONSO 31/03/2021
FLUX DE TRESORERIE D'EXPLOITATION			
Résultat net		3 731 151	1 574 943
Elimination des charges et des produits sans incidence sur la trésorerie ou non liés à l'activité			
Amortissements des immobilisations corporelles et incorporelles		1 139 811	1 531 141
(Diminution) augmentation des provisions		13 912	35 925
Impôts différés		-141 841	9 664
Instruments financiers		-39 193	34 123
Intérêts et charges financières	22	318 185	285 820
Intérêts nets relatifs aux contrats de location		38 210	35 023
IFRS 2			-39 780
Licences royalties		561 134	-775 714
Gains et pertes de change		-33 440	151 541
		<hr/>	<hr/>
Marge brute d'autofinancement		5 587 929	2 842 686
Variation des éléments du fonds de roulement			
(Augmentation) diminution des stocks	7	-7 083 645	-470 976
(Augmentation) diminution des clients et comptes rattachés	8	-3 247 018	-266 864
(Augmentation) diminution des avances et acomptes fournisseurs	8	-2 076 486	263 975
(Augmentation) diminution des autres actifs circulants	8 & 9	-136 072	-472 688
(Diminution) augmentation des dettes fournisseurs	18.1	2 206 075	135 146
(Diminution) augmentation des autres passifs circulants		2 174 966	292 129
Pertes et gains de change sur éléments du bfr		103 717	-77 798
		<hr/>	<hr/>
Variation des éléments du fonds de roulement		-8 058 463	-597 076
		<hr/>	<hr/>
Flux de trésorerie liés aux activités opérationnelles		-2 470 534	2 245 610
		=====	=====
FLUX D'INVESTISSEMENTS			
Acquisitions d'immobilisations incorporelles	4	-218 939	-36 660
Acquisitions d'immobilisations corporelles	5		-24 511
Cessions d'immobilisations corporelles		-19 387	
Variation des autres actifs financiers	6		-9 274
		<hr/>	<hr/>
Flux de trésorerie liés aux activités d'investissements		-238 326	-70 445
		=====	=====
FLUX DE FINANCEMENT			
Augmentation des dettes court terme		2 110 750	241 795
Remboursement des dettes court terme	14	-963 581	-509 295
Augmentation des dettes long terme			2 179 581
Remboursement des dettes long terme	14		
Intérêts et charges financières	22	-318 185	-264 196
Intérêts nets relatifs aux contrats de location		-38 210	-35 023
Paiements relatifs aux contrats de location		-296 540	-263 752
		<hr/>	<hr/>
Flux de trésorerie liés aux activités de financements		494 234	1 349 110
		=====	=====
Effet de change		16 792	11 807
Variation de trésorerie de la période		-2 197 828	3 536 082
Trésorerie d'ouverture		3 382 751	-153 331
Trésorerie de clôture		1 184 923	3 382 751

Réconciliation de la trésorerie au TFT avec la trésorerie du bilan		CONSO 31/03/2022	CONSO 31/03/2021
Trésorerie et équivalents de trésorerie		2 448 891	3 457 619
Concours bancaires		-1 263 968	-74 868
Trésorerie nette du tableau de flux de trésorerie		1 184 923	3 382 751

XVIII15. Notes to the consolidated financial statements for the year ended March 31, 2022

Highlights of the year

The years 2020 and 2021 have been marked by the worldwide expansion of the Covid-19 Coronavirus, which has led to significant changes in the global economic environment, including the closure of certain areas of activity, the adjustment of production rates, but also a change in consumption patterns.

This pandemic has significantly affected Europe since March 2020 and has led society to adapt accordingly.

The Group has not resorted to any new government aid measures in 2021, having secured its supplies and adapted its strategy and reorganized its distribution channels towards online sales.

The company has analyzed the value of its various asset classes and has not identified any impairment indicators. Furthermore, it has not identified any liabilities to be recognized in connection with this crisis.

The Group has updated its budget forecasts and does not foresee any cash flow difficulties over the next 12 months.

RENEWAL AND EXTENSION OF THE LICENSE AGREEMENT WITH DISNEY.

Lexibook announces that its international license agreement with The Walt Disney Company has been renewed for 3 years. This agreement covers all of the world's most recognized franchises, including the Snow Queen, Disney Princesses, Spiderman, Avengers, Disney Cars, Mickey, Minnie...

For the first time, the license agreement includes new territories in which the Group intends to expand rapidly, notably in Asia, including China, and South America.

Thanks to this extension, Lexibook will be able to propose its ranges in new promising geographical areas and generate a profitable turnover.

This agreement provides the Lexibook Group with visibility on its business volume for at least the next 3 years, and opens up new prospects for profitable growth.

Note 1 - Accounting standards

1.1- Generalities

The LEXIBOOK Group, whose head office is located at 6, Avenue des Andes - Bâtiment 11- 91 940 LES ULIS, has as its main activity the design, manufacture and distribution of consumer electronic products mainly intended for children and teenagers.

The consolidated financial statements as of March 31, 2022 reflect the accounting position of LEXIBOOK S.A. and its subsidiaries (hereinafter the Group).

The Executive Board approved the financial statements as of March 31, 2022 on June 17, 2022.

Because it is listed in a country of the European Union and in accordance with EC regulation 1606/2002, the consolidated financial statements of the LEXIBOOK Group for the year ended March 31, 2022 have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union.

These standards are available on the European Union website at https://europa.eu/youreurope/business/strat-grow/annual-accounts/index_fr.htm.

The amendment to IAS 7 "Initiative on Disclosure Related to Financing Activities" applicable as of January 1^{er} 2017 has been completed accordingly in note 14 to the financial statements.

Texts adopted by the European Union at the closing date and entered into force on 1^{er} April 2019

IFRS 15 - Revenue from Contracts with Customers :

The standard defines the principles for revenue recognition. This standard replaced IAS 18 - Revenue and IAS 11 - Construction Contracts and related interpretations as of January 1, 2018. Its scope covers all contracts with customers, with the exception of leases (rental and sublease income), financial instruments (interest income) and insurance contracts, which are covered by other standards.

The impact study showed that the standard does not call into question the revenue recognition method.

IFRS 16 - Leases :

Leased assets consist mainly of real estate assets operated by the Group in France and Hong Kong and, to a lesser extent, vehicle and copier leases in France only.

^{er}As of April 1, 2019, all leases are now recognized in the balance sheet by recording an asset representing the right to use the leased property, against a lease commitment corresponding to the present value of the lease payments over the reasonably certain term of the lease.

IFRS 16 also affects the presentation of these transactions in the income statement (recognition of a depreciation charge in current operating expenses and an interest charge in financial income or expense, replacing the rental expense in current operating expenses) and in the cash flow statement (rental payments, representing the payment of interest and the repayment of the rental commitment, affect the financing flows).

Texts adopted by the European Union at the balance sheet date but not yet in force :

- IFRS Improvements - 2018-2020 Cycle
- IFRS 17: Insurance Contracts
- Amendments to IAS 1 - Presentation of Financial Statements: Classification of liabilities as current or non-current
- Amendment to IAS 1 and IAS 8 - Disclosure of Accounting Policies
- Amendment to IAS 12 - Income Taxes - Treatment of deferred taxes related to assets and liabilities recognized in a single transaction.

1.2 - Application of the going concern principle

Following negotiations with the banking partners, the bank loans of the historical banks have been confirmed until January 31, 2023. The bank outside the historical banking pool has also confirmed the renewal of a campaign credit line of 1.23 M€ as of 01/05/2022, a complementary campaign credit line of 250 K€, also available as of 01/05/2022 and a SBCL line of 500 K€. Finally, two new banks have joined the Lexibook Group and will provide complementary lines for the 2022/2023 season.

Bank loans, new financing, management efforts and improvements in working capital, and the cash flow generated in fiscal year 2022-23, enable the Group to consider that the necessary conditions are in place to operate as a going concern for the next twelve months.

1.3 - Presentation of consolidated financial statements

The Group's consolidated financial statements are presented in euros. They are prepared on the historical cost basis except for derivative financial instruments and investments held for trading which are measured at fair value in accordance with IFRS 9 and assets held for sale (if any) which are measured in accordance with IFRS 5.

Assets held for sale or consumption in the course of the Group's normal operating cycle, assets held with a view to disposal within twelve months of the end of the financial year, and cash and cash equivalents are current assets. All other assets are non-current.

Debts falling due in the course of the Group's normal operating cycle or within twelve months of the end of the financial year constitute current debts. All other liabilities are non-current.

1.4 - Management estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying notes.

Group management reviews its estimates and assumptions on a regular basis to ensure that they are appropriate in the light of past experience and the current situation. These estimates are based on the going concern assumption.

Estimates may be revised if the circumstances on which they were based change or as a result of new information.

The main judgments and estimates made by management in the preparation of the financial statements include the following;

- Research and Development projects, classified as intangible assets, see notes 3.2 and 4.
- Inventories (see notes 3.6 and 7) Impairment of inventories is based on net realizable values, which are mainly based on expected sales and margins.
- Deferred taxes (see notes 3.10 and 23): the recognition of deferred tax assets requires estimates of future taxable income

Note 2 Scope and methods of consolidation

2.1 - Scope

All the holdings held by LEXIBOOK correspond to 100% holdings, giving it control over these entities.

2.2 - Consolidation method

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control of these entities.

2.3 - Translation of financial statements of foreign subsidiaries

The financial statements are presented in euros and rounded to the nearest euro.

The financial statements of foreign subsidiaries are translated using the closing rate method, whereby :

- Balance sheet items are translated into euros using the official year-end exchange rates, except for equity accounts, for which the historical rates are used.

- Income statement items are translated for each currency using the average rate for the year, which is an approximation of the exchange rate on the transaction date.

Translation differences arising from the use of different exchange rates for the opening balance sheet position, transactions of the period and the closing balance sheet position are recorded directly in other comprehensive income. These translation differences are recognized in the income statement on the disposal of the company concerned.

The conversion rates used for the years ended March 31, 2022 and March 31, 2021 are as follows

	31/03/2022		31/03/2021	
	Taux moyen	Taux de clôture	Taux moyen	Taux de clôture
Contrevaieur 1 HKD en €	0,110484	0,115051	0,110519	0,109706
Contrevaieur 1 USD en €	0,860030	0,900820	0,856818	0,852878

2.4 - Transactions eliminated on consolidation

Intra-Group balances and transactions as well as unrealized gains resulting from intra-Group transactions are eliminated in the preparation of the consolidated financial statements. Unrealized losses resulting from intra-Group transactions are eliminated only to the extent that there is no indication of impairment.

The complete list of Group companies as of March 31, 2022 is provided in note 27.

Note 3 - Accounting rules and valuation methods

3.1 - Revenues

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer upon delivery for non-FOB sales, or upon availability at the port of Hong Kong for FOB sales. No revenue is recognized where there are significant uncertainties as to the recovery of the transaction price, associated costs or possible return of goods. In the case of possible returns of goods, a provision is recognized, which reduces the amount of revenue.

Given the nature of its customers, the Group's gross revenues are subject to discounts or subtractive elements, in particular year-end discounts and advertising contributions. Under IFRS, as these are services purchased from our clients, advertising contributions are expensed in the income statement ("external services" line). Discounts (invoice discounts and year-end discounts) are recorded as a reduction in revenues.

3.2 Intangible assets

Research and development costs

Development costs are capitalized when all the following criteria (IAS 38) are met:

- technical feasibility necessary for the completion of the intangible asset.
- intention to complete the intangible asset and place it in service or sell it.
- ability to place the intangible asset into service or sell it.
- validation of the business plan highlighting the profitable nature of the project by the steering committee in order to demonstrate that the intangible asset will generate probable future economic benefits.
- the availability of appropriate technical, financial and other resources to complete the development.
- the ability to reliably measure the expenditures attributable to the intangible asset during its development.

This formal validation by project allows the project to enter its capitalization phase, known as "phase 1". All costs incurred prior to "phase 0" are expensed and the period of capitalization of R&D costs ends when the developments are completed and, at the latest, when the product enters the marketing phase, known as "phase 2".

Each project that meets these criteria is the subject of an investment request accompanied by a business case that is submitted to the Executive Committee. The committee's approval marks the start of the project and the investment. Projects are treated as assets under construction until the date of the first sale (outside the Group), which is the end of the capitalization of costs and the starting point for depreciation. All other expenses are expensed as incurred.

Expenditure on development activities is amortized over its estimated useful life, at the rate of consumption of the economic benefits. If sales targets are not met from the second year onwards, this should lead to (1) an impairment test being carried out and (2) the amortization plan being revised prospectively.

These forecasts are updated at each closing according to actual sales.

Impairment tests for each project, whether under development or already marketed, are systematically carried out at each closing.

Projects that no longer meet the capitalization criteria are fully and immediately impaired.

For the impairment test, a coefficient corresponding to (1 - rate of achievement of objectives) is determined. If it is greater than 20%, an impairment of intangible assets is recognized for the amount corresponding to this coefficient applied to the net book value of the asset. Where appropriate, management may increase or decrease the amount of impairment depending on the information available on the future prospects of the project.

The impairment tests did not result in any significant impairment charge for the year.

LICENSING

In accordance with the treatment recommended by IAS 38 (intangible assets), rights relating to licenses have been capitalized. The future economic benefits attributable to the use of these assets may vary according to different assumptions.

The conservative assumptions leading to a low value of the expected cash flows generally correspond to the minimum guaranteed amounts that the company has undertaken to pay to the companies granting it the rights. This is the value used to represent the cost of these assets.

The counterpart of these assets is recorded under "other operating liabilities" for the portion due within one year and under "other non-current liabilities" for the portion due in more than one year.

Actual cash flows in excess of the low asset value are recognized directly in the income statement under "other operating income and expenses".

The amortization methods used are those recommended by IAS 38 for intangible assets with a finite useful life. Thus, amortization begins as soon as the licenses are used. It reflects the rate of consumption of the future economic benefits associated with each license.

The amortization periods are the periods for which the rights are granted.

If there is an indication of impairment (decline in sales of a specific license), these assets are tested and an impairment loss is recognized as an expense for the period. No indication of impairment was identified during the year.

OTHER INTANGIBLE ASSETS

During the year ended March 31, 2008, the Group entered into a commodity swap transaction. In exchange for the goods exchanged, it received an asset purchase credit facility that can be used to pay some of its trade payables in the future.

In the consolidated financial statements, this transaction is analyzed as an exchange of dissimilar goods: an exchange of inventory for an intangible asset entitling the buyer to discounts on future goods or services. In accordance with IAS 18 §12 and §14, revenue is recorded at the date of exchange for the fair value of the inventory just prior to the exchange, with a corresponding intangible asset corresponding to the APC for the same amount (i.e. for a value close to the net realizable value of the inventory exchanged), provided that all the criteria listed in IAS 18 §14 on the sale of goods were met.

No margin is recognized in the income statement at the time of the exchange.

The intangible asset is amortized on the basis of its actual use (payment of accounts payable).

An impairment test is carried out on PCAs once a year, on a systematic basis, to ensure that the recoverable amount of PCAs is greater than their net book value at the balance sheet date.

Other intangible assets acquired by the Group are carried at cost, less accumulated amortization and any impairment losses.

Other intangible assets mainly include the acquisition cost of technologies and licenses purchased from third parties. These intangible assets are amortized on a straight-line basis over the estimated useful life of the intangible asset over a maximum period of 10 years.

3.3 - Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Other subsequent expenditures on an item of property, plant and equipment are capitalized only when they improve the condition of the asset above its originally defined level of performance. All other subsequent expenditures are expensed in the year in which they are incurred. Depreciation is recognized as an expense on a straight-line basis over the estimated useful life of the asset. The estimated useful lives are as follows:

- Transport equipment 3 to 5 years
- Buildings under capital lease 9 years
- Equipment and tools 3 to 10 years
- Computer equipment 3 to 5 years
- Office equipment 5 to 10 years
- Fixtures and fittings 3 to 10 years

Maintenance and repair costs are expensed in the year in which they are incurred.

If there is any indication of impairment, property, plant and equipment are tested for impairment. No indication of impairment was identified during the year.

3.4 - FINANCE leases

Leases are classified as finance leases if they transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. In the case of finance leases, the leased asset is recognized as an asset and a liability representing the commitment to pay the lease payments is recognized as a liability. These items are recognized at the lower of fair value and the present value of the minimum lease payments at the inception of the lease.

Where there is no reasonable certainty that the lessee will acquire ownership of the asset at the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

The main leases held by the LEXIBOOK Group are finance leases, the main one being the lease for the head office in France with a gross value of €943,300 and amortized at €454,181 as of March 31, 2022.

3.5 Clients and factoring

Trade receivables are initially recognized at their fair value, which in most cases corresponds to their face value. An impairment of trade receivables is recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the transaction. Significant financial difficulties encountered by the debtor, the likelihood of bankruptcy or financial restructuring of the debtor and default or non-payment are indicators of impairment of a receivable.

Under IFRS, these receivables must be written back when it is established that the benefits and risks inherent in these receivables remain with the Group. This year, the Group has reinstated these receivables under the heading "Trade receivables", with a corresponding financial liability being recognized. In addition, the guarantee deposits granted under the factoring contract have been reclassified under the heading "Advances and deposits paid".

All of the Group's factoring programs have been considered as not allowing the removal of receivables from the consolidated balance sheet.

The main characteristics of the main contracts in force at the closing date are as follows

	FACTOFRANCE	COFACREDIT
Réserves	8%	6%
Retenue de garantie	15%	15%
Minim un Fonds de Garantie	230 000	100 000
Commission d'affacturage	0,27%	0,36%
Commission d'anticipation	Moyenne mensuelle EURIBOR 3 mois + 0,75 %	Moyenne mensuelle EURIBOR 3 mois + 0,75 %

3.6 Stocks

Inventories are valued at the lower of cost or estimated net realizable value; cost is calculated using the weighted average cost method. The valuation method includes the cost of purchasing raw materials and components, approach costs (sea or air freight, customs clearance, etc.) and other costs attributable to production, such as the costs of controlling the manufacturing process from the choice of plants and production tools, product quality control, etc.

In terms of depreciation, which is recognized if the realizable value is lower than the cost, the method differs according to the type of inventory

a) Defective stocks or stocks to be recycled: these stocks are grouped into different categories. These categories are used to determine the level of depreciation to be applied. The depreciation rates vary from 5% to 100%.

b) Slow-moving inventories: inventories of new products are reviewed in detail to determine whether the value of products identified as "slow-moving" should be written down and, if so, to determine the level of the write-down.

The company makes impairments based on net realizable values, mainly based on expected sales and margins.

A 100% provision can also be decided if the product is no longer marketable, for specific reasons.

New products are never depreciated. A product is said to be new when it has been on the market for less than a year

3.7 Provision for pensions and similar obligations

Provisions are made to cover all employee benefit obligations corresponding to benefits paid to employees on or after leaving the Group, where the plans concerned can be classified as defined benefit plans.

In the case of defined benefit plans, the obligations are measured using the projected unit credit method on the basis of the agreements in force in each company. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is valued separately to arrive at the final obligation. This obligation is then discounted. The actuarial assumptions used to determine the obligations vary according to the economic conditions of the country in which the plan is located and take into account in particular:

- the foreseeable evolution of salaries ;
- staff turnover;
- mortality risk;
- a financial discount rate.

3.8 Stock-based compensation

LEXIBOOK S.A. no longer has any stock option plans as of March 31, 2022.

3.9 Other provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, the amount of which can be reliably estimated and the settlement of which is expected to result in an outflow of resources embodying economic benefits.

3.10 Deferred taxes

Deferred taxes resulting from temporary differences are the differences between the carrying amount of an asset or liability in the balance sheet and its base. The deferred tax recognized is determined using the balance sheet liability method

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply in the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Assets and liabilities are offset when the taxes are levied by the same tax authority and the local tax authorities allow it.

The tax losses of the Group and its subsidiaries may be used without limitation in time. They give rise to the recognition of a deferred tax asset to the extent that it is probable that the Group will have future taxable profits against which the unused tax losses can be offset.

Deferred tax assets have been recognized for part of the tax loss carryforwards in Spain.

3.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and current accounts of the factors. Bank overdrafts are included in the balance sheet under current liabilities.

3.12 Segment reporting

Segment information is provided at the "activity" level, analyzed according to the methods used to distribute the products: FOB / NON FOB.

LEXIBOOK has chosen to focus its internal reporting on the methods it uses to distribute its products to its customers, and in particular "ex-Hong Kong" distribution (FOB incoterm) as opposed to "delivered" distribution to the customer. These two distribution methods have their own operating methods and, by their nature, different profitability.

The Chairman of the Executive Board, the Chief Executive Officer and the Chief Operating Decision Maker (CODM) monitor operating performance according to this segmentation in the Group's internal reporting.

3.13 Derivative financial instruments

The scope of application of derivative financial instruments has been defined by the LEXIBOOK Group in accordance with the provisions and principles introduced by IFRS 9.

Valuation and accounting

Derivative financial instruments are measured at fair value. This fair value is determined on the basis of quoted prices and market data available from external contributors. The LEXIBOOK Group may also refer to recent comparable transactions or use a valuation based on internal models recognized by market participants and incorporating data directly derived from observable data such as over-the-counter quotations.

Changes in the fair value of these derivatives are recognized in the income statement except when they are designated as hedging instruments in a cash flow hedge or a net investment hedge. In the latter two cases, changes in the value of hedging instruments are recognized directly in other comprehensive income, excluding the ineffective portion of the hedges.

Derivative financial instruments qualifying as hedges

The LEXIBOOK Group uses derivative instruments to hedge its foreign exchange risks.

The criteria used by the LEXIBOOK Group to qualify a derivative as a hedge are those set out in IFRS 9:

1. the hedging instruments and hedged items in the hedging relationship all qualify for hedge accounting;
2. a formal designation and structured documentation of the hedging relationship as well as the objective and strategy for implementing the hedge are formally established at the start of the hedging relationship;
3. and the hedging relationship meets all of the following effectiveness criteria:
 - there is an economic link between the hedged item and the hedging instrument;
 - the effect of credit risk is not the dominant element in the changes in value that result from this economic relationship; and
 - the hedge ratio between the hedged item and the hedging instrument is appropriate, i.e. there is no imbalance between the weights of the hedged item and the hedging instrument that could create ineffectiveness leading to accounting impacts that are inconsistent with the objective of hedge accounting.

The LEXIBOOK Group applies cash flow hedging.

This is a hedge of highly probable future transactions where changes in cash flows generated by the hedged item are offset by changes in the value of the hedging instrument.

Cumulative changes in fair value are recorded in other comprehensive income for the effective portion and in profit or loss for the ineffective portion (corresponding to the excess of changes in the fair value of the hedging instrument over the changes in the fair value of the hedged item).

When the hedged cash flows materialize, the amounts previously recorded in the cash flow hedge reserve are reversed to profit or loss as a reclassification adjustment in the same period or periods during which the hedged forecasted cash flows affect net income.

The LEXIBOOK Group does not apply fair value hedging and net investment hedging.

The hedging relationship is terminated prospectively when a derivative instrument ceases to be a hedging instrument according to the Group's eligibility criteria, after taking into account any adjustment to the hedge ratio. This includes situations where the hedging instrument expires, matures, is sold or is exercised.

Only derivatives external to the LEXIBOOK Group are deemed eligible for hedge accounting, and the results relating to internal derivatives are eliminated in the consolidated financial statements. However, in the case of a hedging relationship initiated using derivatives internal to the LEXIBOOK Group, hedge accounting is applied if it is demonstrated that the internal derivatives result in a reversal outside the LEXIBOOK Group.

Derivative financial instruments that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized immediately in the income statement under "Other financial income and expenses".

Note 4 - Intangible assets

Flux d'immobilisations incorporelles en €	31/03/2021	Augmentation	Diminution	Autres Variations	Ecarts de conversion	31/03/2022
Frais de recherche et développement	693 216	181 523			41 279	916 018
Concessions, brevets, licences (Hors Crédit-Bail)	918 682	5 379	650 000		2 741	276 802
Autres immobilisations incorporelles	100 000					100 000
TOTAL	1 711 898	186 902	650 000	0	44 020	1 292 820

Flux d'amortissements des immobilisations incorporelles en €	31/03/2021	Augmentation	Diminution	Autres Variations	Ecarts de conversion	31/03/2022
Amort / Frais de recherche et développement	279 754	226 708			23 003	529 465
Amort / Concessions, brevets, licences (Hors Crédit-Bail)	360 819	559 670	650 000		2 741	273 230
Amort / Autres immobilisations incorporelles	100 000					100 000
TOTAL	740 573	786 378	650 000	0	25 744	902 695

Valeur nette des immobilisations incorporelles en €	31/03/2021	Variations	Ecarts de conversion	31/03/2022
Frais de recherche et développement	413 462	-45 185	18 276	386 553
Concessions, brevets, licences (Hors Crédit-Bail) (1)	557 863	-554 291	0	3 572
Autres immobilisations incorporelles (2)	0	0	0	0
TOTAL	971 325	-599 476	18 276	390 125

(1) of which € 0 related to the license concessions mentioned in 3.2 in net value. The counterpart of the capitalization of these minimum guarantees is included in other operating liabilities (€ 0 - see note 18.2).

(2) of which €0 related to the asset purchase credit mentioned in 3.2

The net value of intangible assets corresponding to R&D continues to decrease

The net value of intangible assets corresponding to licenses^{er} is nil as of March 31, 2022, as the new license agreements are signed for a period of 3 years starting April 1, 2022.

