

Report of Factual Findings

To the Board of Directors of La Lorraine Bakery Group
To Mr. Gotzon De Aguirre, CFO
La Lorraine Bakery Group NV
Elisabethlaan 143
9400 Ninove

Dear Sirs,

La Lorraine Bakery Group Compliance Certificate

We refer to our engagement letter dated 25 April 2022 with respect to the compliance on the financial covenants of La Lorraine Bakery Group NV ("the Company") as described in clause 23 'Financial Covenants' of the '*EUR 350.000.000 Facilities Agreement*' (the '*Facilities Agreement*') dated 22 December 2017 with BNP Paribas Fortis SA/NV, ING Belgium N.V. and KBC Bank NV. We have performed the following procedures, agreed with you, on the La Lorraine Bakery Group Compliance Certificate ("the Certificate") as included in appendix 1 and prepared by management, in order to report to you in respect of the calculation of the financial covenants disclosed in the Certificate. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements.

The preparation of the Certificate is the responsibility of the management. Our responsibility is to perform the procedures enumerated below solely to assist you to comply with clause 23 'Financial Covenants' of the Facilities Agreement:

1. We will recompute the "Consolidated Tangible Net Worth" as disclosed in the Certificate and based on the definition "Consolidated Tangible Net Worth" as set forth in clause 23.1 "Definitions" of the Facilities Agreement. We will agree the elements of that definition to data included in the audited consolidated financial statements of the Company as of 31 December 2021 and for the year then ended, prepared in conformity with Belgian accounting standards. We do not express any assurance on the appropriateness of the definition of "Consolidated Tangible Net Worth", a non-accounting term.
2. We will recompute the "Senior Leverage" as disclosed in the Certificate and based on the definition "Consolidated EBITDA" and "Consolidated Net Senior Debt" as set forth in clause 23.1 "Definitions" of the Facilities Agreement. We will agree the elements of that definition to data from the audited consolidated financial statements as of 31 December 2021 and for the year then ended, prepared in conformity with Belgian accounting standards. We do not express any assurance on the appropriateness of the definition of "Consolidated EBITDA" and "Consolidated Net Senior Debt", non-accounting terms.

3. We will recompute the "Guarantor Cover" as disclosed in the Certificate and based on the "Consolidated EBITDA" and the "EBITDA of the Guarantors" as set forth in clause 23.7 "Guarantor Cover" of the Facilities Agreement. We will agree the elements of the Guarantor Cover to data from the audited consolidated financial statements and underlying accounting records as of 31 December 2021 and for the year then ended, prepared in conformity with Belgian accounting standards. We do not express any assurance on the appropriateness of the definition of the "Guarantor Cover", a non-accounting term.

We report our findings below:

1. With respect to procedure 1, we found the amounts compared to be in agreement, and to be arithmetically correct. For the purpose of calculating the "Consolidated Tangible Net Worth", the net amount standing to the credit (or debit) of the consolidated reserves of the Company includes the following captions: (i) the consolidated reserves (€ 181.084.000) and (ii) the negative consolidation differences (€ 15.329.000).
2. With respect to procedure 2, we found the amounts compared to be in agreement, and to be arithmetically correct;
3. With respect to procedure 3, we found the amounts compared to be in agreement, and to be arithmetically correct.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the Certificate.

Had we performed additional procedures or had we performed an audit or review of the financial information in accordance with International Standards on Auditing or International Standards on Review engagements, other matters might have come to our attention that would be reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties without our prior written consent. This report relates only to the financial data and items specified above and does not extend to any financial statements of La Lorraine Bakery Group NV, taken as a whole.

Yours faithfully,

Ghent, 28 April 2022

EY Bedrijfsrevisoren BV
Represented by



Francis Boelens*
Partner

* Acting on behalf of a BV/SRL

Ref: 22FB0215

Appendix 1 : La Lorraine Bakery Group Compliance certificate – 31 December 2021

LLBG - Club Deal Covenants

		LLBG Calculation 31/12/2021	LLBG Calculation 31/12/2020	
a)	Consolidated tangible net worth	219.108.865	214.795.000	
	Minimum required level is	140.000.000	140.000.000	
		OK	OK	
b)	Senior Leverage	206.757.041	157.632.342	
	$= \frac{\text{consolidated net senior debt}}{\text{consolidated EBITDA}}$	123.938.777	91.484.430	
		1,67	1,72	
	Maximum	3,50	3,50	
		OK	OK	
c)	Consolidated turnover or EBITDA or assets realised by the 'Guarantor Companies' is a least 85% of consolidated total of the Group at any time	Turnover	83,7%	86,3%
			Not OK	OK
		EBITDA	85,6%	90,2%
			OK	OK
		Assets	81,1%	80,2%
			Not OK	Not OK

