Universal Registration Document

2023-2024

Including the Annual Report, Statement of Non-Financial Performance and Annual Financial Report

CONTENTS

The elements of the Annual Financial Report (AFR) are clearly identified in the contents with the pictogram AFR

Universal Registration Document

2023 - 2024

Including the Annual Report, Statement of Non-Financial Performance and Annual Financial Report

Fiscal year from October 1, 2023 to September 30, 2024

This document, available on www.exel-industries.com, is a free translation of the original 2023-2024 Universal Registration Document issued in French Language and is provided solely for information purposes. In case of discrepancy between the French and English versions, the French language version of the Universal Registration Document shall prevail.

This Universal Registration Document was filed on January 13, 2025 with the French Financial Markets Authority (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

This Universal Registration Document may be used for the purposes of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments made to the Universal Registration Document. The whole thus formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of this registration document are available free of charge:

- at the Company's registered office;
- on the Company's website www.exel-industries.com;
- on the website of the French Financial Markets Authority (AMF) www.amf-france.org.

This Universal Registration Document is prepared in accordance with Appendix 1 of the European Delegated Regulation 2019/980. Pursuant to Article 19 of EU Regulation No. 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

- The consolidated financial statements and the Statutory Auditors' reports on the consolidated financial statements for the fiscal year ended on September 30, 2022, included respectively on pages 77 to 106 and 107 to 110 of the Universal Registration Document filed with the French Financial Markets Authority (AMF) on January 16, 2023 under number D.23-0010.
- The consolidated financial statements and the Statutory Auditors' reports on the consolidated financial statements for the fiscal year ended on September 30, 2023, included respectively on pages 89 to 117 and 118 to 120 of the Universal Registration Document filed with the French Financial Markets Authority (AMF) on January 15, 2024 under number D.24-0007.

The parts not incorporated by reference into the aforementioned Universal Registration Documents are either not relevant to the investor or appear elsewhere in the Universal Registration Document.

This Universal Registration Document, including the 2023-2024 Annual Financial Report, is a reproduction of the official version which has been prepared in ESEF format and is available on the issuer's website www.exel-industries.com.

Groupe EXEL Industries

Dare and conquer remains our motto

The past year was marked by the absence of a parliamentary majority in France. This complicated life for companies, including farmers, who are still waiting for the tax measures announced in 2024 to materialize. As a result, they slowed down their investments and order intake, which were less dynamic. This relatively “wait-and-see” attitude, coupled with sluggish economic growth, particularly in Europe, meant that the Group’s results were not as good as had been hoped. Nevertheless, on the strength of our resilience, we remained profitable. The Group notably continued its strong growth in the beet and vine markets, with further machine sales and increased market share. Our Garden activity was hampered by excessive rainfall, but we nevertheless increased our market share. Fortunately, our industrial paint activity remained buoyant. EXEL Industries also sought to prepare for the future, by structuring its CSR policy, by rebuilding its Sames plant in Stains, by upgrading some of its ERP systems, as well as by dynamically registering patents, which enable the Group to remain ahead of the game and to make a difference. In 2025, we will be taking on three major challenges. A financial challenge, by reducing our working capital requirements, in order to gradually reduce our Group’s debt. An organizational challenge, by adapting our structures and activities to uncertain market trends. And, of course, a sustainability challenge, by preparing the CSRD and SBTi certification. Last but not least, our EXEL Industries teams will continue to dare and conquer in order to remain the best.

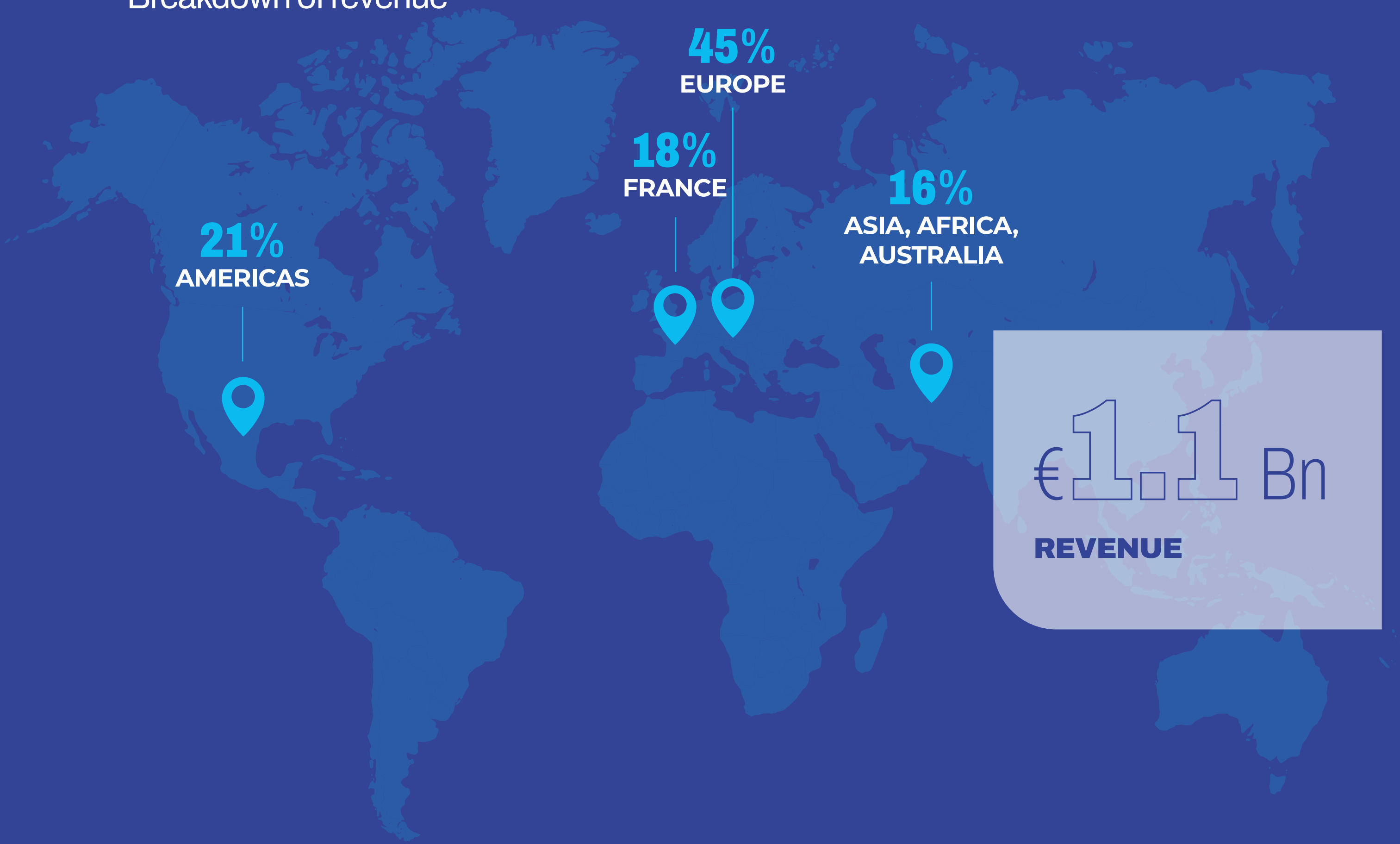
Patrick Ballu
Chairman of the Board of Directors

Working together to build a **sustainable world**

EXEL Industries is a French family-owned group that designs, manufactures and markets capital goods and associated services in the areas of agricultural equipment, industry and leisure. These solutions promote increased efficiency and productivity for its customers or contribute to the pleasure of living while enabling them to achieve their environmental and societal objectives. In order to meet the requirements of its customers at any time and everywhere, EXEL Industries has built its model around two components. The holding company is responsible for cross-company functions, in particular financing, legal issues, strategic studies, M&A, industrial property, transformation, human resources and the consolidation of results. The various activities have considerable autonomy to manage the processes throughout the value chain. In a world that is changing at an accelerated pace, EXEL Industries is transforming itself and designing new solutions, with the backing of a stable majority shareholder and strong brands.

Our **international** presence

Breakdown of revenue



€1.1 Bn
REVENUE

3 markets
- Agricultural Equipment
- Industry
- Leisure

82% of revenue generated outside France

3,814 permanent employees

2,217 trademarks

353 patent families

24 production sites

HOLDER OF THE **BEST MANAGED COMPANIES** LABEL AWARDED BY DELOITTE FRANCE FOR THE 3RD CONSECUTIVE YEAR

Interview with **Daniel Tragus**

Chief Executive Officer of EXEL Industries

What is your assessment of 2023/24?

The year was characterized by fairly disparate levels of business. In Agricultural Spraying, our sales remained strong over the first three quarters. However, the gradual decline in the order book led to a reduction in fourth quarter revenue. Dealers still hold high levels of inventories and are prioritizing the reduction of these inventories over orders for new machines.

The Sugar Beet Harvesting activity saw a strong level of business as well as a favorable evolution of orders with marked growth in Western Europe and the United States, which more than offset the decline in our sales in Central and Eastern Europe. Driven by high sugar prices, our customers continued to equip themselves and to invest, both in new and used equipment.

The Garden activity, for its part, was marked by a significant decline. The high rainfall that characterized the year, combined with the post-Covid backlash, a period during which customers equipped themselves massively, largely explain the sluggishness of the market. However, our market shares remained stable overall. The Nautical activity also suffered as a consequence of high inventory levels at dealerships.

Lastly, Industry posted a very strong year with an increase in sales of more than 9% with, notably, interesting growth in Europe, North America and Central America.

What do these performances say about EXEL Industries' trajectory?

First of all, in contrasting economic conditions, the Group held up well with revenue of €1.1 billion, a very slight increase compared to the previous year. Diversifying our activities and regions is therefore more relevant than ever. The Group stands out for its adaptability and resilience, two qualities that help it to overcome difficulties and weather crises. EXEL Industries continues to develop and grow.

What were the main initiatives that marked EXEL Industries' year?

Our employees' strong commitment is a major vector for the Group's progress. This is why, for the first time, EXEL Industries rolled out a social barometer aimed at measuring the commitment rate of all its employees. Prepared in 17 languages, this tool enabled our 4,150 employees to share their views and expectations with us. Among the strengths that came to light was a positive assessment of working relationships within teams. This barometer, which will be conducted on a recurring basis, provides us with a precise snapshot of EXEL Industries and its companies, and gives us the keys to take action.

The year was also marked by an extension of our geographical presence with new establishments in Nebraska (United States) and Kazakhstan, which, on the one hand, will enable us to pursue our development in Agricultural Spraying and in Industry and, on the other, as regards Central Asia, to broaden our scope of action. In addition, Sames opened a powder application laboratory in Michigan (United States) dedicated to process validation tests. Lastly, in June 2024, we laid the symbolic foundation stone for the reconstruction of the Sames plant, located in Stains in the Paris region (France).

In a context marked by growing uncertainty, what are the Group's main challenges in 2025?

I see four. The first concerns financial management, with the need to continue the reduction of our debt and to optimize our cash generation. In this context, we must regain control of the trajectory of our working capital requirements and carry out work to rationalize our inventories. This issue is particularly important to improve our future room for maneuver.

The second is strategic. First of all, it means reinvigorating the Agricultural Spraying business by developing our after-sales activities in order to generate value over the entire life-cycle of our products. All this with the dual challenge of profitability and sustainability.

"On the strength of the diversification of its activities and regions, the Group stands out for its adaptability and resilience."

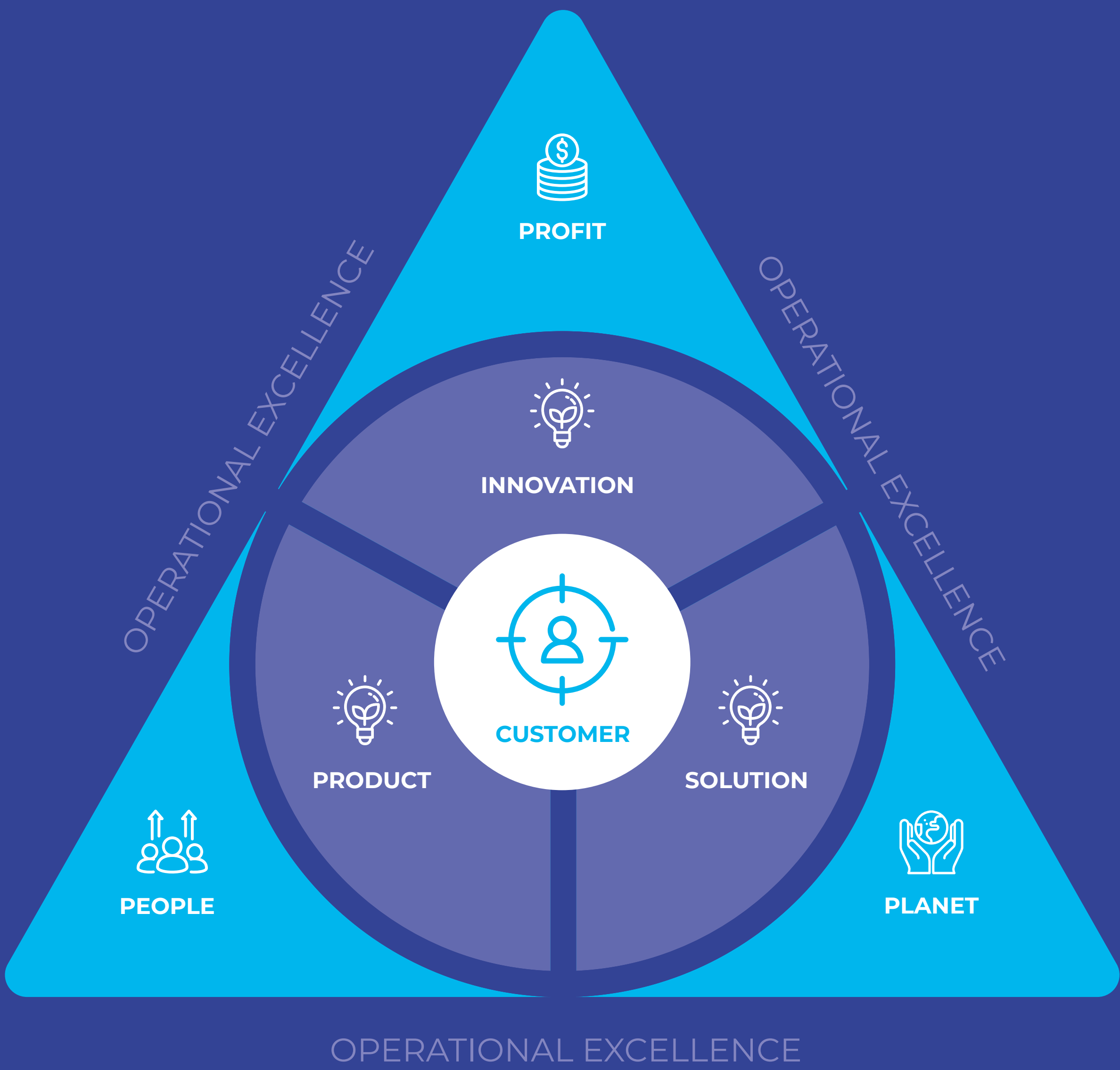
The third challenge is technological. At a time when artificial intelligence is becoming ever more important, we are continuing our reflection on this major issue, which introduces new perspectives in our business lines, our processes and our methods. Although the issue is not new for EXEL Industries, it nevertheless seems clear that in most of our activities, whether intellectual or technical, it will become more commonplace in the years to come.

Lastly, I am not forgetting our sustainability challenges at a time when the European CSRD regulations will come into force. The course has been set, the Group is on the move, and each company has its own roadmap and priorities for the year ahead. This is an issue where we are fully involved, since CSR is inseparable from the Group's history, and one where all our stakeholders – customers, employees, job applicants, financial organizations – are observing us and expecting our response.

Daniel Tragus,
Chief Executive Officer of EXEL Industries

A look at our **roadmap**

Organized around six complementary pillars, the Group's strategy is resolutely focused on the search for profitable and sustainable growth.



Our six **strategic** pillars

KEEPING THE CUSTOMER AT THE CENTER OF OUR CONCERNS

ATTRACTING AND GROWING TALENT

AIMING FOR OPERATIONAL EXCELLENCE IN ALL OUR ACTIVITIES

ENSURING THE GROUP'S FINANCIAL STRENGTH OVER THE LONG TERM

INNOVATING TO CREATE SUSTAINABLE PRODUCTS AND SOLUTIONS

REDUCING THE ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES

A board of directors, guarantor of strategic orientations

Composed of eight members with complementary profiles and skills, the Board of Directors sets the Group's major policies and ensures their implementation by the executive team. It is assisted by three specialized committees, each chaired by an independent member of the Board, which help it to carry out its activities.

THE BOARD OF DIRECTORS

Composition as of January 13, 2025

43%
women

3
independent members

4
meetings during the 2023/2024 fiscal year

100%
attendance rate

Marie-Claire Ballu
Director representing EXEL (SAS)

Pascale Auger
Independent Director / Chairwoman of the Audit Committee, member of the Remuneration and Appointments Committee

Claude Lopez
Independent Director representing JUMP'TIME / Chairman of the Remuneration and Appointments Committee, member of the Audit Committee, member of the CSR Committee

Patrick Ballu
Chairman of the Board of Directors, member of the Remuneration and Appointments Committee, member of the CSR Committee

Sylvain Maccorin
Director representing the employees

Marc Ballu
Director

Sonia Trocmé-Le Page
Independent Director / Chairwoman of the CSR Committee

Cyril Ballu
Director

THE AUDIT COMMITTEE

Pascale Auger
Chairwoman of the Audit Committee, Independent Director

Claude Lopez
Independent Director representing JUMP'TIME

Other participants

The Chairman of the Board of Directors has a standing invitation to each meeting of the Audit Committee.

The Statutory Auditors as well as the Chief Executive Officer and the Group Chief Financial Officer are also invited to each meeting. Any Director who so wishes may attend.

Main missions

Oversee the process for preparing financial information.

Ensure the efficacy of the internal control and risk management measures.

Oversee the statutory audit of the annual and consolidated financial statements by the Statutory Auditors and monitor the independence of the Statutory Auditors.

Propose the audit plan to the Board of Directors.

Examine internal audit reports and ensure the effective implementation of the recommendations made.

100% attendance rate

2 meetings in 2023/2024

THE REMUNERATION AND APPOINTMENTS COMMITTEE

Claude Lopez
Chairman of the Remuneration and Appointments Committee, Independent Director representing JUMP'TIME

Patrick Ballu
Chairman of the Board of Directors

Pascale Auger
Independent Director

Other participants

The Chief Executive Officer has a standing invitation, but does not take part in decisions relating to him. The Group Human Resources Director is invited on an as-needed basis.

Main missions

Propose changes to its composition to the Board of Directors.

Propose to the Board of Directors the remuneration of the Chief Executive Officer and set the criteria for his or her variable remuneration.

Approve the remuneration policy for the executive team decided by the Chief Executive Officer.

Propose the amount and distribution of the Directors' remuneration.

Manage the assessment of the Board of Directors.

100% attendance rate

3 meetings in 2023/2024

THE CSR COMMITTEE

Sonia Trocmé-Le Page
Chairwoman of the CSR Committee, Independent Director

Patrick Ballu
Chairman of the Board of Directors

Claude Lopez
Independent Director representing JUMP'TIME

Other participants

The Chief Executive Officer and the Group Chief Transformation Officer are invited to each meeting.

Main missions

Propose to the Board of Directors the actions to be implemented at the Group.

Propose a long-term CSR strategy to the Board of Directors.

Review mandatory CSR publications.

Ensure the monitoring of the development process and compliance of sustainability information.

Carry out the process for appointing sustainability auditors.

100% attendance rate

3 meetings in 2023/2024

Our **management** team

1

2

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4

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12

13

14

The executive team is made up of the Chief Executive Officers of the main EXEL Industries companies and the Directors and Heads of Function, brought together in the Group's holding company. Since December 20, 2023, the Executive Management has been headed by Daniel Tragus, who is assisted by two Deputy CEOs: Marc Ballu and Cyril Ballu.