Note 5 - Property, plant and equipment

Flux d'immobilisations corporelles en €	31/03/2021	Augmentation	Diminution	Ecarts de conversion	31/03/2022
Installations tech, mat et outillages ind.	541 511	31 740		19 466	592 717
Autres immobilisations corporelles (Hors Crédit-Bail)	446 689	88 191			534 880
TOTAL	988 200	119 931	0	19 466	1 127 597

Flux d'amortissements des immobilisations corporelles en €	31/03/2021	Augmentation	Diminution	Ecarts de conversion	31/03/2022
Amort / Installations tech, mat et outillages ind.	484 276	31 615		16 672	532 563
Amort / Autres immobilisations corporelles (Hors Crédit-Bail)	314 719	40 079			354 798
TOTAL	798 995	71 694	0	16 672	887 361

Valeur nette des immobilisations corporelles en €	31/03/2021	Variations	Ecarts de conversion	31/03/2022
Installations tech, mat et outillages ind.	57 235	125	2 794	60 154
Autres immobilisations corporelles (Hors Crédit-Bail)	131 970	48 112	-	180 082
TOTAL	189 205	48 237	2 794	240 236

Note 6 - Other financial assets

Autres Actifs financiers en €	31/03/2021	Augmentation	Diminution	Ecarts de conversion	31/03/2022
Autres titres	20 057		10 000		10 057
Dépôts et cautionnements	258 392	7 100	38 260	2 397	229 629
TOTAL	278 449	7 100	48 260	2 397	239 686

Deposits and guarantees correspond mainly to the guarantee deposits for the BPI and GIAC loans.

Note 7 - Inventories

Stocks en €	31/03/2022	31/03/2021	Variation 31-03-2022/31-03-2021
Valeur Brute	13 010 025	5 778 260	7 231 765
Dépréciation	-946 214	-798 094	-148 120
Valeur Nette	12 063 811	4 980 166	7 083 645
Dépréciation/Valeur Brute	7,3%	13,8%	

The company has been making a major effort to destock for several years: inventory levels had reached an all-time low of €4.9 million by March 31, 2021. Given the high level of orders for the first few months of 2022/2023 and the shortage of components, the Group has chosen to secure its supplies by bringing in the goods as soon as possible. The level of inventories is thus 12.1 M€ as of March 31, 2022 vs. 4.9 M€ as of March 31, 2021. This level of inventory is in line with the anticipated production levels required to fulfill orders and secure margins.

The average depreciation rate was 7.3% at March 31, 2022, compared with 13.8% at March 31, 2021. This average rate is down due to the presence of many new items in inventory, reflecting a very healthy inventory.

Note 8 - Operating receivables

Créances d'exploitation en €	Valeur brute 31/03/2022	Dépréciations	Valeur nette 31/03/2022	Valeur nette 31/03/2021	Variation 31- 03-2022 / 31- 03-2021
Clients	7 456 181	726 955	6 729 226	3 482 208	3 247 018
Charges constatées d'avance	939 866		939 866	855 483	84 383
Avances et acomptes versés (1)	3 679 997		3 679 997	1 603 511	2 076 486
TOTAL	12 076 044	726 955	11 349 089	5 941 202	5 407 887

(1) Of which 2,603,912 euros related to the restatement of Factoring indicated in note 3.5, reserves for Year-end Discounts, Advertising Shareholdings and credit notes

Note 9 - Other operating receivables

Autres créances d'exploitation en €	31/03/2022	31/03/2021	Variation 31-03- 2022 / 31-03-2021
Créances au personnel et comptes rattachés	45 930	6 044	39 886
Créances sur l'Etat et autres collectivités publiques	247 690	235 911	11 779
Comptes courants actifs			
Autres débiteurs courants	450	426	24
TOTAL	294 070	242 381	51 689

Note 10 - Cash and cash equivalents

Trésorerie et équivalents de trésorerie en €	31/03/2022	31/03/2021
Valeurs mobilières de placement		
Banques, établissements financiers et assimilés	2 448 891	3 457 619
TOTAL	2 448 891	3 457 619

Note 11 - Shareholders' equity

Translation differences

The translation differences arise from the subsidiaries in Hong Kong and the USA.

Capital

As of March 31, 2022, the capital is composed of 7,763,319 fully paid-up shares with a par value of €0.50, representing a capital of €3,881,659.50. As 1,545,078 shares have been registered for more than two years, a total of 9,308,397 voting rights are attached to the 7,763,319 shares comprising the capital.

Shareholders' equity including the result as of March 31, 2022 amounts to € 8.98 million.

As of March 31, 2021, the capital is composed of 7,763,319 fully paid-up shares with a par value of €0.50, representing a capital of €3,881,659.50. As 1,536,928 shares have been registered for more than two years, a total of 9,300,247 voting rights are attached to the 7,763,319 shares comprising the capital.

The company does not hold any of its own shares, nor do any of its subsidiaries.

Capital Management

The Group's policy is to maintain a solid capital base in order to preserve the confidence of investors, creditors and the market and to support the future development of the business.

Note 12 - Stock option plan

As of March 31, 2022, the Group had no stock option plans.

Note 13 - Earnings per share

Basic earnings per share are calculated by dividing net income (Group share) by the weighted average number of shares outstanding during the year, excluding the number of ordinary shares purchased and held as treasury stock.

Résultat net par action	31/03/2022	31/03/2021
Résultat net part du Groupe en €	3 744 848	1 574 943
Nombre moyen pondéré d'actions	7 763 319	7 763 319
Résultat en euros par action	0,48	0,20

There are no dilutive instruments, so diluted earnings per share are identical to net earnings per share.

Note 14 - Financial liabilities

Dettes financières en €	31/03/2022	31/03/2021	Variation 31-03-2022/31-03-2021
Emprunts auprès des établissements de crédit (1)	3 487 751	4 451 332	-963 581
Intérêts courus sur emprunts	14 426	18 481	-4 055
Autres emprunts et dettes assimilées (2)	4 987 598	1 683 692	3 303 906
Total	8 489 775	6 153 505	2 336 270

(1) Including €932,275 from VATEL, €700,000 from GIAC and €1,855,476 from a State Guaranteed Loan.

(2) Including €1,263,968 in bank loans (campaign credit, French overdraft facilities, Hong Kong credit facilities and Hong Kong overdraft facilities) and €3,723,630 related to factoring.

(NB) The change between the two years is mainly due to the increase in factoring, repayments of medium-term loans and the level of use of bank facilities.

(en €)	31/03/2022	31/03/2021
Dettes financières à l'ouverture	6 153 505	4 961 980
Impact de la première application d'IFRS 16		
Dettes financières au 01/04/2019		
Nouveaux emprunts	-	2 179 581
Remboursements	- 963 581	- 489 339
Variation juste valeur des emprunts couverts		
Variation des concours bancaires	1 172 363	- 722 261
Variation des intérêts courus	- 4 055	1 668
Écarts de conversion	16 737	- 19 919
Variation de périmètre		
Reclassement des passifs financiers associés à des actifs détenus en vue de la vente		
Affacturage	2 114 806	241 795
Dettes financières à la clôture	8 489 775	6 153 505

	31/03/2021	Flux trésorerie	Flux non monétaires			31/03/2022
			Acquisition	Variation cours de change	Variation des Justes Valeurs	
Emprunt long terme	4 303 968	-				4 303 968
Emprunt court terme	1 774 668	1 147 170				2 921 838
Concours bancaires	74 869	1 172 363		16 737		1 263 969
Instruments dérivés dédiés à la couverture de la dette financière	-					-
Passifs liés aux activités de financement	6 153 505	2 319 533	-	16 737	-	8 489 775

14.1 Analysis by maturity

Dettes financières en € 31 mars 2022	Total	1 an au +	1 à 5 ans	+ de 5 ans
Emprunts auprès des établissements de crédit	3 487 751	933 176	2 554 575	
Intérêts courus sur emprunts	14 426	14 426		
Autres emprunts et dettes assimilées	4 987 598	4 987 598		
Total	8 489 775	5 935 200	2 554 575	0

14.2 Breakdown of fixed and variable rates

Ventilation de la dette par nature de taux	31/03/2022	31/03/2021
Taux fixe	932 275	1 080 000
Taux variable	7 557 500	5 073 505
Total	8 489 775	6 153 505

14.3 Characteristics of the main loans

- On August 04, 2014, the setting up of a second tranche of loan for innovation with BPI FRANCE for an amount of 600,000€ (six hundred thousand euros). This contract taking the form of a 7-year loan with a 2-year repayment franchise being remunerated at a rate of 2.71% per year supplemented by the variation in the TME (Average monthly rate of return on long-term government loans). The loan is fully repaid by March 31, 2022.

- On May 20, 2015, the LEXIBOOK Group also issued a bond loan subscribed in full with GIAC in the amount of €1,000,000 (one million euros) over 10 years with 5 years of deductible interest at 3-month EURIBOR + 3.113%.

- On March 5, 2020, the LEXIBOOK Group also issued a bond issue subscribed in full with VATEL for an amount of €1,501,208 (one million five hundred and one thousand two hundred and eight euros) over 5 years bearing interest at 6.80%.

- The Group has obtained from its banking partners a State Guaranteed Loan for a total amount of €2,179,581 (two million one hundred and seventy-nine thousand five hundred and eighty-one euros). The funds were released between May 27, 2020 and July 2, 2020. These EMPs bear interest at an average of 0.25% in the first year. This first year is capital free. The Group has decided to extend these PGEs over 5 years with monthly amortization starting in May 2021.

14.4 Fair value and fair value hierarchy of financial assets and liabilities

IFRS 9 - Financial Instruments :

Financial instruments consist of :

- Financial assets which include other non-current assets, trade receivables, other current assets and cash and cash equivalents;
- Financial liabilities which include short-term financial debts and bank overdrafts, operating debts and other current and non-current debts;
- Derivative financial instruments.

In particular, IFRS 9 has introduced no impact on the Group's financial position.

- A new classification of financial instruments and the resulting valuation rules, based on the business model and contractual characteristics of the financial instruments (1st part);
- A new impairment model for financial assets, based on expected credit losses, to replace the model previously based on actual credit losses (part 2);
- New hedge accounting principles (part 3)

This standard has three main components:

Part 1: Classification and Measurement of Financial Assets and Liabilities

Under IFRS 9, the classification of financial assets takes into account the entity's business model for managing financial assets and the characteristics of the asset's contractual cash flows.

Based on the combinatorial analysis of the two criteria, the standard provides the following three categories:

- financial assets measured at amortized cost ;
- Financial assets measured at fair value through profit or loss (FVPL);
- financial assets measured at fair value with changes in value recognized in equity (recyclable or non-recyclable) (JVOCI)

The accounting principles applied by the Group, insofar as most of the financial assets, previously classified as "Loans and receivables", continue to be recorded at amortized cost.

Part 2: Impairment of financial assets

The impairment model for trade receivables is based on expected losses. This model applies to financial assets corresponding to debt instruments measured at fair value through other comprehensive income as well as to loan commitments and financial guarantee contracts.

Recognition of credit risk on financial assets based on the expected loss versus actual loss approach: this results in the recognition of impairment losses on unmatured trade receivables. Given the Group's activity, the type of its customers, and the Group's risk hedging policy, the application of the impairment model to trade receivables has no impact on the consolidated financial statements.

Component 3: Hedge Accounting

The adoption of the IFRS 9 hedge accounting model does not lead to any change in the Group's hedging policy and has no impact on the recognition of hedging transactions and derivative financial instruments managed by the Group (see note 3.13).

	Valeur comptable				Hiérarchie des justes valeurs			
	Juste valeur des instruments de couverture	Prêts et créances	Autres passifs financiers	Total	Niveau 1	Niveau 2	Niveau 3	Total
Actifs financiers / passifs financiers au 31 mars 2022								
Actifs financiers évalués à la juste valeur								
Contrats de change à terme utilisés comme couverture	5 070			5 070		5 070		5 070
Total des actifs financiers évalués à la juste valeur	5 070			5 070		5 070		5 070
Actifs financiers non évalués à la juste valeur								
Créances clients et autres débiteurs		11 643 159		11 643 159				
Trésorerie et équivalents de trésorerie		2 448 891		2 448 891				
Total des actifs financiers non évalués à la juste valeur		14 092 050		14 092 050				
TOTAL DES ACTIFS FINANCIER	5 070	14 092 050	-	14 097 120	-	5 070	-	5 070
Passifs financiers évalués à la juste valeur								
Contrats de Change à terme utilisés comme couverture				-		-		-
Total des passifs financiers évalués à la juste valeur	-	-	-	-	-	-	-	-
Passifs financiers non évalués à la juste valeur								
Concours bancaires			1 263 968	1 263 968				
Engagements locatifs			834 533	834 533				
Affacturage			3 723 630	3 723 630				
Emprunts auprès des établissements de crédit			3 487 751	3 487 751				
Dettes d'exploitation			9 109 334	9 109 334				
Total des passifs financiers non évalués à la juste valeur			18 419 216	18 419 216				
TOTAL DES PASSIFS FINANCIERS	-	-	18 419 216	18 419 216	-	-	-	-

Level 1: values derived from quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: values derived from inputs for the asset or liability, other than quoted market prices included in Level 1, that are observable either directly or indirectly

Level 3: values derived from unobservable inputs for the asset or liability

Note 15 - Net debt

Endettement net (en €)	31/03/2022	31/03/2021
Concours bancaires	1 263 968	74 868
Affacturage	3 723 630	1 608 824
GIAC, VATEL, PPI BPIFRANCE, PGE Part Courante	933 176	1 006 116
Emprunt Crédit Bail IAS 17 (1)		
Intérêts courus	14 426	18 481
Total dettes financières part courante	4 671 232	2 633 421
Emprunt Crédit Bail IAS 17 (1)		
GIAC, VATEL, PPI BPIFRANCE Part non Courante	2 554 575	3 445 216
Total dettes financières part non courante	2 554 575	3 445 216
Total dettes financières - A	8 489 775	6 153 505
Trésorerie active - B	2 448 891	3 457 619
Comptes courants associés - C		
Total endettement net (A-B+C)	6 040 884	2 695 886

LEXIBOOK has repaid a total of 963.58 K€ for the Innovation Loan obtained from the BPI, VATEL, GIAC and PGE, contributing to the Group's debt reduction.

Net debt was €6.04 million at March 31, 2022, compared with €2.69 million at March 31, 2021. This change results mainly from the repayment of short-term debt (-963.58 K€), the change in factoring (+2.11 M€) and the net change in cash (-2.2 M€).

Note 16 - Provisions for pensions and similar benefits

As of March 31, 2021, the main assumptions used were: retirement at age 67 (voluntary departure), inflation rate of 0.50%, turnover of 13.08% and discount rate of 0.75% (the Bloomberg rate for the Euro zone (AA - long term (15 years))).

The main assumptions used as of March 31, 2022 are: retirement at age 67 (voluntary departure), inflation rate of 1%, turnover of 13.50% and discount rate of 1.7% (the Bloomberg rate for the Euro zone (AA - long term (15 years))).

This one concerns exclusively the IDR in France.

The amount of commitments as of March 31, 2022 is €137,249 compared to €123,337 as of March 31, 2021.

The amount in the income statement is therefore a provision of €13,912 for the period.

Note 17 - Other provisions

No provision within the meaning of IAS 37 is recognized at the balance sheet date.

The Group has not considered it necessary to make a provision for product warranty due to the following factors:

- The Group has warranty contracts with all its subcontractors and has transferred the risk of an epidemic default to them.
- The quality standards have been tightened for several years, which has made the products more reliable, reduced the number of failures at unpacking and improved the brand image of Lexibook.
- With some of its customers, the Group buys back warranties instead of returning defective products in order to limit flows.
- The Group has replaced tablets (which generate a lot of after-sales processing) with less technological products (musical instruments, lighting, toys, etc.) that are less likely to break down and be returned.

Overall, the ratio of products processed by the After-Sales Service reached a low point in fiscal year 2021-22 at 0.09% of volumes.

Note 18 - Operating liabilities

18-1 Operating liabilities

Dettes d'exploitation en €	31/03/2022	31/03/2021	Variation 31-03-2022/31-03-2021
Fournisseurs	5 067 721	2 861 645	2 206 076
Avances et acomptes reçus	2 529 539	708 913	1 820 626
TOTAL	7 597 260	3 570 558	4 026 702

18-2 Other operating liabilities - Current portion

Autres dettes d'exploitation en € - Part courante	31/03/2022	31/03/2021	Variation 31-03-2022/31-03-2021
Dettes au personnel et comptes rattachés	936 691	242 991	693 700
Dettes sur l'Etat et autres collectivités publiques	575 383	218 015	357 368
Autres créditeurs - Courant			0
Fournisseurs d'immobilisations (1)		561 135	-561 135
TOTAL	1 512 074	1 022 141	489 933

(1) All of this debt is related to the license concessions mentioned in 3.2. The counterpart of this debt is included in intangible assets, see note 4.

18-3 Other operating liabilities - Non-current portion

Autres dettes d'exploitation en € Part non courante	31/03/2022	31/03/2021	Variation 31-03-2022/31-03-2021
Fournisseurs d'immobilisations (1)	0	0	0
TOTAL	0	0	0

(1) All of this debt is related to the license concessions mentioned in 3.2. The counterpart of this debt is included in intangible assets, see note 4.

Note 19 - Revenues and margins

For the year, sales reached €45.2 million, up 66.1%, a historically high level of sales for the Group. FOB sales (sales invoiced directly from HK on FOB HK deliveries by full containers) and non-FOB sales are both up, reflecting the popularity of the Group's products among international distributors.

France accounted for 36% of sales and grew by 53%. International operations are driving growth, with rapid increases in Germany, Spain, the United Kingdom, Scandinavia and Eastern Europe. In the USA, the Group is also progressing, and benefits from significant growth potential.

In terms of products, growth was widespread across all the most profitable segments. Tablet sales now represent less than 2% of sales for the year. Sales growth was spectacular in toys, with the success of the Powerman® robot range, Crosslander® radio-controlled vehicles, and also educational products and electronic games. Alarm clocks, audio and music products are also particularly popular.

Licensed products also contributed to this growth, both on existing, very dynamic licenses such as The Snow Queen, Patrol, Spiderman and on new licenses such as Super Mario, Miraculous, and Harry Potter.

Finally, the Group's digitalization is bearing fruit: digital sales are up sharply both in France and in the various European markets, thanks in particular to a massive, Europe-wide digital marketing campaign on the Group's new products.

The table below shows gross profit, gross profit adjusted for the impact of exchange rates, which are included in financial income, and exceptional items included in gross profit, and net profit after advertising contributions and royalties:

	Notes	31 MARS 2022	31 MARS 2021
Chiffre d'affaires net		45 248 664	27 361 283
Coûts d'achat des produits vendus		-21 636 701	-13 357 027
Marge brute		23 611 963	14 004 256
Taux de marge brute		52,2%	51,2%
Impact net de change	22	13 985	-429 116
Marge brute retraitée		23 625 948	13 575 140
Taux de marge brute retraitée		52,2%	49,6%
Participations publicitaires		4 467 185	1 875 854
Royalties		3 035 116	1 561 722
Marge 4 nets retraitée		16 123 647	10 137 564
Taux de marge 4 nets retraitée		35,6%	37,1%

Thanks to a favorable product mix, the launch of new high-margin products, and an equally favorable customer mix, the gross margin adjusted for currency effects rose by 2.6 points to 52.2%. This improvement was made possible by the increase in volumes in a context of rising raw material prices, thanks to economies of scale on the one hand, and the optimization of logistics costs on the other, despite the significant increase in freight costs.

This difference is partially reflected in the restated net margin, which amounted to €16.1 million versus €10.1 million a year earlier, due to increased advertising investments and a slight increase in the share of licensed products in total revenues.

Note 20 - Personnel expenses

Charges de personnel en €	31/03/2022	31/03/2021
Salaires	3 558 931	2 616 286
Charges sociales	881 004	642 625
Autres charges de personnel	33 862	24 572
TOTAL	4 473 797	3 283 483

As of March 31, 2022, the Group had 57 employees, including 21 in France, 34 in HK and 2 in Spain. Personnel expenses increased mainly due to bonuses provisioned for the increase in activity, notably due to the effects of the Group's digitalization.

Note 21 - Operating income

Operating income reached €4.33 million, an increase of €2.1 million, due mainly to the increase in business volume, the improvement in the net margin volume adjusted for exchange rates, and the control of expenses.

Note 22 - Net financial income (expense)

	31/03/2022	31/03/2021
Coût de l'endettement net (produits / charges)	-318 185	-285 820
Intérêts nets relatifs à des contrats de location	-38 210	-35 023
Gains de change	364 093	169 991
Pertes de change	-389 301	-355 497
Revalorisation d'instruments financiers dérivés à leur juste valeur	39 193	-34 123
Sous total impact change	13 985	-219 629
Autres produits financiers	52 563	13 432
Provisions financières	-10 000	-70 000
Autres charges financières	-35 600	-22 903
Sous total Autres	6 963	-79 471
TOTAL RESULTAT FINANCIER	-335 447	-619 943

The cost of debt increased slightly due to the increased use of short-term financing lines. Net financial income improved by 285 K€, mainly due to the change in the net exchange rate result on the evolution of the USD/EUR parity, for +234 K€.

Note 23 - Income taxes

Taxes for the period represent an expense of 257 K€ linked to changes in the value of deferred tax assets for -155 K€ and to IS provisions payable for 412 K€.

23.1 Income tax expense (or income)

Principal components of income tax expense (or income) :

En €	31/03/2022	31/03/2021
Impôt exigible	-412 474	-31 138
Impôt exigible	-412 474	-31 138
Impôt différé lié à des différences temporelles	155 538	-9 664
Variation de valeur des actifs d'impôts différés		
Impôt différé	155 538	-9 664
Charge (ou produit) d'impôt au compte de résultat	-256 936	-40 802

Relationship between tax expense (or income) and accounting profit :

En €	31/03/2022	31/03/2021
Résultat courant avant impôt	4 001 784	1 615 745
Taux d'impôt applicable	26,50%	28,00%
Bénéfice comptable x taux d'impôt applicable	-1 060 473	-452 409
Ecart de taux France / étranger et taux réduits	331 383	71 810
Déficits fiscaux de la période non activés	-8 714	27 515
Utilisation de déficits fiscaux non activés	505 318	244 921
Effet des différences permanentes	-24 450	67 361
Charge (ou produit) d'impôt au compte de résultat	-256 936	-40 802

The applicable tax rate used is the normal corporate income tax rate in France (26.5%), without taking into account the social contribution on corporate income tax (3.3%), as the corporate income tax due by the Group in France is lower than the amount of the deduction applicable for the calculation of the social contribution; the company is also not subject to the exceptional contribution and the additional contribution on corporate income tax (15%)

23.2 Deferred taxes

Deferred tax assets and liabilities by category:

En €	31/03/2022		
	Actif	Passif	Net
Impôts différés sur différences temporelles :			
sur frais de recherche et développement	-	65 296	65 296
sur concessions de licences	1 513	-	1 513
sur instruments financiers dérivés	-	1 344	1 344
sur élimination de marge en stock	149 169	-	149 169
sur autres différences temporelles	48 778	1 344	50 122
Impôts différés sur différences temporelles	199 460	- 65 296	134 164
Impôts différés sur pertes fiscales non utilisées	71 700	-	71 700
Total impôts différés	271 160	- 65 296	205 864

Because of the outlook for the Spanish subsidiary, deferred tax assets have been maintained at 71.7 K€.

En €	31/03/2021		
	Actif	Passif	Net
Impôts différés sur différences temporelles :			
sur frais de recherche et développement	-	69 645	69 645
sur concessions de licences	4 191		4 191
sur instruments financiers dérivés	9 818	-	9 818
sur élimination de marge en stock	-	8 960	8 960
sur autres différences temporelles	38 100	8 471	46 571
Impôts différés sur différences temporelles	52 109	70 134	18 025
Impôts différés sur pertes fiscales non utilisées	71 700	-	71 700
Total impôts différés	123 809	70 134	53 675

Because of the outlook for the Spanish subsidiary, deferred tax assets have been maintained at 71.7 K€.

Relationship between changes in deferred taxes recognized in the balance sheet and deferred tax expense (or income) recognized in the income statement :

En €	Ouverture	Flux de la période		Clôture
	31/03/2021	Compte de résultat	Autres éléments du résultat global	31/03/2022
Impôts différés sur différences temporelles :				
sur frais de recherche et développement	-69 645	7 435	-3 086	-65 296
sur concessions de licences	4 191	-2 678		1 513
sur instruments financiers dérivés	9 818	-10 900	-262	-1 344
sur élimination de marge en stock	-8 960	158 129		149 169
sur autres différences temporelles	46 571	3 551		50 122
Impôts différés sur différences temporelles	-18 025	155 538	-3 348	134 164
Impôts différés sur pertes fiscales non utilisées	71 700	0	0	71 700
Total impôts différés	53 675	155 538	-3 348	205 864

Unused tax losses for which no deferred tax asset has been recognized in the balance sheet :

En €	31/03/2022		
	France	Espagne	USA
Montant des pertes fiscales	12 322 105	108 781	604 764
Taux d'impôt applicable	25,00%	30,00%	35,00%
Actif d'impôt différé non comptabilisé	3 080 526	32 634	211 667
Date d'expiration des pertes fiscales	Néant.	Néant	Néant.

Note 24 - Related party transactions

The consolidated financial statements include transactions carried out by the Group in the normal course of business with non-consolidated companies. Transactions are carried out at market prices.

24.1 Purchases and sales of goods and services

En €	31/03/2022	31/03/2021
Locations	124 500	120 000
Charges locatives	23 968	24 087
Total	148 468	144 087

24.2 Compensation of corporate officers

Rémunération en €	31/03/2022	31/03/2021
Avantages à court terme partie fixe	983 000	367 250
Avantages à court terme partie variable		
Avantages postérieurs à l'emploi		
Autres avantages à long terme	37 515	37 210
Indemnités de fin de contrat de travail paiements en action		
Total	1 020 515	404 460

Note 25 - Segment information

In accordance with the Group's management rules and internal reporting, segment information is presented by activity, using the distribution method for products sold as indicated in paragraph 3.12.

