**Picard Bondco**

**Consolidated Financial Statements as at and for the three and twelve months ended March 31, 2022***

**June 27, 2022**

***This report will be supplemented with additional information on or prior to July 29, 2022, in accordance with Section 4.03 of the Indentures and Clause 23.4 and Clause 1.1(a) of Schedule 19 of the Revolving Credit Facility Agreement (each, as defined herein)***

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# Introduction

**Highlights**

The financial results of Picard Bondco and its consolidated subsidiaries (the "Group", "Picard", "Picard Group", "we", "our" or "us") for the quarter ended March 31, 2022 ("Q4 2022") include the following highlights:

- Q4 2022 sales of goods decreased by 10.1% to €387.6 million from €431.1 million in Q4 2021. Q4 2021 had benefited from a context of strict restrictions to face the second and third waves of the COVID-19 pandemic in France and during which we reached record levels of sales. Compared with Q4 2019 (pre-COVID-19 level), sales of goods increased by 14.6% or €49.5 million, demonstrating the retention of new customers and the change in habits of our existing customers during the COVID-19 pandemic, despite the expected partial normalization of our activity following the easing of pandemic restrictions;

- Our gross margin slightly decreased to 44.3% in Q4 2022 from 44.6% in Q4 2021; and

- Q4 2022 EBITDA margin remained high at 16.0%, although lower than the 17.6% of Q4 2021. Q4 2022 EBITDA decreased to €62.0 million, from €75.8 million in Q4 2021, due to lower sales but partly offset by lower operating expenses.

CEO Cathy Collart-Geiger commented: "Our Q4 2022 sales of goods remained strong and in line with the beginning of our year, declining compared with Q4 2021 when our sales had been positively impacted by the COVID-19 pandemic, but remaining largely stable compared with Q4 2020, which had been boosted by the beginning of the pandemic, and having grown by 14.6% compared with Q4 2019 (pre-COVID-19 level). Q4 2021 had been impacted by restaurant closures, 6pm curfews and a strict lock down in France in light of the third COVID-19 wave, and measures notably included mandatory working from home. On a like-for-like basis we experienced a decrease in the total number of tickets (-6.5%) and the average basket size (-6.0%), but like-for-like sales remained well above pre-COVID-19 levels. We continue to see that, in spite of the normalization of the health situation in France, new customers recruited over the past two years continue to shop at Picard, while previously existing customers have increased their average basket size.

During Q4 2022 we remodeled three stores under the new concept "*Bienvenue en Cuisine*", a major project in our growth plan with the following objectives:

- Accommodating all shopping routes through a 360-degree checkout;
- Making the stores vehicles for communicating the brand platform and Picard's commitments; and
- Supporting our customers in their daily lives by highlighting our product assortment, expanding our grocery offering, developing a non-food offer and professionalizing our wine selection.

We also realized our intention to accelerate the openings of physical stores. Therefore, during the fourth quarter, we opened seven directly operated stores in mainland France, which, together with other stores opened in the last twelve months, increased our French sales by €3.1 million compared to Q4 2021. During the same period, we also opened four franchised stores in mainland France.

In addition, we pursued our digital expansion in line with our strategic plan currently being implemented:

- Since December 2021, the Click & Collect service (allowing customers to select and pay for their items online, and then pick them up in store) was deployed in all stores in mainland France, compared to only approximately 300 stores at the beginning of the period, for a total Click & Collect sales figure of €2.3 million in Q4 2022.
- In addition, we consolidated our Home delivery sales. Home delivery sales showed a decrease of 18.6% during Q4 2022, compared with Q4 2021, due to an exceptional performance last year when our home delivery sales had almost doubled (+83.1%), notably with the beginning of the third lock down in France.

Our profitability was strong during the quarter. EBITDA margin was 16.0%, lower than the 17.6% reported last year. Our EBITDA decreased by 18.2%, from €75.8 million in Q4 2021 to €62.0 million in Q4 2022, but remained above pre-COVID-19 levels. This decrease was mainly due to lower sales, partly offset by lower operating expenses, following limited impact of inflation on our cost structure and certain variable costs decreasing with sales.

After a new wave of COVID-19 cases in January 2022, the public health situation in France now seems to be stabilizing and returning to a more normal state. The macro-economic climate continues to be uncertain, due to both the economic situation in France and international events, driving inflation on several categories of operating expenses (notably, raw materials, electricity, oil and labor costs). Our strategy for the coming quarters remains focused on the implementation of our strategic growth plan initiated last year and mainly concentrated on the optimization of the like-for-like sales performance, the expansion of our footprint in France and abroad, and the gain of market share in growing channels, notably omnichannel shopping solutions. The Group is also focused on precisely monitoring its gross margin and costs structure in the current environment of high inflation."

**About Picard**

Picard is the leading retailer of frozen food products in France, and the pioneer in the sector. We offer our customers approximately 1,250 different frozen food SKUs, including unprocessed meat, fish and seafood, fruits and vegetables and bakery products, as well as a full range of ready-made starters, main courses, desserts and ice cream at various prices. We introduced the concept of premium quality, appetizing frozen food to French consumers when we opened our first store in Paris in 1974. Since then, we have continued to develop the market for frozen food products in France by transforming the way the French public perceives and consumes frozen food. As of March 31, 2022, we had 1,082 stores in France (including two franchised stores in Corsica, 10 franchised stores in La Réunion, three franchised stores in the French West Indies, three franchised stores in New Caledonia and 32 franchised stores in mainland France), 15 stores in Belgium, one store in Luxembourg, 10 franchised stores in Scandinavia and 15 franchised stores in Japan. We also sell Picard-branded products in Italy through a commercial agreement with an Italian retailer, in the United Kingdom through a partnership with Ocado, in the Netherlands through a partnership with Albert Heijn, and in Singapore through a partnership with Redmart, as well as in Hong Kong, the UAE and Taiwan through a new partnership with Al Futtaim Group since July 2021. Our Swedish operations were sold to our joint-venture partner as of August 15, 2018, and a new franchise agreement was signed on the same date under which we supply Picard-branded products to the Swedish franchisee. The franchisee continues the development of the business in Sweden through various channels, including franchised stores and a contract with ICA under which the franchisee supplies ICA with Picard-branded products for corners within ICA's supermarkets and hypermarkets.

On October 14, 2010, Picard Groupe S.A.S. was acquired by funds managed or advised by Lion Capital LLP ("Lion Capital"). Lion Capital is a consumer retail-oriented investment firm with a focus on investments in mid-size and large, consumer-oriented brands in Europe and North America.

On August 19, 2015, Aryzta, a worldwide group active in the food industry and leader in the manufacturing and distribution of bakery-related products to industrial companies, acquired a 49.5% interest in the Picard Group's indirect parent company, Lux HoldCo, from Lion Capital.

On October 4, 2019, Aryzta announced that it had received a binding offer from Invest Group Zouari ("IGZ") to sell a 42% stake in the Picard Group. The transaction was completed in January 2020. In January 2021, Aryzta sold its remaining stake in Picard to Lion Capital and IGZ, leaving Lion Capital and IGZ with respective stakes of 51.8% and 45.4%.

On October 6, 2010, Picard Bondco issued €300 million aggregate principal amount of 9% Senior Notes due 2018 (the "2010 Senior Notes"), and on October 14, 2010, Lion Polaris S.A.S. (a subsidiary of Picard Bondco, which merged with Picard Groupe S.A. on June 20, 2011 and was renamed Picard Groupe S.A.S.) borrowed €625 million under senior credit facilities. In 2010 and 2011, Picard PIKco S.A. (the direct parent company of Picard Bondco) also issued 12% PIK Notes due 2019 (the "PIK Notes") in an original aggregate principal amount of €95 million.

On August 1, 2013, Picard Groupe S.A.S. issued €480 million aggregate principal amount of floating rate senior secured notes due 2019 (the "2013 Senior Secured Notes"), the proceeds of which were used, along with cash in hand, to permanently repay the €625 million senior credit facilities entered into in 2010 in their entirety. On the same date, Picard Groupe S.A.S. entered into a €30 million revolving credit facility (the "2013 Revolving Credit Facility").

On September 29, 2014, Picard Bondco elected to redeem €115 million of its 2010 Senior Notes. The partial redemption occurred on October 29, 2014. On March 9, 2015, Picard Bondco redeemed the remaining €185 million outstanding of its 2010 Senior Notes.

On February 20, 2015, Picard Groupe S.A.S. issued €342 million aggregate principal amount of additional 2013 Senior Secured Notes, while, at the same time, Picard Bondco issued €428 million aggregate principal amount of 7.75% Senior Notes due 2020 (the "2015 Senior Notes"). The proceeds of the additional 2013 Senior Secured Notes and the 2015 Senior Notes were used to (i) redeem the 2010 Senior Notes, (ii) pay the unpaid interest and the redemption premium associated with the redemption, (iii) fund distributions to the shareholders of Picard Bondco and its subsidiaries (the "Picard Group" or the "Group") and (iv) pay all fees and expenses related to the refinancing. In connection with the refinancing, Picard PIKco S.A. issued additional PIK Notes in an aggregate principal amount of €40 million and repurchased and cancelled €20 million of previously issued PIK Notes. On February 20, 2015, the terms of the PIK Notes were also amended to extend the maturity date to 2020, among other things.

On April 1, 2016, Picard Groupe S.A.S. elected to redeem €50 million of its 2013 Senior Secured Notes. The partial redemption occurred on May 3, 2016.

On December 14, 2017, Picard Groupe S.A.S. issued €1,190 million aggregate principal amount of Floating Rate Senior Secured Notes due 2023 (the "2017 Senior Secured Notes") and Picard Bondco issued €310 million aggregate principal amount of 5.50% Senior Notes due 2024 (the "2017 Senior Notes" and, together with the 2017 Senior Secured Notes, the "2017 Notes"). The gross proceeds from the sale of the 2017 Notes were used to (i) make a distribution to Picard PIKco S.A. in order to redeem Picard PIKco S.A.'s outstanding 11% PIK Notes due 2020, including accrued and uncapitalized interest and the applicable redemption premium, (ii) redeem Picard Bondco's outstanding principal amount of 2015 Senior Notes, including accrued and unpaid interest and applicable redemption premium, (iii) redeem Picard Groupe S.A.S.'s outstanding principal amount of 2013 Senior Secured Notes, including accrued and unpaid interest, (iv) fund distributions to the shareholders of the Picard Group, and (v) pay fees and expenses related to the transactions. On the same date, Picard Groupe S.A.S. and other entities of the Picard Group entered into a €30 million revolving credit facility (the "2017 Revolving Credit Facility").

On May 14, 2018, Picard Groupe S.A.S. issued an additional €60 million aggregate principal amount of 2017 Senior Secured Notes. The gross proceeds from the sale of the additional 2017 Senior Secured Notes were used, together with cash on hand, to (i) fund €77 million in distributions to the shareholders of the Picard Group and (ii) pay fees and expenses related to the transactions.

On July 7, 2021, Picard Groupe S.A.S. issued €750 million aggregate principal amount of 3.875% sustainability-linked fixed rate senior secured notes due 2026 (the "Fixed Rate Senior Secured Notes"), Lion/Polaris Lux 4 S.A. issued €650 million aggregate principal amount of sustainability-linked floating rate senior secured notes due 2026 (the "Floating Rate Senior Secured Notes" and, together with the Fixed Rate Senior Secured Notes, the "Senior Secured Notes") and Picard Bondco issued €310 million aggregate principal amount of 5.375% sustainability-linked senior notes due 2027 (the "Senior Notes" and, together with the Senior Secured Notes, the "Notes"). The gross proceeds from the sale of the Notes were used, together with cash on hand, to (i) redeem Picard Groupe S.A.S.'s outstanding 2017 Senior Secured Notes, including accrued and unpaid interest, (ii) redeem Picard Bondco's outstanding 2017 Senior Notes, including accrued and unpaid interest and the applicable redemption premium, (iii) fund distributions to the shareholders of the Picard Group and (iv) pay fees and expenses related to the transactions. On July 1, 2021, Picard Groupe S.A.S. and other entities of the Picard Group also entered into a €60 million revolving credit facility (the "Revolving Credit Facility"), which replaced the 2017 Revolving Credit Facility. See note 13.2 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2022.

**Reporting**

This report will be supplemented by the 2022 annual report as of and for the year ended March 31, 2022 on or prior to July 29, 2022 pursuant to Section 4.03 of each of the indenture governing the Fixed Rate Senior Secured Notes (the "Fixed Rate Senior Secured Notes Indenture"), the indenture governing the Floating Rate Senior Secured Notes (the "Floating Rate Senior Secured Notes Indenture") and the indenture governing the Senior Notes (the "Senior Notes Indenture" and, together with the Fixed Rate Senior Secured Notes Indenture and the Floating Rate Senior Secured Notes Indenture, the "Indentures"), as well as clause 23.4 and clause 1.1.(a) of Schedule 19 of the agreement governing the Revolving Credit Facility (the "Revolving Credit Facility Agreement").

## Presentation of Financial Information

### Financial Statements Presented

This report contains the audited consolidated financial statements of Picard Bondco, the reporting entity for the Picard Group, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS-EU" or "IFRS"). We have also included herein unaudited condensed consolidated financial information for Picard Bondco as of and for the three months ended March 31, 2022.

