

Report of Factual Findings

To Mr. Gotzon De Aguirre, CFO
To the Board of Directors of La Lorraine Bakery Group
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 '€ 450.000.000 Facilities Agreement' (the 'Facilities Agreement') dated 29 June 2022 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 2022 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 2022 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 2022 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 (€ 206.241.457) and (ii) the subordinated retail bond (€ 100.000.000).
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 2023

EY Bedrijfsrevisoren BV
Represented by

Francis Boelens*

Partner

* Acting on behalf of a BV/SRL

23FB0278

Appendix 1: La Lorraine Bakery Group Compliance certificate – 31 December 2022

LLBG - Club Deal Covenants

		31/12/2021	31/12/2022	
a)	Consolidated tangible net worth Minimum required level is	303,5 140,0 OK	332,1 140,0 OK	
b)	Senior Leverage = $\frac{\text{consolidated net senior debt}}{\text{consolidated EBITDA}}$	206,8 123,9 1,67 3,50 OK	281,9 137,1 2,06 3,50 OK	
c)	Consolidated turnover or EBITDA or assets realised by the 'Guarantor Companies' is at least 80% / 85% of consolidated total of the Group at any time	Turnover	83,7%	85,7%
		Target	85% Not OK	80% OK
		EBITDA	85,6%	93,7%
		Target	85% OK	80% OK
		Assets	81,1%	90,0%
		Target	85% Not OK	80% OK

Gotzon De Aguirre
2023-04-27T14:12:09+02:00[Europe/Brussels]
Handeld in naam van een Besloten Vennootschap

Gotzon De Aguirre

Gotzon De Aguirre , CFO

Consolidated Tangible Net Worth

	2022 12 ACT 0 Sigma	2021 1
<u>LA LORRAINE BAKERY GROUP NV</u> <u>Geconsolideerde balans (Activa en Passiva)</u>	31/12/2022	31/12/2021
I. Capital	62.876.116	62.876.116
III. Revaluation reserves	8.537.645	1
IV. Reserves	163.022.196	156.306.968
Net Profit (loss) For The Year	34.681.616	24.776.661
2. Subordinated loans	100.000.000	100.000.000
Subtotal	369.117.573	343.959.745
I. Formation Expenses	-472.963	-569.388
II. Intangible Assets	-3.015.934	-2.986.846
III. Goodwills	-38.609.811	-37.457.470
VIII. Third Parties interests	5.068.017	585.979
Consolidated Tangible Net Worth	332.086.882	303.532.020
Minimum required level is	140.000.000	140.000.000

Senior Leverage

			2022	2021
			12	12
			ACT	
<u>LA LORRAINE BAKERY GROUP NV</u>			0	1
<u>Geconsolideerde balans (Activa en Passiva)</u>			Sigma	
			31/12/2022	31/12/2021
# 17	1 L10A	A. Financial debts	451.004.094	350.523.030
	1 L10A2	2. Subordinated loans	-100.000.000	-100.000.000
#42	1 L11A	A. Current portion of amounts payable after one year	4.491.976	5.290.095
#43	1 L11B	B. Financial debts	0	0
#47-48	1 L11F	F. Other amounts payable	3.923.288	3.790.616
#50-51-53	1 A09	IX. Investments	-28.963.207	-28.963.202
	1 A10	X. Cash at bank and in hand	-48.583.433	-23.883.498
Consolidated Senior Debt			281.872.712	206.757.041
#20	1 PEBITDA	EBITDA	137.123.810	123.938.777
Senior Leverage			2,06	1,67
Maximum level is			3,5	3,5

<u>Gurantor cover EBITDA</u>		<u>2022</u>	1	
		12	PEBITDA	
		act	EBITDA	
		0		
	<u>Entity</u>	<u>EBITDA</u>	<u>Guarantor</u>	<u>%</u>
5000	Ukkelse Bakkerijen NV	76.498		
5100	Flanders Bakery Shops NV	45.953		
5200	Antwerp Bakery Shops BV	70.267		
9000	LA LORRAINE DEUTSCHLAND GMBH	292.684		
9001	La Lorraine Nederland BV	685.288		
9002	La Lorraine Finland OY	27.051		
9003	La Lorraine s.r.o.	337.024		
9008	La Lorraine Italia SRL	59.507		
9009	La Lorraine Bakery LLC (SA)	-		
BFP	BELGIUM'S FINEST PATISSERIE NV	-		
BQ	Belgique Retail Group UK	430.510		
BRA	Paniflower NV	4.428.341	4.428.341	3,23%
CHL	PanESCO Chile SPA	-		
SPA	Bakery S.P.A	-		
DAST	La Lorraine Morlanwelz NV	1.446.250	1.446.250	1,05%
DC	La Lorraine Barchon SA	1.325.849	1.325.849	0,97%
DFR	Quality Bakery De Fruyt	- 764.882		
DLI	Deli NV	- 182.760		
DNB	GFSC BVBA	- 11.047	- 11.047	-0,01%
DPR	Deleze Products NV	-		
FB	La Lorraine Oostende NV	1.795.002	1.795.002	1,31%
FRZ	Franz NV	128.131		
GAN	Ganda Molens NV	640.186		
IMM	LLBG NV	14.514.349	14.514.349	10,58%
LAE	La Lorraine United Arab Emirates	- 886.286		
LCZ	La Lorraine (Czech Republic) A.S.	39.420.279	39.420.279	28,75%
LDK	La Lorraine Danmark A/S	1.205.138		
LEQ	La Lorraine Equipment BV	567.293		
LES	La Lorraine Bakery Espana SL	715.979		
LGR	Bake Hellas SA	466.533		
LHU	La Lorraine Hungary	- 1.946.622		
LLUS	La Lorraine US	- 36.351		
LME	La Lorraine Bakery Middle East DMCC	904.090		
LOR	La Lorraine Ninove NV	23.899.916	23.899.916	17,43%
LRO	La Lorraine SRL (Romania)	4.247.165	4.247.165	3,10%
LRU	La Lorraine Rus OOO	- 1.795.774		
LSE	La Lorraine Sweden AB	1.556.679		
LTR	La Lorraine Unlu Mamuller (Turkije)	5.185.440		
LUS	La Lorraine United States OLD	-	-	
MH	La Lorraine Alken NV	1.814.551	1.814.551	1,32%
NOW	La Lorraine Polska Sp.z.o.o.	27.143.811	27.143.811	19,80%
PET	La Lorraine Transport NV	687.098		
TPF	La Lorraine Fernelmont SCRL	238.198		
VANA	Vana NV	- 22.960		
VDP	La Lorraine Antwerpen NV	1.557.614	1.557.614	1,14%
VLR	La Lorraine Erpe-Mere NV	6.857.820	6.857.820	5,00%
	Total	137.123.810		93,7%