31 MARS 2022 (€)	CANAL DE DISTRIBUTION 1 (1)	CANAL DE DISTRIBUTION 2 (1)	TOTAL
Chiffre d'affaires net	8 590 457	36 658 207	45 248 664
Autres produits courants	173 108	431 184	604 292
Produits d'exploitation (I)	8 763 564	37 089 392	45 852 956
Coûts d'achat des produits vendus	-4 980 561	-16 656 140	-21 636 701
Dépenses de personnel	-301 407	-4 172 390	-4 473 797
Services Extérieurs	-559 463	-10 193 495	-10 752 958
Taxes (hors impôt société)	0	-82 026	-82 026
Autres produits et charges d'exploitation	-309 727	-4 260 516	-4 570 243
Charges d'exploitation (II)	-6 151 157	-35 364 568	-41 515 725
Résultat d'exploitation (III = I + II)	2 612 407	1 724 824	4 337 231
			0
TOTAL DES ACTIFS	3 403 178	24 626 180	28 029 358
Acquisitions d'immobilisations corporelles et incorp.	0	306 833	306 833
TOTAL DES PASSIFS	3 403 178	24 626 180	28 029 358

Distribution channel 1 (FOB) corresponds to sales that start at the place of production. The customer picks up the goods at the place of production.
The distribution channel 2 (NON FOB) corresponds to a complete service. LEXIBOOK takes care of the entire supply chain management.

31 MARS 2021 (€)	CANAL DE DISTRIBUTION 1 (1)	CANAL DE DISTRIBUTION 2 (1)	TOTAL
Chiffre d'affaires net	4 979 934	22 381 349	27 361 283
Autres produits courants	104 997	627 862	732 859
Produits d'exploitation (I)	5 084 931	23 009 211	28 094 142
Coûts d'achat des produits vendus	-3 152 313	-10 204 714	-13 357 027
Dépenses de personnel	-383 667	-2 899 816	-3 283 483
Services Extérieurs	-573 813	-5 859 694	-6 433 507
Taxes (hors impôt société)	0	-77 319	-77 319
Autres produits et charges d'exploitation	-181 084	-2 526 034	-2 707 118
Charges d'exploitation (II)	-4 290 877	-21 567 577	-25 858 454
Résultat d'exploitation (III = I + II)	794 054	1 441 634	2 235 688
			0
TOTAL DES ACTIFS	1 116 572	15 695 601	16 812 173
Acquisitions d'immobilisations corporelles et incorp.	0	87 439	87 439
TOTAL DES PASSIFS	1 116 572	15 695 601	16 812 173

Distribution channel 1 (FOB) corresponds to sales that start at the place of production. The customer picks up the goods at the place of production.

The distribution channel 2 (NON FOB) corresponds to a complete service. Lexibook takes care of the entire supply chain management.

In accordance with IFRS 8.31 to 34, the table below shows a breakdown of revenues by geographical area:

Répartition CA par zone géographique	31/03/2022	31/03/2021
Europe (Hors France)	60%	55%
France	36%	9%
Reste du monde	4%	6%
Total	100%	100%

Note 26 - Subsequent events

None

Note 27 - List of Group companies

Liste des filiales et participations	% de participation et des droits de vote détenus par le Groupe au 31/03/2022	% de participation et des droits de vote détenus par le Groupe au 31/03/2021
Lexibook Hong Kong Limited	99,9%	99,9%
Lexibook Iberica SL	99,9%	99,9%
Lexibook USA	100,0%	100,0%

The LEXIBOOK Hong Kong subsidiary is at the heart of the Group's activity. This subsidiary ensures :

- the development of the Group through its innovations. To do this, it invests in research and development and employs high-level engineers;
- control of the manufacturing process from the choice of factories and production tools, the purchase of components and the quality control of the finished products;
- a contribution to consolidated revenues of €7.99 million at March 31, 2022, compared to €5.07 million at March 31, 2021.

LEXIBOOK Iberica and LEXIBOOK USA are distribution subsidiaries that enable the Group to ensure its development in these markets by providing retailers with the flexibility of domestic billing.

Note 28 - Derivative instruments and hedge accounting

Financial assets and liabilities are broken down into current and non-current as follows

en €	31 mars 2022			31 mars 2021		
	Non courant	Courant	Total	Non courant	Courant	Total
Juste valeur négative des dérivés de couverture non éligibles au traitement de comptabilité de couverture prévu par IFRS 9			-		-	-
Juste valeur négative (+) ou positive (-) des dérivés de couverture qualifiés d'efficace et comptabilisés selon les règles de la comptabilité de couverture d'IFRS 9		5 070	5 070	-	35 060	- 35 060
Actifs (-) et Passifs (+) financiers		5 070	5 070	-	35 060	- 35 060

The fair value of derivatives is determined on the basis of valuations communicated by the banks. (see note 3.13).

The derivative financial instruments used by the Group are solely currency hedges. At March 31, 2022, the Group had accumulator hedges with European-style deactivating barriers. The unexpired contractual components of the accumulators do not allow for a certain determination of possible accumulations, and we have therefore considered them as non-effective within the meaning of IFRS 9, and their fair value has been taken directly to the income statement

The fair value used is based on a valuation model (the bank's) reconciled with observable parameters in the absence of an official listing market for the hedging instruments entered into by the Group as of March 31, 2022 (specific foreign exchange contracts with accumulators and deactivating barriers).

Hedge accounting is applied in accordance with the principles of IFRS 9 and concerns derivatives that hedge future cash flows.

Impact on reserves and income statement:

	31/03/2021	Résultat	Autres éléments du résultat global	31/03/2022
Actifs	0	5 070		5 070
Passifs	-35 060	34 123	937	0
Total	-35 060	39 193	937	5 070
Impôts différés	9 817	-10 386	-248	-1 344
Total Net	-25 243	28 807	689	3 726

Note 29 - Risk management

The Group has reviewed the risks that could have a material adverse effect on its business, financial condition or results of operations (or on its ability to achieve its objectives) and considers that there are no significant risks other than those presented below.

The other risks to which the group is exposed are described in paragraph III of our Universal Registration Document.

However, the Group cannot rule out the possibility that other risks may materialize in the future and have a material adverse effect on the company, its business, financial condition, results or development.

29.1 Liquidity risks

Summary table of indebtedness as of March 31, 2022 and March 31, 2021 :

Endettement net (en €)	31/03/2022	31/03/2021
Concours bancaires	1 263 968	74 868
Affacturage	3 723 630	1 608 824
GIAC, VATEL, PPI BPIFRANCE, PGE Part Courante	933 176	1 006 116
Emprunt Crédit Bail IAS 17 (1)		
Intérêts courus	14 426	18 481
Total dettes financières part courante	4 671 232	2 633 421
Emprunt Crédit Bail IAS 17 (1)		
GIAC, VATEL, PPI BPIFRANCE Part non Courante	2 554 575	3 445 216
Total dettes financières part non courante	2 554 575	3 445 216
Total dettes financières - A	8 489 775	6 153 505
Trésorerie active - B	2 448 891	3 457 619
Comptes courants associés - C		
Total endettement net (A-B+C)	6 040 884	2 695 886

The Loans for Innovation obtained from BPI France, the loans guaranteed by the State and the bonds subscribed with GIAC and VATEL do not include covenants on financial ratios.

These items are described in notes 10 (cash assets) and 14 (financial liabilities) to the consolidated financial statements.

To finance its purchases of goods, the Group uses CREDOC lines and Stand-By Letter of Credit (SBLC). To date, the Group has always covered its CREDOC requirements and, more generally, the financing needs of its goods purchases.

This financing is provided by the parent company, LEXIBOOK France S.A., and by its Hong Kong subsidiary. Financing needs are essentially short-term needs related to the financing of working capital requirements.

The table below presents the lines of credit, their maturities and their guarantees. Amounts drawn are as of March 31, 2022.

Détail des lignes de crédit au 31 mars 2022

LEXIBOOK France							
Nature ligne	Ligne €	Ligne USD	Utilisation bilan en dettes financières	Utilisation bilan en dettes d'exploitation	Utilisation hors bilan	Échéance	Conditions particulières
Facilités de caisse et avances en devises	3,26 M€	0,69 M\$	0,59 M€	n/a	n/a	31/01/2023	Clause de revoir annuelle
CREDOC	1,84 M€	N/a	Néant	Néant	Néant	31/01/2023	Clause de revoir annuelle
Change	5,21 M€	6,1 M\$	Néant	Néant	Néant	31/01/2023	Clause de revoir annuelle
Change	17 M€		Néant	Néant	0,88 M USD	31/03/203	Tacite reconduction

La ligne Credoc cadre avec les besoins de financement saisonniers de Lexibook

LEXIBOOK Hong Kong							
Nature ligne	Ligne €	Ligne USD	Utilisation bilan en dettes financières	Utilisation bilan en dettes d'exploitation	Utilisation hors bilan	Échéance	Conditions particulières
CREDOC et facilités de caisses		4,947 M\$	0,46 M USD (0,41 M€)	0,85 M\$ en crédocs	3,11 M\$ en crédocs	31/01/2023	Clause de revoir annuelle

Total utilisation Bilan en dettes financières	1 M€
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NB: In order to reconcile the total balance sheet uses presented above (1 M€) with the total financial debts presented in note 14 of the consolidated accounts (8.49 M€), it is necessary to add the outstanding factor (3.72 M€), the GIAC (0.7 M€), VATEL (0.93 M€), the PGE (1.86 M€), the current accounts in credit with the factors (0.24 M€), and the accrued interest not yet matured (0.014 M€)

The lines granted to LEXIBOOK Hong Kong can, in part, be used as overdraft facilities or CREDOCS. LEXIBOOK Hong Kong's overdraft facilities can be used either in USD or in HKD.

For the financing of trade receivables, the Group has set up a factoring solution at European level (see note 3.5 of the financial statements at March 31, 2002). This financing is linked to the seasonal nature of the business.

En €	-1 mois	1 à 3 mois	3 à 12 mois	+1 an à 3 ans	+3 ans	TOTAL
Clients	5 582 974	679 626	222 266	244 360		6 729 226
Charges constatées d'avance	123 835	816 031	0	0		939 866
Avances et acomptes versés	2 890 001	789 996	0	0		3 679 997
Créances d'exploitation	8 596 810	2 285 652	222 266	244 360	0	11 349 089
Créances au personnel et comptes rattachés	45 930	0	0	0		45 930
Créances sur l'Etat et autres collectivités publiques	247 690	0	0	0		247 690
Autres débiteurs courants	450	0	0	0		450
Autres créances d'exploitation	294 070	0	0	0	0	294 070
Fournisseurs	-4 029 044	-802 821	-142 385	-41 470		-5 015 721
Avances et acomptes reçus	-1 260 743	-1 268 796	0	0		-2 529 539
Produits constatés d'avance	0	0	0	0		0
Dettes d'exploitation	-5 289 787	-2 071 617	-142 385	-41 470	0	-7 545 260
Dettes au personnel et comptes rattachés	-811 436	0	-125 255	0		-936 691
Dettes sur l'Etat et autres collectivités publiques	-543 658	-10 806	-20 919	0		-575 383
Fournisseurs d'immobilisations	0	0	0	0		0
Autres dettes d'exploitation	-1 355 094	-10 806	-146 174	0	0	-1 512 074
Total BFR d'exploitation	2 245 999	203 229	-66 293	202 890	0	2 585 825

En €	-1 mois	1 à 3 mois	3 à 12 mois	+1 an à 3 ans	+3 ans	TOTAL
Banques, établissements financiers et assimilés	2 448 891	0	0	0	0	2 448 891
Trésorerie et équivalents de trésorerie	2 448 891	0	0	0	0	2 448 891
<i>Emprunts Obligataires, Giac, PGE et BPI</i>	-110 225	-120 920	-702 030	-1 989 105	-594 168	-3 516 449
<i>Crédit Moyen Terme</i>	0	0	0	0	0	0
Emprunts auprès des établissements de crédit	-110 225	-120 920	-702 030	-1 989 105	-594 168	-3 516 449
Intérêts courus sur emprunts	-14 427	0	0	0	0	-14 427
<i>Engagements locatifs IFRS16</i>	-23 838	-46 055	-218 222	-325 741	-220 677	-834 533
<i>Affacturation</i>	-1 231 644	-2 463 288	0	0	0	-3 694 932
<i>Crédit de campagne</i>	0	0	0	0	0	0
<i>Facilité de caisse</i>	-1 263 968	0	0	0	0	-1 263 968
<i>Facilités de caisse (Hong-kong)</i>	0	0	0	0	0	0
<i>Effets Escomptés non échus (Hong-kong)</i>	0	0	0	0	0	0
Autres emprunts et dettes assimilées	-2 519 450	-2 509 343	-218 222	-325 741	-220 677	-5 793 433
Dettes financières	-2 644 102	-2 630 263	-920 253	-2 314 846	-814 845	-9 324 310
Total dette financière nette	-195 211	-2 630 263	-920 253	-2 314 846	-814 845	-6 875 419
Intérêts ultérieurs sur emprunts	-11 284	-19 063	-101 766	-167 187	-24 025	-323 325

Commitments relating to credit lines

- LEXIBOOK has guaranteed to its banking partners that stand-by letters of credit will be opened in favor of the Hong Kong subsidiary, for an amount of 4,947,316 US dollars converted at the closing rate of 1,1101 dollars per euro.
- The CREDOC, SBLC and campaign credit lines have been pledged to the historical banking pool for €6.74 million, from February 1, 2022 to January 31, 2023, until their full repayment.

29.2 Foreign exchange risks

The LEXIBOOK Group, operating in an international context, is exposed to foreign exchange risks arising from various foreign currency exposures, mainly the US dollar. The foreign exchange risk relates in particular to future commercial transactions.

All purchases are made in US dollars, and 20.4% of 2021-2022 revenues are also made in USD (compared with 21.2% of 2020-2021 revenues), and are therefore naturally hedged in this currency. This natural hedge is achieved through the FOB distribution channel, for which invoicing is carried out in USD and which therefore makes it possible to hedge part of the purchases made in USD.

As mentioned in the paragraph on FOB activity, the share of FOB revenues in total revenues is stable compared with the previous year. This share may vary according to the euro/dollar exchange rate and negotiations with customers.

Currency risk creates volatility in earnings, equity and cash flows.

The LEXIBOOK Group uses derivative instruments in various hedging strategies to eliminate or limit the

financial risks to which it is exposed. The main derivative instruments used are forward exchange contracts and options.

The accounting for these hedging instruments is described in note 28 to the Group's consolidated financial statements.

As part of its risk management, the LEXIBOOK Group has a policy of covering a budget for future purchases of goods payable in US dollars. The hedging of the purchase budget has required a breakdown into different time buckets that are sufficiently detailed.

The Group has reviewed its foreign exchange risk at March 31, 2022:

Risque de change	USD	GBP	HKD
Actifs	3 001 587	341 489	1 729 467
Passifs	3 426 777	12 226	3 972 754
Position nette avant gestion	-425 190	329 262	-2 243 287
Hors Bilan	-4 947 316		
Couvertures	-850 000	0	
Position nette globale après gestion	-6 222 506	329 262	-2 243 287

The off-balance sheet is composed of USD 4.947 million of SBLC.

The sensitivity of a change in the exchange rates of the currencies used would vary as follows:

Sensibilité en euros	Impact sur le résultat		Impact sur les Capitaux propres	
	Hausse de 1%	Baisse de 1%	Hausse de 1%	Baisse de 1%
USD	56 054	- 56 054	8 342	8 342
GBP	3 892	3 892	-	-
HKD	2 581	- 2 581	36 701	- 36 701
TOTAL	54 743	- 54 743	28 359	- 28 359

29.3 Interest rate risks

The Group has reviewed its interest rate risk at March 31, 2022

Risque de taux	A moins d'un an	De un à cinq ans	A plus de cinq ans
Passifs Financiers	5 935 200	2 554 575	0
Actifs Financiers	239 686		
Position nette	5 695 514	2 554 575	0

On March 31, 2022, in the case of a 1 point increase in rates, the shortfall would be 82 501 €.

The Group regularly analyzes the financial appropriateness of setting up interest rate swaps (variable/fixed). At the date of this report, given the high cost of swaps, no hedging has been initiated.

All financing, with the exception of the bond issue with VATEL, is at variable rates.

29.4 Risks related to an epidemic or pandemic

The Group is exposed to crises linked to epidemics and pandemics such as the one linked to Covid-19 and to their possible recurrence. Such crises may paralyze production in China as well as deliveries, thus depriving the Group of some or all of its sources of supply. In the event of a rapid onset of such a crisis, the Group, deprived of supplies, would face a loss of business, which could be partial or total if the epidemic spreads rapidly and lasts for several weeks, and may be subject to increased logistics costs, penalties for delays by its customers and order cancellations. In addition to the production risk, the Group may face a

commercial risk that would directly affect its business, particularly in the event of containment measures or store closures due to the epidemic. The direct effects may include order cancellations, payment delays, reduced or lost sales to certain customers, and the stocking of products that could be rendered obsolete if the crisis lasts several months. Such outbreaks can rapidly degrade the company's business and weigh heavily on cash flow, earnings and equity.

Note 30 - Other operating income and expenses

Autres produits et charges d'exploitation en €	31/03/2022	31/03/2021
Royautés	3 067 154	1 561 722
Immobilisations Incorporelles	234 501	442 419
Immobilisations Corporelles	71 694	56 271
Amortissement des droits d'utilisation de l'actif	249 701	283 747
Autres	947 193	362 959
Total Autres produits et charges d'exploitation	4 570 243	2 707 118

Note 31 - Leases

Rights to use the asset

Droits d'utilisation de l'actif en €	31/03/2021			31/03/2022		
	Valeur Brute	Amortissements	Valeur nette	Valeur Brute	Amortissements	Valeur nette
Constructions	1 185 525	592 789	592 736	1 546 816	873 337	673 479
Equipements	126 766	91 485	35 281	134 513	67 075	67 438
Total Droits d'utilisation de l'actif	1 312 291	684 274	628 017	1 681 329	940 412	740 917

Change in rights of use of assets

En euros	31/03/2022		
	Valeur Brute	Amortissements	Valeur nette
Au 31/03/2021	1 312 291	684 274	628 017
Augmentations	398 239		
Diminutions	- 55 337	- 55 337	
Variation des écarts de conversion	26 136	18 535	
Dotation aux amortissements		292 940	
Au 31/03/2022	1 681 329	940 412	740 917

Lease commitments by maturity

Engagement locatifs par maturité en euros	31/03/2022
A moins d'un an	288 087
Entre 1 et 2 ans	179 939
Entre 2 et 5 ans	366 507
Au-delà de 5 ans	-
Total engagements locatifs	834 533

XVIII2. Pro forma financial information

Not applicable

XVIII3. Parent company financial statements

Statutory Auditors' report on the annual financial statements Financial statements for the year ended March 31, 2022

A l'Assemblée générale de la société Lexibook Linguistic Electronic System S.A.,

Opinion

In compliance with the assignment entrusted to us by your General Meeting, we have audited the accompanying financial statements of Lexibook Linguistic Electronic System S.A. for the year ended March 31, 2022.

In our opinion, the financial statements give a true and fair view of the financial position and the assets and liabilities of the company as of December 31, 2009, in accordance with the accounting rules and principles applicable in France.

Basis of 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 these standards are set out in the section of this report entitled "Statutory Auditors' Responsibilities in the Audit of the Financial Statements".

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, for the period from^{er} April 1, 2021 to the date of issue of our report.

Justification of the assessments

The worldwide crisis linked to the COVID-19 pandemic has created special conditions for the preparation and audit of this year's accounts. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainty about their future prospects. Some of these measures, such as travel restrictions and remote work, have also had an impact on the internal organization of companies and on the way audits are carried out.

It is in this complex and changing context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments which, in our professional judgment, were the most significant for the audit of the financial statements for the year.

We have assessed the various approaches used by the company, as described in the notes "Inventories" and "Operating receivables", paragraph "D) Accounting principles" of the notes to the financial statements, on the basis of the information available to date, and have performed specific tests and procedures to verify, on a test basis, the application of these approaches.

As part of our assessment, we verified the reasonableness of these estimates.

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

Specific checks

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

Information given in the management report and in the other documents on the financial situation and the annual accounts sent to the Shareholders

We have no matters to report regarding the fair presentation and the conformity with the financial statements of the information given in the management report of the Executive Board and in the other documents relating to the financial position and the financial statements addressed to the shareholders.

We hereby attest to the fair presentation and the conformity with the financial statements of the information relating to the payment terms mentioned in article [HYPERLINK "https://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000005634379&idArticle=LEGIARTI000020053805&dateTexte=&categorieLien=cid"](https://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000005634379&idArticle=LEGIARTI000020053805&dateTexte=&categorieLien=cid)

Corporate Governance Report

We hereby certify that the Supervisory Board's report on corporate governance contains the information required by Article L.225-37-4 of the French Commercial Code.

Other information

In accordance with the law, we have ensured that the various disclosures relating to the acquisition of participating and controlling interests and the identity of shareholders and voting rights have been made in the management report.

Responsibilities of management and those charged with governance in relation to the annual accounts

It is the responsibility of management to prepare financial statements that give a true and fair view in accordance with French accounting rules and principles, and to implement such internal controls as it determines necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for making an assessment of the company's ability to continue as a going concern, for disclosing in those financial statements, where appropriate, the necessary information relating to the going concern and for applying the going concern basis of accounting, unless the company is to be wound up or cease trading.

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

Responsibilities of the statutory auditors in relation to the audit of the annual accounts

Our responsibility is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with professional standards will result in the systematic detection of material misstatements. Misstatements may be the result of fraud or error and are considered material when it is reasonable to expect that they could, individually or in the aggregate, influence the economic decisions that users of the financial statements make in reliance on them.

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

In the context of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit. In addition :

- the auditor identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence that the auditor believes is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- The auditor 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 internal control;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the financial statements;
- it assesses the appropriateness of management's application of the going concern accounting policy and, based on the information obtained, whether there is any material uncertainty related to events or circumstances that may affect the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If the auditor concludes that there is a material uncertainty, he draws the attention of the readers of his report to the information provided in the annual financial statements concerning this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify;
- it assesses the overall presentation of the annual accounts and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

The auditors,

Neuilly Sur Seine June 29, 2022

GRANT THORNTON

Samuel CLOCHARD
Associé

Bilan actif en €	Note	31/03/2022 en Brut (12 mois)	Amortissements, Provisions	31/03/2022 En Net (12 mois)	31/03/2021 En Net (12 mois)
Frais d'établissement	1&2	-	-	-	-
Frais de recherche et développement	1&2	-	-	-	-
Concess., brevets	1&2	357 494	353 908	3 586	6 000
Fonds commercial	1&2	70 127	70 127	-	-
Autres immobilisations incorporelles	1&2	100 000	100 000	-	0
Immobilisations incorporelles	1&2	527 621	524 035	3 586	6 000
Installations techniques	1&2	168 905	168 905	-	-
Autres immobilisations corporelles	1&2	533 473	353 391	180 082	131 783
Immobilisations en cours	1&2	-	-	-	-
Immobilisations corporelles	1&2	702 378	522 296	180 082	131 783
Titres de participations	3	389 753	153 412	236 341	236 341
Créances rattachées à des participations	3	3 301 805	943 610	2 358 195	4 127 386
Prêts	3	102 895	-	102 895	98 675
Autres immobilisations financières	3	2 766 358	80 000	2 686 358	1 151 692
Immobilisations Financières	3	6 560 810	1 177 022	5 383 788	5 614 093
Actif Immobilisé		7 790 809	2 223 353	5 567 456	5 751 875
Stocks Matières Premières	4	-	-	-	-
Stocks de marchandises	4	12 123 471	740 181	11 383 290	4 572 365
Stocks	4	12 123 471	740 181	11 383 290	4 572 365
Avances et acomptes versés	5	174 764	-	174 764	349 885
Clients et comptes rattachés	5	2 983 424	547 705	2 435 719	2 185 391
Créances sociales	5	45 930	-	45 930	6 044
Créances fiscales	5	239 480	-	239 480	226 893
Créances d'exploitation	5	3 443 598	547 705	2 895 893	2 768 214
Comptes courants débiteurs		-	-	-	-
Etat et autres collectivités		-	-	-	-
Débiteurs divers		111 325	-	111 325	38 024
Créances diverses		111 325	-	111 325	38 024
Valeurs mobilières		-	-	-	-
Disponibilités		1 553 950	-	1 553 950	3 152 422
Trésorerie		1 553 950	-	1 553 950	3 152 422
Charges constatées d'avance	6	123 835	-	123 835	258 844
Actif Circulant		17 356 179	1 287 886	16 068 292	10 789 868
Charges à répartir	6	41 596	-	41 596	55 857
Ecart de conversion actif	6	111 964	-	111 964	98 404
Comptes de régularisation	6	153 560	-	153 560	154 261
Total Actif		25 300 547	3 511 239	21 789 308	16 696 005

Bilan Passif en €	Note	31/03/2022 (12 mois)	31/03/2021 (12 mois)
Capital	7	3 881 660	3 881 660
Primes	7	-	7 237 430
Réserve légale	7	148 322	148 322
Réserve statutaire	7	0	1 112 383
Report à nouveau	7	599 257	- 9 203 757
Capital et réserves	7	4 629 239	3 176 038
Résultat de l'exercice		1 291 293	1 453 202
Total capitaux propres	7	5 920 533	4 629 239
Provision pour risques & charges		111 964	98 404
Provisions	8	111 964	98 404
Emprunts obligataires convertibles	9	-	-
Emprunts auprès établ. de crédit	9	2 569 902	3 278 062
Autres Emprunts Obligataires	9	960 973	1 240 245
Dettes financières diverses	9	-	-
Concours bancaires courants	9	849 763	33 191
Dettes financières	9	4 380 638	4 551 497
Fournisseurs		8 469 660	6 385 466
Dettes sociales		1 394 923	408 011
Dettes fiscales		169 088	47 796
Dettes d'exploitation		10 033 671	6 841 273
Fournisseurs d'immobilisations		-	-
Comptes courants créditeurs		-	-
Dettes fiscales (IS)		-	-
Dettes diverses		1 202 522	482 894
Dettes diverses		1 202 522	482 894
Ecart de conversion	10	139 980	92 698
Produits constatés d'avance		-	-
Comptes de régularisation		139 980	92 698
Total passif		21 789 308	16 696 005

Compte de Résultat en € (Partie I)	Note	31/03/2022 (12 mois)	31/03/2021 (12 mois)
Ventes de marchandises		35 771 262	21 550 429
- France (vm)		13 082 129	9 139 090
- Etranger (vm)		22 689 133	12 411 339
Ventes de services		1 102 385	816 811
- France (vs)		57 598	33 342
- Etranger (vs)		1 044 787	783 469
Total chiffre d'affaires	12	36 873 646	22 367 240
Reprises amort. et prov. d'exploitation		520 900	14 339
Autres produits d'exploitation		86 545	87 760
Transfert de charges d'exploitation		23 795	241 764
Total produits d'exploitation		37 504 886	22 711 103
Achats matières 1ères & autres appro.		128 549	89 690
Achats non stockés, Matériel et Fournitures		38 894	24 792
Achats de marchandises		25 935 944	12 371 035
Variation stocks de marchandises		- 6 936 391	- 551 282
Autres charges externes		9 090 425	5 212 656
Impôts, taxes et versements assimilés		82 026	77 319
Rémunération du personnel		2 149 272	1 330 583
Charges sociales		815 728	574 125
Dotations amort. et prov. d'exploit.		553 100	316 702
Autres charges d'exploitation		3 300 922	1 768 086
Total charges d'exploitation		35 158 469	21 213 706
Résultat d'exploitation		2 346 417	1 497 397

Compte de Résultat en € (Partie II)	Note	31/03/2022 (12 mois)	31/03/2021 (12 mois)
Revenus des autres créances et VMP		-	-
Gains de change		291 141	58 137
Produits nets sur cession de VMP		-	-
Autres produits financiers		1 082	13 430
Reprises sur prov. et amort. financiers		-	501 522
Total produits financiers		292 223	573 089
Dotation aux prov. & amort. financiers		248 136	156 680
Intérêts et charges financiers		200 272	181 642
Pertes de change		150 566	177 126
Charges nettes sur cession de VMP		-	-
Autres charges financières		32 583	20 904
Total charges financières		631 557	536 351
Résultat financier	13	- 339 333	36 737
Résultat courant		2 007 084	1 534 134
Produits exceptionnels sur opérat° en capital		-	-
Autres produits exceptionnels		-	2 923
Total produits exceptionnels		-	2 923
Charges exceptionnelles sur op. de gestion		337 468	54 674
Charges sur exercices antérieurs		-	-
VNC des immo. incorporelles cédées		320 946	-
VNC des immo. corporelles cédées		-	-
VNC des immo. financières cédées		-	-
Dotation aux prov.d'immo. Incorporelles		-	-
Dotation aux prov.d'immo. Corporelles		-	-
Autres charges exceptionnelles		-	-
Total charges exceptionnelles		658 414	54 674
Résultat exceptionnel	14	-658 414	-51 751
Impôts sur les bénéfices		57 377	29 181
Résultat net		1 291 293	1 453 202

Notes to the parent company financial statements

Environment

LEXIBOOK markets its products in more than forty countries, mainly through specialized and general retailers and on the Internet via e-commerce sites.