1- Daniel Tragus
Chief Executive Officer

2- Marc Ballu
Deputy CEO,
Executive Chairman of Garden activity and Chief Executive Officer of Tricoflex

3- Cyril Ballu
Deputy CEO,
Executive Chairman of Nautic activity

4- Guillaume Jacq
Group Chief Financial Officer

5- Philippe Besançon
Group Human Resources Director

6- Sylvie Le Callonec
Group Chief Legal Officer

7- Patrick Tristani
Group Chief Sustainable Transformation Officer

8- Martin Fuehrer
Chief Executive Officer, HOLMER

9- Bertrand Garnier
Chief Executive Officer, FRANCE PULVÉ

10- Matt Hays
Chief Executive Officer, ET Works

11- Hans Meulenkamp
Chief Executive Officer, HARDI

12- Cédric Perres
Chief Executive Officer, SAMES

13- Vincent Rachet
Chief Executive Officer,
EXXACT ROBOTICS

14- Wim Van Den Bosch
Chief Executive Officer, AGRIFAC

Our financial and sustainability **indicators**

€1.1 Bn

REVENUE

7.9%

Recurring EBITDA / revenue

€56.4 M

Current operating income (EBIT)

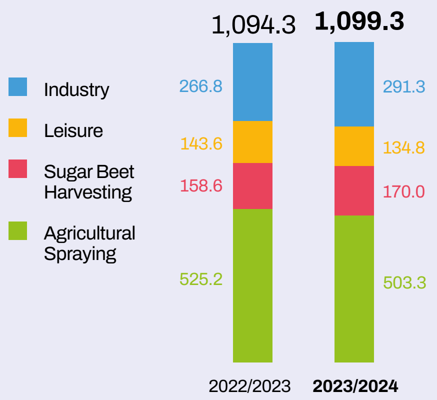
€31.2 M

Net income

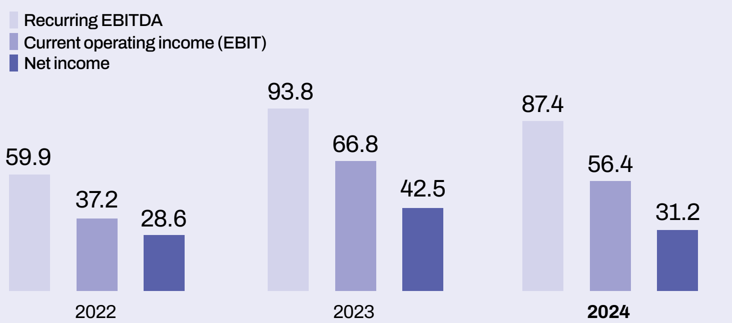
€1.15

Dividend per share proposed to the Annual General Meeting of February 4, 2025.

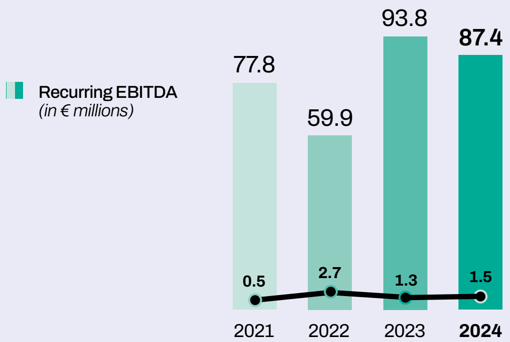
SALES BY ACTIVITY (in € millions)



GROUP RESULTS (in € millions)



FINANCIAL LEVERAGE (net financial debt/recurring EBITDA)



SOCIAL AND SOCIETAL[1]

8.1
Frequency rate of workplace accidents

0.3
Severity rate of workplace accidents

3%
Apprenticeship rate

FRANCE BEST MANAGED COMPANIES

CERTIFICATIONS AND LABELS OBTAINED BY COMPANIES

EcoVadis
Gold medal – Sames
Bronze medal – Hozelock EXEL
Bronze medal – Tricoflex

BREEAM certification
Agrifac (site in the Netherlands)

ISO 14001 certification
Sames (Meylan site – France)

ISO 45001 certification
Sames (Meylan site – France)

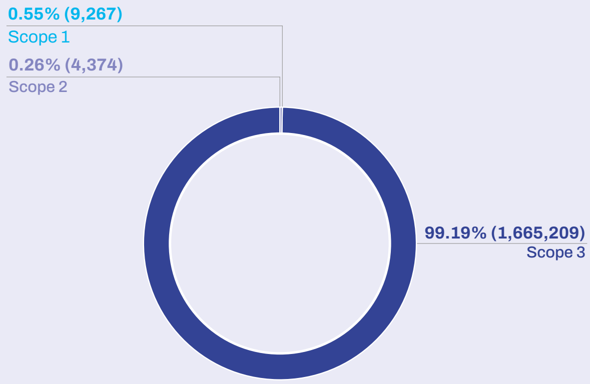
MORE label
Tricoflex

ENVIRONMENT[2]

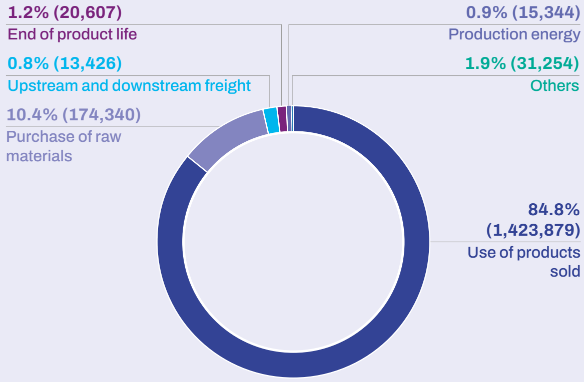
Carbon assessment

1,678,850
metric tons of CO_2eq (Scopes 1, 2 and 3)

Emissions by scope (%)



Emissions by item (%)



1 At September 30, 2024.
2 Carbon assessment (excluding ET Works, Holmer and Nautical activity) carried out during the 2022/2023 fiscal year.

1 Presentation of the Group

1.1 History of the Group

In 1946, Vincent BALLU, father of Patrick BALLU, current Chairman of the Board of Directors, invents, develops and builds the prototype of the first "high-clearance tractor" for use in the vineyards of the famous Champagne producer Moët et Chandon. In 1947, this achievement won him first prize from the Association Viticole Champenoise and marked the beginning of automation for wine growing in Champagne and subsequently all narrow vineyards.

1952

CEATION

Vincent BALLU founds the family limited company (*société anonyme*) TECNOMA to sell his high-clearance tractors.

1953-1986

1953
TECNOMA becomes local dealer for VERMOREL spraying equipment.

1959
TECNOMA starts manufacturing its new synthetic resin sprayers.

1966
Acquisition of the **VERMOREL** (former No. 1), and of Ulysse Fabre and Lachazette, manufacturers of sprayers.

1967
The Oscar for export is awarded to **TECNOMA.**

1975
Launch of the first garden spraying equipment made with synthetic resin injection.

1980
Death of the Company's founder Vincent BALLU. Patrick BALLU takes the helm from his father. The Company generates close to €12 million in revenue with around 300 people.

1986
TECNOMA continues its development by acquiring the Agricultural Spraying companies CARUELLE, near Orléans, and NICOLAS in Agen.

1987-2000

1987
Incorporation of **EXEL**, the family holding company of the BALLU family, which becomes the parent company of the Group.

TECNOMA acquires the limited company SOFIBER and a group of 23 companies, including **BERTHOUD (SA)**, the French leader in agricultural and garden sprayers, and its subsidiaries **SEGUIP, THOMAS** and **PERRAS.**

1989
Acquisition of **VITITRAC** and **LOISEAU**, competitors in the high-clearance tractor segment.

1990
Acquisition of **PRÉCICULTURE**, specialized in self-propelled sprayers.

1996
With the acquisition of **KREMLIN**, the French leader in industrial spraying (paint), with a strong international presence, TECNOMA is investing in a new business line. TECNOMA changes the colors of its sprayers.

1997
TECNOMA changes its corporate name to "EXEL Industries" SA and is listed on the Paris stock exchange.

At that time, the Company generates revenue of €150 million, of which 75% earned in France and 25% abroad.

2000
Acquisition of **FISCHER** (agricultural sprayers in Switzerland) and REXSON (industrial spraying).

2001-2012

2001
Acquisition of **SAMES Technologies**, a leading maker of electrostatic industrial spraying equipment, and **MATROT**, the leading French manufacturer of self-propelled sprayers and sugar beet harvesters.

2003
Merger of **KREMLIN** and **REXSON** (industrial spraying).

Acquisition of **HERRIAU** (sugar beet harvesters).

2006
Acquisition of **CMC** (high-clearance tractors for vineyards).

2007
Acquisition of the Danish group **HARDI,** world number two in agricultural sprayers.

Acquisition of **MOREAU**, the last French manufacturer of sugar beet harvesters.

2011
In April, Patrick BALLU handed over the Executive Management of the EXEL Industries group to his son Guerric BALLU. Over the current fiscal year, the Company generated revenue of €430 million, of which 60% was generated internationally.

2012
Acquisition of **AGRIFAC**, a Dutch company specializing in Agricultural Spraying and Sugar Beet Harvesting.

Acquisition of the British company **HOZELOCK**, one of the leading European manufacturers of gardening equipment with a broad product range including watering, spraying, technical hoses (TRICOFLEX brand) and aquatics.

2018-2023

2019
EXXACT Robotics is created as a pooled research center for agricultural equipment.

Guerric BALLU is replaced by Yves BELEGAUD, who becomes the first Chief Executive Officer of EXEL Industries from outside the BALLU family.

2020
Acquisition of Eisenmann iNTEC which has since become **iNTEC SAMES KREMLIN**.

2021
EXEL Industries continues to **diversify** with the acquisition of the WAUQUIEZ®, RHEA MARINE® and TOFINOU® brands. The Garden and Nautical Industry activities are now included in the Leisure activity.

2022
Acquisition of **G.F.-S.R.L.**, an Italian manufacturer of garden equipment (watering, irrigation, garden maintenance and outdoor living). Located in Correggio, in the Emilia-Romagna region, it operates in more than 50 countries, through its own brands and dealer brands. G.F.-S.R.L. has also developed a brand of recycled products, RECO®.

SAMES KREMLIN and iNTEC SAMES KREMLIN transform to become **SAMES** in order to better meet the technological and environmental challenges of customers, partners and employees.

2023
Acquisition of the majority of the French family group **DEVAUX**, specializing in the manufacture and marketing of garden tools. It employs around 50 people in France, divided between a production site in Tinchebray-Bocage, in Normandy, and a logistics site in Savigny, in the Lyon region.

At the end of the Board of Directors' meeting of December 20, 2023, Daniel TRAGUS succeeds Yves BELEGAUD as Chief Executive Officer of EXEL Industries.

2013-2017

2013
Acquisition of **HOLMER**, the historical leader in Sugar Beet Harvesting, which benefits from an international presence. This acquisition strengthens the position of EXEL Industries and makes it the world leader in the Sugar Beet Harvesting market, with the new products bearing the HOLMER brand.

EXEL Industries was then organized into four business units: Agricultural Spraying, Sugar Beet Harvesting, Garden and Industrial Spraying.

2016
Acquisition of the **ET WORKS** group, an American company specializing in self-propelled Agricultural Spraying, under the Apache brand.

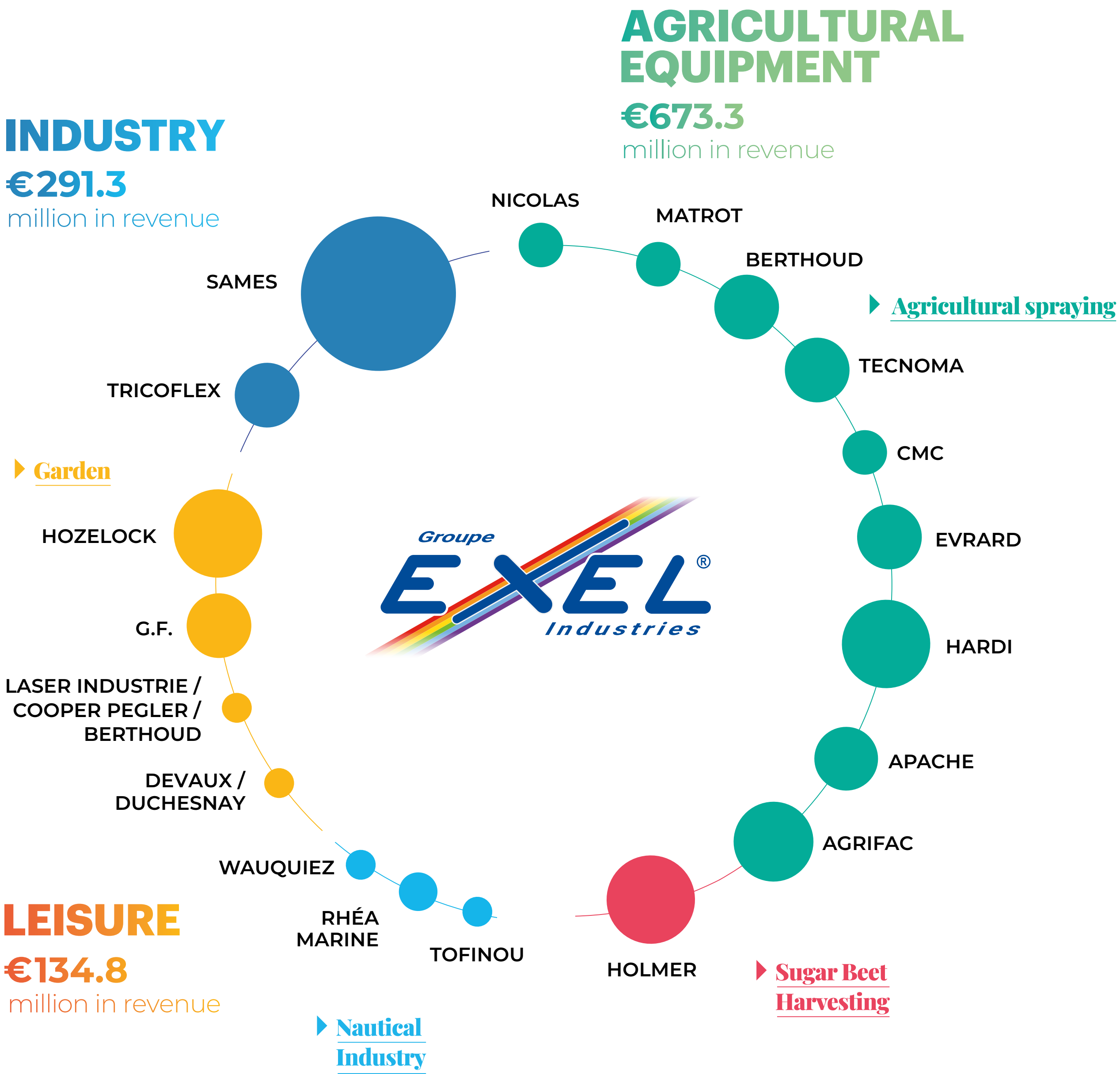
KREMLIN REXSON and SAMES Technologies merge to become the SAS "**SAMES KREMLIN**".

2017
MATROT Equipment and HARDI EVRARD merge to become "**GROUPE HARDI FRANCE**".

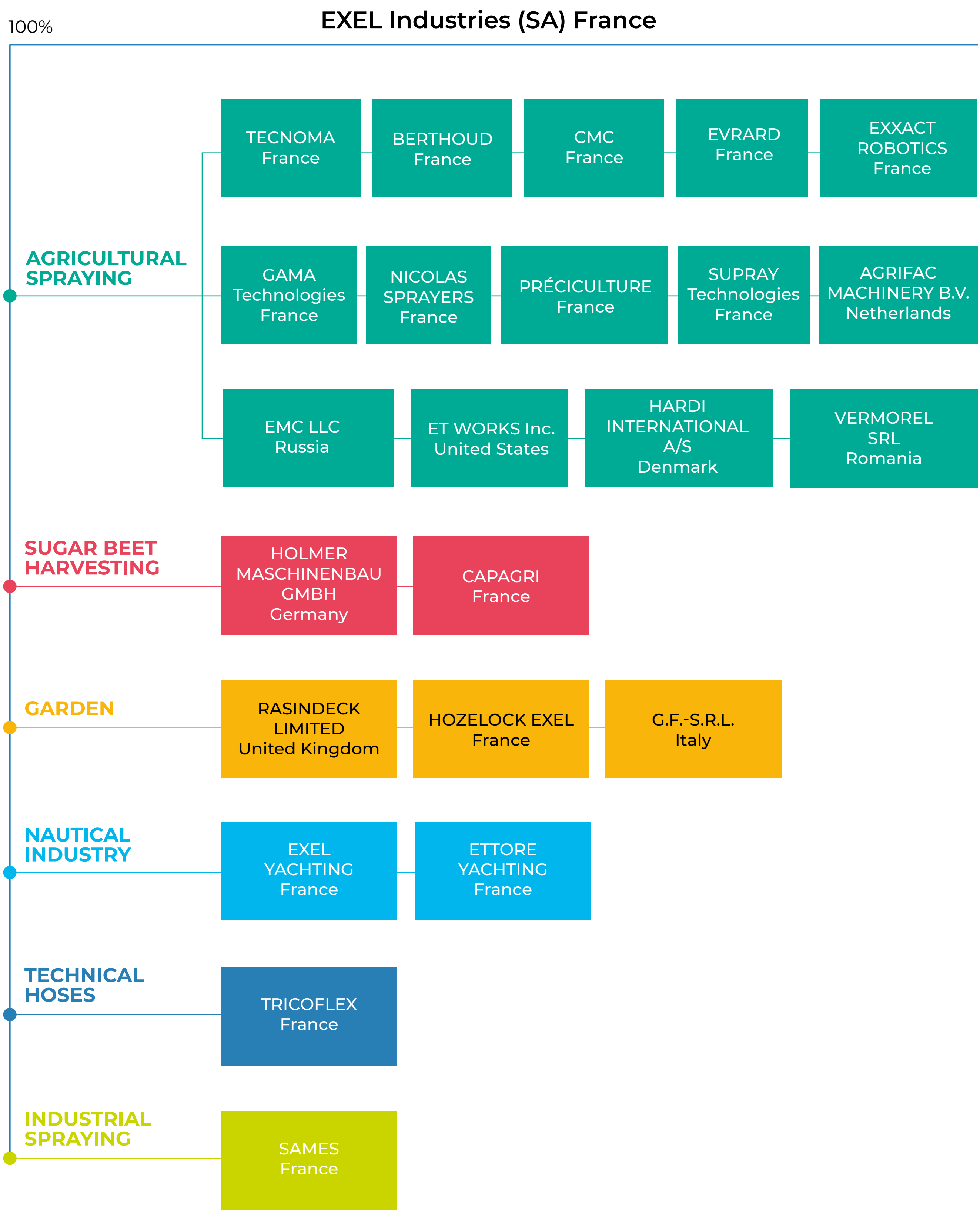
2024

1.2 Organization of the Group at September 30, 2024

Main brands of the Group



Simplified organization chart of the companies



1.3 Business model

Our business model (activities, main markets by region and customer type, competitive positioning, positioning in the sector, products and services, means of production) is described below.

Our **sustainable value** creation

Our resources

FINANCIAL AND ECONOMIC CAPITAL

€1,099 M in revenue
€464 M in equity
28 countries of operation
€128 M in net financial debt

HUMAN CAPITAL

4,214 employees worldwide (permanent and seasonal)
130 apprentices
21% women

INTELLECTUAL CAPITAL

353 patent families
381 brand families
2,217 deposited or registered brands
4.0% of revenue dedicated to R&D expenses

SOCIETAL AND ENVIRONMENTAL CAPITAL

CSR strategy affirmed at the highest level
MORE label
BREEAM certification

Our activities

AGRICULTURAL EQUIPMENT

One of the world leaders in agricultural and winegrowing spraying and sugar beet harvesting

LEISURE

Efficient solutions for home and professional gardeners – Manufacturer of high-end pleasure boats

INDUSTRY

Global expert in paint spraying, application of high-viscosity products – Manufacturer of technical hoses

MARKET TREND **THE CLIMATE CHALLENGE**

Who are we?

The EXEL Industries group is a family-owned company, whose ambition is to design, manufacture and market equipment goods and associated services that enable its customers to increase efficiency, productivity, or contribute to the pleasure of living, and to achieve their environmental and societal objectives. EXEL Industries employs 3,814 people on permanent contracts, in five continents.