4 - Guarantor cover Sales		2022	1	1	IC Elim	Totaal	
	act	bundle		P01A			
	0			A. Turnover			
				SIGMA RES			
5000				Ukkelse Bakkerijen NV	1.971.490	1.971.490	0,00%
5100				Flanders Bakery Shops NV	1.255.167	1.255.167	0,00%
5200				Antwerp Bakery Shops BV	2.148.502	2.148.502	0,00%
9000				LA LORRAINE DEUTSCHLAND GMBH	-	-	0,00%
9001				La Lorraine Nederland BV	-	-	0,00%
9002				La Lorraine Finland OY	-	-	0,00%
9003				La Lorraine s.r.o.	-	-	0,00%
9008				La Lorraine Italia SRL	-	-	0,00%
9009				La Lorraine Bakery LLC (SA)	-	-	0,00%
BFP				BELGIUM'S FINEST PATISSERIE NV	-	-	0,00%
BQ				Belgique Retail Group UK	-	-	0,00%
BRA				Paniflower NV	149.609.222	149.609.222	12,81%
CHL				Panesco Chile SPA	-	-	0,00%
SPA				Bakery S.P.A	-	-	0,00%
DAST				La Lorraine Morlanwelz NV	102.161	102.161	102.161
DC				La Lorraine Barchon SA	525.954	525.954	525.954
DFR				Quality Bakery De Fruyt	4.615.629	4.615.629	0,00%
DLI				Deli NV	-	-	0,00%
DNB				GFSC BVBA	-	-	0,00%
DPR				Deleze Products NV	-	-	0,00%
FB				La Lorraine Oostende NV	82.237	82.237	82.237
FRZ				Franz NV	593.047	593.047	0,00%
GAN				Ganda Molens NV	-	-	0,00%
IMM				LLBG NV	-	-	0,00%
LAE				La Lorraine United Arab Emirates	-	-	0,00%
LCZ				La Lorraine (Czech Republic) A.S.	166.944.903	166.944.903	166.944.903
LDK				La Lorraine Danmark A/S	11.087.709	11.087.709	0,00%
LEQ				La Lorraine Equipment BV	-	-	0,00%
LES				La Lorraine Bakery Espana SL	6.984.413	6.984.413	0,00%
LGR				Bake Hellas SA	6.702.745	6.702.745	0,00%
LHU				La Lorraine Hungary	36.085.830	36.085.830	0,00%
LLUS				La Lorraine US	-	-	0,00%
LME				La Lorraine Bakery Middle East DMCC	11.394.293	11.394.293	0,00%
LOR				La Lorraine Ninove NV	484.661.436	484.661.436	484.661.436
LRO				La Lorraine SRL (Romania)	60.535.055	60.535.055	60.535.055
LRU				La Lorraine Rus OOO	3.010.442	3.010.442	0,00%
LSE				La Lorraine Sweden AB	25.447.720	25.447.720	0,00%
LTR				La Lorraine Unlu Mamuller (Turkije)	55.602.606	55.602.606	0,00%
LUS				La Lorraine United States OLD	-	-	0,00%
MH				La Lorraine Atken NV	80.578	80.578	80.578
NOW				La Lorraine Polska Sp.z.o.o.	137.059.066	137.059.066	137.059.066
PET				La Lorraine Transport NV	-	-	0,00%
TPF				La Lorraine Fernelmont SCRL	1	1	0,00%
VANA				Vana NV	-	-	0,00%
VDP				La Lorraine Antwerpen NV	198.515	198.515	198.515
VLR				La Lorraine Erpe-Mere NV	1.646.646	1.646.646	1.646.646
					1.168.345.364	-	1.168.345.364
						1.001.445.774	85,71%