Lexibook is positioned at the crossroads of the consumer electronics and toy markets, which are evolving in different ways. Lexibook's size is insignificant in such markets. Indeed in 2018, according to GfK figures, the global consumer electronics market 2018 represents a total turnover of about 138 billion euros, including 100 billion euros on TVs. The GfK firm describes an exceptional year 2021 for manufacturers and distributors of these products. In one year, until the end of October 2021, the firm estimates that the global turnover generated by consumer high-tech equipment has reached 726 billion dollars, up 17%. (Source: <https://www.usinenouvelle.com/article/la-pandemie-dope-le-marche-des-equipements-high-tech-grand-public.N1173222>). The pandemic has given a major boost to sales of equipment related to telecommuting, home cleaning, meal preparation and health and wellness monitoring. Sales growth reached 22% for dishwashers, 27% for headphones, 23% for coffee and espresso machines, 16% for laptops, 15% for blood pressure monitors, 19% for dental care devices and 44% for wearables (smart watches, fitness trackers, etc.).

The Covid effect has changed shopping habits by directing consumers to e-commerce. This channel accounted for 34% of sales in one year. But in Western Europe, after peaking at 41% in May 2021, it fell to 32% in October 2021, while remaining at a higher level than before the pandemic.

For 2022, GfK forecasts further growth, driven in particular by a rebound in TV sales due to the soccer World Cup in Qatar and the election period, with continued trends towards health and wellness products, more sustainable products and higher value-added products.

This performance is mainly due to price increases, while sales volume increased by only 3%. The year 2021 is marked by the shortage of electronic components and soaring raw material prices. The shift towards higher value-added products has contributed to the market's value dynamics. Sales of television sets have thus fallen by 11% in volume, but have risen by 11% in value.

In France, according to GfK, the Home Furnishings sector had a good year in 2021, with nearly 29 billion euros generated, or +4% compared to 2020. The sector was largely driven by sales of IT and office equipment (+18% in revenues), small household appliances (+11%) and consumer electronics (+6%). These three sectors have benefited from the "home" trend, initiated by the closure. Taking into account the 3 months of forced closure of physical Home Equipment outlets in 2020, the weight of Internet sales has logically increased, by 6 points, exceeding 30% of the turnover generated. The markets already oriented online (Photo, Computers, Telecoms) have seen an even stronger acceleration, while the progression is below the average for the universe on the GEM and Consumer Electronics side.

French consumers have in fact made more use of e-commerce: their online spending has increased by 34% in 2020 to reach nearly 7 billion euros, with a stronger dynamic on Click&Mortar sites (growth of more than +50% in turnover) than on pure-players (up more than +10%). (Source : <https://itrnews.com/articles/188894/equipements-de-la-maison-un-marche-de-29-milliards-deuros-en-croissance-tout-au-long-de-lannee-2020.html>)

According to the latest U.S. toy sales statistics, consumers spent \$38.19 billion on toys in 2021. This marks a whopping 14.2% increase over the previous year and comes despite an overall reduction in consumer spending due to the coronavirus pandemic.

However, this increase is a slowdown from the previous year. In 2020, total U.S. toy market sales increased 20.6 percent to \$33.43 billion.

Analysts attribute the growth of the U.S. toy market in 2021 to the pandemic, which has affected consumer behavior. With restrictions on travel and entertainment, many people have diverted their money to other forms of entertainment, such as toys (Source: <https://www.oberlo.com/statistics/toy-sales-statistics>).

In France, Santa's sack was well filled in 2021. Despite the drop in the birth rate, and supply difficulties from Asia, the toy market grew by 3% compared to 2020, passing the €3.7 billion mark, according to NPD (+5% in volume). Compared to 2019, before the Covid-19 pandemic, growth reaches 3.3%. This allows France to double England, and become the second European market behind Germany. However, the year 2021 has not been easy for toy manufacturers and distributors, between the still complicated health context, the inflation of raw material and transport costs, and logistical difficulties. (Source: [https://www.lesechos.fr/industrie-services/conso-distribution/le-marche-du-jouet-a-enregistre-une-hausse-historique-en-2021-1378880#:~:text=La%20hotte%20du%20p%C3%A8re%20No%C3%ABl,\(%2B5%20%25%20in%20volume\).](https://www.lesechos.fr/industrie-services/conso-distribution/le-marche-du-jouet-a-enregistre-une-hausse-historique-en-2021-1378880#:~:text=La%20hotte%20du%20p%C3%A8re%20No%C3%ABl,(%2B5%20%25%20in%20volume).)) 2021 will have been the year of revenge for stores. Toy specialists, which account for one-third of the market, saw their sales increase by 9% compared to 2020. In contrast, sales are down 1% in hypermarkets, and even down 7% compared to 2019. Internet sales are down slightly but still growing very strongly (+32%) compared to 2019. Specialized networks with stores, which have digitized at high speed in 2020, contribute to this.

2022 is shaping up to be a bit more challenging for the toy industry. The explosion in production and transportation costs had little or no effect on toy prices in 2021. But it will eventually have an impact in 2022. It will surely weigh on margins and perhaps sales. "Innovation by manufacturers and licensing will help sustain the market," says Frédérique Tutt. But we have to pedal all the faster because the birth rate is constantly falling. The INSEE, in fact, counts 15,000 to 20,000 fewer children each year, which are as many fewer small customers for manufacturers and distributors. (Source : <https://www.lefigaro.fr/conso/2021-annee-record-pour-le-marche-du-jouet-malgre-les-difficultes-d-apvisionnement-20220113>)

The NPD Group reported that UK toy sales fell by 3% in 2021 to £3.2 billion. In what has been a turbulent year for the industry, the UK toy market has shown remarkable resilience to pre-pandemic numbers, they say, and while there has been a decline in 2021, the market is up +2% overall compared to 2019.

Several toy categories grew last year, including plush toys, up +9%, and vehicles, up +7% year-over-year. Top toy properties in 2021 include classics like Barbie, Star Wars and Paw Patrol as well as fast-growing properties like Pokémon, Bluey and Minecraft. The last week of activity before Christmas also saw +35% year-over-year growth, and the entire month of December was up +2%.

"The toy industry has faced enormous challenges in 2021, including, but not limited to, supply chain concerns and the ongoing Covid-19 pandemic," commented Roland Earl, BTHA chief executive. "Despite these hurdles, the UK toy market has held up relatively strongly compared to pre-pandemic figures and there are reasons to be optimistic about the year ahead, with some categories showing growth and a strong range of new releases for 2022."

Melissa Symonds, executive director, UK Toys, The NPD Group, adds, "Last year, the UK toy market managed to retain 35% of the value it gained in 2020, with seven out of 11 categories up on 2019 figures. Even more impressive is that licensed toys grew for the third year in a row, reaching 28% of the market - the highest share ever. With a large number of Tokyo movie releases scheduled for this year, as well as continued strong performance from streaming, YouTube and video game licenses, 2022 is shaping up to be a good year for toys." (Source: <https://toyworldmag.co.uk/npd-says-uk-toy-market-shows-resilience-despite-challenging-year/>).

Since late 2020, the global industry has been alarmed by a semiconductor shortage, which has been exacerbated by the pandemic and some supply chain disruptions.

Upcoming trends:

The consumer electronics market revenue is expected to reach US\$1,057 billion by 2022. The market is expected to grow at a CAGR of 1.82% annually (CAGR 2022-2026).

The largest market segment is telephony with a market volume of US\$482.90 billion in 2022.

By global comparison, most of the revenue is generated in China (US\$250.90 billion in 2022).

In the consumer electronics market, 43.6% of total revenue will be generated by online sales by 2022.

In the consumer electronics market, the volume is expected to reach 8,947.8 million pieces by 2026. The consumer electronics market is expected to show volume growth of 1.6% in 2023. Source: [https://www.statista.com/outlook/cmo/consumer-electronics/worldwide#:~:text=Revenue%20in%20the%20Consumer%20Electronics,US\\$24482.90bn%20in%2022.](https://www.statista.com/outlook/cmo/consumer-electronics/worldwide#:~:text=Revenue%20in%20the%20Consumer%20Electronics,US$24482.90bn%20in%2022.)

The global toy market reached a value of US\$156.5 billion by 2021. Looking ahead, the publisher forecasts the market to reach a value of US\$249.6 billion by 2027, growing at a CAGR of 7.50% between 2022 and 2027. Keeping in mind the uncertainties of COVID-19. (Source: <https://www.prnewswire.com/news-releases/global-toys-market-2022-to-2027---industry-trends-share-size-growth-opportunity-and-forecasts-301488626.html>)

The world's population is expected to grow from the current 7.6 billion to over 9.6 billion by 2030. Population growth, coupled with ever-increasing consumer disposable income, is expected to be a powerful catalyst for the global toys and games market. Furthermore, in addition to children, toy and game sales are also expected to be driven by older consumers, especially in segments such as action figures and accessories. Some of the other factors driving the demand for toys and games are adoption of free games, increasing popularity of educational and scientific toys, growing demand for eco-friendly toys, etc.

Highlights of the year

The years 2020 and 2021 have been marked by the worldwide expansion of the Covid-19 Coronavirus, which has led to significant changes in the global economic environment, including the closure of certain areas of activity, the adjustment of production rates, but also a change in consumption patterns.

This pandemic has significantly affected Europe since March 2020 and has led society to adapt accordingly.

The Group has not resorted to any new government aid measures in 2021, having secured its supplies and adapted its strategy and reorganized its distribution channels towards online sales.

The company has analyzed the value of its various asset classes and has not identified any impairment indicators. Furthermore, it has not identified any liabilities to be recognized in connection with this crisis.

The Group has updated its budget forecasts and does not foresee any cash flow difficulties over the next 12 months.

In fiscal year 2021-22, the S.A.'s revenues will amount to €36.9 million compared to €22.4 million in 2020-21, representing a 39% growth. This clear growth in activity is explained by the following factors:

Growth was driven both by France and by international operations, with rapid progress in Germany, Spain, the United Kingdom, Scandinavia and Eastern Europe.

In terms of products, growth was widespread across all the most profitable segments. Tablet sales now represent less than 2% of sales for the year. Sales growth was spectacular in toys, with the success of the Powerman® robot range, Crosslander® radio-controlled vehicles, and also educational products and electronic games. Alarm clocks, audio and music products are also particularly popular.

Licensed products also contributed to this growth, both on existing, very dynamic licenses such as The Snow Queen, Patrol, Spiderman and on new licenses such as Super Mario, Miraculous, and Harry Potter.

Finally, the Group's digitalization is bearing fruit: digital sales are up sharply both in France and in the various European markets, thanks in particular to a massive, Europe-wide digital marketing campaign on the Group's new products.

The company has been making a major effort to destock for several years: inventory levels had reached an all-time low of €4.9 million by March 31, 2021. Given the high level of orders for the first few months of 2022/2023 and the shortage of components, the Group has chosen to secure its supplies by bringing in the goods as soon as possible. The level of inventories is therefore €11.4 million as of March 31, 2022, compared to €4.6 million as of March 31, 2021. This level of inventory is in line with the anticipated production levels required to fulfill orders and secure margins.

The average rate of depreciation was 6.1% at March 31, 2022 compared with 11.85% at March 31, 2021. This average rate is down due to the presence of many new items in inventory, reflecting a very healthy inventory.

Thanks to a favorable product mix, the gross margin adjusted for currency effects increased by 2.2 points to 17,886 K€ at March 31, 2022 (48.5%) compared to 10,339 K€ (46.2%) at March 31, 2021, an increase of 7,547 K€.

The net margin 4 restated for advertising and license fees was 28.4%, representing €10.5 million at March 31, 2022, compared to 31.2%, representing €7.0 million one year earlier. This translates into an adjusted net margin of €3,519K in absolute terms.

The company also continued its efforts to streamline processes and reduce costs, notably by continuing to rely on EDI (Electronic Data Interchange) with its customers, and by improving operational efficiency in each department. In the last quarter of the fiscal year, the number of product returns after Christmas is insignificant thanks to the efforts on quality and the very good consumption of Lexibook products during the 2021 Christmas season.

Lexibook has kept its savings plan and its objectives in terms of personnel costs: the workforce has been reduced from 29 people as of 31/03/2018 to 21 people as of 31/03/2022. In view of the company's results, bonuses have been provisioned. The number of employees has now stabilized and the Group does not anticipate any significant change in this item in fiscal year 2022-23. The external services item is growing with the activity and the intensification of advertising efforts for Lexibook products, both in physical sales outlets and on the web. They amounted to 9.1 M€ vs 5.2 M€ one year earlier.

The growth in revenues of €14.5 million as of March 31, 2022, the increase in margins and the savings achieved therefore mainly explain the level of operating income, which stood at €2,346,000 as of March 31, 2022, compared to €1,497,000 a year earlier, i.e., a growth of €849,000.

Financial result was - 339 K€ compared to + 37 K€ one year earlier.

The current result before taxes on March 31, 2022 is thus + 2,007 K€ against + 1,534 K€ on March 31, 2021, i.e. an increase of + 473 K€.

Exceptional items amounted to -658 k€ compared to -52 k€ one year earlier, the amount N including a charge related to the recognition of a loss on VNC fully provisioned, as well as a provision for risk on a royalties audit.

Taking into account these items, net income was €1,291,000 at March 31, 2022, compared to €1,453,000 one year earlier, a decrease of €162,000.

RENEWAL AND EXTENSION OF THE LICENSE AGREEMENT WITH DISNEY.

Lexibook announces that its international license agreement with The Walt Disney Company has been renewed for 3 years. This agreement covers all of the world's most recognized franchises, including the Snow Queen, Disney Princesses, Spiderman, Avengers, Disney Cars, Mickey, Minnie...

For the first time, the license agreement includes new territories in which the Group intends to expand rapidly, notably in Asia, including China, and South America.

Thanks to this extension, Lexibook will be able to propose its ranges in new promising geographical areas and generate a profitable turnover.

This agreement provides the Lexibook Group with visibility on its business volume for at least the next 3 years, and opens up new prospects for profitable growth.

Accounting Rules and Methods

The parent company financial statements have been prepared, in particular, in accordance with the provisions of Articles L123-13 and L123-14 and L123-17 of the French Commercial Code and ANC Regulation 2015-06 of November 23, 2015 amending Regulation 2014-03 of June 05, 2014.

Application of the going concern principle

Following negotiations with the banking partners, the bank loans of the historical banks have been confirmed until January 31, 2023. The bank outside the historical banking pool has also confirmed the renewal of a campaign credit line of 1.23 M€ as of 01/05/2022, a complementary campaign credit line of 250 K€, also available as of 01/05/2022 and a SBCL line of 500 K€. Finally two new banks have joined the Lexibook Group and will bring complementary lines for the 2022/2023 season.

The bank facilities, new financing, management efforts and improvements in working capital, and the cash flow generated in fiscal year 2022-23 allow the Group to consider that the necessary conditions are in place to operate as a going concern for the next twelve months.

Accounting principles

Tangible and intangible assets

Goodwill acquired is not subject to amortization but may be subject to depreciation where appropriate.

Tangible and intangible fixed assets are recorded in the balance sheet at their acquisition cost.

Depreciation is calculated on a straight-line or declining-balance basis according to the useful life of the assets, which takes into account their economic depreciation.

Depreciation is calculated using the straight-line or declining-balance method over the periods specified below:

- Software	1 to 3 years
- Transport equipment	2 years
- Equipment and tools	3 to 5 years
- Computer equipment	3 to 5 years
- Office equipment	3 to 10 years
- Fixtures and fittings	5 to 10 years

Equity securities

Investments in subsidiaries and affiliates are recorded at cost and are subject to an impairment loss, if any, based on their value in use. The value in use takes into account the net worth, adjusted for any unrealized capital gains, and the immediate or future capacity and contribution of the investment to the equity of the consolidating entity (if the shares are consolidated), provided that the investment is held on a long-term basis.

If, after examination of the various criteria set out above for monitoring the value of equity investments (durability of the holding, contribution to the consolidated group's equity, immediate or future earnings capacity, market value of the company in which the investment is held), it emerges that the value in use is lower than the acquisition cost of the shares, an impairment loss is recognized. This depreciation corresponds to the difference between the acquisition cost and the net book value of the company concerned.

The investments of Lexibook France in Lexibook Iberica and Lexibook USA are impaired to the extent of € 153,014 and € 399 respectively, due to a negative contribution to consolidated equity, which is shown in note 3 on the line "Prov / investments".

When the value in use becomes greater than or equal to the acquisition cost, any impairment losses recognized are reversed.

Receivables related to equity investments

At the end of the year, the net worth of each investment is examined. If the net worth is negative, the receivables from investments are written down accordingly. If the receivables from investments are less than the negative net worth, the excess of the negative net worth is written down, where appropriate, against the trade receivables from the investment concerned.

During the year, the following transactions relating to receivables from equity investments were carried out:

- Partial provision for the receivables of Lexibook Iberica in Lexibook SA for € 73,829, included in the line "change in financial provisions" in note 13.

- Partial allocation concerning the receivables of Lexibook USA in Lexibook SA for 150,747 €, amount included in the line "change in financial provisions" of note 13.

At the end of the financial year, the receivables from investments held by Lexibook France on Lexibook Iberica were depreciated in the amount of € 109,392.

At the end of the financial year, the receivables from investments held by Lexibook France on Lexibook Hong Kong are not impaired.

At the end of the financial year, the receivables from investments held by Lexibook France on Lexibook USA are depreciated in the amount of €834,218.

Other equity investments, marketable securities

Other investments and marketable securities are carried at cost and are subject to impairment, where appropriate, based on their value in use. Value in use mainly takes into account the company's net worth, adjusted for any unrealized capital gains, and the company's immediate or future earnings capacity.

Stocks

Inventories are valued at the lower of cost and estimated net realizable value; cost is calculated using the weighted average cost method. The valuation method includes the cost of purchasing the goods from Lexibook Hong Kong as well as approach costs.

In terms of depreciation, which is recognized if the realizable value is lower than the cost, the method differs according to the type of inventory.

a) Defective stocks or stocks to be recycled: these stocks are grouped into different categories. These categories are used to determine the level of depreciation to be applied. The depreciation rates vary from 5% to 100%.

b) Slow-moving inventories: inventories of new products are reviewed in detail to determine whether the value of products identified as "slow-moving" should be written down and, if so, to determine the level of the write-down.

The company makes impairments based on net realizable values, which are mainly based on sales prospects and expected margins.

A 100% provision can also be decided if the product is no longer marketable, for specific reasons.

New products are never depreciated. A product is said to be new when it has been on the market for less than a year.

Operating receivables

Receivables are valued at their nominal value. An impairment is recorded when the inventory value is lower than the book value. Impairment losses are determined on the basis of bad debts and the age of the receivables, as well as on the basis of management's assessment of the recoverability risk.

In accordance with the provisions set out in the paragraph relating to receivables from investments, impairments and reversals were recorded during the year on intra-group trade receivables.

At the end of the financial year, the operating receivables held by Lexibook France on its subsidiaries are not impaired.

Translation differences

Payables and receivables denominated in foreign currencies are translated into euros at the closing exchange rate.

Operating revenues

The generating event of the revenue is the realization of the service.

Extraordinary income and expenses

Only exceptional income and expenses of an unusual nature and of an exceptional occurrence are recorded in exceptional income.

Pension obligations

Pensions and benefits due to employees on retirement are recognized in the accounts at the time of payment. Retirement commitments are valued at €137,249. No provision has been made in the parent company financial statements for the year ended March 31, 2022 for this commitment.

The valuation method used for employee benefits is the projected unit credit method, as recommended by CNC recommendation 2003-R.01 of April 1, 2003 on the rules for measuring and recognizing pension and similar benefit obligations.

This approach is equivalent to recognizing, at the calculation date, a commitment equal to the probable present value of the estimated future benefits multiplied by the ratio between the length of service at the calculation date and the retirement date. Implicitly, this means that the obligation is calculated pro rata to the length of service. Consequently, future benefits are calculated on the basis of length of service and estimated salary at the date of payment of the benefit (end of career).

Salary is projected to the date of retirement as follows:

Final salary = Salary at calculation date * (1+ Salary revaluation rate)^{remaining duration}

Then, the rights at the end of the term are calculated and two probabilities are applied: one of survival and one of presence (i.e. not leaving by dismissal or resignation).

Finally, a prorata (seniority at the calculation date / seniority at maturity) and a discount factor multiply the result obtained.

The main assumptions used are: retirement at age 67 (voluntary departure), inflation rate of 1.00%, turnover of 13.50% and discount rate of 1.70% (Bloomberg AA actuarial rate - long term (15 years) + Index as of March 31, 2022).

Earnings per share

Compte de Résultat en € (Partie II)	Note	31/03/2021 (12 mois)	31/03/2021 (12 mois)
Résultat net		1 291 293	1 453 202
Résultat net par action		0,1663	0,1872
Résultat net par action et par obligations conv.		0,1663	0,1872
Résultat net dilué par action		0,1663	0,1872
Obligations convertibles		0	0
Dividendes distribués		0	0

Notes to the balance sheet & income statement as of March 31 20 22

Note 1: Property, plant and equipment and intangible assets

Flux d'immobilisations incorporelles et corporelles en €	31/03/2021	Augmen- tation	Dimin- ution	Autres Variations	31/03/2022
Immobilisations incorporelles					
Concessions, brevets, licences	352 115	5 380	-		357 494
Fonds de commerce	70 127				70 127
Autres Immobilisations incorporelles	439 439	-	339 439	-	100 000
TOTAL	861 681	5 380	- 339 439	-	527 621
Immobilisations corporelles					
Installations tech, mat et outillages ind.	168 905	-			168 905
Autres immobilisations corporelles	445 282	88 191	-		533 473
Immobilisations corporelles en cours	0	-			0
TOTAL	614 187	88 191	-	-	702 378

Other intangible assets" correspond to the costs of the website incurred as of March 31, 2022 in the amount of €100,000.