Gotzon De Aguirre
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 Handelend in naam van een besloten vennootschap

Gotzon De Aguirre

Gotzon De Aguirre , CFO

Consolidated Tangible Net Worth

	31/12/2021	31/12/2020
I. Capital	62.876.116	62.876.116
IV. Reserves	156.306.968	163.594.083
Net Profit (loss) For The Year	24.776.661	3.587.177
V. Badwill	15.328.846	15.328.846
Subtotal	259.288.591	245.386.222
I. Formation Expenses	-569.388	-445.882
II. Intangible Assets	-2.986.846	-3.946.704
III. Goodwills	-37.457.470	-26.312.525
VIII. Third Parties interests	833.979	114.424
Consolidated Tangible Net Worth	219.108.865	214.795.534
Minimum required level is	140.000.000	140.000.000

Senior Leverage

	31/12/2021	31/12/2020
A. Financial debts	350.523.030	316.313.150
2. Unsubordinated debentures	-100.000.000	-100.000.000
A. Current portion of amounts payable after one year	5.290.095	3.652.839
B. Financial debts	0	1.574.883
F. Other amounts payable	3.790.616	3.584.579
IX. Investments	-28.963.202	-24.263.785
X. Cash at bank and in hand	-23.883.498	-43.229.996
Consolidated Senior Debt	206.757.041	157.631.670
EBITDA	123.938.777	91.354.094
Senior Leverage	1,67	1,73
Maximum level is	3,5	3,5

<u>Gurantor cover EBITDA</u>	<u>2021</u>	1		
<u>Entity</u>		<u>EBITDA</u>	<u>Guarantor</u>	<u>%</u>
Ukkelse Bakkerijen NV		76.068		
Flanders Bakery Shops NV		48.589		
Antwerp Bakery Shops BV		72.951		
LA LORRAINE DEUTSCHLAND GMBH		182.248		
La Lorraine Nederland BV		299.515		
La Lorraine Finland OY		22.203		
La Lorraine s.r.o.	-	88.452		
Belgique Retail Group UK		314.652		
Paniflower NV		5.865.732	5.865.732	4,73%
PanESCO Chile SPA		-		
Bakery S.P.A		-		
La Lorraine Morlanwelz NV		2.905.319		
La Lorraine Barchon SA		9.692.550	9.692.550	7,82%
Deli NV	-	1.199.842		
GFSC BVBA	-	4.938	-	4.938
Deleye Products NV		-		0,00%
La Lorraine Oostende NV		3.826.855	3.826.855	3,09%
Franz NV		97.323		
Ganda Molens NV		622.667		
LLBG NV		9.605.124	9.605.124	7,75%
La Lorraine (Czech Republic) A.S.		28.132.777	28.132.777	22,70%
La Lorraine Danmark A/S		697.423		
La Lorraine Equipment BV		570.617		
La Lorraine Bakery Espana SL		88.714		
La Lorraine Hungary		819.436		
La Lorraine Bakery Middle East DMCC		445.367		
La Lorraine Ninove NV		13.757.188	13.757.188	11,10%
La Lorraine SRL (Romania)		7.178.151		
La Lorraine Rus OOO	-	1.744.342		
La Lorraine Sweden AB		1.106.438		
La Lorraine Unlu Mamuller (Turkije)		4.171.948		
La Lorraine United States		-		
La Lorraine Alken NV		3.152.836	3.152.836	2,54%
La Lorraine Polska Sp.z.o.o.		19.209.922	19.209.922	15,50%
La Lorraine Transport NV		577.259		
La Lorraine Fernelmont SCRL		296.988		
Vana NV	-	5.482		
La Lorraine Antwerpen NV		2.410.020	2.410.020	1,94%
La Lorraine Erpe-Mere NV		10.484.614	10.484.614	8,46%
Bake Hellas SA		250.340		
Total		123.938.777		85,6%