We have prepared the audited consolidated financial statements for Picard Bondco for the year from April 1, 2021 to March 31, 2022, which are presented in this report in accordance with IFRS, including (i) the consolidated statement of financial position as of March 31, 2022, (ii) the consolidated income statement and the consolidated statement of comprehensive income for the year ended March 31, 2022 and (iii) the consolidated statement of cash flows for the year ended March 31, 2022.

See note 2.2 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2022 for a discussion of Picard Bondco's significant accounting policies.

Comparative data for the year ended March 31, 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2022. Comparative data for the year ended March 31, 2020 have been recast in the consolidated financial statements as of March 31, 2021 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in December 2019 on leases falling within the scope of IFRS 16: See note 2.1.1.2 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2021.

### Other Financial Measures

The following measures are the primary non-IFRS financial measures that are presented in this report.

EBITDA is a non-IFRS measure that represents operating profit before depreciation and amortization. This measure is derived from income statement account items calculated in accordance with IFRS and is used by management as an indicator of operating performance. EBITDA differs from the definitions of "Consolidated EBITDA" under the Indentures and the Revolving Credit Facility Agreement.

EBITDA, as presented in this report, is not a measurement of financial performance under IFRS-EU and should not be considered as an alternative to other indicators of our operating performance, cash flows or any other measure of performance derived in accordance with IFRS-EU.

Since April 1, 2019, the Group has applied IFRS 16 in accordance with the modified retrospective approach. The application of this standard significantly increases the Group's EBITDA.

"French like-for-like sales" refers to like-for-like sales made through directly-operated stores in mainland France, excluding franchises in mainland France, Corsica, the French West Indies and La Réunion, and also excluding Click & Collect sales. For the purpose of like-for-like calculations, a store will be included (i) on the first day of the twelfth month following its opening date if it was opened between the first and the fifteenth day of any given month and (ii) on the first day of the thirteenth month following its opening date in all other cases. Like-for-like sales growth is presented because we believe it is frequently used by investors and other interested parties in evaluating companies in the retail sector. However, other companies may define like-for-like sales growth in a different manner than we do.

## For Further Information

Investor Relations: investor_relations@picard.fr

## Management's Discussion and Analysis of Financial Condition and Results of Operations for Picard Bondco

The historical information discussed below for Picard Bondco is as of and for the three-month and twelve-month periods ended March 31, 2021 and March 31, 2022 and is not necessarily representative of Picard Bondco's results of operations for any future period or our financial condition at any future date. We have prepared the audited consolidated financial statements for Picard Bondco for the period from April 1, 2021 to March 31, 2022, included herein, in accordance with IFRS. We have also included herein unaudited condensed consolidated financial information for Picard Bondco as of and for the three-month periods ended March 31, 2021 and March 31, 2022.

The following discussion includes "forward looking statements" based on our current expectations and projections about future events. All statements other than statements of historical facts included in this discussion, including, without limitation, statements regarding our tax rate on long-term deferred taxes, revenue and operating profits, strategy, capital expenditures, expected investments, projected costs, our plans and objectives for future operations, may be deemed to be forward looking statements. Forward looking statements are subject to known and unknown risks and uncertainties and are based on assumptions that could potentially be inaccurate and that could cause future results to differ materially from those expected or implied by the forward looking statements. Our future results could differ materially from those anticipated in our forward looking statements for many reasons, including due to changes in tax laws or their application or interpretation, more generally, or unfavorable changes in the tax rate on long-term deferred taxes, more specifically, economic and other trends affecting the food retail industry, changes in consumer preferences, the competitive environment in which we operate and other factors described in the section entitled "Risk Factors" in our annual report for the year ended March 31, 2021. Given these risks and uncertainties, you should not place undue reliance on forward looking statements as a prediction of actual results.

Comparative data for the year ended March 31, 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2022. Comparative data for the year ended March 31, 2020 have been recast in the consolidated financial statements as of March 31, 2021 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in December 2019 on leases falling within the scope of IFRS 16: See note 2.1.1.2 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2021.

Percentages may be calculated on non-rounded figures and therefore may vary from percentages calculated on rounded figures.

In this report, unless otherwise indicated, all amounts are expressed in millions of euro.

**Selected Condensed Consolidated Financial Information of Picard Bondco**

| | Three months* ended | | Twelve months ended | |
|---|---|---|---|---|
| *Currency : in millions of €* | Mar. 31, 2021 | Mar. 31, 2022 | Mar. 31, 2021 | Mar. 31, 2022 |
| **Sales** | **431.1** | **387.6** | **1,774.1** | **1,689.2** |
| Cost of goods sold | (238.7) | (216.0) | (998.1) | (947.6) |
| **Gross profit** | **192.4** | **171.6** | **776.0** | **741.6** |
| Other operating income | 2.3 | 1.6 | 6.8 | 5.4 |
| Other purchase and external expenses | (56.5) | (53.9) | (219.8) | (218.4) |
| Taxes | (7.5) | (6.4) | (21.5) | (19.9) |
| Personnel expenses | (53.8) | (50.6) | (210.7) | (205.2) |
| Other operating expenses | (1.1) | (0.5) | (3.4) | (2.2) |
| **EBITDA** | **75.8** | **62.0** | **327.5** | **301.3** |
| Depreciation and amortization | (24.1) | (26.0) | (95.2) | (100.6) |
| **Operating profit** | **51.7** | **36.0** | **232.2** | **200.7** |
| Finance costs | (15.5) | (20.9) | (64.4) | (92.3) |
| Finance income | 0.0 | 0.0 | 0.3 | 0.0 |
| Share of profit in an associate | (0.1) | (0.2) | (2.4) | 0.7 |
| **Income before tax** | **36.0** | **14.9** | **165.7** | **109.1** |
| Income tax expense | (12.6) | (4.3) | (66.6) | (44.2) |
| **Net income** | **23.4** | **10.6** | **99.2** | **64.9** |
| Equity holders of the parent | 23.4 | 10.6 | 99.2 | 64.9 |
| Non-controlling interests | 0.0 | 0.0 | 0.0 | 0.0 |

(*) Unaudited

(**) Comparative data for 2021 have been impacted in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021 of the "Notes to the Consolidated Financial Statements" to the Picard Bondco annual consolidated financial statements for the year ended March 31, 2022.

The following discussion and analysis summarizes EBITDA for the three-month and twelve-month periods ended March 31, 2021 and March 31, 2022. EBITDA is a non-IFRS measure that represents operating profit before depreciation and amortization. This measure is derived from income statement account items calculated in accordance with IFRS-EU and is used by management as an indicator of operating performance. EBITDA differs from the definitions of "Consolidated EBITDA" under our Indentures and our Revolving Credit Facility Agreement. See "*Presentation of Financial Information*".

**Results of Operations**

***Expansion of store network***

As of March 31, 2022, we had 1,082 stores in France (including two franchised stores in Corsica, 10 franchised stores in La Réunion, three franchised stores in the French West Indies, three franchised stores in New Caledonia and 32 franchised stores in mainland France), 15 stores in Belgium, one store in Luxembourg, 10 franchised stores in Scandinavia and 15 franchised stores in Japan.

***Sales of goods***

*Year ended March 31, 2021 and March 31, 2022*

Our sales of goods decreased by €84.9 million, or 4.8%, from €1,774.1 million for the year ended March 31, 2021 to €1,689.2 million for the year ended March 31, 2022. Sales in the year ended March 31, 2021 had increased significantly, by 17.7%, compared to the year ended March 31, 2020, as a result of the COVID-19 pandemic.

In France, sales of goods decreased by €81.3 million, or 4.7%, from €1,730.7 million for the year ended March 31, 2021 to €1,649.4 million for the year ended March 31, 2022. French like-for-like sales decreased by 6.4% over the same period, as a result of a 6.4% decrease in the average basket size with the total number of tickets remaining largely stable. These evolutions reflected the normalization of our customers' habits to pre-COVID-19 times towards the end of the 2021 calendar year.

Our performance during the period was impacted by the COVID-19 pandemic, notably during the first six weeks of the period with restrictions in place in France until mid-May 2021. The COVID-19 crisis has had a positive impact on the frozen food market, frozen food being considered as both safer and more convenient during such a period.

In addition, sales of goods performance remained strong after the progressive easing of restrictions in France. In particular, the basket size remained larger than at pre-COVID-19 levels, confirming the trend observed in the year ended March 31, 2021.

Home delivery sales decreased by €4.0 million, or 6.8%, from €58.9 million for the year ended March 31, 2021 to €54.9 million for the year ended March 31, 2022 due to an exceptional performance during the year ended March 31, 2021 related to the COVID-19 pandemic. This remains a strong performance given the 87.0% increase recorded in the year ended March 31, 2021 at the outset of the COVID-19 pandemic compared to the year ended March 31, 2020, and is in line with the strategic plan currently being implemented, which is aimed at further developing our digital offering and our omnichannel shopping experience.

Abroad, we observed a decline in our sales of goods performance due to a normalization following the strong growth recorded in the year ended March 31, 2021. Sales in Belgium and Luxembourg decreased by €1.6 million, or 7.7%, from €20.8 million for the year ended March 31, 2021 to €19.2 million for the year ended March 31, 2022.

Sales in other locations with our partners and franchisees decreased by €1.9 million, or 8.5%, from €22.6 million for the year ended March 31, 2021 to €20.7 million for the year ended March 31, 2022, due to the end of our partnership with Marks & Spencer in the United Kingdom and partly offset by the additional sales with our new partners in Hong Kong, Taiwan and the UAE. In particular, sales in the United Kingdom decreased by €1.8 million as imports of our products were impacted by BREXIT-related delays, and sales in Japan were down by €1.2 million, partly due to the normalization of customers' habits.

*Three months ended March 31, 2021 and March 31, 2022*

Our sales of goods decreased by €43.5 million, or 10.1%, from €431.1 million for the three months ended March 31, 2021 to €387.6 million for the three months ended March 31, 2022.

In France, sales of goods decreased by €42.5 million, or 10.1%, from €420.7 million for the three months ended March 31, 2021 to €378.2 million for the three months ended March 31, 2022. In the same period, French like-for-like sales decreased by 12.0%, mainly as a result of a 6.5% decrease in the total number of tickets combined with a 6.0% decrease in the average basket size following their elevation during the COVID-19 pandemic in the three months ended March 31, 2021.

Sales in Belgium and Luxembourg decreased by €0.7 million, or 14.0%, from €5.0 million for the three months ended March 31, 2021 to €4.3 million for the three months ended March 31, 2022.

Sales in other locations with our partners and franchisees decreased by €0.3 million, or 6.1%, from €5.4 million for the three months ended March 31, 2021 to €5.1 million for the three months ended March 31, 2022, due to the end of our partnership with Marks & Spencer in the United Kingdom and partly offset by the additional sales from our new partnerships in Hong Kong, Taiwan and the UAE.

***Cost of goods sold***

*Year ended March 31, 2021 and March 31, 2022*

Our cost of goods sold decreased by €50.5 million, or 5.1%, from €998.1 million for the year ended March 31, 2021 to €947.6 million for the year ended March 31, 2022, mainly due to lower sales and the increase in our gross profit margin, as described below under "Gross profit". Cost of goods sold as a percentage of sales decreased from 56.3% for the year ended March 31, 2021 to 56.1% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Our cost of goods sold decreased by €22.7 million, or 9.5%, from €238.7 million for the three months ended March 31, 2021 to €216.0 million for the three months ended March 31, 2022, mainly due to lower sales and a decrease in our gross profit margin. Cost of goods sold as a percentage of sales increased from 55.4% for the three months ended March 31, 2021 to 55.7% for the three months ended March 31, 2022.

***Gross profit***

*Year ended March 31, 2021 and March 31, 2022*

Our gross profit decreased by €34.4 million, or 4.4%, from €776.0 million for the year ended March 31, 2021 to €741.6 million for the year ended March 31, 2022, primarily as a result of lower sales. Gross profit as a percentage of sales of goods increased from 43.7% for the year ended March 31, 2021 to 43.9% for the year ended March 31, 2022, notably due to improved commercial terms with suppliers, a slightly favorable product mix effect following the normalization of customers' habits and the decline in the contribution of sales to international partners (which have a lower margin than sales in our directly operated stores) to total sales.

*Three months ended March 31, 2021 and March 31, 2022*

Our gross profit decreased by €20.8 million, or 10.8%, from €192.4 million for the three months ended March 31, 2021 to €171.6 million for the three months ended March 31, 2022, primarily as a result of lower sales. Gross profit as a percentage of sales of goods decreased from 44.6% for the three months ended March 31, 2021 to 44.3% for the three months ended March 31, 2022, primarily due to a higher inventory shrinkage during the quarter and the increase in the contribution of sales to franchisees (which have a lower margin than sales by our directly operated stores) to total sales.

***Other operating income***

*Year ended March 31, 2021 and March 31, 2022*

Other operating income decreased by €1.4 million, from €6.8 million for the year ended March 31, 2021 to €5.4 million for the year ended March 31, 2022, as a result of the reclassification of our capitalized IT expenses from the line item "*Other operating income*" to "*Personnel expenses*".

*Three months ended March 31, 2021 and March 31, 2022*

Other operating income decreased by €0.7 million, from €2.3 million for the three months ended March 31, 2021 to €1.6 million for the three months ended March 31, 2022, as a result of the reclassification of our capitalized IT expenses from the line item "*Other operating income*" to "*Personnel expenses*".