Note 2: Depreciation, amortization and provisions for tangible and intangible assets

Flux d'amortissements sur immobilisations incorporelles et corporelles en €	31/03/2021	Augmen- tation	Dimin- ution	Autres Variations	31/03/2022
Amort / Immobilisations incorporelles					
Amort / Concessions, brevets, licences	304 694	7 793	-		312 487
Amort / Autres immobilisations incorporelles	100 000	-			100 000
TOTAL I	404 694	7 793	-	-	412 487
Amort / Immobilisations corporelles					
Amort / Inst. tech, mat et outillages ind.	168 905	-			168 905
Amort / Autres immobilisations corporelles	313 500	39 892			353 391
TOTAL II	482 405	39 892	-	-	522 296
Dépréciations / Immobilisations incorporelles					
Dépréciations / Concessions, brevets, licences	41 421				41 421
Dépréciations / Fonds de commerce	70 127				70 127
Dépréciations / Autres immobilisations incorporelles	339 439		339 439		0
TOTAL III	450 987	-	339 439	-	111 548

Note 3: Financial assets

Flux d'immobilisations financières en €	31/03/2021	Augmen- tation	Dimin- ution	Autres Variations	31/03/2022
Immobilisations financières					
Titres de participations	389 753	0	0	0	389 753
Créances rattachées à des participations	4 846 420	38 770 472	40 315 088	0	3 301 805
Titres de participations Banques	50	0	0	0	50
Titres Giac et Mainbot	20 007	0	0	0	20 007
Prêts	98 675	12 849	8 629	0	102 895
Dépôts et cautionnements	1 201 635	16 715 057	15 170 390		2 746 302
Autres	0		0		0
TOTAL	6 556 539	55 498 378	55 494 107	0	6 560 810
Provisions sur immobilisations financières en €					
31/03/2021	Augmen- tation	Dimin- ution	Autres Variations	31/03/2022	
Prov / Immobilisations financières					
Prov / Titres de participation	153 412	0	0	0	153 412
Prov / Créances rattachées à des participations	719 033	224 577	0	0	943 610
Prov / Titres Mainbot	0	10 000	0		10 000
Prov / Fonds de Garantie	70 000	0	0		70 000
TOTAL	942 446	234 577	0	0	1 177 022

Immobilisations financières en €	Montant Brut	Échéances à moins 1 an	Échéances à plus 1 an
Immobilisations financières			
Titres de participations	389 753	0	389 753
Créances rattachées à des participations	3 301 805	3 301 805	0
Titres de participations Banques	50	0	50
Titres Giac et Mainbot	20 007	0	20 007
Prêts	102 895	1 680	101 215
Dépôts et cautionnements	2 746 302	2 645 852	100 450
Autres	0		0
TOTAL	6 560 810	5 949 336	611 474

Note 4: Inventories

Stocks en €	Valeur brute 31/03/22	Depreciation	Valeur nette 31/03/22	Valeur nette 31/03/21
Stocks de Marchandises	12 123 471	740 181	11 383 290	4 572 365
TOTAL	12 123 471	740 181	11 383 290	4 572 365

Note 5: Operating receivables

Créances d'exploitation en €	Valeur brute 31/03/22	Depreciation	Valeur nette 31/03/22	Valeur nette 31/03/21
Avances et acomptes versés	174 764	-	174 764	349 885
Clients et comptes rattachés	2 983 424	547 705	2 435 719	2 185 391
Créances sociales	45 930	-	45 930	6 044
Créances fiscales	239 480	-	239 480	226 893
TOTAL	3 443 598	547 705	2 895 893	2 768 214

Créances d'exploitation	Total	1 an au +	1 à 5 ans
Avances et acomptes versés	174 764	174 764	
Clients et comptes rattachés	2 435 719	2 435 719	
Créances sociales	45 930	45 930	
Créances fiscales	239 480	239 480	-
Total	2 895 893	2 895 893	-

Note 6: Prepayments and accrued income

This item is composed of prepaid expenses for 123,835 € and translation adjustments for 111,964, as well as deferred charges on loan issuance costs for €41,596.

Charges Constatées d'Avance au 31 03 2022	Exploitation	Financier	Exceptionnel	Total
Charges Constatées d'Avance	111 835			111 835
Charges Constatées d'Avance Royalties	12 000			12 000
	123 835	-	-	123 835
Ecart de Conversion Actif au 31 03 2022	Exploitation	Financier	Exceptionnel	Total
Ecart de Conversion Actif	111 964	-	-	111 964
	111 964	-	-	111 964
Charges à Répartir au 31 03 2022	Exploitation	Financier	Exceptionnel	Total
Frais d'émission des Emprunts à répartir	-	41 596		41 596
	-	41 596	-	41 596

Note 7: Shareholders' equity

As of March 31, 2022, the capital is composed of 7,763,319 fully paid-up ordinary shares with a par value of €0.5 each. Changes in shareholders' equity can be analyzed as follows

Capitaux propres en €	Capital	Prime d'émission	Réserves	Report à nouveau	Résultat	Autres variations	Total
Au 1er Avril 2021	3 881 660	7 237 430	1 260 706	- 9 203 757	1 453 202		4 629 239
Affectation du résultat 2020-2021				1 453 202	- 1 453 202	-	-
Décision Imputation	-	- 7 237 430	- 1 112 384	8 349 814			-
Résultat au 31/03/2022					1 291 293		1 291 293
Au 31 mars 2022	3 881 660	-	0	148 322	599 258	1 291 293	-
							5 920 533

Note 8: Provisions for liabilities and charges

Provisions pour risques et charges en €	31/03/2021	Augmentation	Diminutions utilisées	Diminutions non utilisées	31/03/2022
Provisions pour litiges commerciaux et sociaux	-	-	-	-	-
Provisions pour garantie	-	-	-	-	-
Provisions prime / remboursement obligations	-	-	-	-	-
Provision pour impôts	-	-	-	-	-
Autres provisions	98 404	13 560	-	-	111 964
Impôt différé passif	-	-	-	-	-
Total	98 404	13 560	-	-	111 964

Other provisions concern provisions for foreign exchange losses

The Group has not considered it necessary to establish a provision for product warranty due to the following factors:

- The Group has warranty contracts with all its subcontractors and has transferred the risk of an epidemic default to them.
- The quality standards have been tightened for several years, which has made the products more reliable, reduced the number of failures at unpacking and improved the brand image of Lexibook.
- With some of its customers, the Group buys back warranties instead of returning defective products in order to limit flows.
- The Group has replaced tablets (which generate a lot of after-sales processing) with less technological products (musical instruments, lighting, toys, etc.) that are less likely to break down and be returned.

Overall, the ratio of products processed by the After-Sales Service reached a low point in fiscal year 2021-22 at 0.09% of volumes.

Note 9: Maturity of financial liabilities

Dettes financières en € au 31/03/2022	Total	1 an au +	1 à 5 ans	+ de 5 ans
Emprunts obligataires convertibles	-	-	-	-
Autres Emprunts obligataires	960 973	298 866	662 107	-
Emprunts auprès des établissements de crédit	2 569 902	648 738	1 921 165	-
Dettes financières diverses	-	-	-	-
Concours bancaires courants	849 763	849 763	-	-
Total	4 380 638	1 797 366	2 583 272	-

Note 10: Accrued liabilities

This item consists of currency translation adjustments of €139,980.

Produits Constatés d'Avance au 31 03 2022	Exploitation	Financier	Exceptionnel	Total
Produits Constatés d'Avance	-	-	-	-
	-	-	-	-
Ecart de Conversion Passif au 31 03 2022	Exploitation	Financier	Exceptionnel	Total
Ecart de Conversion Passif	4 331	135 649	-	139 980
	4 331	135 649	-	139 980

Note 11: Off-balance sheet commitments

Commitments given

On January 25, 2022, the Board of Directors was authorized to act as guarantor for the banks and to sign the documents relating to the setting up of a line of standard letters of credit (SBLC) for the benefit of Lexibook Hong Kong, a wholly owned subsidiary of Lexibook France. The SBLCs are granted by HSBC (USD 1,336 million), BNPP (USD 1,781 million) and SG (USD 1,830 million). This amount of 4,947,316 USD is converted at the closing rate of 1,1101 USD per euro.

Lexibook has, as of March 31, 2022, USD forward purchase commitments of USD 850,000, also converted at the closing rate of USD 1,1101 per euro.

The contracts signed with Factofrance and Cofacredit, respectively for the financing of domestic and export activities, provide for :

	FACTOFRANCE	COFACREDIT
Réserves	8%	6%
Retenue de garantie	15%	15%
Minimum Fonds de Garantie	230 000	100 000
Commission d'affacturage	0,27%	0,36%
Commission d'anticipation	Moyenne mensuelle EURIBOR 3 mois + 0,75 %	Moyenne mensuelle EURIBOR 3 mois + 0,75 %

As of March 31, 2022, gross receivables assigned to the factor amounted to €3,723,630 (€1,296,817 to Factofrance and €2,426,813 to Cofacredit).

There are no unmatured discounted notes at March 31, 2022.

Lexibook SA has no commitment as of March 31, 2022 on the "CREDOC" lines granted by the banks and used to finance the purchase of goods. (Commitment of lines given for 1.84 M€, without any drawing on March 31, 2022)

The CREDOC and SBLC lines have been pledged to the historical banking pool for an amount of €6,740 million from February 1, 2022 to January 31, 2023.

On March 19, 2013, the Supervisory Board authorized the agreement between LEXIBOOK-L.E.S. and its wholly-owned subsidiary, LEXIBOOK HK Limited, headquartered in HONG KONG, and Citibank, under the terms of which LEXIBOOK France acts as guarantor ("Guarantor"), up to a maximum of US\$3,000,000, of the commitments subscribed by its wholly-owned subsidiary, LEXIBOOK HK Limited. It is hereby specified that according to CitiBank's "Facility Letter" dated October 29, 2019, the credit facility, as of that date, is up to an overall limit of US\$1.3 million with the following sub-limits:

- a. US\$500,000 for the issuance of letters of credit and trust receipt loans; and
- b. US\$800,000 for the negotiation of export invoices.

Commitments received

The minutes of the Supervisory Board established on 02/07/2018 note the commitment received from our subsidiary LEXIBOOK Hong Kong regarding the waiver of €1,400,000 in its favor, this being subject to a Better Fortune Clause.

Note 12: Revenues by geographic area and segment

The France-Export revenues are analyzed as follows:

Chiffre d'affaires France-Export en €	31/03/2022 12 mois	31/03/2021 12 mois
France	13 139 726	9 172 432
Export	23 733 920	13 194 808
Total	36 873 646	22 367 240
Chiffre d'affaires Electronique-Jouets en €	31/03/2022 12 mois	31/03/2021 12 mois
Electronique	13 481 055	10 067 858
Jouets	21 970 479	10 856 900
Autres	1 422 113	1 442 482
Total	36 873 646	22 367 240

Note 13: Financial income

The financial result breaks down as follows

Résultat financier en €	31/03/2022 12 mois	31/03/2021 12 mois
Produits de participations		
Revenus des autres créances et VMP		
Gains de change	291 141	58 137
Produits nets sur cession de VMP		
Autres produits financiers	1 082	13 430
Total des produits financiers	292 223	71 567
Intérêts et charges financières	200 272	181 642
Pertes de change	150 566	177 126
Charges nettes sur cession de VMP		
Autres charges financières	32 583	20 904
Total des charges financières	383 421	379 671
Variation des provisions financières	-248 136	344 842
Résultat financier	-339 333	36 737

The change in financial provisions includes :

- - 13,560 net allocation to provisions for exchange losses.
- - 224,576 net allocation to provisions for receivables related to equity investments.
- - 10,000 in net provisions for the risk of loss of share value.

Note 14: Exceptional items

The extraordinary result at March 31, 2022 amounts to - 658,414 €.

Résultat exceptionnel en €	31/03/2022 12 mois	31/03/2021 12 mois
Produits exceptionnels sur opérations de gestion	-	-
Produits exceptionnels sur opérations en capital	-	-
Boni sur liquidation filiales	-	-
Autres produits exceptionnels	-	2 923
Total des produits exceptionnels	-	2 923
Charges exceptionnelles sur opérations de gestion	337 468	54 674
Charges exceptionnelles sur opérations en capital	-	-
VNC des immo. incorporelles cédées	320 946	-
Autres charges exceptionnelles	-	-
Total des charges exceptionnelles	658 414	54 674
Variation des provisions exceptionnelles	-	-
Résultat Exceptionnel -	658 414 -	51 751

Extraordinary expenses include for the most part :

- - 133,374 for a risk related to an audit on the license part.
- - 201,514 for penalties on contracts.
- - 320,946 € for VNC of intangible assets.

Note 15: Employees

The workforce of Lexibook SA is composed as follows:

Effectifs par CSP en France	31/03/2022	31/03/2021
Mandataires Sociaux	2	2
Cadres Dirigeants	2	2
Cadres au forfait	6	6
Cadres	2	1
Agents de Maitrise	5	6
Employés	4	4
VRP Multicarte	0	5
Stagiaires	1	0
Contrats d'apprentissage	0	0
Contrats de Professionnalisation	0	0
Total	22	26

Note 16: List of subsidiaries and affiliates

Liste des filiales et participations en €	Capital	% de détention	Capitaux propres (hors capital)	Valeur brute des titres au 31/03/2022	Valeur nette des titres au 31/03/2022	Prêts / dettes Net	Cautions et avals accordés (1)	Chiffre d'affaires 31/03/2022	Résultat net 31/03/2022	Dividendes versés (-), reçus (+)
A. Filiales détenues à plus de 50%										
Lexibook Hong Kong Limited	57 526	99,9%	3 594 663	236 340	236 340	1 867 668	4 456 627	31 057 315	2 811 978	-
Lexibook Iberica SL	153 104	99,9%	262 496	153 014	-	354 555	-	612 981	107 630	-
Lexibook USA	450	100,0%	834 668	399	-	1 079 581	-	1 043 785	107 242	-

(1) 4,947,300 USD converted at the closing rate of 1.1101.

NB: Foreign currency amounts expressed in euros in this table have been converted at the closing rate for balance sheet items and at the average rate for the year for the income statement item.

Note 17: Interest rate and currency risks

Risque de taux	A moins d'un an	De un à cinq ans	A plus de cinq ans	Total
Passifs Financiers	947 603	2 583 272	0	3 530 875
Actifs Financiers	-5 383 788		-	5 383 788
Position nette avant gestion	-4 436 185	2 583 272	0 -	1 852 913
Hors Bilan				
Position nette après gestion	-4 436 185	2 583 272	0 -	1 852 913

In the case of a one-point increase in interest rates, the potential loss would be €18,529.

Risque de change	USD	GBP	HKD
Actifs	3 539 344	354 511	-
Passifs -	6 604 256	- 61 073	-
Position nette avant gestion -	3 064 912	293 438	-
Hors Bilan	4 097 300	-	-
Position nette après gestion	1 032 388	293 438	-

NB: The USD 4,097 million off-balance sheet position is composed of USD 4,947 million of SBLC and USD 850 thousand of currency hedges. On the basis of this net position and in the event of a 1% appreciation of the euro against these currencies, the loss of earnings for the company would be 10,324 USD and 2,934 GBP.

Note 18: Inventory of securities

Nature	Nom	Nombre de titres	Valeur brute Comptable	Dépréciations	Valeur Nette Comptable
Titres de participations (1)	Lexibook HK	49 999	236 340	-	236 340
Titres de participations (1)	Lexibook Iberica	24 694	153 014	- 153 014	-
Titres de participations (1)	Lexibook Usa	500	399	- 399	-
Actions Propres (2)	Lexibook SA	-	-	-	-

- (1) Securities held are written down on the basis of the negative net worth of the subsidiaries
- (2) The Lexibook SA shares are depreciated on the basis of the market price at March 31, 2022.

Note 19: Affiliated or related companies

Nature	Montants totaux	Entreprises liées	Entreprises avec un lien de participation
Immobilisations Financières	5 383 788	2 594 536	
Dettes financières	4 380 638	-	
Créances d'exploitation	2 895 893	195 279	
Dettes d'exploitation	10 033 671	5 234 894	
Charges d'exploitation	35 158 469	21 719 972	
Produits d'exploitation	37 504 886	1 590 236	
Charges financières	631 557	224 575	
Produits financiers	292 223	-	
Charges exceptionnelles	658 414	-	
Produits exceptionnels	-	-	

Note 20: Breakdown of operating receivables and payables

Créances d'exploitation et Créances diverses	Total	1 an au +	1 à 5 ans
Avances et acomptes versés	174 764	174 764	-
Clients et comptes rattachés	2 983 424	2 983 424	-
Créances sociales	45 930	45 930	-
Créances fiscales	239 480	239 480	-
Autres créances	111 325	111 325	-
Total	3 554 923	3 554 923	-

Dettes d'exploitation et Dettes diverses	Total	1 an au +	1 à 5 ans
Dettes fournisseurs et comptes rattachés	8 469 660	8 469 660	-
Avances et acomptes reçus / com.	-	-	-
Dettes sociales	1 394 923	1 394 923	-
Dettes fiscales	169 088	169 088	-
Autres Dettes	1 202 522	1 202 522	-
Total	11 236 193	11 236 193	-

NB : Other receivables are made up of trade accounts receivable for an amount of € 20,964, as well as trade accounts receivable for an amount of € 90,361.

NB : The other debts are made up of Accounts Payable for an amount of 560 498 €, as well as Accounts Receivable - Credit notes to be established for an amount of 642 024 €.

Note 21: Total compensation of management bodies

For the period from^{er} April 1, 2021 to March 31, 2022, the remuneration of the executives amounted to €1,060,515.20.

Note 22: Increases and decreases in future tax liabilities

22-1 Income tax expense

The corporate income tax due by LEXIBOOK for the fiscal year ending March 31, 2022 amounts to €57,377, including contributions.

Taxable income for the year ended March 31, 2022 amounted to €1,433,031. An amount of €1,216,516 was allocated from previous tax losses. The remaining balance of €216,516 resulted in a net tax charge of €57,377.

22-2 Tax breakdown

The breakdown of corporate income tax between current income and extraordinary income is as follows

	Résultat Courant	Résultat Exceptionnel	CICE	TOTAL	
Résultat avant impôt	2 007 084	-	658 414	-	1 348 670
Impôt	-	57 377	-	-	57 377
Résultat net	1 949 707	-	658 414	-	1 291 293

22-3 Change in future tax liability

Variation de la dette future d'impôts en €	Ouverture 31/03/2021	Augmentations	Diminutions	Cloture 31/03/2022
Base Impôts différés actif				
Organic	-	-	-	-
Effort de construction	-	-	-	-
Déficits reportables	13 538 618	-	1 216 516	12 322 102
Moins values Nettes à long terme	939 621	-	-	939 621
Total des Bases d'Impôts différés Actifs	14 478 239	-	1 216 516	13 261 723

Net long-term capital losses represent expected or actual losses on equity investments.

Note 23: Accrued expenses and accrued income

Dettes	Montant
Total des charges à payer	3 745 833
Dettes financières diverses	26 479
Intérêts courus non échus sur emprunts	14 427
Intérêts courus non échus	12 052
Concours bancaires	-
concours bancaires	-
Dettes fournisseurs et comptes rattachés	1 743 203
Factures non parvenues	1 743 203
Avances et acomptes reçus sur commandes	642 024
Avoirs à établir	642 024
Dettes sociales	1 313 549
Congés payés	125 255
Autres dettes sociales	1 188 295
Dettes fiscales	20 578
Autres dettes fiscales	20 578
Autres dettes	-
Dettes diverses	-

Créances	Montant
Total des produits à recevoir	360 972
Créances financières	-
Intérêts courus à recevoir	-
Avances et acomptes versés	265 125
Acomptes versés	174 764
Avoirs à recevoir	90 361
Créances fiscales	95 847
Autres créances fiscales	95 847
Créances sociales	-
Produits à recevoir	-
Créances diverses	-
Divers	-

Note 24: Post-balance sheet events

NIL

XVIII.4. Audit of annual historical information

Not Applicable

XVIII5. Dates of the last financial information

Not Applicable

XVIII6. Interim and other financial information

Not Applicable

XVIII7. Dividends

Years	Number of securities paid for	Dividend paid for the year					
		Net		Tax credit		Total	
		FF	€	FF	€	FF	€
1994	2 300	100,00	15,24	50,00	7,62	150,00	22,86
1995	2 300	500,00	76,22	250,00	38,11	750,00	114,33
1996	800 000	6,25	0,95	3,125	0,48	9,375	1,43
1997	940 000	3,20	0,49	1,60	0,24	4,80	0,73

No dividends were distributed in the years from 1998 to March 31, 2022.

Since 1998 and until now, the company has considered that no dividend could be distributed. The main criterion has until now been to keep the "net gearing (adjusted for factoring)" below 80%. This was not, strictly speaking, a "policy" insofar as this question is discussed each year by management and the main criterion is likely to change, particularly under the influence of a favourable trend in "financial leverage", which would make it possible to distribute dividends with different gearing constraints, taking into account other criteria such as the Group's growth and the associated financing requirements

To the best of the company's knowledge, all dividends distributed to date have been paid to the parties concerned.

XVIII8. Legal proceedings and arbitration

There are no material governmental, legal or arbitration proceedings, including any proceedings of which the company is aware, which are pending or threatened, that are likely to have or have had in the past 12 months a material effect on the financial position or profitability of the company and or the Group.

XVIII9. Significant changes in the financial or commercial situation

As of the date of this universal registration document, LEXIBOOK has not experienced any significant change in its financial or commercial situation since March 31, 2022.

XVIII10. Statutory Auditors' fees for the fiscal year ended March 31, 2022

2

		Cabinet GRANT THORNTON				Cabinet KPMG				Cabinet RSA			
		Montant HT		%		Montant HT		%		Montant HT		%	
		2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Audit													
	Commissariat aux comptes, certification, examen des comptes individuels et consolidés	78 774		100%		-	80 524		100%		20 200		100%
	Autres Diligences liées à la mission du commissaire aux comptes												
	Sous-total	78 774	-			-	80 524			-	20 200		
Autres prestations													
	Juridique, fiscal et social												
	Technologies de l'information												
	Autres												
	Sous-total	-	-			-	-			-	-		
	TOTAL	78 774	-	100%	100%	-	80 524	100%	100%	-	20 200	100%	100%

XIX. ADDITIONAL INFORMATION

XIX1. Share capital

XIX11. Amount of issued capital

As of March 31, 2022, the share capital amounted to 3,881,659.50 euros, divided into 7,763,319 shares, each fully paid up. Registered shares registered in the name of the same holder for at least two years (1 545 078 as of the date of this universal registration document and to the best of our knowledge) have double voting rights.

As of March 31, 2021, the share capital was 3,881,659.50 euros, divided into 7,763,319 fully paid-up shares.

The nominal value of one share is 0.5 euros.

There is only one class of shares.

XIX12. Number and main characteristics of shares not representing capital

Not Applicable

XIX13. Shares held by the company or its subsidiaries

As of March 31, 2022, the company does not hold any treasury shares.

