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

UNIVERSAL REGISTRATION DOCUMENT 2024

AUTORITÉ DES MARCHÉS FINANCIERS

The universal registration document was filed on July 8 2024 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 a public offering of financial securities or the admission of financial securities to trading on a regulated market, if it is supplemented by an offering circular and, where 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 European Regulation no. 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, 2023 appear on pages 69 to 127 of the universal registration document filed with the AMF on June 30, 2023 under number D.23-0552, with the corresponding audit reports appearing on pages 66 to 68 and 105 to 107 respectively of this universal registration document.

II. The consolidated and parent company financial statements for the year ended March 31, 2022 appear on pages 67 to 125 of the universal registration document filed with the AMF on June 29, 2022 under number D.22-0559, and the corresponding audit reports appear on pages 63 to 68 and 100 to 103 respectively of this universal registration document.

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

PREAMBLE

LEXIBOOK's universal registration document contains information on the objectives, prospects and lines of development of LEXIBOOK. This information should not be construed as a guarantee that the facts and data set forth 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 which could cause the future results, performance and achievements of LEXIBOOK to differ materially from those expressed or implied. These factors may include, in particular, changes in economic and business conditions, as well as the risk factors set out in Part IV of this 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" refers to LEXIBOOK and its direct and indirect subsidiaries, as described in Part VI of this Universal Registration Document.

Table of contents

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, for which the Chairman of the Supervisory Board, Mr Luc LE COTTIER, is responsible.

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

I hereby certify that, to the best of my knowledge, the information contained in this universal registration document is correct and that there are no omissions likely to affect its import.

I hereby declare 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 and liabilities, financial position and results of the company and all the companies included in the consolidation, and that the management report (the reconciliation table for which appears on page 151 of the universal registration document) presents a true and fair view of the development of the business, results and financial position of the company and all the companies included in the consolidation, and describes the main risks and uncertainties they face.

Les Ulis, July 8, 2024

Aymeric LE COTTIER,
Chairman of the Management Board

II. STATUTORY AUDITORS

II1. Statutory Auditors

- **GRANT THORNTON**
  29 Rue du Pont
  92200 NEUILLY-SUR-SEINE
  Represented by Mr Mathieu LEBARBIER
  Date of first appointment :
  Annual General Meeting of September 14, 2021
  End of term :
  Annual General Meeting to be held to approve the financial statements for the year ending March 31, 2027

- **S & W Associés**
  65 Rue la Boétie
  75008 PARIS
  Represented by Julie BENZAQUEN
  Date of first appointment :
  Annual General Meeting of May 21, 2024
  End of term :
  Annual General Meeting to be held to approve the financial statements for the year ending March 31, 2030

III. RISK FACTORS

The Group has reviewed the risks that could have a material adverse effect on its business, financial position or results (or on its ability to achieve its objectives) and considers that there are no significant risks other than those presented below and the financial risks presented in Note 29 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 situation, results or development.

Risks related to brand licensing contracts

	2023/2024	2022/2023
Licensing sales	38 509 431	31 036 013
%	65,7%	60,6%
Sales excluding licenses	20 111 536	20 200 974
%	34,3%	39,4%
Total	**58 620 967**	**51 236 987**

1/ Minimum guarantee risk (MG)

LEXIBOOK has signed trademark license agreements with partners such as Nintendo, Mattel, Walt Disney, Universal and Marvel. These contracts are renewable for a period of 2 to 5 years, and provide for guaranteed minimum royalties to be paid to the licensors. The risk associated with these MGs is that royalties may have to be paid without the corresponding contractually-agreed sales being achieved.
Overall, these minimum levels have been reached for the 2023-2024 financial year.
Royalty rates traditionally range from 5% to 19.4%.

2/ Non-renewal risk

However, given the regular renewal of licenses in recent years, this risk does not appear to be significant. Licenses are granted for variable periods, traditionally two to five years, with different terms, for 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 merchandise in stock that would no longer be marketable. Over the past few years, the stakes have not been significant, especially since all license contracts include a "sel-off" clause allowing products to be sold for a period of 3 to 12 months after the contract expires.

3/ Dependency risk

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

Regulatory risks

LEXIBOOK complies with EC regulation 1103/97 modified by EC regulation 2595/2000 and with the standards in force for its products.
All 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 meets all mechanical, chemical, electrical and flammability standards, guaranteeing the compliance of LEXIBOOK products with the standards in force in the various countries in which the Group markets its products.

Epidemic or pandemic risks

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 can paralyze production and deliveries in China, depriving the Group of some or all of its sources of supply. If such a crisis were to occur rapidly, the Group, deprived of supplies, would be faced with a loss of business that could be partial or total if the epidemic spreads rapidly and lasts several weeks, and may be subject to increased logistics costs, penalties for delays from its customers, and order cancellations. In addition to the production risk, the Group may be faced with a commercial risk that would have a direct impact on business, particularly in the event of containment measures or store closures due to the epidemic. Direct effects may include order cancellations, payment delays, reduced or lost sales with certain customers, and the stocking of products that could be rendered obsolete if the crisis lasts several months. Epidemics of this kind can rapidly degrade a company's business, weighing heavily on cash flow, earnings and shareholders' equity.

Risks related to international conflicts

The Group is exposed to the risk of international conflicts in the territories in which it operates, both in terms of product design and manufacture, and sales. A conflict involving China and/or Taiwan, for example, could cause a break in the product manufacturing chain. Nevertheless, in the context of the war in Ukraine, the Lexibook Group specifies that it is not exposed to the Russian or Ukrainian markets, either in terms of supplies or sales.
Tensions in the Red Sea linked to the Gaza conflict will lead to a major deterioration in freight conditions in 2024. The Houthis group attacked commercial vessels, disrupting the passage of ships through the Suez Canal zone, where 10-15% of international trade passes. This lengthens supply lead times and significantly increases freight costs. At international level, after a surge in maritime freight rates on containers after the first containment period, followed by an almost equally spectacular downturn from the second half of 2022, all the experts were predicting a gloomy year for shipowners in 2024. The international context has changed all that. Freight rates between 7,500 and 8,000 dollars for 40-foot containers between Asia and Europe. No one could have imagined such a turnaround last December, when rates were at their lowest, between $1,100 and $1,400. Since the covid pandemic, ocean freight rates on containers have been on a roller-coaster ride. At the end of the confinements in early 2022, when global consumption picked up again, rates exceeded $15,000, before starting a sharp decline in the second half of 2022. (Source : https://www.usinenouvelle.com/article/le-transport-maritime-de-conteneurs-continue-a-faire-des-vagues.N2214325)

Tax risks

At March 31, 2024 deferred taxes were capitalized in the financial statements in the amount of 0.23 M€ compared with 0.42 M€ at March 31, 2023 . 49 .2 K€ correspond to taxes capitalized on Lexibook Iberica's tax loss carryforwards. Should the subsidiary fail to generate future profits, the Group would be obliged to write back this tax.

The remainder of deferred tax assets correspond to timing differences arising mainly from IFRS restatements, and do not present any particular risk.

Digital risks and cybercrime

The speed of technological innovation linked to computers and telecommunications in recent years, and the integration of automated operations, mean that companies are increasingly dependent on the reliability and continuity of their IT systems. Lexibook has always been exposed to risks such as errors and fraud, but their importance and the speed with which they can occur have changed dramatically, and this is set to accelerate further with the development of artificial intelligence in 2024. What's more, with the widespread use of electronic data interchange and computerized payment systems, the risk of immediate business interruption is real. Should Lexibook be unable to meet its payment obligations, due to system difficulties, failure or other reasons, the consequences would be dramatic and could lead to the rapid collapse of the Group. Lexibook is exposed to cyber-attacks of all kinds, including phishing, ransomware, data theft or destruction, unauthorized dissemination of information, errors, fraud, and business interruption due to hardware or software failure.

The Group also changed its management software (ERP) in June 2023. Implementation has gone smoothly, but the Group is still in the process of learning the tool, which may present risks of errors that could impact all the company's departments.

Industrial and environmental risks

Risk of supplier dependence

LEXIBOOK is not dependent on any particular supplier. The company can always call on different manufacturers if necessary, enabling it to reorganize its production in a matter of weeks. This risk is therefore taken into account by the company.

Around fifty factories are involved in product manufacturing. They are subject to quality, price and lead-time imperatives, the failure of which is penalized by penalties.
These plants were selected on the basis of their financial strength and production quality.

Risk of technology and quality leakage

Factories are bound to LEXIBOOK by confidentiality and non-disclosure of information agreements, and by a framework agreement negotiated on a case-by-case basis and also specifying the constraints of compliance with quality, technical standards, prices, deadlines and any penalties. These suppliers are paid within 30 to 90 days by bank transfer or letter of credit.
The risk of defective components, inherent to the business and shared by all other manufacturers, is controlled by LEXIBOOK Hong-Kong directly, or indirectly, through specialized companies.

Risk of component shortages and manufacturing price inflation

The risk of component shortages, usually insignificant, is sometimes heightened in certain product categories. In a context of worldwide shortages, the Group tries to anticipate its customers' needs as far as possible, and orders critical components, which represent only a small proportion of product cost, in order to ensure production. This inventory risk is compounded by the risk of price rises, which could have a direct impact on margins if shortages persist for several months. This risk is also linked to the exchange rate risk, as components are purchased in US$. The shortage of components also puts pressure on delivery times: production lead times, particularly for the most technologically advanced products such as tablets, are significantly longer, forcing the Group to order products earlier than usual, increasing the risk of stock-outs, and limiting the possibility of restocking.

Technological hazards

LEXIBOOK controls its own research and development, as well as part of its own production. In fact, its Hong Kong-based design office is close to the manufacturing sites, ensuring close monitoring of technological risk.

Intellectual property risk

Given the nature of its business, the company protects its brands and does not register patents.
In the field of industrial property, LEXIBOOK logos, trademarks and more than 40 brands belonging to the company are registered in France and, in part, in Europe and/or worldwide. Protection extends to 2031 for the most distant.
For several years now, LEXIBOOK has extended the protection of its brands to the Internet, by registering the main domain names corresponding to its strongest international brands.

Product obsolescence risk

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 impairment in order to value its inventories at fair resale value.

Other special risks

Intensified price pressure and risk of competition :
In the consumer electronics market, price erosion is generally accompanied by margin erosion.
The answer is :

- Launch new products,
- Create added value with new features, improve product marketing,
- Increase sales and therefore supplies to obtain attractive purchasing conditions,
- Keep overheads lower than competitors who, because of their size, have higher incompressible fixed costs.

Customer risk

The average payment term is 60 days. The company takes out credit insurance on virtually all its customers, covering between 70% and 90% of the receivable excluding VAT, depending on whether the customer is a named customer (i.e. one for whom an authorization has been requested) or not.

Our main customers are the major supermarket chains and specialized retailers. These chains do not present a solvency risk.
46.58 % of sales are generated with the 1st customer and 4,19 % with the second customer. The table below shows the breakdown between the other players and underlines 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 lead to a drop in sales, if the Company were unable to attract new customers. What's more, even if the Company succeeds in attracting new customers, they may not require the same level of products as those lost or may demand different payment terms.

The following table shows customer concentration over the past two years:

	AU 31/03/24			
	SALES excl. Tax	% SALES	CUM SALES	CUM % SALES
Client 1	23 863 707	46,58%	23 863 707	46,58%
Client 2	2 149 356	4,19%	26 013 063	50,77%
Client 3	2 045 848	3,99%	28 058 911	54,76%
Client 4	1 853 820	3,62%	29 912 731	58,38%
Client 5	1 602 779	3,13%	31 515 510	61,51%
Client 6	1 321 469	2,58%	32 836 979	64,09%
Client 7	991 410	1,93%	33 828 389	66,02%
Client 8	989 475	1,93%	34 817 864	67,95%
Client 9	986 948	1,93%	35 804 811	69,88%
Client 10	973 427	1,90%	36 778 238	71,78%
Clients Autres	21 842 729	37,26%	58 620 967	100,00%
TOTAL	**58 620 967**	**100,00%**	**58 620 967**	**100,00%**

	AU 31/03/23			
	SALES excl. Tax	% SALES	CUM SALES	CUM % SALES
Client 1	18 301 977	35,72%	18 301 977	35,72%
Client 2	2 684 698	5,24%	20 986 676	40,96%
Client 3	1 788 357	3,49%	22 775 033	44,45%
Client 4	1 704 299	3,33%	24 479 332	47,78%
Client 5	1 394 605	2,72%	25 873 937	50,50%
Client 6	1 223 852	2,39%	27 097 789	52,89%
Client 7	1 195 885	2,33%	28 293 674	55,22%
Client 8	1 148 678	2,24%	29 442 352	57,46%
Client 9	1 057 601	2,06%	30 499 953	59,53%
Client 10	1 040 702	2,03%	31 540 654	61,56%
Clients Autres	19 696 333	38,44%	51 236 987	100,00%
TOTAL	**51 236 987**	**100,00%**	**51 236 987**	**100,00%**

Inventory risks

The Group's net inventory at March 31, 2024 represented 11 ,88 M€ versus 15 .48 M€ at March 31, 2023 . The majority of stock is centralized and managed in Gent by an external service provider.

The US subsidiary's inventory is located in the USA and managed by an external service provider. This inventory represents a net value at 03/31/02 4 of 2.26 M €.

The Hong Kong subsidiary's inventory is located in Hong Kong, close to the manufacturing sites. This inventory represents a net value at 31/03/2024 of 305,02 K€.

The company is exposed to the risk of stock-outs and overstocking, in the event of actual demand not meeting forecasts. Should the company's products become unavailable due to stock-outs, its reputation could be damaged, which could have a negative impact on its sales efforts and revenues. Should the company's products fail to sell satisfactorily, it may have to concede significant price cuts.

To reduce this risk, :

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

Finally, the company has taken out multi-risk insurance covering inventory losses and related operating losses.

In the event that actual orders exceed forecasts and supplies, LEXIBOOK may have to ship back-ordered goods by air and express truck, which could result in significant purchasing costs, directly impacting margins. In the event of LEXIBOOK being unable to deliver these goods even by air freight, the Group would be faced with a loss of earnings and possibly penalties for late delivery or non-delivery on the part of 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 "out-of-store" sales, 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.

Transportation risks

LEXIBOOK, when selling NON-FOB, is responsible for transit from the countries where it has its products manufactured to its Gent warehouse, then for transport to its distribution markets. The company uses various carriers and means of transport (sea and air) and has taken out transport insurance. LEXIBOOK is subject to the risks of strikes and other unforeseen events affecting the carriers and means of transport used, thus impacting on lead times and the continuity of the supply chain. In addition, the company takes into account the risk of price rises, mainly for containers and road transport, which could impact logistics costs and affect the profitability of operations. Finally, LEXIBOOK considers the risk of blockades of all kinds, such as at fuel depots or ports, which could disrupt the supply chain and cause delays in the distribution of products to markets. This could lead to penalties, order cancellations and impact on business volumes and profitability.

Seasonality risk

In the toy sector, almost 2 thirds of business is usually generated over a short period between August and November. This requires careful planning, leads to cash flow peaks and makes it more difficult to see results in the last three months of the financial year.

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

Insurance - Coverage for any risks that may be incurred

The company has insurance cover for all the general risks inherent in its business. In particular, the company has multi-risk professional insurance - 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 shipment), 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 fleet insurance. The risks likely to be incurred have been objectively assessed and are adequately covered. For the year ended December 31, 2002, 2023 -2024 premiums for all these insurance policies amounted to 324,710 for the LEXIBOOK Group as a whole.

Risks arising from the company's business activities

Against a backdrop of worldwide shortages of certain components and rising raw material prices, the market can experience inflationary pressures without warning. In such cases, the Group tries to raise prices when necessary to protect its margins. This generates a twofold risk :

- On Group margins due to the possible lag between cost price increases and sales price increases
- On product consumption, as higher public sales prices can have an impact on consumption in a context of limited purchasing power.

Risks relating to the Company's business sector

The Company must expect its competitors to adapt rapidly in terms of offerings and prices, and to modify the conditions under which products are offered and made attractive. The markets in which the Company operates are constantly changing.
The Company competes with a number of companies, both listed and unlisted, on the product lines it develops. It is possible that new or existing competitors will emerge on each of the product lines developed by the Company. Indeed, the once pioneering concept of media convergence is becoming a stronger economic and industrial reality by the day. This convergence is likely to have a significant impact on the Company's competitive environment.
LEXIBOOK's main competitors are major players in the consumer electronics sector: V-tech, Big Ben Interactive, Ryght, Lowtronic, Sony , LG, Archos , Muse, IMC Toys, Buki, Kid Designs ... The Company's competitors operate in both their local and international markets.
As a result, certain competitors have a longer operating life, significantly greater technical resources, greater brand recognition, product offering and number of consumers than the Company, 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 situation.
What's more, some manufacturers are much larger and more financially powerful than LEXIBOOK, and it cannot be ruled out 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 they see as most promising.
In all 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 guarantee that it will maintain or increase its current market share in the future.

Personnel risks

The absence of a Chief Financial Officer (CFO) since the end of March 2023 presents several risks for LEXIBOOK, including disruptions in the financial management of the Group's activities, delays in the preparation of financial reports, difficulties in maintaining regulatory compliance, and a reduced ability to plan strategically. This could also affect investor and stakeholder confidence. However, LEXIBOOK is currently actively looking for a new CFO to fill this crucial position and ensure the continuity of the company's financial and strategic operations.

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 encounter quality or intellectual property problems with its products. In the event of malfunction of products marketed by the Company, the Company could be held liable in tort or under contract. Damages may be claimed in such proceedings.

By way of example, the company is currently facing an intellectual property dispute over one of its products, which gave rise to a provision of €200K on March 31, 2024.

IV. INFORMATION ABOUT THE ISSUER

IV1. Corporate name and trade name of issuer

The company name is LEXIBOOK Linguistic Electronic System. The trade name is LEXIBOOK.

IV2. Issuer location, registration number and LEI

The company is registered with the Registre du Commerce et des Sociétés d'EVRY under number B 323 036 921. Its legal entity identifier (LEI) is 969500MBA2IX17UII261.

LEXIBOOK has been listed on NYSE Euronext's Euronext Growth market since July 6, 2015, under ISIN code: FR0000033599 ALLEX.

IV3. Date of incorporation and life of issuer

The company was created on October 1st, 1981, for a period of 99 years, i.e. until September 30, 2080, except in the event of extension or early dissolution, notably decided by the Annual General Meeting by the majority required for amendments to the bylaws.

IV4. Registered office and legal form of issuer

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

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

Since December 19, 2006, LEXIBOOK has been a French limited company (Société Anonyme) with an Executive Board and Supervisory Board, governed by 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 does not form part of the prospectus.

V. OVERVIEW OF ACTIVITIES

V1. Main activities

LEXIBOOK designs and markets a full range of intelligent entertainment electronics under its own brands and licenses, including educational robots and computers, electronic games, audio and video products, alarm clocks, walkie-talkies, karaoke, radio-controlled vehicles, karaoke and music products, and electronic translators and dictionaries.
The company operates a number of licenses, including The Snow Queen, Disney Cars, Disney Princesses, Avengers, Minions, Pat' Patrouille, Barbie, Spider-Man, Super Mario, etc...
These enable 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 receiving approval from 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...
These licenses give rise to regular royalty payments, notably but not exclusively to: Mattel, The Walt Disney Company, Universal, Nickelodeon 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 with promising new brands such as iParty®, Acoustix® and Crosslander®,

As the European leader in multimedia electronic products for children, the Group boasts a number of solid assets:

-an innovative, comprehensive product range,
-major licenses: Disney, Marvel, Minions, Scrabble, Larousse, The Voice, Pat' Patrouille, Barbie, Super Mario...
-a solid international distribution network and a balanced customer mix
-recognized own brands
-a flexible fabless business model
-a balanced product mix

The key success factors are:

-innovation, design, playfulness, content and user-friendliness of tools
-the combination of electronics and the emotional side of children's favorite characters
-product safety
-the ability to produce products with optimum time-to-market

Lexibook is positioned in the following 11 segments:

-Dictionaries and calculators (historical trade)
-Watchmaking
-Educational toys, consoles and robots
-Scientific toys and games
- 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
-Tablets and educational computers for children
-Innovative lighting and decoration products under the Decotech brand.

Since 2016, the Group has focused on building a balanced product mix in high-margin segments in order to reduce its dependence on the children's tablet segment. Lexibook has thus bet on new segments and successfully diversified into the edutainment market for teenagers and young adults with, for example, its iParty brand on a range of connected music products. Lexibook has also successfully invested in 2 promising new segments: radio-controlled vehicles with its Crosslander® brand, and scientific games. The Group has also been focusing on innovative decorative products since 2017, including lamps and nightlights, grouped together under the Decotech brand. Finally, Lexibook has focused on educational toys and board games. This rebalancing was made possible by licenses, which acted as a natural shield during this period of upheaval in the mix. Indeed, in order to consolidate its leadership in licensed products for children, Lexibook forged partnerships with Licensors on the properties most popular with children and teenagers, across all age groups and for both girls and boys. In part, these partnerships are focused on properties with a current film release, to take full advantage of Licensors' marketing campaigns. After the years 2020 and 2021, marked by an unusual absence of cinema releases due to the worldwide Covid-19 pandemic, the year 2022 saw the cinema release of several blockbusters such as Les Minions II, Buzz l'Eclair and Batman. Lexibook has also relied on classic properties complemented by cartoon licenses, such as Pat' Patrouille, Peppa Pig or PyjaMasques, as well as properties linked to hit TV programs like The Voice or successful video games like Super Mario. This positioning makes Lexibook a key player in the licensed leisure segments for children. The year 2022 was also marked by the renewed success of Powerman educational robots, 1,000,000 of which have been sold since their creation. Lexibook also launched its new Interpretor IV® instant voice translator, which has breathed new life into the electronic dictionary segment. These factors logically explain a slight increase in licenses in the Group's sales breakdown: the range of licensed products thus represented 65.7% of 2023-2024 sales generated from licensed products, compared with 60.6% of 2022-2023 sales.

V2. Main markets

LEXIBOOK sells its products in fifty-seven countries, mainly through specialized and general supermarkets and 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.

Consumer electronics market

The global consumer electronics market is going through a difficult phase, with a significant drop in sales and revenue. In the first half of 2023, according to GFK, sales fell by 12% and units sold by 8% year-on-year. This trend is due to market saturation following record sales during the COVID-19 pandemic, as well as inflation and consumer spending priorities that now favor travel and leisure over high-tech products. In 2022, the market had already experienced similar difficulties, with an 8% drop in first-half sales, affected by the war in Ukraine and confinements in China. However, certain segments such as Bluetooth headsets and portable speakers showed signs of growth. By 2018, this segment had grown by almost 40%, reaching around €14 billion in sales, with over 50% of sales coming from Bluetooth devices. Despite these challenges, opportunities remain, particularly in the high-end TV and home audio equipment segment. For example, TV models larger than 75 inches continue to grow, accounting for an increasing share of worldwide sales (source: https://www.gfk.com/fr/press/marche-electronique-grand-public-sous-pression;https://www.gfk.com/fr/insights/Temps-difficiles-pour-le-marche-Electronique-grand-public-2022).

The European consumer electronics market showed signs of stabilization after a period of significant fluctuations. In 2023, sales rose slightly by 0.5% in value terms, although volume fell by 2%. Telecommunication devices and small household appliances recorded positive growth in the first half of 2023. In terms of specific products, loudspeakers and drones saw notable increases in both value and volume, with drones posting 162% growth in value. On the other hand, the TV market declined by 6% in volume, but only by 1% in value, thanks to the boom in the OLED segment, which helped to raise the average sales price. Consumer trends in Europe reveal a strong concern for inflation and high prices, as well as a growing demand for sustainable and energy-efficient products. By 2024, the key factors expected to influence consumer spending include long-term product costs, ease of use, individualization of the user experience and environmental considerations (sources: (sources: https://www.gfk.com/state-of-tech-and-durables/2023-global-industry-report-executive-summary-europe; https://www.gfk.com/insights/consumer-electronics-ce-market-stabilizing).

In 2022, sales in the French consumer electronics market fell by 13%, with a 14% drop in TV sales, reflecting general economic difficulties, including inflation and the effects of the war in Ukraine. For the second year running, the French high-tech home equipment market is down 4% in 2023. However, certain products such as folding smartphones and OLED TVs are escaping this gloom (source: (source: https://www.usinenouvelle.com/article/en-2023-les-objets-high-tech-pour-la-maison-ont-echappe-a-la-morosite-du-marche-francais.N2207611)

Toy market

Turning to the toy market, Global toy sales reached $108.7 billion in 2023, posting a 2% decline in 2022 as sales "normalized" after exceptional pandemic-related growth, according to the report. Global sales in the toy industry fell by 7% from January to December 2023, compared with the same 12-month period in 2022, according to Circana. The data is based on retail sales performance in the 12 global markets (G12) tracked by Circana, including Australia, Belgium, Brazil, Canada, France, Germany, Italy, Mexico, the Netherlands, Spain, the UK and the USA. However, the global industry is up 17% on 2019, according to Circana's retail tracking service, probably due to higher average selling prices (ASP). In 2023, ASP increased by 1 percent year-on-year and 18 percent compared to 2019. Two of the 11 supercategories tracked by Circana saw year-on-year sales increases in 2023 within the G12 compared with 2022. Construction toys increased by 4 percent, followed by plush toys, which rose by 3 percent. Licensed toys represent 31.1% of the total toy market, underlining the continued importance of characters and franchises in driving sales. Pokémon retained its crown as the world's best-selling toy property, followed by Barbie, Star Wars, Marvel and Hot Wheels. Notably, LEGO Icons became the fastest-growing toy.

"With inflation at the highest level we've seen in decades and birth rates at their lowest in many countries, the global toy industry faced new challenges in 2023," said Frédérique Tutt, global toy industry consultant at Circana. "Consumers in many regions have had to make difficult trade-offs and have reduced their spending on toys and games. We saw different regions react differently to these economic challenges, with Europe contracting back to 2019 levels, while sales in the US remained 26% ahead of 2019. As economies continue to improve, the industry should see some respite in 2024, particularly as the flow of new products and innovations reintroduces the wow factor and encourages engagement. This should help stabilize sales."

In the UK, on the 70th anniversary of Toy Fair 2024, the British Toy & Hobby Association (BTHA) and Circana presented data revealing the resilience of the UK toy market in 2023, despite challenging economic conditions. The toy market reached a total value of £3.5 billion, albeit 5% down in 2022. Demand remained strong, with growth in several categories. Sales of £15-£20 toys increased, signalling a preference for mid-range items, while 63.5% of toys sold for under £10 accounted for 28% of market value, underlining the importance of affordability. Licensed toys continued to grow, reaching a market share of 32%, and plush toys grew by 11%, with traditional plush leading the way. Collectible toys also grew by 3%, reaching a value of £288 million. The "Kidults" segment (12+ years) accounted for 28.7% of the market with a value of £1 billion and growth of 6% in 2023, showing a preference for collectible toys, construction sets, games and puzzles, plush toys and action figures.

For 2024, the market is expected to stabilize with a focus on sustainable licenses and original brands, offering opportunities for new product ranges focused on value for money and affordability. In conclusion, the UK toy market has shown remarkable resilience in the face of economic challenges, with key segments showing continued growth, offering toy companies opportunities to launch innovative and affordable products that meet consumer expectations. (source :https://toyworldmag.co.uk/breaking-news-uk-toy-market-remains-resilient-despite-challenging-economic-conditions/)

In France, the results show that the French toy market declined by 5.2% in 2023, and by 8% in volume. The market was in constant decline throughout the year - it was down 4% at the end of July and at the end of September, before the end-of-year festivities - and Christmas sales were not enough to turn it around. In total, the French toy market is now worth 4.3 billion euros (with a loss of around 220 million euros in 2023). One of the factors behind the fall in sales is inflation, which has been high - +4.9% in 2023 after +5.2% in 2022. In the toy sector, inflation was lower due to a high number of price promotions. However, customers were selective and cautious, and ultimately bought fewer toys. In addition, the birth rate in France fell considerably (-6.6% in 2023) to 678,000. This is the lowest figure since the Second World War and contributes to an overall decline of almost 20% over the last 13 years.

As in the UK, the outdoor toy category in France was strongly affected by weather conditions in 2023, particularly in spring, as well as in July in the West/North region. Sales are also down over the whole Christmas period -6%, while December as a whole is down -2%. The month historically accounts for 30% of sales (27% in 2022), but in 2023 consumers shopped very late (week 51 is +7% compared to 2022). The best-performing categories are strategic trading cards (+10%), interactive plush (+23%), cards (+13%), construction (+2%) and pre-school figures (+13%). Junior electronic toys, plush toys and games and puzzles are also on the rise in 2023. Children are a fast-growing segment - up +7% to 28% of global sales.

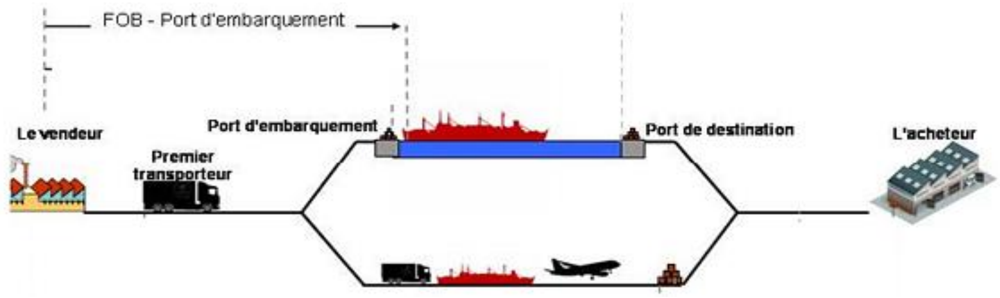
The best-selling products in December 2023 are Furby, Rainbow High and Bitzee. Five of the products in the Top 10 are electronic, four from VTech and one from Canal Toys. In early 2023, Smyths Toys rebranded all 41 stores it had acquired from PicwicToys. Joue Club (300 stores) took over La Grande Récré (137 stores), keeping the two banners: Joue Club in the suburbs and La Grande Récré in the city centers. All contracts with Total and Club Med are also maintained. King Jouet takes over 70% of its business (Prenatal 30% plus three banks) and opens a specific division with Prenatal for private labels and own-brand exclusives. Casino Hypermarchés et Supermarchés (313 stores) has been looking for a buyer to reduce the company's debt. It now appears that the hypermarkets will be bought by Auchan and the supermarkets by Intermarché, which has already bought 119 Casino supermarkets.

In terms of distribution channels, the market share of hypermarkets continues to decline (-10%), as does that of supermarkets (-9%). Non-food departments such as toys are no longer a priority; instead, maintaining grocery market share has become the main objective. However, specialists are gaining market share and now account for over 40% of the market. Toy chains are at -3% and multi-specialists at +3%, helped by the focus on Kidult ranges. Online sales were down 5%, representing a second consecutive year of decline. Amazon remains the market leader. Licensed products had another good year, thanks to very successful theatrical releases. Licensed products accounted for 26% of total toy sales. The main licenses in France are Pokémon, Paw Patrol, Barbie, Marvel and Harry Potter. Barbie enjoyed a boost in August, following the release of the film, while Gabby's Dolls House, Disney 100, Pokémon and Lilo & Stitch all performed well. Trends in the French market include "Made in France" products, which account for 14% of total sales. These products are featured more prominently at trade fairs, in the media and in Christmas catalogs. Children's games now account for 28% of total toy sales, with adults buying these products regularly and at a higher price. Challenges remain for 2024, as consumer budgets will come under further pressure from rising energy prices and inflation, while business costs, such as containers (transport prices have doubled since November) and retail premises operating expenses, continue to rise. (Source : https://toyworldmag.co.uk/french-toy-market-2023-report/)

Distribution channels: FOB / NON-FOB

FOB: Free On Board:

The seller (exporter) is responsible for delivering the goods from his company and loading them onto the vessel at the port of export. He is also responsible for customs clearance in the country of export. As soon as the goods pass the "ship's gangway", the "risk of loss" is transferred to the buyer (importer). From this point onwards, the buyer is responsible for all transport and insurance costs, as well as for customs clearance in the importing country. An FOB transaction will read "FOB, port of export" (in the case of LEXIBOOK; FOB Hong Kong).



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

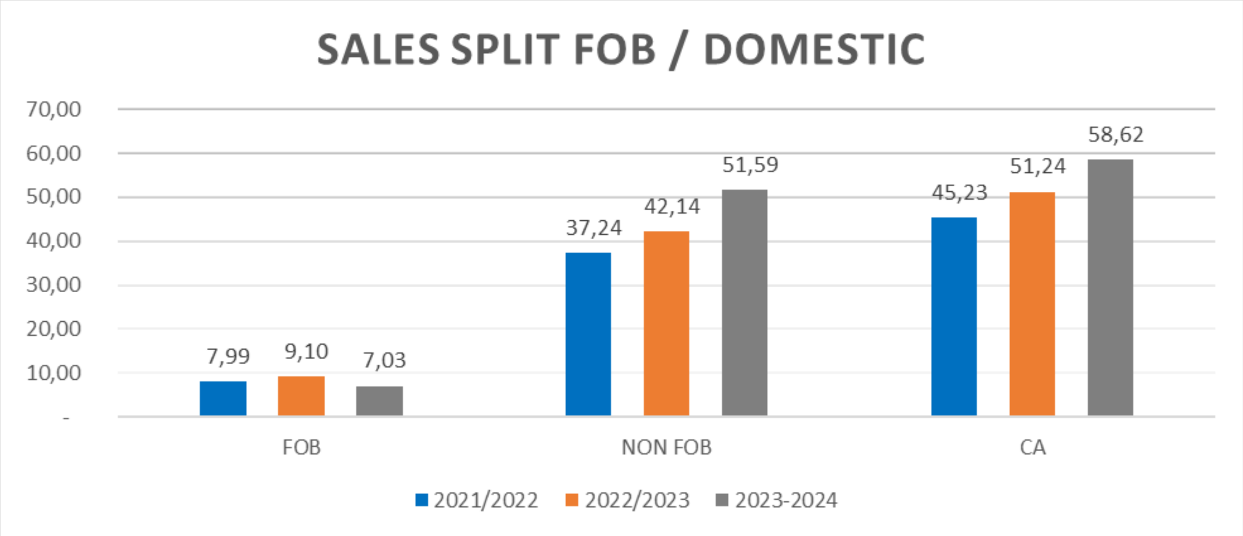
This information corresponds not only to a distribution channel, but also to the sales generated by the two companies that now make up the LEXIBOOK Group: LEXIBOOK SA in France and LEXIBOOK LTD in Hong Kong. The latter's sales are FOB, while those of LEXIBOOK SA are based on domestic invoicing (NON-FOB).

Since March 2010, LEXIBOOK, which had been distributing its products via subsidiaries in the main European countries, has decided to reorganize around local distribution partners, in order to reduce its costs on the one hand, and to reduce its customer outstandings on the other.

Previously, sales generated by LEXIBOOK's other European and American subsidiaries were almost entirely on a domestic billing basis (NON-FOB). This business has now been transferred to FOB from Hong Kong and to Non-FOB.

The breakdown of business between Hong Kong (FOB sales) and France (Domestic or NON-FOB sales) varied respectively by -22,7 % (7 ,03 M€ at 31/03/2024 vs 9 ,10 M€ at 31/03/2023) and +22 ,4% (51 ,59 M€ at 31/03/2024 vs 42 ,14 M€ at 31/03/2023).

The following graph shows FOB/NON-FOB sales in euros for the last three years:



This variation has no impact on the Group's profitability but enables it to better adapt to customer demand on the one hand, and to fluctuations in the dollar on the other (the latter 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. Whenever 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: as goods are sold on shipment, the Group reduces its transport, insurance, inventory and handling costs.

2/ Financing: customers open letters of credit directly with LEXIBOOK LTD, expiring on the date of transfer of ownership. This reduces the time outstanding on trade receivables and facilitates the financing of corresponding purchases from factories. In addition, FOB customers are not factored, and their receivables do not need to be hedged, as they are denominated in US dollars.

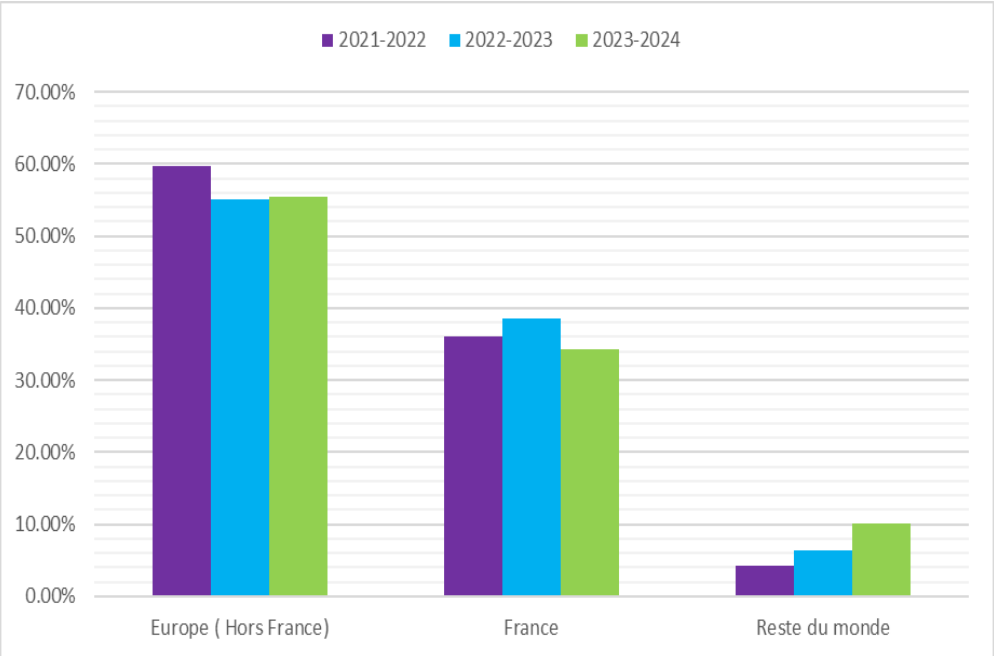
Moreover, the seasonal nature of sales follows a constant pattern. The following chart shows quarterly sales in euros over the last three years:

Over the full fiscal year, all geographical areas reported growth:

	2022-2023	2023-2024	% Progression
Europe (excluding France)	28 190 505	32 526 190	15,4%
France	19 749 618	20 147 073	2,0%
Rest of the world	3 296 864	5 947 704	80,4%
	51 236 987	**58 620 967**	**14,4%**

The following chart shows the breakdown of sales by geographic area as a percentage of total sales over the last three years:

Sales trends over the last three years (by destination)
Percentage breakdown France / Europe (excluding France) / Rest of world



Breakdown of sales by distribution channel in millions of euros

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

Many years of experience, enabling LEXIBOOK to confirm its leading position in the consumer electronics market and the success of its diversification into the electronic games market (this is the company's internal estimate, based on verbal information gathered from its distributors and customers, and on the position of LEXIBOOK products on its customers' shelves).