***Other purchases and external expenses***

*Year ended March 31, 2021 and March 31, 2022*

Our other purchases and external expenses decreased by €1.4 million, or 0.6%, from €219.8 million for the year ended March 31, 2021 to €218.4 million for the year ended March 31, 2022. This decrease was primarily due to lower consumables expenses in connection with the end of the COVID-19 pandemic as well as lower energy costs resulting from consumption savings in stores and lower rates, partly offset by increasing advertising costs linked to the launch of a new brand communication campaign and higher logistics costs, notably driven by the increase in fuel prices. Other operating expenses remained largely stable.

*Three months ended March 31, 2021 and March 31, 2022*

Our other purchases and external expenses decreased by €2.7 million, or 4.7%, from €56.5 million for the three months ended March 31, 2021 to €53.9 million for the three months ended March 31, 2022. Following the normalization of the Group's sales activity, operating expenses were closely controlled and certain categories of expenses were reduced, notably logistics costs (following lower sales volumes), advertising costs and energy costs (which had been hedged during the first wave of the COVID-19 pandemic for the calendar years 2021 and 2022). Other operating expenses remained largely stable.

***Taxes other than on income***

*Year ended March 31, 2021 and March 31, 2022*

Taxes other than on income decreased by €1.6 million, from €21.5 million for the year ended March 31, 2021 to €19.9 million for the year ended March 31, 2022. This decrease was explained by lower taxes based on sales (mainly "*contribution sociale de solidarité des sociétés*"). Taxes other than on income as a percentage of sales of goods remained stable at 1.2% for the year ended March 31, 2021 and the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Taxes other than on income decreased by €1.1 million, from €7.5 million for the three months ended March 31, 2021 to €6.4 million for the three months ended March 31, 2022. This decrease was explained by lower taxes based on sales (mainly "*contribution sociale de solidarité des sociétés*") and by higher tax credits, in particular in connection with increased donations to food banks. Taxes other than on income as a percentage of sales of goods slightly decreased from 1.7% for the three months ended March 31, 2021 to 1.6% for the three months ended March 31, 2022.

***Personnel expenses***

*Year ended March 31, 2021 and March 31, 2022*

Personnel expenses decreased by €5.5 million, or 2.6%, from €210.7 million for the year ended March 31, 2021 to €205.2 million for the year ended March 31, 2022. As a proportion of sales of goods, personnel expenses slightly increased from 11.9% for the year ended March 31, 2021 to 12.1% for the year ended March 31, 2022.

Wages and salaries decreased by €3.5 million, or 2.5%, from €139.0 million for the year ended March 31, 2021 to €135.5 million for the year ended March 31, 2022, as a result of the non-recurring COVID-19 bonus of €3.5 million distributed in the year ended March 31, 2021 and the reduction of interim and extra personnel in stores in line with lower sales, partly offset by annual salary increases in France and Belgium and the expansion of our store network. As a proportion of sales of goods, wages and salaries increased from 7.8% for the year ended March 31, 2021 to 8.0% for the year ended March 31, 2022.

Employee profit sharing decreased by €2.5 million, from €24.7 million for the year ended March 31, 2021 to €22.2 million for the year ended March 31, 2022, as a result of the decrease in legal profit sharing ("*participation*") based on results and contractual profit sharing ("*intéressement*"), which is computed based on sales performance.

Other personnel expenses increased by €0.4 million, from €47.0 million for the year ended March 31, 2021 to €47.4 million for the year ended March 31, 2022. As a proportion of sales of goods, social security costs slightly increased from 2.2% for the year ended March 31, 2021 to 2.3% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Personnel expenses decreased by €3.3 million, or 6.1%, from €53.8 million for the three months ended March 31, 2021 to €50.6 million for the three months ended March 31, 2022. As a proportion of sales of goods, personnel expenses increased from 12.5% for the three months ended March 31, 2021 to 13.0% for the three months ended March 31, 2022.

Wages and salaries decreased by €4.6 million, or 12.4%, from €37.0 million for the three months ended March 31, 2021 to €32.5 million for the three months ended March 31, 2022, as a result of the non-recurring COVID-19 bonus of €3.5 million distributed in the three months ended March 31, 2021 and the lower activity during the three months ended March 31, 2022, partly offset by annual salary increases in France and Belgium and the expansion of our store network. As a proportion of sales of goods, wages and salaries decreased from 8.6% for the three months ended March 31, 2021 to 8.4% for the three months ended March 31, 2022.

Employee profit sharing decreased by €1.5 million, from €6.5 million for the three months ended March 31, 2021 to €5.0 million for the three months ended March 31, 2022, as a result of the decrease in legal profit sharing ("*participation*") based on results and contractual profit sharing ("*intéressement*"), which is computed based on sales performance.

Other personnel expenses increased by €3.4 million, from €10.3 million for the three months ended March 31, 2021 to €13.1 million for the three months ended March 31, 2022, mainly driven by a reversal of the 2017 URSSAF provision during the three months ended March 31, 2021. [A similar reversal in the year ended March 31, 2021 occurred earlier in the three months ended December 31, 2020.] As a proportion of sales of goods, social security costs increased from 1.8% for the three months ended March 31, 2021 to 2.6% for the three months ended March 31, 2022.

***Other operating expenses***

*Year ended March 31, 2021 and March 31, 2022*

Our other operating expenses decreased by €1.2 million, from €3.4 million for the year ended March 31, 2021 to €2.2 million for the year ended March 31, 2022, mainly as a result of a decrease in our losses on bad debt.

*Three months ended March 31, 2021 and March 31, 2022*

Our other operating expenses decreased by €0.6 million, from €1.1 million for the three months ended March 31, 2021 to €0.5 million for the three months ended March 31, 2022, mainly as a result of a decrease in our losses on bad debt.

***EBITDA***

*Year ended March 31, 2021 and March 31, 2022*

While the easing of COVID-19-related restrictions in France impacted sales and therefore EBITDA, the Group managed to improve its profitability and EBITDA significantly compared to pre-COVID-19 levels. However, EBITDA decreased by €26.2 million, or 8.0%, from €327.5 million for the year ended March 31, 2021 to €301.3 million for the year ended March 31, 2022. As a proportion of sales of goods, EBITDA decreased from 18.5% for the year ended March 31, 2021 to 17.8% for the year ended March 31, 2022, but remained above the 17.2% reported in the year ended March 31, 2020 (with the start of the COVID-19 pandemic).

*Three months ended March 31, 2021 and March 31, 2022*

EBITDA decreased by €13.8 million, or 18.2%, from €75.8 million for the three months ended March 31, 2021 to €62.0 million for the three months ended March 31, 2022. As a proportion of sales of goods, EBITDA decreased from 17.6% for the three months ended March 31, 2021 to 16.0% for the three months ended March 31, 2022.

***Depreciation and amortization***

*Year ended March 31, 2021 and March 31, 2022*

Depreciation and amortization increased by €5.3 million, from €95.2 million for the year ended March 31, 2021 to €100.6 million for the year ended March 31, 2022, mainly as a result of the increase in our capital expenditure in the year ended March 31, 2022 as well as the comparatively large capital expenditure investments made at the end of the year ended March 31, 2021. As a proportion of sales of goods, depreciation and amortization increased from 5.4% for the year ended March 31, 2021 to 6.0% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Depreciation and amortization increased by €1.9 million, from €24.1 million for the three months ended March 31, 2021 to €26.0 million for the three months ended March 31, 2022, mainly as a result of the increase in our capital expenditure in the year ended March 31, 2022 as well as the comparatively large capital expenditure investments made during the three-month period ended March 31, 2021.

***Operating profit***

*Year ended March 31, 2021 and March 31, 2022*

Operating profit decreased by €31.5 million, or 13.6%, from €232.2 million for the year ended March 31, 2021 to €200.7 million for the year ended March 31, 2022, as a result of the factors discussed above. As a proportion of sales of goods, operating profit decreased from 13.1% for the year ended March 31, 2021 to 11.9% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Operating profit decreased by €15.7 million, or 30.4%, from €51.7 million for the three months ended March 31, 2021 to €36.0 million for the three months ended March 31, 2022, as a result of the factors discussed above. As a proportion of sales of goods, operating profit decreased from 12.0% for the three months ended March 31, 2021 to 9.3% for the three months ended March 31, 2022.

***Finance costs***

*Year ended March 31, 2021 and March 31, 2022*

Finance costs increased by €27.9 million, from €64.4 million for the year ended March 31, 2021 to €92.3 million for the year ended March 31, 2022. This increase was mainly due to the refinancing in July 2021 leading to a write-off of non-amortized issuance fees on the 2017 Notes in the amount of €5.8 million and an early redemption premium paid in respect of the 2017 Senior Notes representing €8.5 million. In addition, following the increase in the principal amount of debt as well as the increase in our interest rates, recurring interest expenses increased by €13.5 million, from €57.4 million to €70.9 million.

*Three months ended March 31, 2021 and March 31, 2022*

Finance costs increased by €5.4 million, from €15.5 million for the three months ended March 31, 2021 to €20.9 million for the three months ended March 31, 2022. This increase was mainly due to the increase in our interest rates and the increase in the principal amount of debt.

***Share of profit in an associate***

*Year ended March 31, 2021 and March 31, 2022*

Share of profit in an associate increased by €3.1 million, from a loss of €2.4 million for the year ended March 31, 2021 to a profit of €0.7 million for the year ended March 31, 2022. The profit in the year ended March 31, 2022 was due to the improvement in the result of our associate Primex International S.A., in which we hold a 37.2% interest. Primex Norway, a subsidiary of Primex International S.A., developed a fish plant in Norway in 2018 and faced significant start-up costs to operate this facility. Primex International S.A. therefore partially recorded non-cash impairments of its investment in Primex Norway to reflect these operational losses during the year ended March 31, 2021.

*Three months ended March 31, 2021 and March 31, 2022*

Share of profit in an associate slightly decreased by €0.1 million, from a loss of €0.1 million for the three months ended March 31, 2021 to a loss of €0.2 million for the three months ended March 31, 2022, mainly due to timing effects.

***Income before tax***

*Year ended March 31, 2021 and March 31, 2022*

Income before tax decreased by €56.6 million, from €165.7 million for the year ended March 31, 2021 to €109.1 million for the year ended March 31, 2022. As a proportion of sales of goods, income before tax decreased from 9.3% for the year ended March 31, 2021 to 6.5% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Income before tax decreased by €21.1 million, from €36.0 million for the three months ended March 31, 2021 to €14.9 million for the three months ended March 31, 2022.

***Income tax expense / (benefit)***

*Year ended March 31, 2021 and March 31, 2022*

Income tax expense decreased by €22.4 million, from €66.6 million for the year ended March 31, 2021 to €44.2 million for the year ended March 31, 2022, following mainly a decline in income before tax. Income tax expense represented 40.2% of income before tax for the year ended March 31, 2021 and 40.5% for the year ended March 31, 2022.

*Three months ended March 31, 2021 and March 31, 2022*

Income tax expense decreased by €8.3 million from €12.6 million for the three months ended March 31, 2021 to €4.3 million for the three months ended March 31, 2022.

***Net income***

*Year ended March 31, 2021 and March 31, 2022*

Net income decreased by €34.3 million, from €99.2 million for the year ended March 31, 2021 to €64.9 million for the year ended March 31, 2022, as a result of the factors described above.

*Three months ended March 31, 2021 and March 31, 2022*

Net income decreased by €12.8 million, from €23.4 million for the three months ended March 31, 2021 to €10.6 million for the three months ended March 31, 2022, as a result of the factors described above.

**Certain Material Differences in the Financial Condition and Results of Operations Between Picard Bondco and Lion/Polaris Lux 4 S.A.**

The consolidated financial information of Picard Bondco does not reflect intercompany loans between Picard Bondco and its subsidiaries. As of March 31, 2022, no intercompany loan from Picard Bondco or Lion/Polaris Lux Midco S.à r.l. to Lion/Polaris Lux 4 S.A. or any of its subsidiaries and no intercompany loan from Lion/Polaris Lux 4 S.A. or any of its subsidiaries to Picard Bondco or Lion/Polaris Lux Midco S.à r.l. was outstanding.

In addition, Picard Groupe S.A.S. is the issuer of the Fixed Rate Senior Secured Notes and Lion/Polaris Lux 4 S.A. is the issuer of the Floating Rate Senior Secured Notes. The Fixed Rate Senior Secured Notes and the Floating Rate Senior Secured Notes are guaranteed on a senior basis by Picard Bondco, Lion/Polaris Lux Midco S.à r.l., (in the case of the Fixed Rate Senior Secured Notes) Lion/Polaris Lux 4 S.A., Lion Polaris II S.A.S. and (in the case of the Floating Rate Senior Secured Notes) Picard Groupe S.A.S. Picard Bondco is the issuer of the Senior Notes.

The Senior Notes are guaranteed on a subordinated basis by Lion/Polaris Lux Midco S.à r.l. and Lion/Polaris Lux 4 S.A.

The results of operations of Picard Bondco and its subsidiaries do not differ materially from those of Lion/Polaris Lux 4 S.A. and its subsidiaries. The difference in EBITDA is primarily due to the holding company expenses of Picard Bondco and Lion/Polaris Lux Midco S.à r.l.