XIX14. Results for the last 5 years and table of payment terms for customers and suppliers

	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
I- Capital en fin d'exercice					
a) Capital Social	3 881 660	3 881 660	3 881 660	3 412 910	3 412 910
b) Nombre des actions émises	7 763 319	7 763 319	7 763 319	6 825 819	6 825 819
c) Nombre d'obligations convertibles en actions	0	0	0	0	0
II - Opérations & Résultats de l'exercice					
a) Chiffres d' Affaires	36 873 646	22 367 240	18 988 785	18 535 824	22 288 791
b) Résultat avant impôts, avant amortissements & provisions	1 571 629	1 410 723	-147 365	-2 574 272	51 127
c) Impôts sur les bénéfices	57 377	29 181	0	0	0
d) Résultat après impôts, amortissements & provisions	1 291 293	1 453 202	-176 936	-889 053	-215 387
e) Bénéfices distribués					
III - Résultat par action					
a) Résultat Avant impôts et avant amortissements & provisions	0,20	0,18	-0,02	-0,38	0,01
b) Résultat après impôts, amortissements & provisions	0,17	0,19	-0,02	-0,13	-0,03
c) Dividendes attribué à chaque action dont avoir fiscal	0	0	0	0	0
IV - Personnel					
a) Effectif moyen des salariés employés pendant l'exercice	22	23	23	25	32
b) Montant de la masse salariale globale & des avantages sociaux	2 964 999	1 904 707	1 964 369	1 988 202	2 181 094

	Article D.441 I. -1° : Factures reçues non réglées à la date de clôture de l'exercice dont le terme est échu						Article D.441 I. -2° : Factures émises non réglées à la date de clôture de l'exercice dont le terme est échu					
	0 jour (indicatif)	1 à 30 jours	31 à 60 jours	61 à 90 jours	91 jours et plus	Total (1 jour et plus)	0 jour (indicatif)	1 à 30 jours	31 à 60 jours	61 à 90 jours	91 jours et plus	Total (1 jour et plus)

(A) Tranches de retard de paiement

Nombre de factures concernées	108	122	57	73	103	355	430	1 163	217	128	554	2 062
Montant total des factures concernées TTC	833 442	2 348 870	1 373 067	1 371 534	805 759	5 899 231	1 903 957	235 761	192 560	234 179	417 820	1 080 321
Pourcentage du montant total des achats TTC de l'exercice	2,15%	6,07%	3,55%	3,55%	2,08%	15,25%						
Pourcentage du chiffre d'affaires TTC de l'exercice							4,89%	0,61%	0,50%	0,60%	1,07%	2,78%

(B) Factures exclues du (A) relatives à des dettes et créances litigieuses ou non comptabilisées

Nombre des factures TTC exclues												
Montant total des factures TTC exclues												

(C) Délais de paiement de référence utilisés (contractuel ou délai légal - article L.441-6 ou article L443-1 du code de commerce)

Délais de paiement utilisés pour le calcul des retards de paiement	- Délais contractuels : 60 jours	- Délais contractuels : 60 jours
	- Délais légaux : 60 jours	- Délais légaux : 60 jours

XIX15. Convertible or exchangeable securities or securities with warrants

Date AG	Nature de la délégation	Nominal maximum de l'AK	Durée de la délégation	Utilisation	Date de réunion décidant l'émission ou la réduction
14/09/2021 17ème résolution	Autorisation à donner au Directoire pour opérer sur les actions de la Société	Max 10% des titres	18 mois		
14/09/2020 16ème résolution	Délégation de compétence au Directoire pour décider l'émission avec maintien du droit préférentiel de souscription d'actions et/ou de valeurs mobilières donnant accès au capital de la Société ou de ses filiales et/ou de valeurs mobilières donnant droit à l'attribution	20 000 000 d'euros	26 mois		
14/09/2020 17ème résolution	Délégation de compétence au Directoire pour décider l'émission avec suppression du droit préférentiel de souscription d'actions et/ou de valeurs mobilières donnant accès au capital de la Société ou de ses filiales et/ou de valeurs mobilières donnant droit à	20 000 000 d'euros	26 mois		
14/09/2020 18ème résolution	Délégation de compétence au Directoire pour décider l'émission avec suppression du droit préférentiel de souscription d'actions et/ou de valeurs mobilières donnant accès au capital de la Société et/ou de valeurs mobilières donnant droit à l'attribution de titres de créance, par placement privé visé à	20 000 000 d'euros	26 mois		
14/09/2020 20ème résolution	Délégation de compétence au Directoire à l'effet d'augmenter le nombre de titres à émettre en cas d'émission d'actions ordinaires et/ou de valeurs mobilières donnant accès au capital de la Société, de toute filiale et/ou de toute autre société avec maintien ou suppression du	dans la limite de 15% de l'émission initiale	26 mois		
14/09/2020 23ème résolution	Autorisation à donner au Directoire à l'effet de consentir aux salariés et dirigeants de la société des options donnant droit à la souscription d'actions de la société à émettre ou à l'achat d'actions existantes de la société		38 mois		
14/09/2020 24ème résolution	Autorisation à donner au Directoire pour réduire le capital social par annulation d'actions propres détenues par la société	dans la limite de 10% du nombre total d'actions	26 mois		
14/09/2020 25ème résolution	Délégation de compétence à donner au Directoire à l'effet de décider l'augmentation du capital social par incorporation de prime, réserves,	10 000 000 d'euros	26 mois		

XIX16. Information on the acquisition rights and/or obligations attached to the subscribed capital not paid up

Not Applicable

XIX17. Information about the capital of any member of the Group under option or under a conditional or unconditional agreement to place it under option and details of such options, including the identity of the persons to whom they relate

Not Applicable

XIX18. History of the capital

AGE	Nature de l'Opération	Augmentation de Capital		Nominal	Nombre de Titres Emis		Montant Cumulé du Capital Social	
		en FF	en €		Nbr	Val	en €	en titres
01/10/1981	Création de la SARL ELVECO	100 000,00	15 244,90		1 000	152,45	15 244,90	1 000
28/09/1984	Augmentation de capital par élévation du nominal à 290 FF	190 000,00	28 965,31				44 210,21	1 000
31/03/1987	Augmentation du capital par incorporations de réserves, portant le nominal à 500FF	210 000,00	32 014,29				76 224,50	1 000
31/03/1988	Augmentation du capital suite à la fusion avec la SARL GEPRIM	500 000,00	76 224,50		1 000	500,00	152 449,00	2 000
31/03/1988	Augmentation du capital par incorporation de réserves, faisant passer le nominal à 950 FF	900 000,00	137 204,11				289 653,11	2 000
31/03/1988	Augmentation du capital par incorporations des réserves, faisant passer le nominal à 1.150 F	400 000,00	60 979,61				350 632,72	2 000
30/11/1991	Transformation de la SARL ELVECO en SA Linguistic Electronic System (LES)						350 632,72	2 000
30/12/1996	Augmentation de capital par incorporation de réserves	5 980 000,00	911 645,12			8 280 000	1 262 277,86	2 000
	Division du nominal par 400					8 280 000	1 262 277,86	800 000
	Augmentation de capital par émission d'actions nouvelles à l'occasion de l'introduction en Bourse	1 449 000,00	220 898,63		140 000	9 729 000	1 483 176,49	940 000
31/12/2003	Augmentation de Capital suite conversion 57 obligations	590,36	90,00		57	90,00	1 483 266,00	940 057
12/12/2005	Augmentation de Capital avec appel public à l'épargne	15 742 968,00	2 400 000,00	3,44	188 011	646 757,84	3 883 266,00	1 128 068
20/09/2010	Réduction du Capital par réduction de la valeur nominale			0,50			564 034,00	1 128 068
20/09/2010	Augmentation de Capital réservée			0,50	36 201	18 100,50	582 134,50	1 164 269
24/02/2011	Augmentation de Capital avec maintien DPS		1 338 909,00	0,50	2 677 818	1 338 909,00	1 921 043,50	3 842 087
16/01/2012	Annulation titres auto detenus		-21 020,00	0,50	42 040	-21 020,00	1 900 023,50	3 800 047
22/02/2012	Conversion 1ère tranche emprunt obligataire Turenne Capital (1M€)		120 482,50	0,50	240 965	120 482,50	2 020 506,00	4 041 012
12/05/2014	Conversion 2ème tranche emprunt obligataire Turenne Capital (0,5M€)		46 186,50	0,50	92 373	46 186,50	2 066 692,50	4 133 385
03/08/2015	Augmentation de Capital réservée, par émission d'actions nouvelles, avec suppression du droit préférentiel de souscription		413 338,50	0,50	826 677	413 338,50	2 480 031,00	4 960 062
26/05/2016	Augmentation de Capital par émission d'actions nouvelles, avec maintien du droit préférentiel de souscription		644 893,50	0,50	1 289 787	644 893,50	3 124 924,50	6 249 849
30/11/2017	Augmentation de Capital par BSAR		287 985,00	0,50	575 970	287 985,00	3 412 909,50	6 825 819
11/12/2019	Augmentation de Capital réservée, par émission d'actions nouvelles, avec suppression du droit préférentiel de souscription		468 750,00	0,50	937 500	468 750,00	3 881 659,50	7 763 319

XIX2. Memorandum and articles of association

The bylaws were revised at the General Assembly on September 2, 2011 and updated after those of December 20, 2011, May 12, 2014, July 24, 2015, May 26, 2016, December 7, 2017, December 17, 2019, September 14 2020 and September 14, 2021.

General meetings are convened and deliberate under the conditions and within the time limits set by the legal and regulatory provisions.

XIX21. Corporate purpose (Article 2)

The company's corporate purpose, directly or indirectly, in France or abroad, is

- the importation from all countries and the distribution in all its forms of all raw materials, semi-finished or finished products that can be resold as is or processed,
- trade in all its forms, including the purchase, sale, export, representation, repair, maintenance and installation of all industrial or consumer products,
- taking an interest, participation in any form whatsoever in any similar enterprise, in particular by way of contribution, subscription to the purchase of bonds, shares or other securities, sponsorship, creation of a new company, merger or otherwise.

And more generally, all operations of any nature whatsoever, economic or legal, financial, civil or commercial, which may be related, directly or indirectly, to this corporate purpose or to any similar, related or complementary purposes. The direct or indirect participation of the company in any industrial, commercial or financial activities or operations, movable or immovable, in France or abroad, in any form whatsoever, as long as these activities or operations may be directly or indirectly related to the corporate purpose or to any similar, related or complementary purposes.

XIX22. Provisions concerning the members of the administrative, management and supervisory bodies of the company

The company is managed by an Executive Board under the supervision of the Supervisory Board.

Members of the Executive Board are appointed by the Supervisory Board for a term of six years and may be re-elected at any time, provided they are not over 80 years of age.

Their dismissal is pronounced by the Ordinary General Assembly.

The Chairman of the Board of Directors is appointed by the Supervisory Board. The Board of Directors meets as often as the interests of the company require.

The Board of Directors is vested with the broadest powers to act on behalf of the Company in all circumstances, within the limits of the Company's corporate purpose and subject to those powers expressly granted by law to the Supervisory Board and to Shareholders' Meetings.

The Supervisory Board is composed of 3 to 18 members, who are appointed by the Ordinary General Meeting, which may dismiss them at any time.

The members are appointed for a period of six years, are eligible for re-election, provided they do not exceed the age of 85.

The Board elects from among its members a Chairman and a Vice-Chairman. The Board meets as often as the interests of the company require.

The Supervisory Board exercises permanent control over the management of the Company by the Executive Board.

XIX23. Rights, privileges, restrictions attached to each class of existing shares

Double voting rights exist for persons who have declared their shares for more than 2 years. See § XVI1 (current distribution of share capital and voting rights)

XIX24. Actions required to change shareholder rights

Article 37 of the statutes, the E.G.A. is the only body authorized to modify the statutes.

XIX25. General Meetings

The operation of the General Meetings is described in Articles 33 to 39 of the bylaws. The Shareholders' Meeting for the fiscal year ending March 31, 2022 will be held on September 14, 2022.

A notice of meeting will be published in the BALO.

The following are the draft resolutions:

**DRAFT TEXT OF THE RESOLUTIONS PRESENTED
TO THE COMBINED
GENERAL MEETING OF SEPTEMBER 14, 2022**

A ORDINARY WAY

FIRST RESOLUTION: APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The Shareholders' Meeting, having considered the reports of the Executive Board, the Supervisory Board and the Statutory Auditors on the parent company financial statements for the fiscal year ended March 31, 2022, approves the parent company financial statements, i.e., the balance sheet, income statement and notes thereto, for the fiscal year ended March 31, 2022, as presented to it, as well as the transactions reflected in these financial statements and summarized in these reports.

SECOND RESOLUTION: APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING MARCH 31, 2022

The shareholders, deliberating according to the quorum and majority required for ordinary shareholders' meetings, having reviewed the reports of the Executive Board, the Supervisory Board and the Statutory Auditors on the consolidated financial statements for the fiscal year ended March 31, 2022, approve the consolidated financial statements, i.e., the balance sheet, income statement and notes thereto, for the fiscal year ended March 31, 2022, as presented to them, as well as the transactions reflected in these financial statements and summarized in these reports

THIRD RESOLUTION: ALLOCATION OF THE RESULT OF THE FISCAL YEAR ENDING MARCH 31, 2022

The Shareholders' Meeting, having satisfied the quorum and majority requirements for ordinary Shareholders' Meetings, and having considered the report of the Board of Directors, resolves to allocate the profit for the year of 1,291,295 euros to retained earnings, which will then be credited to the amount of 1,890,552 euros.

The Shareholders' Meeting, in accordance with the provisions of Article 243 bis of the French General Tax Code, also notes that no dividend has been paid for the previous three fiscal years.

FOURTH RESOLUTION: APPROVAL OF NON-TAX-DEDUCTIBLE CHARGES AND EXPENSES

In accordance with the provisions of article 223 quater of the C.G.I., the General Meeting approves the non-deductible expenses and charges amounting to 27,854 Euros corresponding to excess depreciation, the corresponding potential tax amounting to 7,381 Euros.

FIFTH RESOLUTION: APPROVAL OF THE STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the Statutory Auditors' special report on agreements governed by Articles L.225-86 et seq. of the French

Commercial Code, approves the conclusions of the said report and each of the agreements and commitments mentioned therein.

SIXTH RESOLUTION: APPROVAL OF THE COMPENSATION POLICY FOR THE CHAIRMAN OF THE SUPERVISORY BOARD AND THE MEMBERS OF THE SUPERVISORY BOARD, IN ACCORDANCE WITH ARTICLE L.22-10-26 OF THE COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings of shareholders, having considered the report on corporate governance referred to in Article L.225-68 of the French Commercial Code describing the elements of the compensation policy for corporate officers, approves, pursuant to Article L.22-10-26 of the French Commercial Code, the compensation policy for the Chairman of the Supervisory Board and the members of the Supervisory Board as presented in the Universal Registration Document 2021/2022, Section XIII 1 entitled "*Compensation of corporate officers*".

SEVENTH RESOLUTION: APPROVAL OF THE COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS, PURSUANT TO ARTICLE L.22-10-26 OF THE COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the report on corporate governance referred to in Article L.225-68 of the French Commercial Code describing the elements of the remuneration policy for corporate officers, approves, pursuant to Article L.22-10-26 of the French Commercial Code, the remuneration policy for the Chairman of the Executive Board, as set out in the 2021/2022 Universal Registration Document, Section XIII 1, entitled "*Remuneration of Corporate Officers*".

EIGHTH RESOLUTION: APPROVAL OF THE REMUNERATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS, IN ACCORDANCE WITH ARTICLE L.22-10-26 OF THE COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the report on corporate governance referred to in Article L.225-68 of the French Commercial Code describing the elements of the remuneration policy for corporate officers, approves, pursuant to Article L.22-10-26 of the French Commercial Code, the remuneration policy for members of the Executive Board, as set out in the 2021/2022 Universal Registration Document, Section XIII 1 entitled "*Remuneration of Corporate Officers*".

NINTH RESOLUTION: APPROVAL OF THE INFORMATION RELATING TO THE REMUNERATION OF EACH OF THE CORPORATE OFFICERS REQUIRED BY ARTICLE L.22-10-9 I OF THE FRENCH COMMERCIAL CODE

The Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary Shareholders' Meetings, after having familiarized itself with the report on corporate governance, approves the information mentioned pursuant to Article L.22-10-34 I of the French Commercial Code, the information mentioned in I of Article L.22-10-9 of the same Code, as presented in the report on the corporate governance of the company referred to in Article L.225-68 of the same Code and which are included in the Universal Registration Document 2021/2022, Section XIII 1 entitled "*Compensation of corporate officers*".

TENTH RESOLUTION: APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE 2021/2022 FINANCIAL YEAR OR GRANTED IN RESPECT OF THE SAME FINANCIAL YEAR TO MR. LUC LE COTTIER, CHAIRMAN OF THE SUPERVISORY BOARD, PURSUANT TO ARTICLE L.22-10-34 II OF THE COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary shareholders' meetings, having reviewed the report on corporate governance, in accordance with Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during the fiscal year ended March 31, 2022 or granted for the same fiscal year to the Chairman of the Supervisory Board as presented in the 2021/2022 Universal Registration Document Section XIII 1 entitled "*Compensation of corporate officers*".

ELEVENTH RESOLUTION: APPROVAL OF THE ELEMENTS COMPOSING THE TOTAL REMUNERATION AND THE BENEFITS OF ANY KIND PAID DURING THE FINANCIAL YEAR 2021/2022 OR GRANTED IN RESPECT OF THE SAME FINANCIAL YEAR TO MR. AYMERIC LE COTTIER, CHAIRMAN OF THE BOARD OF DIRECTORS, IN APPLICATION OF ARTICLE L.22-10-34 II OF THE COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, having reviewed the report on corporate governance, in accordance with Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during the fiscal year ended March 31, 2022 or awarded for the same fiscal year to the Chairman of the Executive Board as presented in the 2021/2022 Universal Registration Document Section XIII 1 entitled "*Compensation of Corporate Officers*".

TWELFTH RESOLUTION: APPROVAL OF THE ELEMENTS MAKING UP THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE 2021/2022 FINANCIAL YEAR OR GRANTED IN RESPECT OF THE SAME FINANCIAL YEAR TO MR. EMMANUEL LE COTTIER, MEMBER OF THE EXECUTIVE BOARD, IN ACCORDANCE WITH ARTICLE L.22-10-34 II OF THE FRENCH COMMERCIAL CODE

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary shareholders' meetings, having reviewed the corporate governance report, in accordance with Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the previous fiscal year or awarded in respect of the same fiscal year to the Chief Executive Officer, member of the Executive Board as presented in the 2021/2022 Universal Registration Document Section XIII 1 titled "*Compensation of Corporate Officers*".

THIRTEENTH RESOLUTION: REMUNERATION OF THE SUPERVISORY BOARD

The Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary Shareholders' Meetings, pursuant to Article L.225-83 of the French Commercial Code, resolves to allocate to the members of the Supervisory Board, as remuneration for their activity (the term "*attendance fees*" no longer existing and being replaced by "*remuneration*"), a fixed annual sum of 20,000 (twenty thousand) Euros for the current and subsequent financial years.

Its distribution among the members of the Supervisory Board is determined by the latter, in accordance with Article L.225-83 of the French Commercial Code and Article L.22-10-26 of the same Code.

FOURTEENTH RESOLUTION: RENEWAL OF THE TERM OF OFFICE OF MR PIERRE FOREST, MEMBER OF THE SUPERVISORY BOARD

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the report of the Board of Directors, after having noted that the term of office as member of the Supervisory Board of CORTEN represented by Mr. Pierre FOREST expires at the end of the present Shareholders' Meeting, resolves to renew it for a period of six years, which will expire at the end of the Ordinary Shareholders' Meeting convened in 2028 to approve the financial statements for the fiscal year ending March 31, 2028.

The company CORTEN represented by Mr. Pierre FOREST made known that it did not wish the renewal of its mandate.

FIFTEENTH RESOLUTION: DISCHARGE OF THE MEMBERS OF THE MANAGEMENT BOARD, THE MEMBERS OF THE SUPERVISORY BOARD AND THE STATUTORY AUDITORS

The Shareholders' Meeting, acting with the quorum and majority requirements for ordinary meetings, after approving the parent company and consolidated financial statements for the fiscal year ended March 31, 2022, grants the members of the Executive Board discharge from liability for their management for the period from^{er} April 1, 2021 to March 31, 2022.

It also grants^{er} discharge to the members of the Supervisory Board for the performance of their duties for the period from April 1, 2021 to March 31, 2022.

Finally, it grants^{er} discharge to the Statutory Auditors for the period from April 1, 2021 to March 31, 2022, in respect of the performance of their duties.

SIXTEENTH RESOLUTION: AUTHORIZATION FOR THE BOARD OF DIRECTORS TO TRADE IN THE COMPANY'S SHARES

The Shareholders' Meeting, having met the quorum and majority requirements for ordinary shareholders' meetings, and having considered the report of the Board of Directors, resolves to authorize the Board of Directors, with the option of sub-delegation, in accordance with the provisions of Article L.22-10-62 et seq. and L.225-210 et seq. of the French Commercial Code, European Regulation No. 596/2014 of the European Parliament and of the Council of April 16, 2014,

Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 and any other legal and regulatory provisions that may be applicable, to acquire or arrange for the acquisition of shares in the Company in order to:

- to ensure the liquidity of the Company's shares and to stimulate the market through the intermediary of an investment services provider acting independently, within the framework of a liquidity contract that complies with the decision of the Autorité des Marchés Financiers (AMF) No. 2021-01 of June 22, 2021 or with the market practice accepted by the AMF;
- the granting of free shares of the Company under the provisions of Articles L.225-197-1 et seq. and L.22-10-59 et seq. of the French Commercial Code or any similar plan; or
- any free allocation of shares within the framework of any company or group savings plan in accordance with the provisions of Articles L.3332-1 et seq. of the French Labor Code, any allocation of shares within the framework of profit-sharing, and to carry out any hedging operations relating to these transactions, under the conditions laid down by the market authorities and at the times when the Executive Board or the person acting on behalf of the Executive Board acts;
- the retention and subsequent remittance of company shares in exchange or as payment in the context of external growth transactions, mergers, demergers or contributions, in accordance with recognized market practices and applicable regulations;
- the implementation of any Company stock option plan under the provisions of Articles L.225-177 et seq. and L.22-10-56 et seq. of the French Commercial Code or any similar plan; or
- generally, to meet obligations related to stock option programs or other allocations of shares to employees or officers of the Company or an associated company; or
- the delivery of Company shares on the exercise of rights attached to securities giving immediate or future access to Company shares by any means;
- to cancel all or part of the shares thus repurchased, provided that the Board of Directors has a valid authorization from the Shareholders' Meeting, acting in an extraordinary capacity, to reduce the capital by cancelling the shares acquired under a share repurchase program;

The Shareholders' Meeting resolves that this program is also intended to enable the implementation of any market practice that may be permitted or recognized by law or by the Autorité des marchés financiers, and more generally, the completion of any transaction that complies with the laws and regulations in force or that may become applicable. In such a case, the Company will inform its shareholders by way of a press release.

The shares may be acquired, sold or transferred by any means, over the counter, including by means of block trades or public offerings, option mechanisms, derivatives, or the purchase of options or securities, in accordance with applicable regulations. The portion of the program carried out in the form of a block of shares may reach the entirety of the share buyback program.

This authorization may be implemented under the following conditions:

- the total number of shares purchased by the Company since the beginning of the buyback program (including those subject to the said buyback) does not exceed 10% of the shares making up the Company's capital, at any time, this percentage applying to capital adjusted for transactions affecting it subsequent to the present General Meeting it being specified (i) that the number of shares acquired by the Company with a view to their retention and subsequent remittance in payment or exchange in the context of a merger, demerger or contribution may not exceed 5% of the share capital, and (ii) that in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, when shares are purchased to promote liquidity under the conditions defined by the General Regulation of the Autorité des marchés financiers, the number of shares taken into account for the calculation of the 10% limit provided for above corresponds to the number of shares purchased, less the number of shares resold during the term of the authorization;
- the number of shares held by the Company at any time does not exceed 10% of the shares comprising the capital of the Company at that time.

- the maximum purchase price per share of the Company is set at €50, it being specified that in the event of an operation on the capital, in particular by incorporation of reserves and free allocation of shares, division or regrouping of shares, this maximum purchase price will be adjusted accordingly by a multiplying coefficient equal to the ratio between the number of shares making up the capital before the operation concerned and the number of shares after the said operation.

The shares repurchased and retained by the Company will be deprived of voting rights and will not be entitled to the payment of dividends.

In the event of a public offering of the Company's shares paid for entirely in cash, the Company may continue to carry out its share buyback program, in accordance with the applicable legal and regulatory provisions.

The Shareholders' Meeting delegates to the Board of Directors, with the option of sub-delegation under the conditions provided for by law, in the event of a change in the par value of the share, a capital increase through the capitalization of reserves, a bonus issue of shares, a stock split or reverse stock split, a distribution of reserves or any other assets, a redemption of capital, or any other transaction affecting shareholders' equity, the power to adjust the above-mentioned maximum purchase price in order to take into account the impact of these transactions on the value of the share

Full powers are granted to the Board of Directors, with the option to delegate these powers to any person in accordance with the law, to carry out this share buyback program, and in particular to place all stock market orders, enter into all agreements for the keeping of registers of purchases and sales of shares to make all declarations to the AMF and all other bodies, to draw up all documents, in particular information documents, to allocate and, where appropriate, reallocate, under the conditions provided for by law, the shares acquired for the various purposes, to carry out all formalities and, in general, to do all that is necessary.

This authorization is given for a period of 18 months from the date of this General Meeting, thereby superseding any previous delegation of authority for the same purpose.

The Executive Board will inform the General Meeting each year of the transactions carried out under this resolution, in accordance with Article L.225-211 of the French Commercial Code.