1993-1997 Launch of the LEXIBOOK brand with the creation of the Grand Dictionyme. Expansion of the range of dictionaries, translators and electronic organizers, including the TouchMan.

1997 Introduction to the New Market and creation of subsidiaries in Spain, Portugal and the UK.

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 expansion of international sales.

2008-2010 The Group is rethinking itself to increase profitability and prepare for future growth and is deploying its strategy of reducing costs and refocusing on its 2 divisions in France and Hong Kong. Lexibook consolidates its licensing agreements and focuses its development 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. Sales growth in Scandinavia, Italy and Russia. Capital increase of €2.7 million on February 28, 2011. Obtaining a PPI (Prêt Pour l'Innovation) from BPI for 600K€.

2014-2015 Major new TV advertising campaigns in France, England and Spain. Mature children's tablet segment. Sales growth in the audio and musical instrument segments for children. Obtained a PPI (Prêt Pour l'Innovation) from BPI for €600K.

2015-2016 Major new TV advertising campaigns in France and the UK. Success of "Snow Queen" and "Minions" licensed products. Signing of the Star Wars license. Launch of the Playdroid, the first Android-based TV console, and the first Marbo educational robot penguin. First "Lexibook inside" licensing agreement for software developed by Lexibook for other brands. Issuance of a €1 million, 10-year bond issue subscribed in full by GIAC. Capital increase in 2015 for €1.87 million. Second capital increase of 2.47M€ in 2016.

2016-2017 Launch of the first mobile and connected karaoke systems under the iParty brand. Launch of the first "Snow Queen", "Avengers" and "Minions" licensed phones and accessories. Successful capital increase of €2.47 million on May 26, 2016. Launch of a savings plan to optimize the Group's structural costs.

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 www.lexibook.com e-commerce site. Signature of "The Voice, la plus belle voix" license. Resumption of distribution of Franklin products in France and the UK. 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 "The Voice, la plus belle voix" brand. 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 "Interpretor" instant voice translator. Capital increase to €1.5M in December 2019 and subscription of a €1.5M 5-year loan 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® radio-controlled cars, the first scientific games, new educational computers and the TrioMax screen. The Powerman is listed at Costco. Signing of the Baby Shark license with Nickelodeon and the Super Mario license with Nintendo. State-guaranteed loan of €2.18 million 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 new Crosslander® radio-controlled cars, first scientific games, 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. Signing of a multi-annual, multi-license agreement with Warner and release of the first Harry Potter-licensed products. 2 new banking partners to support growth.

2022-2023 Launch of Power Unicorn®, the first radio-controlled edutainment unicorn, Tyrex Control, the Group's first radio-controlled dinosaur, and new Powerman® Advance products. Launch of new Crosslander® Pro radio-controlled cars and new portable educational computers. Development of Internet sales in Europe and implementation of a massive European digital advertising campaign, with over a billion impressions in 1 year. Extension of Disney and Marvel licensing contracts to Asia and South America. Medium-term loans of €3.5 million to finance the Group's development.

2023-2024 Launch of 1 [er]interactive robot licensed with Mickey. Launch of the Laptab, the first real computer for children and teenagers with touch screen, educational content, secure Internet access and parental controls. Acceleration of international Internet sales. Renewal of a massive European digital advertising campaign with over a billion impressions in 1 year and 1ère major digital campaign in the USA to support the start of licensed product sales in the USA. Implementation of the new Microsoft Dynamics 365 Business Central ERP in all Group entities.

V4. Strategy

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

- Continued development in France,
- International sales development,
- New product development.

Overall, these objectives have been achieved. They remain important areas of development for the future. Building on its success in France, and to take advantage of its technological strengths, LEXIBOOK decided to expand its export sales and take an interest in the toy market, acquiring ITMC France and SPACE TOYS Hong Kong in 1998.

In addition to the initial objectives, the following were added:

- Ensure the evolution of ranges towards leisure electronics,
- Enter into and maintain major licensing agreements negotiated at Group level, with guaranteed minimum payments which may be disbursed on signature of the contract or as and when sales are achieved, 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 international customers.
- Develop brands internationally.

- **Technological innovation:** launch innovative products at affordable prices, especially for children, teenagers and seniors.
- Include more and more attractively designed leisure electronics products in the catalog, adapted to each target in terms of functionality.
- To enable users of LEXIBOOK products to access technology effortlessly and take full advantage of technical advances with ease.
- Integrate the latest technologies developed within LEXIBOOK products into LEXIBOOK toys.
- Develop ever more effective educational content adapted to the different ages of children, and integrate it into new products, in particular the new educational robots.

International sales development :

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

Upcoming trends:
Over the next few years, the consumer electronics market is expected to grow at an annual rate of 1.82% (CAGR 2022-2026). Market volume is expected to reach 8,947.8 million units by 2026.
.Source:https://www.statista.com/outlook/cmo/consumer-electronics/worldwide#:~:text=Revenue%20in%20the%20Consumer%20Electronics,US%24482.90bn%20in%202022.

The global toy market is expected to reach US$249.6 billion by 2027, with a CAGR of 7.50% between 2022 and 2027. Bearing 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. In addition to children, sales of toys and games are also expected to be driven by older consumers, particularly in segments such as action figures and accessories. Some of the other factors driving demand for toys and games are the adoption of free play, the growing popularity of educational and scientific toys, the growing demand for eco-friendly toys, and so on.

ESG

Some of the electronic products marketed by the Group are equipped with rechargeable batteries. The risk of environmental pollution is limited by the recycling measures taken by Lexibook's customers.

The company's accounting and logistics departments are responsible for complying with environmental regulations, and work on a daily basis to limit the company's impact on the environment.

The LEXIBOOK Group pursues a resolute social policy within the framework of national legislation governing its subsidiaries. In particular, it refrains from resorting to concealed labor and, more generally, undertakes to comply with all its obligations as defined in the French Labor Code.
It undertakes to respect the United Nations Convention on the Rights of the Child and the Conventions of the International Labour Organization, in particular to refrain from using child or forced labor, and 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 from recyclable materials wherever commercially possible. The company is a member of organizations that collect and recycle electronic waste in accordance with the WEEE directive.

The main environment-related tasks are as follows:
Organize waste processing management (containers, internal and external flows)
Organize selective sorting and recycle as much waste as possible
Implement actions to reduce the impact of activities on the environment
Monitor regulations and anticipate new environmental directives
Liaise with French and foreign eco-organizations in charge of recycling channels, of which the company is a member, as part of the extended responsibility of waste producers.

LEXIBOOK is involved in the following recycling schemes:
Packaging waste,
Waste batteries and accumulators,
Waste electrical and electronic equipment.

Packaging waste:

Decree no. 92-377 of April 1, 1992, entrusted packaging manufacturers with the responsibility of contributing to or providing for the elimination of packaging waste resulting from household consumption of their products.

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

Waste batteries and accumulators:

Decree no. 92-374 of May 12, 1999, stipulates that producers and importers of batteries, accumulators and appliances containing them must organize the collection, recycling and disposal of marketed products after use.

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

Waste electrical and electronic equipment:
According to Decree no. 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.

V5. Issuer's dependence on licenses

See paragraph III of this universal registration document on licensing risk.

V6. Basis for any statements made by the issuer concerning its competitive position

The data referred to by the company are internal estimates based on verbal information gathered from its distributors and customers, and on the position of LEXIBOOK products on its customers' shelves.

V7. Investments

V71. Main investments over the past three years

The company's capital expenditure consists 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, 2024 .

On March 31, 2024 , LEXIBOOK's net intangible assets consisted mainly of R&D costs (0,25 M€).

Representing 0,4 % of sales, we report the following R&D data:

In (€)

Details of intangible asset flows	03/31/2023	Increase	Decrease	03/31/2024
R&D expenses	1 038 462	56 391	9 682	1 104 535
R&D amortization	731 125	112 976	7 061	851 162
Net R&D expenses	307 337	-53 964		253 373

Non-capitalized portion of costs on abandoned	2021/2022	2022/2023	2023/2024
	535 650	607 399	625 677

Costs relating to abandoned projects or projects already launched are expensed each year.

LEXIBOOK has a research and development team based in Hong Kong. This is an essential element of the company's added value, as it concentrates its efforts on regular product development.

This team is responsible for the entire product development process, from design and specifications to the manufacture of the molds required for production. The R&D department also manages product databases and software interfaces. In particular, it ensures that new technologies are well adapted to children's products. Finally, the team manages all product certifications to ensure compliance with the standards of the various markets.

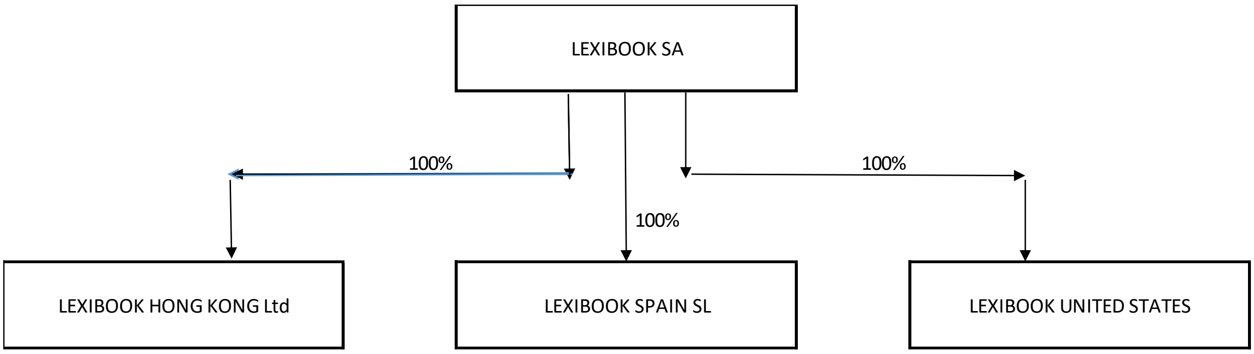
The company has no significant property, plant and equipment and is not planning any acquisitions in 2024 . On March 31, 2024 , property, plant and equipment consisted mainly of computer hardware and fixtures and fittings for the new premises of LEXIBOOK France and LEXIBOOK Hong-Kong.
To the best of the Company's knowledge, no environmental factor has had or is likely to have a significant influence, either directly or indirectly, on LEXIBOOK's operations.

V72. Main investments in progress or committed by management bodies

Not applicable

VI. Organizational structure

VI1. Group description



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

LEXIBOOK is developing its business with a staff of 69 people, whose expertise and quality have long been recognized.

Production control

With a staff of 40 , the LEXIBOOK Hong Kong subsidiary is responsible for product research and development. The product development cycle ranges from six to eighteen months, depending on the project. LEXIBOOK's primary aim is to adapt a new technology to target the consumer segment. The manufacturing process is launched as soon as the project has been validated by management.

Manufacturing involves the production of either LEXIBOOK-branded, licensed or private-label products. Private label products are manufactured exclusively by O.E.M. (Original Equipment Manufacturer). O.E.M. factories assemble components to precise specifications, resulting in the final product. LEXIBOOK will then brand these products according to customer specifications. This process enables linear production management and facilitates the handling of seasonal demands. Production units are based in China (10 factories representing around 2/3 of production and assembly). They generally occupy a surface area of 10,000 m^2 and employ over 300 people in season.

For LEXIBOOK products, integrated circuits (often developed specifically for LEXIBOOK) are first designed in Hong Kong, then "masked" (a production system ensuring the protection of systems designed by LEXIBOOK), before being mass-produced by Taiwanese or Chinese suppliers, again using the O.E.M. system. Other, non-masked components are purchased as required, for direct assembly in China. There are no factories dedicated to private label products. Plants 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 parts per month. LEXIBOOK's Hong Kong subsidiary coordinates production operations thanks to its proximity to production plants. All Group production is outsourced.

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

All finished products are then subjected to quality control to ensure that they meet both customer requirements and the specific standards in force in the recipient countries.
By working closely with OEMs and IC suppliers, LEXIBOOK benefits from relatively short lead times. The average delivery time for components is six weeks, and two weeks for manufacturing and assembly. Optimized purchasing of strategic components gives LEXIBOOK this competitive edge.

From Hong Kong to the rest of the world

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

To Europe :

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

Distribution organization

Hong Kong

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

- Group development through innovation. To achieve this, it invests in research and development and employs top-level engineers.
- Control of the manufacturing process, from the choice of plants and production tools, the purchase of components and the monitoring of manufacturing through to quality control of finished products.
- A contribution to consolidated sales of 7 .03 M€ on March 31, 2024 compared with 9 .10 M€ at March 31, 2023 .

The Group's parent company is a distribution structure, since all production takes place in China. The parent company is the decision-making body in charge of strategy. It houses almost all the Group's sales and financial teams, as well as a large part of its logistics. As part of the cost-cutting plan initiated in 2015, the workforce was reduced to 26 people on March 31, 2024 vs 32 at March 31, 2016. Indeed, since the 2015-2016 financial year, the Group has embarked on a major reorganization of its supply and distribution chain, involving greater use of dematerialization of information flows and rationalization of its activities in order to gain in efficiency and profitability. LEXIBOOK France is responsible for managing product deliveries worldwide for the non- FOB part.

VI2. List of subsidiaries

list of subsidiaries and affiliates (in €)	% owned	shareholders' equity (excluding capital)
A. Filiales détenues à plus de 50%		
Lexibook Hong Kong Limited	99.9%	7 512 988
Lexibook Iberica SL	99.9%	- 56 365
Lexibook USA	100%	- 1 371 483

VII. REVIEW OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Selected financial information

The table below sets out the Group's key accounting and operating data for the last two years. They are taken from LEXIBOOK's consolidated financial statements (presented in accordance with IFRS) for the years ended March 31, 2024 and March 31, 2023 .
This table should be read in conjunction with the consolidated financial statements and notes for the same periods (see paragraph XVIII of this Registration Document).

Key figures (in euros) on March 31, 2024 and March 31, 2023 :

Key figures (in €)	**Au 31/03/24**	**Au 31/03/23**
Share capital	3 881 660	3 881 660
Equity attributable to equity holders of the parent	16 996 216	11 947 141
Financial debt	6 606 073	8 851 615
Of which factoring	*1 914 563*	*2 847 055*
Of which quasi-equity	*4 660 869*	*5 916 178*
Cash assets	8 648 007	2 439 088
Fixed assets	2 037 048	2 021 968
Balance sheet total	**34 719 476**	**30 459 195**
Free Cash Flow (1)	**6 257 253**	**1 190 624**
Operating income	59 196 731	51 862 074
Gross margin (2)	**35 086 442**	**27 951 053**
Profit (loss) from continuing operations before finance costs and tax	5 951 189	4 251 287
Restated net margin 4 (3)	**22 628 310**	**17 405 723**
Profit on ordinary activities before tax	5 764 723	3 305 587
Consolidated net profit	**4 991 953**	**3 042 427**
Consolidated net earnings per share	**0,64**	**0,39**
Net debt to equity ratio (4)	**-12%**	**54%**
Restated net gearing ratio (5)	**-40%**	**-13%**
Dividends distributed	**0**	**0**

(1) Free cash flow represents the net change in cash and is shown directly at the bottom of the cash flow statement.
(2) Gross margin is equal to net sales minus the purchase cost of products sold, both amounts being read directly from the income statement.
(3) Adjusted net margin 4 is equal to 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 shareholders' equity.

(5) The restated net debt-to-equity ratio is calculated by taking total financial debt, restated for factoring and the counterpart to IAS17 and IFRS 16 activations, less cash and cash equivalents and quasi-equity, divided by total equity and quasi-equity. In discussions with our banking partners, financing received from VATEL, GIAC and BPI as part of a Prêt Pour l'Innovation (PPI), as well as PGEs obtained, are treated as quasi-equity and not as financial debt.

I1. Review of the consolidated financial position for the years ended March 31, 2024 , March 31, 2023 and March 31, 2022

For further information, see Chapter X - Trends.

I11. Financial position - simplified consolidated balance sheet: financial years 2023 -2024 / 20 22 -20 23

En K€	31 MARS 2024	31 MARS 2023	Var
Cash and cash equivalents	8 648	2 439	255%
Trade receivables	10 413	8 896	17%
Inventories	11 882	15 478	-23%
Intangible assets	1 350	1 524	-11%
Property, plant and equipment	414	205	102%
Financial assets	272	293	-7%
Rights to use assets	526	499	5%
Other assets	1 213	1 125	8%
TOTAL ASSETS	34 719	30 459	14%
Current bank overdrafts	15	64	-76%
Current portion of borrowings	3 424	4 135	-17%
Current portion of rental commitments	319	195	64%
Financial debt - Non-current portion	3 167	4 653	-32%
Non-current rental commitments	278	388	-28%
Operating liabilities	7 003	6 765	4%
Other operating liabilities	2 442	1 501	63%
Other liabilities	1 075	811	32%
Shareholders' equity	16 996	11 947	42%
TOTAL LIABILITIES	34 719	30 459	14%

Thanks to rigorous supply management and sustained destocking efforts against a backdrop of sustained business growth, inventory levels, net of depreciation, fell by 5 M€ in France between 2023 and 2024, offset by 1.5 M€ in the USA to support sales development on the continent. Inventory levels thus fell to 11 ,9 M€ on March 31, 2024 vs 15 ,5 M€ at March 31, 2023 .

The average rate of depreciation was 12 .2 % on March 31, 2024 versus 6 .6 % at March 31, 2023 . This average rate has risen in order to enable the Group to keep its inventory healthy and below its target of 25% of sales.

The Group repaid a total of + 1,255 K€ for the Pour l'Innovation loan from BPI, loans from GIAC and VATEL, and the PGE.

Shareholders' equity including net income for the year 20 2 3 -2024 amounted to 17 M€, a historically high level for the Group.

At the end of the year, the Group had a net cash position of €2.0 million, compared with net financial debt of €6.4 million the previous year . This change is mainly due to the repayment of short-term debt (- 1,226 ,61 K€), the change in factoring (- 961 K€) and the net change in cash and cash equivalents (+6,208 ,92 k€).

After deducting factoring guarantee funds amounting to 576 k€ on N-1, the Group's net debt stood at -2,042 K€ at 31-03-2024 vs + 5,834 K€ at 31-03-23 .

I12. Financial position - simplified consolidated balance sheet: financial years 20 22 -2023 / 2021 -2022

In thousands of euros	31 MARS 2023	31 MARS 2022	Var
Cash and cash equivalents	2 439	2 449	0%
Operating receivables	8 896	11 349	-22%
Stocks	15 478	12 064	28%
Intangible fixed assets	1 524	390	291%
Tangible fixed assets	205	240	-15%
Long-term investments	293	240	22%
Rights to use the asset	499	741	-33%
Other assets	1 125	570	97%
TOTAL ASSETS	30 459	28 043	9%
Bank overdrafts	64	1 264	-95%
Financial debt - Current portion	4 135	4 671	-11%
Current portion of rental commitments	195	288	-32%
Financial debt - Non-current portion	4 653	2 555	82%
Non-current rental commitments	388	546	-29%
Operating liabilities	6 765	7 597	-11%
Other operating liabilities	1 501	1 512	-1%
Other liabilities	811	628	29%
Shareholders' equity	11 947	8 981	33%
TOTAL LIABILITIES	30 459	28 043	9%

Intangible assets rose by €1,134,000, of which €1,213,000 related to the capitalization of new guaranteed minimums on license contracts, and a €90,000 reduction in R&D costs.

Given the high level of orders for the first few months of 2023/2024 and the shortage of components, the Group has chosen to secure its supplies by bringing in goods as soon as possible. Inventory levels thus stood at €15.5 million on March 31, 2023, compared with €12.1 million at March 31, 2022. This inventory level is in line with the production forecasts needed to meet orders and secure margins for the year.

The average rate of depreciation was 6.6% on March 31, 2023, versus 7.3% at March 31, 2022. This average rate is down due to the presence of many new items in stock, reflecting a very healthy inventory.

In fiscal year 22-23, LEXIBOOK obtained new loans totalling €3,500,000.

The Group repaid a total of €1,100.27 K for the BPI Innovation Loan, loans from GIAC, VATEL and the PGE.

Shareholders' equity, including net income for the 2022-2023 financial year, stands at €11.95 million, a historically high level for the Group.

Net debt stood at €6.41 million on March 31, 2023, compared with €6.04 million at March 31, 2022. This change is mainly due to new borrowings (+3,500 k€), the repayment of short-term debt (-1,100.27 k€), the change in factoring (-848 k€) and the net change in cash and cash equivalents (-1,190.62 k€).

After deducting factoring guarantee funds amounting to €576k, the Group's net debt stood at €5,834k at 31-03-2023, compared with €5,508k at 31-03-22.

I2. Review of the consolidated income statement for the years ended March 31, 2024 , March 31, 2023 and March 31, 2022

I21. Consolidated income statement - financial years 2023 -2024 / 2022 - 2023

In thousands of euros	31 MARS 2024	31 MARS 2023	Variation %
Net sales	58 621	51 237	14,4%
Cost of goods sold	-23 535	-23 286	1,1%
Gross margin	**35 086**	**27 951**	25,5%
External Services	-17 374	-14 848	17,0%
Taxes (excluding corporation tax)	-25	-93	-73,4%
Staff costs	-6 185	-4 965	24,6%
Other operating income and expenses	-5 551	-3 794	46,3%
Operating profit	**5 951**	**4 251**	40,0%
EBITDA	**7 259**	**4 697**	54,6%
Cost of net debt	-451	-432	4,4%
Net interest on leases	-31	-31	0,0%
Other financial income and expenses	296	-483	-161,2%
Net financial income	**-186**	**-946**	-80,3%
Profit before tax and exceptional items	**5 765**	**3 306**	74,4%
Income tax	-773	-263	193,7%
Net income	**4 992**	**3 042**	64,1%

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 EBITDA calculation, as they are included in the Group's operating margin.

1. **Sales and margin:**

Fiscal 2023-24 was another satisfactory year for the Lexibook Group. Our strategic choices have paid off, enabling us to maintain a positive momentum of sustained growth. The Group has thus achieved 18 consecutive quarters of growth between 2020 and 2023. Sales remained buoyant, thanks to high-potential new products, flagship license portfolios and the explosion of digital sales in France and abroad. Overall, for the year, sales closed at an all-time high for Lexibook, at €58.6 million (+14.4%).

FOB sales (sales invoiced directly from HK on FOB HK deliveries by full containers) fell from €9.1 million at 31/03/2023 to €7.0 million at 31/03/2024, largely offset by non-FOB sales, which rose from €42.1 million at 31/03/2023 to €51.6 million at 31/03/2024, reflecting the popularity of the Group's products among international retailers.

Over the full fiscal year, France accounted for 34% of sales vs. 39% in N-1. International sales are in fact driving growth and offer significant potential for progress.
In terms of products, sales growth was driven by educational toys, watches, electronic games, cameras and walkie-talkies, thanks to new products under the Group's own brands and licensed products.

Licensed products also contributed to this growth, both on existing dynamic licenses such as Snow Queen, Pat Patrol and Spiderman, and on new licenses such as Super Mario, Miraculous, Barbie, Wish and Stitch.

Lastly, the Group's digitalization is bearing fruit: digital sales are rising sharply (around 30% growth between 2022 and 2023) both in France and in other markets, thanks in particular to a massive, Europe-wide digital marketing campaign for the Group's new products.

Against a backdrop of a 3.6% rise in the euro against the USD in 1 year, and a very significant reduction in freight costs, the Group's margins logically improved as Lexibook succeeded in maintaining its prices, or even increasing them in a targeted manner, and continued to launch a number of highly profitable new products. Gross margin for the year was a very high 60.0% vs. 54.6% for the previous year, up 7.2 M€ vs. N-1, and following an increase of 4.3 M€ the previous year.

The evolution of ocean freight costs between 2020 and 2024 has been marked by several factors. Here are the main factors contributing to this increase :

1. Increasing demand: The growth of e-commerce, economic recovery and inventory replenishment have resulted in strong demand for sea freight. Certain trade routes, notably from Asia to Europe and North America, experienced particularly high demand. Freight rates for these routes have risen significantly.
2. Supply chain bottlenecks: Port congestion and equipment shortages impacted ship availability and the flow of goods. The COVID-19 pandemic, geopolitical disruptions and route changes led to unplanned stockpiling of goods and labor shortages, intensifying these problems.
3. Rising operating costs: Fuel, maintenance and wage costs have increased. Fuel prices have risen considerably, and the shortage of workers in the industry has also resulted in higher labor costs1.

In France, sea freight prices peaked in the third quarter of 2022, with an index of 213.2 points2. In addition, road haulage costs have also seen strong inflation, with an expected increase of up to 5.2% in 2024.

The table below shows gross margin, gross margin adjusted for currency impacts included in financial income and exceptional items included in gross margin, and net margin 4 after advertising contributions and royalties:

	31 MARCH 2024	31 MARCH 2023
Net sales	58 620 967	51 236 987
Cost of goods sold	-23 534 525	-23 285 934
Gross margin	**35 086 442**	**27 951 053**
Gross margin rate	**59,9%**	**54,6%**
Net foreign exchange impact	331 147	-401 341
Adjusted gross margin	**35 417 589**	**27 549 712**
Adjusted gross margin	**60,4%**	**53,8%**
Advertising contributions	8 240 944	6 524 906
Royalties	4 548 335	3 619 083
Adjusted net margin 4	**22 628 310**	**17 405 723**
Adjusted net margin 4	**38,6%**	**34,0%**

Thanks to targeted price increases in 2022 and the launch of new high-margin products, the gross margin adjusted for currency effects rose by 6.6 points to 60.4%. This €7.1 million rise was made possible by price and volume increases in a context of rising raw material costs, enabling economies of scale and optimization of logistics costs, despite freight costs remaining at a very high level compared with the "pre-Covid" period.
This increase in gross margin is partly reflected in the restated net 4 margin, which rose to €22.6m from €17.4m a year earlier, reflecting higher advertising expenditure and a slight increase in the share of licensed products in total sales.

2. Operating income:

Taking advantage of the positive momentum, Lexibook renewed a major international digital advertising campaign which again generated over a billion digital impressions in 1 year on its products in the EMEA zone, extended at the end of 2023 for the first time to the USA, giving the brand unrivalled notoriety. Total advertising expenditure, including advertising contributions from customers, thus rose significantly by 747 K€ to 7.3 M€ vs. 6.5 M€ in N-1. External services remained at a high level of 17.4 M€, mainly due to increased advertising expenditure and logistics services linked to the growth in business volume.
Personnel costs rose by €1.2 million, mainly due to the provisioning of bonuses in view of the increase in business and the hiring of several new employees.

Other operating expenses were up (1.6 M€), notably due to a 0.9 M€ increase in royalty expenses linked to the rise in business due to the net improvement in customer/supplier provisions this year, and to advertising expenses to support product consumption and Group brand awareness.

Finally, thanks to margin growth and despite substantial advertising investment during the fiscal year, Group operating income rose faster than sales, reaching €6.0 million versus €4.3 million in N-1.

3. Net financial expense:

The €759,000 improvement in net financial income was mainly due to the €732,000 change in net foreign exchange gains on the evolution of the USD/EUR exchange rate. Despite the increase in sales, the cost of debt rose by only 30 K€, due to the optimized use of short-term financing lines, mainly as a result of the favorable trend in working capital thanks to the significant reduction in inventory levels. For the first time, the Group also benefited from financial income linked to the investment of its cash on term accounts after the Christmas season.

	31/03/2024	31/03/2023
Cost of net debt (income/expense)	**-462 154**	**-432 272**
Net interest on leases	**-19 917**	**-30 805**
Foreign exchange gains	2 811 407	1 061 370
Foreign exchange losses	-2 581 004	-1 423 448
Remeasurement of derivative financial instruments at fair value	100 744	-39 263
Sub-total currency impact	**331 147**	**-401 341**
Other financial income	86 896	7 933
Financial provisions	0	0
Other financial expenses	-122 438	-89 215
Sub-total Other	**-35 542**	**-81 282**
TOTAL FINANCIAL RESULT	**-186 466**	**-945 700**

Income tax expense for the period amounted to 772.8 K€, reflecting changes in the value of deferred tax assets (195.8 K€) and provisions for corporation tax payable (577 K€).

Against this backdrop, consolidated net income for the year ended March 31, 2024 was 4,992 M€ versus 3 042 M€ at March 31, 20 23.

Upcoming trends :

The Group presented its 2024 collections to international retailers, and the response to new products was positive. Bookings for the 2024 Christmas campaign are encouraging and point to a new 2024-25 financial year in line with 23-24. The order book for Q1 2024-25 points to an increase in business compared with last year, and Lexibook hopes to maintain its momentum this year.

Several renewals of license agreements expiring in the next few months are currently being negotiated, and the Group aims to extend them to new regions. Nevertheless, the Group is seeing the emergence of new competitors in the territories in which it operates and is attempting to consolidate its positions to consolidate its leadership. In the USA, Lexibook faces fierce competition from powerful, long-established players, which complicates the extension of licensing contracts in the region, slows the Group's growth and increases local risks.

The euro/US dollar exchange rate was less favorable in the first half of the fiscal year. International freight conditions also deteriorated sharply due to the Red Sea shipping crisis. This is impacting delivery times and costs for the Group's products and will affect Group margins if they remain at current levels or deteriorate further.

The change in financial management has led to delays in confirming bank lines for the season and renewing lines for 2025, with some lines expiring in the second half of 2024. The Group plans to restructure its bank lines over the next few years.

I22. Consolidated income statement - financial years 2022 -2023 / 2021 - 2022

In thousands of euros	31 MARS 2023	31 MARS 2022	Variation %
Net sales	51 237	45 249	13,2%
Cost of goods sold	-23 286	-21 637	7,6%
Gross margin	**27 951**	**23 612**	18,4%
External Services	-14 848	-10 753	38,1%
Taxes (excluding corporation tax)	-93	-82	13,2%
Staff costs	-4 965	-4 474	11,0%
Other operating income and expenses	-3 794	-3 966	-4,3%
Operating profit	**4 251**	**4 337**	-2,0%
EBITDA	**4 697**	**5 426**	-13,4%
Cost of net debt	-432	-318	35,9%
Net interest on leases	-31	-38	-18,9%
Other financial income and expenses	-483	21	-2398,2%
Net financial income	**-946**	**-335**	182,3%
Profit before tax and exceptional items	**3 306**	**4 002**	-17,4%
Income tax	-263	-257	2,4%
Net income	**3 042**	**3 745**	-18,8%

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 EBITDA calculation, as they are included in the Group's operating margin.

1. **Sales and margins** :

Fiscal year 2022-23 was a particularly satisfactory one for the Lexibook Group. Our strategic choices have paid off, enabling us to establish a positive dynamic of sustainable growth. The Group has achieved 15 consecutive quarters of growth between 2020 and 2022. Sales remained buoyant, thanks to new high-potential products, our portfolio of flagship licenses, and the explosion of digital sales in France and abroad. Overall, for the year, sales closed at an all-time high for Lexibook, at €51.2 million (+13.3%). FOB sales (sales invoiced directly from HK on FOB HK deliveries by full containers) and non-FOB sales grew in tandem, reflecting the enthusiasm for the Group's products among international retailers.

Over the full fiscal year, France accounted for 38% of sales, up 17%. International sales are also driving growth, and offer considerable potential.
In terms of products, sales growth was driven by toys, watches, musical instruments and walkie-talkies, thanks to new products for the Group's own brands and licensed products. Sales growth was spectacular in toys, up 29% and now accounting for 44% of total sales, with the success of the Powerman® robot range, Crosslander® radio-controlled vehicles, educational products and electronic games. Alarm clocks, audio and music products are also particularly popular, with growth of +12%, +10% and +10% respectively.

Licensed products also contributed to this growth, both on existing, very dynamic licenses such as Snow Queen, Patrol and 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 for the Group's new products. This campaign generated more than a billion digital impressions of the Group's products, mainly in Europe, helping to boost Lexibook brand awareness to an unprecedented level.

The table below shows gross margin, gross margin adjusted for currency impacts included in financial income and exceptional items included in gross margin, and net margin 4 after advertising contributions and royalties:

	31 MARCH 2023	31 MARCH 2022
Net sales	51 236 987	45 248 664
Cost of goods sold	-23 285 934	-21 636 701
Gross margin	**27 951 053**	**23 611 963**
Gross margin rate	**54,6%**	**52,2%**
Net foreign exchange impact	-401 341	13 985
Adjusted gross margin	**27 549 712**	**23 625 948**
Adjusted gross margin	**53,8%**	**52,2%**
Advertising contributions	6 524 906	4 467 185
Royalties	3 619 083	3 035 116
Adjusted net margin 4	**17 405 723**	**16 123 647**
Adjusted net margin 4	**34,0%**	**35,6%**

Thanks to targeted price increases in 2022 and the launch of new high-margin products, gross margin adjusted for currency effects rose by 2.4 points to 54.6%. This €4.3 million rise was made possible by price and volume increases in a context of rising raw material costs, enabling economies of scale and optimization of logistics costs, despite freight costs remaining at a very high level compared with the "pre-Covid" period.
This increase in gross margin is partly reflected in the restated net margin 4, which rose to €17.4m from €16.1m a year earlier, reflecting higher advertising expenditure and a slight increase in the share of licensed products in total sales.

2. Operating income:

Taking advantage of the positive momentum, Lexibook launched a major international digital advertising campaign, generating over a billion digital impressions in 1 year for its products in the EMEA zone, coupled with a TV advertising campaign in France. External services rose by €4.1 million, mainly as a result of increased advertising expenditure and logistics services linked to growth in business volumes and inventory levels.
Personnel costs rose by €0.5m, mainly due to the provisioning of bonuses in view of the increase in business.
Other operating expenses were down slightly (-0.2 M€) despite a 0.6 M€ increase in royalty expenses linked to the rise in activity, due to the net improvement in customer/supplier provisions this year.

Finally, despite the substantial advertising investment of over €2 million in 2022 and the exceptional rise in logistics costs, the Group's operating income held steady at €4.3 million vs. €4.3 million in N-1, thanks to the increase in sales volume and the maintenance of margin levels.

3. Net financial expense:

Net financial income was down 610 K€, mainly due to the 387 K€ variation in net foreign exchange gains on the evolution of the USD/EUR exchange rate. The cost of debt rose by 114 K€ due to the increased use of short-term financing lines, mainly as a result of changes in working capital requirements and, in particular, higher inventory levels. Against a backdrop of uncertainty about the end of the pandemic, the Group has opted to secure its supplies, even if this means carrying a higher-than-normal level of inventory for several months.

	31/03/2023	31/03/2022
Cost of net debt (income/expense)	**-432 272**	**-318 185**
Net interest on leases	**-30 805**	**-38 210**
Foreign exchange gains	1 061 370	364 093
Foreign exchange losses	-1 423 448	-389 301
Remeasurement of derivative financial instruments at fair value	-39 263	39 193
Sub-total currency impact	**-401 341**	**13 985**
Other financial income	7 933	52 563
Financial provisions	0	-10 000
Other financial expenses	-89 215	-35 600
Sub-total Other	**-81 282**	**6 963**
TOTAL FINANCIAL RESULT	**-945 700**	**-335 447**

Income tax expense for the period amounted to €263,000, reflecting changes in the value of deferred tax assets (€160,000) and provisions for corporate income tax payable (€423,000).

Against this backdrop, consolidated net income on March 31, 2023 was €3.042 million, compared with €3.74 million at March 31, 2022.

VIII. CASH AND EQUITY

VIII1. Simplified information on the issuer's shareholders' equity

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

Statement of changes in equity

For the year ended 31 March 2024

Attributable to owners of the Company

In euros	Note	Share capital	Share premium	Conversion reserve	Cover reserve	Stock options	Treasury share reserves	Equity component of convertible bonds	Retained earnings	Total shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 338 649**	**0**	**-**	**- 22 412**	**-**	**1 189 108**	**11 947 141**	**-**	**11 947 141**
Total profit for the period												
Net income									4 991 953	4 991 953		4 991 953
Other comprehensive income				53 063			6 221		- 2 162	57 122		57 122
Total profit for the period		**-**	**-**	**53 063**	**-**	**-**	**6 221**	**-**	**4 989 791**	**5 049 075**	**-**	**5 049 075**
Transactions with the Company's owners												
Contributions and distributions												
Issue of ordinary shares										-		-
Issue of convertible bonds												
Treasury shares sold												
Dividends												
Total contributions and distributions		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in interest shares										-		-
Acquisition of non-controlling interests with no change in control										-		-
Total change in interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company		**-**	**-**	**53 063**	**-**	**-**	**6 221**	**-**	**4 989 791**	**5 049 075**	**-**	**5 049 075**
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 285 586**	**0**	**-**	**- 16 191**	**-**	**6 178 899**	**16 996 216**	**-**	**16 996 216**

Statement of changes in equity

For the year ended 31 March 2023

Attributable to owners of the Company

In euros	Note	Share capital	Share premium	Conversion reserve	Cover reserve	Stock options	Treasury share reserves	Equity component of convertible bonds	Retained earnings	Total shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance at 31 March 2022		**3 881 660**	**7 237 431**	**- 284 714**	**0**	**-**	**-**	**-**	**- 1 853 052**	**8 981 328**		**8 981 328**
Total profit for the period												
Net income									3 042 427	3 042 427		3 042 427
Other comprehensive income				- 53 935			- 22 412		- 267	- 76 614		- 76 614
Total profit for the period		**-**	**-**	**- 53 935**	**-**	**-**	**- 22 412**	**-**	**3 042 160**	**2 965 813**	**-**	**2 965 813**
Transactions with the Company's owners												
Contributions and distributions												
Issue of ordinary shares										-		-
Issue of convertible bonds												
Treasury shares sold												
Dividends												
Total contributions and distributions		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in interest shares										-		-
Acquisition of non-controlling interests with no change in control										-		-
Total change in interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company		**-**	**-**	**- 53 935**	**-**	**-**	**- 22 412**	**-**	**3 042 160**	**2 965 813**	**-**	**2 965 813**
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 338 649**	**0**	**-**	**- 22 412**	**-**	**1 189 108**	**11 947 141**	**-**	**11 947 141**

VIII2. Cash-flow

See Note 29.1 on liquidity risk.