# Picard Bondco
# Société Anonyme

## Consolidated Financial Statements
As at and for the year ended March 31, 2022

4, rue Lou Hemmer, L-1748 Senningerberg, Grand Duchy of Luxembourg
RCS Luxembourg: B 154899
Subscribed capital: EUR 2,641,726

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# Consolidated Income Statement

| *In thousand of €* | Notes | March 31, 2022 | March 31, 2021 (a) |
|---|---|---|---|
| Sales of goods | *6* | 1 689 195 | 1 774 089 |
| Cost of goods sold | | (947 624) | (998 120) |
| **Gross profit** | | **741 570** | **775 969** |
| Other operating income | *7.1* | 5 359 | 6 805 |
| Other purchases and external expenses | *10.2* | (218 398) | (219 808) |
| Taxes | | (19 889) | (21 463) |
| Personnel expenses | *7.3* | (205 152) | (210 677) |
| Depreciation and amortization | *10.3* | (100 550) | (95 219) |
| Other operating expenses | *7.2* | (2 231) | (3 375) |
| **Operating profit** | | **200 709** | **232 232** |
| Finance costs | *7.4* | (92 292) | (64 407) |
| Finance income | *7.4* | 48 | 267 |
| Share of result in an associate | *8* | 655 | (2 352) |
| **Income before tax** | | **109 121** | **165 739** |
| Income tax expense | *9* | (44 182) | (66 573) |
| **Net income** | | **64 939** | **99 167** |
| Attributable to: | | | |
| Equity holders of the parent | | 64 939 | 99 167 |
| Non-controlling interests | | | |
| Earnings per share: | | | |
| Basic earnings per share (*in euros*) | *20* | 24,58 | 37,54 |
| Fully diluted earnings per share (*in euros*) | *20* | 24,58 | 37,54 |

***The accompanying notes form an integral part of these consolidated financial statements***

*(a) Comparative data for 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021. This interpretation has the following non-material impacts on the Consolidated Income Statement items:*

- *Personnel expenses: K€ (248)*
- *Income tax expense: K€ 64*

## Consolidated Statement of Comprehensive Income

| *In thousand of €* | Notes | March 31, 2022 | March 31, 2021 (a) |
|---|---|---|---|
| **Net income** | | **64 939** | **99 167** |
| **Items not to be reclassified to profit and loss:** | | | |
| Actuarial gains of the period | *22* | 1 141 | 60 |
| Income tax | | (258) | (15) |
| | | 884 | 45 |
| *Other comprehensive income for the period, net of tax* | | *884* | *45* |
| **Comprehensive income** | | **65 823** | **99 211** |
| Attributable to: | | | |
| Equity holders of the parent | | 65 823 | 99 211 |
| Non-controlling interests | | - | - |

***The accompanying notes form an integral part of these consolidated financial statements***

*(a) Comparative data for 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021. This interpretation has the following non-material impacts on the Consolidated Statement of Comprehensive Income items:*

- *Actuarial gains of the period: K€ 145*
- *Income tax: K€ (37)*

# Consolidated Statement of Financial Position

| *In thousand of €* | Notes | As at March 31, 2022 | As at March 31, 2021 (a) |
|---|---|---|---|
| **Assets** | | | |
| Goodwill | *14* | 815 170 | 815 170 |
| Property, plant and equipment | *12* | 230 341 | 227 305 |
| Right-of-use assets | *10.1* | 435 533 | 427 925 |
| Other intangible assets | *11* | 802 022 | 799 023 |
| Investment in an associate | *8* | 4 638 | 3 982 |
| Other non-current financial assets | *13.1* | 10 838 | 11 266 |
| **Total non-current assets** | | **2 298 542** | **2 284 671** |
| Inventories | *15* | 108 082 | 102 306 |
| Trade and other receivables | *16* | 48 113 | 56 563 |
| Income tax receivable | | 3 158 | 3 216 |
| Current financial assets | *13.1* | 78 | 75 |
| Cash and cash equivalents | *17* | 206 542 | 291 734 |
| **Total current assets** | | **365 974** | **453 894** |
| **Total assets** | | **2 664 516** | **2 738 565** |
| **Equity and liabilities** | | | |
| Issued capital | *18* | 2 642 | 2 642 |
| Share premium | *18* | 97 | 97 |
| Other comprehensive income | | 578 | (306) |
| Retained earnings | | (29 952) | 148 793 |
| Net income of the period | | 64 939 | 99 167 |
| **Equity attributable to equity holders of the parent** | | **38 304** | **250 393** |
| Non-controlling interests | | | - |
| **Total equity** | | **38 304** | **250 393** |
| **Non-current liabilities** | | | |
| Interest-bearing loans and borrowings | *13.2* | 1 690 497 | 1 554 142 |
| Other non-current financial liabilities | *13.3* | 336 556 | 328 642 |
| Provisions | *21* | 9 135 | 9 461 |
| Employee benefit liability | *22* | 10 362 | 10 544 |
| Deferred tax liability | *9* | 220 447 | 219 580 |
| **Total non-current liabilities** | | **2 266 996** | **2 122 369** |
| **Current liabilities** | | | |
| Trade and other payables | *23* | 286 387 | 305 106 |
| Income tax payable | | 1 043 | 1 327 |
| Interest-bearing loans and borrowings | *13.2* | 14 588 | 4 432 |
| Other current financial liabilities | *13.3* | 57 198 | 54 938 |
| **Total current liabilities** | | **359 216** | **365 803** |
| **Total liabilities** | | **2 626 212** | **2 488 172** |
| **Total equity and liabilities** | | **2 664 516** | **2 738 565** |

***The accompanying notes form an integral part of these consolidated financial statements***

*(a) Comparative data for 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021. This interpretation has the following non-material impacts on the Consolidated Statement of Financial Position items:*

- *Other comprehensive income: K€ 107*
- *Retained earnings: K€ (415)*
- *Net income of the period: K€ (184)*
- *Employee benefit liability: K€ 663*
- *Deferred tax liability: K€ (171)*

# Consolidated Statement of Changes in Equity

| *In thousand of €* | **Issued capital** | **Share premium** | Actuarial gain / (losses) | **Total other comprehensive income** | **Retained earnings** | **Net income** | **Equity attributable to equity holders of the parent** | **Non-controlling interest** | **Total Equity** |
|---|---|---|---|---|---|---|---|---|---|
| **As at March 31, 2020** | **2 642** | **97** | **(350)** | **(350)** | **123 916** | **52 208** | **178 513** | **-** | **178 513** |
| Impact of the application of the IFRS IC decision on the calculation of the employee benefit provision | | | | | (415) | | **(415)** | | **(415)** |
| IFRS IC interpretation adjustments on Leases | | | | | | (2 406) | **(2 406)** | | **(2 406)** |
| **As at April 1, 2020** | **2 642** | **97** | **(350)** | **(351)** | **123 501** | **49 802** | **175 692** | **-** | **175 692** |
| Net income attribution | - | - | - | - | 49 802 | (49 802) | **-** | - | **-** |
| Net income for the period | - | - | - | - | | 99 351 | **99 351** | - | **99 351** |
| Other comprehensive income | - | - | (63) | (63) | - | - | **(63)** | - | **(63)** |
| **Total comprehensive income** | **-** | **-** | **(63)** | **(63)** | **-** | **99 351** | **99 288** | **-** | **99 288** |
| Dividends paid | - | | - | - | (24 510) | - | **(24 510)** | | (24 510) |
| **As at March 31, 2021** | **2 642** | **97** | **(413)** | **(413)** | **148 794** | **99 351** | **250 471** | **-** | **250 471** |
| Impact of the application of the IFRS IC decision on the calculation of the employee benefit provision | | | 108 | 108 | | (184) | **(77)** | - | **(77)** |
| IFRS IC interpretation adjustments | | | | | | | **-** | | **-** |
| **As at April 1, 2021** | **2 642** | **97** | **(306)** | **(306)** | **148 794** | **99 167** | **250 394** | **-** | **250 394** |
| Net income attribution | | | | | 99 167 | (99 167) | | | **-** |
| Net income for the period | | | | | | 64 939 | **64 939** | | **64 939** |
| Other comprehensive income | | | 884 | 884 | | | **884** | | **884** |
| **Total comprehensive income** | **-** | **-** | **884** | **884** | **-** | **64 939** | **65 823** | **-** | **65 823** |
| Dividends paid | | | | | (277 913) | | **(277 913)** | | (277 913) |
| **As at March 31, 2022** | **2 642** | **97** | **578** | **578** | **(29 953)** | **64 939** | **38 304** | **-** | **38 304** |

***The accompanying notes form an integral part of these consolidated financial statements***

# Consolidated Statement of Cash Flows

| *In thousand of €* | Notes | March 31, 2022 | March 31, 2021 (a) |
|---|---|---|---|
| **Operating activities** | | | |
| Operating profit | | 200 709 | 232 232 |
| Depreciation and impairment of property, plant and equipment | | 92 434 | 88 798 |
| Amortisation and impairment of intangible assets | | 8 132 | 6 421 |
| Other non cash operating items | | (673) | (307) |
| Interest received | | 22 | 133 |
| Income tax paid | | (42 806) | (64 863) |
| *Operating cash flows before change in working capital requirements* | | *257 818* | *262 414* |
| Change in inventories | | (5 657) | (16 257) |
| Change in trade and other receivables and prepayments | | 8 450 | (6 240) |
| Change in trade and other payables | | (17 061) | 49 596 |
| **Net cash flows from operating activities, total** | | **243 549** | **289 513** |
| **Investing activities** | | | |
| Proceeds from sale of property, plant and equipment | | 132 | 642 |
| Disposal of Italy, net of cash disposed of | | | 63 |
| Purchase of property, plant and equipment | | (39 648) | (39 206) |
| Purchase of intangible assets | | (11 004) | (9 693) |
| Purchase of financial instruments | | (524) | (191) |
| Proceeds from sale of financial instruments | | 1 095 | |
| **Net cash used in investing activities** | | **(49 949)** | **(48 385)** |
| **Financing activities** | | | |
| Proceeds from borrowings | | 1 710 000 | - |
| Repayment of borrowings | | (1 561 557) | (30 000) |
| Refinancing costs | | (22 439) | |
| Interests paid * | | (65 833) | (55 760) |
| Interests paid related to leases contracts * | | (6 519) | (6 356) |
| Payments related to leases contracts * | | (56 054) | (53 507) |
| Dividends paid to equity holder of the parent | | (276 356) | (24 510) |
| **Net cash flows from/(used in) financing activities** | | **(278 758)** | **(170 133)** |
| Net increase / (decrease) in cash and cash equivalents | | (85 158) | 70 995 |
| Net cash at the beginning of the year | | 291 695 | 220 699 |
| **Net cash at March 31** | **17** | **206 538** | **291 695** |

**In accordance with IFRS 16, which the Group adopted as from April 1, 2019 (see Note 2.1.1), payments under leases along with any related interest are shown in financing cash flows.*

***The accompanying notes form an integral part of these consolidated financial statements***

*(a) Comparative data for 2021 have been recast in the consolidated financial statements as of March 31, 2022 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in May 2021 concerning the provision for retirement indemnities falling within the scope of IAS 19: see note 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021. This interpretation has the following non-material impacts on the Consolidated Statement of Cash Flows items:*

- *Operating profit: K€ (248)*
- *Movements in provisions and pensions: K€ 248*

# Notes to the Consolidated Financial Statements

## 1. Corporate information

Picard Bondco S.A (previously named Lion Polaris Lux 2 S.A.) is a limited liability company, incorporated on August 9, 2010 and having its registered office in Luxembourg (the "Company"). The registered office of the Company is at 4 rue Lou-Hemmer, L-1748 Senningerberg. The Company is an affiliate (fully controlled) of Lion/Polaris Lux Topco S.à.r.l.

The Company was incorporated for the purpose of acquiring Picard Groupe S.A.S., the leader in the frozen food production and distribution business in France. The acquisition was completed on October 14, 2010.

The "Company and its subsidiaries (together the "Group") operate in the frozen food production and distribution business, mainly in France. The Group's financial year ends on March 31.

On June 21, 2022, the board of the Company approved the consolidated financial statements as of and for the year ended March 31, 2022, which will be submitted for approval to the Company's shareholders.

## 2. Accounting principles

### 2.1 Basis of preparation

The consolidated financial statements cover the financial year started April 1, 2021 and ended March 31, 2022. The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in euro and all values are rounded to the nearest thousand (€000) except where otherwise indicated.

**Going concern**

The financial statements have been prepared on a going concern basis.

**Statement of compliance**

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and as adopted by the European Union and effective for financial years beginning on or after April 1, 2021.

IFRS as adopted by the European Union ("IFRS-EU") can be viewed on the European Commission's website (http://ec.europa.eu/commission/index_en).

#### 2.1.1 New accounting standards and interpretations in effect starting from April 1, 2021

Since April 1, 2021, the Group has applied the following new amendments, standards, and interpretations previously endorsed by the European Union:

- Amendments to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable according to the IASB in accounting periods beginning on or after April 1, 2021);
- Amendments to IFRS 4 Deferral of IFRS 9 (applicable according to the IASB in accounting periods beginning on or after January 1, 2021); and
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (applicable according to the IASB in accounting periods beginning on or after January 1, 2021).

The adoption of these policies had no impact on the Group's consolidated financial statements except for the IFRS IC interpretation relating to IAS 19 as presented below, such impacts being however immaterial for the Group.

#### 2.1.1.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021

In May 2021, the IFRS IC published a final decision clarifying the attribution of benefit to periods of service. The decision came in response to a request regarding a defined benefit plan with the following characteristics: provided they are still employed by the company when they reach retirement age, employees are entitled to a lump-sum benefit depending on their length of service, which is capped at a specified number of consecutive years of service.

The IFRS IC concluded that, in the application of IAS 19, under such a plan, the benefit obligation should be accrued only for those years of service prior to retirement in respect of which the employee generates a right to the benefit.