AS AN EXTRAORDINARY MEASURE

TENTH RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE ON THE ISSUE, WITH PREFERENTIAL SUBSCRIPTION RIGHTS, OF SHARES AND/OR SECURITIES GIVING ACCESS TO THE CAPITAL OF THE COMPANY OR ITS SUBSIDIARIES AND/OR SECURITIES GIVING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES

The shareholders, deliberating according to the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the special report of the statutory auditors, and in accordance with the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular Article L.225-129-2 of said Code, and with the provisions of Articles L.225-132 and L.228-91 et seq. of said Code :

1. delegates to the Board of Directors, with the option of sub-delegation under the conditions laid down by law and the Articles of Association, its authority to decide on the issue, with preferential subscription rights, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit except during a public offering of the Company's shares, either in euros or in any other currency or monetary unit established by reference to several currencies, of (i) ordinary shares of the Company, (ii) securities governed by Articles L.228-91 et seq. of the French Commercial Code, which are equity securities of the Company giving access to other equity securities of the Company, and/or giving the right to the allocation of debt securities of the Company, (iii) debt securities governed or not by articles L.228-91 et seq. of the French Commercial Code, giving access or likely to give access to equity securities to be issued by the Company, which securities may also give access to existing equity securities and/or debt securities of the Company, (iv) securities, which are equity securities of the Company, giving access to existing equity securities or securities to be issued by companies and/or debt securities of companies of which the Company holds directly or indirectly, at the time of issue, more than half of the share capital, it being specified that the subscription of shares and other securities may be carried out either in cash or by offsetting debts;

2. resolves to set the following limits on the amounts of the capital increases authorized in the event that the Board of Directors uses this delegation of authority

- the maximum nominal amount of the capital increases of the Company that may be carried out immediately or in the future pursuant to this delegation is set at twenty million (20,000.000) or the equivalent in any other currency or

monetary unit established by reference to several currencies, it being specified that this amount will be deducted from the overall ceiling applicable to the Company's capital increases provided for in the twentieth resolution proposed to this General Meeting or, as the case may be, from the overall ceiling that may be provided for by a resolution of the same nature that may succeed said resolution during the period of validity of the present delegation. To this ceiling shall be added, where applicable, the nominal amount of any additional shares to be issued in the event of new financial transactions, in order to preserve, in accordance with the law and, where applicable, with contractual stipulations, the rights of holders of securities giving access to the capital, of stock options or of free allocation rights;

000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the date of issue, this amount being increased, where applicable, by any redemption premium in excess of par, it being specified that this amount will be deducted from the overall ceiling applicable to issues of debt securities provided for in the twentieth resolution proposed to this General Meeting, or, where applicable, from the overall ceiling which may be provided for by a similar resolution which may succeed the said resolution during the period of validity of this delegation;

3. in the event that the Board of Directors makes use of this delegation :

- decides that the issue(s) will be reserved in preference to the shareholders who will be able to subscribe on an irreducible basis in proportion to the number of shares they then own;

- notes that the Board of Directors has the option of instituting a reducible subscription right;

- takes note of the fact that any decision to issue securities pursuant to this delegation of authority shall automatically entail the waiver by the Company's shareholders, in favor of the holders of the issued securities giving access to the capital or likely to give access to equity securities to be issued by the Company, of their preferential subscription rights to the shares to be issued to which these securities will give an immediate or future right;

- notes that the decision to issue the securities referred to in point 1 (iv) above under the present delegation of authority will require, if these securities give access to equity securities to be issued by a company in which the Company directly or indirectly holds or will hold, at the time of issue, more than half of the share capital, the approval of the Extraordinary General Meeting of the company concerned;

- decides, in the event of the issue of ordinary shares and/or securities, in accordance with Article L.225-134 of the French Commercial Code, that if the subscriptions on an irreducible basis and, where applicable, on a reducible basis have not absorbed the entire issue, the Board of Directors may use, under the conditions provided for by law and in the order it shall determine, one or other of the following options

 - freely allocate all or part of the shares or, in the case of securities giving access to the capital, the said securities whose issue has been decided but not subscribed;

 - to offer to the public all or part of the shares or, in the case of securities giving access to the capital, the said securities not subscribed, on the French market or abroad;

 - in general, including in the two cases referred to above, to limit the issue to the amount of subscriptions, provided that this amount reaches at least three-quarters of the increase decided upon;

- decides that the issues of warrants to subscribe for shares in the Company may be carried out by subscription offer, but also by free allocation to the owners of the old shares, it being specified that the allocation rights forming fractional shares will not be negotiable or transferable and that the corresponding securities will be sold;

4. resolves that the Board of Directors shall have full powers, with the option of sub-delegation under the conditions laid down by law and the Articles of Association, to implement this delegation of authority, in particular to:

- decide on the issue and determine the securities to be issued;

- to decide, in the event of an immediate or future issue of shares, the amount of the capital increase, the issue price and the amount of the premium that may, if applicable, be requested on issue;

- determine the dates and terms of issue, the nature, number and characteristics of the securities to be created; decide, in addition, in the case of bonds or other debt securities (including securities giving entitlement to the allotment of debt securities as referred to in article L.228-91 of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide, where applicable, for the compulsory or optional suspension or non-payment of interest, provide for their term (fixed or indefinite), and determine the terms and conditions of the issue. of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide, where applicable, for mandatory or optional cases of suspension or non-payment of interest, provide for their term (fixed or open-ended), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption ; where applicable, these securities may be accompanied by warrants giving the right to the allocation, acquisition or subscription of bonds or other debt securities, or provide for the Company's option to issue debt securities (whether or not equivalent) in payment of interest whose payment has been suspended by the Company, or take the form of

complex bonds within the meaning of the stock market authorities; to amend, during the life of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities;

- to determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;
- to set, if necessary, the terms and conditions for the exercise of the rights attached to the shares or securities and, in particular, to set the date, even retroactively, as from which the new shares to be issued will carry dividend rights, as well as all other terms and conditions for the completion of the issue;
- to set the terms and conditions under which the Company will have the option, if necessary, to purchase or exchange on the stock market, at any time or during specific periods, the securities issued or to be issued immediately or in the future with a view to cancelling them or not, taking into account the legal provisions ;
- provide for the possibility of suspending the exercise of the rights attached to these securities in accordance with legal and regulatory provisions;
- at its sole discretion, charge the costs of the capital increase against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;
- to determine and make all adjustments intended to take into account the impact of transactions on the Company's capital and to set all other terms and conditions to ensure, where applicable, the preservation of the rights of holders of securities giving access to the capital (including by way of adjustments in cash) in accordance with the legal and regulatory provisions and, where applicable, the applicable contractual stipulations ;
- if necessary, to have the shares or securities to be issued admitted to trading on a regulated market;
- record the completion of each capital increase and make the corresponding amendments to the bylaws;
- in general, enter into any agreement, in particular to successfully complete the planned issues, take all measures and carry out all formalities required for the issue, listing and financial servicing of the securities issued under this delegation of authority and for the exercise of the rights attached thereto;

5. sets at twenty-six months, as from the date of the present meeting, the period of validity of the delegation of authority which is the subject of the present resolution, thus depriving of its effect as from that date any previous delegation having the same purpose;

6. resolves that the final terms and conditions of the transactions carried out pursuant to this delegation of authority shall be the subject of a supplementary report, in accordance with the requirements of Article L.225-129-5 and Article R.225-116 of the French Commercial Code, to be drawn up by the Board of Directors when it makes use of the delegation of authority granted to it by this meeting.

EIGHTEENTH RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE ON THE ISSUANCE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, OF SHARES AND/OR SECURITIES GIVING ACCESS TO THE SHARE CAPITAL OF THE COMPANY OR ITS SUBSIDIARIES AND/OR SECURITIES GIVING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES, BY WAY OF A PUBLIC OFFERING

The shareholders, deliberating according to the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the special report of the statutory auditors, and in accordance with the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular Articles L.225-129-2, L.225-135, L.225-136, L.22-10-49 and L.22-10-54 of said Code, and with the provisions of Articles L.228-91 et seq:

1. delegates to the Board of Directors, with the option to delegate or subdelegate, in accordance with the law and the Articles of Association, its authority to decide to issue, on one or more occasions, in the proportions and at the times it sees fit, except during a public offering of the Company's shares in France or abroad, by way of a public offering, either in euros or in any other currency or monetary unit established by reference to several currencies, of (i) ordinary shares of the Company, (ii) securities governed by Articles L.228-91 et seq. of the French Commercial Code, which are equity securities of the Company giving access to other equity securities of the Company, and/or giving the right to the allocation of debt securities of the Company, (iii) debt securities governed or not by articles L.228-91 et seq. of the French Commercial Code, giving access or likely to give access to equity securities to be issued by the Company, which securities may also give access to existing equity securities and/or debt securities of the Company, (iv) securities, which are equity securities of the Company, giving access to existing equity securities or securities to be issued by companies and/or to debt securities of companies in which the Company holds directly or indirectly, at the time of issue, more than half of the share capital, it being possible for these securities also to give access to existing equity securities and/or debt securities of the Company.

It is specified that these shares and securities may be subscribed for in euros or in any other currency (including in any other unit of account established by reference to a set of currencies), either in cash, or by offsetting liquid and

payable debts, or by the contribution to the Company of securities meeting the conditions set out in Article L. 22-10-54 of the French Commercial Code in the context of a public offer including an exchange component (on a principal or subsidiary basis), or a transaction similar thereto or having the same effect abroad according to the rules applicable therein, initiated by the Company on the securities of a company whose shares are admitted to trading on one of the regulated markets referred to in the aforementioned Article L. 22-10-54, and that the issuance of any securities or securities giving access to preference shares is excluded.

This decision automatically entails the waiver by the Company's shareholders, in favor of the holders of securities that may be issued by companies of the Company's group, of their preferential subscription rights to the shares or securities giving access to the Company's capital to which these securities entitle them;

2. resolves to set the following limits on the amounts of the Company's issues authorized in the event that the Board of Directors makes use of this delegation:

- the maximum nominal amount of the capital increases of the Company that may be carried out immediately or in the future pursuant to this delegation is set at twenty million (20,000.000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being specified that this amount will be deducted from the overall ceiling applicable to the Company's capital increases provided for in the twentieth resolution proposed to this General Meeting or, as the case may be, from the amount of the overall ceiling that may be provided for by a resolution of the same nature that may succeed said resolution during the period of validity of the present delegation ;

- to these ceilings shall be added, as the case may be, the nominal amount of the shares of the Company to be issued, in the event of new financial transactions, to preserve, in accordance with legal and regulatory provisions and, where applicable, with contractual stipulations, the rights of the holders of securities giving access to the capital;

000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the date of issue, this amount being increased, where applicable, by any redemption premium in excess of par, it being specified that this amount will be deducted from the overall ceiling applicable to issues of debt securities provided for in the twentieth resolution proposed to this General Meeting or, where applicable, from the overall ceiling which may be provided for by a similar resolution which may succeed the said resolution during the period of validity of this delegation;

3. decides to cancel the preferential subscription rights of the Company's shareholders to the securities covered by this resolution, while allowing the Board of Directors, pursuant to Article L.225-135, paragraph 2, the Board of Directors shall have the option of granting shareholders, for a period and on terms to be determined by it in accordance with the applicable laws and regulations and for all or part of an issue carried out, a priority subscription period which shall not give rise to the creation of negotiable rights and which must be exercised in proportion to the number of shares held by each shareholder and may be supplemented by a subscription on a reducible basis;

4. decides that if the subscriptions, including, if applicable, those of shareholders, have not absorbed the entire issue, the Board of Directors may use, in the order it shall determine, one or other of the following options

- freely allocate all or part of the unsubscribed shares;

- offer to the public all or part of the unsubscribed securities;

- limit the amount of the operation to the amount of subscriptions received, provided that this amount reaches at least three quarters of the issue decided upon;

5. takes note of the fact that any decision to issue securities pursuant to this delegation shall automatically entail the express waiver by the shareholders of their preferential subscription rights to the shares to which the securities will entitle them, in favor of the holders of the issued securities giving access to the Company's capital;

6. takes note of the fact that the decision to issue under the present delegation the securities referred to in point 1(iv) above will require, if these securities give access to equity securities to be issued by a company in which the Company holds or will hold directly or indirectly, at the time of the issue, more than half of the share capital, the approval of the extraordinary general meeting of the company concerned;

7. takes note of the fact that :

- the issue price of the shares issued directly will be at least equal to the weighted average of the prices of the last three trading sessions preceding its determination, possibly reduced by a maximum discount of 5% or, once the company's shares are traded on the Alternext Market of Euronext Paris, by a maximum discount of 20%;

- the issue price of the securities giving access to the capital and the number of shares to which the conversion, redemption or generally the transformation of each security giving access to the capital may give right, shall be such that the amount received immediately by the Company, plus, if applicable, the amount that may be received subsequently by it, shall be, for each share issued as a result of the issue of these securities, at least equal to the minimum subscription price defined in the preceding paragraph;

8. resolves that the Board of Directors shall have full powers, with the option of sub-delegation under the conditions laid down by law and the Articles of Association, to implement this delegation of authority, in particular in order to:

- decide on the issue and determine the securities to be issued;
- to decide, in the event of an immediate and/or future issue of ordinary shares, the amount of the capital increase, the issue price and the amount of the premium, if any, that may be requested on issue;
- determine the dates and terms of issue, the nature, number and characteristics of the securities to be created; decide, in addition, in the case of bonds or other debt securities (including securities giving entitlement to the allotment of debt securities as referred to in article L.228-91 of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide, where applicable, for the compulsory or optional suspension or non-payment of interest, provide for their term (fixed or indefinite), and determine the terms and conditions of the issue. of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide, where applicable, for mandatory or optional cases of suspension or non-payment of interest, provide for their term (fixed or open-ended), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption ; where applicable, these securities may be accompanied by warrants giving the right to the allocation, acquisition or subscription of bonds or other debt securities, or provide for the Company to issue debt securities (whether or not equivalent) in payment of interest whose payment has been suspended by the Company, or take the form of complex bonds as defined by the stock market authorities; to amend, during the life of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities;
- to determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;
- to determine, if necessary, the terms and conditions for the exercise of the rights attached to the shares or securities giving access to the capital to be issued and, in particular, to set the date, even retroactively, as from which the new shares will carry dividend rights, as well as all other terms and conditions for the completion of the capital increase;
- to set the terms and conditions under which the Company shall have the option, where applicable, to purchase or exchange on the stock market, at any time or during specific periods, the securities issued or to be issued immediately or in the future, with a view to cancelling them or not, taking into account the legal provisions ;
- provide for the possibility of suspending the exercise of the rights attached to the securities issued in accordance with the legal and regulatory provisions;
- in the event of the issue of securities as consideration for securities tendered in connection with a public exchange offer, to draw up the list of securities tendered in exchange, to set the terms of the issue, the exchange ratio and, where applicable, the amount of the cash balance to be paid without the price determination procedures set out in paragraph 9 of this resolution being applicable, and to determine the terms of the issue in connection with either a public exchange offer, an alternative purchase or exchange offer, or a single offer proposing the purchase or exchange of the securities in question in exchange for payment in securities and cash, or a takeover bid or exchange offer on a principal basis, accompanied by a public exchange offer or a takeover bid on a subsidiary basis, or any other form of public offer in accordance with the laws and regulations applicable to the said public offer ;
- at its sole initiative, charge the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;
- to determine and make all adjustments intended to take into account the impact of transactions on the Company's capital, and to determine the terms and conditions according to which the rights of holders of securities giving access to the capital will be preserved, where applicable (including by means of adjustments in cash);
- record the completion of each capital increase and make the corresponding amendments to the bylaws;
- if necessary, to have the shares or securities to be issued admitted to trading on a regulated market;
- in general, enter into any agreement, in particular to successfully complete the planned issues, take all measures and carry out all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this delegation of authority and for the exercise of the rights attached thereto;

9. sets at twenty-six months, as from the date of the present meeting, the period of validity of the delegation of authority which is the subject of the present resolution, thus depriving of its effect as from that date any previous delegation having the same purpose;

10. notes that, should the Board of Directors make use of the delegation of authority granted to it in this resolution, it will report to the next ordinary general meeting, in accordance with the law and regulations. The Statutory Auditors will also prepare a supplementary report on this occasion.

NINETEENTH RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE ON THE ISSUANCE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, OF SHARES AND/OR

SECURITIES GIVING ACCESS TO THE COMPANY'S SHARE CAPITAL AND/OR SECURITIES GIVING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES, BY PRIVATE PLACEMENT AS PROVIDED FOR IN ARTICLE L.411-2, II OF THE FRENCH MONETARY AND FINANCIAL CODE

The shareholders, deliberating according to the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the special report of the statutory auditors, and in accordance with the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular Articles L.225-129-2, L.225-135, and L.225-136 of said Code, and with the provisions of Articles L.228-91 et seq. of said Code :

1. delegates to the Board of Directors, with the option to delegate or subdelegate in accordance with the law and the bylaws, its authority to decide, subject to the prior authorization of the Supervisory Board, to issue, on one or more occasions, in the proportions and at the times it deems appropriate, except during a period of public tender for the Company's shares, in France or abroad, by means of an offer as provided for in article L.411-2, II of the French Monetary and Financial Code, either in euros or in any other currency or monetary unit established by reference to several currencies, (i) ordinary shares of the Company, (ii) securities governed by articles L.228-91 et seq. of the French Commercial Code, which are equity securities of the Company giving access to other equity securities of the Company, and/or giving the right to the allocation of debt securities of the Company, (iii) debt securities governed by articles L.228-91 et seq et seq. of the French Commercial Code, giving access or likely to give access to equity securities to be issued by the Company, which securities may also give access to existing equity securities and/or debt securities of the Company, (iv) securities, which are equity securities of the Company, giving access to existing equity securities or securities to be issued by companies and/or debt securities of companies of which the Company holds directly or indirectly, at the time of issue, more than half of the share capital, it being specified that the subscription of shares and other securities may be carried out either in cash or by offsetting debts;

This decision automatically entails the waiver by the Company's shareholders, in favor of the holders of securities that may be issued by companies of the Company's group, of their preferential subscription rights to the shares or securities giving access to the Company's capital to which these securities entitle them;

2. resolves to set the following limits on the amounts of the Company's issues authorized in the event that the Board of Directors makes use of this delegation:

- the maximum nominal amount of the capital increases of the Company that may be carried out immediately or in the future pursuant to this delegation is set at twenty million (20,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being specified that this amount will be deducted from the amount of the nominal ceiling for the Company's capital increases without preferential subscription rights provided for in paragraph 2 of the eighteenth resolution submitted to this General Meeting and from the amount of the overall ceiling applicable to the Company's capital increases provided for in the twentieth resolution submitted to this meeting or, where applicable, the overall ceiling that may be provided for in a similar resolution that may supersede the said resolution during the period of validity of this delegation;

- to these ceilings shall be added, as the case may be, the nominal amount of the shares of the Company to be issued, in the event of new financial transactions, to preserve, in accordance with the legal and regulatory provisions and, as the case may be, with contractual stipulations, the rights of the holders of securities giving access to the capital; and

20,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the date of issue, this amount being increased, if necessary, by any redemption premium above par, it being specified that this amount shall be deducted from the nominal ceiling for issues of debt securities provided for in paragraph 2 of the eighteenth resolution presented to this General Meeting and from the overall ceiling applicable to issues of debt securities provided for in the twentieth resolution presented to this General Meeting or, as the case may be, from any overall ceiling provided for in a resolution of the same nature which may succeed the said resolution during the period of validity of this delegation;

3. decides to cancel the preferential subscription rights of the Company's shareholders to the securities covered by this resolution;

4. notes that if the subscriptions have not absorbed the entire issue, the Board of Directors may use, in the order it shall determine, one or other of the following options

- freely allocate all or part of the unsubscribed shares;

- limit the amount of the operation to the amount of subscriptions received, provided that this amount reaches at least three quarters of the issue decided upon;

5. takes note of the fact that any decision to issue securities pursuant to this delegation shall automatically entail the express waiver by the shareholders of their preferential subscription rights to the shares to which the securities will entitle them, in favor of the holders of the issued securities giving access to the Company's capital;

6. notes that the decision to issue the securities referred to in point 1(iv) above under the present delegation will require, if these securities give access to equity securities to be issued by a company in which the Company holds or will hold directly or indirectly, at the time of the issue, more than half of the share capital, the approval of the extraordinary general meeting of the company concerned;

7. takes note of the fact that, in accordance with Article L.225-136 1° 1st paragraph of the Commercial Code :

- the issue price of the shares issued directly will be at least equal to the weighted average of the prices of the last three trading sessions preceding its determination, possibly reduced by a maximum discount of 5% or, once the company's shares are traded on the Alternext Market of Euronext Paris, a maximum discount of 20%;

- the issue price of the securities giving access to the capital and the number of shares to which the conversion, redemption or generally the transformation of each security giving access to the capital may give right shall be such that the amount received immediately by the Company, plus, if applicable, the amount that may be received subsequently by it, shall be, for each share issued as a result of the issue of these securities, at least equal to the minimum subscription price defined in the preceding paragraph;

8. Resolves that the Board of Directors shall have full powers, with the option of sub-delegation under the conditions laid down by law and the Articles of Association, to implement this delegation of authority, in particular in order to:

- decide on the issue and determine the securities to be issued;

- to decide, in the event of an immediate and/or future issue of ordinary shares, the amount of the capital increase, the issue price and the amount of the premium, if any, that may be requested on issue;

- determine the dates and terms of issue, the nature and characteristics of the securities to be created; decide, in addition, in the case of bonds or other debt securities (including securities giving entitlement to the allotment of debt securities as referred to in Article L.228-91 of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide for any mandatory or optional suspension or non-payment of interest, provide for their term (fixed or indefinite), and determine the terms of the securities to be issued. of the French Commercial Code), whether they are subordinated or not, set their interest rate and provide, where applicable, for mandatory or optional cases of suspension or non-payment of interest, provide for their term (fixed or open-ended), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption ; where applicable, these securities may be accompanied by warrants giving the right to the allocation, acquisition or subscription of bonds or other debt securities, or provide for the Company to issue debt securities (whether or not equivalent) in payment of interest whose payment has been suspended by the Company, or take the form of complex bonds as defined by the stock market authorities; to amend, during the life of the securities concerned, the above terms and conditions, in compliance with the applicable formalities;

- to determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;

- to determine, if necessary, the terms and conditions for the exercise of the rights attached to the shares or securities giving access to the capital to be issued and, in particular, to set the date, even retroactively, as from which the new shares will carry dividend rights, as well as all other terms and conditions for the completion of the capital increase;

- to set the terms and conditions under which the Company will have the option, if necessary, to purchase or exchange on the stock market, at any time or during specific periods, the securities issued or to be issued immediately or in the future with a view to cancelling them or not, taking into account the legal provisions ;

- provide for the possibility of suspending the exercise of the rights attached to the securities issued in accordance with the legal and regulatory provisions;

- at its sole initiative, charge the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;

- to determine and make all adjustments intended to take into account the impact of transactions on the Company's capital and to determine the terms and conditions according to which the rights of holders of securities giving access to the capital will be preserved, where applicable (including by means of adjustments in cash);

- record the completion of each capital increase and make the corresponding amendments to the bylaws;

- if necessary, to have the shares or securities to be issued admitted to trading on a regulated market;

- in general, enter into any agreement, in particular to successfully complete the planned issues, take all measures and carry out all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this delegation of authority and for the exercise of the rights attached thereto.

9. sets at twenty-six months, as from the date of the present meeting, the period of validity of the delegation of authority which is the subject of the present resolution, thus depriving of its effect as from that date any previous delegation having the same purpose;

10. resolves that the final terms and conditions of the transactions carried out pursuant to this delegation of authority shall be the subject of a supplementary report, in accordance with the provisions of Article L.225-129-5 and Article R.225-116 of the French Commercial Code, to be drawn up by the Board of Directors at the time it makes use of the delegation of authority granted to it by this Meeting. The Statutory Auditors will also prepare a supplementary report on this occasion;

11. notes that, should the Board of Directors use the delegation of authority granted to it in this resolution, it will report to the next ordinary shareholders' meeting, in accordance with the law and regulations.

TWENTIETH RESOLUTION: DETERMINATION OF THE TOTAL AMOUNT OF THE DELEGATIONS GRANTED UNDER THE 17TH TO 19TH RESOLUTIONS

The Shareholders' Meeting, having satisfied the quorum and majority requirements for extraordinary shareholders' meetings, and having considered the report of the Executive Board, resolves that the delegations of authority provided for in resolutions 17^{ème}, 18^{ème} and 19^{ème} shall be granted up to an aggregate ceiling of :

(i) 20 million (20,000,000) euros or the equivalent in any other currency or monetary unit established by reference to several currencies, for the maximum total nominal amount of the capital increases that may be carried out immediately or in the future by virtue of the delegations; to this ceiling shall be added, as the case may be, the nominal amount of the shares that may be issued in the event of new financial transactions to preserve, in accordance with the law, the rights of the holders of securities giving access to the capital;

(ii) 20 million (20,000,000) euros or the equivalent in any other currency or monetary unit established by reference to several currencies, for the maximum nominal amount of securities giving immediate or future access, at any time or on a fixed date, to the company's capital or giving the right to a debt security that may be issued by virtue of the delegations.

TWENTY-FIRST RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE NUMBER OF SHARES TO BE ISSUED IN THE EVENT OF AN ISSUE OF ORDINARY SHARES AND/OR SECURITIES GIVING ACCESS TO THE CAPITAL OF THE COMPANY, OF ANY SUBSIDIARY AND/OR OF ANY OTHER COMPANY WITH MAINTENANCE OR CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS

The General Meeting, voting under the quorum and majority conditions required for extraordinary general meetings, after having taken note of the report of the Board of Directors and the special report of the auditors, in accordance with the provisions of Articles L.225-135-1 and R.225-118 of the French Commercial Code :

1. delegates to the Board of Directors, with the option of delegation or sub-delegation under the conditions laid down by law and the Articles of Association, its authority to decide, except during a period of public offer for the Company's shares, to increase the number of securities to be issued in the event of an issue with maintenance or cancellation of the preferential subscription right under the 17th, 18th and 19th resolutions, at the same price as that used for the initial issue, within the time limits and within the limits provided for by the regulations applicable on the date of the issue (as of today, within thirty days of the close of the subscription period and up to 15% of the initial issue), in particular with a view to granting an over-allotment option in accordance with market practices;

2. resolves that in the event of the issue, immediately and/or in the future, of ordinary shares, the nominal amount of the increases in the Company's share capital decided by this resolution shall be deducted from the amount of the ceiling stipulated in the resolution under which the initial issue is decided and from the amount of the overall ceiling applicable to increases in the share capital provided for in the twentieth resolution proposed to this General Meeting or, as the case may be, from the amount of the overall ceiling that may be provided for by a similar resolution that may succeed the said resolution during the period of validity of this delegation;

3. notes that, in the event that the Board of Directors uses the delegation of authority granted to it in this resolution, it will report to the next ordinary shareholders' meeting, in accordance with the law and regulations.

The Statutory Auditors will also draw up an additional report on this occasion, whether in the event of cancellation of the Preferential Subscription Right or in the event of maintenance of the Preferential Subscription Right.