VIII3. Borrowing terms and financing structure

See Note 29.1 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 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 meets all mechanical, chemical, electrical and flammability standards, guaranteeing the compliance of LEXIBOOK products 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 materially affected, or are likely to materially affect in the future, either directly or indirectly, LEXIBOOK's operations.

X. TREND INFORMATION

X1. Business trends since the end of the last financial year to the date of the universal registration document

The Group presented its 2024 collections to international retailers, and the new items were well received. Listings for the 2024 Christmas campaign are very encouraging and point to a new 2024-25 financial year in line with 23-24. The order backlog for Q1 2024-25 points to an increase in business compared with last year, and LEXIBOOK hopes to maintain its momentum this year.

Several renewals of license agreements expiring in the next few months are currently being negotiated, and the Group aims to extend them to new regions. Nevertheless, the Group is seeing the emergence of new competitors in the territories in which it operates and is attempting to consolidate its positions in order to consolidate its leadership. In the USA, LEXIBOOK is facing fierce competition from powerful, long-established players, which is complicating the extension of licensing contracts in the region, slowing the Group's growth and increasing local risks.

The euro/US dollar exchange rate was less favorable in the first half of the fiscal year. International freight conditions also deteriorated sharply due to the Red Sea shipping crisis. This is impacting delivery times and costs for the Group's products and will affect Group margins if they remain at current levels or deteriorate further.

The change in financial management has led to delays in confirming bank lines for the season and renewing lines for 2025, with some lines expiring in the second half of 2024. The Group plans to restructure its bank lines over the next few years.

SERVICE

In order to reduce the level of after-sales returns, the Group generally sells merchandise to distributors 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 after-sales service for the most technical products, such as tablets, to a specialist company. The Group has succeeded in making its production more reliable by reinforcing its quality requirements, controls and after-sales policy. This proactive policy has helped to 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 been at a low point for the past 4 years in terms of both returns and credit notes. With the significant increase in activity over the last 3 years, the Group has maintained its quality standards and thus succeeded in keeping the number of products processed by the after-sales service in 2023-24 close to the level of 2022/2023 and 2020/21:

Processed products	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Exchange	230	284	281	416	461
Credit	2926	1068	1590	2874	2781
Repair	651	467	271	164	37
Verification	100	116	67	31	6
Total	**3907**	**1935**	**2209**	**3485**	**3285**

There have been no significant changes in the Group's financial performance between the end of the last fiscal year for which financial information was published and the date of this universal registration document.

X2. Known trend, uncertainty, demand or any event reasonably likely to have a material impact on the issuer's prospects

LEXIBOOK's priority is to continue to develop its intense sales activity, focusing on customers who still have potential, particularly internationally. Alongside the traditional network, LEXIBOOK has stepped up the pace of its digitalization process and the development of online sales. Not only is the product catalog now available on the main European e-tailers, but an aggressive policy of targeted digital communication has also been put in place, enabling widespread business growth in France and internationally over the 2022-23 and 2023-2024 financial years. LEXIBOOK intends to build on this momentum in 2024-25 by strengthening the most effective ways of making its products visible and boosting consumption. The group is particularly targeting the American market, where it plans to replicate the success achieved in France. A commercial alliance strategy with a leading American player is currently under consideration, which could boost sales and open up new growth prospects.

XI. PROFIT FORECASTS OR ESTIMATES

XI1. Issuer's declaration

Not applicable.

XII. ADMINISTRATIVE, MANAGEMENT, SUPERVISORY AND GENERAL MANAGEMENT BODIES

XII1. Corporate officers and corporate governance bodies

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

- any conviction for fraud within the last five years.
- 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,
  - General partner,
  - founder of a company founded less than 5 years ago,
  - General manager ;
- of an official public incrimination and/or sanction pronounced against him or her, or against 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 prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during at least the last five years."

XII11. Executive Committee

The current composition of the Executive Committee is as follows:

- **Aymeric Le Cottier**

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

  Born April 7, 1969

  A graduate of EDHEC and holder of a Master's degree from 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 Sales Director in 1997. He has been Chairman of the Management Board since December 19, 2006.

- **Emmanuel Le Cottier**

  General Manager, Head of Sales and Business Development.

  Born April 7, 1969

  A graduate of ESC Lille and the University of Granada (Spain), Emmanuel Le Cottier began his career in Total's Finance Department in 1994. In 1995, he joined LEXIBOOK in the Management Control department. He was appointed Managing Director in charge of Group Sales and Business Development in 2002.

- **Delphine Le Lan**

  Marketing Director

  Born 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.

The Group is currently looking for its new Chief Financial Officer (CFO). This transitional situation could disrupt regular financial reporting and, if prolonged, could have an impact on the production of financial data and hinder strategic decision-making. The Group is making every effort to fill this position as quickly as possible, in order to minimize any potential disruption.

XII12. Executive Board

The Executive Board met 7 times during the year 202 3-202 4.
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.

Emmanuel Le Cottier, Member of the Management 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 more specific expertise in product strategy and market development strategy respectively.

XII13. Supervisory Board

The Supervisory Board met on 12 times during the year 20 23-202 4.

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

- **Luc Le Cottier**
  Born February 17, 1943.
  EDHEC
  Father of Aymeric and 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 managing director of GEPRIM and ELVECO before creating LEXIBOOK in 1993, and a director of REALTRACE until the end of 2019.

  As Chairman and Founder of the LEXIBOOK Group, he has an intimate knowledge of the company, its customers, its markets and their needs. These qualities, combined with his strategic vision, have made a major contribution to the Group's development.

- **Caroline PUECHOULTRES, Independent member,**

  Born 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.
  Her expertise in Marketing, Commerce and Digital includes ten years' experience at Club Méditerranée as GM of Global Strategy, and more recently as Sales & Marketing Director for Intermarché and Carrefour Supermarché.
  She is now Executive Vice President in charge of Customer Strategy at Group level, corporate officer and member of the Management Board of the Unibail Rodamco Westfield group.
  Graduated from HEC business school in 1991 (Marketing major 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 February 24, 1956
  As a lawyer, he brings particular expertise in risk identification and prevention.

  He owns 20 LEXIBOOK shares

- **Pascal Gandolfini, Independent member**

  Born June 8, 1961
  Diploma in Electrical Engineering with electronics option in 1981
  Finance training for Cégos executives in 2000
  1982 - 1986 worked in electronics product development for the Rafale fighter plane
  1986 - 1994 joined Elexience as sales manager
  1994 - 2000 buys Elexience with 2 partners and creates Milexia after the acquisition of the Italian company Microelit
  Today, as Chairman of Milexia, he brings a wealth of commercial and financial expertise to the table, as well as business expertise. His company operates in a similar way to LEXIBOOK, with Milexia buying products in Asia and the USA and reselling them in France and Europe on a B-to-B basis. In particular, they market "hardened" products for professional customers.

  He owns 400 LEXIBOOK shares

- **Bénédicte EVEILLARD**

  Born February 5, 1972

After graduating from the Institut Supérieur du Commerce (ISC Paris) in 1995 and obtaining a DUT in Marketing Techniques, she specialized in communications and press relations. After two stints in Parisian communications agencies, she took over as head of communications for the town of Gif sur Yvette (Essonne). She then turned to raising her three children and to acting and writing plays.

She holds no other office

She owns 1,950 LEXIBOOK shares.

- **Valérie GUICHARD-SCHMID**

Born January 31, 1973

Former Managing Director of Tigre-Yoga, the online wellness course distribution platform, she has spent her entire career in the digital sector: previously Chief Communication Officer at Molotov, the online TV platform, she also worked for the M6 group as Diversification Director at M6Web and Director of the MCN Golden Network, where she created the Rose Carpet digital channel on Youtube (+1m subscribers). She then joined TF1 as Sales Director for Studio71, the group's multi-channel network. Valérie Guiard-Schmid has also held the position of Advertising Manager France/Europe at Meetic and AlloCiné.

She owns 2769 LEXIBOOK shares.

XII2. Conflicts of interest in administrative, management, supervisory and executive bodies

There is no conflict of interest between the duties to the issuer of any member of the Executive or Supervisory Boards 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 buildings located at 6 avenue des Andes - Bâtiment 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. Over the financial year 2023 -2024 , 162 K€ in expenses.

2/ Legal advice contract between LEXIBOOK and SELARL A&C AVOCATS, in which Gérard Abadjian, member of the Supervisory Board and Audit Committee, is a shareholder. In fiscal year 2023 -2024 , the following amounts were booked 38.77 K€ in expenses.

XIII. COMPENSATION AND BENEFITS

COMPENSATION POLICY FOR CORPORATE OFFICERS

Approval of the compensation policy for the Company's corporate officers (6ème to 8ème 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 12, 2024 (the **"Ordinary General Meeting"**) to approve the remuneration policy for the Company's corporate officers (members of the Executive Board and members of the Supervisory Board).
The Supervisory Board considers that the remuneration policy for the Company's corporate officers is in line with the Company's corporate interests, and contributes to its long-term viability and business strategy, since it is based on an ongoing search for a balance between the Company's interests, recognition of executive performance and continuity of remuneration practices.

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

<u>Elements of the remuneration policy specifically applicable to members of the Executive Board by virtue of their office</u>

The Chairman of the Executive Board has had an employment contract since joining the Company. As his duties had not changed, it seemed normal to maintain this contract.

The Supervisory Board has taken a formal decision on this matter and has decided to suspend the employment contracts of the two members of the Managing Board, Aymeric and Emmanuel Le Cottier. Their contracts are to be considered as suspended ipso jure from the date of their appointment as members of the Executive Board, i.e. December 19, 2006. They will be automatically reinstated on expiry of their respective terms of office.

Fixed remuneration

Executive Board members receive fixed remuneration for their corporate offices. This is set by taking into account the fixed remuneration usually paid in the market, even if the remuneration granted to members of the Executive Board remains below this level.

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 2016 Middlenext Code, with particular assessment of the criteria of Exhaustiveness, Balance, Benchmark, Consistency, Readability of Measurement and Transparency.

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

The gross fixed annual remuneration of Mr Emmanuel LE COTTIER, member of the Executive Board, amounts to €141,500. It was set at the Supervisory Board meeting of February 1er 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 meets the following objectives:

- ✓ attract and retain the best skills,
- ✓ define a balanced compensation structure, taking into account the scope of responsibilities,
- ✓ define remuneration based on performance, particularly in relation to sales 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 remuneration of corporate officers is based on the work performed, the responsibilities assumed, and the missions entrusted to them.

The results we have achieved, with a very substantial rise in sales and earnings, are undeniable proof that the members of the Managing Board (Sales Directors at both national and international level) devote an enormous amount of time and energy to their missions, which has enabled the Company to grow.

Under these conditions, the Supervisory Board, at its meetings of October 8, 2021, and September 16, 2022, decided, in view of the scope of the work performed and the results achieved, to review the variable remuneration of the members of the Executive Board, as follows:

- ✓ Net income below 1,000,000 euros: no remuneration
- ✓ Earnings in excess of €1,000,000: payment of a €10,000 bonus.
- ✓ Earnings in excess of €1,500,000: payment of a bonus of €40,000 in addition to the previous minimum.
- ✓ Earnings in excess of €2,000,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €100,000.
- ✓ Earnings in excess of €2,500,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €150,000.
- ✓ Earnings in excess of €3,000,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €200,000.
- ✓ Earnings in excess of €3,5000,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €250,000.
- ✓ Earnings in excess of €4,000,000: payment of a bonus of €100,000 in addition to the above, up to a maximum of €350,000,
- ✓ Net income in excess of €4,500,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €400,000,
- ✓ Net income in excess of €5,000,000: payment of a bonus of €50,000 in addition to the above, up

to a maximum of €450,000,
- ✓ Net income in excess of €5,500,000: payment of a bonus of €50,000 in addition to the above, up to a maximum of €500,000,
- ✓ Net income in excess of €6,000,000: payment of a bonus of €100,000 in addition to the above, up to a maximum of €600,000,

for each member of the Executive Board.

It should be noted here that the trigger thresholds are assessed on the basis of net income prior to the allocation of the variable portion.

Exceptional compensation

The Supervisory Board may decide to grant exceptional compensation to one or more members of the Executive Board, notably in connection with special transactions carried out by the Company.
Exceptional remuneration may not exceed 50% of fixed annual remuneration.
Where applicable, the payment of exceptional compensation awarded in respect of the previous year is subject to the approval by the Annual General Meeting of the components of the compensation and benefits of any kind paid to members of the Executive Board during the previous year or awarded in respect of the said year (ex-post vote).

Other benefits of any kind

er**1/** On August 29, 2003, the Board of Directors authorized LEXIBOOK - L.E.S. to take out identical unemployment insurance policies (GSC) with GAN, effective September 1, 2003, in favor of 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, 2023:

- ➢ 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 with effect from January 1, 2009, for a benefit period of 24 months with option 2, giving each of them a total benefit of 150,956 euros over 24 months.

- ➢ At the Supervisory Board meeting of February 1, 2019, it was decided that Aymeric and Emmanuel LE COTTIER would benefit from the class 4 basic plan and the class G supplementary plan with effect from January 1, 2019, for a benefit period of 24 months with option 2, entitling each of them to an annual benefit 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 policies with GAN, identical to those taken out for 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, 2024.

3/ Expenses are reimbursed only on presentation of receipts.

<u>Elements of the remuneration policy specifically applicable to Supervisory Board members by virtue of their office</u>

Supervisory Board members are remunerated by a fixed sum allocated by the Annual General Meeting of Shareholders and distributed by the Supervisory Board among its members.
The allocation of this remuneration must take into account the diligence 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 paid for membership of any committee.

Fixed annual sum allocated by the General Shareholders' Meeting

The Ordinary Shareholders' Meeting of September 14, 2017, in its 7ème resolution, set the total remuneration of Board members at the fixed annual sum of €50,000 valid for the current financial year until further decision by the Shareholders' Meeting.

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

At the Annual General Meeting on September 9, 2019, the Board's total remuneration per financial year will remain set at €6,000, both for the 2019/2020 financial year and for subsequent financial years.

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

At the Annual General Meeting on September 14, 2022, the Board's total remuneration per fiscal year will remain set at €20,000, both for the 2021/2022 fiscal year and for subsequent years.

At the Annual General Meeting on September 13, 2023, the Board's total remuneration per financial year will remain set at €20,000, both for the 2022/2023 financial year and for subsequent years.

The total fixed amount allocated for the 2023/2024 financial year is the subject of the 13ème resolution submitted for approval to the Annual General Meeting of September 12, 2024. The amount of this remuneration remains unchanged from the previous year.

Fixed compensation for 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 reduces this sum significantly each year, waiving the balance.

This remuneration may be reviewed annually by the Supervisory Board.

At the Supervisory Board meeting of March 31, 2024, it was:

- confirmed the payment to Mr Luc LE COTTIER of the sum of 42,000 €uros, broken down as follows:
  - 6,000 in directors' fees (2022-2023 financial year)
  - 36,000 in compensation pursuant to Article L.225-81 of the French Commercial Code, corresponding to his duties as Chairman of the Supervisory Board (financial year 2022-2023).

- decided to maintain the amount of his fixed remuneration as Chairman of the Supervisory Board at €36,000, to be paid from April 1er, 2024 to March 31, 2025.

Exceptional compensation

Board members may be remunerated 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 on presentation of receipts.

Approval of the report on the remuneration of the Company's corporate officers and the remuneration paid or awarded in respect of the year ended March 31, 2024 (9ème to 12ème resolutions)

Subject to the resolutions submitted to the Shareholders' Meeting of September 12, 2024, and their approval by the shareholders, the components of the remuneration of the Chairman of the Supervisory Board, the Chairman of the Executive Board and the other members of the Executive Board in respect of the 2023/2024 financial year are presented below:
In accordance with Article L.22-10-34 II of the French Commercial Code, the Annual General Meeting of Shareholders to be held on September 12, 2024, will be asked to vote on a draft resolution concerning the information referred to in Article L.22-10-9 I of said Code.
This information concerns each corporate officer, including those whose term of office has expired and those newly appointed during the 2023/2024 financial year.
The fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the 2023/2024 financial year or granted in respect of the same financial year must therefore be

submitted to shareholders for approval by separate resolutions for the Chairman of the Supervisory Board, the Chairman of the Executive Board and the other members of the Executive Board.
Accordingly, the following subsections present the information required under the above-mentioned legislative provisions.

XIII1. Compensation paid to corporate officers

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

	2023/2024	2022/2023	2021/2022
LE COTTIER Aymeric, Chairman of the Management Board			
Remuneration due in respect of the year	761 444	510 400	510 303
Valuation of stock options granted during the year			
Valuation of performance shares granted during the year			
TOTAL	761 444	510 400	510 303
LE COTTIER Emmanuel, General Director			
Remuneration due in respect of the year	761 444	510 400	510 213
Valuation of stock options granted during the year			
Valuation of performance shares granted during the year			
TOTAL	761 444	510 400	510 213
LE COTTIER Luc, Chairman of the Supervisory Board			
Remuneration due in respect of the year (1)	42 000	40 000	40 000
Valuation of stock options granted during the year			
Valuation of performance shares granted during the year			
TOTAL	42 000	40 000	40 000

(1) The €42, ,000 due in respect of the 2023 /2024 financial year was provisioned at 31/03/2024 .

	2023/2024		2022/2023		2021/2022	
	due	paid	due	paid	due	paid
LE COTTIER Aymeric, Chairman of the Management Board						
fixed compensation	141 500	141 500	172 500	172 500	141 500	141 500
variable compensation	600 000	100 000	350 000	20 000	350 000	40 000
exceptional compensation						
directors' fees						
benefits in kind	19 944	19 944	18 900	18 900	18 803	18 803
TOTAL	761 444	261 444	541 400	211 400	510 303	200 303
LE COTTIER Emmanuel, Managing Director						
fixed compensation	141 500	141 500	172 500	172 500	141 500	141 500
variable compensation	600 000	100 000	350 000	20 000	350 000	40 000
exceptional compensation						
directors' fees						
benefits in kind	19 944	19 944	18 900	18 900	18 713	18 713
TOTAL	761 444	261 444	541 400	211 400	510 213	200 213
LE COTTIER Luc, Chairman of the Supervisory Board						
fixed compensation	36 000	0	34 000	0	34 000	0
variable compensation						
exceptional compensation						
directors' fees	6 000	0	6 000	0	6 000	0
benefits in kind						
TOTAL	42 000	0	40 000	0	40 000	0

The Chairman of the Executive Board had had an employment contract since joining the company. As his duties had not changed, it seemed normal to maintain this contract. On February 15, 2011, the Supervisory Board took a formal decision on this issue and decided to suspend the employment contracts of the two members of the Executive Board, Aymeric and Emmanuel Le Cottier. Their employment contracts are to be considered as having been suspended ipso jure since their appointment as members of the Executive Board on December 19, 2006. They will be automatically reinstated on expiry of their respective terms of office.

The benefits in kind available to corporate officers and members of the Management Board include 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 particular assessment of the criteria of Exhaustiveness, Balance, Benchmark, Consistency, Readability of Measurement and Transparency.

Corporate officers	Employment contract		Supplementary pension plan		Indemnities or benefits due or likely to be due as a result of termination or change of fonction		Indemnities relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
LE COTTIER Aymeric Chairman of the Management Board Start of term End of term	X 12/19/2006 12/17/2024			X		X		X
LE COTTIER Emmanuel General director- Member of the Management Board Start of term End of term	X 12/19/2006 12/17/2024			X		X		X
LE COTTIER Luc Chairman of the Supervisory Board Start of term End of term	12/19/2006 03/31/2024	X		X		X		X

Non-executive directors received no remuneration or attendance fees.

No performance shares have been allocated to corporate officers and none have become available.

At March 31, 2024 , the members of the Supervisory and Executive Boards together held 2 466 186 LEXIBOOK shares, including Aymeric LE COTTIER, 1,187,029 shares, Emmanuel LE COTTIER, 1,154,607 shares, Luc LE COTTIER, 1 22 170 shares, Gérard ABADJIAN, 20 shares, Bénédicte EVEILLARD, 1 950 shares, Pascal GANDOLFINI, 400 shares and Caroline PUECHOULTRES, 10 shares .

Total gross compensation paid to senior executives in respect of the year 2023 -2024 amounted to 1,564,888 euros. €. This remuneration concerns two executives in their capacity as Chairman of the Executive Board and Chief Executive Officer, and the Chairman of the Supervisory Board in respect of directors' fees and remuneration.

No loans and/or guarantees have been granted to directors since the company was founded.

A provision of €42, ,000 has been recorded in respect of remuneration and directors' fees for 2023 /2024 .

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 elements of this remuneration policy will be submitted to the vote of the next LEXIBOOK Shareholders' Meeting .

XIII2. Pensions and other benefits

Not applicable.

XIV. OPERATION OF ADMINISTRATIVE AND MANAGEMENT BODIES

XIV1. Expiry dates of terms of office of directors and officers

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

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

At March 31, 2024 , 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 year ended March 31, 2012, reappointed at the Ordinary General Meeting of June 26, 2012 for a term of six years, which expired at the Ordinary General Meeting called to approve the financial statements for the year ended March 31, 2018. Reappointed at the Ordinary General Meeting of 09/13/2018 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the 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 year ended March 31, 2012, reappointed at the Ordinary General Meeting of June 26, 2012 for a term of six years, which expired at the Ordinary General Meeting called to approve the financial statements for the year ended March 31, 2018. Reappointed at the Ordinary General Meeting of 09/13/2018 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the year ending March 31, 2024.

Pascal GANDOLFINI, born 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 year ended March 31, 2012 Term of office renewed at the Ordinary General Meeting of June 26, 2012 for six years, expiring at the Ordinary General Meeting called to approve the financial statements for the year ended March 31, 2018. Reappointed at the Ordinary General Meeting of 09/13/2018 for a term of six years, expiring at the Ordinary General Meeting called to approve the financial statements for the year ending March 31, 2024.

Caroline PUECHOULTRES, born April 12, 1969, Member of the Supervisory Board, appointed on September 10, 2013, for a term of six years, expiring at the Annual Shareholders' Meeting convened to approve the financial statements for the year ending March 31, 2019, reappointed at the Annual Shareholders' Meeting of September 14, 2020, for a term of six years, expiring at the Annual Shareholders' Meeting convened to approve the financial statements for the year ending March 31, 2025.

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 Annual General Meeting convened to approve the financial statements for the year ending March 31, 2024.

Valérie GUICHARD-SCHMID, born January 31, 1973. Member of the Supervisory Board, appointed on September 14, 2023, for a term of six years, expiring at the Annual General Meeting called to approve the financial statements for the year ending March 31, 2029.

At March 31, 2024 , 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 Annual General Meeting called to approve the financial statements for the year ended 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 on December 17, 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 Annual General Meeting convened to approve the financial statements for the year ended 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 on December 17, 2024.

Organization and Functioning of the Supervisory Board

The Executive Board determines and defines corporate strategy. The Supervisory Board ensures that measures taken by the Executive Board are in the shareholders' and the company's best interests.

The Chairman of the Supervisory Board, in direct and regular contact with all Supervisory Board members, centralizes requests and draws up a draft agenda for the next Board meeting. He ensures that this draft agenda meets the expectations of all Supervisory Board members 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 Supervisory 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 202 3-202 4.

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

Twelve Supervisory Boards met during the year from April 1er 202 3 to March 31 2024. Supervisory Board meetings were held.
The Executive Board is responsible for the quality of the information it communicates to the Board. It coordinates the Executive Committee and ensures the diligent and effective application of all measures conducive to the achievement of strategic objectives. In this respect, he implements any action he deems necessary, relying in particular on the internal control procedures in place within the company. At the annual meeting held on March 31, 202 4, 100% of Board members were present, and discussions took place on the functioning of the Board.

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

Balanced representation of men and women on the Supervisory Board

Act no. 2011-103 of January 27, 2011, introduced the principle of balanced representation of men and women on the Supervisory Boards of certain companies.
LEXIBOOK - L.E.S. is concerned by this law.
The proportion of women on Supervisory Boards may not fall below 20% at the close of the first Ordinary General Meeting held after January 1er, 2014, and 40% from January 1er , 2017.
This concern had already been raised at Audit Committees and informal meetings held prior to the aforementioned law.
The advantage of this law is that it now sets very clear deadlines for achieving this balance between men and women on Supervisory Boards.
Consequently, at its meeting on September 10, 2013, the Combined General Meeting appointed Caroline PUECHOULTRES as a member of the Board of Directors.
Following this appointment, the Supervisory Board now has 5 members, including one woman, and is therefore in compliance with Law no. 2011-103 of January 27, 2011.
During the 2016/2017 financial year one of the male members of the Supervisory Board resigned and two female candidates were put forward at the Annual General Meeting held in September 2017.

With the co-opting of these two new members, the Supervisory Board was composed of 7 members, including 3 women, i.e. 43% female members. The LEXIBOOK Group was therefore in compliance with French law no. 2011-103 of January 27, 2011.

During 2021/2022, one of the members of the Supervisory Board, whose term of office was due to expire, did not wish to renew it in view of his professional obligations and his distance from the Ile-de-France region.
At the date of the Annual General Meeting of September 14, 2022, the Supervisory Board comprised 3 men and 3 women, i.e. 50% female members.
In March 2023, one of the members of the Supervisory Board resigned, as her professional obligations took up a lot of her time and she feared that she would not be available enough to carry out her duties as a member of the Supervisory Board.

After this resignation and at March 31, 2023, the Supervisory Board will comprise 3 men and 2 women, i.e. 40% female members. The LEXIBOOK Group will therefore continue to comply with Law no. 2011-103 of January 27, 2011.
However, at the next Annual General Meeting, we will be proposing the appointment of Valérie GUIARD-SCHMIDT, currently Managing Director of Tigre-Yoga, who has spent her entire career in the digital sector and who will be an asset to the LEXIBOOK Group.
If her appointment is approved by the next Annual General Meeting, the Supervisory Board will comprise 3 men and 3 women, i.e. 50% of female members, thus exceeding the requirements of Law no. 2011-103 of January 27.

XIV2. Service contracts with corporate officers

See paragraph XII2.

XIV3. Specialized committees - Audit Committee

In view of 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 Managing 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, due to:

- that it comprises only members of the Board of Directors or the Supervisory Board who hold 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,
- 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 2016 code, which are:

- Not to have been an employee or executive officer of the company or a member of its Group during the previous five years.
- Not to have had a significant business relationship with the Company or its Group within the last two years.
- Not be a reference shareholder of the Company or hold a significant percentage of voting rights
- Have no close family ties with a corporate officer or reference shareholder,
- Must not have been the company's statutory auditor for the last six years.

At its meeting on February 15, 2011, the Supervisory Board approved the skills and independence criteria for its members as defined above.

When the Supervisory Board meets as an Audit Committee, it generally does so in an enlarged configuration, in particular to approve the annual and half-yearly financial statements. Where appropriate, members of the Executive Board are invited to attend. This meeting precedes Supervisory Board meetings, and reviews the risks set out in paragraph IV of this universal registration document.

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

LEXIBOOK does not have a compensation committee.

XIV4. Declaration on corporate governance

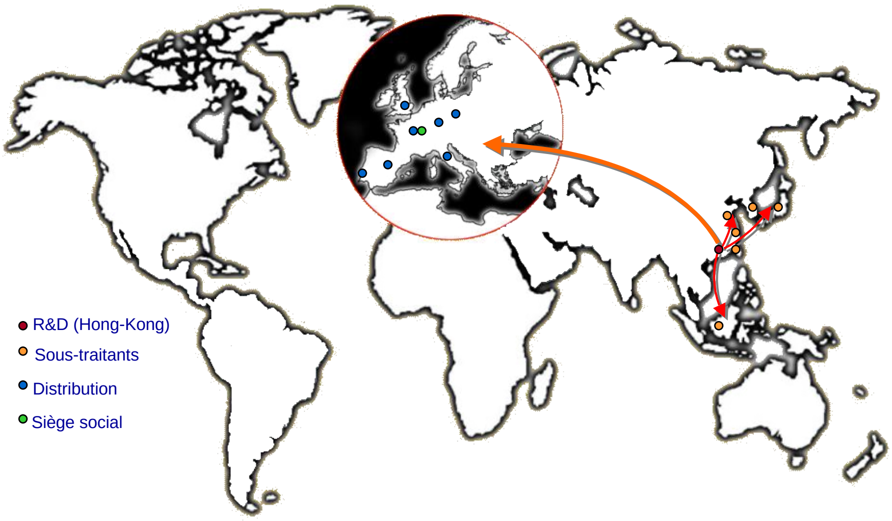
At its meeting on February 15, 2011, the Supervisory Board, having reviewed the MiddleNext Code of Corporate Governance for Small and Midcaps in its entirety, decided that its content was in line with the Company's corporate governance approach, and that the MiddleNext Code of Corporate Governance for Small and Midcaps would be the reference for the Company's report under Article L.225-68 of the French Commercial Code, with effect 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 various geographical areas, whether for 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, is active in distribution on the French and European markets. The Spanish and U.S. subsidiaries only provide service (sales support), and in principle do not 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 outsourced to IT services companies).
A set of specifications (type of product, quantity, mode of transport, etc.) is sent by LEXIBOOK SA to its Hong Kong subsidiary. The latter manages sourcing and orders directly with O.E.M. subcontractors.
LEXIBOOK Hong Kong assists O.E.M. in bringing products up to standard and complying with specifications. The subsidiary assists subcontractors in manufacturing products to meet target prices: suggestions for alternative components or construction materials, new manufacturing techniques, etc.
LEXIBOOK IBERIA acts as an office to support LEXIBOOK SA's customer service. Some domestic invoicing is carried out.
LEXIBOOK USA has no staff and is only used for billing in North America.
LEXIBOOK relies on some fifty Chinese subcontractors to manufacture its products. Integrated circuits developed by LEXIBOOK are "masked" before being passed on to subcontractors, to avoid any transfer of knowledge.

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

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 within an average of 72 hours, giving us a quality-of-service worthy of the biggest brands.

At March 31, 2024 the subsidiaries of LEXIBOOK S.A. are as follows:

List of subsidiaries and affiliates	% of shareholding and voting rights held by the Group at 31/03/2023	% of shareholding and voting rights held by the Group at 31/03/2022
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 2023 -2024

Given the impact of potential risks inherent in the sourcing and R&D functions, the Chairman of the Executive Board usually travels to Hong Kong four or five times a year to check on 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. Control work aimed at optimizing these cycles revealed no major malfunctions.

One of the objectives of the internal control system is to prevent and control risks arising from the company's activities, and the risk 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 have been totally eliminated.

Secondly, given the size of the company, internal control systems are based on a limited number of people, particularly as regards the supervision of operations and the segregation of duties.

Financial reporting procedures

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 Management Board. In 2003, these procedures were collected, analyzed and brought together in a single procedures manual ("Manuel d'Information du Management").
The procedures manual has a strong accounting and financial orientation, and almost 70% of its content is designed to provide all LEXIBOOK Group companies with rules and methods for preparing 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 local Chief Financial Officers, management reporting, the keeping and retention of legal books, insurance, accounting rules and methods, investment procedures and corresponding authorizations to incur expenditure, rules for approving 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 Chief Financial Officer is more specifically defined. The procedures manual specifies 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 keeping of the legal books in the name 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 kept and reflect as accurately as possible the financial position of the subsidiary at all times. (...) The Administrative and Financial Director:
Ensures that the subsidiary's accounting records are properly kept, that they accurately reflect the financial situation, and that they allow easy and efficient auditing in accordance with Group rules.
Ensures that ALL rules and procedures in force at LEXIBOOK are applied or that a formal dispensation request exists if exceptional circumstances justify it.
Ensures that issues raised by internal or external auditors are correctly and promptly communicated and resolved.

Ensures that tax books and related documents are kept in accordance with the rules laid down by the competent authorities.
Ensures that all financial practices of the subsidiary for which he/she is responsible comply with Group procedures, and in particular with the rules governing employee ethics.
Performs sufficient personal review of information systems, procedures and accounting elements to be fully satisfied that the above points have been achieved.
Ensures that a succession plan is in place for all key members of the Finance and Administration team.
Ensures that the responsibilities and commitment levels of management staff have been properly and appropriately defined, and that responsibilities are appropriately delegated within the strict framework of the authorizations granted to each.
It is the responsibility of the Chief Financial Officer to immediately inform the subsidiary's General Manager and the Group's Chief Financial Officer if a significant malfunction in information systems and procedures could hinder the achievement of any of the objectives assigned above."

Financial circuits

In addition to its legal obligations, the company uses various management reports to quantify the financial impact of strategic decisions taken by the Board, both in the medium term (strategic plan) and the short term (budget), to monitor the performance of subsidiaries against 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, currency position reporting, presentation of investment requests to the Executive Committee, etc.).

All management statements are drawn up in standard formats published by the parent company and in accordance with Group rules and methods. Regular reporting of these documents to head office provides multiple opportunities to ensure the overall quality of financial information.
These various reporting systems have been gradually introduced over the last few years. Today, the quality of reporting is relatively satisfactory, and there are various avenues for improvement as the company continually seeks to optimize its management tools.

Securing financial circuits

The main responsibility for controlling and analyzing information, before it is aggregated for distribution to the Executive Committee, lies with the central Management Control, Consolidation and Credit Management departments.

Audit of financial information

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

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

Limitations placed by the Supervisory Board on the powers of the Chief Executive Officer.
To date, there are no restrictions 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 compensation and benefits in kind granted to corporate officers.

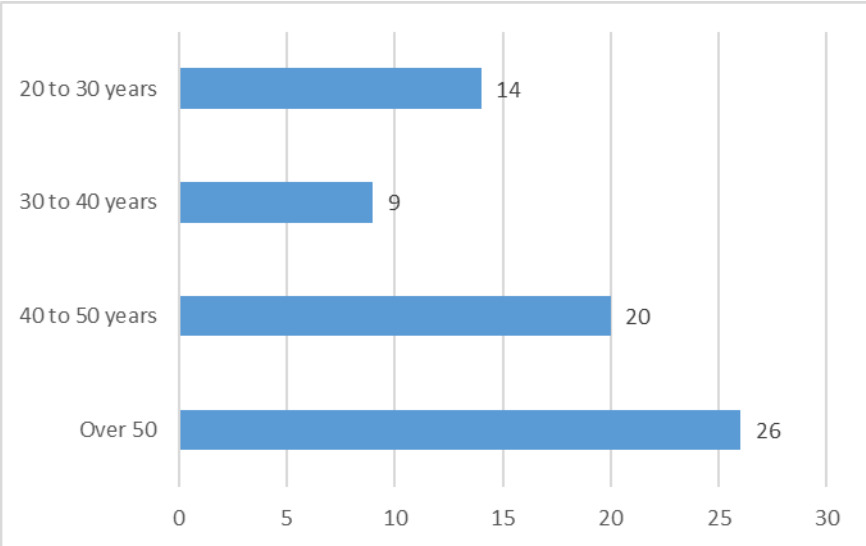
XV. EMPLOYEES

XV1. Workforce at the end of the period covered

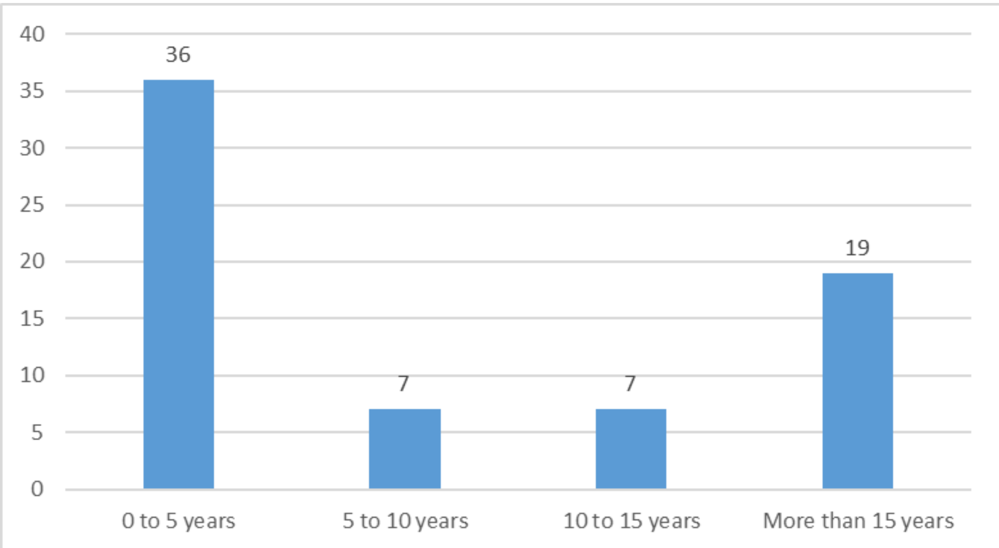
At March 31, 2024 the Group had a workforce of 69 employees, broken down as follows

- France : 26 people
- Spain : 3 people
- Hong Kong : 40 people

The average age of the workforce is:



The average length of service is as follows:



The male/female breakdown is as follows:

Men	27
Women	42
Total	69

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 activities.

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

At March 31, 2024 , the company employed 69 employees.

Group company	Permanent contract	Fixed-term contract	Professionalization contract	Apprenticeship contract	Total 03/31/2024
LEXIBOOK IBERICA	3				3
LEXIBOOK France	23	2	0	1	26
LEXIBOOK Hong Kong	40				40
LEXIBOOK US					0
	66	**2**	**0**	**1**	**69**

The company's young, dynamic population generates a classic turnover, which means that we are constantly on the lookout for candidates, mainly to replace employees who leave the company or for absences such as maternity leave.
The Group made no redundancies between April 1, 20 2 3 and March 31, 2024. :

- 0 dismissals for real and serious cause.