For the Group, only the termination benefit plans in France are affected by this decision.

This decision challenged the principle applied up until then, which was to use the entire length of the employee's career as the rights vesting period and to recognise the benefit obligation on a straight-line basis. It led to the reversal of the provision for employees who have not yet reached the cap for the benefit reversed. For employees with more than the capped number of consecutive years of service, the provision is recognised for a shorter period.

In addition, the calculation of the provision was updated to take into accounts the latest updates in the indemnification.

This decision has been applied retrospectively, and its non-material impacts are as follows:

- Retained earnings: K€ (415)
- Net income / (loss): K€ (184)
- Actuarial gains / (loss) of the period: K€ 108

#### 2.1.1.2 Recognition of configuration and customization costs related to SaaS contracts – Application of the IFRS IC decision of May 2021

The Group has applied in the consolidated financial statements for the year ended March 31, 2022 the IFRS IC decision published in April 2021 on the recognition of configuration and customization costs related to SaaS contracts (Software as a Service). The application of this decision had no significant impact on the consolidated financial statements as at March 31, 2022.

### 2.1.2 New accounting standards and interpretations with effect in future periods

No new or amended standards or interpretations were adopted for use in the European Union and available for early adoption.

The new or amended standards and interpretations not yet adopted by the European Union are as follows:

- IFRS 17 Insurance contracts (applicable according to the IASB in accounting periods beginning on or after January 1, 2023);
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current (applicable according to the IASB in accounting periods beginning on or after January 1, 2023);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (applicable according to the IASB in accounting periods beginning on or after January 1, 2023);
- Amendments to IFRS 3 Business Combinations (applicable according to the IASB in accounting periods beginning on or after January 1, 2022);
- Amendments to IAS 16 Property, Plant and Equipment (applicable according to the IASB in accounting periods beginning on or after January 1, 2022);
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (applicable according to the IASB in accounting periods beginning on or after January 1, 2022);
- Amendments to Annual Improvements 2018-2020 (applicable according to the IASB in accounting periods beginning on or after January 1, 2022);
- Amendments to IFRS 17 Insurance contracts (applicable according to the IASB in accounting periods beginning on or after January 1, 2023);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates and Errors (applicable according to the IASB in accounting periods beginning on or after January 1, 2023);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable according to the IASB in accounting periods beginning on or after January 1, 2023); and
- Amendment to IFRS 17 Initial Application of IFRS 17 and IFRS 9 - Comparative Information (applicable according to the IASB in accounting periods beginning on or after January 1, 2023).

The impact of these standards on the Group's results and financial situation is currently being evaluated and is not expected to be material.

## 2.2 Summary of significant accounting policies

### a. Foreign currency translation

The consolidated financial statements are presented in euro (€), which is the Company's functional and the Group's presentation currency.

### b. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquired business and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

For each business combination, the non-controlling interest in the acquired business is measured either at fair value or at the proportionate share of the acquired business's identifiable net assets. Acquisition costs incurred are expensed and included in "Other operating expenses".

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquired business is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, is recognized in accordance with IFRS 9 in profit or loss. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.
Goodwill is initially measured at cost being the excess of the aggregate of (i) the consideration transferred and (ii) the fair value of non-controlling interest and the identifiable assets acquired net of liabilities assumed. If the consideration is lower than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units or group of cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Under the definition of IAS 36, the Group identified cash-generating units, and group of cash-generating units, which are defined in Note 2.2. Summary of significant accounting policies.

### c. Investment in associate

The Group's investment in its associates is accounted for using the equity method. An associate is an entity in which the Group has significant influence.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the Group's share of the results of operations of the associate. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

The share of result of the associate is shown on the face of the income statement on the line "Share of result in an associate". This is the profit attributable to equity holders of the associate and therefore is profit after tax and non-controlling interests in the subsidiaries of the associates.

The financial statements of the associate are prepared for the same reporting period as the Company and using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies of the associate in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If such is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

### d. Revenue recognition

In accordance with IFRS 15, revenue is recognized under sales when the control of goods or services is transferred to the customer. The amount recognized corresponds to the consideration the entity expects to receive in exchange for the goods or services.

*Sale of goods*
The Group operates a chain of retail outlets for selling their products. Sales of goods are recognized when an entity sells a product to the customer. Retail sales are usually in cash or by credit card.

*Dividends*
Revenue is recognized when the Group's right to receive the payment is established.

### e. Operating expenses & Other purchases and external expenses

The Group benefits from certain tax credits generated by its activity. Such tax credits are deemed to be equivalent to grants related to income and are thus deducted from related expenses.

### f. Income taxes

*Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income.

For the years ended March 31, 2021 and March 31, 2022, the French tax Business Contribution on Added Value (CVAE) is shown and accounted for under the "Income tax expense" line.

*Deferred income tax*

Deferred taxes are determined using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except for specific conditions (initial recognition of an asset or liability in a transaction that is not a business combination that affects neither the accounting profit nor taxable profit or loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the asset is realized or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred taxes relating to items recognized outside profit or loss are recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### g. Pensions and other post-employment benefits

The Group operates one defined benefit pension scheme, as detailed in Note 22. Employee benefits. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses are recognized in other comprehensive income in the period in which they occur.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds, as explained in Note 22. Employee benefits).

The defined benefit expense is recognized through "Personnel expenses" (under pension costs) for the service cost component of the expense and through "Finance costs" (under interest costs of employee benefits) for the interest cost component.

### h. Financial liabilities – initial recognition and subsequent measurement

***Initial recognition and measurement***

The Group determines the classification of its financial liabilities at initial recognition. The Group has not designated any financial liabilities upon initial recognition as at fair value through profit or loss. Financial liabilities within the scope of IFRS 9 – Financial instruments are classified as loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables, bank overdraft, loans and borrowings, and derivative financial instruments.

***Subsequent measurement***

The measurement of financial liabilities depends on their classification as follows:

*Loans and borrowings*

After initial recognition, interest bearing loans and borrowings are measured at amortized cost using the effective interest rate method (EIR). Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the EIR method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in “Finance costs” in the income statement.

*Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement through “Finance costs”.

***Fair value of financial instruments***

The fair value of financial instruments that are traded in active markets is determined at each reporting date by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 13. Financial assets and financial liabilities.

### i. Derivative financial instruments and hedge accounting

*Initial recognition and subsequent measurement*

The Group uses interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives are recognized in the income statement, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income.

For the purpose of hedge accounting, those derivatives that meet the criteria of hedge effectiveness are classified as cash flow hedges.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

*Fair value hedges*

The change in the fair value of a hedging derivative is recognized in the income statement. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognized in the income statement.

For fair value hedges relating to items carried at amortized cost, the adjustment to carrying value is amortized through the income statement over the remaining term to maturity. Amortization may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedge item is derecognized, the unamortized fair value is recognized immediately in the income statement. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the income statement.

As at March 31, 2022, the Group did not have any fair value hedging derivatives.

*Cash flow hedges*

The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, while any ineffective portion is recognized immediately in the income statement.

Amounts taken to equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognized in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognized in equity remain in equity until the forecast transaction or firm commitment occurs.

### j. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Land is not depreciated. Historical cost includes expenditures directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

| | | |
|---|---|---|
| • Buildings and building improvements | 12 to 20 | years |
| • Operating equipment | 5 to 10 | years |
| • Transportation equipment | 4 | years |
| • Computers and hardware | 3 to 5 | years |
| • Furniture | 10 | years |

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the line item “Other operating expenses”.

The assets’ residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

### k. Intangible assets

*Trademarks*

Trademarks acquired through business combination are not amortized when their useful lives are deemed to be indefinite.

Trademarks which are not amortized are tested for impairment annually and upon each indication that they may be impaired.

The useful lives of trademarks have been defined according to their strategic market position (for instance, a strong international trademark will be deemed to have an indefinite useful life).

As at March 31, 2022, the trademark recognized corresponds to the Picard brand.

*Software*

Software acquired by the Group is booked as an intangible asset at its original cost. It is depreciated following the straight-line method over a maximum period of 3 to 10 years.

Software developed by the Group for its internal use is recorded as an intangible asset at its development cost and is depreciated following the straight-line method over a maximum period of 3 years.

### l. Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined under the weighted average cost method, which does not generate a significant difference from the FIFO method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

An inventory impairment is recorded in the following cases:

- 50%: on products permanently deleted from the catalog but which are disposed of in the stores;
- 75%: on products whose inventory quantities are higher than the sales forecasts in the expected time-to-market (Group decision);
- 75%: on products likely to be impaired due to the regulations of sales period; and
- 100%: on unmarketable products definitively deleted from the catalog.

### m. Impairment of non-financial assets

***Cash-generating units (CGU)***

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The cash-generating unit is defined by management as the store level, with two main groups of cash-generating units, based on geographical implantation in:

- France, and
- Other.

The “Other” operating segment includes distribution activities in Belgium, Luxembourg, Sweden, franchised and corner operations and partnerships in Italy, Hong Kong, Japan, the Netherlands, Scandinavia, Singapore, Taiwan, the UAE and the UK as well as our holding company operations (other than Group financing and income taxes) in Luxembourg.

***Impairment analysis***

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the groups of cash-generating units to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill and other indefinite useful life intangible assets (trademark), an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount.

*Goodwill*

Goodwill is tested for impairment annually at year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit or group of cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating unit or group of cash-generating units is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

*Other intangible assets*

Other intangible assets with indefinite useful lives (including mainly brand and leasehold rights) are tested for impairment annually either individually or at the cash-generating unit or group of cash-generating units level, as appropriate and when circumstances indicate that the carrying value may be impaired.

### n. Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at banks and on hand, short-term deposits and highly liquid securities with an original maturity of three months or less.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash, short-term deposits and highly liquid securities as defined above, net of outstanding bank overdrafts.

### o. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### p. Assets and liabilities held for sale

IFRS 5 - *Non-Current Assets Held for Sale and Discontinued Operations*, sets out the accounting treatment applicable to assets held for sale as well as presentation and disclosure requirements. The standard notably requires the separate presentation of assets held for sale in the Consolidated Statement of Financial Position at the lower of net carrying amount and fair value less costs to sell, where the criteria set out in the standard are satisfied. Should an unrealized loss be recorded, it is not deductible for tax purposes.

When the Group is committed to a sales process leading to the loss of control of a subsidiary, all assets and liabilities of that subsidiary are reclassified as held for sale where the standard classification criteria are met, irrespective of whether the Group retains a residual interest in the entity after sale.

## 3. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that can affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Group management reviews these estimates and assumptions on a regular basis to ensure that they are appropriate based on past experience and current economic condition. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Impairment of non-financial assets*

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget. The recoverable amount is mostly sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Further details about assumptions and sensitivity of valuations are disclosed in Note 14. Impairment test of goodwill and other intangible assets with indefinite useful lives.

*Employee benefits liabilities*

The cost of defined benefit pension plans and the present value of pension obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future withdrawal rates of employees. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with high quality ratings, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on a publicly available mortality table. Future salary increases and expected turnover rates of employees are based on the expectation of management and on past practices over recent years.

Further details about the assumptions used are given in Note 23. Trade and other payables.

*Deferred income tax*

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits.

The assessment of the Group’s ability to utilize tax losses carried forward is to a large extent judgment-based. If the future taxable results of the Group are significantly different from those expected, the Group will be obliged to increase or decrease the carrying amount of deferred tax assets, with a potentially material impact on the Consolidated Statement of Financial Position and Consolidated Income Statement of the Group.

## 4. Financial risk management objectives and policies

The Group’s principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to raise finances for the Group’s operations. The Group has loans and other receivables, trade and other receivables, and cash and short-term deposits that result directly from its operations.

The Group is exposed to market risk, interest rate risk, credit risk and liquidity risk.

The Group’s senior management oversees the management of these risks. The board of directors of the Company reviews and agrees policies for managing each of these risks which are summarized below.

It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

## Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings (including listed bonds), deposits, and derivative financial instruments.

## Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. Below is presented the sensitivity to interest rate variation:

*In thousands of €*

| **Year ended March 31, 2022** | **Sensitivity to +20bps change** | | **Sensitivity to -20bps change** | |
|---|---|---|---|---|
| | **P&L Impact** | **OCI Impact** | **P&L Impact** | **OCI Impact** |
| Floating rate debt | (1 300) | | 1 300 | - |
| | **(1 300)** | **-** | **1 300** | **-** |

## Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss for the Group.

Considering its activity, the Group is only exposed to limited credit risk from operating activities. Furthermore, the Group is not exposed to material credit risk from its financing activities (deposits with banks and financial institutions and other financial instruments) as investments of surplus funds are made only with approved counterparties.

The Group's policy to manage this risk is to place funds only with banks that have strong credit ratings.

## Liquidity risk

The Group monitors its exposure to a risk of shortage of funds using a recurring liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, and finance leases. 0.9% of the Group's interest bearing loans and borrowings mature less than one year after March 31, 2022, based on the carrying value of borrowings reflected in the financial statements.

*Maturity profile of the Group's financial liabilities*

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments at the maturity date.