Our strengths

- **KEEP THE CUSTOMER AT THE CENTER OF OUR CONCERNS**
- **INNOVATE TO CREATE SUSTAINABLE PRODUCTS AND SOLUTIONS**
- **AIM FOR OPERATIONAL EXCELLENCE IN ALL OUR ACTIVITIES**
- **ATTRACT AND GROW TALENT**
- **REDUCE THE ENVIRONMENTAL FOOT-PRINT OF OUR ACTIVITIES**
- **ENSURE THE GROUP'S FINANCIAL STRENGTH OVER THE LONG TERM**

Our shared value

EMPLOYEES

€273 M in wages and social security expenses
Our employees operate in **33** countries
Number of permanent contract hires: **534**
18% female managers

CONTRIBUTION TO THE ECOSYSTEM

Among the leaders in our markets
Present commercially in **178** countries
€20 M in taxes and duties
€566 M in purchase volume

SHAREHOLDERS / INVESTORS

+7.3% share performance over one year
€337 M market capitalization (at 09/30/2024)
€87 M in recurring EBITDA
€56 M in current operating income
€31 M in net income

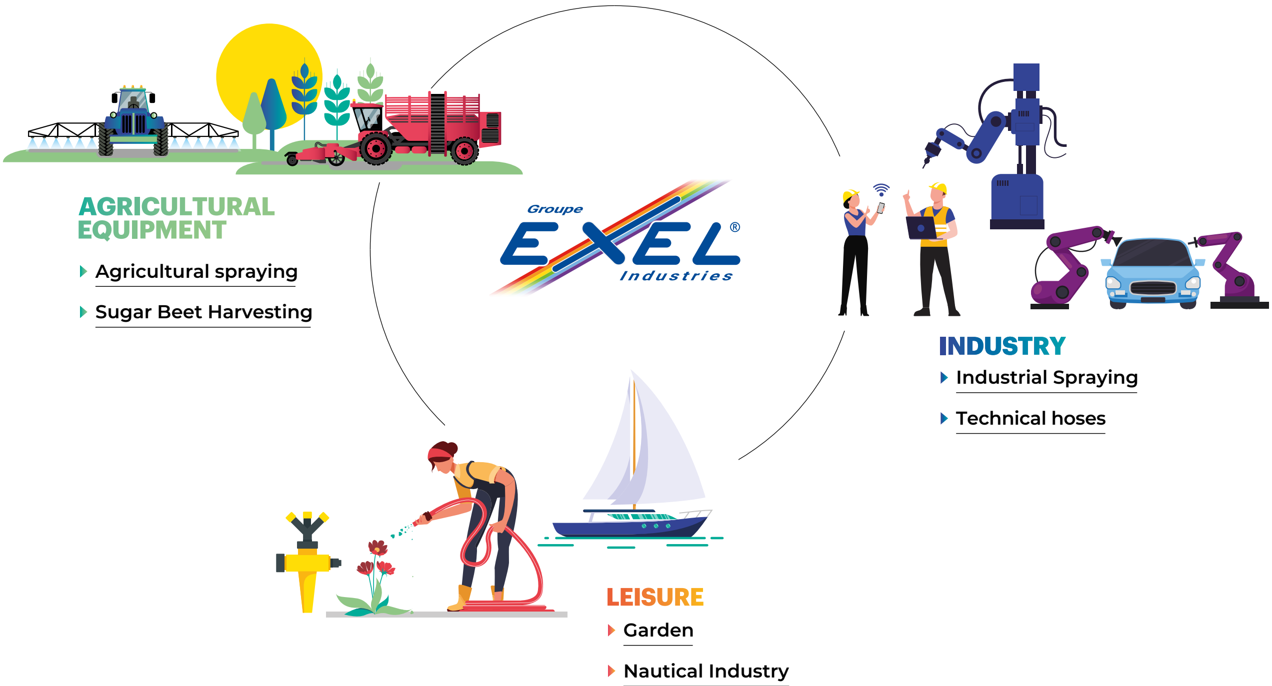
TERRITORY AND ENVIRONMENT

€50 M in industrial investments
€65 M in financing indexed to CSR criteria

THE FOOD CHALLENGE **THE SOCIETAL CHALLENGE**

1.4 Group businesses and products

1.4.1 Group profile



EXEL Industries is a French family-owned group that designs, manufactures and markets capital goods and associated services in the areas of agricultural equipment, industry and leisure. These solutions promote increased efficiency and productivity for its customers or contribute to the pleasure of living while enabling them to achieve their environmental and societal objectives.

In order to meet the requirements of its customers at any time and everywhere, EXEL Industries has built its model around two components. The holding company is responsible for cross-company functions, in particular financing, legal issues, strategic studies, mergers/acquisitions, intellectual property, transformation, human resources and the consolidation of results. The various activities have considerable autonomy to manage the processes throughout the value chain.

In a changing world, EXEL Industries is transforming itself and imagining new solutions by building on a stable majority shareholder and strong brands.

At September 30, 2024, the Group had generated revenue of €1.1 billion and devoted 4% of its revenue to research and development. At September 30, 2024, EXEL Industries had 3,814 permanent employees in around 30 countries and 24 production sites.

1.4.2 Group strategy

The capital goods market, whether it is B2B, B2C or B2B2C, depends to a large extent on the evolution of the global economy. It can vary significantly from one year to another, and even from one geographical area to another. Due to its strategic choices, EXEL Industries is less exposed to this cyclical nature. The Group has decided to specialize in small and medium-batch premium products and has chosen to control the entire value chain, from design to marketing. The brands in its portfolio are generally products or ranges that are leaders in their respective markets and enjoy a strong reputation. Capitalizing on its proactive strategy, EXEL Industries intends to continue its growth thanks to its differentiating strengths, its long-term vision and its diversification policy.

- Keeping the customer at the center of our concerns.
- Innovating to create sustainable products and solutions.
- Aiming for operational excellence in all our activities.
- Attracting and developing talent.
- Reducing the environmental footprint of our activities.
- Ensuring the Group's financial solidity over the long term.

1.4.3 Agricultural Equipment

1.4.3.1 Agricultural Spraying

Business line revenue: €503.3 million, or 45.8% of total Group revenue

Number of employees: 1,694 (permanent contracts)

Production sites: 10

Description

Agricultural Spraying involves protecting and enabling crop yields to be improved by accurately delivering the right amount of phytopharmaceutical products or fertilizers they need. The optimized use of the products applied, including herbicides (to fight against weeds), insecticides (to protect against attack by insects), fungicides (to protect against fungal and mildew attack), liquid fertilizers and other products requires ever more accurate and efficient application so that only the plant is protected and any dispersion of sprayed products is prevented.

The EXEL Industries group's agricultural sprayers are used by farmers working in the market gardening, mixed farming, large-scale crops, industrial crops, arboriculture and viticulture segments.

Spraying equipment may be motorized (self-propelled), carried or trailed by a tractor. It costs between €10,000 and €600,000 depending on the size, performance and degree of sophistication. The diversity of our customers' operating profiles requires a very wide range of products (spray boom width, working height, tank size, etc.), as well as numerous options using the most advanced technologies (GPS guidance, regulation of spraying according to speed, electronic control of the opening of the nozzles, cameras, ground monitoring, autonomous movement, precise dose pulsating nozzles, etc.).

There are different techniques for spraying fertilizers and phytopharmaceutical products:

- **air blast sprayer**: droplets are created by pressurization of the liquid (two to five bars);
- **aero-convection or carried jets**: generated by the pressure of the liquid are transported by a stream of air created by a ventilator. It is often used in arboriculture to ensure the droplets reach deep into the foliage;
- **pneumatic**: this form of spraying is produced by the high air speed (several hundred km per hour) generated by a centrifugal ventilator which also sprays the liquid arriving at the center of the air jet. This technique is used in vineyards or crops needing a strong penetration at a highly localized position;
- **centrifugal**: the liquid is directed without pressure to the center of a disc carried at high speed by an electric motor and is sprayed on its periphery. The size of the drops is directly related to the speed of the disc which provides a highly homogeneous spectrum of droplets. This technique is used to apply much more concentrated products (with ten times less water transported), for example to treat cotton in Africa by using wind drift.

A wide range of sprayers is offered by each of the Group's major brands – AGRIFAC®, APACHE®, BERTHOUD®, EVRARD®, HARDI®, MATROT®, NICOLAS® and TECNOMA® – to cover all market needs.

Constraints in terms of regulations and standards

Spraying equipment design requires expertise in cutting-edge technologies that are both environmentally friendly and safe for the operators.

This equipment must comply with a significant number of demanding safety and environmental standards. For this reason, new players need to obtain product certification before they can be introduced on the market.

A summary of key regulations and standards in force is provided below:

- European Directive 2006/42/EC (the amended "Machinery Directive" entered into effect on December 29, 2009) setting key European safety requirements for agricultural equipment manufacturers. For sprayers, this directive is in part based on EN ISO 4254, parts I and VI. From January 20, 2027, the Machinery Directive will be replaced by the Machinery Regulation adopted in June 2023;
- amendment to the Machinery Directive (Directive 2009/127/EC adopted by the European Parliament on April 22, 2009). This amendment, that concerns only sprayers, supplements requirements laid down by the directive on machine safety with a specific section on the "Environment". Since December 15, 2011, new sprayers marketed in the EU must comply with these new environmental standards. The technical requirements are specified in EN ISO 16119;
- framework directive on the sustainable use of pesticides (Directive 2009/128/EC voted by the European Parliament in January 2009), which aims in particular to harmonize the use of phytopharmaceutical or plant health products at European level, with the introduction of measures such as user training, compulsory inspection of sprayers, phytopharmaceutical effluent management, compliance with good practices, etc.; the inspection of sprayers in operation is defined in standard EN ISO 16122. Each EU Member State has developed a National Action Plan which form the basis for a number of national regulations, as the French regulations demonstrate. The European Directive 2009/128/EC (Sustainable Use Directive) will soon be replaced by a European Regulation (Sustainable Use Regulation) which provides in particular for a reduction in the quantities of phytopharmaceutical products by 50% by 2030 and an increase in user training;
- obligatory national or European road certification mandatory for high-clearance tractors, self-propelled and trailed sprayers, both in France and in other European countries;
- decree of May 7, 2007 on the use of phytopharmaceutical products that notably encourages manufacturers to offer sprayers in France meeting new requirements for tank filling (overflow prevention systems), dilution of tank bottom residue and reduction of spray drift. Since 2020, the frequency of inspections has been reduced from five years to three years;
- new French "Water Act", adopted on December 20, 2006, that has imposed a requirement for regular technical inspections (every five years) of all sprayers, mandatory since January 1, 2009;
- the Water Framework Directive (2000/60/EC) has also had some impact by improving accuracy in order to reduce drift;

- the Ecophyto 1 and 2+ plans to reduce the use of phytopharmaceutical products and strengthen prevention measures in the area of user safety and health;
- French Agricultural Law No. 2014-1170 of October 13, 2014, laying down new provisions on plant treatment restrictions near public places;
- decree of December 27, 2019 establishing untreated areas near residential areas and the possibility of altering the safety distance depending on the spraying equipment used;
- classification of vineyard sprayers according to their environmental agricultural performance (Label Performance Pulvé);
- EU road transport approval requirements and the new brake regulation are also imposing an increased workload on all design departments. Regulation (EU) No. 167/2013 of the European Parliament and of the Council of February 5, 2013 on the approval and market surveillance of agricultural and forestry vehicles.

As a result, all these requirements call for a very high level of precision in the application of products and demand that the “right dose, in the right place, at the right time” be applied at all times. For example, nozzle flow must not vary by more than 5% from nominal flow, and transversal distribution under the boom must be perfectly uniform (<7% variance).

The annual cost of the spraying equipment is around 5% of the annual plant protection budget for a farm, whereas the sprayer actually controls and plays an essential role in achieving good application results. This gives us a better understanding of the importance of its performance quality in contributing to controlling and optimizing farmers’ operating costs, when faced with the new challenges of globalization and changing agricultural subsidy policies (in particular the EU’s Common Agricultural Policy).

Trends

The challenge for agriculture is to feed the Earth’s population in a healthy and balanced manner, while preserving natural resources.

In 2050, the planet will have 9.7 billion inhabitants compared with a little more than 8 billion today. World agriculture must be able to produce the food necessary to feed the population, two thirds of whom will be living in towns and cities. This food must also be healthy and diverse (plants, proteins, etc.). Moreover, the agriculture of tomorrow must manage the natural resources necessary for life (water, soil, air, biodiversity, etc.), and contribute to combating climate change.

Today, the fight against the main problems (weeds, insects, rodents and diseases) relies mainly on the use of synthetic or natural phytopharmaceutical or plant health products. These products are applied by our agricultural sprayers. However, in France and in certain other Western European countries, these increasingly controversial products are subject to strict regulations (*e.g.*: controversy over glyphosate).

Agricultural Spraying must play a part in the agroecological transition by innovating and mastering new technology such as precision agricultural, electronics, automation, confined spraying and artificial intelligence to detect plants to be treated, etc., which will allow a significant reduction in the doses used.

Description of Group companies

EXEL Industries has nine main brands: AGRIFAC®, TECNOMA®, BERTHOUD®, NICOLAS Sprayers®, EVRARD®, MATROT®, HARDI®, CMC® and APACHE®. Sprayers may be produced by companies of the same name (AGRIFAC, HARDI), or by companies specializing in the design and assembly of certain types of equipment for several brands (GAMA Technologies, SUPRAY Technologies, PRECICULTURE, ET Works).

TECNOMA, a company based in Épernay, in the Marne department, markets all large-scale crop and viticulture sprayers, as well as the TECNOMA brand high-clearance tractor. TECNOMA will market the TRAXX® robots designed by EXXACT ROBOTICS.

NICOLAS Sprayers, a company based in Épernay, markets NICOLAS Sprayers® brand sprayers for the treatment of vines and fruit trees.

CMC (Constructions Mécaniques Champenoises), a company based in Épernay, joined the EXEL Industries group in July 2006. It markets a complete range of high-clearance tractors for use in vineyards.

BERTHOUD, a company based in Belleville-en-Beaujolais, in the Rhône department, markets all of the BERTHOUD® brand large-scale crop and viticulture sprayers.

HARDI INTERNATIONAL A/S, headquartered in Nørre-Alslev in Denmark, designs, manufactures and markets a very broad range of agricultural sprayers for large-scale crops, vineyards, fruit trees, golf courses, parks and gardens.

EVRARD (formerly GROUPE HARDI FRANCE) located in Beaurainville designs, produces and markets a range of self-propelled and trailed agricultural sprayers intended for large-scale crops.

EMC, a company based in Volgograd in Russia, manufactures and markets agricultural sprayers for the Russian market and sells them under different EXEL Industries brands.

AGRIFAC MACHINERY B.V., headquartered in Steenwijk, designs, manufactures and markets high-end self-propelled sprayers.

ET WORKS Inc., headquartered in Mooresville, Indiana, United States, manufactures and markets self-propelled sprayers for the Apache® brand. The Group has four sales subsidiaries in the United States and one in Canada.

SUPRAY Technologies, a company based in Épernay in the Marne department, designs and manufactures sprayers dedicated to viticulture and arboriculture for the TECNOMA®, NICOLAS Sprayers®, BERTHOUD® and HARDI® brands. It also manufactures and distributes components for other companies, and in particular Group companies (tanks, injection components, etc.).

GAMA Technologies, a company based in Belleville-en-Beaujolais, in the Rhône department, designs and manufactures mounted and trailed sprayers for the BERTHOUD® and TECNOMA® brands.

PRÉCICULTURE, a company based in Fère-Champenoise in the Marne department, designs and manufactures self-propelled sprayers for large-scale crops in the BERTHOUD® and TECNOMA® brand colors, as well as high-clearance tractors marketed by CMC and TECNOMA.

VERMOREL, a company based in Ploiesti in Romania, manufactures mechanically welded sub-assemblies for the rest of the Group.

EXXACT Robotics, a company based in Épernay, is an internal entity entirely dedicated to the search for breakthrough innovations, registered in October 2019. This pooled research center offers sustainable solutions to agro-ecological transformations to all EXEL Industries Agricultural Spraying companies.

Main competitors

The EXEL Industries group's main competitors in this market are:

- John Deere (United States) tractor manufacturer, which has a wide range;
- CASE (United States) tractor manufacturer, which is looking to build a wide range;
- Jacto (Brazil) for large-scale crops, vineyards and orchards;
- Amazone (Germany) for large-scale crops;
- Horch (Germany) for large-scale crops;
- Kuhn, a subsidiary of the Bucher group (Switzerland), which has a wide range in the large-scale crops sector.

However, EXEL Industries is currently the only player on a global scale with the ability to cover the full range of farmers' requirements.

1.4.3.2 Sugar Beet Harvesting

Business line revenue: €170.0 million, or 15.5% of total Group revenue

Number of employees: 384 (permanent contracts)

Production sites: 2

EXEL Industries, through HOLMER, develops, manufactures and markets three Sugar Beet Harvesting product lines.

Sugar Beet Harvesting

The Group has a complete range of HOLMER® TERRA DOS® sugar beet harvesters to meet the most varied needs. Sugar Beet Harvesting can be done using different processes: pulled, self-propelled or tanker harvester.

- The first process requires the use of a tractor with a leaf stripper attached at the front, and a lifting unit at the rear. The sugar beets are left in swaths on the soil and must then be picked up by a loader. This process is disappearing in Europe, but is still widely used in the United States.
- Self-propelled harvesters lift the sugar beets, which are transferred directly into a storage tank moving alongside the machine. A small hopper measuring 5 to 7 m^3 is used to contain a buffer stock during the time taken for the storage tank to be replaced by the next one. Used especially widely in France, this type of equipment is giving way to larger and more powerful tanker harvesters.
- Tanker harvesters have a storage capacity that allows the beets to be lifted and the harvest only transferred when the storage capacity has been reached. The storage capacity of tanker machines varies between 12 and 40 m^3. They allow the tanks needed for storage to be eliminated or greatly reduced. Tanker harvesters also preserve the beets, lift less soil and can even work in wet conditions.

Sugar beet harvesters are very technologically advanced machines, as they need to penetrate the ground to lift the beets without damaging them and while bringing up as little soil as possible, whatever the weather conditions, land quality and field topology.

Our research and development work aims to further improve the availability rate of the machines (seasonal use 24/7), increase their beet lifting productivity, enhance lifting quality and cleaning, reduce fuel consumption and limit soil compaction.

Sugar beet harvester design requires expertise in cutting-edge technologies that are both environmentally-friendly and safe for the operators.

Beet cleaner-loaders

HOLMER® TERRA FELIS® cleaner-loaders allow beets to be cleaned and loaded before being transported to the sugar refinery. When the tanker harvester has emptied its harvest at the end of the field, a sugar beet cleaning loader collects the beets, improves harvesting and transfers them to a transport container, which then takes them to the sugar refinery.

High- and medium-capacity carriers

High- and medium-capacity carriers are used for logistics in the field. The HOLMER® TERRA VARIANT® high- and medium-capacity carriers are used to transport sugar beets or grains from the harvester (picker or reaper) to the field's edge or directly into the truck. These machines are also used to spread various products in the fields, such as slurry and methanization digestate.

Description of Group companies

HOLMER group, based in Eggmühl (Bavaria), Germany, manufactures and markets tanker harvesters, cleaning loaders and high- and medium-capacity systems tractors. In addition to its manufacturing and marketing site in Germany, HOLMER has seven sales subsidiaries in France, Poland, the Czech Republic, Ukraine, the United States, Turkey and Egypt. It also has a representative office in Beijing, China.

CAPAGRI, a company located in Noyelles-sur-Escaut in northern France, markets equipment parts, mainly for sugar beet and potato harvesters.

Main competitors

The EXEL Industries group's main competitors in this market are:

- Ropa (Germany), which is diversifying with a range of potato harvesters;
- Grimme (Germany) is the world leader for potato harvesters.

1.4.4 Leisure

Business line revenue: €134.8 million, or 12.3% of total Group revenue

Number of employees: 625 (permanent contracts)

1.4.4.1 Garden

Production sites: 4

Through its HOZELOCK®, G.F.®, BERTHOUD®, DUCHESNAY®, LASER® and COOPER PEGLER® brands, the EXEL Industries group, one of the leaders in the watering and plant protection market, offers innovative, high-quality products to provide solid and efficient solutions for consumers and professional gardeners.

Garden watering

Watering tools are used for the garden, flowers, vegetables and other plants in the ground or planters. HOZELOCK® and G.F.® have a comprehensive and diverse line-up of products in non-buried watering category: hoses, reels, connectors and fittings, sprinklers, timers and micro-irrigation.

In this highly weather dependent world, the flagship products are freestanding and wheeled hose reels and hoses for HOZELOCK® which offers leading products such as Auto Reel®, an automatic rewinding reel, the Super TRICOFLEX®, premium hose, the SuperhoZE® extending hose launched in 2017 and lastly the TUFFHOZE® launched in 2020. For the G.F.® brand, the flagship products are connectors, freestanding and wheeled hose reels and solar showers (the Sunny range) as well as a wide range of extendable or non-expandable hoses such as the Aquago. G.F.-S.R.L. has also developed the RECO® range, composed of more than 70% recycled plastic, manufactured entirely in Italy.

HOZELOCK is the market leader in the UK and Scandinavia, and also operates all over Europe and Australia. G.F. is particularly active in Italy, France and Germany, and more broadly in Southern Europe.

Garden sprayers

Garden sprayers make it possible to treat plants with fertilizer and protect them against weeds and other pests. In the Garden business, HOZELOCK manufactures and distributes a range of spraying equipment for consumers and the semi-professional segment in France and Europe under the BERTHOUD® brand, which has a reputation for the quality of its products in the agricultural sector. The HOZELOCK® garden sprayers complement the BERTHOUD® brand in France and in the international market. HOZELOCK also manufactures and distributes a range of garden spraying equipment under the COOPER PEGLER® brand, recognized for its sturdiness and reliability in the agricultural markets of the UK, Latin America, South America and Africa.

As an alternative to sprayers, the Group also offers high-performance thermal weeders. This product range has increased in importance as consumers focus on alternatives to chemical weeding. It also meets new legal requirements concerning phytopharmaceutical products for green spaces and private gardens in France and internationally.

HOZELOCK also manufactures and markets a range of professional sprayers to meet the specific needs of industrial markets (in particular the building trade). These products are marketed under the LASER® brand name.

Garden tools

The Devaux group offers a wide variety of products spanning nine categories (grass, wood, pruning, snow, flowers, balconies and terraces, watering and chimney accessories) in addition to a range of gardening tools for children. Marketing both own brand and retailer sub-brand products, the Devaux group is also strongly represented in garden centers, DIY stores and supermarkets.

Description of Group companies

HOZELOCK LIMITED, based in Birmingham, United Kingdom, assembles and markets gardening equipment with a range of products for watering, plant protection, technical hoses and aquatics. The group has three subsidiaries, two of which are in Europe.

HOZELOCK EXEL is a company based in Villefranche-sur-Saône (Rhône department). It designs, manufactures and markets sprayers for semi-professionals and gardeners, as well as watering products in addition to HOZELOCK in England. The company also offers alternatives to sprayers for weeding, in the form of thermal and electric weeders.

Établissements Devaux and Duchesnay SA, specialized in the manufacture and marketing of garden tools, are subsidiaries of HOZELOCK EXEL.

Through its consumer brands, HOZELOCK® and BERTHOUD®, the company has a large market share in sprayers in France, and is enjoying strong growth in watering. Its products are also distributed throughout Europe.