In addition, during this period, our company also managed a number of departures:

- 1 conventional termination,
- 8 resignations,
- 0 trial period terminations initiated by our company,
- 5 termination of trial period at employee's initiative,
- 0 retirements,
- 5 end of fixed-term contracts.

Group Company	Dismissals for serious misconduct	Dismissals for real and serious	Contractual termination	Resignations	Retirement	End of fixed-term contract	Termination of trial period	Total 31/03/2024
LEXIBOOK IBERICA	0	0	0	0	0	0	0	0
LEXIBOOK France	0	0	1	1	0	3	5	10
LEXIBOOK Hong Kong	0	0	0	7	0	3	0	10
LEXIBOOK US	0	0	0	0	0	0	0	0
	0	**0**	**1**	**8**	**0**	**6**	**5**	**20**

the number of overtime hours worked by Lexibook France employees over the period from April 1 er2023 to March 31 2024 amounts to 493.57 hours, representing a gross cost of 9,630.97 euros.

B) Organization of working hours, working hours for full-time and part-time employees, absenteeism and the reasons for it.

At LEXIBOOK France, work is essentially organized on the basis of 39-hour weekly schedules or 37.5-hour weekly schedules with days off (RTT), with the exception of fixed-price executives and senior managers.

Since the end of 2008, all new hires of non-managerial or managerial staff who do not benefit from fixed-rate day contracts are systematically based on 39-hour weekly schedules.
The "LEXIBOOK Hong-Kong" company's work is essentially organized around 45-hour weekly schedules.

The company's overall absenteeism rate is insignificant.

C) Remuneration and remuneration trends, social security charges, application of the provisions of Title IV of Book IV of the French Labor Code (profit-sharing, incentive schemes, employee savings plans), and gender equality in the workplace.

Increases are always granted in accordance with the principles of fairness between employees and the preservation of the company's competitiveness. General annual increases may be granted, accompanied by individual increases linked to the development of functions, 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 scheme based on the amount of consolidated net income, which is designed to encourage, retain and motivate them.
Payroll costs for 2023 /2024 amounted to 1,291 614 representing a total payroll (charges + remuneration) of €6,184,721. or 10.55 % of sales for the year (compared with 9.69 % the previous year).

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

D) Industrial relations and collective agreements

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

E) Health and safety conditions and social benefits

As the Company's average headcount in France during the year was less than 50, there is no such committee.

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 spends on training, potentially for all 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 professional training for its employees and spends its entire training budget every year.

G) Employment and integration of disabled workers

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

H) The importance of subcontracting and the way 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 mainly buys its products from several factories in Asia. LEXIBOOK France and its subsidiaries are then responsible for marketing them.
LEXIBOOK has drawn up precise specifications for its factories, requiring them to strictly apply the principles of the ILO's fundamental conventions, particularly with regard to child labor. These factories are visited at least once a year by a member of Group management to ensure compliance with these principles and/or by independent auditing firms.

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

The location of the parent company on the "Des Ulis" site has created jobs 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

NEANT

XVI. MAJOR SHAREHOLDERS

XVI1. Current ownership of share capital and voting rights

The breakdown of capital at March 31, 2024 is as follows:

Actionnaires	Nombre d'actions	% du capital	Nombre de droits de vote	% des droits de vote
Luc Le Cottier	122 170	1.57%	189 634	1.88%
Aymeric Le Cottier	1 187 029	15.29%	2 329 375	23.07%
Emmanuel Le Cottier	1 154 607	14.87%	2 271 879	22.50%
Famille Le Cottier	1 200	0.02%	2 400	0.02%
Concert familial	2 465 006	31.75%	4 793 288	47.46%
Actions identifiées à droit de vote double	7 304	0.09%	14 608	0.14%
Actions identifiées à droit de vote simple	42 038	0.54%	42 038	0.42%
Vatel Capital	488 750	6.30%	488 750	4.84%
Public	4 760 221	61.32%	4 760 221	47.14%
Total	7 763 319	100.00%	10 098 905	100.00%

The company is 31 controlled.75 % by members of the Le Cottier family (Parents & Fils), who act in concert. No specific measures have been taken to ensure that this control is not exercised abusively, apart from the existence of the Supervisory Board.

XVI2. Differentiated voting rights

In accordance with paragraph 18.2 of Appendix 1 of European Regulation no. 809-2004, we inform you that the main shareholders do not have different voting rights from the other shareholders, except for the allocation of double voting rights declared by the Le Cottier family for 2 328 282 shares.

In accordance with the 14th resolution, on December 9, 2010, the Management Board carried out a capital increase of €18,100.50 through the issue of 36,201 new shares.

In accordance with the 15th resolution, on February 24, 2011, the Management Board carried out a capital increase of 1,164,269 euros 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 Management Board meeting of January 2, 2012, carried out a €21,020 capital reduction through the cancellation of 42,040 treasury shares held by the Company.

In accordance with the 2nd resolution, on January 27, 2012, the Management Board carried out a capital increase of €120,482.50 through 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 additional paid-in capital.

In accordance with the 2nd resolution, the Management Board meeting of May 12, 2014, carried out a capital increase by 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 additional paid-in capital.

In accordance with the 19th resolution of the Extraordinary Shareholders' Meeting of July 24, 2015, on August 3, 2015, the Management Board carried out a capital increase with cancellation of preferential subscription rights, of 413,338.50 euros through the issue of 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 Management Board meeting of May 26, 2016, carried out a capital increase with preferential subscription rights, of 644,893.50 euros through the issue of 1,289,787 new shares with an issue premium of 1.50 euro per new share.

In accordance with the 17th resolution of the Extraordinary General Meeting of July 24, 2015, the Management Board on May 22, 2017, issued bonus BSARs on the basis of 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 Annual General Meeting of September 13, 2018, on December 11, 2019, the Management Board carried out a capital increase through the issue of ordinary shares with waiver of pre-emptive subscription rights via an offer governed by 1° of Article L.411-2 of the French Monetary and Financial Code (formerly worded L.411-2-II) of €468,750 through the issue of 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 breakdown of capital and voting rights.

XVI3. Control of the company

See § XVI 1

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

Not applicable

XVII. TRANSACTIONS WITH RELATED PARTIES

During the years ended March 31, 2024 , 2023 and 20 22 and up to the date of this Universal Registration Document, the Company entered into the following agreements with related parties:

For transactions concluded on current terms:

No agreements, other than those relating to ordinary transactions and entered into on arm's length terms, were concluded during the 2023 -2024 financial year, either 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 governed by regulated agreements

Statutory auditors' special report
on regulated
agreements
General Meeting to approve the financial statements for the year ended March 31, 20 24

At the Lexibook Linguistic Electronic System Annual General Meeting,

In compliance with the assignment entrusted to Grant Thornton by your Annual General Meeting of September 14, 2021, and in compliance with the additional assignment entrusted to S&W Associés by your Annual General Meeting of May 21, 2024, pursuant to the provisions of Article L.821-5 of the French Commercial Code, we hereby report to you on regulated agreements.

Our responsibility is to report to shareholders, based on the information provided, about the main terms and conditions of agreements that have been disclosed to us and the reasons why they are of interest to the Company. We are not required to comment as to whether they are beneficial or appropriate, nor to identify any undisclosed agreements or commitments. It is your responsibility, under the terms of article R.225-58 of the 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 performance during the year of agreements already approved by the Shareholders' 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 type of engagement. These procedures consisted in verifying that the information given to us is consistent with the source documents from which it has been extracted.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE ANNUAL GENERAL MEETING

In accordance with article L.225-88 of the French Commercial Code (Code de commerce), we have been advised of the following agreements entered into during the year which were authorized by your Supervisory Board.

Guarantee given by Lexibook Linguistic Electronic System S.A. for standard letters of guarantee for USD 3.611 million

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on January 30, 2024, 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 100% subsidiary of Lexibook Linguistic Electronic System S.A., for the period from February 1, 2024, to January 31, 2025, in the following amounts:

For BNP PARIBAS :

- SBLC in favour of BNPP Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: $1,781,339, or €1,548,990.

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, or €1,156,294.

- SBLC in favor of HSBC Hong Kong to fully hedge the lines granted to Lexibook Hong Kong Limited: $500,000, or €434,782.

Reasons justifying the interest of this agreement for Lexibook:

The implementation of these SBLCs will enable the aforementioned credit lines to be maintained, in the interests of LEXIBOOK Hong-Kong, a 100% subsidiary of LEXIBOOK - L.E.S.

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

Debt waiver

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:
At its meeting on July 2, 2018, the Supervisory Board had 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 at March 31, 2018, in order to restore its net book position. This waiver was subject to a return to profit clause valid for ten years from July 2, 2018.

At its meeting on May 30, 2023, the Supervisory Board decided to definitively waive in favor of the Chinese subsidiary, LEXIBOOK Hong-Kong, the claim of 1,400,000 euros it held on the latter at March 31, 2018, and expressly waived the better fortunes clause attached thereto.

Reasons justifying the interest of this agreement for Lexibook:

This decision is motivated by the need to invest in the Chinese subsidiary, given the importance and potential of European markets. That it is important to recapitalize this subsidiary to enable it to operate normally and, in particular, to be able to present a quality dossier to the banks with which it is, or will be, required to work.

Guarantee given by Lexibook Linguistic Electronic System S.A. to HSBC HK for a short-term loan of $3,000,000.

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting of September 1,[er] 2023, the Supervisory Board authorized the signature of a joint and several guarantee for 100% of the principal amount of USD 3,000,000 guaranteed by Lexibook Linguistic Electronic System S.A. between Hong Kong-based Lexibook Hong Kong Limited, a subsidiary of Lexibook Linguistic Electronic System S.A., and HSBC Bank HK, under which Lexibook Linguistic Electronic System S.A. appears as guarantor ("Guarantor").

Reasons justifying the interest of this agreement for Lexibook:

In accordance with the law, we draw your attention to the fact that the prior authorization given by the Supervisory Board does not include the reasons justifying the interest of the agreement for the Company, as required by Article L.225-38 of the French Commercial Code.

Guarantee given by Lexibook Linguistic Electronic System S.A. for standard letters of guarantee for 1 M USD

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on March 28, 2024, the Supervisory Board authorized the signature of all documents relating to the implementation of the standard letter of credit facility ("SBLC") granted by LCL to Lexibook Hong Kong Limited, a wholly owned subsidiary of Lexibook Linguistic Electronic System S.A., in the amount of USD 1,065,000 (€1,000,000).

Reasons justifying the interest of this agreement for Lexibook:

The setting up of this SBLC will enable LEXIBOOK Hong-Kong, a 100% subsidiary of LEXIBOOK - L.E.S., to maintain the aforementioned credit lines.

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

AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements approved in prior years which remained in force in the year under review

In accordance with article R.225-57 of the French Commercial Code (Code de commerce), we have been advised that the following agreements, which were approved by the Annual General Meeting in prior years, remained in force during the year.

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

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on January 30, 2023, 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 100% subsidiary of Lexibook Linguistic Electronic System S.A., for the period from February 1, 2023, to January 31, 2024, 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, or €1,161,947.

For BNP PARIBAS :

- SBLC in favour of BNPP Hong Kong to cover the lines granted to Lexibook Hong Kong Limited: $1,781,339, or €1,548,990.

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, or €1,156,294.

- SBLC in favor of CITI BANK Hong Kong to fully hedge the lines granted to Lexibook Hong Kong Limited: $500,000, or €434,782.

Reasons justifying the interest of this agreement for Lexibook:

The implementation of these SBLCs will enable the aforementioned credit lines to be maintained, in the interests of LEXIBOOK Hong-Kong, a 100% subsidiary of LEXIBOOK - L.E.S.

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

Joint and several guaranteed deed in favour of Société Générale for USD 1.83 million

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on March 22, 2023, the Supervisory Board authorized the signature of a joint and several guarantee on the Standby 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 Lexibook:

The setting up of these SBLCs enables the aforementioned credit lines to be maintained, in the interests of LEXIBOOK Hong-Kong, a 100% subsidiary of LEXIBOOK - L.E.S.

The purpose of the authorization granted by the minutes of the Supervisory Board meeting of March 21, 2023, is to formalize the joint and several guarantee by LEXIBOOK - L.E.S. France of its 100% subsidiary LEXIBOOK Hong-Kong, in favor of the guaranteed bank, SOCIETE GENERALE, for the aforementioned principal amount of 1,591,077 euros, 100% guaranteed.
It should be noted that LEXIBOOK Hong-Kong is in charge of extremely important functions for SA LEXIBOOK - L.E.S., such as research and development, product management and manufacturing, in addition to marketing activities outside the Group which are essential to the company's strategy.

Structure and support costs with Lexibook Hong Kong Limited

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on March 31, 2024, the Supervisory Board ratified the amount invoiced to the Hong Kong subsidiary for structural and support costs incurred between April 1er 2023 and March 31, 2024, based on the existing contract, amounting to 273,718.60 euros.

Commercial lease of December 4, 2017

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

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 increases the rent from €10,000 excl. VAT/month to €11,500 excl. VAT/month, with effect from January 1, 2022. The amount of the security deposit has not been readjusted.

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

For the period from April 1, 2023, to March 31, 2024, the amount of rent and rental charges assumed amounts to 162,000 euros excluding tax.

Legal Counsel Fees

Person concerned:

Supervisory Board member concerned: Mr Gérard ABADJIAN

Details:

SELARL A&C Associés, of which Gérard ABADJIAN is Managing Partner, charges fees for its services as legal advisor to Lexibook Linguistic Electronic System S.A. The Supervisory Board meeting of March 31, 2024, approved the fees booked for the year, which amounted to 29,506.21 euros excluding tax.

Unemployment and provident insurance contract

Persons concerned:

Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

On February 1, 2019, the Supervisory Board authorized Lexibook Linguistic Electronic System S.A. to update the cover provided to Aymeric and Emmanuel LE COTTIER under the GSC policies taken out with

GAN, enabling them to opt for the basic class 4 plan and the supplementary class G plan with a 24-month indemnity period with option 2, effective January 1, 2019, providing each of them with an annual indemnity of 93,205 euros.

Reminder: on March 31, 2023, the Supervisory Board authorized Lexibook Linguistic Electronic System S.A. to renew the following contracts in favor of Aymeric LE COTTIER and Emmanuel LE COTTIER:

- Unemployment insurance contract for company directors under identical conditions, enabling each of them to receive, for one year, an indemnity and a capital sum for retraining, in the event of the loss of their professional activity. This contract took effect on September 1, 2003. At its meeting on March 13, 2009, the Supervisory Board decided to extend the compensation period to 24 months, with effect from January 1, 2009.

- Prévoyance contract, taken out in 2005.

Insurance premiums expensed during the year amounted to 27,009.50 euros in respect of unemployment insurance for company directors.

Insurance premiums expensed during the year amounted to 13,947.60 euros in respect of Prévoyance RIP policies.

Cash advances

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:

At its meeting on March 31, 2024, the Supervisory Board renewed the authorization given to the Executive Board to grant cash advances to Lexibook Linguistic Electronic System S.A. subsidiaries.

At March 31, 2024, cash advances to subsidiaries amounted to:

Lexibook Iberica: 155,436.57 euros
Lexibook Hong Kong : 1,404,656.24 euros
Lexibook USA: €1,128,756.77

These advances are non-interest-bearing.

Debt waiver

Persons concerned:

Supervisory Board member concerned: Mr Luc LE COTTIER
Executive Board members concerned: Aymeric LE COTTIER and Emmanuel LE COTTIER

Details:
At its meeting on July 2, 2018, the Supervisory Board 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 at March 31, 2018, in order to restore its net book position. This waiver is subject to a ten-year financial recovery clause, effective from July 2, 2018. Lexibook Hong Kong Limited will be deemed to have returned to better fortunes when the 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. On May 30, 2023, the Supervisory Board definitively waived this debt and waived the better fortunes clause.

Paris and Neuilly sur Seine, July 4, 2024

Statutory Auditors

Grant Thornton **French member of Grant Thornton International**	**S & W Associés**
Matthieu Lebarbier **Associate**	**Julie Benzaquen** **Associate**

XVIII. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS OF OPERATIONS

XVIII1. Consolidated financial statements at March 31, 2024

Statutory auditors' report
on the consolidated financial statements
Year ended March 31, 2024

To the Annual General Meeting of Lexibook Linguistic Electronic System

Opinion

In compliance with the assignment entrusted to Grant Thornton by your Annual General Meeting of September 14, 2021, and in compliance with the additional assignment entrusted to S&W Associés by your Annual General Meeting of May 21, 2024, in accordance with the requirements of article L.821-5 of the French Commercial Code (Code de commerce), we have audited the accompanying consolidated financial statements of Lexibook for the year ended March 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the year ended December 31, 2009, and of the financial position and assets and liabilities of the Group at that date, in accordance with the accounting rules and principles applicable under IFRS as adopted by the European Union.

As your Company is not required to appoint a second statutory auditor for the year ended March 31, 2023, the financial statements for the year ended March 31, 2023, have not been certified by S&W Associés.

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 Relating to 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 April 1, er 2023 to the date of issue of our report.

Justification of assessments

In accordance with the requirements of articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters which, in our professional judgment, were the most significant for the audit of the consolidated financial statements.

The company records provisions for inventory impairment in accordance with the methods and procedures described in note 3.6 "Inventories". In addition, the company has recourse to factoring of its trade receivables, as described in note 3.5 "Trade receivables and factoring". We have analyzed the contracts and assessed the accounting treatment of factoring transactions. With regard to impairment, we familiarized ourselves with the approaches adopted by the Company, verified their application by performing detailed tests on a sample basis, and assessed the reasonableness of these estimates.

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 of the formation of our opinion expressed above. We do not express an opinion on any individual component of these consolidated financial statements.

Specific checks

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

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 corporate 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 to ensure that the consolidated financial statements are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these statements, where appropriate, the necessary information relating to going concern, and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

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

Statutory Auditors' responsibility for 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 from material misstatement. Reasonable assurance refers to a high level of assurance, without however guaranteeing that an audit performed in accordance with professional standards would systematically detect any material misstatement. 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 aggregate, influence the economic decisions made by users of the financial statements.

As stipulated by Article L.821-55 of the French Commercial Code, our role as statutory auditors does not include guaranteeing the viability or quality of your company's management.

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

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and implements audit procedures to address these risks, and obtains audit evidence that it believes to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, falsification, deliberate omission, misrepresentation or circumvention of internal controls.
- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control ;

- it assesses the appropriateness of the accounting methods 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 or not there is any significant uncertainty linked to events or circumstances that could call into question[2] 's ability to continue as a going concern. This assessment is based on information gathered up to the date of his report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If it concludes that there is a material uncertainty, it draws the attention of the readers of its report to the information provided in the consolidated financial statements concerning this uncertainty or, if this information is not provided or is not relevant, it issues a qualified opinion or a refusal to certify.
- It assesses the overall presentation of the consolidated financial statements, and whether they give a true and fair view of the underlying transactions and events.
- concerning 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. He is responsible for directing, supervising and performing the audit of the consolidated financial statements, and for expressing an opinion on these financial statements.

Paris and Neuilly sur Seine, July 4, 2024,

Statutory Auditors

S&W Associés

Grant Thornton
French member of Grant Thornton International

Julie Benzaquen
Associate

Matthieu Lebarbier
Associate

XVIII11. Consolidated statement of financial position for the year ended March 31, 2024

In Euros	Notes	31 MARCH 2024	31 MARCH 2023	Gap 24/23	Difference 24/23 (%)
Non-current assets					
Intangible fixed assets	4	1 350 477	1 523 720	-173 243	-11,4%
Tangible fixed assets	5	414 294	204 752	209 542	102,3%
Rights to use the asset	31	525 699	499 275	26 424	5,3%
Other financial assets	6	272 277	293 496	-21 219	-7,2%
Deferred tax assets	23	228 215	416 368	-188 153	-45,2%
Non-current assets		**2 790 962**	**2 937 611**	**-146 649**	**-5,0%**
Current assets					
Cash and cash equivalents	10	8 648 007	2 439 088	6 208 919	254,6%
Operating receivables	8	10 413 223	8 896 226	1 516 997	17,1%
Derivative financial instruments		66 551	0	66 551	
Stocks	7	11 882 111	15 477 798	-3 595 687	-23,2%
Other operating receivables	9	918 622	708 472	210 150	29,7%
Current assets		**31 928 514**	**27 521 584**	**4 406 930**	**16,0%**
TOTAL ASSETS		**34 719 476**	**30 459 195**	**4 260 281**	**14,0%**
Shareholders' equity					
Capital	11	3 881 660	3 881 660	0	0,0%
Reserves and retained earnings		8 408 185	5 361 703	3 046 482	56,8%
Translation differences		-285 582	-338 649	53 067	-15,7%
Net profit for the year	13	4 991 953	3 042 427	1 949 526	64,1%
Shareholders' equity	**12**	**16 996 216**	**11 947 141**	**5 049 075**	**42,3%**
Non-current liabilities					
Financial debt	14	3 166 875	4 652 702	-1 485 827	-31,9%
Rental commitments	31	278 425	387 849	-109 424	-28,2%
Deferred tax liabilities	23	61 467	51 987	9 480	18,2%
Provisions for pensions and similar benefits	16	124 909	303 277	-178 368	-58,8%
Other non-current liabilities	18,3	346 000	0	346 000	0,0%
Non-current liabilities		**3 977 676**	**5 395 815**	**-1 418 139**	**-26,3%**
Current liabilities					
Bank loans	14	15 213	63 547	-48 334	-76,1%
Financial debt	14	3 423 985	4 135 366	-711 381	-17,2%
Rental commitments	31	319 081	195 136	123 945	63,5%
Operating liabilities	18,1	7 002 770	6 764 867	237 903	3,5%
Corporation tax liabilities	23	542 339	421 708	120 631	28,6%
Derivative financial instruments	28	0	34 193	-34 193	-100,0%
Other operating liabilities	18,2	2 442 196	1 501 422	940 774	62,7%
Current liabilities		**13 745 584**	**13 116 239**	**629 345**	**4,8%**
TOTAL LIABILITIES		**17 723 260**	**18 512 054**	**-788 794**	**-4,3%**
TOTAL EQUITY AND LIABILITIES		**34 719 476**	**30 459 195**	**4 260 281**	**14,0%**

XVIII12. Statement of net income and other comprehensive income for the year ended March 31, 2024

In Euros	31 MARCH 2024	31 MARCH 2023	Variation	Variation
Net sales	58 620 967	51 236 987	7 383 980	14,4%
Other current income	575 764	625 087	-49 323	-7,9%
Operating income (I)	**59 196 731**	**51 862 074**	**7 334 657**	**14,1%**
Cost of goods sold	-23 534 525	-23 285 934	-248 591	1,1%
Staff costs	-6 184 721	-4 964 968	-1 219 753	24,6%
External Services	-17 374 391	-14 848 032	-2 526 359	17,0%
Taxes (excluding corporation tax)	-24 733	-92 846	68 113	-73,4%
Other operating income and expenses	-6 127 172	-4 419 007	-1 708 165	38,7%
Operating expenses (II)	**-53 245 542**	**-47 610 787**	**-5 634 755**	**11,8%**
Operating profit	**5 951 189**	**4 251 287**	**1 699 902**	**40,0%**
Cost of net debt	-451 266	-432 272	-18 994	4,4%
Net interest on leases	-30 805	-30 805	0	0,0%
Other financial income and expenses	295 605	-482 623	778 228	-161,2%
Net financial expense (IV)	**-186 466**	**-945 700**	**759 234**	**-80,3%**
Profit before tax on ordinary activities (V = III + IV)	**5 764 723**	**3 305 587**	**2 459 136**	**74,4%**
Income tax	-772 770	-263 160	-509 610	193,7%
Income (expense) from discontinued operations				
Net income	**4 991 953**	**3 042 427**	**1 949 526**	**64,1%**
Basic and diluted earnings per share	0,64	0,39	0,25	63,0%
Basic earnings per share excluding discontinued operations and diluted earnir	0,64	0,39	0,25	63,0%
Other comprehensive income				
These items will be reclassified in net income at a later date.				
Cash flow hedges	0	0	0	
Deferred tax on cash flow hedges	0	0	0	
IFRS 16, contract extensions	-2 162	-267	-1 895	709,7%
Treasury stock	6 221	-22 412	28 633	-127,8%
Change in translation adjustments	53 063	-53 935	106 998	-198,4%
Overall result	**5 049 075**	**2 965 813**	**2 083 262**	**70,2%**

XVIII13. Statement of changes in shareholders' equity for the year ended March 31, 2024

Statement of changes in equity

For the year ended 31 March 2024

				Attributable to owners of the Company								
In euros	**Note**	**Share capital**	**Share premium**	**Conversion reserve**	**Cover reserve**	**Stock options**	**Treasury share reserves**	**Equity component of convertible bonds**	**Retained earnings**	**Total shareholders' equity**	**Non-controlling interests**	**Total shareholders' equity**
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 338 649**	**0**	**-**	**- 22 412**	**-**	**1 189 108**	**11 947 141**	**-**	**11 947 141**
Total profit for the period												
Net income									4 991 953	4 991 953		4 991 953
Other comprehensive income				53 063			6 221		- 2 162	57 122		57 122
Total profit for the period		**-**	**-**	**53 063**	**-**	**-**	**6 221**	**-**	**4 989 791**	**5 049 075**	**-**	**5 049 075**
Transactions with the Company's owners												
Contributions and distributions												
Issue of ordinary shares										-		-
Issue of convertible bonds												
Treasury shares sold												
Dividends												
Total contributions and distributions		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in interest shares										-		-
Acquisition of non-controlling interests with no change in control										-		-
Total change in interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company		**-**	**-**	**53 063**	**-**	**-**	**6 221**	**-**	**4 989 791**	**5 049 075**	**-**	**5 049 075**
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 285 586**	**0**	**-**	**- 16 191**	**-**	**6 178 899**	**16 996 216**	**-**	**16 996 216**

As all subsidiaries are 100%-owned, there are no minority interests.

Statement of changes in equity

For the year ended 31 March 2023

				Attributable to owners of the Company								
In euros	**Note**	**Share capital**	**Share premium**	**Conversion reserve**	**Cover reserve**	**Stock options**	**Treasury share reserves**	**Equity component of convertible bonds**	**Retained earnings**	**Total shareholders' equity**	**Non-controlling interests**	**Total shareholders' equity**
Balance at 31 March 2022		**3 881 660**	**7 237 431**	**- 284 714**	**0**	**-**	**-**	**-**	**- 1 853 052**	**8 981 328**		**8 981 328**
Total profit for the period												
Net income									3 042 427	3 042 427		3 042 427
Other comprehensive income				- 53 935			- 22 412		- 267	- 76 614		- 76 614
Total profit for the period		**-**	**-**	**- 53 935**	**-**	**-**	**- 22 412**	**-**	**3 042 160**	**2 965 813**	**-**	**2 965 813**
Transactions with the Company's owners												
Contributions and distributions												
Issue of ordinary shares										-		-
Issue of convertible bonds												
Treasury shares sold												
Dividends												
Total contributions and distributions		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in interest shares										-		-
Acquisition of non-controlling interests with no change in control										-		-
Total change in interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company		**-**	**-**	**- 53 935**	**-**	**-**	**- 22 412**	**-**	**3 042 160**	**2 965 813**	**-**	**2 965 813**
Balance at 31 March 2023		**3 881 660**	**7 237 431**	**- 338 649**	**0**	**-**	**- 22 412**	**-**	**1 189 108**	**11 947 141**	**-**	**11 947 141**

As all subsidiaries are 100%-owned, there are no minority interests.

XVIII14. Consolidated cash flow statement for the year ended March 31, 2024

In euros	CONSO 31/03/2024	CONSO 31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
OPERATING CASH FLOW				
Net income	**4 991 953**	**3 042 427**	**1 949 526**	**64,1%**
Elimination of non-cash and non-operating income and expenses				
Depreciation of tangible and intangible fixed assets	1 179 157	1 150 507	28 650	2,5%
(Decrease) increase in provisions	21 632	166 028	-144 396	-87,0%
Deferred tax	197 633	-172 214	369 847	-214,8%
Financial instruments	-100 744	39 263	-140 007	-356,6%
Interest and financial expenses	462 154	432 272	29 882	6,9%
Net interest on leases	19 917	30 805	-10 888	-35,3%
IFRS 2	0	0	0	
Royalty licences	972 378	515 106	457 272	88,8%
Foreign exchange gains and losses	-65 749	-85 516	19 767	-23,1%
	0	0	0	
Cash flow	**7 678 331**	**5 118 678**	**2 559 653**	**50,0%**
Change in working capital items				
(Increase) decrease in inventories	3 595 687	-3 413 987	7 009 674	-205,3%
(Increase) decrease in trade receivables	-917 757	1 609 593	-2 527 350	-157,0%
(Increase) decrease in prepayments to suppliers	-1 073 687	1 622 266	-2 695 953	-166,2%
(Increase) decrease in other current assets	264 297	-1 193 398	1 457 695	-122,1%
(Decrease) increase in trade payables	1 112 806	-1 092 105	2 204 911	-201,9%
(Decrease) increase in other current liabilities	-639 874	-269 878	-369 996	137,1%
Foreign exchange gains and losses on items included in bfr	105 889	-2 936	108 825	-3706,6%
Change in working capital items	**2 447 361**	**-2 740 445**	**5 187 806**	**-189,3%**
Cash flow from operating activities	**10 125 692**	**2 378 233**	**7 747 459**	**325,8%**
	=========	=========		
INVESTMENT FLOWS				
Acquisitions of intangible assets	-858 921	-1 897 248	1 038 327	-54,7%
Acquisitions of property, plant and equipment				
Disposals of property, plant and equipment	-352 689	-33 732	-318 957	945,6%
Change in other financial assets	21 696	-52 950	74 646	-141,0%
Cash flow from investing activities	**-1 189 914**	**-1 983 930**	**794 016**	**-40,0%**
	=========	=========		
FINANCING FLOWS				
Increase in short-term debt	0	3 510 407	-3 510 407	-100,0%
Repayment of short-term debt	-2 197 207	-1 948 148	-249 059	12,8%
Increase in long-term debt				
Repayment of long-term debt				
Interest and financial expenses	-462 154	-432 272	-29 882	6,9%
Net interest on leases	-19 917	-30 805	10 888	-35,3%
Lease payments	-11 903	-315 414	303 511	-96,2%
Cash flow from financing activities	**-2 691 181**	**783 768**	**-3 474 949**	**-443,4%**
	=========	=========		
Currency impact	12 650	12 547	103	0,8%
Change in cash and cash equivalents for the period	**6 257 253**	**1 190 624**	**5 066 629**	**425,5%**
Opening cash position	2 375 541	1 184 923	1 190 618	100,5%
Closing cash position	8 632 794	2 375 541	6 257 253	263,4%

Reconciliation of cash and cash equivalents in the TFT with cash and cash equivalents in the balance sheet	CONSO 31/03/2024	CONSO 31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
Cash and cash equivalents	8 648 007	2 439 088	6 208 919	254,6%
Bank loans	-15 213	-63 547	48 334	-76,1%
Net cash in the cash flow statement	**8 632 794**	**2 375 541**	**6 257 253**	**263,4%**

XVIII15. Notes to the consolidated financial statements for the year ended March 31, 2024

Events of the year

The Ordinary General Meeting of May 21, 2024, decided to appoint S&W ASSOCIES as joint statutory auditor following the crossing of consolidated thresholds.

The Supervisory Board meeting of July 2, 2018, had authorized the waiver, in favor of the Chinese subsidiary, Lexibook Hong Kong Limited, of the receivable it held on the latter amounting to €1,400,000 at March 31, 2018 in order to restore its net book position. This waiver was subject to a ten-year financial recovery clause effective from July 2, 2018.
In May 2023, Lexibook ratified the definitive waiver of the better fortunes clause concerning the €1,400,000 debt waiver in its favor.

During the year (end of May 2023), the company migrated its ERP software by implementing Microsoft 365.

Lexibook France has received a summons for infringement from a company based in China. This company has already sued the factory (Lexibook suppliers) manufacturing the toys in question but has been unsuccessful. At March 31, 2024, Management considers that the risk of being condemned is low, but for reasons of prudence has booked a provision for risk in the amount of 200K€, corresponding to around 50% of the amount requested by the plaintiffs.

The Group is exposed to the risk of international conflicts in the territories in which it operates, both in terms of product design and manufacture, and sales. A conflict involving China and/or Taiwan, for example, could cause a break in the product manufacturing chain. Nevertheless, in the context of the war in Ukraine, the Lexibook Group specifies that it is not exposed to the Russian or Ukrainian markets, either in terms of supplies or sales.

Note 1 - Accounting standards

1.1- General information

The LEXIBOOK Group, headquartered at 6, Avenue des Andes - Bâtiment 11- 91 940 LES ULIS, designs, manufactures and distributes toys and electronic products for the general public, mainly for children and teenagers.

The consolidated financial statements at March 31, 2024, reflect the accounting position of LEXIBOOK S.A. and its subsidiaries (hereinafter referred to as the Group).

The Management Board approved the financial statements to March 31, 2024, on June 13, 2024.

As the LEXIBOOK Group is listed in a European Union country and in accordance with EC regulation 1606/2002, its consolidated financial statements for the year ended March 31, 2024, have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union. The Group has exceeded the exemption thresholds for the preparation of consolidated financial statements, and now prepares them on a mandatory basis rather than on a voluntary basis.

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 "Financing Activities Disclosure Initiative" applicable from January 1er 2017 has been supplemented accordingly in note 14 to the financial statements.

Texts adopted by the European Union at the balance sheet date and coming into force on April 1er 2019

IFRS 15 - Revenue from contracts with customers :

The standard defines revenue recognition principles. With effect from January 1, 2018, this standard replaced IAS 18 - Revenue and IAS 11 - Construction Contracts and the related interpretations. 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 sales recognition method.

IFRS 16 - Leases :

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

As of April, 1er 2019, all leases are now recognized on the balance sheet as an asset representing the right to use the leased asset, against a rental commitment corresponding to the present value of the rental payments to be made 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 recurring operating expenses and an interest charge in financial income/expense, replacing the rental expense in recurring operating expenses) and in the cash flow statement (rental payments, representing the payment of interest and repayment of the rental commitment, affect cash flows from financing activities.

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

- Improving IFRS - 2018-2020 cycle
- IFRS 17 : Insurance contracts
- Amendments to IAS 1 - Presentation of financial statements: Classification of liabilities as current or non-current.
- Amendments to IAS 1 and IAS 8 - Disclosure of accounting policies
- Amendment to IAS 12 - Income Taxes - Treatment of deferred tax assets and liabilities recognized in a single transaction.

1.2 - Application of the going concern principle

Once again, this year, banks are granting the Group short-term credit in the form of cash or seasonal loans. Current bank facilities and cash flow for the 2023-24 financial year enable the Group to consider that the necessary conditions are in place for it to operate as a going concern over the next twelve months.
A Revolving Credit Facility (RCF) project is currently under discussion with all partners, to give the Group the means to ensure its growth over the next 3 years.

1.3 - Presentation of the consolidated financial statements

The Group's consolidated financial statements are presented in euros. They are prepared on a historical cost basis, with the exception of 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 year-end, 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 in the twelve months following the year-end are considered current. All other liabilities are non-current.

1.4 - Management estimates and judgments

The preparation of the consolidated financial statements requires Group management to exercise judgment and to make 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 if new information becomes available.

The main judgements and estimates made by management in the preparation of the financial statements relate in particular to the following items.

- Research and Development projects, classified as intangible assets, see notes 3.2 and 4, Depending on sales and market appetence, it may be decided to write down certain projects.
- Inventories (see notes 3.6 and 7) Inventories are written down to net realizable value, based mainly on sales forecasts and expected margins.

- Deferred taxes (see notes 3.10 and 23): recognition of deferred tax assets requires estimates of future taxable income.

Note 2 Consolidation scope and methods

2.1 - Scope

All LEXIBOOK holdings are 100%-owned, 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, rounded to the nearest euro.

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

○ Balance sheet items are converted into Euros on the basis of official year-end exchange rates, with the exception of equity accounts for which historical rates are used.

○ Income statement items are translated, for each currency, using the average rate for the year, which is an approximate value 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 for the period and the closing balance sheet position are recognized directly in other comprehensive income. These translation differences are recognized in the income statement on disposal of the company concerned.

The conversion rates used for the years ended March 31, 2024, and March 31, 2023 are as follows:

	31/03/2024		31/03/2023		Variation 24/23		Variation 24/23 (%)	
	Average rate	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate	Closing rate
Equivalent value of 1 HKD	0,117819	0,118212	0,122494	0,117141	-0,004675	0,001071	-3,8%	0,9%
Equivalent value of 1 USD	0,921850	0,924984	0,960146	0,919540	-0,038296	0,005444	-4,0%	0,6%

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 arising from intra-Group transactions are eliminated only to the extent that there is no indication of impairment.

A full list of Group companies at March 31, 2024, is provided in note 27.

Note 3 - Accounting rules and valuation methods

3.1 - Sales

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 Hong Kong port for FOB sales. No revenue is recognized in the event of significant uncertainty as to recovery of the transaction price, associated costs or possible return of goods. In the event of possible returns of goods, a provision is recorded, which reduces the number of sales.

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

3.2 Intangible assets

Research and development costs
Development costs are capitalized when all of the following criteria (IAS 38) are met:

- technical feasibility of completing the intangible asset.
- intention to complete the intangible asset and place it in service or sell it.
- ability to commission or sell the intangible asset.
- validation of the business plan highlighting the project's profitability by the steering committee, 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 expenditure attributable to the intangible asset during its development.

This formal validation allows the project to enter its "phase 1" capitalization phase. Costs incurred prior to "phase 0" are all expensed, and the period of capitalization of R&D costs ends when development is completed, or at the latest, when the product enters the "phase 2" marketing phase.

Each project meeting these criteria is the subject of an investment application accompanied by a business case, which is submitted to the Executive Committee. The committee's approval marks the starting point for the project and investments. Projects are treated as fixed assets in progress until the date of the first sale (outside the Group), which corresponds to the end of cost capitalization and the start of depreciation. All other costs are expensed as incurred.

Development expenditure is amortized over its estimated useful life, at the rate at which the economic benefits are consumed. 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 schedule being revised prospectively.

These forecasts are updated at each year-end based on actual sales.

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

Projects that no longer meet capitalization criteria are immediately written down.