*In thousands of €*

| Year ended March 31, 2022 | Less than one year | 1 to 3 years | 3 to 5 years | over 5 years | Total |
|---|---|---|---|---|---|
| Fixed rate borrowings | (45 725) | (91 450) | (819 747) | (314 220) | (1 271 142) |
| Obligations under finance lease | (46) | (85) | | | (131) |
| Floating rate borrowings | (26 000) | (52 000) | (682 525) | - | (760 525) |
| Other financial liabilities | (57 198) | (112 402) | (114 148) | (110 005) | (393 754) |
| Trade and other payables | (286 387) | | | | (286 387) |
| Income tax payable | (1 043) | | | | (1 043) |
| | **(416 399)** | **(255 937)** | **(1 616 421)** | **(424 224)** | **(2 712 982)** |

## 5. Significant events of the financial year ended March 31, 2022

The financial statements for the year ended March 31, 2022 are impacted by the following significant events:

- The beginning of the period was marked by the continuing COVID-19 pandemic and associated restrictions in France (such as curfews and closures of restaurants), notably in April and May 2021. Such measures had a positive impact on both sales and operating profit. Restrictions were progressively lifted from mid-May 2021. During the year ended March 31, 2022, the Picard stores were not impacted by any restrictions or closures.

- On July 7, 2021, the Group successfully refinanced its existing debt. Picard Groupe S.A.S. issued M€ 750 aggregate principal amount of sustainability-linked fixed rate senior secured notes due 2026, Lion/Polaris Lux 4 S.A issued M€ 650 aggregate principal amount of sustainability-linked floating rate senior secured notes due 2026 and the Company issued M€ 310 aggregate principal amount of sustainability-linked senior notes due 2027 (collectively, the "Notes"). The gross proceeds from the sale of the Notes, together with cash on hand, were used to (i) redeem the company's outstanding principal amount of senior notes due 2024 issued on December 14, 2017 (the "2017 Senior Notes"), including accrued and unpaid interest and the applicable redemption premium, (ii) redeem Picard Groupe S.A.S.'s outstanding principal amount of senior secured notes due 2023 issued on December 14, 2017 and May 14, 2018 (the"2017 Senior Secured Notes"), including accrued and unpaid interest, (iii) fund distributions to the shareholders of the Group, and (iv) pay fees and expenses related to these transactions.

- The Group is not directly exposed to Ukraine or Russia as it has no operations and no direct sourcing from those locations. However, the current international context linked to the war in Ukraine and the economic context following the pandemic Covid-19 has generated significant increases in the cost of raw materials and utilities around the world. The Group is not in a position to quantify such indirect impact.

## 6. Operating segment information

For management purposes, the Group is organized into business units based on distribution networks. Following the development of the activity of the Group outside France, the Group has two reportable operating segments as follows:

- France; and
- Other.

The "Other" operating segment includes distribution activities in Belgium, Luxembourg and, franchised and corner operations and partnerships in Italy, the Netherlands, Scandinavia, Japan, Singapore, the UK, the UAE, Hong Kong and Taiwan as well as our holding company operations (other than Group financing and income taxes) in Luxembourg.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, Group financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

| | March 31, 2022 | | |
|---|---|---|---|
| *In thousand of €* | **France** | **Other** | **Total** |
| Sales | 1 649 359 | 39 836 | 1 689 194 |
| Other operating income | 4 826 | 534 | 5 359 |
| Other operating expenses | (2 060) | (171) | (2 231) |
| **Operating profit before amortization** | **295 508** | **5 752** | **301 259** |
| Amortization of the year | (98 951) | (1 600) | (100 550) |
| **Operating profit** | **196 557** | **4 152** | **200 709** |

| | March 31, 2021 | | |
|---|---|---|---|
| *In thousand of €* | **France** | **Other** | **Total** |
| Sales | 1 730 743 | 43 346 | 1 774 089 |
| Other operating income | 6 269 | 536 | 6 805 |
| Other operating expenses | (2 659) | (716) | (3 375) |
| **Operating profit before amortization** | **321 770** | **5 681** | **327 452** |
| Amortization of the year | (93 633) | (1 586) | (95 219) |
| **Operating profit** | **228 137** | **4 095** | **232 232** |

The decrease of the operating profit from "France" and "Other" is mainly explained by the strong activity of the Group throughout the fiscal year ended March 31, 2021 during the COVID-19 pandemic, which began in mid-March 2020.

## 7. Other operating income/expenses

### 7.1. Other operating income

| *In thousand of €* | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Capitalized expenses | | 1 800 |
| Home Services shipping fees | 1 826 | 2 198 |
| Store rentals | 600 | 447 |
| Franchises | 1 431 | 1 170 |
| Other operating income | 1 502 | 1 191 |
| **Total other operating income** | **5 359** | **6 806** |

### 7.2. Other operating expenses

| *In thousand of €* | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Royalties | (585) | (535) |
| Losses on bad debt | (300) | (1 118) |
| Other operating expenses | (1 347) | (1 721) |
| **Total other operating expenses** | **(2 231)** | **(3 374)** |

### 7.3. Personnel expenses

| *In thousand of €* | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Wages and salaries | (135 499) | (138 985) |
| Social security costs | (38 165) | (38 648) |
| Pension costs | (837) | (791) |
| Employee profit sharing | (22 205) | (24 671) |
| Other employee benefits expenses | (8 446) | (7 582) |
| **Total personnel expenses** | **(205 152)** | **(210 677)** |

Total personnel expenses decreased by M€ 5.3, from M€ 210.4 for the year ended March 31, 2021 to M€ 205.2 for the year ended March 31, 2022. This decrease is mainly due to a M€ 3.5 non-recurring bonus recorded in March 31, 2021 to all the employees and relating to exceptional results for the year ended March 31, 2021.

## 7.4. Finance income and costs

| *In thousand of €* | March 31. 2022 | March 31. 2021 |
|---|---|---|
| Interest expenses | (85 262) | (57 421) |
| Net interests related to leases commitment | (6 420) | (6 298) |
| Interest costs of employee benefits | (123) | (107) |
| Foreign exchange losses | (2) | (1) |
| Other financial expenses | (485) | (580) |
| **Finance costs** | **(92 292)** | **(64 407)** |
| Income on loans and receivables | 9 | 1 |
| Income on short term investment | 26 | 132 |
| Other financial income | 13 | 134 |
| **Finance income** | **48** | **267** |

As part of the refinancing of its debt (as described in notes 5 - Significant events of the financial year ended March 31, 2022 and 13.2 - Interest-bearing loans and borrowings), the Group fully redeemed its 2017 Senior Secured Notes and its 2017 Senior Notes during the second quarter of the financial year. This early redemption resulted in non-recurring finance costs of K€ 14,307, corresponding to the write-off of the non-amortized issuance fees (K€ 5,782) and the early redemption penalty of the 2017 Senior Notes (K€ 8,525).

The K€ 6,420 net interest related to leases commitment represents the financial interest calculated on lease liabilities recognized in accordance with IFRS 16.

## 8. Investment in an associate

The Group has a 37.21% interest in Primex International S.A., which is involved in importation and wholesale of frozen meat and seafood.

Primex International is a private entity incorporated in France that is not listed on any public exchange. The following table illustrates summarized financial information of the Group's investment in Primex International S.A.:

| *In thousand of €* | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Share of the associate's statement of financial position: | | |
| Non-current assets | 6 160 | 6 307 |
| Current assets | 11 791 | 9 716 |
| Current liabilities | 11 088 | 9 590 |
| Non-current liabilities | 2 016 | 2 387 |
| **Equity** | **4 846** | **4 046** |
| Share of the associate's revenue and result: | | |
| Revenue | 24 711 | 30 042 |
| Result | 656 | (2 352) |
| **Carrying amount of the investment** | **4 637** | **3 981** |

Variations during the period were the following:

| *In thousand of €* | March 31, 2022 | March 31, 2021 |
|---|---|---|
| **Carrying value at opening** | **3 981** | **6 333** |
| Share of result in an associate | 656 | (2 352) |
| **Carrying value as of March 31** | **4 637** | **3 981** |

Primex Norway, a subsidiary of Primex International S.A., developed a fish plant in Norway in 2018 and has since faced significant start-up costs in connection with the operation of this facility. Primex International S.A. recorded on March 31, 2020 a non-cash impairment of its investment in Primex Norway to reflect these operational losses. Based on the activity of the plant since January 2020, the Group recorded additional depreciation in September 2020. The activity of this plant has now improved but the valuation of Primex International will continue to be closely monitored by the Group. For reasons of prudence and pending the sustainability of results, the Group hasn't reversed any depreciation.

## 9. Income tax expense

| *In thousand of €* | For the twelve month period ended March 31, 2022 | For the twelve month period ended March 31, 2021 |
|---|---|---|
| Current tax | (43 573) | (64 953) |
| Deferred tax | (609) | (1 620) |
| **Total income tax expense** | **(44 182)** | **(66 573)** |
| Income tax recognized in other comprehensive income | (258) | 15 |
| **Total income tax** | **(44 439)** | **(66 557)** |

Income tax expense decreased from an expense of K€ 66,557 for the financial year ended March 31, 2021 to an expense of K€ 44,439 for the financial year ended March 31, 2022.

This decrease is mainly related to the current tax expense recorded as of March 31, 2021 following the exceptional results related to the COVID-19 crisis.

A tax audit of Picard Surgelés S.A.S. was initiated by the French tax authorities on January 17, 2022 for the fiscal years ended March 31, 2019, March 31, 2020 and March 31, 2021. As of the date of these Consolidated Financial Statements, the tax audit was still in progress.

A reconciliation between tax expense and accounting profit (based on France's domestic tax rate for the year ended March 31, 2022, France being the country where most of the taxable income is generated) is as follows:

| *In thousand of €* | **For the twelve month period ended March 31, 2022** | **For the twelve month period ended March 31, 2021** |
|---|---|---|
| Income before tax | 109 121 | 165 739 |
| Tax rate | 27,37% | 32,02% |
| At French statutory income tax rate | (29 866) | (53 070) |
| Effect of non deductible expenses/taxable income: | (9 566) | (3 521) |
| *- Share of result in associate* | *179* | *(753)* |
| *- Non deductible interests* | | *(958)* |
| *- Other non taxable income* | *914* | *348* |
| *- Other non deductible expenses* | *(10 660)* | *(2 158)* |
| Deferred tax assets on temporarily non-deductible financial interests in France | | (4 364) |
| Unrecognised tax losses | 19 | (15) |
| Effect of CVAE expense | (3 163) | (4 489) |
| Amortization of deferred tax related to CVAE | | 82 |
| Change in tax rate | (1 604) | (1 194) |
| **Total income tax expense** | **(44 182)** | **(66 573)** |

*Deferred tax*

Deferred tax relates to the following:

| *In thousand of €* | **March 31, 2022** | **March 31, 2021** | **Variation** | ***Of which, through P&L*** | ***Of which, through OCI*** | ***Of which, through retained earnings*** |
|---|---|---|---|---|---|---|
| Intangible assets - Picard brand | (201 474) | (201 474) | - | - | - | - |
| Other intangible assets | (2 263) | (2 263) | - | - | - | - |
| Right-of-use assets | 2 000 | 1 497 | 503 | *503* | | |
| Property and equipement | (24 412) | (24 527) | 115 | *115* | - | - |
| Inventories | (278) | (301) | 22 | *22* | - | - |
| Financial instruments | (2 303) | (1 524) | (779) | *(780)* | | |
| Long term employee benefits | 2 677 | 2 725 | (48) | *210* | *(258)* | |
| Profit sharing | 5 026 | 5 514 | (488) | *(488)* | - | - |
| Other temporary differences | 580 | 771 | (191) | *(191)* | - | - |
| **Deferred tax asset/(liability)** | **(220 447)** | **(219 581)** | **(866)** | **(609)** | **(258)** | **-** |
| Reflected in the statement of financial position as follows : | | | | | | |
| Deferred tax assets | - | - | | | | |
| Deferred tax liabilities | (220 447) | (219 580) | | | | |
| **Deferred tax asset/(liability)** | **(220 447)** | **(219 580)** | | | | |

## 10. Leases

### 10.1. Breakdown of right of use recognized under IFRS 16

| *In thousand of €* | Leasehold rights | Land & Buildings | Vehicles | **Right-of-use-assets** |
|---|---|---|---|---|
| **Cost:** | | | | |
| **As at April 1, 2021** | **48 167** | **482 453** | **6 791** | **537 411** |
| Additions | | 65 082 | 1 946 | **67 029** |
| Disposals | (9) | (2 083) | (553) | **(2 645)** |
| Others | | | | **-** |
| **As at March 31, 2022** | **48 158** | **545 452** | **8 184** | **601 795** |
| **Depreciation and impairment:** | | | | |
| **As at April 1, 2021** | **(450)** | **(106 404)** | **(2 632)** | **(109 486)** |
| Additions | (252) | (55 153) | (2 126) | **(57 531)** |
| Disposals | | 206 | 548 | **755** |
| Others | | | | **-** |
| **As at March 31, 2022** | **(702)** | **(161 351)** | **(4 209)** | **(166 262)** |
| **Net book value:** | | | | |
| **As at April 1, 2021** | **47 717** | **376 049** | **4 159** | **427 925** |
| **As at March 31, 2022** | **47 456** | **384 102** | **3 975** | **435 533** |

### *Leasehold rights*

Leasehold rights are tested annually at the store level. Their value in use is compared to their carrying value amount. If carrying value of the leasehold rights exceeds their value in use, an impairment is recognized for the difference.

An impairment loss of M€ 0.3 has been recorded during the financial year ended March 31, 2022.