G.F. S.R.L., located in Italy, produces items for watering, irrigation, garden maintenance and outdoor living. It operates in more than 50 countries, either through its G.F.® brand or by manufacturing dealer brand products. It has also developed a range of products made with recycled materials, called "RECO®". G.F. S.R.L. has an industrial site in Correggio, in the Emilia-Romagna region of Italy.

Main competitors

The EXEL Industries group's main competitors in the watering market are:

- Gardena (Germany and Europe);
- Cellfast (Poland and Eastern Europe);
- Claber (Italy and Southern Europe);
- Fitt (Italy and Europe);
- dealer brands (Europe);
- Matabi (Spain);
- Gloria, Mesto, Solo (Germany);
- dealer brands (various countries);
- Fiskar (Finland, Europe and the United States).

1.4.4.2 Nautical Industry

Production sites: 3

The markets in which the three brands of the nautical industry operate are driven by a growing demand for boats that combine tradition and modernity. Unlike generalists in the sector, in the great French marine tradition, the **RHÉA MARINE, WAUQUIEZ and TOFINOU** shipyards build small series of boats designed to last, with timeless lines, but equipped with advanced technologies both in the manufacturing process and in the choice of onboard components and equipment.

The three brands of the Nautical Division are complementary and cover three distinct segments of the yachting market: chic fishing and pleasure boating with RHÉA MARINE®; neo-classic elegant and sporty day-sailers with TOFINOU® and lastly prestigious offshore cruising with WAUQUIEZ®.

Company descriptions

EXEL YACHTING, formerly RHÉA MARINE, is a company with two production sites located in Neuville-en-Ferrain and La Rochelle. It specializes in the design and manufacture of boats and integrates carpentry, cabinet-making, mechanics, electricity, assembly, prototyping, sail making, upholstery, etc.

ETTORE YACHTING, based in Port-Camargue is a company specialized in boating for more than 20 years. Its activities include boat sail, rigging and fittings distribution.

Main competitors

The main competitors of the EXEL Industries group in the nautical industry are:

Overall: Grand Large Yachting

- RHÉA MARINE:
  - Merry Fisher (Beneteau)
  - Jeanneau (Beneteau)
  - Da Vinci Yacht
- TOFINOU:
  - Eryd
  - Cape Cod
  - A Yacht
  - Sarch
  - Saffieryachts
- WAUQUIEZ:
  - AMEL
  - X-Yachts
  - Nautor's Swan
  - CNB
  - Solaris
  - Contest
  - Allures Yachting

1.4.5 Industry

Business line revenue: €291.3 million, or 26.5% of total Group revenue

Number of employees: 1,088 (permanent contracts)

Production sites: 6

1.4.5.1 Industrial Spraying

The industrial Spraying business of the EXEL Industries group is driven by SAMES and its subsidiaries.

Industrial Spraying covers a number of areas: bonding, protection and finishing.

The products developed by SAMES are used to prepare, distribute, dose, mix and apply all types of liquid, powder or thick products on a range of different materials, such as wood, metal, plastic, glass or leather.

With two manufacturing sites in France, in Stains and Meylan, and a production site in Erftstadt, in Germany, SAMES and its 15 subsidiaries are able to meet their customers' needs on a worldwide basis, for all industrial assembly processes (joints and glues), support protection (anti-corrosion, technical primers, other forms of protection) and finishing (dyes, base coats, lacquers and varnishes).

In order to compete with ever more aggressive competition, SAMES puts its emphasis on innovation, matching each customer's needs on an optimal basis and an efficient supply chain.

Based on differentiating technologies, SAMES develops comprehensive ranges of pumps, machines, technical hoses and manual, automatic or robot applicators. These products deliver significant productivity gains to customers through increasingly precise spraying, while protecting the environment and the health of the operator.

Company description

SAMES

A pioneer of pneumatic spraying techniques (1925), electrostatic power coating (1960) and Airmix® spraying (1975), SAMES is behind a large number of patents; 6.6% of its headcount is involved in R&D.

Its offering is segmented into product ranges involving specific techniques:

- The SAMES KREMLIN® product brand includes the AIRSPRAY, AIRMIX® and AIRLESS® ranges:
  - AIRSPRAY: pneumatic effect product spraying, enabling the best quality finishes;
  - AIRLESS®: high-pressure atomized product spraying using a calibrated nozzle, which allows high flow rates and good performance but a relatively coarse finish;
  - AIRMIX®: combined Airless® and pneumatic spraying, thus enabling high flows and application performance with a high-quality finish.
- SAMES iNTEC brings together solutions for applying adhesives and sealants.
- SAMES NANOCOAT stands for liquid paint application solutions using rotating bowls, with and without electrostatism.
- SAMES INOCOAT stands for powder coating solutions.

SAMES designs and manufactures all of its equipment involving pumps, applicators, dosing, mixing units and pressure, temperature and flow control devices.

The pumps are double or quadruple bearings, diaphragm pumps or pallet pumps for the most viscous products. They are driven pneumatically and increasingly electrically.

The applicators are spray gun or rotating bell in manual, automatic or robotic versions that can be mounted on machines or on robots.

All SAMES equipment allows users to achieve higher levels of performance, productivity and quality in their industrial processes while making significant production savings (cost of materials, air and therefore energy consumption, total ownership costs) and protecting the environment and the operator's health by reducing paint fume emissions.

Using its equipment, SAMES designs, manufactures and distributes standard solutions by means of a worldwide network of qualified integrators. These solutions can be manual, automatic or robotic. They are used to apply liquids, powders or viscous products.

To meet the daily needs of its customers, SAMES develops and markets a range of local services through its trained and qualified dealers.

A large number of markets are targeted. These are divided into seven main categories: automotive, wood, agriculture, construction, industry, transport and consumer goods.

The entire range of SAMES® products is marketed through the many Group subsidiaries worldwide (Europe, North and South America, China, Japan, India, South-East Asia, Russia and now Kazakhstan).

Main competitors

The main competitors in this market are:

- ABB (Switzerland/Sweden) for electrostatic spraying;
- Anest Iwata (Japan);
- Atlas Copco (Germany);
- Carlisle Fluid Technologies (USA) with the brands Devilbiss, Ransburg and Binks;
- Dürr (Germany);
- Graco (USA) with the Graco and Gema brands;
- Nordson (USA);
- Wagner (Germany).

1.4.5.2 Technical hoses

TRICOFLEX boasts 65 years of innovation in the service of industry and the general public. From Vitry-le-François in the Marne department, TRICOFLEX develops and manufactures flexible technical hoses. The company is one of the European leaders able to offer knitted hoses, spiral hoses, covered hoses and unreinforced tubes.

TRICOFLEX selects the best raw materials, makes the formulations and manufactures the equivalent of twice the Earth's circumference each year. ISO 9001 certified, the brand guarantees a high level of quality.

TRICOFLEX joined the Group in October 2012 with the acquisition of HOZELOCK.

Main competitors

The main competitors in this market are:

- FITT (Italy);
- MASTERFLEX (Germany);
- REHAU (Germany);
- SCHAUENBURG (Germany).

1.4.6 Customers – suppliers

1.4.6.1 Agricultural Spraying customers

The five largest customers represent 10.4% of the consolidated revenue of the Agricultural Spraying activity, compared with 12.1% last year, of which 3.0% for the main one. They do not, therefore, represent a significant portion of business revenue.

Agricultural Spraying equipment is primarily sold ex-works to agricultural machinery retailers sometimes called dealerships. They demonstrate, sell and set up new spraying equipment and also provide after-sales services, trade-in and sales of used equipment.

Each Group brand develops its own marketing strategy through its own distribution networks.

The rationale behind this "multi-brand" and "multi-network" policy is based on:

- geographical market segmentation and coverage;
- brand loyalty among farmers;
- maintaining and developing the market share historically developed by each Group brand based on specific arguments and an original marketing mix;
- the need to maintain a large selection of several brands of sprayers with decisive differences to increase customer loyalty among the many agricultural equipment dealers through an offering providing differentiation from their competitors.

Each of the Group's main brands therefore has its own network made up of several hundred approved and trained dealers. The distribution agreements are renewed on an annual basis. The technical and sales staff of each distributor is required to attend a session lasting several days at one of the Group's approved training centers.

The end users of EXEL Industries spraying equipment are farmers. These include cereal farmers, tree growers, wine growers and vegetable growers. Farmers today have a pivotal role in the development of sustainable and eco-friendly agriculture. As good business managers, they seek to adopt the most sustainable approach for treatment with the goal of producing "clean" products. They also ensure the traceability of treatment operations. Spraying equipment is also used in various exotic or tropical environments such as for cotton production.

1.4.6.2 Sugar Beet Harvesting customers

The five largest customers represent 20.3% of the consolidated revenue of the Sugar Beet Harvesting activity, compared with 30.7% last year, of which 8.5% for the main one. They do not, therefore, represent a significant portion of business revenue.

Sugar beet harvesters are mainly used by agricultural service supply agencies, farming associations, very large agricultural holdings (Eastern Europe) that can manage the entire chain up to sugar production, and planters with very large sugar beet crop areas. Cleaning loaders are for agricultural service supply agencies and agricultural holdings, or are directly used by sugar refineries. TERRA VARIANT® products are used by agricultural service supply agencies.

Sales are mainly made directly in countries where HOLMER and AGRIFAC are established with their own subsidiary, or through dealers in other countries. Selling often includes recovering a used machine, refurbishing it and placing it on the market. Countries undergoing mechanization or changing their crop lifting methods represent good opportunities for these used machines.

The intensive use of the machines (more than 1,000 hours over four months) requires highly responsive technical support, 24/7 during the high season. This support is provided by our own teams and our dealers worldwide. An efficient logistics network for spare parts is also crucial for satisfying our users.

1.4.6.3 Garden business customers

The five largest customers represent 44.3% of the consolidated revenue of the Garden business, compared with 43.7% last year, of which 15.1% for the main one.

Products marketed by G.F., HOZELOCK and HOZELOCK EXEL, specialized in watering and plant protection, are mainly sold through specialized dealers (garden centers, agricultural cooperatives and DIY superstores) in traditional retailers and online (pure players or sites affiliated to our specialized dealers). Through its industrial efficiency, G.F. has also been able to develop "own brands", including the RECO® brand of recycled products. Keen to work closely with its customers, the Group enjoys excellent relationships with major international and national groups, as well as networks of independent dealers.

In an extremely seasonal watering market, our dealer customers expect our teams to be very responsive. Consumers are now looking for products made close to home. With the strengthening of our industrial and logistical capacities, we will be able to respond more flexibly to our customers' demands. We believe that our European production bases are a major asset in meeting the level of service expected by our distribution networks. With the integration of G.F.-S.R.L. during this fiscal year, the Group has strengthened its positions in Southern Europe and represents a real local alternative to products manufactured in Asia. After two years of exceptional growth following the international health crisis, which led to a return to gardening and self-production, 2023, continuing the trend observed in 2022, saw a decline in the garden watering markets in France and England, returning to 2019 levels.

1.4.6.4 Nautical Industry customers

The three brands WAUQUIEZ®, TOFINOU® and RHÉA MARINE® are located in very specific niche markets. The price positioning and high technicality of the products require distribution channels that are able to cater to a high-end and necessarily demanding customer base.

The three brands are distributed through a specialized national and international distribution network, in constant contact with the sales representatives of the shipyards.

The customers of the three brands WAUQUIEZ®, TOFINOU® and RHÉA MARINE® have in common their passion. Indeed, our customers are keen on boating:

- for WAUQUIEZ®: customers wishing to achieve their life-on-board ambition with all the comforts included;
- for TOFINOU®: customers who are passionate about sailing, more particularly about races and regattas;
- for RHÉA MARINE®: customers passionate about the traditional fishing philosophy.

Club enthusiasts of the RHÉA MARINE® and WAUQUIEZ® brands bring together dozens of users around their passion: their boat. The brands lead these networks through exclusive and historic events: the Rhéa Fishing Cup, Challenge Tofinou, Tofinou Morgan Cup, etc.

1.4.6.5 Industrial customers

The five largest customers represent 23.7% of the consolidated revenue of the Industrial Spraying business, compared with 17.3% last year, of which 6.1% for the main one. They do not, therefore, represent a significant portion of business revenue.

The companies operating in the Industrial Spraying segment are major players in traditional and sustainable markets such as the automotive industry, the timber industry, railways, consumer goods and farm machinery, and pursue growth in high value-added markets: the food industry, healthcare and renewable energy.

This enables the Industrial Spraying business to fund research and innovation.

Distribution

The equipment is sold from our plants and distributed through a variety of distribution channels coordinated by our subsidiaries. These networks are made up of "Approved Resellers" (typical of counter sales and modern distribution), "Approved Dealers" (active sales including servicing) and consolidators (sale of "turnkey" solutions).

Selected according to specific criteria, the members of our networks benefit from continuous training and professional development to improve their skills and ensure customer satisfaction.

Major accounts

To maintain contact with our markets, we have developed a specific approach for "major accounts" involving direct sales or support through our distribution partners.

Numerous prestigious companies place their trust in us:

Fanuc, Taikisha, BYD, Doolim, Bang & Olufsen, Bénéteau, Caterpillar, Dacia, Dassault, EDF, Fagor, Ford, GM, IKEA, Lafarge, Lamborghini, Louis Vuitton, Mahindra, Mercedes, Philips, Stellantis, Renault-Nissan, Rolls-Royce, Safran, Schneider Electric, Tata, Tefal, Tesla, Veolia, Volvo, Porsche, BMW, Bosch, Volkswagen, Chrysler.

Given our very diversified markets and customers, consolidated revenue is well balanced between our different accounts.

For our Group, industry is a very dynamic customer segment:

- investing heavily in new factories located in regions where there is strong growth in product demand (emerging and newly industrialized countries);
- constantly looking for new sprayer solutions to increase its productivity and profitability.

1.4.6.6 Suppliers

The five largest suppliers account for 3.4% of the Group's consolidated purchases, compared with 2.9% last year, of which 0.8% for the main one. They do not, therefore, represent a significant portion of the Group's consolidated purchases.

Whenever several suppliers were able to provide the same product to more than one subsidiary, attempts were made to achieve standardization and economies of scale at the Group level. As a result, one or more authorized suppliers may be selected for the whole of the Group.

Negotiations are carried out by one or more buyers and contribute to securing favorable sales conditions (prices, deadlines, quality, etc.).

With regard to the manufacture of agricultural sprayers, the three largest purchase items are:

- mechanized welding: chassis, ramp arms, etc.;
- plastics for the manufacture of tanks or bodywork parts;
- general mechanical parts: engines, cylinders, universal blocks, wheel rims, etc.

Manufacturing sprayers or pumps for the industrial market requires sophisticated and very precise industrial techniques with tolerance or surface finish of within a few microns to ensure no leaks under very high spraying pressures (more than 600 bars).

1.4.7 Plant and machinery

1.4.7.1 Production techniques

The main technologies used in the Group's factories are:

- injection and over-injection of synthetic thermoplastic resin;
- machining of metals with great precision (machining center for up to 11 axes);
- rotational molding of tanks and cowling of complex shapes;
- automatic flow and robot-controlled or semi-automatic welding of complex chassis items;
- surface preparation and application of paint in liquid or powder form *via* an electrostatic process (manual or automated).

1.4.7.2 Production organization

All of the Group's factories are organized as autonomous workshops operating on a just-in-time basis. This organization contributes to better responsiveness to seasonal fluctuations in activity and more efficient management of working capital.

Lean Management is deployed in all our production sites.

The EXEL Industries group has a number of production sites in Europe, Australia, Russia, China and the United States, listed below:

Companies	Country	City	Postal code	Address	Total surface area *(in m²)*	Of which useful building surface area *(in m²)*
AGRIFAC MACHINERY B.V.	Netherlands	Steenwijk	8332 JA	Eesveesenweg 15-17	40,510	23,368
DUCHESNAY SA	France	Tinchebray-Bocage	61800	Zone Industrielle de la Madeleine	8,414	4,091
EMC LLC	Russia	Volgograd	400075	5, Serijny Proezd	4,935	4,935
ET WORKS Inc.	United States	Mooresville	IN 46158	2201 Hancel Parkway	31,124	10,600
EVRARD	France	Beaurainville	62990	Rue du 21 mai 1940	63,543	14,272
EXEL Yachting	France	La Rochelle	17000	ZA Les Rivauds Nord Rue Élie Barreau	17,300	3,660
EXEL Yachting	France	Neuville-en-Ferrain	59960	Zone Industrielle Rue du Vertuquet	13,690	4,417
G.F. SRL	Italy	Correggio	42015	Via dell'Industria 1-9 / Via Costituzione 49	4,800	3,200
GAMA Technologies	France	Belleville-en-Beaujolais	69220	1, rue de l'Industrie	57,055	16,372
HARDI Australia PTY Ltd	Australia	Cavan	SA 5094	534-538 Cross Keys Road	58,880	16,700
HARDI INTERNATIONAL A/S	Denmark	Nørre-Alslev	4840	Herthadelvej 10	155,176	47,500
HOLMER Maschinenbau GmbH	Germany	Rogging/Pfakofen	93101	Zaitzkofenerstraße 5	10,824	1,920
HOLMER Maschinenbau GmbH	Germany	Schierling/Eggmühl	84069	Regensburger Straße 20	54,275	10,594
HOZELOCK EXEL	France	Villefranche	69400	891, route des Frênes, ZI de Joux	46,426	18,240
HOZELOCK LIMITED	United Kingdom	West-Midlands	B76 1AB	Midpoint Park, Minworth	43,717	34,218
PRECICULTURE	France	Fère-Champenoise	51230	165, rue des Verriers	90,042	11,409
SAMES	France	Meylan	38240	13, chemin de Malacher	28,715	13,266
SAMES	France	Stains	93240	150, avenue de Stalingrad	36,453	13,081
SAMES CHINA CO., LTD	China	Shanghai	201611	Building No. 9, No. 3802 Shengang Road, Songjiang District	3,125	3,125
SAMES GmbH	Germany	Erftstadt	50374	Otto Hahn Allee 9	13,139	4,513
SAMES NORTH AMERICA CORPORATION	United States	Plymouth	MI 48170	45001, Five Mile Road	20,234	4,830
SUPRAY Technologies	France	Épernay	51200	54, rue Marcel-Paul	33,297	18,296
TRICOFLEX	France	Vitry-le-François	51300	17, avenue Jean-Juif	69,074	24,940
VERMOREL	Romania	Ploiesti	100411	3, Pompelor Street, Prahova County	8,433	6,196

1.5 Research and development

KEY FIGURES

353 patent families	**104** designs or models
973 domain names	**2,217** trademarks

EXAMPLES OF INNOVATION AWARDS OVER THE YEAR

SITEVI Innovation Awards
X Pulse
Silver medal

SITEVI Innovation Awards
TRAXX Concept H2
Silver medal

JDC Garden Trends
Auto Reel Mobile
Garden Collections Awards 2024-2025

Chinese Professional Association of Industrial Paint
Electrostatic application solution for two-component water-soluble paint
Excellence award

1.5.1 A culture of innovation

Innovation has been in the Group's DNA since its inception.

As corroborated by studies by the European Patent Office and the European Union Intellectual Property Office, there is a close correlation between ownership of industrial property rights and economic performance.

EXEL Industries is aware of and nurtures this link between innovation and competitiveness.

R&D is thus especially developed within the Group. It represents approximately 8.8% of its headcount and 4.0% of its revenue.

Each activity includes R&D teams organized by areas of expertise, under the management of the holding company, which ensures the protection, management, defense and promotion of all of the Group's intellectual property rights.

According to the INPI study "Dynamics of French mid-sized companies and SMEs filing patents 2019-2023" published in November 2024, the EXEL Industries group is ranked third in the list of mid-sized companies filing patents with 99 patent applications published over this period.

Intellectual property

In respect of the past fiscal year, EXEL Industries owns 353 patent families, 2,217 trademarks, 104 designs and 973 domain names.

Each of these rights is individually recognized and has its own value.

The trademarks, to which our customers are attached, enable them to base their purchasing decisions on concrete elements. They create a bond of trust through their indication of origin. The designs reinforce the protection of the aesthetics of our products. Patents, for their part, distinguish our technical solutions by prohibiting their use without authorization by a third party, while domain names are an essential tool for securing the business more globally.

It is the combination of these protections, their understanding, both upstream and downstream of projects, that enables the consolidation of our valuation strategy, in association with the subsidiaries.

The holding company works in close collaboration with the engineers of the R&D departments, creators, sales representatives, communication managers and the IT or marketing departments in order to achieve synergies and to secure and value the Group's intangible assets.

The objective: to create and promote value.

In terms of patents, the decision to file an application is based on various criteria. The quality of the CSR contribution is one of them.

Some inventions are disruptive and it is crucial to protect them. Others, more iterative, are filed as soon as the concept is tested and its use foreseen.

Patent applications are extended in the countries where our competitors operate and in our main markets, which cover, among others, the main industrial countries in Europe, Asia, America and Oceania.

Since June 2023, the Unitary Patent has entered into force. This is a new procedure to extend a patent in 17 Member States of the European Union at a lower cost. This system is used, when it makes sense, to establish our protection, notably, in the countries of Eastern and Northern Europe.

EXEL Industries takes into consideration all the tools and procedural innovations to perfect its valuation strategy. Its policy is therefore particularly aggressive in terms of intellectual property, with all available legal means being used to assert its rights.