For the impairment test, a coefficient corresponding to (1 - target attainment rate) is determined. If it exceeds 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 revise the amount of impairment upwards or downwards in the light of available information on the project's future marketability.

Impairment tests did not lead to the recognition of any material impairment charge for the year.

LICENSE CONCESSIONS

In accordance with the treatment recommended by IAS 38 (intangible assets), rights relating to license concessions have been capitalized. The flow of 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 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 current portion of these assets is recognized in "Other operating liabilities", while the non-current portion is recognized in "Other non-current liabilities".
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 finite useful lives. Amortization begins as soon as the licenses are used. It reflects the rate at which the future economic benefits associated with each license are consumed.

Amortization periods are the periods over which rights are granted.

Where 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 carried out an exchange of goods. In return for the products exchanged, it received an asset purchase credit (APC) which can be used to pay part of its trade payables at a later date.
In the consolidated financial statements, this transaction is analyzed as an exchange of dissimilar goods: an exchange of inventory for an intangible asset giving entitlement to discounts on future goods or services.
In accordance with IAS 18 §12 and §14, sales are recorded at the date of exchange at 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 set out in IAS 18 §14 for sales of goods have been met.
No margin is recognized in the income statement at the time of exchange.
Intangible assets are amortized on the basis of their actual use (payment of trade payables).
An impairment test is systematically carried out on APC once a year, to ensure that the recoverable value of APC exceeds 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 carried at cost less accumulated depreciation and any impairment losses.
Other subsequent expenditure on an item of property, plant and equipment is capitalized only when it improves the condition of the asset above its originally defined level of performance.
All other subsequent expenditure is expensed in the year in which it is incurred.
Depreciation is expensed on a straight-line basis over the estimated useful life of the item of property, plant and equipment.
The estimated useful lives are as follows:

- Transport equipment 3 to 5 years
- Buildings under finance lease 9 years
- Equipment and tools 3 to 10 years
- Computer equipment 3 to 5 years
- Office equipment 5 to 10 years
- Fixtures and fittings3 to 10 years

Maintenance and repair costs are expensed as incurred.

Where there is an 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 to the lessee substantially all the risks and rewards incidental to ownership of the leased assets. In the case of finance leases, the leased asset is recognized as an asset under property, plant and equipment, with a corresponding liability representing the commitment to make lease payments. 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 become the owner 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, amortized to €663,804 at March 31, 2024.

3.5 Customers and factoring

Trade receivables are initially recognized at fair value, which in most cases corresponds to their face value. Impairment of trade receivables is recognized when there is objective evidence that the Group will be unable to collect all amounts due according to the original terms of the transaction. Significant financial difficulties encountered by the debtor, the likelihood of the debtor going bankrupt or undergoing financial restructuring, and default or non-payment are all indicators of impairment of a receivable.
Under IFRS, these receivables must be written back once it has been established that the benefits and risks inherent in these receivables remain with the Group. This year, the Group has reintegrated these receivables under "Trade receivables", with a corresponding financial liability. In addition, guarantee deposits granted under the factoring contract have been reclassified under "Advances and deposits paid". All the Group's factoring programs have been considered as not allowing receivables to be removed from the consolidated balance sheet.

The main characteristics of the main contracts in force at the balance sheet date are as follows:

Features	FACTOFRANCE	COFACREDIT
Reserves	10%	10%
Retention period	15%	15%
Minimum Guarantee Fund	230 000	100 000
Factoring commission	0,23%	0,23%
Anticipation commission	Monthly average EURIBOR 3 months + 0.75	Monthly average EURIBOR 3 months + 0.75

3.6 Inventories

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 production-related costs such as the cost of controlling the manufacturing process, from the choice of plants and production tools to product quality control.

In terms of depreciation, which is recorded if the realizable value is lower than the cost, the method differs depending on the type of inventory

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

b) Slow-moving inventories: inventories of new products are subject to a detailed review to determine whether the value of products identified as "slow-moving" should be written down, and if so, how much.

The company records impairment losses on the basis of net realizable values, mainly based on sales prospects and expected margins.
A 100% provision may 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 Provisions for pensions and other post-employment benefits

Provisions are set aside to cover all employee benefit obligations corresponding to benefits paid to employees on or after leaving the Group, where the plans concerned qualify as defined-benefit plans.

In the case of defined-benefit plans, commitments are valued using the projected unit credit method, based on the agreements in force at 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 obtain the final obligation. This obligation is then discounted to present value. The actuarial assumptions used to determine obligations vary according to the economic conditions of the country in which the plan is located, and notably take into account :

- Foreseeable wage trends ;
- Staff turnover ;
- Mortality risk ;
- A financial discount rate.

3.8 Share-based compensation

At March 31, 2024, LEXIBOOK S.A. no longer had any stock option plans.

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

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 settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

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

The tax losses of the Group and its subsidiaries may be carried forward indefinitely. 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 were recognized for part of the tax loss carryforwards in Spain.

3.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits and factors' current accounts. Bank overdrafts are shown under current liabilities in the balance sheet.

3.12 Segment reporting

Segment information is provided at "activity" level, analyzed according to the methods used to distribute 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 on "ex-Hong Kong" distribution (FOB incoterm) as opposed to "delivered" distribution to the customer. These two distribution methods have their own operating modes and, by their very nature, different profitability levels.

The Chairman of the Executive Board, the Chief Executive Officer and the Chief Financial Officer (CODM - Chief Operating Decision Maker within the meaning of IFRS 8) 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 hedges.

Derivative financial instruments qualifying as hedges

The LEXIBOOK Group uses derivatives to hedge its foreign exchange risks.
The criteria used by the LEXIBOOK Group to qualify a derivative instrument as a hedging transaction are those set out in IFRS 9:
1. the hedging instruments and hedged items constituting 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 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 factor in the changes in value resulting 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 inefficiency resulting in accounting impacts that are inconsistent with the purpose 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 recognized in other comprehensive income for the effective portion, and in income for the ineffective portion (corresponding to the excess of changes in the fair value of the hedging instrument over 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 through the income statement as a reclassification adjustment in the period or periods in which the hedged forecast cash flows affect net income.

The LEXIBOOK Group does not apply fair value hedges or net investment hedges.
The hedging relationship is terminated prospectively when a derivative instrument ceases to qualify as a hedging instrument under the Group's hedge accounting 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.

As only derivatives external to the LEXIBOOK Group are deemed eligible for hedge accounting, 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 can be demonstrated that the internal derivatives give rise to a reversal outside the LEXIBOOK Group.

Derivative financial instruments not qualifying 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 immediately recognized in the income statement under "Other financial income and expense".

Note 4 - Intangible assets

Flows of intangible fixed assets (€)	31/03/2023	Increase	Decrease	Other changes	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Research and development costs	1 038 462	56 391			9 682	1 104 535	66 073	6,4%
Concessions, patents, licences (excluding finance leases)	2 064 483	802 530	0		549	2 867 562	803 079	38,9%
Other intangible assets	100 000					100 000	0	0,0%
TOTAL	**3 202 945**	**858 921**	**0**	**0**	**10 231**	**4 072 097**	**869 152**	**27,1%**

Amortisation of intangible assets (€)	31/03/2024	Increase	Decrease	Other changes	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Amort / Research and development costs	731 125	112 976			7 061	851 162	120 037	16,4%
Amort / Concessions, patents, licences (excluding finance l	848 100	921 809	0		549	1 770 458	922 358	108,8%
Amort / Other intangible assets	100 000					100 000	0	0,0%
TOTAL	**1 679 225**	**1 034 785**	**0**	**0**	**7 610**	**2 721 620**	**1 042 395**	**62,1%**

Net value of intangible assets (€)	31/03/2023	Variations	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Research and development costs	307 336	-56 585	2 621	253 372	-53 964	-17,6%
Concessions, patents, licences (excluding finance leases) (	1 216 383	-119 279	0	1 097 104	-119 279	-9,8%
Other intangible assets (2)	0	0	0	0	0	
TOTAL	**1 523 720**	**-175 864**	**2 621**	**1 350 476**	**-173 244**	**-11,4%**

including €1,096,970 related to the license concessions mentioned in 3.2 in net value. The counterpart to the capitalization of these minimum guarantees is included in other current operating liabilities (€1,100,471 - see note 18.2).

(1) including €0 related to the asset purchase credit described in section 3.2

The net value of intangible R&D assets continued to fall, to €253,000 from €307,000 a year earlier.

The net value of intangible assets corresponding to licenses was €1,096,970 at March 31, 2024, compared with €1,215,212 a year earlier.

Note 5 - Property, plant and equipment

Movements in tangible fixed assets (€)	31/03/2023	Increase	Decrease	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Industrial plant, equipment and tools	626 849	261 725		5 059	893 633	266 784	42,6%
Other tangible fixed assets (excluding finance leases)	540 972	90 964			631 936	90 964	16,8%
TOTAL	**1 167 821**	**352 689**	**0**	**5 059**	**1 525 569**	**357 748**	**30,6%**

Depreciation of tangible fixed assets (€)	31/03/2023	Increase	Decrease	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Amort / Industrial plant, equipment and tools	567 209	57 795		3 834	628 838	61 629	10,9%
Depreciation / Other tangible fixed assets (excluding finance le	395 860	86 577			482 437	86 577	21,9%
TOTAL	**963 069**	**144 372**	**0**	**3 834**	**1 111 275**	**148 206**	**15,4%**

Net value of property, plant and equipment (€)	31/03/2023	Variations	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Industrial plant, equipment and tools	59 640	203 930	1 225	264 795	205 155	344,0%
Other tangible fixed assets (excluding finance leases)	145 112	4 387	-	149 499	4 387	3,0%
TOTAL	**204 752**	**208 317**	**1 225**	**414 294**	**209 542**	**102,3%**

Note 6 - Other financial assets

Other financial assets in €	31/03/2023	Increase	Decrease	Translation differences	31/03/2024	Gap 24/23	Difference 24/23 (%)
Other securities	10 057		0		10 057	0	0,0%
Deposits and guarantees	283 438	0	21 695	477	262 220	-21 218	-7,5%
TOTAL	**293 495**	**0**	**21 695**	**477**	**272 277**	**-21 218**	**-7,2%**

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

Note 7 - Inventories

Inventories in € (in ')	31/03/2024	31/03/2023	Variation 24/23	Change 24/23 (%)
Gross value	13 527 610	16 570 397	-3 042 787	-18,4%
Depreciation	-1 645 499	-1 092 599	-552 900	50,6%
Net value	**11 882 111**	**15 477 798**	**-3 595 687**	**-23,2%**
Depreciation/Gross value	12,2%	6,6%		

Thanks to rigorous management of supplies and sustained destocking efforts in the context of sustained business growth, inventory levels, net of depreciation, show a €5 million reduction in inventory in France between 2023 and 2024, offset by €1.5 million in storage in the USA to support sales development on the continent. Overall, consolidated inventories therefore fell by 3.6 M€ to 11.9 M€ from 15.5 M€ at 03/31/2023.

Note 8 - Operating receivables

Operating receivables (€)	Gross value 31/03/2024	Impairment	Net value at 31/03/2024	Net value at 31/03/2023	Variation 24/23	Change 24/23 (%)
Customers	6 916 582	879 192	6 037 390	5 119 633	917 757	17,9%
Prepaid expenses	1 244 415		1 244 415	1 718 862	-474 447	-27,6%
Advance payments (1)	3 131 418		3 131 418	2 057 731	1 073 687	52,2%
TOTAL	**11 292 415**	**879 192**	**10 413 223**	**8 896 226**	**1 516 997**	**17,1%**

Including 2,805,142 euros relating to the restatement of factoring as indicated in note 3.5, reserves for Year-End Discounts, Advertising Shareholdings and credit balances.

Note 9 - Other operating receivables

Other operating receivables (€)	31/03/2024	31/03/2023	Variation 24 / 23	Change 24 / 23 (%)
Employee receivables and related accounts	234 897	60 256	174 641	289,8%
Receivables from the State and other public bodies	683 263	647 477	35 786	5,5%
Current account assets				
Other current debtors	462	739	-277	-37,5%
TOTAL	**918 622**	**708 472**	**210 150**	**29,7%**

Note 10 - Cash and cash equivalents

Cash and cash equivalents in €	31/03/2024	31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
Marketable securities				
Banks, financial institutions and similar	8 648 007	2 439 088	6 208 919	254,6%
TOTAL	**8 648 007**	**2 439 088**	**6 208 919**	**254,6%**

Cash and cash equivalents stood at 8.6 M€ M€ at March 31, 2024, vs 2.4 M€ at March 31, 2023. The change in cash and cash equivalents is mainly due to the growth in margin generated and the reduction in inventory levels.

As a result, the Group had a net cash position of €2.0 million at year-end, compared with net financial debt of €6.4 million the previous year.

Note 11 - Shareholders' equity

Currency translation adjustments

Translation adjustments relate to subsidiaries in Hong Kong and the USA.

Capital

At March 31, 2024, the share capital comprised 7,763,319 fully paid-up shares with a par value of €0.50, giving a total capital of €3,881,659.50. As 2,335,586 shares have been registered for more than two years, a total of 10,098,905 voting rights are attached to the 7,763,319 shares making up the capital.

Shareholders' equity including net income at March 31, 2024, was €16.99 million.

The company holds 4,776 of its own shares and none 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 plans

At March 31, 2024, 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.

Earnings per share	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Net profit (Group share) in €	4 991 953	3 042 427	1 949 526	64,1%
Weighted average number of shares	7 758 543	7 753 269	5 274	0,1%
Earnings per share in euros	0,64	0,39	0,25	64,0%

As there are no dilutive instruments, diluted earnings per share are identical to earnings per share.

Note 14 - Borrowings

Financial debts in €	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Borrowings from credit institutions (1)	4 660 869	5 887 481	-1 226 612	-20,8%
Accrued interest on borrowings	15 428	24 834	-9 406	-37,9%
Other borrowings (2)	1 929 776	2 939 300	-1 009 524	-34,3%
Total	**6 606 073**	**8 851 615**	**-2 245 542**	**-25,4%**

(1) Including €339,287 from VATEL, €300,000 from GIAC and €2,484,671 from the State Guaranteed Loan, as well as €785,714 from BPI and €751,197 from Banque Postale.

(2) Including €15,213 in bank overdrafts (campaign loans, French overdraft facilities, Hong Kong Crédocs and Hong Kong overdraft facilities) and €1,914,563 in factoring.

(NB) The change between the two years is mainly due to the decline in factoring, repayments on medium-term loans and the level of utilization of bank overdrafts.

Lexibook repaid a total of 1,255.3 K€ for the Prêt Pour l'Innovation obtained from BPI, VATEL, GIAC and PGE, contributing to the Group's debt reduction, which reached an all-time low.

(in €)	31/03/2024	31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
Opening financial liabilities	**8 851 615**	**8 489 775**	**361 839**	**4,3%**
Impact of first-time adoption of IFRS 16				
Financial liabilities at 01/04/2019				
New loans	-	3 500 000	- 3 500 000	-100,0%
Refunds	- 1 255 309	- 1 071 573	- 183 736	17,1%
Change in fair value of hedged borrowings				
Change in bank overdrafts	- 48 334	- 1 200 421	1 152 087	-96,0%
Change in accrued interest	- 9 406	10 408	- 19 814	-190,4%
Translation differences	-	-	-	
Changes in consolidation scope				
Reclassification of financial liabilities associated with assets held for sale				
Factoring	- 932 492	- 876 575	- 55 917	6,4%
Financial liabilities at end of year	**6 606 074**	**8 851 615**	**- 2 245 541**	**-25,4%**

	31/03/2023	Cash flow	Non-cash flows			31/03/2024	Variation 24 / 23	Variation 24 / 23 (%)
			Acquisition	Change in exchange rates	Change in fair value			
Long-term loan	7 803 968	- 2 719 543				5 084 425	- 2 719 543	-34,8%
Short-term borrowing	984 100	522 335				1 506 435	522 335	53,1%
Bank loans	63 547	- 48 334		-		15 213	- 48 334	-76,1%
Derivatives used to hedge financial debt	-					-		
Financing liabilities	**8 851 615**	**- 2 245 542**	-	-	-	**6 606 073**	**- 2 245 542**	**-25,4%**

This change is mainly due to the repayment of debts (+ €1,255,000) and the change in factoring (+ €932,000).

Lexibook has the cash required for its new fiscal year: in March 2020, the Group obtained a medium-term loan from Vatel Capital for €1.5 million over 5 years, repayable monthly, and a State Guaranteed Loan for €2.18 million, repayable monthly until June 2026.

14.1 Analysis by maturity

Financial debt in € 31 March 2024	Total	1 year or more	1 to 5 years	+ More than 5 years
Borrowings from credit institutions	4 660 869	1 491 007	3 072 996	96 866
Accrued interest on borrowings	15 428	15 428		
Other borrowings and similar liabilities	1 929 776	1 929 776		
Total	**6 606 073**	**3 436 211**	**3 072 996**	**96 866**

14.2 Fixed/floating rate breakdown

Breakdown of debt by type of interest rate	31/03/2024	31/03/2023	Variation 24/23	Change 24/23 (%)
Fixed rate	1 428 571	1 428 571	0	0,0%
Variable rate	5 177 502	7 423 044	-2 245 542	-30,3%
Total	**6 606 073**	**8 851 615**	**-2 245 542**	**-25,4%**

14.3 Characteristics of main borrowings

Fixed rate :

- On March 5, 2020, the LEXIBOOK Group also issued a €1,501,208 (one million five hundred and one thousand two hundred and eight euros) 5-year bond, fully subscribed with VATEL, paying interest at 6.80%.

- On 31/08/2022, the LEXIBOOK Group obtained a BPI loan for a total amount of €1,000,000 (one million euros). The funds were released on 31/08/2022. The loan bears interest at 3.41% over 7 years.

Variable rate :

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

- The Group has obtained a State Guaranteed Loan from its banking partners 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 PGEs 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.

- On 31/03/2022, the LEXIBOOK Group obtained a loan of €1,000,000 (one million euros) from a new banking partner. The funds were released on April 20, 2022. The loan bears interest at 2.02% over 7 years.

- On 29/06/2022, the LEXIBOOK Group obtained a state-guaranteed loan of €1,500,000 (one million five hundred thousand euros) from a new banking partner. The funds were released on June 29, 2022. The loan bears interest at 5.83% over 6 years, with a 1-year grace period.

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

IFRS 9 - Financial Instruments :

Financial instruments consist of :

- Financial assets, including other non-current assets, trade receivables, other current assets and cash and cash equivalents.

- Financial liabilities, including short-term borrowings and bank overdrafts, trade payables and other current and non-current liabilities.
- Derivative financial instruments.

IFRS 9 had 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 financial instruments (part 1).
- A new impairment model for financial assets, based on expected credit losses, to replace the previous model based on actual credit losses (part 2).
- New hedge accounting principles (part 3)

This standard has three main components:

Section 1: Classification and valuation 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 for 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 financial assets previously classified as "Loans and receivables" continue to be carried at amortized cost.

Section 2: Impairment of financial assets

Application of the trade receivables impairment model 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 relating to financial assets based on the expected loss versus actual loss approach: this results in the recognition of impairment losses on unmatured trade receivables. In view of the Group's business activity, customer typology and risk hedging policy, the application of the impairment model to trade receivables has no impact on the consolidated financial statements.

Section 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 accounting treatment of hedging transactions and derivative financial instruments managed by the Group (see note 3.13).

Financial assets / liabilities at 31 March 2024	Book value				Hierarchy of fair values			
	Juste valeur des instruments de couverture	Prêts et créances	Autres passifs financiers	Total	Niveau 1	Niveau 2	Niveau 3	Total
Financial assets measured at fair value								
Forward foreign exchange contracts used as hedges	66 551			66 551		66 551		66 551
Total financial assets measured at fair value	**66 551**			**66 551**		**66 551**		**66 551**
Financial assets not measured at fair value								
Trade and other receivables		11 331 845		11 331 845				
Cash and cash equivalents		8 648 007		8 648 007				
Total financial assets not measured at fair value		**19 979 852**		**19 979 852**				
TOTAL FINANCIAL ASSETS	**66 551**	**19 979 852**	**-**	**20 046 403**	**-**	**66 551**	**-**	**66 551**
Financial liabilities measured at fair value								
Forward foreign exchange contracts used as hedges	-			-		-		-
Total financial liabilities measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Bank loans			15 213	15 213				
Rental commitments			525 699	525 699				
Factoring			1 914 563	1 914 563				
Borrowings from credit institutions			4 660 869	4 660 869				
Operating liabilities			9 790 966	9 790 966				
Total financial liabilities not measured at fair value			**16 907 310**	**16 907 310**				
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**16 907 310**	**16 907 310**	**-**	**-**	**-**	**-**

Level 1: values derived from quoted prices in active markets for identical assets or liabilities to which the entity has 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 data concerning the asset or liability

Note 15 - Net indebtedness

Net debt (in €)	31/03/2024	31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
Bank loans	**15 213**	**63 547**	**-48 334**	**-76,1%**
Factoring	1 914 563	2 875 753	-961 190	-33,4%
GIAC, VATEL, PPI BPIFRANCE, PGE Part Courante	1 491 007	1 234 778	256 229	20,8%
IAS 17 finance lease (1)				
Accrued interest	15 428	24 834	-9 406	-37,9%
Total current financial debt	**3 420 998**	**4 135 365**	**-714 367**	**-17,3%**
IAS 17 finance lease (1)				
GIAC, VATEL, PPI BPIFRANCE Non-current portion	3 169 862	4 652 702	-1 482 840	-31,9%
Total non-current borrowings	**3 169 862**	**4 652 702**	**-1 482 840**	**-31,9%**
Total borrowings - A	**6 606 073**	**8 851 614**	**-2 245 541**	**-25,4%**
Cash assets - B	8 648 007	2 439 088	6 208 919	254,6%
Associates' current accounts - C				
Total net debt (A-B+C)	**-2 041 934**	**6 412 526**	**-8 454 460**	**-131,8%**

The Group moved into a net cash position of 2.0 M€ at year-end, compared with net financial debt of 6.4 M€ last year. This change is mainly due to the net change in cash of +6.2 M€, the repayment of short-term debt (+ 1,255 K€) and the change in factoring (+ 932 K€). LEXIBOOK repaid a total of 1,226.6 K€ for the Prêt Pour l'Innovation obtained from BPI, VATEL, GIAC and PGE, contributing to the Group's debt reduction, which has reached an all-time low.

After deducting factoring guarantee funds amounting to €576k in N-1, the Group's net debt stood at €2,042k at 31-03-2024, compared with €5,837k at 31-03-23.

Note 16 - Provisions for pensions and other post-employment benefits

At March 31, 2023, the main assumptions used were retirement at age 67 (voluntary redundancy), inflation rate of 1%, employee turnover of 13.50% and discount rate of 5.6% (Bloomberg Eurozone rate (AA - long term (15 years)), Index at March 31, 2023.

The main assumptions used at March 31, 2024, are: retirement at age 67 (voluntary redundancy), inflation rate of 2.21%, employee turnover of 12.86% and discount rate of 3.33% (Bloomberg Eurozone rate (AA - long term (15 years)), Index at March 31, 2024.

This concerns only IDRs in France.

Commitments at March 31, 2024, amounted to €124,909, compared with €303,277 at March 31, 2023. The amount recorded in the income statement is therefore a reversal of provision of €178,368 for the period.

Note 17 - Other provisions

A provision for commercial litigation of €200,000 has been set aside at 31/03/2024.

The Group has not considered it necessary to set aside a provision for product warranties due to the following factors:

- The Group has warranty contracts with all its assembly subcontractors and has transferred the risk of an epidemic default to them.
- Quality standards have been tightened up over the last few years, making products more reliable, reducing breakdowns on unpacking and improving Lexibook's brand image.
- 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 require after-sales returns.

Overall, the ratio of products handled by the after-sales service reached a low point in the 2023-24 financial year at 0.12% of volumes.

Note 18 - Operating liabilities

Operating liabilities in € Trade	Notes	31/03/2024	31/03/2023
Trade payables	18.1	5 088 420	3 975 615
Advances and deposits received	18.1	959 881	1 518 933
Fixed asset suppliers	18.2	954 470	820 717
Fixed asset suppliers	18.3	0	449 601
TOTAL		**7 002 770**	**6 764 867**

18-1 Operating liabilities

Operating liabilities in €	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Suppliers	5 088 420	3 975 615	1 112 805	28,0%
Advances and deposits received	959 881	1 518 933	-559 052	-36,8%
TOTAL	**6 048 301**	**5 494 548**	**553 753**	**10,1%**

18-2 Other operating liabilities - Current portion

Other operating liabilities in € - Current portion	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Employee-related liabilities	1 604 461	1 400 810	203 651	14,5%
Debts to the State and other public bodies	837 734	100 612	737 122	732,6%
Other creditors - Current				
Fixed asset suppliers (1)	954 470	820 717	133 753	16,3%
TOTAL	3 396 665	2 322 139	1 074 526	46,3%

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

18-3 Other operating liabilities - Non-current portion

Other operating liabilities in € Non-current portion	03/31/2024	03/31/2023	Variation 24/23	Variation 24/23 (%)
Fixed asset suppliers (1)	146 000	449 601	-303 601	-67,5%
Provision for commercial litigation	200 000		200 000	44,5%
TOTAL	346 000	449 601	-103 601	-23,0%

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

Note 19 - Sales and margin

The table below shows gross margin, gross margin adjusted for currency impacts included in financial income and exceptional items included in gross margin, and net margin 4 after advertising contributions and royalties:

	31 MARCH 2024	31 MARCH 2023		
Net sales	58 620 967	51 236 987	7 383 980	14,4%
Cost of goods sold	-23 534 525	-23 285 934	-248 591	1,1%
Gross margin	**35 086 442**	**27 951 053**	**7 135 389**	**25,5%**
Gross margin rate	**59,9%**	**54,6%**		**9,7%**
Net foreign exchange impact	331 147	-401 341	732 488	-182,5%
Adjusted gross margin	**35 417 589**	**27 549 712**	**7 867 877**	**28,6%**
Adjusted gross margin rate	**60,4%**	**53,8%**		**12,4%**
Advertising contributions	8 240 944	6 524 906	1 716 038	26,3%
Royalties	4 548 335	3 619 083	929 252	25,7%
Adjusted net margin 4	**22 628 310**	**17 405 723**	**5 222 587**	**30,0%**
Adjusted net margin 4 rate	**38,6%**	**34,0%**		**13,6%**

Thanks to targeted price increases in 2023 and the launch of new high-margin products, the gross margin adjusted for currency effects rose by 12.4 points to 60.4%. This €7.9 million rise was made possible by price and volume increases in a context of rising raw material costs, enabling economies of scale and optimization of logistics costs, despite freight costs remaining at a very high level compared with the "pre-Covid" period.
This increase in gross margin is partly reflected in the restated net 4 margin, which rose to €22.6m from €17.4m a year earlier, reflecting higher advertising expenditure and a slight increase in the share of licensed products in total sales.

Note 20 - Staff costs

Staff costs (€)	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Salaries	4 893 107	3 942 192	950 915	24,1%
Social security charges	1 234 039	1 002 666	231 373	23,1%
Other staff costs	57 575	20 110	37 465	186,3%
TOTAL	**6 184 721**	**4 964 968**	**1 219 753**	**24,6%**

At March 31, 2024, the Group had 69 employees, including 26 in France, 40 in HK and 3 in Spain. Personnel expenses increased mainly due to bonuses provisioned for business growth, and to a lesser extent due to the increase in the number of employees.

Note 21 - Operating income

Other operating expenses rose by 1.7 M€, due to a 1 M€ increase in royalty expenses linked to the rise in activity, and to the net increase in customer/supplier provisions this year.

Finally, thanks to higher margins and despite substantial advertising investment during the fiscal year, the Group's operating income grew faster than sales, reaching €6.0 million versus €4.3 million in N-1.

Note 22 - Net financial income (expense)

	31/03/2024	31/03/2023	Gap 24/23	Difference 24/23 (%)
Cost of net debt (income/expense)	**-462 154**	**-432 272**	**-29 882**	**6,9%**
Net interest on leases	**-19 917**	**-30 805**	**10 888**	**-35,3%**
Foreign exchange gains	2 811 407	1 061 370	1 750 037	164,9%
Foreign exchange losses	-2 581 004	-1 423 448	-1 157 556	81,3%
Remeasurement of derivative financial instruments at fair value	100 744	-39 263	140 007	-356,6%
Sub-total currency impact	**331 147**	**-401 341**	**732 488**	**-182,5%**
Other financial income	86 896	7 933	78 963	995,4%
Financial provisions	0	0	0	
Other financial expenses	-122 438	-89 215	-33 223	37,2%
Sub-total Other	**-35 542**	**-81 282**	**45 740**	**-56,3%**
TOTAL FINANCIAL RESULT	**-186 466**	**-945 700**	**759 234**	**-80,3%**

The €759,000 improvement in net financial income was mainly due to the €732,000 change in net foreign exchange gains on the evolution of the USD/EUR exchange rate. Despite the increase in sales, the cost of debt rose by only 30 K€, due to the optimized use of short-term financing lines, mainly as a result of the favorable trend in working capital thanks to the significant reduction in inventory levels. For the first time, the Group also benefited from financial income linked to the investment of its cash on term accounts after the Christmas season.

Note 23 - Income taxes

Income tax expense for the period amounted to €770,000, reflecting changes in the value of deferred tax assets (+€198,000) and tax provisions payable (€571,000).

23.1 Income tax expense (benefit)

Main components of income tax expense (or benefit) :

In € million	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Tax payable	-576 995	-423 710	-153 285	36,2%
Tax payable	**-576 995**	**-423 710**	**-153 285**	**36,2%**
Deferred tax related to temporary differences	-195 775	160 550	-356 325	-221,9%
Change in value of deferred tax assets				
Deferred tax	**-195 775**	**160 550**	**-356 325**	**-221,9%**
Tax expense (or income) in the income statement	**-772 770**	**-263 160**	**-509 610**	**193,7%**

Relationship between tax expense (or income) and accounting profit :

In € million	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Profit on ordinary activities before tax	5 764 723	3 305 587	2 459 136	74,4%
Applicable tax rate	25,00%	25,00%		
Book profit x applicable tax rate	**-1 441 181**	**-826 397**	**-614 784**	**74,4%**
Differences between French and foreign rates and re	222 227	207 321	14 906	7,2%
Tax losses for the period not capitalised	-57 883	42 858	-100 741	-235,1%
Use of non-capitalised tax losses	528 282	269 475	258 807	96,0%
Effect of permanent differences	-24 215	43 583	-67 798	-155,6%
Tax expense (or income) in the income statement	**-772 770**	**-263 160**	**-509 610**	**193,7%**

The applicable tax rate used is the standard corporate income tax rate in France (25.0%), excluding the 3.3% social contribution on corporate income tax, since the corporate income tax payable by the Group in France is less than the amount of the allowance applicable for calculating 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 :

In € million	31/03/2024		
	Actif	Passif	Net
Deferred tax on temporary differences :			
on research and development costs		- 61 467	**- 61 467**
on licences	2 303		**2 303**
on derivative financial instruments	- 16 644	-	**- 16 644**
on elimination of margin on inventories	150 564	-	**150 564**
on other timing differences	42 814	-	**42 814**
Deferred tax on temporary differences	179 037	- 61 467	**117 570**
Deferred tax on unused tax losses	49 178	-	**49 178**
Total deferred tax	**228 215**	**- 61 467**	**166 748**

Given the outlook for the Spanish subsidiary, deferred tax assets have been maintained at 49.2 K€.

Relationship between changes in deferred taxes recognized in the balance sheet and deferred tax expense (or income) recognized in the income statement :

In €	Opening	Flows for the period		Closing	Variation 24/23	Change 24/23 (%)
	31/03/2023	Income statement	Other comprehensive income	31/03/2024		
Deferred tax on temporary differences :						
on research and development costs	-51 987	-7 627	-1 853	-61 467	-9 480	18,2%
on licences	15 204	-12 902	1	2 303	-12 901	-84,9%
on derivative financial instruments	8 549	-25 186	-7	-16 644	-25 193	-294,7%
on elimination of margin on inventories	231 495	-80 931	0	150 564	-80 931	-35,0%
on other timing differences	92 619	-49 806	0	42 814	-49 805	-53,8%
Deferred tax on temporary differences	295 880	-176 452	-1 859	117 570	-178 310	-60,3%
Deferred tax on unused tax losses	68 501	-19 323	0	49 178	-19 323	-28,2%
Total deferred tax	**364 381**	**-195 775**	**-1 859**	**166 748**	**-197 633**	**-54,2%**

Unused tax losses for which no deferred tax asset has been recognized in the balance sheet :

In €	31/03/2024		
	France	Espagne	USA
Amount of tax losses	**9 131 078**	**0**	**604 764**
Applicable tax rate	25,00%	30,00%	35,00%
Unrecognised deferred tax asset	**2 282 770**	**0**	**211 667**
Expiry date of tax losses	None.	None	None.

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

In €	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Rentals	138 000	138 000	0	0,0%
Rental charges	24 000	26 836	-2 836	-10,6%
Total	**162 000**	**164 836**	**-2 836**	**-1,7%**

24.2 Compensation paid to corporate officers

Remuneration in €	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Short-term benefits fixed portion	283 000	283 000	0	0,0%
Variable short-term benefits	700 000	700 000	0	0,0%
Post-employment benefits				
Other long-term benefits	39 887	37 800	2 087	5,5%
Termination benefits				
payments in action				
Total	1 022 887	1 020 800	2 087	0,2%

Note 25 - Segment information

In accordance with the Group's management and internal reporting rules, segment information is presented by activity, using the distribution method for products sold, as indicated in paragraph 3.12.

31 MARS 2024 (€)	CANAL DE DISTRIBUTION 1 (1)	CANAL DE DISTRIBUTION 2 (1)	TOTAL
Chiffre d'affaires net	6 975 300	51 645 667	58 620 967
Autres produits courants	287 901	287 863	575 764
Produits d'exploitation (I)	**7 263 200**	**51 933 531**	**59 196 731**
Coûts d'achat des produits vendus	-3 877 586	-19 656 939	-23 534 525
Dépenses de personnel	-557 834	-5 626 887	-6 184 721
Services Extérieurs	-489 924	-16 884 467	-17 374 391
Taxes (hors impôt société)	0	-24 733	-24 733
Autres produits et charges d'exploitation	-231 657	-5 895 515	-6 127 172
Charges d'exploitation (II)	**-5 157 000**	**-48 088 542**	**-53 245 542**
Résultat d'exploitation (III = I + II)	**2 106 200**	**3 844 989**	**5 951 189**
			0
TOTAL DES ACTIFS	**1 363 333**	**33 356 143**	**34 719 476**
Acquisitions d'immobilisations corporelles et incorp.	0	1 211 610	1 211 610
TOTAL DES PASSIFS	**1 363 333**	**33 356 143**	**34 719 476**

Distribution channel 1 (FOB) corresponds to sales originating at the place of production. The customer takes delivery of the goods at the place of production.
Distribution channel 2 (NON-FOB) corresponds to a complete service. LEXIBOOK takes charge of the entire logistics chain.

31 MARS 2023 (€)	CANAL DE DISTRIBUTION 1 (1)	CANAL DE DISTRIBUTION 2 (1)	TOTAL
Chiffre d'affaires net	9 385 565	41 851 422	51 236 987
Autres produits courants	302 229	322 858	625 087
Produits d'exploitation (I)	**9 687 795**	**42 174 279**	**51 862 074**
Coûts d'achat des produits vendus	-5 275 998	-18 009 936	-23 285 934
Dépenses de personnel	-523 352	-4 441 616	-4 964 968
Services Extérieurs	-898 633	-13 949 399	-14 848 032
Taxes (hors impôt société)	0	-92 846	-92 846
Autres produits et charges d'exploitation	-205 594	-4 213 413	-4 419 007
Charges d'exploitation (II)	**-6 903 577**	**-40 707 210**	**-47 610 787**
Résultat d'exploitation (III = I + II)	**2 784 218**	**1 467 069**	**4 251 287**
			0
TOTAL DES ACTIFS	**6 898 477**	**23 560 678**	**30 459 155**
Acquisitions d'immobilisations corporelles et incorp.	0	144 372	144 372
TOTAL DES PASSIFS	**6 898 477**	**23 560 678**	**30 459 155**

Distribution channel 1 (FOB) corresponds to sales originating at the place of production. The customer takes delivery of the goods at the place of production.
Distribution channel 2 (NON-FOB) corresponds to a complete service. Lexibook takes charge of the entire supply chain.
In accordance with IFRS 8.31 to 34, the table below shows a breakdown of sales by geographical area:

Breakdown of sales by geographical area	**31/03/2024**	**31/03/2023**
Europe (excluding France)	56%	55%
France	34%	39%
Rest of the world	10%	6%
Total	**100%**	**100%**

Note 26 - Subsequent events

None

Note 27 - List of Group companies

List of subsidiaries and affiliates	% of shareholding and voting rights held by the Group at 31/03/2023	% of shareholding and voting rights held by the Group at 31/03/2022
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 business. This subsidiary provides :

- the Group's development through innovation. To this end, it invests in research and development and employs top-level engineers.
- control of the manufacturing process, from the choice of plants and production tools to the purchase of components and quality control of finished products;
- a contribution to consolidated sales of €6.98 million at March 31, 2024, compared with €9.13 million at March 31, 2023.

LEXIBOOK Iberica and LEXIBOOK USA are distribution subsidiaries which enable the Group to ensure its development in these markets by providing retailers with the flexibility of domestic invoicing.

Note 28 - Derivative instruments and hedge accounting

Financial assets and liabilities break down into current and non-current items as follows:

in €	31 March 2024			31 March 2023			Variation 24/23	Change 24/23 (%)
	Non-current	Current	Total	Non-current	Current	Total		
Negative fair value of hedging derivatives not eligible for hedge accounting under IFRS 9			-			-		
Negative (+) or positive (-) fair value of hedging derivatives qualifying as effective and accounted for in accordance with IFRS 9 hedge accounting rules		66 551	66 551		- 34 193	- 34 193	100 744	-294,6%
Financial assets (-) and liabilities (+)		66 551	66 551		- 34 193	- 34 193	100 744	-294,6%

The fair value of derivatives is determined on the basis of valuations provided by the banks. (see note 3.13).