### 10.2. Breakdown of other purchase and external expenses

| *(In thousand of €)* | **For the twelve month period ended March 31, 2022** | **For the twelve month period ended March 31, 2021** |
|---|---|---|
| Rent expenses | (2 945) | (2 848) |
| Other purchase and external expenses (excluding Rent expenses) | (215 453) | (216 960) |
| **Total Other purchase and external expenses** | **(218 398)** | **(219 808)** |

As of March 31, 2022, rent expenses of K€ 2,945 represent leases (following the adoption of IFRS 16) that have a term shorter than 12 months and leases valued at less than K$ 5.

## 10.3. Breakdown of depreciation and amortization

| *(In thousand of €)* | For the twelve month period ended March 31, 2022 | For the twelve month period ended March 31, 2021 |
|---|---|---|
| Depreciation & amortization of tangible Right of Use | (57 531) | (56 227) |
| Depreciation & amortization of other fixed assets | (43 019) | (38 991) |
| **Total Depreciation & amortization** | **(100 550)** | **(95 219)** |

The M€ 57.5 of depreciation and amortization of right-of-use assets for the financial year ended March 31, 2022 relate to the depreciation of the right-of-use assets recognized in accordance with IFRS 16.

## 11. Other intangible assets

| *In thousand of €* | Software | Brand | Leasehold rights | Other intangible assets | **Total intangible assets** |
|---|---|---|---|---|---|
| **Cost:** | | | | | |
| **As at March 31, 2020** | **56 245** | **780 000** | **-** | **7 568** | **843 813** |
| Transfer | 6 340 | | (529) | (6 340) | **(529)** |
| Additions | 6 979 | | 529 | 2 987 | **10 496** |
| Disposals | (1 962) | | | | **(1 962)** |
| **As at March 31, 2021** | **67 602** | **780 000** | **0** | **4 215** | **851 817** |
| Transfer | 2 851 | | | (2 851) | - |
| Additions | 9 788 | | | 1 091 | **10 879** |
| Disposals | (2) | | | | **(2)** |
| **As at March 31, 2022** | **80 239** | **780 000** | **0** | **2 456** | **862 695** |
| | | | | | |
| **Depreciation and impairment:** | | | | | |
| **As at March 31, 2020** | **(48 336)** | **-** | **-** | **-** | **(48 336)** |
| Transfer | | | - | | - |
| Addition | (6 421) | | | | **(6 421)** |
| Disposals | 1 962 | | | | **1 962** |
| **As at March 31, 2021** | **(52 794)** | **-** | **-** | **-** | **(52 794)** |
| Transfer | | | | | - |
| Addition | (7 880) | | | | **(7 880)** |
| Disposals | 2 | | | | **2** |
| **As at March 31, 2022** | **(60 672)** | **-** | **-** | **-** | **(60 672)** |
| | | | | | |
| **Net book value:** | | | | | |
| **As at March 31, 2020** | **7 909** | **780 000** | **-** | **7 568** | **795 477** |
| **As at March 31, 2021** | **14 808** | **780 000** | **0** | **4 215** | **799 023** |
| **As at March 31, 2022** | **19 567** | **780 000** | **0** | **2 456** | **802 022** |

## 12. Property, plant and equipment

| *In thousand of €* | Land | Buildings | Technical fittings Machinery and equipment | Other tangible assets | **Total tangible assets** |
|---|---|---|---|---|---|
| **Cost:** | | | | | |
| **As at March 31, 2020** | **32 622** | **75 231** | **218 197** | **258 114** | **584 164** |
| Additions | 797 | 166 | 20 520 | 19 441 | **40 923** |
| Disposals | (72) | (152) | (7 641) | (6 308) | **(14 173)** |
| **As at March 31, 2021** | **33 346** | **75 245** | **231 075** | **271 247** | **610 914** |
| Additions | | 7 | 24 863 | 17 196 | **42 066** |
| Disposals | | (20) | (9 690) | (6 329) | **(16 039)** |
| **As at March 31, 2022** | **33 346** | **75 232** | **246 248** | **282 114** | **636 941** |
| **Depreciation and impairment:** | | | | | |
| **As at March 31, 2020** | **-** | **(55 113)** | **(139 220)** | **(168 319)** | **(362 652)** |
| Additions | | (627) | (15 920) | (15 895) | **(32 442)** |
| Disposals | | 140 | 7 331 | 4 014 | **11 486** |
| **As at March 31, 2021** | **-** | **(55 600)** | **(147 809)** | **(180 199)** | **(383 609)** |
| Transfer | | 2 352 | 4 | (2 356) | - |
| Addition | | (550) | (17 267) | (17 338) | **(35 155)** |
| Disposals | | 20 | 9 422 | 2 722 | **12 164** |
| **As at 31 March 2022** | **-** | **(53 779)** | **(155 649)** | **(197 171)** | **(406 599)** |
| **Net book value:** | | | | | |
| **As at March 31, 2020** | **32 622** | **20 118** | **78 977** | **89 795** | **221 512** |
| **As at March 31, 2021** | **33 346** | **19 645** | **83 267** | **91 048** | **227 305** |
| **As at 31 March 2022** | **33 346** | **21 453** | **90 599** | **84 943** | **230 341** |

## 13. Financial assets and financial liabilities

### 13.1. Other financial assets

| *In thousand of €* | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Deposits and guarantees | 10 298 | 10 460 |
| Related party loans* | 11 | 345 |
| Other | 606 | 536 |
| **Other financial assets** | **10 916** | **11 341** |
| *Of which non-current* | *10 838* | *11 266* |
| *Of which current* | *78* | *75* |

** see Note 24 "Related party disclosures"*

## 13.2. Interest-bearing loans and borrowings

| *In thousand of €* | Coupon interest rate | Maturity | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **Current** | | | | |
| Current portion of interest bearing loans and borrowings | | | 14 583 | 4 393 |
| Bank overdrafts | | On demand | 5 | 39 |
| **Total current interest-bearing loans and borrowings** | | | **14 588** | **4 432** |
| **Non current** | | | | |
| Senior secured notes 2026 (M€ 750) | 3.875% | 2026 | 740 881 | |
| Senior secured notes 2026 (M€ 650) | Euribor 3M + margin 4% | 2026 | 643 094 | |
| Senior notes 2027 (M€ 310) | 5.375% | 2027 | 306 521 | |
| Senior secured notes (M€ 1250) | Euribor 3M + margin 3% | 2023 | | 1 245 435 |
| Senior notes 2024 (M€ 310) | 5,50% | 2024 | | 308 707 |
| **Total non-current interest-bearing loans and borrowings** | | | **1 690 497** | **1 554 142** |
| **Total interest-bearing loans and borrowings** | | | **1 705 085** | **1 558 574** |

On July 7, 2021, the Group successfully refinanced its existing debt. Picard Groupe S.A.S. issued M€ 750 aggregate principal amount of sustainability-linked fixed rate senior secured notes due 2026, Lion Polaris Lux 4 S.A issued M€ 650 aggregate principal amount of sustainability-linked floating rate senior secured notes due 2026 and the Company issued M€ 310 aggregate principal amount of sustainability-linked senior notes due 2027. The gross proceeds from the sale of the Notes, together with cash on hand, were used to (i) redeem the Company's outstanding principal amount of the 2017 Senior Notes including accrued and unpaid interest and the applicable redemption premium, (ii) redeem Picard Groupe S.A.S.'s outstanding principal amount of the 2017 Senior Secured Notes, including accrued and unpaid interest, (iii) fund distributions to the shareholders of the Group, and (iv) pay fees and expenses related to these transactions.

The Notes issued have the following characteristics:

- Picard Groupe S.A.S., a subsidiary of the Company, issued M€ 750 of fixed rate senior secured notes due 2026 in July 2021. These fixed rate senior secured notes are payable after five years on July 1, 2026. Interest is paid twice a year at a fixed interest rate of 3.875% per annum. The senior secured notes are refundable "in fine".
- Lion Polaris Lux 4 S.A., a subsidiary of the Company, issued M€ 650 of floating rate senior secured notes due 2026 in July 2021. These floating rate senior secured notes are payable after five years on July 1, 2026. Interest is paid quarterly based on a variable interest rate fixed in reference to a market rate (three-month EURIBOR, subject to a 0% floor) increased by a margin of 4% per annum. The floating rate senior secured notes are refundable "in fine".
- The Company issued M€310 of fixed rate senior notes due 2027 in July 2021. These senior notes are payable after six years on July 1, 2027, and interest is paid twice a year based on a fixed interest rate of 5.375% per annum. The senior notes are refundable "in fine".

### 13.3. Other financial liabilities

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 Restated |
|---|---|---|
| **Current** | | |
| Lease debt | 57 198 | 54 938 |
| **Total other current financial liabilities** | **57 198** | **54 938** |
| | | |
| **Non current** | | |
| Lease debt | 336 480 | 328 579 |
| Others | 76 | 63 |
| **Total other non-current financial liabilities** | **336 556** | **328 642** |
| **Total other financial liabilities** | **393 754** | **383 580** |

In accordance with IFRS 16, the Group has recognized, as of April 1, 2019, the lease liabilities relating to the accounting of the right of use asset. This debt amounts to M€ 394 as of March 31, 2022.

### 13.4. Hedging activities and derivatives

***Cash Flow Hedges***

As at March 31, 2022, the Group has no interest rate swap.

### 13.5. Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements.

| *In thousands of €* | Carrying amount | Fair value | Carrying amount | Fair value |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2021 |
| **Financial assets** | | | | |
| Trade and other receivables | 48 113 | 48 113 | 56 563 | 56 563 |
| Income tax receivable | 3 158 | 3 158 | 3 216 | 3 216 |
| Other financial assets | 10 314 | 10 314 | 11 341 | 11 341 |
| Cash and cash equivalents | 206 542 | 206 542 | 291 734 | 291 734 |
| **Total** | **268 128** | **268 128** | **362 854** | **362 854** |
| | | | | |
| **Financial liabilities** | | | | |
| Fixed rate borrowings | (1 047 403) | (1 019 781) | (308 707) | (275 513) |
| Obligations under finance leases | (45) | (45) | (130) | (130) |
| Floating rate borrowings | (643 094) | (646 100) | (1 245 435) | (1 165 372) |
| Interest rate swap | | - | | - |
| Lease commitments | (393 754) | (393 754) | (383 580) | (383 580) |
| Trade and other payables | (286 387) | (286 387) | (305 106) | (305 106) |
| Income tax payable | (1 043) | (1 043) | (1 327) | (1 327) |
| Bank overdraft | (5) | (5) | (39) | (39) |
| **Total** | **(2 371 730)** | **(2 347 114)** | **(2 244 323)** | **(2 131 066)** |

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Long-term fixed-rate and variable-rate receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, provision allowances are taken into account for the expected losses relating to these receivables. As at March 31, 2022, the carrying amounts of such receivables, net of provision allowances, approximated their fair values.
- Fair value of quoted notes and bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial indebtedness, obligations under finance leases as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities. Because of the lack of similar transactions due to the current economic context, credit spreads of fixed rate borrowings have been considered to be equal to the credit spread applied at the inception of the debt.
- From time to time, the Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The calculation of fair value for derivative financial instruments depends on the type of instruments: Derivative interest rate contracts – The fair value of derivative interest rate contracts (e.g., interest rate swap agreements) are estimated by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the instrument.

***Fair value hierarchy***

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- *Level 1:* quoted (unadjusted) prices in active markets for identical assets or liabilities.
- *Level 2:* other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- *Level 3:* techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The fair value of all interest rate derivatives is determined through valuation techniques of level 2 (though the Group currently has no interest rate swap agreement outstanding). The fair value of long-term debt is determined using price quotations at the reporting date (level 1).

## 14. Impairment test of goodwill and other intangible assets with indefinite useful lives

As of March 31, 2022, goodwill and the brand recognized through business combinations have been fully allocated to the group of CGU composed of directly operated stores in France. As of March 31, 2022, the net book value of goodwill and other intangible with indefinite useful lives is the following:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Goodwill gross value | 815 170 | 815 170 |
| Brand gross value | 780 000 | 780 000 |
| **Total** | **1 595 170** | **1 595 170** |

Since April 1, 2020, lease rights are reclassified in right of use in accordance with IFRS 16.

***Goodwill and brand***

The recoverable amounts of goodwill and brand have been computed through a value in use calculation. The value in use was computed based on financial projections approved by Picard senior management covering a five-year period. Future cash flows of French stores factor a one-off favorable impact of the COVID-19 crisis on fiscal year 2021, followed by a step-back in fiscal year 2022 revenues. A Compound Annual Growth Rate of 3.9% is expected over the 2023-2027 period, driven by the opening of own stores, new franchises as well as the development of home delivery, Click & Collect and CRM strategy.

Terminal value was computed as the sum of discounted normative cash flows to perpetuity, through a Gordon Shapiro method factoring the discount rate and long-term growth rate assumptions detailed below.

*Key assumptions used in the determination of the value in use*

The calculation of value-in-use was mostly sensitive to the following assumptions:

- Discount rate; and
- Long-term growth rate used to extrapolate cash flows beyond the budget period.

The discount rate applied to cash flow projections was 7.31% (compared to 7.25% the prior year) and cash flows beyond the five-year period were extrapolated using a 1.75% long-term growth rate (compared to 1.75% the prior year). As a result of this analysis, no impairment has been recognized by the Group.