1.5.2 Our innovation strategy

1.5.2.1 Agricultural Equipment

The agricultural equipment industry is at the origin of the EXEL Industries group. The R&D teams innovate at each site, in France and abroad. Development policies are defined jointly, with each subsidiary adapting its technological strategy according to its own markets and positioning.

Developments are sometimes carried out through partnerships with universities and/or specialized suppliers, notably to test and guarantee their scientific foundation as well as the quality and robustness of the solutions.

The latest innovations, such as the 3S Spot Spray Sensor® or Geoselect® in agricultural spraying, have made it possible to significantly increase the precision of treatments in order to reduce the consumption of phytosanitary products, on the one hand, and to facilitate the work of users by automating tasks and simplifying decisions, on the other.

This enhanced precision was made possible by the integration and control of various technologies, such as satellite positioning, 3D detection with cameras or the analysis of plants through artificial intelligence.

In sugar beet harvesting, data acquisition and transmission enable farmers and their customers to know production volumes in real time. This instantaneous communication of information is therefore particularly strategic for the sugar industries.

Work to reduce the fuel consumption of machines and the carbon footprint of users is also underway. They involve electrification, the use of bio-fuels or hydrogen.

Autonomous vehicles are also being developed. The TRAXX® vineyards robot is currently operated in vineyards.

1.5.2.2 Industry

Activities involving the application of viscous products and paints are strongly focused on reducing the loss of applied products, with the product savings being immediately quantifiable. These reductions in consumption lead to reductions in operating costs for customers by reducing the need for air conditioning and the volume of waste to be processed.

As manufacturers seek to increase their paint application efficiency, even more precise applications are required. The Low Energy spraying process is an example, already applied by manufacturers.

Paint and viscous product printing is therefore the next step in precision application. The PRINTEC® technology, in development at SAMES, will make it possible to apply paint without overspray.

The spraying technologies developed by the R&D and engineering departments also integrate vision technologies and robotics to meet precision application objectives.

To reduce their energy consumption, manufacturers have also lowered the temperature of paint and sealant baking ovens. New paints have thus emerged to meet these new requirements, however they remain complex to apply. SAMES was able to develop its sprayers to enable its customers to achieve this type of CSR objective.

As for TRICOFLEX, it develops manufacturing processes that promote the use of an increasing share of recycled materials.

1.5.2.3 Leisure

The Garden business is working on the development of practical, easy-to-use products with a unique design, whose objectives are to simplify watering with adjustable reels or extremely light hoses and to control the volumes of water used, with the Smart Timer, for example. The intelligent integration of digital technology makes it possible to provide pleasant and manageable products.

The Olla Aquasolo® Outdoor range (microporous ceramic pots) offers alternative irrigation without watering, thus reducing the risk of water stress and disease related to watering the foliage while allowing up to 50% water savings.

EasyMix 2in1® composting devices (click and spray) and devices for the preparation of natural biological BioMix® solutions also help meet the aspirations of gardeners who care about the environment.

The Nautical business, for its part, is focusing its R&D on the production of high-end yachts with practical, intuitive designs that save space in the restricted environment of a boat. Aesthetics are highlighted, in collaboration with renowned architectural firms, to seduce yachting enthusiasts.

In this industry, innovation is all about the details. While part of this approach focuses on the seaworthiness, performance and safety of boats, the quality of materials, storage possibilities and the practicality of accessories are also sources of development. Particular attention is thus paid to circulating on and in the boat. It aims to achieve optimal comfort without affecting technical performance.

TOFINOU® now offers an electric motor, with batteries being cleverly integrated into the keel.

1.6 Comments on the past fiscal year

1.6.1 2023-2024 financial results

Annual revenue of **€1.1 billion**, up **0.5%** (+€5.0 million), includes a favorable scope effect of €7.2 million, related to the acquisition of the French family-owned DEVAUX group in June 2023.

- AGRICULTURAL SPRAYING

  Order intake declined month on month due to a more challenging overall business climate. The stability of agricultural prices at current levels is prompting farmers to adopt a more cautious approach after two years of heavy investment. Dealers still hold high levels of inventories and are prioritizing the reduction of these stocks over orders for new machines. This has resulted in lower orders across all regional markets. However, sales of self-propelled sprayers and high-clearance tractors held up better than other product ranges.

- SUGAR BEET HARVESTING

  In 2023-2024, continuing high sugar prices boosted sales of sugar beet harvesters in Europe and North America, while sales in Eastern Europe declined as expected. High demand also boosted the market for used machinery and spare parts this year.

- LEISURE

  Given the high level of rainfall in Europe, the watering market declined. However, the market shares of the Group's brands remained stable. In compliance with European sanctions, the Group ceased sales in Russia.

  The Nautical business floundered in a sluggish market, penalized by high dealer inventories.

- INDUSTRY

  The Industry business enjoyed an excellent 2023-2024, despite some disparities among regions and products. In France, sales remained stable, while revenue rose significantly in Europe. In Asia, competition from local integrators curbed sales of high-viscosity products. In North and Central America, sales rose slightly thanks to stronger partnerships with our customers. The powdered paint and systems segments posted strong growth, driven by new projects in North America and Europe.

Recurring EBITDA fell slightly to €87.4 million, *i.e.* 7.9% of Group revenue, compared with €93.8 million or 8.6% of sales in 2022-2023.

Sugar beet harvesting and industrial activities increased and offset decreases in volumes in agricultural spraying and leisure activities.

The cost structure was affected by wage inflation, the integration of Devaux and the continuation of the ERP project in industry.

Net income was down to €31.2 million, compared with €42.5 million for the 2022-2023 fiscal year, impacted by the decline in EBITDA as well as by the following items:

- **Negative net non-recurring expense of -€1.4 million**, almost entirely generated in the first half of the year, mainly due to the impact of restructuring measures in the Sugar Beet Harvesting business, partially offset by capital gains on the disposal of non-current assets;
- **Net financial expense of -€12.1 million**, including cost of debt of €8.3 million and -€3.8 million in exchange losses.

Net financial debt (NFD) excluding IFRS 16 amounted to €99.1 million at September 30, 2024, stable compared with €98.5 million in 2023.

IFRS 16 debt was up €10 million, with no short-term impact, following the mandatory inclusion of lease liabilities.

The Group continued to invest in the renewal and modernization of its plants. A major project to modernize its Stains plant in France (industry) was launched during the fiscal year and will continue in 2024-2025 for a total cost of €20 million.

Lastly, EXEL Industries renewed several lines of credit to cover its current needs and possible acquisitions, these new lines being systematically indexed to CSR criteria.

1.6.2 Analysis of the consolidated and statutory financial statements

EXEL Industries has continued its two activities:

- managing and coordinating its direct subsidiaries, all more than 95% owned;
- managing and steering its portfolio of patents, trademarks, designs and models for which it grants operating licenses.

1.6.2.1 Main consolidated data

(in € millions)	09/30/2024	09/30/2023
Shareholders' equity before appropriation of income	463.1	442.9
Goodwill	72.4	71.7
Net fixed assets (excluding goodwill)	228.7	209.9
Cash and cash equivalents	50.2	64.9
Financial debt (current and non-current)	178.8	182.7
Provisions for contingencies and expenses (current and non-current)	43.3	43.1
REVENUE (EXCLUDING TAX)	**1,099.3**	**1,094.3**
Current operating income	56.4	66.8
Non-recurring operating items	(1.4)	3.9
Operating income	55.1	70.7
Financial income/(expenses)	(12.1)	(10.1)
Net income from consolidated operations	31.2	42.5
Net income attributable to owners of the parent before appropriation	31.2	42.5
Operating cash flows	59.0	59.5
Consolidated net income per share *(in €)*	4.6	6.3
Cash flow per share *(in €)*	8.7	8.8

1.6.2.2 Consolidated income statement

Consolidated revenue was 0.5% higher than at the end of September 2023, rising from €1,094.3 million to €1,099.3 million.

International revenue increased by 1.3%, from €885.7 million to €897.3 million. International revenue accounted for 81.6% of total revenue, compared with 80.9% the previous year.

Revenue was negatively impacted by a translation loss of -€10.2 million due to the appreciation of certain currencies, notably the US dollar.

Current operating income decreased from €66.8 million to €56.4 million.

The net amount of the Group's non-recurring income and expenses was -€1.4 million, mainly related to the costs and provisions in the context of restructuring the Sugar Beet Harvesting business and to the various capital gains from the disposal of non-current assets.

Net financial income was negative, at -€12.1 million, comprising the debt expense and other miscellaneous financial expenses in the amount of approximately -€8.3 million and an unfavorable change in foreign exchange rates in the amount of -€3.8 million.

Pre-tax income decreased from €60.6 million to €43.0 million. In line with the change in pre-tax income, the tax expense fell to €12.6 million compared with €19.0 million last year.

Net income attributable owners of the parent amounted to €31.2 million, compared with €42.5 million last year, or 2.8% of revenue.

1.6.2.3 Balance sheet

Shareholders' equity increased from €442.9 million to €463.1 million, *i.e.* an increase of €20.2 million, which breaks down as follows:

Total recognized income and expenses	€30.9 million
Dividend distribution	€(10.7) million

Equity represented 52.3% of the balance sheet total, compared with 50.0% at the end of the previous fiscal year.

Provisions for contingencies and expenses (current and non-current) of €43.3 million were set aside or maintained to cover the contingencies and expenses identified by the Company.

Working capital fell by €5.9 million, from €265.8 million to €259.9 million, as a result of the following changes:

+ Change in equity	€20.2 million
+ Change in short-term provisions	€1.8 million
+ Change in non-current liabilities	€(4.4) million
- Change in non-current assets	€23.6 million

The change in working capital requirements amounted to +€9.4 million at September 30, 2024 and is explained by:

+ Change in current assets (excluding cash and cash equivalents)	€(5.2) million
- Change in current liabilities (excluding provisions and short-term financial debt)	€(18.3) million
Impact Change	€(3.7) million

At September 30, 2024, financial debt due within one year amounted to €103.5 million and available cash to €50.2 million, resulting in a negative balance of -€53.3 million.

1.6.2.4 Statutory financial statements

Key figures of the statutory financial statements:

(in € millions)	2024	2023
Revenue	34.2	34.2
Operating income	13.4	13.6
Net financial income/(expense)	11.0	(8.8)
Net income	19.6	(6.0)

Net financial income/(expense) primarily includes dividends paid by subsidiaries, interest income from cash and cash equivalents and financial interest on debt, as well as net allocations to financial provisions and impairments. Net financial income is detailed in the notes to the statutory financial statements, in Chapter 6.

1.6.2.5 Investments

Summary of investments made over the past fiscal years

(in € millions)	2024	2023	2022	2021	2020	2019
Tangible and intangible investments	29.5	19.3	26.3	15.5	10.3	10.2
Financial investments	0.8	0.7	1.2	0.5	0.6	0.2
New leases subject to IFRS 16	19.8	8.1	7.6	5.1	3.3	-

Over the last fiscal year, Group investments amounted to €50.1 million.

The main investments involved:

- the launch of renovation and modernization work on the Stains plant;
- the acquisition of buildings in Italy for G.F;
- the renewal and modernization of production tools at all Group companies.

New leases subject to IFRS 16 increased during the fiscal year following the renewal of several significant real estate leases.

1.7 2024-2025 trends

AGRICULTURAL SPRAYING. After two exceptional years, business is back to a normal seasonality. The amount of new orders fell significantly over the last 12 months, calling for a degree of caution for the rest of the fiscal year. Markets, currently in decline, are showing some signs of recovery in Northern Europe and Eastern Europe. Production capacities will be adjusted to adapt to the current level of business, and vigilance will be maintained with regard to changes in costs.

SUGAR BEET HARVESTING. Sugar prices remained high and provided support for the sale of machines. In 2025, priority will be given to the development of after-sales activities, with, on the one hand, an enhanced service offering and, on the other, the reinforcement of sales of spare parts. Moreover, the Group continues to establish its presence in North America.

LEISURE. The watering market experienced three consecutive years of economic downturn, but the Group increased its market share slightly. Limited inventories at dealers should lead to a better preseason than last year. The boating market remains challenging, with dealer inventories still high. In 2025, the Wauquiez 55 will be launched at the Düsseldorf boat show.

INDUSTRY. Business is expected to remain strong in 2025, particularly in North America. 2025 will also be a year of investments, with the continuation of work on the Stains plant and the preparation of the ERP migration. The Group will continue to develop its ranges, increasing the proportion of recycled PVC in its pipes.

2 Corporate Governance Report

Pursuant to Article L.22-10-10 of the French Commercial Code, this Corporate Governance Report, prepared under the responsibility of the Board of Directors, provides information on the composition of the Board of Directors and on the conditions for the preparation and organization of its work during the 2023-2024 fiscal year, as well as on the implementation of the principle of balanced gender representation.

The report also presents the list of offices and positions held in any company by each corporate officer, as well as the Corporate Governance Code to which the Company refers, a table summarizing the delegations of authority to increase its share capital (Section 7.7), the specific terms and conditions relating to the participation of shareholders in the Annual General Meeting (Section 7.10), and any matters liable to have an impact in the event of a public tender offer (Section 7.9).

It specifies the principles and rules adopted by the Board of Directors to determine the remuneration and benefits of any kind granted to the corporate officers.

EXEL Industries refers to the Corporate Governance Code established by Middlenext (the "Middlenext Code"). The recommendations of the French Financial Markets Authority (AMF) were also followed for the preparation of this report.

This report was reviewed by the Remuneration and Appointments Committee on December 16, 2024. It was approved by the Board of Directors on December 18, 2024.

2.1 Corporate governance statement

Deviations from the Middlenext Code pursuant to the Comply or Explain principle

The Company refers to the Middlenext Code, which was last revised on September 13, 2021. This Code is available on the Middlenext website.

Three new recommendations were introduced in the Middlenext Code in September 2021: (1) training for Directors, (2) establishment of a CSR Committee, (3) Company diversity and equity policy.

A CSR Committee was created and its first meeting was held on September 28, 2022; the topics discussed by the CSR Committee are described below (Section 2.3.3):

- the Group strives to diversify its hires, notably in terms of gender diversity, with the percentage of women in its workforce being 21% overall and 18% among management (see Chapter 4, Statement of Non-Financial Performance);
- Directors regularly attend presentations by management and meetings with the Group's management team.

In accordance with the provisions of Article L.225-37 of the French Commercial Code, the Board of Directors endeavors to review its application of the Middlenext Code on an annual basis.

The table below lists the provisions of the Middlenext Code that were set aside and the reasons for doing so.

Middlenext recommendations	Comply or Explain
Assessment of the work of the Board of Directors each year	*Given the size and composition of the Board of Directors, the members of the Board consider that assessing its work every two years is sufficient to provide a reliable outlook on its development.*
Succession of executive officers	*The management team of the holding company EXEL Industries was strengthened and includes, in addition to the Chief Executive Officer, two Deputy CEOs, a Chief Transformation Officer, a Chief Financial Officer and a Chief Legal Officer; in the event of impediment, one of the members of this team could act as interim CEO.* *Should the Chairman of the Board be unable to attend, the Chairmanship of the Board of Directors may be held by another Director appointed for this purpose by the Board.*

2.2 The Board of Directors

2.2.1 Composition of the Board of Directors

In accordance with Article 13 of the Articles of Association, the Company is managed by a Board of Directors of at least three and no more than eighteen members.

Since April 22, 2011, the functions of the Chairman of the Board of Directors have been separated from those of the Chief Executive Officer. In the event of a split vote, the Chairman of the Board of Directors has a casting vote.

At the date of filing of this Universal Registration Document, the Board of Directors comprised eight members. Seven members are appointed by the Annual General Meeting for a six-year term; the eighth member, representing the employees, is appointed by the Group Works Council of the EXEL Industries group for a period of three years. This member has attended the meetings of the Board of Directors since February 7, 2018, with voting rights. His term of office was renewed by the Group Works Council on February 6, 2024.

At the Annual General Meeting of February 6, 2024, the shareholders renewed the terms of office as Directors of Mr. Marc BALLU and Ms. Pascale AUGER.

The number of members of the Board of Directors over the age of 70 may not, at the end of each Ordinary Annual General Meeting, exceed one third of the sitting members of the Board of Directors.

The Company complies with the legal requirements regarding the proportion of women on the Board of Directors (Article L.22-10-3 of the French Commercial Code): when the Board of Directors is composed of no more than eight members, the difference between the number of Directors of each gender may not be greater than two; as the Board of Directors comprises eight members, including the Director representing employees, who is not included in the calculation, the number of women is three out of seven, *i.e.* a difference of one and a proportion of 43%. The appointment of the new permanent representative of EXEL (SAS), in September 2023, did not change this proportion.

Therefore, compliance as regards the composition of the Board of Directors goes beyond the recommendations of the law.

2.2.1.1 Composition of the Board of Directors as of January 10, 2025

Name	Gender	Position	Date of first term	Expiry of current term	Committee membership	Independence (Middlenext Code)	Experience and expertise provided
Patrick BALLU	M	Chairman of the Board of Directors	AGM of September 13, 1980	2029 AGM	Member of the Remuneration and Appointments Committee and the CSR Committee	No	Founder of the EXEL Industries group Expertise of the agricultural world and industry
Marc BALLU	M	Director	AGM of January 24, 2012	2030 AGM		No	Expertise of the agricultural world, leisure industry and B2B2C
Cyril BALLU	M	Director	AGM of March 12, 2020	2026 AGM		No	Expertise of the agricultural world and nautical industry
Pascale AUGER	F	Director	AGM of February 7, 2018	2030 AGM	Chairwoman of the Audit Committee Member of the Remuneration and Appointments Committee	Yes	Finance/ accounting Industrial experience Strategy
JUMP'TIME represented by Claude LOPEZ	M	Director	Decision of the Board of Directors of February 18, 2014 ratified by the AGM of January 21, 2015	2028 AGM	Chairman of the Remuneration and Appointments Committee Member of the Audit Committee Member of the CSR Committee	Yes	B2B2C marketing/ commerce Expertise of the agricultural world Strategy Mergers/ acquisitions
Sylvain MACCORIN	M	Director representing the employees	Decision of the Group Works Council dated February 9, 2021	At the end of the AGM called to approve the financial statements for the fiscal year ended September 30, 2027		No	Retail Knowledge of the agricultural world
EXEL (SAS) represented by Marie-Claire BALLU(1)	F	Director	AGM of February 2, 1995	2029 AGM		No	
Sonia TROCMÉ-LE PAGE	F	Director	AGM of February 8, 2022	2028 AGM	Chairwoman of the CSR Committee	Yes	Finance Sustainable development

(1) *Board of Directors' meeting of September 27, 2023, having noted the replacement of Ms. Ella ÉTIENNE-DENOY (in her capacity as Chairwoman of EED Impact), as of September 12, 2023, by Ms. Marie-Claire BALLU as representative of EXEL SAS on the Board of Directors of EXEL Industries.*

BOARD OF DIRECTORS		COMMITTEES OF THE BOARD	AUDIT COMMITTEE
3 women	**3** independent members	Chaired by and predominantly composed of **independent members**	**100%** independent

2.2.1.2 Diversity policy of the Board of Directors

The composition of the Board of Directors complies with the recommendations of the Middlenext Code. The EXEL Industries Board of Directors pays particular attention to the quality of the skills of its members, their knowledge of the Group and the markets in which it operates, as well as their strategic vision.

It recently added the skills of two new Directors: Marie-Claire BALLU, permanent representative of EXEL (SAS) on the Board of Directors, and Sonia TROCMÉ-LE PAGE, who brings her expertise in impact financing and her knowledge of the international financial and non-financial environment, notably in the United States.

These complementary and comprehensive skills are essential to support EXEL Industries' Executive Management in the pursuit of its strategic goals and the Group's organic growth.

2.2.1.3 Analysis of the independence of the members of the Board of Directors

Each year, the Board of Directors reviews the independence of its members with regard to the criteria of the Middlenext Code.

Thus, at their meetings of December 16 and 18, 2024, the Remuneration and Appointments Committee and the Board of Directors conducted a review of the independence of its members on the basis of questionnaires prepared by the Remuneration and Appointments Committee based on the five independence criteria set out in the Middlenext Code.

In accordance with the recommendation of the Middlenext Code, the Board of Directors considered that three members meet the independence criteria set out by the Middlenext Code as of December 18, 2024, namely Pascale AUGER, Claude LOPEZ and Sonia TROCMÉ-LE PAGE.

2.2.1.4 Other information on the Directors

No conviction for fraud, public incrimination and/or sanction, or liability for bankruptcy during the last five years

To the best of the Company's knowledge and as of the date of this Universal Registration Document, no member of the Board of Directors has, over the past five years: (i) been convicted of fraud or been the subject of an official accusation and/or official public sanction by the statutory or regulatory authorities (ii) been associated with a bankruptcy, receivership, liquidation or placement under court administration; (iii) been deprived by a court of the right to serve as a member of the Board of Directors, management or supervisory board of an issuer or to intervene in the management or conduct of the affairs of an issuer.

Conflicts of interest, family ties and service contracts

Patrick BALLU, Marc BALLU and Cyril BALLU are members of the BALLU family. They are also respectively Chairman and Deputy CEOs of EXEL (SAS), the Company's main shareholder, holding company of the BALLU family. Marc BALLU and Cyril BALLU are also Deputy CEOs of the Company.