The derivative financial instruments used by the Group are solely currency hedges. At March 31, 2024, the Group had accumulator hedges with European-style deactivating barriers. As the unexpired contractual components of the accumulators do not enable us to determine with any certainty the possible accumulations, we have considered them to be ineffective within the meaning of IFRS 9, and their fair value has been taken directly to income.

The fair value used is based on a valuation model (that of the bank) reconciled with observable parameters in the absence of an official listing market for the hedging instruments taken out by the Group at March 31, 2024 (specific foreign exchange contracts with accumulators and deactivating barriers).

Hedge accounting is applied in accordance with the principles of IFRS 9 and concerns derivatives hedging future cash flows.

Impact on reserves and income statement :

	31/03/2023	Results	Other comprehensive income	31/03/2024	**Variation 24/23**	**Change 24/23 (%)**
Assets	-34 193	34 193		0	34 193	-100,0%
Liabilities	0	66 551	0	66 551	66 551	
Total	**-34 193**	**100 744**	**0**	**66 551**	**100 744**	**-294,6%**
Deferred tax	8 548	-25 186	0	-16 638	-25 186	-294,6%
Net total	**-25 645**	**75 558**	**0**	**49 913**	**75 558**	**-294,6%**

Note 29 - Risk management

The Group has reviewed the risks that could have a material adverse effect on its business, financial position or results (or on its ability to achieve its objectives) and considers that there are no significant risks other than those presented below.

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 situation, results or development.

29.1 Liquidity risk

Summary table of debt at March 31, 2024 and March 31, 2023 :

Net debt (in €)	31/03/2024	31/03/2023	Variation 24 / 23	Variation 24 / 23 (%)
Bank loans	**15 213**	**63 547**	**-48 334**	**-76,1%**
Factoring	1 914 563	2 875 753	-961 190	-33,4%
GIAC, VATEL, PPI BPIFRANCE, PGE Part Courante	1 491 007	1 234 778	256 229	20,8%
IAS 17 finance lease (1)				
Accrued interest	15 428	24 834	-9 406	-37,9%
Total current financial debt	**3 420 998**	**4 135 365**	**-714 367**	**-17,3%**
IAS 17 finance lease (1)				
GIAC, VATEL, PPI BPIFRANCE Non-current portion	3 169 862	4 652 702	-1 482 840	-31,9%
Total non-current borrowings	**3 169 862**	**4 652 702**	**-1 482 840**	**-31,9%**
Total borrowings - A	**6 606 073**	**8 851 614**	**-2 245 541**	**-25,4%**
Cash assets - B	8 648 007	2 439 088	6 208 919	254,6%
Associates' current accounts - C				
Total net debt (A-B+C)	**-2 041 934**	**6 412 526**	**-8 454 460**	**-131,8%**

The Loans for Innovation obtained from BPI France, the state-guaranteed loans 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 (borrowings) to the consolidated financial statements.

To finance its merchandise purchases, the Group uses CREDOC lines and Stand-By Letters of Credit (SBLC). To date, the Group has always covered its CREDOC requirements and, more generally, the financing needs of its merchandise 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 requirements linked to the financing of working capital requirements.

The table below shows the credit lines, their maturities and collateral. Amounts drawn are as at March 31, 2024.

Detail des lignes de crédit au 31 mars 2024

LEXIBOOK France							
Line type	**€ line**	**USD Line**	**Balance sheet use of financial liabilities**	**Balance sheet use of operating liabilities**	**Off-balance sheet use**	**Deadline**	**Special conditions**
Overdraft facilities and foreign currency advances	6,11 M€	0,69 M$	n/a	n/a	n/a	31/01/2025	Annual review clause
CREDOC	0,39 M€	N/a	Néant	Néant	Néant	31/01/2025	Annual review clause
Change	5,21 M€	6,1 M$	Néant	Néant	Néant	31/01/2025	Annual review clause
Change	17 M€		Néant	Néant	Néant	31/03/2025	Tacit renewal

La ligne Credoc cadre avec les besoins de financement saisonniers de Lexibook

LEXIBOOK Hong Kong							
Line type	**€ line**	**USD Line**	**Balance sheet use of financial liabilities**	**Balance sheet use of operating liabilities**	**Off-balance sheet use**	**Deadline**	**Special conditions**
CREDOC and cash facilities		3,611 M$	n/a	0,07 M$ en crédocs	3,30 M$ en crédocs	31/01/2025	Annual review clause
CREDOC and cash facilities		3,000 M$	n/a			15/04/2024	Annual review clause
CREDOC and cash facilities		0,535 M$	n/a			08/06/2024	Annual review clause
CREDOC and cash facilities		0,905 M$	n/a			31/08/2024	Annual review clause

Some of the lines granted to LEXIBOOK Hong Kong can be used as overdraft facilities or CREDOCS. LEXIBOOK Hong Kong's overdraft facilities can be drawn down in either USD or HKD.

To finance trade receivables, the Group has set up a European factoring solution (see note 3.5 of the financial statements at 03/31/24). This financing is linked to the seasonal nature of our business.

In €	-1 mois	1 à 3 mois	3 à 12 mois	+1 an à 3 ans	+3 ans	TOTAL
Customers	3 303 603	1 050 351	1 683 434	1		6 037 390
Prepaid expenses	666 778	387 557	0	190 081		1 244 415
Advances and deposits paid	3 045 813	63 240	21 223	1 141		3 131 418
Operating receivables	**7 016 194**	**1 501 148**	**1 704 657**	**191 223**	**0**	**10 413 223**
Employee receivables and related accounts	234 897	0	0	0		234 897
Receivables from the State and other public bodies	683 263	0	0	0		683 263
Other current debtors	462	0	0	0		462
Other operating receivables	**918 622**	**0**	**0**	**0**	**0**	**918 622**
Suppliers	-3 827 007	-1 159 655	-101 760	0		-5 088 421
Advances and deposits received	-953 391	-6 489	0	0		-959 880
Deferred income	0	0	0	0		0
Operating liabilities	**-4 780 398**	**-1 166 143**	**-101 760**	**0**	**0**	**-6 048 301**
Employee-related liabilities	-40 679	-1 463 673	-100 109	0		-1 604 461
Debts to the State and other public bodies	-191 544	-604 145	-42 045	0		-837 734
Suppliers of fixed assets	0	0	0	-146 000		-146 000
Other operating liabilities	**-232 223**	**-2 067 818**	**-142 154**	**-146 000**	**0**	**-2 588 195**
Total operating working capital	**2 922 195**	**-1 732 813**	**1 460 744**	**45 223**	**0**	**2 695 349**

In €	-1 mois	1 à 3 mois	3 à 12 mois	+1 an à 3 ans	+3 ans	TOTAL
Banks, financial institutions and similar	**8 648 007**	**0**	**0**	**0**		**8 648 007**
Cash and cash equivalents	**8 648 007**	**0**	**0**	**0**	**0**	**8 648 007**
Bond issues, Giac, PGE and BPI	*-125 743*	*-187 784*	*-1 180 469*	*-1 953 913*	*-1 215 947*	*-4 663 856*
Medium-term credit	*0*	*0*	*0*	*0*	*0*	*0*
Borrowings from credit institutions	**-125 743**	**-187 784**	**-1 180 469**	**-1 953 913**	**-1 215 947**	**-4 663 856**
Accrued interest on borrowings	**-24 834**	**0**		**0**	**0**	**-24 834**
Lease commitments IFRS16	*-25 974*	*-52 187*	*-240 950*	*-262 676*	*-6 719*	*-588 506*
Factoring	*-637 192*	*-1 274 384*	*0*	*0*	*0*	*-1 911 576*
Campaign credit	*0*	*0*	*0*	*0*	*0*	*0*
Easy checkout	*-15 213*	*0*	*0*	*0*	*0*	*-15 213*
Overdraft facilities (Hong Kong)	*0*	*0*	*0*	*0*	*0*	*0*
Discounted bills not yet due (Hong Kong)	*0*	*0*	*0*	*0*	*0*	*0*
Other borrowings and similar liabilities	**-678 379**	**-1 326 571**	**-240 950**	**-262 676**	**-6 719**	**-2 515 295**
Financial debt	**-828 956**	**-1 514 355**	**-1 421 419**	**-2 216 589**	**-1 222 666**	**-7 203 985**
Total net financial debt	**7 819 051**	**-1 514 355**	**-1 421 419**	**-2 216 589**	**-1 222 666**	**1 444 022**
Interest on borrowings	**-24 184**	**-32 724**	**-133 441**	**-211 032**	**-45 106**	**-446 488**

Commitments relating to credit lines

- LEXIBOOK has guaranteed its banking partners that stand-by letters of credit will be opened in favor of the Hong Kong subsidiary, for a total of 8,066,077 US dollars converted at the closing rate of 1.0811 dollars per euro.

- The CREDOC, SBLC and campaign credit lines have been pledged to the historical banking pool for €6.15 million, from February 1, 2024, to January 31, 2025, until they are repaid in full.

29.2 Foreign exchange risk

Operating in an international context, the LEXIBOOK Group is exposed to currency risks arising from its various foreign currency exposures, mainly in US dollars. Foreign exchange risk relates in particular to future commercial transactions.
All purchases are made in US dollars, and 19.5% of 2023-2024 sales are also made in USD (compared with 21.2% of 2022-2023 sales) and are therefore naturally hedged in this currency. This natural hedging is achieved via the FOB distribution channel, for which invoicing is effectively carried out in USD.

As mentioned in the section on FOB sales, FOB sales as a percentage of total sales were down on the previous year, mainly due to the non-renewal of an order for Mainbot robots. This share may vary according to the euro/dollar exchange rate and negotiations with customers.
Currency risk creates volatility in earnings, shareholders' equity and cash flows.

The LEXIBOOK Group uses derivatives 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 treatment of these hedging instruments is described in note 28 to the Group's consolidated financial statements.

As part of its risk management policy, the LEXIBOOK Group covers a budget for future purchases of goods payable in US dollars. To cover the purchase budget, we have divided it into sufficiently detailed time buckets.

The Group has reviewed its foreign exchange risk at March 31, 2024 :

Foreign exchange risk	USD	GBP	HKD
Assets	5 026 338	751 456	4 405 183
Liabilities	1 499 375	5 039	4 564 113
Net position before management	3 526 963	746 417	-158 929
Off-balance sheet	-8 066 077		
Covers	-4 870 626	0	
Total net position after management	-9 409 740	746 417	-158 929

Off-balance sheet items include USD 8,066 million of SBLC.

The sensitivity of a change in the exchange parities of the currencies used would vary as follows :

Sensitivity in euros	Impact on profit		Impact on shareholders' equity	
	1% increase	1% decrease	1% increase	1% decrease
USD	87 039	- 87 039	- 13 710	13 710
GBP	- 8 729	8 729	-	-
HKD	188	- 188	75 626	- 75 626
TOTAL	**78 497**	**- 78 497**	**61 916**	**- 61 916**

29.3 Interest rate risk

The Group has reviewed its interest rate risk at March 31, 2024 :

Interest rate risk	Less than one year	One to five years	More than five years old
Financial liabilities	3 436 211	3 072 996	96 866
Financial assets	272 277		
Net position	3 163 934	3 072 996	96 866

At March 31, 2024, in the event of a 1-point increase in rates, the shortfall would be €63,338.
The Group regularly analyzes the financial opportunity of setting up interest-rate swaps (variable/fixed). At the date of this report, given the high cost of swaps, no hedges had been set up.

All financing, with the exception of the bond issue with VATEL, is at variable rates.

Note 30 - Other operating income and expenses

Other operating income and expenses (€)	31/03/2024	31/03/2023	Variation 24/23	Variation 24/23 (%)
Royalties	4 548 335	3 619 083	929 252	25,7%
Intangible fixed assets	114 012	204 405	- 90 393	-44,2%
Property, plant and equipment	145 967	70 493	75 474	107,1%
Amortisation of rights to use assets	312 322	305 397	6 925	2,3%
Other	1 006 536	219 629	786 907	358,3%
Total other operating income and expenses	6 127 172	4 419 007	1 708 165	38,7%

Note 31 - Leases

Rights to use assets

Rights of use of assets (€)	31/03/2024			31/03/2023			Variation 24/23	Variation 24/23 (%)
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value	Net value	Net value
Buildings	1 874 726	1 400 903	473 823	1 557 903	1 139 518	418 385	55 438	13,3%
Equipment	123 659	71 783	51 876	135 203	54 313	80 890	- 29 014	-35,9%
Total Rights to use assets	1 998 385	1 472 686	525 699	1 693 106	1 193 831	499 275	26 424	5,3%

Change in rights to use assets

In euros	31/03/2024		
	Gross value	Depreciation	Net value
At 31/03/2023	**1 693 106**	**1 193 831**	**499 275**
Increases	329 029		
Decreases	- 29 369	- 29 369	
Change in translation adjustments	5 619	- 5 308	
Depreciation and amortisation		313 532	
At 31/03/2024	**1 998 385**	**1 472 686**	**525 699**

Rental commitments by maturity

Rental commitments by maturity in euros	31/03/2024
Less than one year	319 081
Between 1 and 2 years	177 719
Between 2 and 5 years	97 759
More than 5 years	2 947
Total rental commitments	**597 506**

Note 32 - Fees paid to the Statutory Auditors

		S& W	GRANT THORNTON		%	
		Amount before tax				
		2023-2024	2023-2024	2022-2023	2023-2024	2022-2023
Audit						
	Statutory audit, certification, review of individual and consolidated financial statements	27500	59 917	77 502	96%	100%
	Other procedures relating to the statutory auditor's engagement		3 951	1 508	4%	0%
Sub-total		**27 500**	**63 868**	**79 010**		
Other services						
	Legal, tax and employment					
	Information technology					
	Other procedures relating to the statutory auditor's engagement					
Sub-total		**-**	**-**	**-**		
TOTAL		**27 500**	**63 868**	**79 010**	**100%**	**100%**

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, 2024

At the Lexibook Linguistic Electronic System Annual General Meeting,

Opinion

In compliance with the assignment entrusted to Grant Thornton by your Annual General Meeting of September 14, 2021, and in compliance with the additional assignment entrusted to S&W Associés by your Annual General Meeting of May 21, 2024, in accordance with the requirements of article L.821-5 of the French Commercial Code (Code de commerce), we have audited the accompanying financial statements of Lexibook Linguistic Electronic System for the year ended March 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2009, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

As your Company is not required to appoint a second statutory auditor for the year ended March 31, 2023, the financial statements for the year ended March 31, 2023, have not been certified by S&W Associés.

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 Relating to 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 April 1,er 2023 to the date of issue of our report.

Justification of assessments

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters which, in our professional judgment, were the most significant for the audit of the financial statements.

We have assessed the various approaches adopted by the Company, as described in the notes to the consolidated financial statements entitled "Inventories" and "Trade receivables", paragraph "D) Accounting policies". We performed specific tests and procedures to verify, on a test basis and using analytical procedures, 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 of 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 procedures required by law.

Information given in the management report and in the documents on the financial situation and annual financial statements sent to 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 addressed to the shareholders with respect to the financial position and the financial statements.

We hereby attest to the fair presentation and the conformity with the financial statements of the information relating to the payment periods mentioned in article D.441-6 of the French Commercial Code.

Report on corporate governance

We confirm that the Supervisory Board's report on corporate governance contains the disclosures required by Article L.225-37-4 of the French Commercial Code.

Other information

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

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

It is the responsibility of management to prepare financial statements that give a true and fair view in accordance with French generally accepted accounting principles, and to implement any internal control procedures that it considers necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these statements, where appropriate, the necessary going concern information and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

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

Statutory auditors' responsibilities with regard to the audit of annual financial statements

Our responsibility is to express an opinion on these financial statements based on our audit. Our objective is to obtain reasonable assurance about whether the financial statements, taken as a whole, are free from material misstatement. Reasonable assurance refers to a high level of assurance, without however guaranteeing that an audit performed in accordance with professional standards would systematically detect any material misstatement. 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 aggregate, influence the economic decisions made by users of the financial statements.

As stipulated by Article L.821-55 of the French Commercial Code, our role as statutory auditors does not include guaranteeing the viability or quality of your company's management.

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

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and implements audit procedures to address these risks, and obtains audit evidence that it believes to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, falsification, deliberate omission, misrepresentation or circumvention of internal control.

- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control.

- it assesses the appropriateness of the accounting methods 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 gathered, whether or not there is any significant uncertainty linked to events or circumstances that could call into question the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of his 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.

- assesses the overall presentation of the annual financial statements, and whether they give a true and fair view of the underlying transactions and events.

Paris and Neuilly sur Seine, July 4, 2024

Statutory Auditors

Grant Thornton
French member of Grant Thornton International

Matthieu Lebarbier
Associate

S & W Associés

Julie Benzaquen
Associate

Balance sheet assets in €	Note	03/31/2024 in Gross (12 months)	Depreciation, Provisions	03/31/2024 Net (12 months)	03/31/2023 Net (12 months)
Set-up costs	1&2	-	-	-	-
Research and development costs	1&2	-	-	-	-
Concess., patents	1&2	358 679	358 531	148	1 185
Fonds commercial	1&2	70 127	70 127	-	-
Other intangible assets	1&2	100 000	100 000	-	-
Intangible assets	**1&2**	**528 806**	**528 658**	**148**	**1 185**
Technical installations	1&2	168 905	168 905	-	-
Other property, plant and equipment	1&2	630 529	481 030	149 499	145 112
Assets under construction	1&2	-	-	-	-
Property, plant and equipment	**1&2**	**799 434**	**649 935**	**149 499**	**145 112**
Equity investments	3	389 753	398	389 354	389 354
Receivables from investments	3	2 688 850	1 128 757	1 560 093	19 651 314
Loans	3	94 431	-	94 431	100 815
Other long-term investments	3	3 446 639	80 000	3 366 639	1 841 720
Financial fixed assets	**3**	**6 619 671**	**1 209 155**	**5 410 516**	**21 983 202**
Fixed assets		***7 947 911***	***2 387 748***	***5 560 163***	***22 129 499***
Raw materials inventories	4	-	-	-	-
Merchandise inventories	4	10 920 115	1 177 000	9 743 115	15 075 661
Stocks	**4**	**10 920 115**	**1 177 000**	**9 743 115**	**15 075 661**
Advances and deposits paid	5	29 988	-	29 988	89 988
Accounts receivable	5	5 037 368	869 998	4 167 370	2 877 797
Social security receivables	5	233 700	-	233 700	60 256
Tax receivables	5	698 164	-	698 164	642 346
Operating receivables	**5**	**5 999 221**	**869 998**	**5 129 223**	**3 670 387**
Current accounts in debit		-	-	-	-
State and other local authorities		-	-	-	-
Sundry debtors		37 098	-	37 098	25 505
Sundry receivables		**37 098**	**-**	**37 098**	**25 505**
Securities		517 003	812	516 191	22 412
Availability		4 650 713	-	4 650 713	2 135 315
Treasury		**5 167 716**	**812**	**5 166 904**	**2 157 726**
Prepaid expenses	6	299 036	-	299 036	330 076
Current assets		***22 423 186***	***2 047 810***	***20 375 376***	***21 259 355***
Deferred charges	6	13 073	-	13 073	27 334,36
Cumulative translation adjustment	6	12 106	-	12 106	1 015 446
Accruals and deferred income	***6***	**25 179**	**-**	***25 179***	***1 042 781***
Total assets		**30 396 276**	**4 435 558**	**25 960 718**	**44 431 636**

Balance sheet liabilities in €	Note	31/03/2024 (12 months)	31/03/2023 (12 months)
Capital	7	3 881 660	3 881 660
Bonus	7	-	-
Legal reserve	7	167 743	148 322
Statutory reserve	7	0	0
Retained earnings	7	2 130 073	1 890 550
Capital and reserves	**7**	**6 179 476**	**5 920 533**
Net income for the year		**3 836 880**	**258 943**
Total shareholders' equity	***7***	***10 016 356***	***6 179 476***
Provisions for liabilities and charges		212 106	1 015 446
Provisions	***8***	***212 106***	***1 015 446***
Convertible bonds	9	-	-
Borrowings from credit institutions	9	4 337 011	5 263 458
Other bonds	9	342 274	662 107
Other financial liabilities	9	-	-
Bank overdrafts	9	15 213	63 547
Financial liabilities	***9***	***4 694 498***	***5 989 112***
Suppliers		7 231 480	27 372 767
Social debts		2 325 440	1 398 661
Tax liabilities		353 552	97 725
Operating liabilities		***9 910 471***	***28 869 153***
Suppliers of fixed assets		-	-
Current accounts in credit		-	-
Tax liabilities (corporate income tax)		-	-
Sundry liabilities		936 253	1 249 850
Sundry liabilities		**936 253**	**1 249 850**
Cumulative translation adjustment	10	191 035	1 128 598
Deferred income		-	-
Accruals and deferred income		**191 035**	**1 128 598**
Total liabilities		***25 960 718***	***44 431 636***

Income statement in € (Part I)	Note	31/03/2024 (12 months)	31/03/2023 (12 months)
Sales of merchandise		**47 910 880,37**	**40 349 202**
- France (vm)		18 634 405,93	17 015 217
- Foreign (vm)		29 276 474,44	23 333 985
Sales of services		**1 366 056,79**	**1 305 820**
- France (vs)		3 467,39	11 075
- Foreign (vs)		1 362 589,40	1 294 745
Total sales	**12**	**49 276 937,16**	**41 655 022**
Reversals of operating depreciation and provisions		-	130 080
Other operating income		1 481 416	91 993
Transfer of operating expenses		18 780	17 502
Total operating income		**50 777 133**	**41 894 598**
Purchases of raw materials & other supplies		249 026	253 949
Non-stock purchases, equipment and supplies		41 569	44 575
Purchase of merchandise		16 151 855	24 056 874
Change in merchandise inventories		4 892 943	- 3 689 587
Other external expenses		14 411 953	12 954 412
Taxes and similar payments		24 733	92 846
Employee compensation		2 969 027	2 191 087
Social security charges		1 132 803	922 922
Depreciation and operating provisions		1 202 571	58 909
Other operating expenses		5 856 800	3 633 709
Total operating expenses		**46 933 278**	**40 519 696**
Operating income		***3 843 855***	***1 374 901***

Income statement in € (Part II)	Note	31/03/2024 (12 months)	31/03/2023 (12 months)
Income from other receivables and marketable securities		-	-
Foreign exchange gains		193 113	214 801
Net proceeds from disposal of marketable securities		-	-
Other financial income		68 292	6 545
Reversals of provisions and financial amortization		1 003 340	262 406
Total financial income		**1 264 746**	**483 752**
Provisions and amortization		278 456	920 377
Interest and financial expenses		290 532	260 111
Foreign exchange losses		208 869	268 712
Net expenses on disposal of marketable securities		-	-
Other financial expenses		119 816	86 306
Total financial expenses		**897 674**	**1 535 505**
Net financial income	***13***	***367 072***	***- 1 051 754***
Income from ordinary activities		***4 210 926***	***323 148***
Extraordinary income from capital operations		15 000	-
Other extraordinary income		25 000	-
Total non-recurring income		**40 000**	**-**
Exceptional expenses on management operations		135 765	44 729
Prior period expenses		-	-
VNC of intangible assets sold		-	-
Net book value of property, plant and equipment sold		-	-
NBV of financial assets sold		-	-
Provisions for intang. Intangible		-	-
Provisions for intangible assets Property, plant and equipment		-	-
Other exceptional expenses		-	-
Total non-recurring expenses		**135 765**	**44 729**
Net exceptional income	***14***	***-95 765***	***-44 729***
Income tax		278 282	19 475
Net income		***3 836 880***	***258 943***

Notes to the parent company financial statements

Environment

Key facts :

The Annual General Meeting of May 21, 2024, decided to appoint S&W ASSOCIES as joint statutory auditor.
The Supervisory Board meeting of July 2, 2018, had authorized the waiver, in favor of the Chinese subsidiary, Lexibook Hong Kong Limited, of the receivable it held on the latter amounting to €1,400,000 at March 31, 2018 in order to restore its net book position. This waiver was subject to a ten-year financial recovery clause effective from July 2, 2018.
In May 2023, Lexibook ratified the definitive waiver of the better fortunes clause concerning the €1,400,000 debt waiver in its favor.
During the year (end of May 2023), the company migrated its ERP software by implementing Microsoft 365.
Lexibook France has received a summons for infringement from a company based in China. This company has already sued the factory (Lexibook suppliers) manufacturing the toys in question but has been unsuccessful. At March 31, 2024, Management considers that the risk of being condemned is low, but as a precaution has booked a provision for risk in the amount of 200K€, corresponding to around 50% of the amount requested by the plaintiffs.
During the year, as part of a strategy to improve cost allocation between Group companies, management decided to set up rebilling between Lexibook Hong Kong and Lexibook France. This exclusively concerns :

- Salaries (Digital Marketing, Product Development and Marketing, Sales Team...)
- Operating expenses : IT licenses, travel expenses for management based in France, employee goodies.

The Group is exposed to the risk of international conflicts in the territories in which it operates, both in terms of product design and manufacture, and sales. A conflict involving China and/or Taiwan, for example, could cause a break in the product manufacturing chain. Nevertheless, in the context of the war in Ukraine, the Lexibook Group specifies that it is not exposed to the Russian or Ukrainian markets, either in terms of supplies or sales.

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 2013-02 of November 07, 2013, et seq.

Application of the going concern principle

Following negotiations with our banking partners, virtually all the bank loans granted by our historical banks have been confirmed. Negotiations are underway to set up an RCF.
Banks outside the historical banking pool have also confirmed the renewal of a €2.48 million campaign credit line (from 01/05/2024 to 30/11/2024).

Bank loans, new financing, efforts to manage and improve working capital, and the cash flow generated over the 2023-24 financial year mean that the Group considers that the necessary conditions are in place to operate as a going concern over the next twelve months.

Accounting principles

Tangible and intangible fixed assets

Purchased goodwill is not amortized but may be written down if necessary.
Property, plant and equipment and intangible assets are carried at acquisition cost.
Depreciation is calculated using the straight-line or declining-balance method, based on useful lives that take into account 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 interests

Investments in associates are carried at acquisition cost and are written down where necessary to reflect their value in use. Value in use takes into account the net worth of the investment, adjusted for any unrealized capital gains, and its immediate or future capacity and contribution to shareholders' equity of the consolidating entity (if the investment is consolidated).
If, after examination of the various criteria set out above for monitoring the value of investments (long-term holding, contribution to consolidated shareholders' equity, immediate or future earnings power, market value of the company concerned), it emerges that the value in use is less than the acquisition cost of the investment, an impairment loss is recognized. This depreciation corresponds to the difference between the acquisition cost and the net book value of the company concerned.n

Lexibook France's investment in Lexibook USA has been written down by €399 due to its negative contribution to consolidated shareholders' equity, as shown in note 3 on the line "Prov / investments".

When value in use once again exceeds or equals acquisition cost, any impairment losses recognized are reversed.

Receivables from investments

At year-end, the net worth of each investment is reviewed. If the net worth is negative, receivables from investments are written down accordingly. If receivables from investments are less than the negative net worth, the excess negative net worth is written down, where appropriate, against the trade receivables held on the investment concerned.
The following transactions relating to receivables from participating interests were carried out during the year:

- Partial provision for Lexibook USA's receivables from Lexibook SA amounting to €277,644, included on the line "Change in financial provisions" in note 13.

At year-end, receivables from Lexibook Iberica related to investments held by Lexibook France were not impaired.

At year-end, receivables from Lexibook Hong Kong relating to equity interests held by Lexibook France were not impaired.

At year-end, Lexibook France's receivables from Lexibook USA were written down by €1,128,757.

Other investments, Marketable securities

Other investments and marketable securities are carried at acquisition cost, and are written down where necessary to reflect their value in use. Value in use mainly takes into account the company's net worth, adjusted for any unrealized capital gains, and its immediate or future earnings power.

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 goods from Lexibook Hong Kong, as well as approach costs.

In terms of depreciation, which is recognized if the realizable value is less than cost, the method differs depending on the type of inventory.
a) Defective inventories or inventories to be recycled: these inventories are grouped into different categories. These categories are used to determine the level of depreciation to be applied. Depreciation rates vary from 5% to 100%.
b) Slow-moving inventories: inventories of new products are subject to a detailed review to determine whether the value of products identified as "slow-moving" should be written down, and if so, how much.

The company records impairment losses on the basis of net realizable values, mainly based on sales prospects and expected margins.
A 100% provision may also be set aside 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 face value. An impairment loss is recognized when the inventory value is lower than the book value. Impairment is determined on the one hand on the basis of uncollectible receivables, and also on the basis of the age of receivables, and on the other hand 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, impairment losses and reversals were recognized on intra-group trade receivables during the year.

At year-end, Lexibook France's operating receivables from its subsidiaries were not impaired, with the exception of the subsidiary Lexibook USA:

- Partial write-off of Lexibook USA's receivables from Lexibook SA for €242,264, included on the "Trade receivables" line in note 5.

Currency translation adjustments

Payables and receivables denominated in foreign currencies are translated into euros at the year-end exchange rate.

Operating income

Revenue is generated when the service is rendered.

Non-recurring income and expenses

Only exceptional income and expenses of an unusual nature and of an exceptional occurrence are recorded as exceptional income or expense.

Pension commitments

Pensions and benefits due to employees on retirement are recognized in the financial statements at the time of payment. Retirement commitments are valued at €124,909. No provision has been recorded in the parent company financial statements for the year ended March 31, 2024 in respect of this commitment.
The valuation method used for employee benefit obligations is the projected unit credit method, as recommended by CNC recommendation no. 2003-R.01 of April 1, 2003 relating to the rules for valuing and accounting for retirement commitments and similar benefits.
This approach is equivalent to recognizing, at the calculation date, a commitment equal to the probable present value of estimated future benefits multiplied by the ratio between length of service at the calculation date and the retirement date. Implicitly, this means that the commitment is 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 retirement date as follows:
Final salary = Salary at date of calculation * (1+ Salary revaluation rate) $^{\text{remaining duration}}$
Two probabilities are then applied: one for survival and one for presence (i.e. not leaving through redundancy or resignation).
Finally, a prorata (seniority at 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 2.21%, turnover of 12.86% and discount rate of 3.33% (Bloomberg AA actuarial rate - long term (15 years) + Index at March 31, 2024).

Earnings per share

Income statement in € (Part II)	Note	31/03/2024 (12 months)	31/03/2023 (12 months)
Net income		***3 836 880***	***258 943***
Earnings per share		0,4942	0,0334
Earnings per share and per conv. bond		0,4942	0,0334
Diluted earnings per share		0,4942	0,0334
Convertible bonds		0	0
Dividends distributed		0	0

Notes to the balance sheet & income statement at March 31 20 2 4

Note 1: Property, plant and equipment and intangible assets

Intangible assets and property, plant and equipment (€)	31/03/2023	Increase	Dimin-ution	Other changes	31/03/2024
Intangible assets					
Concessions, patents, licenses	358 679	-	-		358 679
Fonds de commerce	70 127				70 127
Other intangible assets	100 000	-	-	-	100 000
TOTAL	**528 806**	**-**	**-**	**-**	**528 806**
Property, plant and equipment					
Industrial plant, equipment and tools	168 905	-		-	168 905
Other property, plant and equipment	539 565	102 468	- 11 503	-	630 530
Property, plant and equipment in progress	-	-	-		0
TOTAL	**708 469**	**102 468**	**- 11 503**	**-**	**799 434**

Other intangible assets" correspond to website costs incurred to March 31, 2024 in the amount of €100,000.

Note 2: Depreciation, amortization and provisions for property, plant and equipment and intangible assets

Amortization of intangible assets and property, plant and equipment (€)	31/03/2023	Increase	Dimin-ution	Other changes	31/03/2024
Amort / Intangible fixed assets					
Amort / Concessions, patents, licenses	316 073	1 037	-	-	317 110
Amort / Other intangible assets	100 000	-	-	-	100 000
TOTAL I	**416 073**	**1 037**	**-**	**-**	**417 110**
Amort / Property, plant and equipment					
Amort / Ind. plant, equipment and tools	168 905	-	-	-	168 905
Amort / Other tangible fixed assets	394 453	98 081	- 11 503	-	481 031
TOTAL II	**563 357**	**98 081**	**- 11 503**	**-**	**649 935**
Impairment / Intangible assets					
Impairment / Concessions, patents, licenses	41 421	-	-	-	41 421
Impairment / Goodwill	70 127	-	-	-	70 127
Impairment / Other intangible assets	0	-	-	-	0
TOTAL III	**111 548**	**-**	**-**	**-**	**111 548**

Note 3: Long-term investments

flow of financial assets in €	31/03/2023	Increase	Dimin-ution	Other changes	31/03/2024
Financial fixed assets					
Equity investments	389 753	0	0	0	389 753
Receivables from investments	20 502 426	76 907 930	94 721 507	0	2 688 850
Equity interests Banks	50	0	0	0	50
Giac and Mainbot titles	20 007	0	0	0	20 007
Loans	100 815	5 544	11 928	0	94 431
Deposits and guarantees	1 901 663	63 233 967	61 709 048		3 426 582
Other	0		0		0
TOTAL	**22 914 713**	**140 147 441**	**156 442 483**	**0**	**6 619 671**

Provisions for long-term investments in € (in ')	31/03/2023	Increase	Dimin-ution	Other changes	31/03/2024
Prov / Financial fixed assets					
Prov / Investments	398	0	0	0	398
Prov / Loans to subsidiaries and affiliates	851 113	277644	0	0	1 128 757
Prov / Mainbot securities	10 000	0	0		10 000
Prov / Guarantee Fund	70 000	0	0		70 000
TOTAL	**931 511**	**277 644**	**0**	**0**	**1 209 155**

Non-current financial assets (in €)	Montant Brut	Échéances à moins 1 an	Échéances à plus 1 an
Long-term investments			
Investments in associates	389 753	0	389 753
Receivables from investments	2 688 850	0	2 668 850
Equity interests Banks	50	0	50
Giac and Mainbot shares	20 007	0	20 007
Loans	94 431	0	94 431
Deposits and guarantees	3 426 582	3 305 802	120 780
Other	0		0
TOTAL	**6 619 671**	**3 305 802**	**3 293 870**

Note 4 : Inventories

Inventories in € (in ')	Gross value 03/31/24	Depreciation	Net value 03/31/24	Net value at 03/31/23
Merchandise inventories	10 920 115	1 177 000	9 743 115	15 075 661
TOTAL	**10 920 115**	**1 177 000**	**9 743 115**	**15 075 661**

Note 5: Operating receivables

Operating receivables (€)	Gross value 03/31/24	Depreciation	Net value 03/31/24	Net value at 03/31/23
Advances and deposits paid	29 988	-	29 988	89 988
Accounts receivable	5 037 368	869 998	4 167 370	2 877 797
Social security receivables	233 700	-	233 700	60 256
Tax receivables	698 164	-	698 164	642 346
TOTAL	**5 999 221**	**869 998**	**5 129 223**	**3 670 387**

Operating receivables	Total	1 year or more	1 to 5 years
Advances and deposits paid	29 988	29 988	
Accounts receivable	4 167 370	4 167 370	
Social security receivables	233 700	233 700	
Tax receivables	698 164	698 164	-
Total	**5 129 223**	**5 129 223**	**-**

Note 6: Prepayments and accrued income

This item comprises prepaid expenses of €299,036 and translation adjustments for 12,106, and deferred charges on loan issuance costs of €13,073.

Prepaid expenses at 31 03 2024	Operating	Financial	Exceptional	Total
Prepaid expenses	221 356			221 356
Prepaid expenses Royalties	77 681			77 681
	299 036	**-**	**-**	**299 036**

Conversion difference Assets at 03 31 2024	Operating	Financial	Exceptional	Total
Cumulative translation adjustment Assets	12 106	-	-	12 106
	12 106	**-**	**-**	**12 106**

Deferred charges at 31 03 2024	Operating	Financial	Exceptional	Total
Issuance costs of deferred borrowings	-	13 073		13 073
	-	**13 073**	**-**	**13 073**

Note 7: Shareholders' equity

At March 31, 2024, share capital comprised 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:

Shareholders' equity in € (in ')	Capital	Share premium	Reserves	Retained earnings	Results	Other changes	Total
April 1, 2023	3 881 660	-	148 323	1 890 550	258 943		6 179 476
Appropriation of profit 2022-2023			19 421	239 522	- 258 943	-	-
Decision Allocation	-	-	-	-			-
Net income at 03/31/2024					3 836 880		3 836 880
At March 31, 2024	**3 881 660**	**-**	**167 744**	**2 130 073**	**3 836 880**	**-**	**10 016 356**

Note 8: Provisions for contingencies and charges

Provisions for liabilities and charges in € (in ')	31/03/2023	Increase	Decreases used	Unused reductions	31/03/2024
Provisions for commercial and labor disputes	-	200 000	-	-	200 000
Warranty provisions	-	-	-	-	-
Provisions for bond redemption premiums	-	-	-	-	-
Provision for taxes	-	-	-	-	-
Other provisions	1 015 446	-	1 003 340	-	12 106
Deferred tax liabilities	-	-	-	-	-
Total	**1 015 446**	**200 000**	**1 003 340**	**-**	**212 106**

Other provisions include provisions for foreign exchange losses

The Group has not considered it necessary to set aside a provision for product warranties due to the following factors:

- The Group has warranty contracts with all its assembly subcontractors, and has transferred the risk of an epidemic default to them.
- Quality standards have been tightened up over the last few years, making products more reliable, reducing breakdowns on unpacking and improving Lexibook's brand image.
- 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 require after-sales returns.

Overall, the ratio of products handled by the after-sales service reached a low point in the 2023-24 financial year at 0.12% of volumes.

Note 9: Maturity schedule of borrowings

Borrowings in € at 03/31/2024	Total	1 year or more	1 to 5 years	+ over 5 years
Convertible bonds	-	-	-	-
Other bonds	342 274	342 274	-	-
Borrowings from credit institutions	4 337 011	1 167 149	3 072 995	96 866
Other financial liabilities	-	-		-
Bank overdrafts	15 213	15 213		-
Total	**4 694 498**	**1 524 637**	**3 072 995**	**96 866**

Note 10: Accruals and deferred income

This item comprises €191,035 in translation adjustments.