*Sensitivity to changes in assumptions*

With regards to the assessment of value-in-use of the goodwill and brand, the Group estimated that a 50 bps increase in the discount rate or a 50 bps decrease in the long-term growth rate would not cause the carrying value of the above cash-generating units to materially exceed its recoverable amount. Similarly, a 50 bps decrease in the normative EBITDA (earnings before interest, taxes, depreciation & amortization) margin would have no impact on the result of the tests.

## 15. Inventory

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Packaging | 1 053 | 1 157 |
| Non packaged finished goods | 14 041 | 13 160 |
| Packaged finished goods | 94 269 | 89 388 |
| Depreciation | (1 282) | (1 400) |
| **Inventory** | **108 082** | **102 306** |

## 16. Trade and other receivables

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade receivables | 9 332 | 12 572 |
| Prepaid expenses | 22 552 | 22 318 |
| VAT receivables and other sales taxes | 13 492 | 15 757 |
| Other receivables | 2 737 | 5 916 |
| **Trade and other receivables** | **48 113** | **56 563** |

## 17. Cash and cash equivalents

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Cash at banks and on hand | 203 684 | 288 875 |
| Securities | 2 859 | 2 859 |
| **Cash and cash equivalents** | **206 542** | **291 734** |

For the purpose of the cash flow statement, cash and cash equivalents are net of bank overdrafts.

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Cash and cash equivalents | 206 542 | 291 734 |
| Bank overdrafts | (5) | (39) |
| **Net cash position** | **206 538** | **291 695** |

## 18. Issued capital

| *In thousand of €* | Number of shares | Share Capital | Share Premium |
|---|---|---|---|
| **As at March 31, 2020** | **2 641 726** | **2 642** | **97** |
| **As at March 31, 2021** | **2 641 726** | **2 642** | **97** |
| **As at March 31, 2022** | **2 641 726** | **2 642** | **97** |

The share capital amounts to EUR 2 641 726 and is divided into 2 641 726 fully paid-up ordinary shares with a nominal value of EUR 1 per share.

*Capital Management*

The capital used by the Group is managed so as to:

- ensure the continuity of the Group's operations; and
- continually optimise its financial structure by maintaining an optimum balance between net debt, EBITDA and equity in order to minimize the cost of capital.

In addition, in order to maintain or adjust its capital structure, the Group may be prompted to take out new debt or repay existing debt, adjust the amount of its dividends paid to shareholders, conduct a capital repayment to shareholders, issue new shares or sell assets in order to reduce debt levels.

## 19. Dividends paid

During the period ended March 31, 2022, the Group paid a dividend of M€ 277.9 to its shareholders.

## 20. Earnings per share

Information on the earnings and number of ordinary and potential dilutive shares included in the calculation is presented below:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Net income attributed to Company shareholders (in thousands of euros) ............** | **64 939** | **99 167** |
| Weighted average number of common shares outstanding (in thousands)................... | 2 642 | 2 642 |
| **Weighted average number of issued common shares and non dilutive potential shares (in thousands)....................................................................** | **2 642** | **2 642** |
| **Basic earnings per share (in euros)...........................................................** | **24,58** | **37,54** |
| **Net income attributed to Company shareholders (in thousands of euros) ............** | **64 939** | **99 167** |
| Weighted average number of issued common shares and non dilutive potential shares (in thousands)............................................................................ | **2 642** | 2 642 |
| **Weighted average number of common shares used for the claculation of fully diluted earnings per share (in thousands)..............................................** | **2 642** | **2 642** |
| **Fully diluted earnings per share (in euros)..................................................** | **24,58** | **37,54** |

## 21. Provisions and contingent liabilities

| *In thousand of €* | Risks related to the operations | Disputes and litigations | Total |
|---|---|---|---|
| **Provision as at March 31, 2020** | **130** | **8 986** | **9 115** |
| Allowances | 85 | 3 148 | 3 233 |
| Reversal | (20) | (2 867) | (2 887) |
| **Provision as at March 31, 2021** | **195** | **9 267** | **9 461** |
| Allowances | 80 | 3 406 | 3 486 |
| Reversal | (60) | (3 753) | (3 813) |
| **Provision as at March 31, 2022** | **215** | **8 920** | **9 134** |

## 22. Employee benefits

The Picard defined benefit pension plan covers substantially all of the Group's French employees. The plan is not funded.

French employees are entitled to a lump sum when they retire depending on their length of service and on final salary.

The following tables summarize the components of net benefit expense recognized in the income statement and the unfunded status and amounts recognized in the statement of financial position for these plans:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current service cost | 1 030 | 954 |
| Interest cost | 123 | 116 |
| Benefit paid | (193) | (172) |
| **Net benefit expense** | **960** | **899** |
| recognized in operating income | 837 | 782 |
| recognized in financial income | 123 | 116 |

The position recorded in the consolidated statement of financial position breaks down as follows:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Benefit obligation | 10 363 | 10 545 |
| Fair value of plan assets | | |
| **Funded status** | **10 363** | **10 545** |
| Unrecognized prior service cost | | |
| **Benefit liability** | **10 363** | **10 545** |

The Group's liability for defined benefit plans is K€ 10,363 as of March 31, 2022.

Changes in employee benefit obligations are as follows:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Benefit obligation at April 1 | 10 545 | 9 706 |
| Current service cost | 1 030 | 954 |
| Interest cost | 123 | 116 |
| Actuarial (gains) and losses | (1 141) | (60) |
| Benefits paid | (193) | (172) |
| **Benefit obligation at March 31** | **10 363** | **10 545** |
| *of which classified in continued operations* | *10 363* | *10 545* |
| *of which classified in liabilities held for sale* | | |

The cumulative amounts of actuarial (gains) and losses (before taxes) recognized in the consolidated statements of comprehensive income are as follows:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance at April 1 | (1 258) | (1 198) |
| Net actuarial (losses)/gains during the period | (1 141) | (60) |
| **Balance at March 31** | **(2 399)** | **(1 258)** |

The benefit obligation and the experience actuarial gains (losses) are as follows:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Benefit obligation at April 1 | 10 545 | 9 706 |
| Experience adjustments generated on the benefit obligation | | |
| In amount | (535) | (230) |
| In percentage of the benefit obligation | -5,1% | -2% |

The principal assumptions used in determining defined benefit obligation for the French retirement indemnities plan are shown below:

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Discount rate | 1,96% | 1,07% |
| Average expected rate of salary increase | 2,00% | 1,50% |
| Withdrawal rates | [0% - 31.9%] | [0% - 31.9%] |

A single equivalent discount rate has been calculated using a cash flows matching method on future cash flows.

For the French retirement indemnities plan, a decrease of 0.25% of the discount rate would increase the defined benefit obligation by approximately K€ 438. An increase of 0.25% of the discount rate would decrease the defined benefit obligation by approximately K€ 416.

## 23. Trade and other payables

| *In thousand of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade payables | 204 781 | 216 863 |
| Payables to suppliers of fixed assets | 10 169 | 12 819 |
| Social liabilities | 67 485 | 71 402 |
| Tax payables | 3 070 | 3 476 |
| Other payables | 883 | 545 |
| **Trade and other payables** | **286 387** | **305 105** |

Social liabilities include variable components of salaries which are not due for payment yet, accrued costs in relation with paid vacations, "recoverable" days in accordance with the French legal regime of "Reduction of working time", and legal and contractual profit sharing.

## 24. Related party disclosures

The consolidated financial statements include the financial statements of the Group and of the subsidiaries listed in Note 28. Consolidated entities.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period:

| *In thousands of €* | | Dividends from related parties | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
|---|---|---|---|---|---|
| **Associate:** Primex International S.A. | **As at March 31, 2021 (a)** | 0 | 51 719 | 0 | 846 |
| **Associate:** Primex International S.A. | **As at March 31, 2022** | 0 | 41 793 | 0 | 1 898 |

The following loans have been entered with related parties:

| *In thousands of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Lion/Polaris Lux Topco S.à r.l. | 3 | 320 |
| Interests accrued | 8 | 26 |
| **Total** | **11** | **345** |

Compensation of key management personnel of the Group for the period are:

| *In thousands of €* | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Total compensation paid to key management personnel | 1 733 | 2 571 |

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel (amount relates to-short term benefits).

**Compensation of the Board of Directors**

Directors fee for the members of the Board of Lion Polaris II S.A.S. were paid for K€ 300 for the year ended March 31, 2022.

## 25. Commitments and contingencies

**Mortgages and pledges**

The following security interests have been granted to secure the 3.875% senior secured notes issued by Picard Groupe S.A.S. in an aggregate principal amount of M€ 750, the floating rate senior secured notes issued by Lion/Polaris Lux 4 S.A. in an aggregate principal amount of M€ 650 and the M€ 60 multi-currency revolving credit facility:

- Pledges over the following assets of the Company: its bank account in Luxembourg, the receivables under an intercompany loan by the Company to Lion/Polaris Lux Midco S.à r.l. (and certain future receivables) and the ordinary shares of Lion/Polaris Lux Midco S.à r.l.;
- Pledges over the following assets of Lion/Polaris Lux Midco S.à r.l.: its bank account in Luxembourg, the receivables under an intercompany loan by Lion/Polaris Lux Midco S.à r.l. to Lion/Polaris Lux 4 S.A. (and certain future receivables), the ordinary shares of Lion/Polaris Lux 4 S.A., one ordinary share of Picard Groupe S.A.S. and two ordinary shares of Lion Polaris II S.A.S.;
- Pledges over the following assets of Lion/Polaris Lux 4 S.A.: its bank account in Luxembourg, the receivables under two intercompany loans by Lion/Polaris Lux 4 S.A. to Lion Polaris II S.A.S. and Picard Groupe S.A.S., one ordinary share of Picard Groupe S.A.S. and the ordinary shares of Lion Polaris II S.A.S.;
- Pledges over the following assets of Lion Polaris II S.A.S.: the bank accounts in France, the receivables under an intercompany loan by Lion Polaris II S.A.S. to Picard Groupe S.A.S. and the ordinary shares of Picard Groupe S.A.S.; and
- Pledges over the following assets of Picard Groupe S.A.S.: its bank account in France, the receivables under intercompany loans by Picard Groupe S.A.S. to Picard Surgelés S.A.S., the ordinary shares of Picard Surgelés S.A.S. and the ordinary shares of Picard International S.A.S.

The following security interests have been granted to secure the 5.375% senior notes issued by the Company in an aggregate principal amount of M€ 310:

- Pledges over the following assets of the Company: its bank account in Luxembourg, the receivables under an intercompany loan by the Company to Lion/Polaris Lux Midco S.à r.l. (and certain future receivables) and the ordinary shares of Lion/Polaris Lux Midco S.à r.l.;
- Pledges over the following assets of Lion/Polaris Lux Midco S.à r.l.: its bank account in Luxembourg, the receivables under an intercompany loan by Lion/Polaris Lux Midco S.à r.l. to Lion/Polaris Lux 4 S.A. (and certain future receivables), the ordinary shares of Lion/Polaris Lux 4 S.A., one ordinary share of Picard Groupe S.A.S. and two ordinary shares of Lion Polaris II S.A.S.; and
- Pledges over the following assets of Lion/Polaris Lux 4 S.A.: its bank account in Luxembourg, the receivables under two intercompany loans by Lion/Polaris Lux 4 S.A. to Lion Polaris II S.A.S. and Picard Groupe S.A.S., one ordinary share of Picard Groupe S.A.S. and the ordinary shares of Lion Polaris II S.A.S.

**Partnership**

Picard Surgelés S.A.S., a subsidiary of the Company, enters into framework agreements with some of its suppliers with a commitment on an annual volume of purchase. Under those framework agreements, suppliers may produce and store products dedicated to Picard Surgelés S.A.S. Nevertheless, the transfer of ownership of those products occurs only at delivery of goods to Picard Surgelés S.A.S. or subcontractors warehouses.

## 26. Events after the reporting period

No significant event occurred after March 31, 2022.

## 27. Employees

| *Average number of employees* | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| France | 5 164 | 5 055 |
| Belgium | 53 | 52 |
| Luxembourg | 4 | 4 |
| **Total employees** | **5 221** | **5 111** |

The staffing table above represents the average number of full-time equivalent employees as of March 31, 2022.

## 28. Consolidated entities

| Name | Country of incorporation | As of March 31, 2022 Consolidation method | % of interest | % of control | As at March 31, 2021(a) Consolidation method | % of interest | % of control |
|---|---|---|---|---|---|---|---|
| Picard Bondco | Luxembourg | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Lion/Polaris Lux 4 S.A. | Luxembourg | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Picard Luxembourg S.A. | Luxembourg | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Lion/Polaris Lux Midco S.à r.l. | Luxembourg | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Picard Groupe S.A.S | France | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Lion Polaris II S.A.S | France | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Picard Surgelés S.A.S | France | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Picard Belgique – S.A. | Belgium | Full | 100.00% | 100.00% | Full | 100.00% | 100.00% |
| Picard Frozen UK Limited | England | Full | 100.00% | 100.00% | | | |
| Primex International S.A. | France | Equity method | 37.21% | 37.21% | Equity method | 37.21% | 37.21% |

Picard Frozen was included in the consolidation scope during the year ended March 31, 2022

## 29. Statutory Auditor's fees

The total fees paid by the Group to the statutory auditors and their networks are as follow:

| *In thousands of euros* | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Certification of accounts | Other services | Certification of accounts | Other services |
| PricewaterhouseCoopers | 757 | 505 | 726 | 260 |
| RSM | 61 | | 46 | 25 |
| KPMG | 62 | | 39 | 8 |
| **Total fees** | **881** | **505** | **811** | **293** |