To the best of the Company's knowledge and as of the date of this Universal Registration Document, there are no known or potential conflicts of interest between, on the one hand, the private interests or other duties of the members of the Board of Directors and, on the other, their obligations towards the Company that have not been dealt with in accordance with the procedure for managing conflicts of interest provided for in the Internal Rules of the Board of Directors.

There are no family ties among the members of the Board of Directors and the Chief Executive Officer.

Terms of office of the members of the Board of Directors as of September 30, 2024

Patrick BALLU: Chairman of the Board of Directors of EXEL Industries, Chairman of EXEL (SAS), Manager of SCI Le Capricorne, SCI Le Lion and SCI Le Sagittaire *(intra-Group offices* [1]*)*.

Marc BALLU: Deputy CEO of EXEL Industries, Deputy CEO of EXEL (SAS), Chief Executive Officer of HOZELOCK EXEL and TRICOFLEX, HOZELOCK AUSTRALIA PTY Ltd., Director of HOZELOCK Limited, RASINDECK LIMITED, MINWORTH PROPERTY UK LIMITED and G.F. S.R.L., Chairman of the Board of Directors of ÉTABLISSEMENTS DEVAUX (SA) and DUCHESNAY (SA), Manager of SCI DUCHESNAY *(intra-Group offices*[1]*)*.

Cyril BALLU: Deputy CEO of EXEL Industries, Deputy CEO of EXEL (SAS), Permanent Representative of the Chairwoman of EXEL Yachting and Ettore Yachting, Manager of SCI Maizy Tessous, Manager of SOCIÉTÉ CIVILE IMMOBILIÈRE DES VOILIERS, Manager of INGELIA *(intra-Group offices*[1]*)*, Chairman of the simplified joint-stock company *(société par actions simplifiée)* SAGAVEST.

Pascale AUGER: Independent Director of EXEL Industries, Chairwoman of CORPORATE ANGEL CONSULTING, Independent Director of SIGNAUX GIROD; Independent Director and Chairwoman of the Board of Directors of PRODEVAL; Independent Director of the ICAPE group and Chairwoman of its Appointments, Remuneration and Governance Committee; Independent Director of the GUERBET group, Director of the JUNIA engineering school consortium.

Claude LOPEZ: Independent Director of EXEL Industries, Chairman of Jump'Time, Manager of SARL DES GRANDES TERRES.

Marie-Claire BALLU: Director of EXEL Industries.

Sonia TROCMÉ-LE PAGE: Independent Director of EXEL Industries, Chairwoman of NANTUCKET CAPITAL, Director of SofiOuest, Director of Chapter Zero France (Directors' forum for the climate), member of the Supervisory Board of ESFIN Gestion, member of the Investment Committee of a Generali impact fund.

Sylvain MACCORIN: no office.

(1) These offices concern companies controlled by EXEL (SAS), the main shareholder of EXEL Industries.

2.2.2 Functioning, conditions of preparation and organization of the work of the Board of Directors

2.2.2.1 Framework governing the work of the Board of Directors

The conditions for preparing and organizing the work of the Board of Directors are set out in the Internal Rules of the Board of Directors, dated September 25, 2019 and updated by the Board at its meeting on March 7, 2024. The Board's Internal Rules constitute the Directors' Governance Charter.

The Board of Directors meets as often as the interests of the Company require, when called by its Chairman.

The provisional annual schedule of Board meetings (excluding extraordinary meetings) is drawn up and communicated to each member before the end of each fiscal year.

The Statutory Auditors are invited to the Board meetings that approve the annual and half-year financial statements. The Chief Financial Officer attends Board meetings for matters that concern him.

Whenever necessary, the Board of Directors holds discussions without the presence of the Chief Executive Officer.

Each meeting gives rise to the preparation of a preparatory file covering the items on the agenda. It is submitted to each member before the meeting in order to allow the Directors to examine the documents in advance.

During the meeting, a detailed presentation of the items on the agenda is made by the members of the Executive Management; each Director receives the information necessary for the performance of his or her duties and may request any relevant documents. The presentations are subject to questions and are followed by discussions before the vote. Draft minutes mentioning the decisions taken and the reservations raised are then sent to the members for review and comment before being formally approved by the Board of Directors.

The Directors also receive useful information at any time in the life of the Company, if the importance or urgency of the information so requires. They also receive all the information published by the Company (press releases) at the time of its release.

2.2.2.2 Internal Rules of the Board of Directors

The Internal Rules of the Board of Directors, adopted at the Board meeting of September 25, 2019, were updated by the Board at its meeting of March 7, 2024, following the creation of the CSR Committee in 2022 and the reform of the Middlenext Code of September 2021. It recalls that the Board determines the strategy and orientation of the Group's activities and oversees their implementation by the corporate officers it appoints. Subject to the powers expressly granted by law to Annual General Meetings and within the limits of the corporate purpose, it deals with all matters relating to the due operation of the Company and settles matters concerning it through its decisions.

The Internal Rules are divided into three parts:

- Part I is devoted to the composition and functioning of the Board, and notably to the independence criteria for Directors, the provision of information to Directors and the management of conflicts of interest;
- Part II is devoted to Board Committees and the assessment of the Board;
- Part III describes the duties of the Chairman of the Board, the Chief Executive Officer and the Deputy CEOs.

2.2.2.3 Tasks of the Board of Directors

As stated in the Board of Directors' Internal Rules, each Director performs his or her role with business integrity and in a loyal, non-competitive, ethical, confidential and professional manner, in the corporate interest of EXEL Industries and the Group, and in the common interest of its shareholders.

The main points discussed at Board of Directors' meetings during the 2023-2024 fiscal year and the beginning of the 2024-2025 fiscal year were as follows:

- With regard to accounting and financial matters, the Board of Directors approved the statutory financial statements and the consolidated financial statements for the first half of 2023-2024 and for the 2023-2024 fiscal year, as well as the related financial disclosures. It examined the Group's business activity and progress, as well as the Group's provisional management documents, financial position, debt, cash position and long-term financing. It reviewed and approved the Group's draft budget for the 2024-2025 fiscal year.
- With regard to strategic issues, the Board of Directors monitored the implementation of the Group's strategic orientations, notably decided to propose to the Annual General Meeting of February 4, 2025 the appointment of a sustainability auditor, and approved the mergers of the entities Berthoud and Gama, on the one hand, and Tecnoma and Supray Technologies, on the other. The Board of Directors regularly analyzes and discusses a strategic issue and keeps itself informed of market developments. In particular, in May 2024, the Board of Directors devoted a day to a strategic seminar, during which the topics of CSR and external growth were discussed.
- With regard to governance issues, the Board reviewed the evolution of the Board's composition, updated its Internal Rules, adopted the Group's new Code of Conduct and reviewed the draft Universal Registration Document. It reviewed the Company's compliance with the recommendations of the Middlenext Code and the remuneration principles of the management team, and discussed professional and salary equality within the Group, the assessment of the Board of Directors and the non-financial report.

The Board of Directors met four times during the 2023-2024 fiscal year, with an attendance rate of 100%. The meetings lasted an average of eight hours. In addition, the Board of Directors held several videoconference meetings during the year on *ad hoc* topics; these meetings lasted approximately one hour.

2.2.2.4 Assessment of the Board of Directors

The assessment of the work of the Board of Directors was carried out in March 2023 on the basis of a questionnaire supplemented by individual interviews conducted by the Chairman of the Remuneration and Appointments Committee. The assessment was positive; areas for improvement were identified. The Board of Directors discussed it at its meeting of March 8, 2023. The Board of Directors' work is assessed every two years (see Section 2.1 above). The next such assessment will be carried out in the course of 2025.

2.3 Committees of the Board of Directors

For the Board of Directors to perform its duties under the best possible conditions, its Internal Rules provide that its discussions should in certain areas be prepared by specialized Committees.

There are three such Committees, namely the Audit Committee, the Remuneration and Appointments Committee and the CSR Committee.

2.3.1 The Audit Committee

The Audit Committee currently has two independent members: Ms. Pascale AUGER, Chairwoman, and Mr. Claude LOPEZ, representing Jump'Time (SAS). The Chairman of the Board of Directors has a standing invitation to each meeting of the Audit Committee. The Statutory Auditors as well as the Chief Executive Officer and the Group Chief Financial Officer are also invited to each meeting. Any Director who so wishes may attend. The EXEL Industries Audit Committee has been in existence since December 9, 2011.

In accordance with Order No. 2008-1278 of December 8, 2008 on Statutory Auditors, the AMF's final report on the Audit Committee (July 2010) and AMF recommendation 2010-19, the Audit Committee's main task is to monitor:

- the process of preparing financial and non-financial information;
- the efficiency of the internal control and risk management systems;
- the statutory audit by the Statutory Auditors of the annual and consolidated financial statements;
- the independence of the Statutory Auditors;
- the approval of the provision of services other than the certification of financial statements.

To this end, the Audit Committee analyzes, monitors and gives its opinion on the accuracy and fair presentation of the consolidated financial statements, the effectiveness of internal control measures and the management of risks and opportunities. It proposes the audit plan to the Board of Directors, examines the internal audit reports and ensures the effective implementation of the recommendations made. The Audit Committee reviewed the Group's legal and tax risks, discussed the implementation of internal control and examined the procedures for integrating the Group's new acquisitions.

In 2023-2024, the Audit Committee met twice, with an average attendance rate of 100%. The meetings lasted an average of four hours.

2.3.2 The Remuneration and Appointments Committee

The Remuneration and Appointments Committee has three members, two of whom are independent: Mr. Patrick BALLU, Chairman of the Board of Directors, Mr. Claude LOPEZ representing Jump'Time (SAS), Chairman of the Committee and Independent Director, and Ms. Pascale AUGER, Independent Director. The Chief Executive Officer has a standing invitation, but does not take part in decisions relating to him. The Group Human Resources Director is invited on an as-needed basis. The Remuneration and Appointments Committee has been in existence since April 14, 2014.

The main tasks of the Remuneration and Appointments Committee are as follows:

- propose changes to its composition to the Board of Directors;
- propose to the Board of Directors the remuneration of the Chief Executive Officer and set the criteria for his or her variable remuneration;
- approve the remuneration policy for the executive team decided by the Chief Executive Officer;
- propose the amount and distribution of the Directors' remuneration;
- manage the assessment of the Board of Directors.

In 2023-2024, the Remuneration and Appointments Committee met three times, with an average attendance rate of 100%. The meetings lasted an average of two and a half hours.

2.3.3 The CSR Committee

Until September 2023, the CSR Committee had four members, two of whom were independent (Ms. Sonia TROCMÉ-LE PAGE, Chairwoman of the Committee and Independent Director, and Mr. Claude LOPEZ, representing Jump'Time (SAS), Independent Director). Since the appointment of the new permanent representative of EXEL SAS on September 12, 2023, it now has only three members, two of whom are independent: Ms. Sonia TROCMÉ-LE PAGE, Chairwoman of the Committee and Independent Director, Mr. Patrick BALLU, Chairman of the Board, Mr. Claude LOPEZ representing Jump'Time (SAS), Independent Director. The Chief Executive Officer and the Group Chief Transformation Officer are invited to each meeting.

The Group Chief Sustainable Transformation Officer is responsible for implementing the Group's CSR policy.

The CSR Committee was officially established on May 25, 2022.

The main duties of the CSR Committee are as follows:

- propose to the Board of Directors the actions to be implemented within the Group;
- propose a long-term CSR strategy to the Board of Directors;
- review mandatory CSR publications;
- ensure the monitoring of the development process and the compliance of sustainability information;
- carry out the process for appointing sustainability auditors.

In 2023-2024, the CSR Committee met three times, with an average attendance rate of 100%. The meetings lasted an average of four hours.

2.4 Group Management

2.4.1 Executive Management

From December 17, 2019 to December 20, 2023, the Executive Management of the EXEL Industries group was overseen by Yves BELEGAUD, who informed the Board of Directors of his intention to exercise his retirement rights.

Since December 20, 2023, it has been overseen by Daniel TRAGUS, an ICAM engineer by training and an Executive MBA graduate of HEC Paris, who has spent his entire career in EXEL Industries group companies. From 1988, he held various technical and managerial position at KREMLIN, a global leader in industrial spraying. In 1999, he became its Managing Director. In addition, Daniel TRAGUS played a pivot role in the integration of HARDI, AGRIFAC, HOLMER and ET Works. Since 2016, he has been responsible for Group strategy, M&A, and Intellectual Property, and, since 2020, he has been Group Deputy CEO. In this context, he has led several structural projects alongside Yves BELEGAUD.

Daniel TRAGUS is assisted by two Deputy CEOs: Marc BALLU and Cyril BALLU, which was also the case for Yves BELEGAUD, who was however also assisted by a third Deputy CEO, Daniel TRAGUS, before he undertook his new duties as Chief Executive Officer.

Offices of the members of the Executive Management as of January 10, 2025

Offices or positions	Company in which the office or position is held	Location of the Company's registered office
DANIEL TRAGUS, CHIEF EXECUTIVE OFFICER SINCE DECEMBER 20, 2023		
Permanent representative of EXEL Industries	CAPAGRI	Rue Pasteur, 59159 Noyelles-sur-Escaut
	CMC (Constructions Mécaniques Champenoises)	1, rue Vincent Ballu, 51200 Épernay
	EMC LLC	5, Serijny Proezd, Volgograd 400075, Russia
	EVRARD	301, rue du 21 mai 1940, 62990 Beaurainville
	EXXACT Robotics	1, rue Vincent Ballu, 51200 Épernay
	BERTHOUD	1, rue de l'Industrie, ZI de Bois Baron-Belleville, 69220 Belleville-en-Beaujolais
	HOZELOCK EXEL	891, route des Frênes, ZI de Joux, 69400 Arnas
	NICOLAS SPRAYERS	2, rue de l'Industrie, 45550 Saint-Denis-de-l'Hôtel
	PRÉCICULTURE	165, rue des Verriers, 51230 Fère-Champenoise
	SAMES	13, chemin de Malacher, 38240 Meylan
	TECNOMA	54, rue Marcel Paul, 51200 Épernay
	TRICOFLEX	17, avenue Jean-Juif, 51300 Vitry-le-François
Chairman of the Board of Directors	ET WORKS Inc.	2201 Hancel Parkway, Mooresville, IN, 46158, United States
	EXEL REAL ESTATE DENMARK A/S	Herthadalvej 10, 4840 Nørre Alslev, Denmark
	G.F. S.R.L.	Via Dell'Industria 1, Correggio (RE), CAP 42015, Italy
	HARDI INTERNATIONAL A/S	Herthadalvej 10, 4840 Nørre Alslev, Denmark
	POMMIER S.C.E.B.P.	Rue de la Conie Viabon, 28150 Éole-en-Beauce
	RASINDECK Limited	Midpoint Park, Minworth, Sutton Coldfield, B76 1AB, United Kingdom
Director	AGRIFAC MACHINERY B.V.	Eesveenseweg 15, 8332JA Steenwijk, The Netherlands
	AGRIFAC NORTH AMERICA Inc.	400 East Court Avenue, Des Moines, IA 50309, United States
	AXEMA	19 rue Jacques Bingen, 75017 Paris
	EXEL REAL ESTATE AUSTRALIA PTY LTD	538 Cross Keys Road, Cavan SA 5094, Australia
	EXEL REAL ESTATE Inc.	45001 5 Mile Rd Plymouth, MI 48170, United States
	EXEL REAL ESTATE NETHERLANDS B.V.	Eesveenseweg 15, 8332JA Steenwijk, The Netherlands
	HARDI AUSTRALIA PTY LTD	536 Cross Keys Road, Cavan SA 5094, Australia
	ILEMO-HARDI S.A.U.	N-230 km 5,6 – 25196 Lleida, Spain
	INSTITUT CATHOLIQUE D'ARTS ET MÉTIERS SITE DE GRAND PARIS SUD	34 points de vue, 77127 Lieusaint
Managing Director	Holmer Maschinenbau GmbH	Regensburger Strasse 20, 84069 Schierling/Eggmühl, Germany
	EREG (EXEL REAL ESTATE GERMANY) GmbH	Regensburger Strasse 20, 84069 Schierling/Eggmühl, Germany
	SCI CATHAN	Rue Pasteur, 59159 Noyelles-sur-Escaut

No conviction for fraud, public incrimination and/or sanction, or liability for bankruptcy during the last five years

To the best of the Company's knowledge and as of the date of this Universal Registration Document, no member of the Executive Management has, over the past five years: (i) been convicted of fraud or been the subject of an official accusation and/or official public sanction by the statutory or regulatory authorities (ii) been associated with a bankruptcy, receivership, liquidation or placement under court administration; (iii) been deprived by a court of the right to serve as a member of the Board of Directors, management or supervisory board of an issuer or to intervene in the management or conduct of the affairs of an issuer.

Conflicts of interest, family ties and service contracts

Marc BALLU and Cyril BALLU are members of the BALLU family and are Directors of the Company. They are also Deputy CEOs of EXEL SAS, the Company's main shareholder.

To the best of the Company's knowledge and as of the date of this Universal Registration Document, there are no proven or potential conflicts of interest between, on the one hand, the private interests or other duties of the members of the Executive Management and, on the other, their obligations to the Company.

2.4.2 Top Managers Committee

As of the date of publication of this Universal Registration Document, the Top Managers Committee is composed of the Chief Executive Officers of the Group's main activities or companies as well as the Group's main functional managers.

2.5 Assessment Charter for regulated agreements and agreements relating today-to-day transactions entered into on an arm's length basis

The Assessment Charter for regulated agreements was drawn up in accordance with Article L.22-10-12 of the French Commercial Code, which requires the Board of Directors of EXEL Industries to establish a procedure in order to regularly assess whether the agreements considered as current meet these conditions or whether they must be reclassified as regulated agreements. The provisions relating to regulated agreements are intended to prevent potential conflicts of interest between a company and its corporate officers or significant shareholders.

The Charter was approved by the Board of Directors of EXEL Industries on December 16, 2020, on the recommendation of the Audit Committee and in consultation with its Statutory Auditors. The Company referred to the guide of the *Compagnie Nationale des Commissaires aux Comptes* ("CNCC"; the French national auditing body) of February 2014 for the establishment of the Charter.

The Charter describes which agreements are subject to the control procedure for regulated agreements, notably taking into account the specific features of the EXEL Industries group. It then specifies the criteria for agreements relating to standard transactions concluded on an arm's length basis; a non-exhaustive list of agreements excluded from the control procedure for regulated agreements or standard agreements is provided in the appendix to the Charter.

The Charter then describes the procedure for assessing standard agreements:

Before being signed, each function involved in the negotiation and conclusion of a standard agreement must assess whether the conditions fall within the criteria of standard agreements concluded on an arm's length basis. This assessment must be documented.

In the event of doubt as to the classification of an agreement, the Legal Department is consulted, as are the Statutory Auditors; if there is any doubt, it is recommended that the said agreement be subject to the regulated agreements control procedure.

The Legal Department, in collaboration with the Finance Department, regularly reviews the application of the Charter.

To facilitate this evaluation work, the functions involved in the conclusion of the agreements must be able to list and transmit the agreements in their scope to the Legal Department. People with a direct or indirect interest in one of these agreements do not take part in the assessment (depending on the case, the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy CEOs, the Directors, shareholders holding more than 10% of the voting rights or the company (or companies) controlling said shareholder).

If the Legal Department and the Finance Department jointly consider that an agreement appearing on the list of current agreements concluded on an arm's length basis should fall within the scope of regulated agreements, the Audit Committee may be asked to confirm that the procedure for regulated agreements is applicable. The Board of Directors, where necessary during its review of regulated agreements, may decide, on the recommendation of the Audit Committee, to rectify the situation (rectification procedure set out in Article L.225-42 of the French Commercial Code).

The Legal Department reports, when necessary, to the Audit Committee on the results of its assessment.

The agreements entered into by EXEL Industries during the 2023-2024 fiscal year are current intra-Group agreements and were entered into on an arm's length basis with its subsidiaries (see Chapter 5, Note 23.2 "Transactions with other related parties").

For agreements that could be classified as regulated agreements, Article L.22-10-12 of the French Commercial Code provides that agreements entered into by two companies of which one holds, directly or indirectly, all of the share capital of the other party, are not subject to the control procedure for regulated agreements, even if they are not current by nature (*e.g.* write-offs of receivables, disposals of buildings or leases).

Given the 100% ownership of all EXEL Industries group companies, with the exception of three companies, including two companies acquired in 2023 (Devaux group) by the parent holding company, EXEL Industries SA, the provisions of Article L.22-10-12 of the French Commercial Code are applicable.

In accordance with the principles of good governance, these agreements are presented to the Board of Directors, as stipulated in the Charter for classifying agreements.

2.6 Stock market ethics of management bodies and management of conflicts of interest

2.6.1 Stock market ethics

Directors and members of Executive Management are bound by a strict confidentiality obligation concerning specific, non-public information that could have a significant influence on the price of the Company's shares or any other listed securities. This information constitutes inside information.

The members of the management and supervisory bodies must refrain from carrying out, directly or indirectly, on their own behalf or on behalf of others, any transaction in the Company's shares or any other listed securities when they are in possession of inside information. They are included on the lists of insiders drawn up by the Company's Legal Department.