This authorization is given for a period of twenty-six months from the date of this Meeting, thereby superseding any previous delegation of authority for the same purpose;

TWENTY-SECOND RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUE OF SECURITIES GIVING ACCESS TO THE CAPITAL AND HAVING THE CHARACTERISTICS OF WARRANTS GIVING THE RIGHT, ON EXERCISE, TO THE ALLOCATION OF SECURITIES WHICH WILL BE ISSUED TO REPRESENT A PROPORTION OF THE COMPANY'S CAPITAL RESERVED FOR A CATEGORY OF PERSONS

The shareholders, deliberating according to the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the special report of the statutory auditors, and after having noted that the existing capital has been paid up, in accordance with the provisions of Articles L.225-129-2 and L.225-138 of the French Commercial Code :

1. Delegates to the Board of Directors of the Company, for a period of 18 months from the date of this General Meeting, all powers to issue, without preferential subscription rights, on one or more occasions, in the proportions and at the times it shall determine, any share warrants (BSA) giving the right, on exercise, to the allocation of securities to be issued in representation of a portion of the Company's capital;
2. Fixes the nominal amount of all the shares issued by exercise of the warrants pursuant to this delegation at a total nominal amount of 3,000,000 euros, to which shall be added, where applicable, the nominal amount of the additional shares to be issued to preserve the rights of the holders of securities giving entitlement to shares in the Company, in accordance with the law and the applicable contractual provisions;
3. Resolves that the subscription price of the shares to which the warrants will give right, after taking into account the issue price of the warrants, will be at least equal to the average of the closing prices of the share during the last twenty trading days preceding the day of the decision to issue the warrants, to which a discount of 15% may be applied;
4. Decided that the issue price of the warrants will be set by the Board of Directors, depending on the final characteristics of the warrants, on the basis of the Black & Scholes valuation method, possibly adjusted in the event of the implementation of a period of unavailability, non-transferability and/or non-transferability of said warrants.
5. Resolves that the issue and allocation of the warrants shall entail the waiver by the shareholders of their preferential subscription rights to the securities to be issued upon exercise of the warrants issued and allocated pursuant to this resolution;
6. Resolves that the Board of Directors, in accordance with applicable regulations, may reserve the subscription of all or part of the warrants to be issued under this resolution, to determine the precise list of beneficiary(ies) of the reserved issue(s) from among the said persons as well as the number of warrants to be allocated to the said beneficiaries, and decides that the Company's Board of Directors shall determine the terms and conditions of the present issue, including with the cancellation of the shareholders' preferential subscription right to the warrants subject to the present delegation, the issue price under the aforementioned conditions, within the limits provided for in the present resolution

The general meeting therefore grants the Company's Management Board the broadest powers to, within the limits set by this resolution:

1. To establish the list of beneficiaries among the class of persons determined in accordance with 23^{ème} resolution;
2. To issue the warrants on one or more occasions, to set the date(s), time limits and final terms and conditions of the issue(s), to set the issue and exercise price of the warrants;
3. To set the opening and closing date(s) for subscriptions, within the limits of this resolution, and to proceed with the early closing of the subscription period or its extension, as the case may be;
4. To collect the subscriptions to the shares or securities and the payments relating thereto;
5. To withdraw the funds after the completion of the issue(s);
6. To carry out, directly or through an agent, all acts and formalities in order to finalize the capital increase(s) authorized under the terms of this resolution, and in particular to make any amendments to the bylaws and, more generally, to do all that is necessary.

This resolution is valid for a period of eighteen (18) months from the date of this General Meeting.

It is specified that the adoption of this 22^{ème} resolution will only be effective if the 23^{ème} resolution is also adopted.

TWENTY-THIRD RESOLUTION: CANCELLATION OF SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS TO SECURITIES IN FAVOUR OF A CATEGORY OF PERSONS

The shareholders, deliberating according to the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Company's Board of Directors and the special report of the Company's Statutory Auditor, resolve to cancel shareholders' preferential subscription rights to securities in the form of share warrants, the principle of whose issuance is authorized by this Extraordinary Shareholders' Meeting and the terms and beneficiaries of which are determined by the Board of Directors, in favor of members of the personnel and/or corporate officers of the Company and of related companies

TWENTY-FOURTH RESOLUTION: AUTHORIZATION TO THE BOARD OF DIRECTORS TO GRANT TO EMPLOYEES AND OFFICERS OF THE COMPANY OPTIONS TO SUBSCRIBE FOR SHARES OF THE COMPANY TO BE ISSUED OR TO PURCHASE EXISTING SHARES OF THE COMPANY

The Shareholders' Meeting, acting pursuant to the quorum and majority requirements applicable to extraordinary meetings of shareholders, after having reviewed the report of the Board of Directors and the special report of the statutory auditors, and acting in accordance with the provisions of Articles L.225-177 et seq. and L.22-10-56 to L.225-10-58 of the French Commercial Code :

1. authorizes the Board of Directors, with the option of sub-delegation under the conditions provided for by law, to grant on one or more occasions, at its sole discretion, to employees and corporate officers, or to some of them, of the Company and of companies affiliated with it under the conditions set out in Article L.225-180 of the French Commercial Code, options entitling them to subscribe to new shares of the Company to be issued or to purchase existing shares;

2. decides that the total number of options may not give the right to subscribe to or purchase a number of shares exceeding 5% of the company's share capital existing on the day of the grant;

3. decides that:

- in accordance with Article L.225-177 of the French Commercial Code, in the event of the granting of stock options, the subscription price of the shares by the beneficiaries will be set by the Board of Directors on the day the options are granted, and this price will be equal to the average of the closing prices recorded during the last twenty stock market sessions preceding the day the options are granted,

- in accordance with Article L.225-179 of the French Commercial Code, in the event of the granting of purchase options, the purchase price of the shares by the beneficiaries will be set by the Board of Directors on the day the options are granted, and may not be less than the average of the closing prices recorded during the twenty stock market sessions preceding the day on which the options are granted, or the average purchase price of the shares held by the company in accordance with Articles L.225-208 and L.225-209 of the French Commercial Code ;

4. decides that the exercise period of the options may not exceed 10 years from the date of grant of the options by the Board of Directors;

5. notes that this authorization entails the express waiver by shareholders of their pre-emptive right to subscribe to shares to be issued as and when options are exercised, in favor of the beneficiaries of the options.

The capital increase resulting from the exercise of stock options will be definitively carried out by the sole fact of the declaration of exercise of the option, accompanied by the subscription form and the payment in cash or by offsetting the corresponding amount against receivables;

6. decides that the price and/or number of shares to be subscribed and/or purchased may be adjusted to take into account financial transactions carried out by the Company;

7. notes that in the event of the granting of options to the corporate officers referred to in Article L.225-185 of the French Commercial Code, the Supervisory Board will make the granting or exercise of the options conditional on performance criteria, and will either decide that the options may not be exercised by the interested parties before they cease to hold office, or set the quantity of shares resulting from the exercise of options that they will be required to hold in registered form until they cease to hold office;

8. delegates all powers to the Board of Directors, with the option of sub-delegation within the limits set by the Articles of Association and by law, to implement this resolution and to determine, within the legal or regulatory limits, all other terms and conditions of the granting of options and their exercise, and in particular to :

-set the exercise period(s) for the options within the above-mentioned limit, set the subscription or purchase price of the shares in accordance with the above-mentioned terms and conditions, draw up a list of the beneficiaries of the options, set the number of options offered to each of them and decide whether to prohibit the immediate resale of the shares purchased and/or subscribed; the Board of Directors may make the granting of all or part of the options subject to the fulfilment of one or more individual and/or collective performance conditions that the Board of Directors shall determine,

- to set the date from which the new shares resulting from the exercise of the Company's stock options to be issued will rank for dividend, even retroactively,
- provide for the possibility of temporarily suspending the exercise of options in the event of financial or securities transactions,
- take the necessary measures to protect the interests of the beneficiaries in order to take into account any financial transactions that may take place before the options are exercised
- to charge, if it deems it appropriate, the costs of capital increases against the amount of the premiums relating to these increases and to deduct from this amount the sums necessary to bring the legal reserve up to one tenth of the new capital after each increase,
- to amend the bylaws accordingly and, in general, to do whatever is useful and necessary for the implementation of this authorization.

At the first meeting following the end of each fiscal year, the Board of Directors will note, if necessary, the number and amount of shares issued during the fiscal year, make the necessary amendments to the bylaws, and carry out the necessary formalities for publication.

In accordance with the provisions of Article L.225-184 of the French Commercial Code, the Executive Board will inform the shareholders each year, in a special report, at the Ordinary General Meeting, of the transactions carried out under this resolution.

This authorization is granted for a period of 38 months from the date of this Meeting, thereby superseding any previous authorization for the same purpose.

TWENTY-FIFTH RESOLUTION: AUTHORIZATION FOR THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLING TREASURY SHARES HELD BY THE COMPANY

The Shareholders' Meeting, having met the quorum and majority requirements for extraordinary shareholders' meetings, having reviewed the report of the Executive Board and the Statutory Auditors' special report, pursuant to Article L.22-10-62 of the French Commercial Code :

- authorizes the Board of Directors to reduce the share capital, on one or more occasions, in the proportions and at the times it deems appropriate, by cancelling all or part of the Company's shares acquired or that may be acquired subsequently by the Company itself under an authorization granted by the Ordinary Shareholders' Meeting up to a limit of 10% of the share capital, per period provided for by law, it being recalled that this limit applies to an amount of the Company's share capital that will be adjusted, if necessary, in the light of transactions that may affect the share capital subsequent to the present General Meeting.
- authorizes the Board of Directors to record the completion of the capital reduction(s), to amend the bylaws accordingly and to carry out all necessary formalities;
- authorizes the Board of Directors to delegate all powers necessary for the implementation of its decisions, in accordance with the legal provisions in force at the time of use of this authorization;
- sets the period of validity of this authorization at 26 months from the date of this Shareholders' Meeting, thereby rendering ineffective any previous authorization for the same purpose.

TWENTY-SIXTH RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE TO INCREASE THE SHARE CAPITAL BY INCORPORATION OF PREMIUMS, RESERVES, PROFITS OR OTHER

The General Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having taken note of the Board of Directors' report, in accordance with the provisions of the French Commercial Code and in particular Articles L.225-129, L.225-129-1, L.225-129-2, L.22-10-49 and L.225-130 :

1. delegates to the Board of Directors, with the option of delegation or sub-delegation under the conditions laid down by law and the Articles of Association, its authority to decide to increase the share capital on one or more occasions, in the proportions and at the times it deems appropriate, by successive or simultaneous incorporation capital of all or part of the reserves, profits or share premiums, merger or contribution premiums or other premiums whose capitalization is legally and statutorily possible, to be carried out by the creation and free allocation of shares or by increasing the par value of the shares or by the combined use of these two processes. The maximum nominal amount of the capital increases of the Company that may be carried out in this respect may not exceed ten million (10,000,000)

or the equivalent in any other currency or monetary unit established by reference to several currencies, it being specified that this amount will be deducted from the overall ceiling applicable to the Company's capital increases provided for in the twenty-first resolution proposed to this General Meeting or, as the case may be, from the overall ceiling that may be provided for by a resolution of the same nature that may succeed said resolution during the period of validity of the present delegation ;

2. in the event that the Board of Directors makes use of this delegation of authority, delegates to the latter all powers, with the option of sub-delegation under the conditions laid down by law and the Articles of Association, to implement this delegation, in particular in order to

- determine the amount and nature of the sums to be incorporated into the capital, set the number of new equity securities to be issued and/or the amount by which the par value of the existing equity securities is to be increased, set the date, even retroactively, as from which the new equity securities will carry dividend rights or the date on which the increase in the par value of the existing equity securities will take effect;

- to decide, in the event of distribution of free equity securities :

 - that the fractional rights will not be negotiable and that the corresponding shares will be sold; the sums resulting from the sale will be allocated to the holders of the rights under the conditions provided for by the law and the regulations;

 - that the shares that will be allocated by virtue of this delegation on the basis of existing shares benefiting from double voting rights will benefit from this right as soon as they are issued;

- to make all adjustments to take account of the impact of transactions on the Company's capital, and to set the terms and conditions under which the rights of holders of securities giving access to the capital will be preserved, if applicable, and to carry out all acts and formalities to finalize the capital increase(s) (including by way of adjustments in cash);

- record the completion of each capital increase and make the corresponding amendments to the bylaws;

- at its sole initiative, charge the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;

- if necessary, to have the shares or securities to be issued admitted to trading on a regulated market;

- in general, enter into any agreement, take any measures and carry out any formalities required for the issue, listing and financial servicing of the securities issued pursuant to this delegation of authority and for the exercise of the rights attached thereto;

The Shareholders' Meeting sets the period of validity of this delegation at 26 months from the date of this Shareholders' Meeting. It notes that this delegation of authority supersedes, as from the date hereof, any previous delegation of authority for the same purpose.

TWENTY-SEVENTH RESOLUTION: PRINCIPLE OF A CAPITAL INCREASE RESERVED FOR EMPLOYEES : DECISION TO BE TAKEN PURSUANT TO ARTICLE L.225-129-6 OF THE FRENCH COMMERCIAL CODE

The Shareholders' Meeting, acting pursuant to the quorum and majority requirements applicable to extraordinary meetings of shareholders, having considered the report of the Board of Directors and the special report of the Statutory Auditors, and acting in accordance with the provisions of Article L.225-129-6 of the French Commercial Code :

- resolves that the Board of Directors shall have a maximum of six months to set up a savings plan in accordance with Articles L.3332-1 to L.3332-8 of the French Labor Code;

- Authorizes the Board of Directors to proceed, within a maximum period of twenty-six months from the date of the General Meeting, with a capital increase of a maximum amount of 5,000,000 Euros, in one or more instalments, through the issue of cash shares reserved for employees participating in the said company savings plan, and carried out in accordance with the provisions of articles L.3332-18 to L.3332-24 of the French Labor Code;

- decides, as a consequence, to cancel the shareholders' preferential subscription right to the said new shares in favor of the Company's employees.

The issue price of the shares will be determined by article L.3332-20 of the French Labor Code.

The Shareholders' Meeting grants full powers to the Board of Directors to implement this delegation of authority and to carry out the capital increase, and to this end

- to set the number of new shares to be issued and their dividend date;
- to set, within the legal limits, the conditions for the issue of new shares as well as the time limits granted to employees to exercise their rights and the time limits and procedures for paying up the new shares;
- record the completion of the capital increase up to the amount of the shares subscribed and make the corresponding amendments to the bylaws;
- to carry out all operations and formalities required by the completion of the capital increase.

A ORDINARY TITLE, AGAIN

TWENTY-EIGHTH RESOLUTION: POWERS FOR FILINGS AND FORMALITIES

All powers are given to the bearer of an original or a copy of the present document to accomplish

XIX26. Provisions that delay, defer or prevent a change in control

Not Applicable.

XIX27. Provisions setting out the thresholds above which any shareholding must be disclosed

Article 14 of the bylaws: legal and regulatory provisions.

XIX28. Conditions governing changes in capital

Article 37 of the statutes, the General Meeting of Shareholders is the only body authorized to modify the capital.

XX. MAJOR CONTRACTS (TO WHICH ANY MEMBER OF THE GROUP IS A PARTY)

Not Applicable.

XXI. AVAILABLE DOCUMENTS

Copies of the universal registration document are available free of charge at the registered office of LEXIBOOK, 6 Avenue des Andes Bâtiment 11 - 91940 LES ULIS, on the website of the company (www.LEXIBOOK.com), as well as on the website of the AMF (www.amf-france.org). Similarly, the company's various press releases are available on the company's website.

The following is a list of the press releases published on our website since our last Registration Document:

- | | |
|---|------------|
| • Press release Annual results 2020-2021 | 30/06/2021 |
| • Press release D EU available as of March 31, 2021 | 30/06/2021 |
| • Press release Q1 2021-2022 | 11/08/2021 |
| • POWER PUPPY press release | 29/09/2021 |
| • Press Release SITUATION UPDATE | 06/10/2021 |
| • IPARTY Press Release | 08/10/2021 |
| • FROZEN Press Release | 13/10/2021 |
| • Press Release PATROUILLE | 15/10/2021 |
| • Press release TABLETS and accessories | 20/10/2021 |
| • Press Release JL 1895_FZ_PA_SP | 22/10/2021 |
| • CROSSLANDER Press Release | 27/10/2021 |
| • SUPER MARIO-MARIO KART press release | 29/10/2021 |
| • Press release POWER MAN STAR | 04/11/2021 |
| • Press Release RLT100 | 08/11/2021 |

• HARRY POTTER Press Release		1 1/11/20 2 1
• Press Release STN01ANXEN		1 2/ 11/202 1
• Press release Q2 2021-2022	15/11/2021	
• ROB25 Press Release		17/11/2021
• Press release H1 results 2021-2022		24/11/2021
• Press release SW200		26/11/2021
• IPARTY KARAOKES press release		01/12/2021
• Press Release Scientific Games		06/12/2021
• Press release MIRACULOUS		13/12/2021
• Press Release JC798FZI1-SPI1		15/12/2021
• Press release K260_FZ_PA_MI_SP		20/12/2021
• Press Release Upward revision of objectives	04/01/2022	
• Press Release CA Q3 20 21-202 2		02 /02/202 2
• Press release Exhibition Russia	08/03/2022	
• Press Release Disney Contract		30/03/2022
• Press Release CA Q4 20 21-202 2		04 /05 /202 2
• Press Release Annual Results 2021-2022		21/06/2022

XXII. RECONCILIATION TABLES

XXII.1. Reconciliation table of the annual financial report (article 222-3 of the AMF General Regulation)

Annual accounts of the company LEXIBOOK SA		104
Consolidated accounts of the LEXIBOOK Group		
67		
Management's Discussion and Analysis	refer to the Reconciliation Table in the	
Management Discussion and Analysis		
Certification of the person responsible for the annual financial report		
06		
Statutory Auditors' report on the annual financial statements		100
Statutory Auditors' Report on the Consolidated Financial Statements		6 4
Fees paid to the Statutory Auditors		127
Report of the Chairman of the Supervisory Board on Corporate Governance refer to the Reconciliation Table of the Corporate Governance Report		

XXII.2. Management's Discussion and Analysis Reconciliation Table

Exposé de la situation de la société durant l'exercice écoulé (article L. 232-1 II)	28 à 33
Évolution prévisible de la situation de la société (article L. 232-1 II)	N/A
Événements importants survenus entre la date de clôture de l'exercice et la date d'établissement du rapport de gestion (article L. 232-1 II)	35
Activités en matière de recherche et de développement (article L. 232-1 II)	24
Activité et résultats des filiales et des sociétés contrôlées par branche d'activité (article L. 233-6 al. 2)	106, 107, 120 et 121
Analyse objective et exhaustive de l'évolution des affaires – Indicateurs clés de performance de nature financière et le cas échéant non financière – Description des principaux risques et incertitudes – Indication sur l'utilisation des instruments financiers (article L. 225-100-1 1° à 3° et 6°)	8 à 14, 28, 96
Principales caractéristiques des procédures de contrôle interne et de gestion des risques relatives à l'élaboration et au traitement de l'information comptable et financière (article L.225-100-1 5°)	50 à 53
Mention des succursales existantes (article L. 232-1 II)	N/A
Ajustements en cas d'émission de valeurs mobilières donnant accès au capital (article L. 228-99)	N/A
Aliénations d'actions (participations réciproques) (article R.233-19 al. 2)	N/A
Attributions d'actions gratuites (article L. 225-197-1 II al. 4)	N/A
Attributions de stock-options (article L. 225-185 al. 4)	56
Autocontrôle (article L. 233-13)	N/A
Avis du comité d'entreprise sur les modifications de l'organisation économique ou juridique (article L. 225-105 al.5)	N/A
Charges fiscalement non déductibles et charges réintégrées suite à un redressement fiscal (articles 223 quater et 223 quinquies du code général des impôts)	N/A
Détenteurs du capital ou des droits de vote (article L. 233-13)	56, 57
Dividendes (article 243 bis du code général des impôts)	126
Opérations de rachat d'actions (article L. 225-211 al.2)	56
Opérations sur titres réalisées par les dirigeants (article 223-26 du Règlement général de l'Autorité des marchés financiers)	56
Participation des salariés au capital de la société (article L.225-102)	N/A
Pratiques anticoncurrentielles (article L. 464-2 al.5)	N/A
Prises de participation ou de contrôle (article L. 233-6 al. 1)	N/A
Tableau des résultats financiers de la société au cours de chacun des cinq derniers exercices (article R. 225-102 al. 2)	128
Informations sur la manière dont la société prend en compte les conséquences sociales et environnementales de son activité (article L. 225-102-1 al. 5)	35, 54
Informations liées à l'exercice d'une activité dangereuse (article L. 225-102-2)	N/A
Indications sur les risques financiers liés aux effets du changement climatique et présentation des mesures prises pour les réduire en mettant en oeuvre une stratégie bascarbone (article L.225-100-1 4°)	N/A
Délais de paiement clients et fournisseurs (article L. 441-6-1 al1)	12
Montant des prêts inter-entreprises consentis dans le cadre de l'article L. 511-6 3 bis du code monétaire et financier	N/A

XXII3. Corporate Governance Report Reconciliation Table

Liste de l'ensemble des mandats et fonctions exercés dans toute société par chaque mandataire social durant l'exercice	37 à 40
Conventions intervenues, directement ou par personne interposée, entre, d'une part, l'un des mandataires sociaux ou l'un des actionnaires disposant d'une fraction des droits de vote supérieure à 10 % d'une société et, d'autre part, une autre société dont la première possède directement ou indirectement plus de la moitié du capital, à l'exception des conventions portant sur des opérations courantes et conclues à des conditions normales.	58 à 63
Tableau récapitulatif des délégations en cours de validité accordées par l'Assemblée Générale des actionnaires dans le domaine des augmentations de capital, par application des articles L. 225-129-1 et L. 225-129-2, et faisant apparaître l'utilisation faite de ces délégations au cours de l'exercice	130
A l'occasion du premier rapport ou en cas de modification, le choix fait de l'une des deux modalités d'exercice de la direction générale prévues à l'article L.225-51-1.	N/A
Composition, ainsi que les conditions de préparation et d'organisation des travaux du conseil	37 à 40, 48
Application du principe de représentation équilibrée des femmes et des hommes au sein du conseil	49
Limitations que le conseil de surveillance apporte aux pouvoirs du Directoire	53
Lorsqu'une société se réfère volontairement à un code de gouvernement d'entreprise élaboré par les organisations représentatives des entreprises, les dispositions qui ont été écartées et les raisons pour lesquelles elles l'ont été, ainsi que le lieu où ce code peut être consulté, ou, à défaut d'une telle référence à un code, les raisons pour lesquelles la société a décidé de ne pas s'y référer ainsi que, le cas échéant, les règles retenues en complément des exigences requises par la loi	50
Les modalités particulières de la participation des actionnaires à l'assemblée générale ou les dispositions des statuts qui prévoient ces modalités	133
Pour Chaque mandataire social	
a) la rémunération totale et les avantages de toute nature versés par la société durant l'exercice, y compris sous forme d'attribution de titres de capital, de titres de créance ou de titres donnant accès au capital ou donnant droit à l'attribution de titres de créance de la société ou des sociétés mentionnées aux articles L. 228-13 et L. 228-93. Les rémunérations et avantages en question comprennent le cas échéant ceux reçus des sociétés contrôlées, au sens de l'article L. 233-16, par la société dans laquelle le mandat est exercé ainsi que de la société qui contrôle la société dans laquelle le mandat est exercé ;	40 à 47
b) description en les distinguant des éléments fixes, variables et exceptionnels composant ces rémunérations et avantages ainsi que les critères en application desquels ils ont été calculés ou les circonstances à la suite desquelles ils ont été attribués, en faisant référence, le cas échéant, aux résolutions votées dans les conditions prévues à l'article L. 225-82-2. Il fait mention, s'il y a lieu, de l'application des dispositions du second alinéa de l'article L. 225-83 ;	46
c) les engagements de toute nature pris par la société au bénéfice de ses mandataires sociaux, correspondant à des éléments de rémunération, des indemnités ou des avantages dus ou susceptibles d'être dus à raison de la prise, de la cessation ou du changement de leurs fonctions ou postérieurement à l'exercice de celles-ci, notamment les engagements de retraite et autres avantages viagers. L'information donnée mentionne, dans des conditions et selon des modalités fixées par décret, les modalités précises de détermination de ces engagements et l'estimation du montant des sommes susceptibles d'être versées à ce titre.	46
Exposé et, le cas échéant, explication des éléments suivants lorsqu'ils sont susceptibles d'avoir une incidence en cas d'offre publique d'achat ou d'échange (article L. 225-37-5) :	56
a) la structure du capital de la société ;	57
b) les restrictions statutaires à l'exercice des droits de vote et aux transferts d'actions ou les clauses des conventions portées à la connaissance de la société en application de l'article L. 233-11 ;	57
c) les participations directes ou indirectes dans le capital de la société dont elle a connaissance en vertu des articles L. 233-7 et L. 233-12 ;	57
d) la liste des détenteurs de tout titre comportant des droits de contrôle spéciaux et la description de ceux-ci ;	58
e) les mécanismes de contrôle prévus dans un éventuel système d'actionariat du personnel, quand les droits de contrôle ne sont pas exercés par ce dernier ;	N/A
f) les accords entre actionnaires dont la société a connaissance et qui peuvent entraîner des restrictions au transfert d'actions et à l'exercice des droits de vote ;	N/A
g) les règles applicables à la nomination et au remplacement des membres du conseil de surveillance ainsi qu'à la modification des statuts de la société ;	132
h) les pouvoirs du conseil de Surveillance, en particulier en ce qui concerne l'émission ou le rachat d'actions ;	130
i) les accords conclus par la société qui sont modifiés ou prennent fin en cas de changement de contrôle de la société, sauf si cette divulgation, hors les cas d'obligation légale de divulgation, porterait gravement atteinte à ses intérêts ;	N/A
j) les accords prévoyant des indemnités pour les membres du conseil d'administration ou les salariés, s'ils démissionnent ou sont licenciés sans cause réelle et sérieuse ou si leur emploi prend fin en raison d'une offre publique d'achat ou d'échange.	N/A
La présentation des projets de résolution relatifs aux principes et aux critères de détermination, de répartition et d'attribution des éléments fixes, variables et exceptionnels composant la rémunération totale et les avantages de toute nature, attribuables au président, directeurs généraux ou directeurs généraux délégués, en raison de leur mandat.	N/A
Pour chacun des mandataires sociaux de la SA/SCA qui détiennent au moins un mandat dans une société dont les titres sont admis aux négociations sur un marché réglementé, les informations prévues à l'article L. 225-37-3 du code de commerce (cf. ci-avant) sur les rémunérations et les avantages de toute nature sont communiquées.	N/A