Deferred income at 31 03 2024	Operating	Financial	Exceptional	Total
Deferred income	-			-
	-	-	-	-

Translation adjustment Liabilities at 03 31 2024	Operating	Financial	Exceptional	Total
Foreign currency translation liabilities	14 391	176 644		191 035
	14 391	**176 644**	**-**	**191 035**

Note 11: Off-balance sheet commitments

Commitments given

At its meeting on January 25, 2022, the Supervisory Board authorized the Executive Board to act as guarantor for the banks and to sign the documents required to set up a line of standard letters of credit (SBLC) for Lexibook Hong Kong, a 100% subsidiary of Lexibook France. The SBLCs are granted by HSBC (USD 3,000 million), BNPP (USD 1,781 million), SG (USD 1,830 million), BECM (USD 0,535 million) and LCL (USD 0,920 million). This amount of 8,066,077 US dollars is converted at the closing rate of 1.0811 dollars per euro.

At March 31, 2024, Lexibook had USD forward purchase commitments amounting to USD 4,870,625, also converted at the closing rate of USD 1.0811 per euro.

The contracts signed with Factofrance and Cofacrédit, for domestic and export financing respectively, provide for :

Features	FACTOFRANCE	COFACREDIT
Reserves	10%	10%
Retention period	15%	15%
Minimum Guarantee Fund	230 000	100 000
Factoring commission	0,23%	0,23%
Anticipation commission	Monthly average EURIBOR 3 months + 0.75	Monthly average EURIBOR 3 months + 0.75

At March 31, 2024, gross receivables assigned to the factor amounted to €1,914,563 (€669,512 with Factofrance and €1,245,051 with Cofacrédit).

There are no unmatured discounted notes at March 31, 2024.

Lexibook SA has no commitment at March 31, 2024 on the "CREDOC" lines granted by banks and used to finance merchandise purchases. (Line commitment given for 0.390 M€, with no drawdown at March 31, 2024).
The CREDOC and SBLC lines have been pledged to the historical banking pool for €6.155 million from February 1, 2024 to January 31, 2025.

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 limit of 3,000,000 US Dollars, for the commitments entered into 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 negotiation of export invoices.

Commitments received

None

Note 12: Sales by region and segment

France-Export sales break down as follows:

France-Export sales in € (in €)		31/03/2024 12 months	31/03/2023 12 months
France		18 637 873	17 026 292
Export		30 639 064	24 628 730
	Total	**49 276 937**	**41 655 022**

Marketplace-Off-Marketplace sales in € (in €)		31/03/2024 12 months	31/03/2023 12 months
Marketplace		23 594 623	18 856 616
Off Marketplace		25 682 314	22 798 406
	Total	**49 276 937**	**41 655 022**

Note 13: Net financial income

Net financial income breaks down as follows

Net financial expense in €	31/03/2024 12 months	31/03/2023 12 months
Income from investments		
Income from other receivables and marketable securities		
Foreign exchange gains	193 113	214 801
Net proceeds from disposal of marketable securities		
Other financial income	68 292	6 545
Total financial income	**261 405**	**221 346**
Interest and financial expenses	290 532	260 111
Foreign exchange losses	208 869	268 712
Net expenses on disposal of marketable securities		
Other financial expenses	119 816	86 306
Total financial expenses	**619 218**	**615 128**
Change in financial provisions	724 884	-657 972
Net financial income	**367 072**	**-1 051 754**

Changes in financial provisions include :
- \+ 1,003,340 net allocation to provisions for exchange losses.
- \- 277,644 net allocation to provisions on receivables from equity interests.
- \- 812 net allocation to provisions for treasury stock.

Note 14: Non-recurring items

Exceptional items at March 31, 2024 totaled €95,765.

Net exceptional items in €	31/03/2024 12 months	31/03/2023 12 months
Extraordinary income from management operations	-	-
Extraordinary income from capital transactions	15 000	-
Liquidation surplus on subsidiaries	-	-
Other extraordinary income	25 000	-
Total non-recurring income	**40 000**	**-**
Exceptional expenses on management operations	135 765	44 729
Exceptional expenses on capital transactions	-	-
VNC of intangible assets sold	-	-
Other exceptional expenses	-	-
Total non-recurring expenses	**135 765**	**44 729**
Change in exceptional provisions	-	-
Exceptional items	**- 95 765**	**- 44 729**

Extraordinary expenses mainly comprise :

- - 130,059 for contract penalties.

Note 15: Workforce

Lexibook SA's workforce breaks down as follows:

Workforce by CSP in France	31/03/2024	31/03/2023
Company Officers	2	2
Managing Executives	2	2
Fixed-price executives	6	6
Executives	3	3
Foremen	7	6
Employees	3	2
Multi-card sales representative	0	0
Trainees	2	1
Apprenticeship contracts	1	0
Professionalization contracts	0	0
Total	**26**	**22**

Note 16: Subsidiaries and affiliates

List of subsidiaries and affiliates in euros	% owned	Shareholders' equity (excluding capital)	Gross value of shares at 03/31/2024	Net value of shares at 03/31/2024	Loans / debts Net	Guarantees and endorsements granted (1)	Sales 03/31/2024	Net income 03/31/2024	Dividends paid (-), received (+)
A. Subsidiaries over 50%-owned									
Lexibook Hong Kong Limited	99,9%	7 487 108	236 340	236 340	1 404 656	7 460 992	25 235 798	1 493 303	-
Lexibook Iberica SL	99,9%	- 56 365	153 014	153 014	155 437		604 895	64 412	
Lexibook USA	100,0%	- 1 371 483	399		1 128 757		4 284 633	- 513 125	

(1) 8,066,077 USD converted at the closing rate of 1.0811.
NB: Foreign currency amounts expressed in euros in this table have been translated at the closing rate for balance sheet items and at the average rate for the year for income statement items.

Note 17: Interest rate and currency risks

Interest rate risk	Less than one year	One to five years	Over five years old	Total
Financial liabilities	1 509 422	3 072 996	96 866	4 679 284
Financial assets	-5 410 517		-	5 410 517
Net position before management	**-3 901 095**	**3 072 996**	**96 866**	**- 731 233**
Off-balance sheet				
Net position after management	**-3 901 095**	**3 072 996**	**96 866**	**- 731 233**

In the event of a one-point increase in interest rates, the potential loss would be €7,312.

Foreign exchange risk	USD	GBP	HKD
Assets	3 113 966	1 399 933	-
Liabilities	- 3 207 845	- 5 039	5 542 409
Net position before management	**- 93 879**	**1 394 894**	**5 542 409**
Off-balance sheet	- 12 936 702	-	-
Net position after management	**- 13 030 581**	**1 394 894**	**5 542 409**

NB: The USD 12,937 million off-balance sheet position comprises USD 8,066 million in SBLCs and USD 4,871 million in 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
130,306 USD, 13,949 GBP and 55,424 HKD.

Note 18: Inventory of securities

Nature	Name	Number of shares	Gross book value	Impairment	Net book value
Equity investments (1)	Lexibook HK	49 999	236 340	-	236 340
Equity investments (1)	Lexibook Iberica	24 694	153 014	-	153 014
Equity investments (1)	Lexibook Usa	500	399	- 399	-
Treasury stock (2)	Lexibook SA	-	17 003	- 812	16 191

(1) Securities held are written down on the basis of the subsidiaries' negative net worth.
(2) Lexibook SA shares are depreciated on the basis of the share price on March 31, 2024.

Note 19: Affiliated or related companies

Nature	Total amounts	Related companies	Companies with a participating interest
Financial fixed assets	5 410 516	-	1 949 447
Financial liabilities	4 694 498	-	-
Operating receivables	5 129 223	-	1 221 053
Operating liabilities	9 910 471	-	3 718 704
Operating expenses	46 933 278	-	16 351 072
Operating income	50 777 133	-	2 365 645
Financial expenses	897 674	-	277 644
Financial income	1 264 746	-	-
Extraordinary expenses	135 765	-	-
Extraordinary income	40 000	-	-

Note 20: Breakdown of operating receivables and payables

Operating receivables and sundry receivables	Total	1 year or more	1 to 5 years
Advances and deposits paid	29 988	29 988	-
Accounts receivable	5 037 368	5 037 368	-
Social security receivables	233 700	233 700	-
Tax receivables	698 164	698 164	-
Other receivables	37 098	37 098	
Total	**6 036 319**	**6 036 319**	**-**

Operating and other liabilities	Total	1 year or more	1 to 5 years
Trade accounts payable	7 231 480	7 231 480	-
Advance payments received / com.	-	-	-
Social debts	2 325 440	2 325 440	-
Tax liabilities	353 552	353 552	-
Other liabilities	936 253	936 253	-
Total	**10 846 724**	**10 846 724**	**-**

NB: Other receivables include trade accounts receivable of €37,098.
NB: Other liabilities include accounts receivable of €436,766, and accounts payable of €499,487.

Note 21: Total compensation paid to members of management bodies

For the period from April 1er 2023 to March 31 2024, executive remuneration amounted to €1,022,887.38.

Note 22: Increases and reductions in future tax liabilities

22-1 Income tax expense

LEXIBOOK's corporate income tax liability for the year ended March 31, 2024, including contributions, amounts to €278,282.

Taxable income for the year ended March 31, 2024 amounted to €3,226,255. An amount of €2,113,128 was allocated to previous tax losses. The remaining balance of €1,113,127 generated a net tax charge of €278,282.

22-2 Tax breakdown

The breakdown of corporate income tax between ordinary income and extraordinary income is as follows:

	Current income	Exceptional items	CICE	TOTAL
Profit before tax	4 210 926	- 95 765	-	4 115 161
Tax	- 278 282	-	-	- 278 282
Net income	**3 932 645**	**- 95 765**	**-**	**3 836 880**

22-3 Change in future tax liability

Change in future tax liability (€)	Opening 03/31/2023	Increases	Decreases	Closing 03/31/2024
Base Deferred tax assets				
Organic	-	-	-	-
Building effort	-	-	-	-
Tax loss carryforwards	11 244 203	-	2 113 128	9 131 075
Net long-term capital losses	786 607	-	-	786 607
Total deferred tax assets	**12 030 810**	**-**	**2 113 128**	**9 917 682**

Net long-term capital losses represent forecast or actual losses on equity investments.

Note 23: Accrued expenses and accrued income r

Payables		Amount
Total accrued liabilities		**4 660 739**
Other financial liabilities		**21 755**
Accrued interest on borrowings	15 428	
Accrued interest	6 327	
Bank loans		**-**
bank loans	-	
Trade accounts payable		**1 918 979**
Unpaid invoices	1 918 979	
Advances and deposits received on orders		**499 487**
Credit notes to be established	499 487	
Social debts		**2 209 973**
Paid vacations	142 155	
Other social debts	2 067 818	
Tax liabilities		**10 545**
Other tax liabilities	10 545	
Other liabilities		**-**
Sundry liabilities	-	

Receivables		Amount
Total accrued income		**456 162**
Financial receivables		**-**
Accrued interest receivable	-	
Advances and deposits paid		**-**
Advance payments	-	
Credit notes receivable	-	
Tax receivables		**456 162**
Other tax receivables	456 162	
Social security receivables		**-**
Accrued income	-	
Sundry receivables		**-**
Miscellaneous	-	

Note 24: 5-year financial summary

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
I- Capital at year-end					
a) Share capital	3 881 660	3 881 660	3 881 660	3 881 660	3 881 660
b) Number of shares issued	7 763 319	7 763 319	7 763 319	7 763 319	7 763 319
c) Number of bonds convertible into shares	0	0	0	0	0
II - Operations and results for the year					
a) Sales	49 276 937	41 655 022	36 873 646	22 367 240	18 988 785
b) Earnings before tax, depreciation, amortization and provisions	4 592 849	865 219	1 629 006	1 439 904	-147 365
c) Income tax	278 282	19 475	57 377	29 181	0
d) Income after tax, depreciation & provisions	3 836 880	258 943	1 291 293	1 453 202	-176 936
e) Distributed earnings					
III - Earnings per share					
a) Earnings before tax, depreciation, amortization and provisions	0,59	0,11	0,21	0,19	-0,02
b) Earnings after tax, depreciation & provisions	0,49	0,03	0,17	0,19	-0,02
c) Dividends per share including tax credit	0	0	0	0	0
IV - Employees					
a) Average number of employees during the year	25	24	22	23	23
b) Total payroll and benefits	4 101 830	3 114 009	2 964 999	1 904 707	1 964 369

Note 25: Post-balance sheet events

None

XVIII4. Verification of historical annual information

Not applicable

XVIII5. Dates of latest financial information

Not applicable

XVIII6. Interim and other financial information

Not applicable

XVIII7. Dividends

Years	Number of shares remunerated	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 paid in the years from 1998 to March 31, 2024 .
Since 1998, the company has decided that no dividend can be distributed. Until now, the main criterion has been to keep "net gearing (adjusted for factoring)" below 80%. Strictly speaking, this was not a "policy", since this issue is discussed each year by management, and the main criterion is likely to change, notably under the influence of a favourable trend in "financial leverage", which would make it possible to distribute with different gearing constraints, taking into account other criteria such as the Group's growth and associated financing requirements.

To the best of the company's knowledge, all dividends distributed to date have been paid out.

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 impact on the financial position or profitability of the company and/or the Group.

XVIII9. Significant changes in 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, 2024 .

XVIII10. Fees paid to the Statutory Auditors for the year ended March 31, 2024

		S& W	GRANT THORNTON			
		Montant HT			%	
		2023-2024	2023-2024	2022-2023	2023-2024	2022-2023
Audit						
	Statutory audit, certification, review of individual and consolidated financial statements	27500	59 917	77 502	96%	100%
	Other procedures related to the statutory auditor's mission		3 951	1 508	4%	0%
Sous-total		**27 500**	**63 868**	**79 010**		
Autres prestations						
	Legal, tax and social					
	Information Technology					
	Autres					
Sous-total		**-**	**-**	**-**		
TOTAL		**27 500**	**63 868**	**79 010**	**100%**	**100%**

XIX. ADDITIONAL INFORMATION

XIX1. Share capital

XIX11. Issued capital

At March 31, 2024 , share capital stood at 3,881,659.50 euros, divided into 7,763,319 fully paid-up shares. Registered shares registered in the name of the same holder for at least two years (2,335,586 at the date of this universal registration document and to the best of our knowledge) carry double voting rights.

At March 31, 2023 , share capital stood at 3,881,659.50 euros, divided into 7,763,319 fully paid-up shares.

The par value of each 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

At March 31, 2024 , the company held 4,776, of its own shares.

XIX14. Earnings over the past 5 years and table of customer and supplier payment terms

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
I- Capital at year-end					
a) Share capital	3 881 660	3 881 660	3 881 660	3 881 660	3 881 660
b) Number of shares issued	7 763 319	7 763 319	7 763 319	7 763 319	7 763 319
c) Number of bonds convertible into shares	0	0	0	0	0
II - Operations and results for the year					
a) Sales	49 276 937	41 655 022	36 873 646	22 367 240	18 988 785
b) Earnings before tax, depreciation, amortization and provisions	4 592 849	865 219	1 629 006	1 439 904	-147 365
c) Income tax	278 282	19 475	57 377	29 181	0
d) Income after tax, depreciation & provisions	3 836 880	258 943	1 291 293	1 453 202	-176 936
e) Distributed earnings					
III - Earnings per share					
a) Earnings before tax, depreciation, amortization and provisions	0,59	0,11	0,21	0,19	-0,02
b) Earnings after tax, depreciation & provisions	0,49	0,03	0,17	0,19	-0,02
c) Dividends per share including tax credit	0	0	0	0	0
IV - Employees					
a) Average number of employees during the year	25	24	22	23	23
b) Total payroll and benefits	4 101 830	3 114 009	2 964 999	1 904 707	1 964 369

Purchases incl. VAT for the period	35 722 493
Sales incl. VAT for the period	50 888 689

	Article D.441 I. -1°: Invoices received but not paid by the end of the financial year when due						Article D.441 I. -2°: Invoices issued but not paid by the end of the financial year when due					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)
(A) Late payment brackets												
Number of invoices concerned	446	64	21	27	197	309	1 269	3 863	3 327	4 076	33 721	44 987
Total amount of invoices concerned	3 624 146	1 221 774	130 034	192 962	135 162	1 679 932	1 892 328	-55 836	-160 655	77 721	2 688 806	2 550 036
Percentage of total purchases incl. VAT for the year	10,15%	3,42%	0,36%	0,54%	0,38%	4,70%						
Percentage of sales including VAT for the year							3,72%	-0,11%	-0,32%	0,15%	5,28%	5,01%
(B) Invoices excluded from (A) relating to disputed or unrecorded payables and receivables												
Number of invoices excluding VAT					-	-						
Total amount of invoices excluding VAT					-	-						
(C) Reference payment terms used (contractual or legal - article L.441-6 or article L443-1 of the French Commercial Code)												
Payment periods used to calculate late payments	- Contractual lead time: 60 days - Legal deadline: 60 days						- Contractual lead time: 60 days - Legal deadline: 60 days					

XIX15. Convertible or exchangeable securities or securities with warrants

Date AG	Nature of delegation	Maximum AK nominal	Duration of delegation	Use	Date of meeting deciding the issue or reduction
09/13/2023 16th resolution	Authorization for the Executive Board to trade in the Company's shares	Max 10% of securities	18 months		
09/14/2022 17th resolution	Authorization for the Managing Board to issue shares and/or securities carrying rights to shares in the Company or its subsidiaries, and/or securities carrying rights to debt securities, with pre-emptive subscription rights for existing shareholders.	20,000,000 €uros	26 months		
09/14/2022 18th resolution	Delegation of authority to the Managing Board to decide on the issue, without pre-emptive 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 allotment of debt	20 000 000 €uros	26 months		
09/14/2022 19th resolution	Delegation of authority to the Managing Board to decide on the issue, without pre-emptive subscription rights, of shares and/or securities giving access to the Company's capital and/or securities giving entitlement to the allotment of debt securities, by private placement governed by Article L411-2, II of the French	20,000,000 €uros	26 months		
09/14/2022 21st resolution	Delegation of authority to the Managing Board to increase the number of shares to be issued in the event of the 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 or without pre-emptive	up to 15% of the initial issue	26 months		
09/14/2022 24th resolution	Authorization for the Managing Board to grant stock options to employees and officers of the Company, entitling them to subscribe for shares to be issued by the Company or to purchase existing shares of the Company.		38 months		
09/14/2022 25th resolution	Authorization for the Managing Board to reduce the share capital by cancelling treasury shares held by the Company.	up to 10% of the total number of shares	26 months		
09/14/2022 26th resolution	Delegation of authority to the Managing Board to increase the share capital by incoporation of premiums, reserves, profits or other items	10,000,000 €uros	26 months		

XIX16. Information on acquisition rights and/or obligations attached to unpaid subscribed capital

Non-Applicable

XIX17. Information on 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. Capital history

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 1150 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 Articles of Association were revised at the Annual General Meeting on September 2, 2011 and updated following 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.

Shareholders' Meetings are convened and deliberate under the conditions and within the timeframes laid down by legal and regulatory provisions.

XIX21. Corporate purpose (article 2)

The company's corporate purpose, directly or indirectly, in France or abroad, is as follows:

- the importation from all countries and distribution in all forms of all raw materials, semi-finished or finished products that can be resold as is or processed,
- trade in all forms, including the purchase, sale, export, representation, repair, maintenance and installation of all industrial and consumer products,
- taking an interest or participating in any form whatsoever in any similar undertaking, in particular by way of contribution, subscription to the purchase of bonds, shares or other securities, limited partnership, creation of a new company, merger or otherwise.

And, more generally, any economic, legal, financial, civil or commercial transactions of any kind whatsoever that may be directly or indirectly related 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 transactions, whether in movable or immovable property, in France or abroad, in any form whatsoever, insofar as these activities or transactions may relate directly or indirectly to the corporate purpose or to any similar, related or complementary purposes.

XIX22. Provisions concerning members of the company's administrative, management and supervisory bodies

The company is managed by an Executive Board under the supervision of the Supervisory Board.

Executive Board members are appointed by the Supervisory Board for a six-year term, and may be re-elected at any time, provided they are not over 80.

Their dismissal is decided by the Annual General Meeting.

The Chairman of the Managing Board is appointed by the Supervisory Board. The Executive Board meets as often as the company's interests require.

The Executive Board is vested with the broadest powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly granted by law to the Supervisory Board and to Shareholders' Meetings.

The Supervisory Board comprises between 3 and 18 members, who are appointed by the Annual General Meeting, which may dismiss them at any time.

Members are appointed for a six-year term, and may be re-elected, provided they do not exceed the age of 85.

The Board elects a Chairman and Vice-Chairman from among its members. The Board meets as often as the company's interests require.

The Supervisory Board exercises ongoing control over the management of the Company by the Executive Board.

XIX23. Rights, privileges and restrictions attached to each class of existing shares

There are double voting rights for shareholders who have held their shares for more than 2 years. See § XVI1 (current breakdown of share capital and voting rights).

XIX24. Actions required to modify shareholder rights

Article 37 of the Articles of Association, the G.E.A. alone is empowered to amend the Articles of Association.

XIX25. Annual General Meetings

The procedures for Annual General Meetings are set out in Articles 33 to 39 of the Articles of Association.
The Annual General Meeting called to approve the financial statements for the year ended March 31, 202 4 will be held on September 12, 202.4.
A notice of meeting will be published in the BALO.
The draft resolutions are set out below:

DRAFT RESOLUTIONS TO BE SUBMITTED
TO THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF
SEPTEMBER 12, 2024

A ORDINARY TITLE

FIRST RESOLUTION: APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Annual General Meeting, having reviewed the reports of the Executive Board, the Supervisory Board and the Statutory Auditors on the parent company financial statements for the year ended March 31, 2024, approves the parent company financial statements, comprising the balance sheet, income statement and notes, for the year ended March 31, 2024 as presented, together with the transactions reflected in these financial statements and summarized in these reports.

SECOND RESOLUTION: APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Annual General Meeting, voting on the quorum and majority conditions for Annual General Meetings, having reviewed the reports of the Executive Board, the Supervisory Board and the Statutory Auditors on the consolidated financial statements for the year ended March 31, 2024, approves the consolidated financial statements, comprising the balance sheet, income statement and notes, for the year ended March 31, 2024 as presented, together with the transactions reflected in these financial statements and summarized in these reports.

THIRD RESOLUTION: APPROPRIATION OF NET INCOME FOR THE YEAR ENDED MARCH 31, 2024

The Annual General Meeting, voting on the quorum and majority conditions for Ordinary General Meetings, having reviewed the Management Board's report, resolves to appropriate net income for the year of 3,836,880 euros as follows:

- Legal reserve: 191,844 Euros ;
- Retained earnings: 3,645,036 euros, which will now be credited with 5,775,108 euros.

In accordance with the provisions of article 243 bis of the French General Tax Code, the Annual General Meeting also notes that no dividend has been paid in respect of the previous three 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 Annual General Meeting approves the non-deductible expenses and charges amounting to 46,722 euros corresponding to excess depreciation, with a corresponding potential tax charge of 11,681 euros.

FIFTH RESOLUTION: APPROVAL OF THE STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

The Annual General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Statutory Auditors' Special Report on agreements governed by Articles L.225-86 et seq. of the French Commercial Code, approves the conclusions of said report and each of the agreements and commitments mentioned therein.

SIXTH RESOLUTION: APPROVAL OF THE REMUNERATION POLICY FOR THE CHAIRMAN OF THE SUPERVISORY BOARD AND MEMBERS OF THE SUPERVISORY BOARD, PURSUANT TO ARTICLE L.22-10-26 OF THE FRENCH COMMERCIAL CODE.

The Annual General Meeting, voting on the quorum and majority conditions for Ordinary General Meetings, having reviewed the report on corporate governance governed by Article L.225-68 of the French Commercial Code, which describes 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 Supervisory Board and members of the Supervisory Board, as presented in Universal Registration Document 2023/2024, Section XIII 1 entitled *"Remuneration of corporate officers"*.

SEVENTH RESOLUTION: APPROVAL OF THE COMPENSATION POLICY FOR THE CHAIRMAN OF THE MANAGEMENT BOARD, PURSUANT TO ARTICLE L.22-10-26 OF THE FRENCH COMMERCIAL CODE.

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary general meetings, having reviewed the corporate governance report referred to in Article L.225-68 of the French Commercial Code describing the components 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 2023/2024 Universal Registration Document, Section XIII 1 *entitled "Remuneration of corporate officers"*.

EIGHTH RESOLUTION: APPROVAL OF THE REMUNERATION POLICY FOR MEMBERS OF THE MANAGEMENT BOARD, PURSUANT TO ARTICLE L.22-10-26 OF THE FRENCH COMMERCIAL CODE.

The Annual General Meeting, voting on the quorum and majority conditions for Ordinary General Meetings, having reviewed the report on corporate governance governed by Article L.225-68 of the French Commercial Code, which describes 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 Universal Registration Document 2023/2024, Section XIII 1 entitled *"Remuneration of corporate officers"*.

NINTH RESOLUTION: APPROVAL OF THE INFORMATION RELATING TO THE REMUNERATION OF EACH CORPORATE OFFICER REQUIRED BY ARTICLE L.22-10-9 I OF THE FRENCH COMMERCIAL CODE

The Annual General Meeting, deliberating under the conditions of quorum and majoritý required for ordinary general meetings, having reviewed 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 corporate governance report of the companý referred to in Article L.225-68 of the same Code and which appear in the Universal Registration Document 2023/2024, Section XIII 1 entitled *"Remuneration of corporate officers"*.

TENTH RESOLUTION: APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE 2023/2024 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 FRENCH COMMERCIAL CODE.

The Shareholders' Meeting, deliberating in accordance with the quorum and majoritý requirements for ordinary general meetings, having reviewed the report on corporate governance, pursuant to Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the year ended March 31, 2024 or awarded in respect of the same year to the Chairman of the Supervisory Board as presented in the 2023/2024 Universal Registration Document Section XIII 1 entitled *"Remuneration of corporate officers".*

<u>ELEVENTH RESOLUTION</u>: APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE 2023/2024 FINANCIAL YEAR OR GRANTED IN RESPECT OF THE SAME FINANCIAL YEAR TO MR AYMERIC LE COTTIER, CHAIRMAN OF THE EXECUTIVE BOARD, PURSUANT TO ARTICLE L.22-10-34 II OF THE FRENCH COMMERCIAL CODE.

The Shareholders' Meeting, deliberating in accordance with the quorum and majoritý requirements for ordinary general meetings, having reviewed the report on corporate governance, pursuant to Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the year ended March 31, 2024 or awarded in respect of the same year to the Chairman of the Executive Board as presented in the Universal Registration Document 2023/2024 Section XIII 1 entitled *"Remuneration of corporate officers"*.

<u>TWELFTH RESOLUTION</u>: APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE 2023/2024 FINANCIAL YEAR OR GRANTED IN RESPECT OF THE SAME FINANCIAL YEAR TO MR EMMANUEL LE COTTIER, MEMBER OF THE EXECUTIVE BOARD, PURSUANT TO ARTICLE L.22-10-34 II OF THE FRENCH COMMERCIAL CODE

The Annual General Meeting, voting under the quorum and majoritý conditions required for ordinary general meetings, after taking due note of the corporate governance report, pursuant to Article L.22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the previous financial year or awarded in respect of the same financial year to the Chief Executive Officer, member of the Executive Board as presented in the Universal Registration Document 2023/2024 Section XIII 1 entitled *"Remuneration of corporate officers"*.

<u>THIRTEENTH RESOLUTION</u>: REMUNERATION OF THE SUPERVISORY BOARD

The Shareholders' Meeting, deliberating in accordance with the quorum and majoritý requirements for ordinary general meetings, and pursuant to Article L.225-83 of the French Commercial Code, resolves to allocate to Supervisory Board members, 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) for the current and subsequent financial years.

Its allocation among Supervisory Board members is determined by the Supervisory Board, in accordance with Article L.225-83 of the French Commercial Code and Article L.22-10-26 of the same Code.

<u>FOURTEENTH RESOLUTION</u>: RENEWAL OF THE TERM OF OFFICE OF MR LUC LE COTTIER AS MEMBER OF THE SUPERVISORY BOARD

The Annual General Meeting, held in accordance with the quorum and majority rules for the company's ordinary shareholders' meetings, having reviewed the Management Board's report, resolves to reappoint Luc Le Cotter as a member of the Supervisory Board for a further six-year term, until the close of the Annual General Meeting to be called in 2030 to approve the financial statements for the year ending March 31, 2030.

Luc Le Cottier has indicated that he accepts the renewal of his term of office and is not subject to any measure likely to prevent him from exercising it.

<u>RESOLUTION FIFTEEN</u>: RENEWAL OF THE TERM OF OFFICE OF MR GÉRARD ABADJIAN AS MEMBER OF THE SUPERVISORY BOARD

The Annual General Meeting, held in accordance with the quorum and majority rules for the company's ordinary shareholders' meetings, having reviewed the Management Board's report, resolves to reappoint Gérard ABADJIAN as a member of the Supervisory Board for a further six-year term, until the close of the Annual General Meeting to be called in 2030 to approve the financial statements for the year ending March 31, 2030.

Gérard ABADJIAN has indicated that he accepts the renewal of his term of office and is not subject to any measure likely to prevent him from exercising it.

<u>RESOLUTION SIXTEEN</u>: RENEWAL OF THE TERM OF OFFICE OF MR PASCAL GANDOLFINI AS MEMBER OF THE SUPERVISORY BOARD

The Annual General Meeting, held in accordance with the quorum and majority rules for the company's ordinary shareholders' meetings, having reviewed the Management Board's report, resolves to reappoint Pascal Gandolfini as a member of the Supervisory Board for a further six-year term, until the close of the Annual General Meeting to be called in 2030 to approve the financial statements for the year ending March 31, 2030.

Pascal GANDOLFINI has indicated that he accepts the renewal of his term of office and is not subject to any measure likely to prevent him from exercising it.

RESOLUTION SEVENTEEN: RENEWAL OF THE TERM OF OFFICE OF MRS BENEDICTE EVEILLARD AS MEMBER OF THE SUPERVISORY BOARD

The Annual General Meeting, held in accordance with the quorum and majority rules for the company's ordinary shareholders' meetings, having reviewed the Management Board's report, re-elects Bénédicte EVEILLARD as a member of the Supervisory Board for a further six-year term of office, commencing with the approval of the financial statements for the year ended December 31, 2023, and expiring at the close of the Annual General Meeting to be held in 2029 to approve the financial statements for the year ended March 31, 2029.

Bénédicte EVEILLARD has indicated that she accepts the renewal of her term of office and is not subject to any measure likely to prevent her from exercising it.

EIGHTEENTH RESOLUTION: DISCHARGE OF THE MEMBERS OF THE EXECUTIVE BOARD, THE MEMBERS OF THE SUPERVISORY BOARD AND THE STATUTORY AUDITORS

The Annual General Meeting, voting on the quorum and majority conditions for Ordinary General Meetings, having approved the parent company and consolidated financial statements for the year ended March 31, 2024, grants the members of the Executive Board discharge in respect of their management for the period from April 1er 2023 to March 31, 2024.

It also grants discharge to the members of the Supervisory Board for the performance of their duties for the period from April 1er 2023 to March 31, 2024.

Lastly, for the period from April 1er 2023 to March 31, 2024, it discharges the Statutory Auditors in respect of the performance of their engagement.

TENTH RESOLUTION: AUTHORIZATION FOR THE EXECUTIVE BOARD TO TRADE IN THE COMPANY'S SHARES

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary general meetings, having considered the Management Board's report, resolves to authorize the Management Board, with the option of sub-delegation, in accordance with the provisions of Articles L.22-10-62 et seq. and L.225-210 et seq. 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 applicable laws and regulations, to acquire or arrange for the acquisition of shares in the Company in order to:

- provide liquidity and stimulate the market in the Company's shares through an independent investment services provider, under a liquidity contract that complies with Autorité des Marchés Financiers decision no. 2021-01 of June 22, 2021 or with the market practice accepted by the Autorité des Marchés Financiers;

- the allocation of free shares in 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 the company's profit-sharing scheme, and to carry out any hedging transactions relating to these transactions, under the conditions stipulated by the market authorities and at the times when the Executive Board or the person acting on behalf of the Executive Board acts;

- retaining shares and subsequently delivering them in exchange or as consideration for acquisitions, mergers, demergers or asset-for-share exchanges, in accordance with recognized market practices and applicable regulations;

- the implementation of any Company stock option plan pursuant to 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

- in general, to meet obligations relating to stock option programs or other allocations of shares to employees or officers of the Company or an associated company; or

- the delivery of shares in the Company upon the exercise of rights attached to securities giving immediate or future access to shares in the Company by any means;

- cancel some or all of the shares repurchased, provided that the Executive Board has a valid authorization from the Extraordinary Shareholders' Meeting to reduce capital by canceling shares acquired under a share buyback program;

The General 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 current or future legislation and regulations. In such a case, the Company will inform its shareholders by means of a press release.

The purchase, sale or transfer of shares may be carried out or paid for by any means, on the over-the-counter market, including by means of block trades or public offerings, option mechanisms, derivatives, the purchase of options or securities in compliance with applicable regulatory conditions. The portion of the program carried out in the form of blocks of shares may amount to the entire share buyback program.

This authorization may be used under the following conditions:

- the total number of shares purchased by the Company since the start of the buyback program (including those purchased under the buyback program) does not exceed 10% of the shares comprising the Company's share capital at any time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting it subsequent to this 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 within the scope of a merger, demerger or contribution transaction 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 bought back 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 Company's share capital at the relevant date.
- the maximum purchase price per Company share is set at €50, it being specified that in the event of a capital transaction, notably the capitalization of reserves and the allocation of bonus shares, stock split or reverse stock split, 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 transaction in question and the number of shares after said transaction.

Shares bought back and held by the Company will be stripped of voting rights and will not be entitled to dividend payments.

In the event of a public offer for the Company's shares settled entirely in cash, the Company may continue to implement its share buyback program, in compliance with the applicable legal and regulatory provisions.

The Annual Shareholders' Meeting delegates to the Executive Board, with powers to subdelegate as permitted by law, the authority to adjust the maximum purchase price in the event of a change in the par value of the shares, a capital increase through the capitalization of reserves, the allotment of bonus shares, a stock split or reverse stock split, the distribution of reserves or any other assets, a capital redemption, or any other transaction affecting shareholders' equity, in order to take account of the impact of such transactions on the value of the shares.

Full powers are granted to the Managing Board, with the option of delegating these powers to any person in accordance with the law, to carry out this share buyback program, and in particular to place any stock market orders, enter into any agreements for the keeping of share purchase and sale registers, make all declarations to the AMF and all other bodies, draw up all documents, in particular information documents, allocate and, where applicable, reallocate, in accordance with the law, the shares acquired for the various purposes, carry out all formalities and generally do all that is necessary.

This authorization is granted for a period of 18 months from the date of this Annual Shareholders' Meeting, thereby superseding any previous delegation of authority for the same purpose.

In accordance with Article L.225-211 of the French Commercial Code, the Executive Board will report annually to the Annual General Meeting on the transactions carried out under this resolution.

A TITRE EXTRAORDINAIRE

TWENTY-FIRST RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE ON THE ISSUE, WITH PRE-EMPTIVE 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 ALLOTMENT OF DEBT SECURITIES.

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, 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 Managing Board, with powers to subdelegate within the law and the Company's bylaws, its authority to decide on the issue, with pre-emptive subscription rights maintained, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, except during a public offer for the Company's shares, either in euros or in any other currency or monetary unit established by reference to several currencies, (i) ordinary shares in 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 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 equity securities to be issued by companies and/or debt securities of companies, in which the Company directly or indirectly holds more than half of the share capital at the time of issue, and which may also give access to existing equity and/or debt securities of the Company, it being specified that shares and other securities may be subscribed for in cash or by offsetting receivables;

2. resolves to set the following limits on the amounts of capital increases authorized in the event that the Management Board makes use of this delegation of authority:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future under this authorization 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 increases in the Company's share capital provided for in the 23ème resolution proposed to this General Meeting or, as the case may be, from the overall ceiling that may be provided for by any similar resolution that may supersede said resolution during the period of validity of this 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, stock options or free share allotment rights;

- in the event that debt securities are issued under this authorization, the maximum aggregate par value of debt securities that may be issued immediately or in the future under this authorization may not exceed twenty million (20,000.000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the issue date, 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 23ème resolution proposed to this General Meeting, or, where applicable, from the overall ceiling that may be provided for by any similar resolution that may supersede said resolution during the period of validity of this delegation;

3. in the event that the Management Board makes use of this authorization :

- resolves that the issue(s) will be reserved on a priority basis for shareholders, who will be entitled to subscribe on an irreducible basis in proportion to the number of shares they hold at the time;

- Acknowledges that the Management Board has the option of instituting a reducible subscription right;

- formally notes that any decision to issue securities under this authorization shall automatically entail the waiver by the Company's shareholders of their pre-emptive right to subscribe to the shares to be issued to which such securities will entitle them, either immediately or in the future, in favor of the holders of the securities issued giving access to the Company's capital or likely to give access to equity securities to be issued by the Company;

- formally notes that the decision to issue the securities referred to in point 1 (iv) above pursuant to this authorization will require the approval of the Extraordinary General Meeting of the company concerned if such 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;

- resolves, 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 subscriptions by irrevocable entitlement (à titre irréductible) and, if applicable, by reducible entitlement (à titre réductible) have not absorbed the entire issue, the Management Board may use, under the conditions provided for by law and in the order it shall determine, one or other of the options set out below:

- freely allocate all or part of the shares or, in the case of securities giving access to the capital, the said securities, the issue of which has been decided but which have not been subscribed;

- 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 to, on the French market or abroad;

- as a general rule, including in the two cases referred to above, limit the issue to the amount of subscriptions, provided that at least three-quarters of the issue is taken up;

- resolves that the Company's share warrants may be issued by subscription offer, but also by free allocation to holders of existing shares, it being specified that fractional allocation rights will not be negotiable or transferable and that the corresponding securities will be sold;

4. resolves that the Managing Board will have full powers, which it may further delegate in accordance with the law and the Company's bylaws, to implement this authorization, and in particular to :

- decide on the issue and determine the securities to be issued;

- decide, in the event of the immediate or future issue of shares, the amount of the capital increase, the issue price and the amount of any premium that may be requested on issue;

- determine the dates and terms of issue, and 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 governed by article L.228-91 of the French Commercial Code), whether they should be subordinated or not, set their rate of interest and provide for any mandatory or optional suspension or non-payment of interest, set their term (fixed or perpetual) and determine the terms and conditions 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 the compulsory or optional suspension or non-payment of interest, provide for their term (fixed or perpetual), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption; where applicable, such securities may be accompanied by warrants giving entitlement to the allotment, acquisition or subscription of bonds or other debt securities, or provide for the Company to issue debt securities (whether fungible or not) 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; amend, during the life of the securities concerned, the above terms and conditions, in compliance with applicable formalities;

- determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;

- set, if applicable, the terms and conditions for the exercise of rights attached to shares or securities and, in particular, determine the date, which may be retroactive, from which the new shares to be issued will carry dividend rights, as well as any other terms and conditions for the completion of the issue;

- set the terms and conditions under which the Company may, where applicable, 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, in accordance with the law;

- provide for the possibility of suspending the exercise of rights attached to these shares in accordance with legal and regulatory provisions;

- at its sole discretion, charge the costs of the capital increase against the related premiums and deduct from this amount the sums required to fund the legal reserve;

- determine and make any and all adjustments to take account of the impact of transactions affecting the Company's capital, and set any and all other terms and conditions to ensure that the rights of holders of securities giving access to the capital are preserved (including through adjustments in cash) in accordance with applicable laws and regulations and, where applicable, contractual stipulations;

- if necessary, arrange for the shares or securities to be issued to be admitted to trading on a regulated market;

- record the completion of each capital increase and amend the bylaws accordingly;

- in general, enter into any and all agreements, in particular to successfully complete the proposed issues, take any and all measures and carry out any and all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this authorization and for the exercise of the rights attached thereto;

5. sets the period of validity of the delegation of authority contained in this resolution at twenty-six months from the date of this Meeting, thereby superseding any previous delegation of authority for the same purpose;

6. resolves that the final terms and conditions of the transactions carried out pursuant to this authorization will be set out in 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 Executive Board when it exercises the authority delegated to it by this Meeting.