This same obligation of confidentiality is required during certain periods known as "blackout windows", when the Company publishes its annual and half-yearly financial statements and its quarterly revenue. These periods are as follows: for the publication of the annual and half-yearly financial statements, these are the 30 calendar days preceding and the day following this publication; for the publication of quarterly revenue, this refers to the 15 calendar days preceding and the day following this publication.

This abstention requirement is required at any other period communicated by the Company's Legal Department.

These abstention periods end as from the publication of the information concerned, which is the subject of an effective and complete distribution.

Directors and members of the Company's Executive Management, as well as persons related to them, are required to declare to the French Financial Markets Authority (AMF), within three trading days, any transactions they carry out in the Company's shares.

2.6.2 Managing conflicts of interest

Each Director and each person invited to the Board has a duty to declare to the Board of Directors any potential conflict of interest, whether current or potential, direct or through an intermediary, between themselves and the Group. In the event of a conflict of interest, they abstains from participating in the discussion and, in the case of a Director, from voting.

The Board conducts an annual review of the absence of conflicts of interest. Any interested party may inform the Board of Directors of a conflict of interest concerning a Director of which said party is aware.

The Board may ask the Remuneration and Appointments Committee to give its opinion and then decide on the measures to be taken.

The Board, after discussion, may decide to request the dismissal of the Director concerned at the Annual General Meeting, unless they resign voluntarily.

2.7 Remuneration of the Company's corporate officers

Pursuant to Law No. 2016-1691 of December 9, 2016, known as the Sapin II Law, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable to the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy CEOs of the Company in respect of their respective offices are submitted to the vote of the shareholders.

This section takes into account the provisions of Law No. 2019-486 relating to the growth and transformation of companies, known as the Pacte Law and the Order of November 27, 2019 on the remuneration of corporate officers of listed companies. It describes the remuneration of the corporate officers of EXEL Industries SA.

The report on the remuneration of the executive corporate officers was approved by 99.42% of the votes at the Annual General Meeting of February 6, 2024 (11th resolution).

2.7.1 Remuneration policy for corporate officers (*ex-ante* vote) for the 2024-2025 fiscal year

2.7.1.1 Remuneration policy for members of the Board of Directors

The Directors of the Company receive remuneration for their office. The maximum overall amount of the remuneration package to be distributed among the Directors is authorized by the Annual General Meeting on the proposal of the Board of Directors.

Exceptional remuneration may be allocated by the Board of Directors for assignments or offices entrusted to members of the Board of Directors. No exceptional assignments were carried out in 2023-2024.

The Annual General Meeting of February 6, 2024 decided to set the total amount of the Directors' remuneration at €156,000, as was the case for the 2022-2023 fiscal year, and did so following the creation of a new Board Committee in 2022.

For the 2024-2025 fiscal year, the Directors' remuneration will be allocated on an identical basis to that of 2023-2024:

- Director: annual flat rate of €16,000;
- participation in a Committee: annual flat rate of €4,000;
- chairmanship of a Committee: annual flat rate of €8,000.

2.7.1.2 Remuneration policy for the Chairman of the Board of Directors

For the 2024-2025 fiscal year, the remuneration of the Chairman of the Board of Directors consists of:

- fixed remuneration, determined by the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, consistent with the tasks entrusted to the Chairman, his experience and market practices. This fixed remuneration is €66,000 (including €30,000 paid by EXEL SAS, the family holding company of EXEL Industries), unchanged since 2016; this remuneration does not form part of the Directors' fees decided by the Annual General Meeting;
- remuneration for his term of office as Director and his duties on the Remuneration and Appointments Committee and the CSR Committee, the allocation of which is determined in accordance with the allocation rules decided by the Board of Directors: this is the Director's flat rate of €16,000;
- the Chairman of the Board of Directors also receives benefits in kind corresponding to health insurance and the provident scheme and a company car.

2.7.1.3 Remuneration policy for executive corporate officers

The remuneration policy for the Chief Executive Officer and the Deputy CEOs for the 2024-2025 fiscal year is described in this section. It will be submitted for approval to the Ordinary General Meeting called to approve the financial statements for the fiscal year ended on September 30, 2024.

The remuneration paid to executive corporate officers includes a fixed portion, a variable portion and benefits in kind.

The fixed portion is determined by taking into account the complexity of the duties, the skills and the experience required to perform these duties, as well as the country in which they are performed. The Remuneration and Appointments Committee and the Board of Directors regularly examine changes in the fixed remuneration of the executive officers on the basis of the scope and performance of each of them.

The calculation method of the variable portion of the remuneration was reviewed in September 2020 by the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, in order to partly index the variable portion on the change in the Group's Operating Cash Flow Before Tax and/or the activities managed and partly on the achievement of individual objectives for each executive officer.

The variable portion linked to changes in Operating Cash Flow Before Tax varies depending on the result achieved, within a range of 0% to 150% of the financial amount at stake for each executive officer.

The individual portion of the variable remuneration varies depending on the achievement, as assessed, of the objectives, within a range of 0% to 130% of the financial amount at stake for each executive officer. For the Chief Executive Officer, the range has been 0% to 150% since December 20, 2023.

The weighting for each executive officer of the variable portion linked to changes in Operating Cash Flow Before Tax and that related to the achievement of individual objectives varies according to their responsibilities within the Group; since December 20, 2023 only one weighting has been used:

- For the Chief Executive Officer: 60% Operating Cash Flow Before Tax/40% individual financial and non-financial objectives. For the two executive officers in charge of a business line: 50% Operating Cash Flow Before Tax/50% individual financial and non-financial objectives.

Individual objectives include a CSR objective.

The target variable remuneration of Daniel TRAGUS, Chief Executive Officer since December 20, 2023, is €200,000, which may vary between €0 and €300,000.

The target variable remuneration for Marc BALLU is €112,610, which may vary between €0 and €157,650; for Cyril BALLU, it is €44,420, which may vary between €0 and €62,190.

The implementation of the remuneration policy may be waived if the waiver is temporary, subject to the occurrence of exceptional circumstances, in line with the corporate interest and where necessary to guarantee the Group's sustainability.

It should be noted that the Company does not grant its executive corporate officers:

- stock subscription or purchase options;
- performance shares;
- severance payment;
- supplementary pensions.

In view of the fact that executive corporate officers do not have an employment contract, they benefit from health insurance and provident insurance, in the same way as Group employees. The Chief Executive Officer and the eligible Deputy CEOs benefit from a social security regime for company managers called the *Garantie Sociale des Chefs d'Entreprise* (GSC). They also benefit from the provision of a company car.

2.7.1.4 Appointment of a new executive officer or departure of an executive officer

In the event of the appointment of a new Chief Executive Officer or Deputy CEO, the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, will determine the fixed and variable components and the criteria for the variable remuneration in accordance with the individual's situation. Where necessary, any changes to the remuneration policy will be submitted to the next Annual General Meeting for approval.

In the event of the departure of the Chief Executive Officer or a Deputy CEO, the fixed portion of the remuneration will be paid *prorata temporis*; eligibility for the payment of the variable portion is subject to presence until the last day of the fiscal year.

2.7.2 Remuneration of the corporate officers paid or allocated during the 2023-2024 fiscal year (*ex-post* vote)

In accordance with Article L.22-10-34-III of the French Commercial Code, the following items of the remuneration paid or awarded to the corporate officers in respect of the 2023-2024 fiscal year are submitted to the vote of the shareholders. It should be noted that the payment of the variable remuneration of the executive corporate officers is subject to its approval by the shareholders at the Annual General Meeting of February 4, 2025.

2.7.2.1 Remuneration of the members of the Board of Directors

The table below shows the remuneration awarded and paid to the Directors by EXEL Industries and by any Group company pursuant to the remuneration policy voted in February 2024.

The amounts awarded correspond to the amounts paid because there is no time lag between the allocation and payment of Directors' remuneration.

Members of the Board of Directors	Amounts paid during the 2023-2024 fiscal year	Amounts paid during the 2022-2023 fiscal year
Patrick BALLU – Chairman of the Board of Directors		
Remuneration of the office	€16,000	€16,000
Fixed remuneration	€66,000[(1)]	€66,000[(1)]
Benefits in kind	€2,661	€2,661
EXEL (SAS) represented by Ella ÉTIENNE-DENOY (until September 12, 2023)		
Remuneration of the office	€0	€10,000
EXEL (SAS) represented by Marie-Claire BALLU (as of September 12, 2023)		
Remuneration of the office	€16,000	€0
Pascale AUGER		
Remuneration of the office	€28,000	€28,000
Sonia TROCMÉ-LE PAGE (appointed at the Annual General Meeting of February 8, 2022 and Chairwoman of the CSR Committee since May 25, 2022)		
Remuneration of the office	€24,000	€24,000
Jump'Time (SAS) represented by Claude LOPEZ		
Remuneration of the office	€32,000	€32,000
Marc BALLU		
Remuneration of the office	€16,000	€16,000
Cyril BALLU		
Remuneration of the office	€16,000	€16,000
TOTAL	**€216,661[(2)]**	**€210,661[(3)]**

(1) Of which €30,000 paid by EXEL SAS, the family holding company of EXEL Industries.

(2) €148,000 was paid to the Directors in respect of their term of office during the 2023-2024 fiscal year out of the €156,000 allocated by the Annual General Meeting of February 6, 2024 for said fiscal year.

(3) €142,000 was paid to the Directors in respect of their term of office during the 2022-2023 fiscal year out of the €156,000 allocated by the Annual General Meeting of February 7, 2023 for said fiscal year. Ella ÉTIENNE-DENOY, no longer being a representative of EXEL SAS since September 12, 2023.

2.7.2.2 Remuneration of the Executive Management

The amounts "paid" during the 2023-2024 fiscal year correspond to the amounts actually received by each member of the Executive Management. The amounts "awarded" in respect of the 2023-2024 fiscal year correspond to the remuneration awarded for duties performed during the 2023-2024 fiscal year, regardless of the date of payment. These amounts include all remuneration paid by Group companies during the fiscal year.

Daniel TRAGUS

Daniel TRAGUS – Group Chief Executive Officer since December 20, 2023 and Deputy CEO until December 20, 2023	2023-2024		2022-2023	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed remuneration	€340,859	€340,859	€272,513	€272,513
Annual variable remuneration	€103,300	€98,450	€98,450	€48,425
Multi-year variable remuneration				
Exceptional remuneration				
Pension payment and special remuneration				
Director remuneration				
Services rendered				
Benefits in kind	€28,404	€28,404	€22,933	€22,933
TOTAL	**€472,563**	**€467,713**	**€393,896**	**€343,871**

Daniel TRAGUS benefits from health insurance, employee welfare arrangements and the social security regime for company managers (GSC).

Yves BELEGAUD

Yves BELEGAUD – Group Chief Executive Officer until December 20, 2023	2023-2024		2022-2023	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed remuneration	€84,444	€84,444	€377,500	€377,500
Annual variable remuneration	€0	€283,920	€283,920	€72,000
Multi-year variable remuneration				
Exceptional remuneration				
Pension payment and special remuneration				
Director remuneration				
Services rendered				
Benefits in kind	€4,179	€4,179	€6,220	€6,220
TOTAL	**€88,623**	**€372,543**	**€667,640**	**€455,720**

Yves BELEGAUD, having left the Company on December 20, 2023, benefited from health insurance and employee welfare arrangements until that date.

Marc BALLU

Marc BALLU – Deputy CEO	2023-2024		2022-2023	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed remuneration	€273,290	€273,290	€257,663	€257,663
Annual variable remuneration	€88,481	€86,370	€86,370	€0
Multi-year variable remuneration				
Exceptional remuneration				
Pension payment and special remuneration				
Director remuneration	€16,000	€16,000	€16,000	€16,000
Services rendered				
Benefits in kind	€7,624	€7,624	€9,280	€9,280
TOTAL	**€385,755**	**€383,284**	**€369,313**	**€282,943**

Marc BALLU benefits from health insurance, employee welfare arrangements and the social security regime for company managers (GSC).

Cyril BALLU

Cyril BALLU – Deputy CEO	2023-2024 Amounts awarded	2023-2024 Amounts paid	2022-2023 Amounts awarded	2022-2023 Amounts paid
Fixed remuneration	€175,976	€175,976	€171,375	€171,375
Annual variable remuneration	€36,454	€41,650	€41,650	€27,650
Multi-year variable remuneration				
Exceptional remuneration				
Pension payment and special remuneration				
Director remuneration	€16,000	€16,000	€16,000	€16,000
Services rendered				
Benefits in kind	€12,776	€12,776	€12,125	€12,125
TOTAL	**€241,206**	**€246,402**	**€241,150**	**€227,150**

Cyril BALLU benefits from health insurance, employee welfare arrangements and the social security regime for company managers (GSC).

2.8 Salary gap ratio

Salary gap ratio

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
PATRICK BALLU						
EI France ratio	Mean	1.9	2.0	2.1	2.2	2.2
	Median	2.2	2.4	2.5	2.6	2.7
DANIEL TRAGUS (GROUP Chief Executive Officer since December 20, 2023 and Deputy CEO until December 20, 2023)						
EI France ratio	Mean	10.4	8.3	9.1	8.8	8.4
	Median	12.4	9.9	10.7	10.5	10.0
YVES BELEGAUD (Group Chief Executive Officer until December 20, 2023)						
EI France ratio	Mean	8.3	11.0	12.6	10.4	9.5
	Median	9.9	13.2	14.9	12.3	11.3
MARC BALLU						
EI France ratio	Mean	8.5	6.8	9.9	10.9	11.3
	Median	10.2	8.2	11.7	13.0	13.4
CYRIL BALLU						
EI France ratio	Mean	5.5	5.5	5.5	5.0	5.3
	Median	6.5	6.6	6.4	6.0	6.3

3 Risk factors

3.1 Risk factors

EXEL Industries regularly examines its own risk factors and those of its consolidated subsidiaries.

The risk factors presented here are those considered to be specific to the EXEL Industries group and the occurrence of which would be likely to have a significant net impact on the Group's business, financial position or outlook at the date of this Universal Registration Document.

Other risks, of which EXEL Industries is not aware at the date of this Universal Registration Document, may exist or arise.

The risk factors are classified into seven categories: risks related to strategy, business sector risks, operational risks, labor and societal risks, environmental risks, financial risks, risks related to governance and compliance.

Risks are classified in their respective categories in decreasing order of importance, determined by considering their probability of occurrence and the estimated magnitude of their impact, after taking into account mitigation measures.

The table below presents a summary of these risks, based on their net impact. The ranking criteria, rated from 1 to 5, apply within the same risk category, 1 being the most significant risk, 5 the least significant.

Risk category	Risk factors	Prioritization	Evolution	Assessment	SNFP reference
Risks related to strategy	Integrating CSR into the strategy	1	→	Medium	
	Transition to a circular economy	2	↗	Medium	
	Transition to a usage-based economy	3	↘	Medium	
Risks related to the business sector	Risk related to changes in the sugar beet market	1	→	Medium	
	Distribution	2	→	Medium	
	Country risks	3	→	Low	
Operational risks	Cybersecurity and risk of failure of the information systems	1	→	Medium	
	Risks related to the supply chain	2	→	Low	
Labor/societal risks	Occupational health and safety	1	→	Medium	3.2
	Attracting and retaining talent	2	→	Low	3.2
Environmental risks	Biodiversity – Restrictions on using phytopharmaceutical products	1	→	Low	3.1
	Biodiversity – Restrictions on the use of paint products (VOCs)	2	→	Low	3.1
	Greenhouse gases – Climate change mitigation	3	→	Medium	3.1
	Water resources – Restriction of water use	4	→	Low	3.1
Financial risks	Interest rate risk	1	→	Medium	
	Foreign exchange risk	2	→	Medium	
	Inflation risk	3	↘	Low	
Risks related to governance and compliance	Risk related to transactions that do not comply with the Group's ethics	1	→	Low	3.3; 3.4; 3.5

3.1.1 Risks related to strategy

3.1.1.1 Integration of CSR in the strategy

Description of the risk

The consequences of climate change, the loss of biodiversity, restrictions on the use of water resources, the lack of initiatives on employee and user safety issues, or the lack of ethics in the conduct of its activities could represent a threat for the EXEL Industries group. This is what emerges from the surveys conducted among our stakeholders, who place a great deal of value on these matters and who expressed their desire for us to address them.

Finding answers to these challenges represents a major opportunity.

Risk management

The Group's new sustainable value creation paradigm now consists of mobilizing its values, foremost among which are listening to customers and its capacity for innovation, in order to reconcile environmental, social and economic objectives. The Group's companies have mapped their strategic challenges as well as their impacts, risks and opportunities in relation to ESG issues. They have started addressing them through the development of a portfolio of initiatives that aims to evolve their business model, which is an eminently strategic issue, towards a more resilient model adapted to new ESG risks and opportunities. Exploring circular activities, developing sustainable products, supplying solutions to increase the sustainability of our customers' activities, conducting more sustainable manufacturing processes, developing the ergonomics of our activities and products for increased safety, etc.

Never before has the Group's credo "the right dose in the right place at the right time" been so modern.

3.1.1.2 Transition to a usage-based economy

Description of the risk

EXEL Industries customers in the agricultural sector for sprayers, sugar beet harvesters, beet diggers and open-field logistics machines are gradually changing the way they finance their investments. The traditional bank loan is gradually giving way to other modes of financing such as leasing, long-term leasing, short-term leasing, or leasing per hectare worked, following a mode of consumption of agricultural machinery that is gradually shifting towards use.

Risk management

To meet these needs, EXEL Industries offers financing solutions ranging from lease financing to all-inclusive leases per hectare, with the support of financial partners who are experts in their field. In some cases, machine inventories at dealers may be financed through *ad hoc* financing offered by specialized financial partners.

3.1.1.3 Transition to a circular economy

Description of the risk

In agricultural machinery, the development of the circular economy is based on the ability to market used machines that have been refurbished and, if possible, incorporate the latest technologies. In the Agricultural Equipment Division, several companies such as HOLMER, AGRIFAC and ET Works have incorporated direct sales to customers in their business model, without going through a dealer. In this case, the Company is often responsible for the recovery of the customer's second-hand equipment, generating a stock of used machines.

A financial risk may arise when the inventory value of these machines is greater than their market value. This risk results in a financial loss when a machine is sold for less than its inventory value. The expenses for repairing the machine before it is put on the market should also be taken into account.

Risk management

In order to limit this risk, the companies of EXEL Industries are implementing the following actions:

- establishment of a price benchmark for used machines, based on actual sales. This price benchmark is used in the event of a trade-in of a second-hand machine when a new machine is sold. Various parameters are taken into account to establish the trade-in price, notably the age of the machine, the number of hours of use, the general condition of the machine and the work to be done to put it back on the market;
- in the area of sugar beet harvesters, the Group has implemented an action plan to reduce the number of used machines taken back;
- campaigns to promote used machines are conducted in order to resell them quickly, if possible in the same fiscal year as the trade-in;
- at the reporting date, an individual review of the value of each machine is carried out. This review takes into account the actual sale value of comparable machines during the fiscal year. In the event of overvaluation, a corresponding provision is recorded in the financial statements.

For the second year in a row, an increase in demand for used machines was noted, increasing their turnover rate and leading to a decrease in the inventory level. The risk is thus limited.

3.1.2 Risks related to the business sector

3.1.2.1 Risk related to changes in the sugar beet market

Description of the risk

In its Sugar Beet Harvesting business, EXEL Industries is very dependent on the sugar market. This market can go through periods of crisis that might affect the demand for sugar beet harvesters. Indeed, sugar production is dependent on agricultural land and yields, and beet sugar accounts for only 20% of global production, the rest coming from sugar cane. Global sugar consumption continues to grow as a result of demographic change, but global production can vary significantly due to variations in surface area, weather patterns, diseases and the use of sugarcane or sugar beet (sugar/alcohol mix), dependent on demand and market prices. The resilience of beet growers is linked, on the one hand, to the price paid by sugar producers and, on the other, to agricultural yields subject to strong variations due to weather conditions and the ability to treat the plant's environmental stressors.

Risk management

HOLMER's international presence and its diversification into large and medium-capacity carrier devices allow it to partially limit its exposure to that risk. After the sudden rise in European beet acreage in 2017 (end of the sugar quota regime), HOLMER reduced its breakeven point and continued its diversification, in particular for the development of sales of vehicles for transporting and spreading by-products from livestock breeding and methanization.

In addition to the improved current trends in the sugar market and the ethanol market, EXEL Industries is continuing its research into the most suitable equipment to meet productivity and quality requirements.

3.1.2.2 Distribution

Description of the risk

In Agricultural Spraying, EXEL Industries sells its products mainly to dealerships that are often affiliated with generalist full liner manufacturers that offer the full range of agricultural machinery by brand: tractors, combine harvesters, sprayers, seeders, soil tillage tools, hay making, etc. The weight of these manufacturers in the network, who apply back-discounts and impose restrictive contracts, could gradually close EXEL Industries' access to this distribution network.

In the Garden business, a significant share of sales is made through mass distribution where EXEL Industries is confronted with a strong concentration of customers who make European calls for tender. However, online sales are growing rapidly and constitute a new marketing channel in addition to physical sales in stores.

Risk management

In Agricultural Spraying, EXEL Industries strives to reinforce its direct link with the end customer, notably through the use of digital technology, an increased presence of its brands on social networks and "open field" customer demonstrations. The EXEL Industries group has developed other sales models such as direct sales (AGRIFAC) or sales through its own distribution subsidiaries (*e.g.* ET Works). The sale of spare parts online (with or without commission to dealers), already developed in the United States, will be extended to Europe.