TWENTY-FIRST RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS FOR A PERIOD OF 26 MONTHS TO DECIDE ON THE ISSUE, WITHOUT PRE-EMPTIVE 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 ALLOTMENT OF DEBT SECURITIES, BY PUBLIC OFFERING.

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, 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. of said Code :

1. delegates to the Executive Board, with powers to subdelegate or delegate by delegation, in accordance with the law and the Company's bylaws, its authority to decide on the issue, on one or more occasions, in the proportions and at the times it sees fit, except during periods of public tender offers for 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 in 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 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 equity securities to be issued by companies and/or to debt securities of companies in which the Company directly or indirectly holds more than half of the share capital at the time of issue, and which may also give access to existing equity securities and/or debt securities of the Company.

Subscriptions for these shares and securities may be made in euros or in any other currency (including any other unit of account established by reference to a basket 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 as part 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 under the applicable rules, initiated by the Company for 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 issue of any securities or marketable securities giving access to preference shares is excluded.

This decision automatically entails the waiver by the Company's shareholders of their pre-emptive rights to subscribe for the shares or securities giving access to the Company's capital to which these securities entitle them, in favour of the holders of securities that may be issued by companies in the Company's group;

2. resolves to set the following limits on the amounts of the Company's issues authorized in the event that the Management Board makes use of this authorization:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future under this authorization 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 increases in the Company's share capital provided for in the 23ème resolution proposed to this General Meeting or, as the case may be, from the overall ceiling that may be provided for by any similar resolution that may supersede said resolution during the period of validity of this delegation;

- to these ceilings shall be added, where applicable, the nominal amount of shares in the Company that may be issued, in the event of new financial transactions, to preserve the rights of holders of securities giving access to the capital, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations;

- and in the event that debt securities are issued under this authorization, the maximum nominal amount of debt securities that may be issued immediately or in the future under this authorization may not exceed twenty million (20,000.000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the issue date, 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 23ème resolution proposed to this General Meeting or, where applicable, from the overall ceiling that may be provided for by any similar resolution that may supersede said resolution during the period of validity of this delegation;

3. resolves to waive the pre-emptive right of Company shareholders to subscribe for the shares to be issued under this resolution, while giving the Managing Board the option, pursuant to Article L.225-135, 2nd paragraph, to grant shareholders, for a period and on terms to be determined by the Board in accordance with the applicable laws and regulations, a priority subscription period for all or part of an issue, without giving rise to the creation of negotiable rights, to be exercised in proportion to the number of shares held by each shareholder, and which may be supplemented by a reducible subscription;

4. decide that if subscriptions, including those of shareholders, if any, do not absorb the entire issue, the Managing Board may use one or other of the following options, in the order of its choice:

- freely allocate all or part of the unsubscribed shares ;

- offer all or part of the unsubscribed shares to the public ;

- limit the amount of the transaction to the amount of subscriptions received, on condition that the latter reaches at least three-quarters of the issue decided;

5. formally notes that any decision to issue securities under this authorization will automatically entail the express waiver by shareholders of their pre-emptive right to subscribe for the shares to which the securities entitle them, in favor of the holders of the securities issued giving access to the Company's capital;

6. formally notes that the decision to issue the securities referred to in point 1(iv) above pursuant to this authorization will require the approval of the Extraordinary Shareholders' Meeting of the company concerned if the said 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;

7. notes that :

- the issue price of directly-issued shares will be at least equal to the weighted average of the prices quoted for the shares over the three trading days preceding the date on which the price is set, less a discount of up to 5% if applicable, or a discount of up to 20% if the Company's shares are traded on the Euronext Growth Paris market;

- the issue price of securities giving access to the capital and the number of shares to which the conversion, redemption or, more generally, transformation of each security giving access to the capital may give entitlement, shall be such that the amount received immediately by the Company, plus any 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 Managing Board will have full powers, which it may further delegate in accordance with the law and the Company's bylaws, to implement this delegation of authority, and in particular to :

- decide on the issue and determine the securities to be issued;

- decide, in the event of the immediate and/or future issue of ordinary shares, the amount of the capital increase, the issue price and the amount of any premium that may be requested on issue;

- determine the dates and terms of issue, and 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 governed by article L.228-91 of the French Commercial Code), whether they should be 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 perpetual) and determine the terms and conditions 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 the compulsory or optional suspension or non-payment of interest, provide for their term (fixed or perpetual), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption; where applicable, such securities may be accompanied by warrants giving entitlement to the allotment, acquisition or subscription of bonds or other debt securities, or provide for the Company to issue debt securities (whether fungible or not) 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; amend, during the life of the securities concerned, the above terms and conditions, in compliance with applicable formalities;

- determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;

- set, if applicable, the terms and conditions for the exercise of rights attached to the shares or securities giving access to the capital to be issued and, in particular, set the date, which may be retroactive, 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;

- set the terms and conditions under which the Company may, where applicable, 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, in accordance with the law;

- provide for the possibility of suspending the exercise of rights attached to securities issued in accordance with legal and regulatory provisions;

- in the event of the issue of securities as consideration for securities tendered in connection with a public exchange offer, draw up the list of securities tendered in exchange, set the terms of issue, the exchange ratio and, where applicable, the amount of any cash balance to be paid without the price-setting provisions of paragraph 9 of this resolution being applicable, and determine the terms and conditions of the issue in connection with, either a public exchange offer, an alternative tender or exchange offer, or a single offer to purchase or exchange the shares in question in exchange for payment in shares and cash, or a principal public tender or exchange offer, with a subsidiary public exchange offer or public tender offer, or any other form of public offer that complies with the laws and regulations applicable to such public offer;

- at its sole discretion, charge the costs of capital increases against the amount of premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;

- determine and make any adjustments to take account of the impact of transactions affecting the Company's capital, and set the terms on which any rights of holders of securities giving access to the capital will be preserved (including through adjustments in cash);

- record the completion of each capital increase and amend the bylaws accordingly;

- if necessary, arrange for the shares or securities to be issued to be admitted to trading on a regulated market;

- generally, enter into any and all agreements, in particular to successfully complete the proposed issues, take any and all measures and carry out any and all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this authorization and for the exercise of the rights attached thereto;

9. sets the period of validity of the delegation of authority contained in this resolution at twenty-six months from the date of this Meeting, thereby superseding any previous delegation of authority for the same purpose;

10. formally notes that, should the Executive Board decide to use the authority delegated to it in this resolution, it will report thereon to the next Ordinary Shareholders' Meeting, in accordance with the applicable laws and regulations. The Statutory Auditors will also issue a supplementary report on this occasion.

TWENTY-SECOND RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS, FOR A PERIOD OF 26 MONTHS, TO DECIDE ON THE ISSUE, WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS, OF SHARES AND/OR SECURITIES GIVING ACCESS TO THE COMPANY'S CAPITAL AND/OR SECURITIES GIVING ENTITLEMENT TO THE ALLOTMENT OF DEBT SECURITIES, BY PRIVATE PLACEMENT GOVERNED BY ARTICLE L.411-2, II OF THE FRENCH MONETARY AND FINANCIAL CODE.

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, and in accordance with Articles L.225-129 et seq. of the French Commercial Code, and in particular Articles L.225-129-2, L.225-135 and L.225-136 of said Code, and Articles L.228-91 et seq. of said Code :

1. delegate to the Executive Board, with powers to subdelegate or delegate by delegation in accordance with the law and the Company's 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 sees fit, except during a public offer for the Company's shares, in France or abroad, by means of an offer governed by 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 in 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 entitlement to the allocation of debt securities of the Company, (iii) debt securities governed or not by Articles L.228-91 et seq. et seq. of the French Commercial Code, giving 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 to debt securities of the Company, (iv) securities, which are equity securities of the Company, giving access to existing equity securities or to equity securities to be issued by companies and/or to debt securities of companies, of which the Company directly or indirectly owns more than half of the share capital at the time of issue, and which may also give access to existing equity and/or debt securities of the Company, it being specified that shares and other securities may be subscribed for in cash or by offsetting receivables;

This decision automatically entails the waiver by the Company's shareholders of their pre-emptive rights to subscribe for the shares or securities giving access to the Company's capital to which these securities entitle them, in favour of the holders of securities that may be issued by companies in the Company's group;

2. resolves to set the following limits on the amounts of the Company's issues authorized in the event that the Management Board makes use of this authorization:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future under this authorization 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 increases in the Company's share capital without pre-emptive subscription rights provided for in paragraph 2 of the 21ème resolution submitted to this General Meeting and from the amount of the overall ceiling applicable to increases in the Company's share capital provided for in the 23ème resolution submitted to this General Meeting or, if applicable, on the overall ceiling that may be set by any similar resolution that may supersede said resolution during the period of validity of this authorization;

- to these ceilings shall be added, where applicable, the nominal amount of shares in the Company that may be issued, in the event of new financial transactions, to preserve the rights of holders of securities giving access to the share capital, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations; and

- in the event that debt securities are issued under this authorization, the maximum aggregate par value of debt securities that may be issued immediately or in the future under this authorization may not exceed twenty million (20,000.000) or the equivalent in any other currency or monetary unit established by reference to several currencies on the issue date, plus, where applicable, any redemption premium in excess of par, it being specified that this amount will be deducted from the nominal ceiling for issues of debt securities provided for in paragraph 2 of the 21ème resolution submitted to this General Meeting and from the overall ceiling applicable to issues of debt securities provided for in the 23ème resolution submitted to this General Meeting or, as the case may be, from any overall ceiling provided for in a similar resolution that may supersede said resolution during the period of validity of this authorization;

3. resolves to cancel the preferential subscription rights of the Company's shareholders in respect of the securities covered by this resolution;

4. formally notes that if the issue is not taken up in full, the Management Board may use one or other of the following options, in the order of its choice:

- freely allocate all or part of the unsubscribed shares ;

- limit the amount of the transaction to the amount of subscriptions received, on condition that the latter reaches at least three-quarters of the issue decided;

5. formally notes that any decision to issue securities under this authorization will automatically entail the express waiver by shareholders of their pre-emptive right to subscribe for the shares to which the securities entitle them, in favor of the holders of the securities issued giving access to the Company's capital;

6. formally notes that the decision to issue the securities referred to in point 1(iv) above pursuant to this authorization will require the approval of the Extraordinary General Meeting of the company concerned, if the said 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;

7. notes that, in accordance with article L.225-136 1° paragraph 1 of the French Commercial Code :

- the issue price of directly-issued shares will be at least equal to the weighted average of the prices quoted for the shares over the three trading days preceding the date on which it is set, less a discount of up to 5% where applicable, or a discount of up to 20% once the Company's shares are traded on the Euronext Growth Paris market;

- the issue price of the securities giving access to the capital and the number of shares to which the conversion, redemption or, more generally, transformation of each security giving access to the capital may give entitlement shall be such that the amount received immediately by the Company, plus any 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 Managing Board will have full powers, which it may further delegate in accordance with the law and the Company's bylaws, to implement this delegation of authority, and in particular to :

- decide on the issue and determine the securities to be issued;

- decide, in the event of the immediate and/or future issue of ordinary shares, the amount of the capital increase, the issue price and the amount of any premium 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 governed by article L.228-91 of the French Commercial Code), whether they should be subordinated or not, set their rate of interest and provide for any mandatory or optional suspension or non-payment of interest, stipulate their term (fixed or perpetual) and determine the terms and conditions of their issue. 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 perpetual), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue and redemption; where applicable, such securities may be accompanied by warrants giving entitlement to the allotment, acquisition or subscription of bonds or other debt securities, or provide for the Company to issue debt securities (whether fungible or not) 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; amend, during the life of the securities concerned, the above terms and conditions, in compliance with applicable formalities;

- determine the method of payment for the shares or securities giving access to the capital to be issued immediately or in the future;

- set, if applicable, the terms and conditions for the exercise of rights attached to the shares or securities giving access to the capital to be issued and, in particular, set the date, which may be retroactive, 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;

- set the terms and conditions under which the Company may, where applicable, 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, in accordance with the law;

- provide for the possibility of suspending the exercise of rights attached to securities issued in accordance with legal and regulatory provisions;

- at its sole discretion, charge the costs of capital increases against the amount of premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;

- determine and make any adjustments to take account of the impact of transactions affecting the Company's capital and set the terms and conditions on which any rights of holders of securities giving access to the capital will be preserved (including through adjustments in cash);

- record the completion of each capital increase and amend the bylaws accordingly;

- if necessary, arrange for the shares or securities to be issued to be admitted to trading on a regulated market;

- generally, enter into any and all agreements, in particular to successfully complete the proposed issues, take any and all measures and carry out any and all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this authorization and for the exercise of the rights attached thereto.

9. sets the period of validity of the delegation of authority contained in this resolution at twenty-six months from the date of this Meeting, thereby superseding any previous delegation of authority for the same purpose;

10. resolves that the final terms and conditions of the transactions carried out pursuant to this authorization will 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 Executive Board at the time it exercises the authority delegated to it by this Meeting. The Statutory Auditors will also issue a supplementary report on this occasion;

11. formally notes that, should the Executive Board decide to use the authority delegated to it in this resolution, it will report thereon to the next Ordinary Shareholders' Meeting, in accordance with the applicable laws and regulations.

<u>TWENTY-THIRD RESOLUTION</u>: DETERMINATION OF THE TOTAL AMOUNT OF THE DELEGATIONS GRANTED UNDER THE 20TH TO 22ND RESOLUTIONS

The Annual General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Report of the Managing Board, resolves that the delegations of authority provided for in the 20ème , 21ème and 22ème resolutions 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 aggregate par value of capital increases that may be carried out immediately or in the future under these authorizations; to this ceiling shall be added, where applicable, the par value of shares that may be issued in the event of new financial transactions to preserve, in accordance with the law, the rights of 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 entitlement to a debt security that may be issued by virtue of the delegations.

<u>TWENTY-FOURTH RESOLUTION</u>: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE NUMBER OF SHARES TO BE ISSUED IN CONNECTION WITH THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES CARRYING RIGHTS TO SHARES IN THE COMPANY, ANY OF ITS SUBSIDIARIES AND/OR ANY OTHER COMPANY, WITH OR WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS.

The Annual General Meeting, voting on the quorum and majority conditions for Extraordinary General Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, and in accordance with Articles L.225-135-1 and R.225-118 of the French Commercial Code :

1. delegates to the Managing Board, with powers to subdelegate or delegate as permitted by law and the Company's bylaws, its authority to increase the number of securities to be issued under the 20th, 21st and 22nd resolutions, with or without pre-emptive subscription rights, at the same price as for the initial issue, except during the period of a public tender offer for the Company's shares, 21st and 22nd resolutions, at the same price as that used for the initial issue, within the timeframes and limits stipulated by the regulations applicable on the issue date (currently, within thirty days of the close of the subscription period and up to a limit of 15% of the initial issue), notably with a view to granting an over-allotment option in accordance with market practices;

2. resolves that, in the event of the immediate and/or future issue of ordinary shares, the nominal amount of the capital increases carried out under this resolution will be deducted from the ceiling stipulated in the resolution by virtue of which the initial issue is decided and from the overall ceiling applicable to capital increases stipulated in the 23ème resolution proposed to this General Meeting or, as the case may be, from any overall ceiling stipulated in a similar resolution that may supersede said resolution during the period of validity of this delegation;

3. formally notes that, should the Managing Board decide to use the authority delegated 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 a supplementary report on this occasion, whether in the event of the cancellation of the Preferential Withdrawal Right or the 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 earlier delegation for the same purpose;

<u>TWENTY-FIFTH RESOLUTION</u>: 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 SHARE WARRANTS GIVING THE RIGHT, ON EXERCISE, TO THE ALLOTMENT OF SECURITIES TO BE ISSUED TO REPRESENT A PORTION OF THE COMPANY'S CAPITAL RESERVED FOR A CATEGORY OF PERSONS

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report, and having noted that the existing capital has been paid up, in accordance with Articles L.225-129-2 and L.225-138 of the French Commercial Code:

1. Delegates to the Executive Board of the Company, for a period of 18 months from the date of this Shareholders' Meeting, all powers to issue, without pre-emptive subscription rights, on one or more occasions, in the proportions and at the times it shall determine, any share warrants (BSA) giving entitlement upon exercise to the allocation of securities to be issued in respect of a portion of the Company's share capital;

2. Resolves that the aggregate par value of all shares issued on exercise of warrants pursuant to this authorization shall be 3,000,000 euros, plus the par value of any additional shares issued to preserve the rights of holders of securities carrying rights to shares in the Company, in accordance with the applicable laws and contractual provisions;

3. Resolves that the subscription price of the shares to which the warrants will give entitlement, after taking into account the issue price of the warrants, will be at least equal to the average closing price of the share over the twenty trading days preceding the date of the decision to issue the warrants, to which a discount of 15% may be applied:

4. Resolves that the issue price of the warrants will be set by the Executive Board, depending on the final characteristics of the warrants, on the basis of the Black & Scholes valuation method, adjusted if necessary in the event of a period of unavailability, non-transferability and/or non-transferability of the warrants.

5. Resolve that the issue and allotment of share warrants shall entail the waiver by shareholders of their pre-emptive rights to subscribe for securities to be issued on exercise of the share warrants issued and allotted pursuant to this resolution;

6. Resolves that the Managing Board, in accordance with applicable regulations, may reserve the right to subscribe for all or part of the warrants to be issued under this resolution, and to determine the precise list

of beneficiaries of the reserved issue(s) from among the said persons, as well as the number of warrants to be allocated to said beneficiaries, and resolves that the Company's Executive Board will determine the terms and conditions of the present issue, including with the cancellation of shareholders' preferential subscription rights to the warrants covered by the present delegation, the issue price under the aforementioned conditions, within the limits set out in the present resolution.

The General Meeting therefore grants the Company's Management Board full powers, within the limits set by this resolution, to:

1. To fix the list of beneficiaries among the category of persons determined in accordance with the 26ème resolution;

2. To issue share warrants on one or more occasions, to set the date(s), deadlines and final subscription terms and conditions of the issue(s), to set the issue and exercise price of the share 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 subscriptions to shares or securities and payments relating thereto;

5. To withdraw the funds after the issue(s) have been completed;

6. To carry out, either directly or through an authorized representative, all acts and formalities required to finalize the capital increase(s) authorized under the terms of this resolution, and in particular to amend the bylaws accordingly and, more generally, to do all that may be necessary.

This resolution is valid for a period of eighteen (18) months from the date of this Shareholders' Meeting.

It is specified that the adoption of this 25ème resolution will only be effective on condition that the 26ème resolution is also adopted.

<u>TWENTY-SIXTEENTH RESOLUTION</u>: CANCELLATION OF SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS TO SECURITIES IN FAVOUR OF CERTAIN CATEGORIES OF PERSONS

The Annual General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Report of the Managing Board and the Auditors' Special Report, resolves to waive shareholders' pre-emptive rights to subscribe for securities in the form of share warrants, the issue of which is authorized in principle by this Extraordinary Meeting and the terms and beneficiaries of which are determined by the Managing Board, for the benefit of employees and/or officers of the Company and its affiliates.

<u>TWENTY-SEVENTH RESOLUTION</u>: AUTHORIZATION FOR THE MANAGEMENT BOARD TO GRANT OPTIONS TO EMPLOYEES AND OFFICERS OF THE COMPANY TO SUBSCRIBE FOR NEW SHARES IN THE COMPANY OR TO PURCHASE EXISTING SHARES IN THE COMPANY.

The Annual General Meeting, voting on the quorum and majority conditions for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report, and deliberating in accordance with the provisions of Articles L.225-177 et seq. of the French Commercial Code :

1. authorize the Executive Board, with powers to subdelegate within the law, to grant, on one or more occasions, at its sole discretion, to some or all of the Company's employees, or to certain categories of employees of the Company and, where applicable, of companies or economic interest groupings affiliated to it under the conditions set out in Article L.225-180 of the French Commercial Code, and to corporate officers meeting the conditions set out in Article L.225-85 of the French Commercial Code, options entitling them to subscribe for new shares in the Company at a price to be determined by the Board of Directors. of the French Commercial Code, and to corporate officers who meet the conditions set out in Article L.225-85 of the French Commercial Code, options to subscribe for new shares to be issued by the Company, or to purchase existing shares;

2. resolves that the total number of options granted may not give entitlement to subscribe for or purchase more than 5% of the Company's share capital at the date of grant;

3. decides that :
- in the event of the granting of stock options, the subscription price of the shares by the beneficiaries will be set on the day the options are granted by the Executive Board in accordance with the provisions of Article L.225-177 paragraph 4 of the French Commercial Code,

- if stock options are granted, the purchase price of the shares by the beneficiaries will be set on the day the options are granted by the Executive Board in accordance with the provisions of Article L.225-179 of the French Commercial Code; this price may not be less than 80% of the average purchase price of the shares held by the Company under Articles L.225-208 and L.22-10-62 of the French Commercial Code.

4. resolves that the options may be exercised for a maximum of 10 years from the date of grant by the Executive Board;

5. formally notes that this authorization entails the express waiver by shareholders of their pre-emptive rights to subscribe for shares to be issued as and when options are exercised.

The capital increase resulting from the exercise of share subscription options will be definitively completed by the sole fact of the option exercise declaration, accompanied by the subscription form and payment in cash or by offsetting against receivables of the corresponding amount;

6. decides that the price and/or number of shares to be subscribed and/or purchased may be adjusted to take account of financial transactions carried out by the Company;

7. formally notes that, in the event of the granting of stock 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 options subject to performance criteria, and must either decide that the options may not be exercised by the persons concerned before they cease to hold office, or set the number 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 full powers to the Managing Board, with the option to sub-delegate these powers within the limits set by the Articles of Association and by law, to implement this resolution and to determine, within the limits set by law or regulations, all other terms and conditions of the granting and exercise of options, and in particular to :
-set the exercise period(s) for the options within the above-mentioned limit, set the subscription or purchase price for the shares in accordance with the above-mentioned terms and conditions, draw up a list of option beneficiaries, set the number of options to be granted to each of them and decide whether to prohibit the immediate resale of the shares purchased and/or subscribed; the Managing Board may make the granting of all or part of the options subject to the achievement of one or more individual and/or collective performance conditions to be determined by the Managing Board,
- set the dividend entitlement date, which may be retroactive, for new shares issued on exercise of the Company's stock options,
- 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 beneficiaries in light of any financial transactions that may take place prior to the exercise of options
- deduct, if deemed appropriate, the costs of capital increases from the amount of premiums relating to these increases and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase,
- amend the Company's bylaws accordingly, and generally do whatever is necessary to implement this authorization.

At the first meeting following the close of each financial year, the Executive Board will record the number and value of shares issued during the year, make any necessary amendments to the bylaws, and carry out all publication formalities.

In accordance with the provisions of Article L.225-184 of the French Commercial Code, the Executive Board will inform shareholders each year, in a special report to the Annual 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-EIGHTH RESOLUTION: AUTHORIZATION TO BE GIVEN TO THE EXECUTIVE BOARD TO REDUCE THE SHARE CAPITAL BY CANCELLING TREASURY SHARES HELD BY THE COMPANY

The Annual General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Management Board's Report and the Statutory Auditors' Special Report, and in accordance with Article L.22-10-62 of the French Commercial Code :

- authorize the Executive Board to reduce the share capital, on one or more occasions, in the proportions and at the times it sees fit, by cancelling all or some of the Company's shares acquired or that may subsequently be acquired by the Company itself under an authorization granted by the Annual General Meeting, up to a limit of 10% of the Company's share capital, per period provided for by law, it being noted that this limit applies to an amount of the Company's share capital that will be adjusted, where applicable, to reflect transactions that may affect the share capital subsequent to this General Meeting.

- authorizes the Executive Board to record the completion of the capital reduction(s), amend the bylaws accordingly and carry out all necessary formalities;

- authorizes the Executive Board to delegate all powers necessary to implement its decisions, in accordance with the legal provisions in force at the time this authorization is used;

- sets the period of validity of this authorization at 26 months from the date of this Shareholders' Meeting, thereby superseding any previous authorization for the same purpose.

TWENTY-NINTH RESOLUTION: DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS, FOR A PERIOD OF 26 MONTHS, TO INCREASE THE SHARE CAPITAL BY CAPITALIZING ADDITIONAL PAID-IN CAPITAL, RESERVES, PROFITS OR OTHER ITEMS.

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Management Board's Report, and 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 Managing Board, with powers to subdelegate or delegate as permitted by law and the Company's bylaws, its authority to decide to increase the Company's capital, on one or more occasions, in the proportions and at the times it sees fit, by successive or simultaneous incorporation of capital of all or part of the reserves, profits, share premiums, merger premiums, contribution premiums or other premiums that may be capitalized in accordance with the law and the Company's bylaws, through the creation and allocation of bonus shares or through an increase in the par value of the shares, or through a combination of these two methods. The maximum aggregate par value of capital increases carried out under this authorization 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 increases in the Company's share capital provided for in the 24ème resolution proposed to this General Meeting or, as the case may be, from the overall ceiling that may be provided for by any similar resolution that may supersede said resolution during the period of validity of this authorization;

2. in the event that the Managing Board makes use of this authorization, delegates to it all powers, with the option of sub-delegation in accordance with the law and the Company's bylaws, to implement this authorization, and in particular to :

- determine the amount and nature of the amounts to be capitalized, set the number of new shares to be issued and/or the amount by which the par value of existing shares is to be increased, and set the date, which may be retrospective, from which the new shares will carry dividend rights or the increase in the par value of existing shares will take effect;

- decide, in the event of the distribution of free shares :

 - that fractional rights will not be negotiable and that the corresponding shares will be sold; the proceeds of the sale will be allocated to the holders of the rights in accordance with the law and regulations;

 - that shares allotted under this authorization in respect of existing shares carrying double voting rights will carry double voting rights from the date of issue;

- make any and all adjustments to take account of the impact of transactions affecting the Company's capital, and set the terms on which any rights of holders of securities giving access to the capital will be preserved, and carry out any and all formalities to finalize the capital increase(s) (including adjustments in cash);

- record the completion of each capital increase and amend the bylaws accordingly;

- at its sole discretion, charge the costs of capital increases against the amount of premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve;

- if necessary, arrange for the shares or securities to be issued to be admitted to trading on a regulated market;

- generally, enter into any and all agreements, take any and all measures and carry out any and all formalities required for the issue, listing and financial servicing of the securities issued pursuant to this authorization and for the exercise of the rights attached thereto;

The Shareholders' Meeting sets the period of validity of this authorization at 26 months from the date of this Meeting. It is duly noted that this authorization cancels and replaces, with immediate effect, all earlier authorizations to issue shares and share equivalents for the same purpose.

THIRTIETH 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 Annual General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Management Board's Report and the Statutory Auditors' Special Report, and acting in accordance with Article L.225-129-6 of the French Commercial Code :

- resolves that the Executive Board has a maximum of six months to set up a savings plan in accordance with the conditions set out in Articles L.3332-1 to L.3332-8 of the French Labor Code;

-Authorize the Executive Board to carry out, within a maximum period of twenty-six months from the date of the Annual General Meeting, a capital increase of up to 5,000,000 euros, on one or more occasions, by issuing shares for cash reserved for employees participating in the Company savings plan, in accordance with the provisions of Articles L.3332-18 to L.3332-24 of the French Labor Code;

- resolves accordingly to cancel shareholders' pre-emptive rights to subscribe for the new shares in favor of the Company's employees.

The issue price of the shares will be determined in accordance with Article L.3332-20 of the French Labor Code.

The Annual Shareholders' Meeting gives full powers to the Managing Board to implement this authorization and carry out the capital increase, and to this end:

- set the number of new shares to be issued and their dividend entitlement date;

- set, within the legal limits, the terms and conditions of the issue of new shares, as well as the periods granted to employees for exercising their rights and the terms and conditions for paying up the new shares;

- record the completion of the capital increase up to the number of shares subscribed and amend the bylaws accordingly;

- carry out all transactions and formalities required to complete the capital increase.

A TITRE ORDINAIRE, DE NOUVEAU

THIRTY-FIRST RESOLUTION: POWERS FOR FILINGS AND FORMALITIES

Full powers are granted to the bearer of an original or copy of these presents to carry out or have carried out all necessary formalities, publications and publicity.

XIX26. Provisions that delay, defer or prevent a change of control

Not applicable.

XIX27. Provisions setting thresholds above which shareholdings must be disclosed

Article 14 of the bylaws: legal and regulatory provisions.

XIX28. Conditions governing changes in capital

Under Article 37 of the Articles of Association, the G.M.E. alone is empowered 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 LEXIBOOK's registered office, 6 Avenue des Andes Bâtiment 11 - 91940 LES ULIS, on the company's website (www.www.LEXIBOOK.com.com), as well as on the AMF website (www.amf-france.org). The company's various press releases are also available on its website.

The following is a list of press releases published on our website since our last Registration Document:

- Press release Sales Q4 2023-2024 15/05/2024
- Press release Sales Q3 2023-2024 06/02/2024
- Press release H1 2023-2024 results 08/ 01/2024
- Press release SI shift 2023-2024 21/12/2023
- Press release CA Q2 2023-2024 15/ 11/2023
- Press release Sales Q1 2023-2024 26/07/2023

XXII. RECONCILIATION TABLES

XXII1. Reconciliation table for the annual financial report (article 222-3 of the AMF General Regulation)

Financial statements of LEXIBOOK SA 104
Consolidated financial statements of the LEXIBOOK Group 69
Management's Discussion and Analysis refer to the Reconciliation table in the Management Report
Certification by the person responsible for the annual financial report
07
Statutory Auditors' Report on the Financial Statements 101
Statutory Auditors' report on the consolidated financial statements 66
Auditors' fees 125
Report of the Chairman of the Supervisory Board on corporate governance Please refer to the Reconciliation table in the report on corporate governance.

XXII2. Management's Discussion and Analysis reconciliation table

Presentation of the company's situation during the year just ended (Article L. 232-1 II)	29 à 36
Foreseeable developments in the company's situation (Article L. 232-1 II)	N/A
Significant events occurring between the year-end date and the date of preparation of the management report (Article L. 232-1 II)	38
Research and development activities (Article L. 232-1 II)	25,26
Activity and results of subsidiaries and controlled companies by business segment (article L. 233-6 al. 2)	106, 107,117
Objective and exhaustive analysis of business trends - Key financial and, where applicable, non-financial performance indicators - Description of the main risks and uncertainties - Indication of the use of financial instruments (article L. 225-100-1 1° to 3° and 6°)	9 à 15, 29, 96
Main features of internal control and risk management procedures relating to the preparation and processing of accounting and financial information (article L.225-100-1 5°)	51 à 53
Mention of existing branches (article L. 232-1 II)	N/A
Adjustments in the event of the issue of securities giving access to the capital (article L. 228-99)	N/A
Share disposals (reciprocal shareholdings) (article R.233-19 al. 2)	N/A
Allocation of bonus shares (article L. 225-197-1 II al. 4)	N/A
Allocation of stock options (article L. 225-185 al. 4)	57
Treasury stock (article L. 233-13)	N/A
Works council opinion on changes in economic or legal organization (article L. 225-105 al.5)	N/A
Non-deductible expenses for tax purposes and expenses reinstated following a tax reassessment (articles 223 quater and 223 quinquies of the French General Tax Code)	N/A
Holders of capital or voting rights (article L. 233-13)	57
Dividends (article 243 bis of the French General Tax Code)	124
Share buybacks (article L. 225-211 al.2)	57
Transactions in securities by senior executives (article 223-26 of the General Regulations of the Autorité des Marchés Financiers)	57
Employee share ownership (article L.225-102)	N/A
Anti-competitive practices (article L. 464-2 al.5)	N/A
Acquisitions of shareholdings or control (article L. 233-6 al. 1)	N/A
Five-year financial summary (article R. 225-102 al. 2)	126
Information on the way in which the company takes into account the social and environmental consequences of its activity (article L. 225-102-1 al. 5)	24, 38
Information on hazardous activities (article L. 225-102-2)	N/A
Information on financial risks linked to the effects of climate change, and presentation of measures taken to reduce them by	N/A
Customer and supplier payment terms (article L. 441-6-1 al1)	127
Amount of inter-company loans granted under Article L. 511-6 3 bis of the French Monetary and Financial Code.	N/A

XXII3. Corporate governance report reconciliation table

List of all offices and positions held in any company by each corporate officer during the year	39 à 47
Agreements entered into, directly or through an intermediary, between a corporate officer or a shareholder holding more than 10% of the voting rights of a company and another company in which the corporate officer or shareholder directly or indirectly holds more than half the capital, with the exception of agreements entered into in the ordinary course of business and on arm's length terms.	59 à 65
Summary table of current delegations of authority granted by the Shareholders' Meeting in respect of capital increases, pursuant to Articles L. 225-129-1 and L. 225-129-2, showing the use made of these delegations during the year.	128
At the time of the first report, or in the event of a change, the choice of one of the two methods of exercising general management provided for in Article L.225-51-1.	N/A
Composition, preparation and organization of the Board's work	39 à 42, 49, 50
Application of the principle of balanced representation of men and women on the Board.	50
Limitations placed by the Supervisory Board on the powers of the Executive Board	52
Where a company voluntarily refers to a corporate governance code drawn up by organizations representing companies, the provisions that have been disregarded and the reasons why, as well as the place where this code can be consulted, or, in the absence of such a reference to a code, the reasons why the company has decided not to refer to it and, where applicable, the rules adopted in addition to the requirements laid down by law	50
The specific terms and conditions governing shareholder participation in the Annual General Meeting, or the provisions of the bylaws that stipulate such terms and conditions.	133
For each corporate officer	
a) the total remuneration and benefits of all kinds paid by the company during the year, including in the form of equity or debt securities or securities giving access to the capital or entitling the holder to the allotment of debt securities of the company or of the companies referred to in Articles L. 228-13 and L. 228-93. The remuneration and benefits in question include, where applicable, those received from companies controlled, within the meaning of Article L. 233-16, by the company in which the mandate is held, and from the company controlling the company in which the mandate is held;	42 à 47
b) a description of the fixed, variable and exceptional components of such compensation and benefits, together with the criteria used to calculate them and the circumstances in which they were granted, with reference, where applicable, to the resolutions passed in accordance with Article L. 225-82-2. Where applicable, it mentions the application of the provisions of the second paragraph of Article L. 225-83 ;	46, 47
c) commitments of any kind made by the company for the benefit of its corporate officers, corresponding to compensation, indemnities or benefits due or likely to be due as a result of the assumption, termination or change in their duties or subsequent to the exercise thereof, in particular pension commitments and other life-long benefits. The information provided mentions, in accordance with the conditions and procedures laid down by decree, the precise procedures for determining these commitments and the estimated amount of the sums likely to be paid in this respect.	46, 47
Statement and, where applicable, explanation of the following items when they are likely to have an impact in the event of a takeover bid or public exchange offer (article L. 225-37-5):	57
a) the company's capital structure ;	57
b) statutory restrictions on the exercise of voting rights and transfers of shares, or clauses of agreements notified to the company in accordance with Article L. 233-11;	57
c) direct or indirect shareholdings in the company's capital of which it has been informed pursuant to Articles L. 233-7 and L. 233-12;	57
d) a list and description of the holders of any securities with special control rights;	57,58
e) the control mechanisms provided for in any employee shareholding system, when control rights are not exercised by the latter;	N/A
f) agreements between shareholders of which the company is aware and which may entail restrictions on the transfer of shares and the exercise of voting rights;	N/A
g) rules applicable to the appointment and replacement of Supervisory Board members, and to the amendment of the company's bylaws;	130
h) the powers of the Supervisory Board, in particular as regards the issue or repurchase of shares;	128
i) agreements entered into by the Company which are amended or terminated in the event of a change of control of the Company, unless disclosure, except in cases where disclosure is required by law, would seriously harm the Company's interests;	N/A
j) agreements providing for indemnities for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause, or if their employment is terminated as a result of a takeover bid or exchange offer.	N/A
The presentation of draft resolutions relating to the principles and criteria for determining, allocating and granting the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Chairman, Chief Executive Officers or Chief Operating Officers, by virtue of their office.	N/A
For each of the SA/SCA's corporate officers who hold at least one office in a company whose shares are admitted to trading on a regulated market, the information provided for in Article L. 225-37-3 of the French Commercial Code (see above) on remuneration and benefits of all kinds is disclosed.	N/A