For its Garden activity, EXEL Industries strives to work with several brands, even if it means developing a range of products differentiated by customer groups. The recent acquisition of G.F. in Italy diversifies the geographical scope of sales and strengthens the Group's offering at different levels of the range.

3.1.2.3 Country risks

Description of the risk

With regard to the Group's exposure to the Russian, Ukrainian and Israeli markets, the situation is varied: in 2024, the Russian market represented 6% of the Group's revenue, and it had two agricultural equipment marketing subsidiaries in Ukraine.

Conversely, the Group has no assets or staff in Israel and the Middle East and generates marginal revenue in this region.

Risk management

At the beginning of the conflict, the Group strove to ensure that its Ukrainian employees were safe. Employees who so wished, were welcomed with their families in the Group's various companies in France and Europe.

The Group has been very vigilant to (i) comply with European and international sanctions programs and (ii) ensure that payments are made before delivery.

3.1.3 Operational risks

3.1.3.1 Cybersecurity and risk of failure of the information systems

Description of the risk

Risks can take several forms:

- cybercrime: attacks that may provide access to sensitive data (strategic, specific or innovative products, personal data);
- incidents involving infrastructure and information systems that could affect business continuity.

Risk management

The Group continued to strengthen the convergence of all its activities towards common IT security rules, with a view to ensuring the same level of security across its entire scope. In 2023-2024, the year was used to strengthen the use of the tools put in place since the end of Covid, by developing and optimizing the tools put in place. Among these new resources, new and more effective antispam software was installed and rolled out. In addition, internal and external penetration tests were carried out, making it possible to isolate the weaknesses detected; a remediation program was defined and is being implemented. Lastly, once again this year, all employees benefited from an online training and cybersecurity awareness-raising program, and every new employee is now subject to mandatory cybersecurity training as part of their onboarding. Access control is in place throughout the Group.

The Group continued to strengthen its internal structure by dedicating resources to cybersecurity, under the supervision of a person in charge of Information Systems Security. It also set up regular Cybersecurity Committees, with a report presented at each Audit Committee and Group Management meeting, in order to present the progress made and discuss the next steps.

3.1.3.2 Risks related to the supply chain

Description of the risk

Tensions on the supply chains arose during the 2020-2021 fiscal year and intensified significantly throughout the 2021-2022 fiscal year, before partially easing in 2023. In 2023-2024, they were mostly solved, even if logistics were erratic this year, particularly in certain regions.

Risk management

To reduce the risk associated with disrupted supply chains, EXEL Industries companies seek to diversify their purchases whenever possible. In addition, permanent contact with suppliers enables us to communicate our exact requirements for raw materials and components as accurately as possible.

Critical suppliers have been identified and are closely monitored with weekly or bimonthly updates.

3.1.4 Labor/societal risks

3.1.4.1 Occupational health and safety

Description of the risk

In an industrial group such as EXEL Industries, occupational health and safety issues are important. Safety in particular is a priority objective for the Executive Management of Group companies. In addition to safety requirements, the wellbeing of employees is a precious asset and a factor of stability and success for the Group's companies.

Risk management

Each Group company implements safety action plans. The halving of Frequency Rate 1 (workplace accidents with lost time) in the medium term is one of the three CSR criteria included in 63% of the Group's loans from banking institutions. If a significant accident occurs in one of the Group's companies, all other companies are informed through the dissemination of an "accident bulletin" in order to undertake the necessary initiatives to ensure that reported accidents do not happen again.

For the wellbeing of everyone, collaborative and convivial spaces have been created.

This risk is described in detail in Section 4.3 of the Statement of Non-Financial Performance.

3.1.4.2 Attracting and retaining talent

Description of the risk

Like any Group, EXEL Industries is faced with the risk of not being able to attract and retain its talent. A company that is not attractive exposes itself to difficulties in terms of recruitment; it may have to face high staff turnover and training costs, experience a deterioration of its productivity, and even suffer reputational harm in its markets.

Risk management

To manage this risk, the Group implements numerous actions to attract and retain its talent.

It has user-friendly websites with a "Talent" page listing vacancies at the Group, as well as internal *mobility actions*, onboarding explaining the vision and meaning of our Group, an open and friendly working environment, transparent internal communication, training and mentoring programs, due consideration of work/life balance, actions promoting diversity and inclusion, and measures to take into account employee satisfaction at work. More broadly, the CSR policy promoted by EXEL Industries through various communication channels is a factor of attractiveness among candidates and particularly among new generations.

3.1.5 Environmental risks

3.1.5.1 Biodiversity – Restrictions on using phytopharmaceutical products

Description of the risk

The products applied by EXEL Industries agricultural sprayers are natural or synthetic phytopharmaceutical products. They notably include herbicides, insecticides, fungicides and liquid fertilizers. In France and in certain other Western European countries, these products are increasingly controversial for their effects on health and biodiversity (synthetic products) and for their greenhouse gas emissions (for nitrogen fertilizers in particular), as well as for their effect on biodiversity. They are subject to increasingly strict regulations in line with the sustainable development objectives of the European Green Deal.

Risk management

The challenge facing agriculture is to feed the planet's increasing population (10 billion by 2050) whilst respecting the environment. In order to help achieve this dual target, EXEL Industries' research and its innovations target ever-increasing precision in sprayers to enable doses of chemical or natural origin products to be reduced by 30-80% whilst increasing yields. Research and innovation combined with visual recognition, drone and GPS mapping technologies and the use of data are the avenues for a productive and environmentally-friendly agriculture.

EXEL Industries has, for several years, been committed to research and development on smart technical solutions aimed at drastically reducing the quantities of phytopharmaceutical products used in treating crops.

To accelerate support for the agroecological transition and position itself as a major player in the agriculture of tomorrow, EXEL Industries has grouped its research centers into centers of excellence dedicated to certain products. The pooling and specialization of research makes it possible to be more efficient and faster in the development of new technologies.

In November 2019, EXEL Industries created EXXACT Robotics, a company specializing in precision agricultural technologies using artificial intelligence, robotics, electronics and agronomy.

EXXACT Robotics began marketing its 3S Spot Spray Sensor technology, which is able to meet the challenge of reducing the use of phytopharmaceutical products, while preserving agricultural yields.

The TRAXX high-clearance tractor, dedicated to narrow vines, is also in the commercial launch phase. TRAXX can be used to work the soil instead of spraying herbicides. TRAXX enables confined spraying applications, generating product savings of up to 40% compared to conventional spraying. TRAXX also addresses safety issues on steep slopes and labor issues, with workers increasingly difficult to find on farms.

EXEL Industries therefore intends to be fully involved in the challenge of healthily feeding a growing global population, while ensuring competitive, productive farming that respects the environment.

3.1.5.2 Biodiversity – Restrictions on the use of paint products (VOCs)

Description of the risk

Volatile organic compounds (VOCs) include a multitude of substances, which can be of biogenic (natural) or anthropogenic (human) origin. The best known are butane, toluene, ethanol (90° alcohol), acetone and benzene, which are found in industry, most often in the form of organic solvents (*e.g.* paints or inks).

In addition to their impact on human health, VOCs contribute to the accumulation of ozone, the well-known effects of which alter the resistance of plants and destabilize natural ecosystems (acid rain phenomena).

The major risk is that the technologies capable of addressing the reduction targets may not be available on the market, or that they may be available under economic conditions that are incompatible with the needs of our customers.

Risk management

The SAMES brand, a specialist in services and equipment for the application of liquid and powder paints, adhesives and sealants, has been committed for many years to improving the environmental footprint and economic performance of its products.

- Increased transfer efficiency (80% for electrostatic solutions; 100% for printing solutions).
- Substitution of solvent-based paints by water-soluble paints.
- Optimization of paint and solvent consumption.

Ultimately, the objective for end customers is twofold: to reduce their ecological footprint while improving their economic performance.

3.1.5.3 Greenhouse gases – Climate change mitigation

Description of the risk

Climate change is a natural phenomenon whose effects are accentuated by human activities and the increase in greenhouse gases (GHG). The impact on our environment and our societies is the subject of a scientific consensus and demonstrates the urgency of acting at all levels.

Risk management

In 2022-2023, the activities of the EXEL Industries group carried out a carbon assessment of their entire value chain (Scopes 1, 2 and 3).

Following the assessments, each company began to inventory the virtuous practices that make it possible to significantly reduce emissions for each key item. Additional studies were carried out on the feasibility of the initiatives identified, and their environmental and financial impact.

The initiatives thus selected are the subject of various action plans in order to accelerate the deployment of existing initiatives or to implement disruptive initiatives.

The EXEL Industries group's goal is to roll out a greenhouse gas emissions reduction plan for each company.

3.1.5.4 Water resources – Restriction of water use

Description of the risk

The increase in temperatures due to climate change disrupts natural cycles, including the water cycle. With a resurgence of droughts, a depletion of water reserves due to the disappearance of glaciers and low rainfall in recent years, water will become an increasingly precious resource. This dynamic could affect our garden watering activities, the revenues of our farming customers and the use of water in our production processes.

Risk management

Controlling water consumption at the Group's industrial sites is a mature and ongoing issue. Numerous initiatives have been rolled out to reduce water withdrawal from networks or natural environments (water recycling during sprayer tests, a closed circuit in hose production at TRICOFLEX, employee awareness-raising on eco-friendly practices, rainwater collection systems).

Regarding the impact on our garden watering activities, a very significant part of our revenue is generated in the United Kingdom, which is not subject to restrictions. In addition, we have developed a range of products for micro-irrigation.

Lastly, the decline in agricultural yields due to a shortage of water is significantly offset by an increase in food prices, and therefore has a moderate impact on farmers' income.

In addition, we are always working to decorrelate our sources of revenue from potential risks.

3.1.6 Financial risks

3.1.6.1 Inflation risk

Description of the risk

Depending on their activities, the Group's companies use a certain number of raw materials, including metals, plastics and electronic components. The prices of these raw materials are subject to fluctuations caused by changes in demand, and therefore in the ability of the Group's suppliers to meet these needs. Energy-related expenses, mainly electricity, represent less than 1.5% of the Group's consumed purchases.

As it is not systematically able to pass on all the increase in the prices of raw materials and components to the selling price of its products, the Group could see its results adversely affected.

Lastly, any requests for salary increases, given the current sharp rise in prices, could contribute to the deterioration of the Group's results and create a tenser labor climate.

Risk management

The Group's companies make their best efforts to offset price increases by optimizing their supply management and renegotiating, where possible, their contracts with suppliers. Depending on the circumstances, they may pass on increases in the prices of raw materials and components in a reasonable manner in order to preserve margins as much as possible. In addition, the Group obtains its supplies from recognized suppliers in order to secure its supply.

3.1.6.2 Foreign exchange risk

Description of the risk

The EXEL Industries group, due to its international presence, is exposed to fluctuations in foreign currencies. This results in an operational foreign exchange risk and a foreign exchange risk related to conversions into the functional currency of each entity.

Operational foreign exchange risk

Operational foreign exchange risk is related to sale or purchase transactions in currencies other than the functional currencies of the entities carrying out these transactions.

This risk is mainly present in transactions with distribution subsidiaries. Entities present in the euro zone sell and invoice their foreign subsidiaries in euros. Exceptionally, subsidiaries in the United States and Great Britain are mainly invoiced in their local currency.

Sales outside the Group have a limited foreign exchange risk, as the majority of external sales are made in the functional currency of the selling entity. Non-Group revenue denominated in a currency other than the functional currency of the selling entity amounted to €72.7 million, including €27 million in revenue from our Danish subsidiary (DKK) in euros. The fluctuation of the EUR/ DKK exchange rate is very low, generating a negligible foreign exchange risk. Foreign exchange risk related to conversions into the functional currency of each entity.

In addition, the Group is exposed to a foreign exchange risk related to the change in value of debts and receivables denominated in a currency other than the functional currency of the entity. All monetary assets and liabilities denominated in a foreign currency are revalued in euros at the closing rate. These are mainly intra-group debts and receivables for the financing needs of distribution subsidiaries abroad.

As of September 30, 2024, the receivables, cash and cash equivalents and debts denominated in a currency other than the entity's functional currency were as follows:

(in € thousands)	Receivables and cash and cash equivalents	Debts	Balance sheet exposure at 09/30/2024	Balance sheet exposure at 09/30/2023
EUR	40,630	(100,276)	(59,646)	(53,941)
GBP	33,296	(1,905)	31,391	20,201
USD	22,731	(8,803)	13,928	14,918
AUD	7,766	(3,821)	3,945	6,424
Others	2,329	(211)	2,118	2,461
TOTAL	**106,751**	**(115,016)**	**(8,265)**	**(9,937)**

The line denominated in euros corresponds to the euro balance sheet exposure of Group entities whose functional currency is not the euro. This exposure is linked to the invoicing in euros to a certain number of distribution subsidiaries outside the euro zone and to the financing of these subsidiaries in euros.

The financing needs of foreign subsidiaries outside the euro zone through intra-group loans/borrowings may sometimes expose certain Group entities to a financial foreign exchange risk.

In the event of a significant change in certain currencies, the Group's results could be adversely affected.

Risk management

The Group hedges its operational purchases and sales, mainly in USD, on a case-by-case basis.

In order to reduce the foreign exchange risk on financial receivables and debt, currency positions are matched to assets and liabilities. Currency swaps are also set up to hedge long-term intra-group financing in GBP.

3.1.6.3 Interest rate risk

Description of the risk

The EXEL Industries group uses bank financing. Less than half of this financing is now at variable rates.

Risk management

Anticipating this increase in interest rates, the EXEL Industries group increased the proportion of its financing at fixed rates. In addition, part of the variable-rate financing was hedged. Lastly, the Group has set up a cash pooling system which optimizes the necessary bank drawdowns.

3.1.7 Risks related to governance and compliance

3.1.7.1 Risk related to transactions that do not comply with the Group's ethics

Description of the risk

Due to its international activity, the EXEL Industries group is subject to complex and varied regulations in terms of compliance and is present in countries that are sometimes notoriously exposed to corruption. Also due to sustained growth through successive acquisitions, the companies comprising the Group do not necessarily have the same standards in terms of compliance.

In the event of a breach of the principles and rules of integrity, the Group's employees, executive officers or companies could be held liable. The occurrence of such breaches could give rise to sanctions, particularly financial sanctions, and affect the reputation and image of the EXEL Industries group and thus have an adverse effect on the Group's business, financial position or outlook.

Risk management

EXEL Industries asks the companies that make up the Group to comply with the regulations of the countries in which they operate.

The Group is currently rolling out its compliance program: in September 2024, the Board of Directors validated the Group's new Code of Conduct, resulting from the combination of the Code of Conduct (adopted in November 2017) and the Ethics Charter (dating from 2021), and including the Policy on compliance with international sanctions adopted by Executive Management in December 2021 and the Group's Gifts and Hospitality Policy. An internal whistleblowing system and an Ethics Committee including the Chief Executive Officer, the Chief Legal Officer and the Human Resources Director were also set up. The purpose of the Ethics Committee is to ensure compliance with the Group's new Code of Conduct, and to monitor the exemplary behavior of our employees. The Group's contract templates now include a clause relating to ethics, sustainable development and the fight against corruption and refer to the Group's new Code of Conduct. The Group has reviewed its insider trading prevention policy. In this context, EXEL Industries has informed each recipient of inside information of his or her inclusion on the list of insiders (permanent and occasional Group insiders), which is made available to the French Financial Markets Authority (AMF). A digital tool (legal cluster) was rolled out to allow all employees to declare any gifts and/or invitations received or given under the Group's Gifts and Hospitality Policy. A vast employee training program was set up to support the deployment of these tools to ensure the Group' ethical standards are followed.

3.1.8 Legal and arbitration proceedings

In the normal course of its business, the Group is involved in legal proceedings and is subject to tax, customs and administrative controls.

The Group believes that there are no exceptional events or disputes involving significant probable risks that could affect the Group's assets, earnings or financial position, for which provisions were not deemed necessary at the end of the fiscal year.

3.1.9 Insurance

For several years, the Group has pursued an insurance policy with a view to providing the best possible protection for people and assets.

3.1.9.1 Group insurance policy

The Group's insurance policy is based in particular on the identification of insurable risks through a regular review of existing and emerging risks, in close collaboration with operational staff, the various Group departments concerned and external specialists.

Global programs

In order to cover the main risks identified, the Group has set up global cross-functional insurance programs (in particular for Property, Casualty and Business Interruption and Civil Liability policies) placed with reputable international insurers, allowing, as far as possible, the standardization of coverage for all its entities, regardless of their location (with the exception of countries whose regulations do not allow this type of program).

As a result, the Group has a good understanding of the coverage limits in place and the certainty of taking out insurance programs with reputable international insurers.

Acquisitions during the year

The Group ensures that acquisitions made during the insurance year join its cross-functional programs as quickly as possible or, where applicable, benefit from their Difference in Conditions/Difference in Limits (DIC/DIL) protection, in order to have a good understanding of the existing coverage and guarantees.

Prevention policy

The Group's insurance policy involves monitoring of risk prevention measures, carried out by the Group Legal Department, in coordination with the Group's local contacts in each country, but also with the Group's insurers.

Policy for transferring insurable risks

The main accident or operational risks are transferred to the insurance market, when this market exists and this transfer is economically justifiable.

3.1.9.2 Information on the main insurance programs

Insurance policies take into account the evolution of risks, their assessment, market conditions and available insurance capacity.

The table below summarizes all areas currently covered by Group Insurance:

Insurance	Main cover
Property damage/Business interruption (International Program)	All Risks with the exception of named exclusions
Civil liability (International Program)	All Risks with the exception of named exclusions Including the following coverage: • Civil liability for operations; • Post-delivery or post-work civil liability.
Corporate officers civil liability (International Program)	Coverage for claims of liability against executive and corporate officers
Car fleet	Liability/Theft/Fire/All Accident Damage
Employee missions	Cover for employees using their personal vehicle for business trips
Individual accident and assistance (International Program)	Individual accident and assistance insurance for employees on business trips (in France and the international market)
Professional multi-risk (Traffic risk)	Guarantee for agricultural equipment loaned or entrusted Guarantee for new agricultural equipment carrying out tests
Transport insurance (International Program)	Comprehensive coverage of merchandise, products and equipment during transport by any mode throughout the world (except excluded countries)
Credit insurance (International Program)	Credit risk coverage on the receivables of the Group's companies resulting from the delivery of merchandise and the provision of services or work

3.1.10 Regulatory environment

Each of the Group's companies operates within a regulatory framework that is specific to its business lines and regions and whose development could be unfavorable, in particular restrictions on the use of phytopharmaceutical products.

These activities are described in Chapter 1, Presentation of the Group, of this Universal Registration Document.

To date, the Group is not aware of any measures or factors of an administrative, economic, budgetary, monetary or political nature that have materially affected or could materially affect, directly or indirectly, its activities, other than the risks described above in Section 3.1 "Risk factors".

3.2 Internal control and risk management procedures

At the start of 2021, EXEL Industries launched a program to exhaustively list the risks to which its activities are faced, in order to update its risk management policy. This policy defines the resources, behaviors, procedures and actions that enable the management of:

- the efficiency and effectiveness of operations;
- the reliability of financial information;
- compliance with laws and regulations;
- the implementation of the instructions and guidelines set by the Executive Management.

This approach, carried out with each of the Group's entities, involved around one hundred managers covering all operational functions and the holding company:

- self-assessment stage;
- creation of a library of risks classified by category;
- criticality assessment, established through the probability of occurrence and the potential for harm;
- construction of a program to control the most critical risks.

An internal control process was redesigned based on a four-stage continuous improvement approach:

- the analysis of the main risks liable to prevent the Group from achieving its strategic and operational objectives;
- the implementation of prevention and detection controls proportional to the type of risk that are documented in an internal control manual;
- the communication of the procedures and training for internal control stakeholders;
- lastly, a periodical review of the system's effectiveness in order to provide changes.

Under the authority of the Chief Executive Officer, the Group alternates between self-assessment campaigns and targeted internal audits. This approach aims to strengthen the robustness of the control measures implemented under the aegis of each company CEO. The findings are shared with the Audit Committee and lead to remedial action plans. The overall level of internal control has improved over the years.

The Board of Directors, on the proposal of the Group CEO and the Audit Committee, approved the creation of the risk, audit and internal control function, whose first missions started in 2024.

This last line of defense finalizes the risk governance system, which is now complete.

The governance of the internal control structure relies on the following players:

- the Board of Directors entrusts the Audit Committee with the task of overseeing the functioning of internal control;
- the operational departments ensure that the necessary controls exist and that they are carried out;
- the Audit Committee defines the audit plan, taking into account the major malfunctions identified and cases of fraud in order to initiate corrective actions. It closely monitors the results of the annual risk mapping exercise;
- the Group's Executive Management checks that the procedures and instructions are duly applied, that the controls are effective and that the declarations of compliance signed by the operational departments reflect reality;
- the Statutory Auditors;
- the Chief Operating Officers;
- the internal control ambassadors.

4 Statement of Non-Financial Performance

Paris, December 9, 2024

Due to its size, the EXEL Industries group is subject to the publication of a Statement of Non-Financial Performance (SNFP), in accordance with Articles L.225-102-1, R.10-29 and R.22-10-36 of the French Commercial Code.

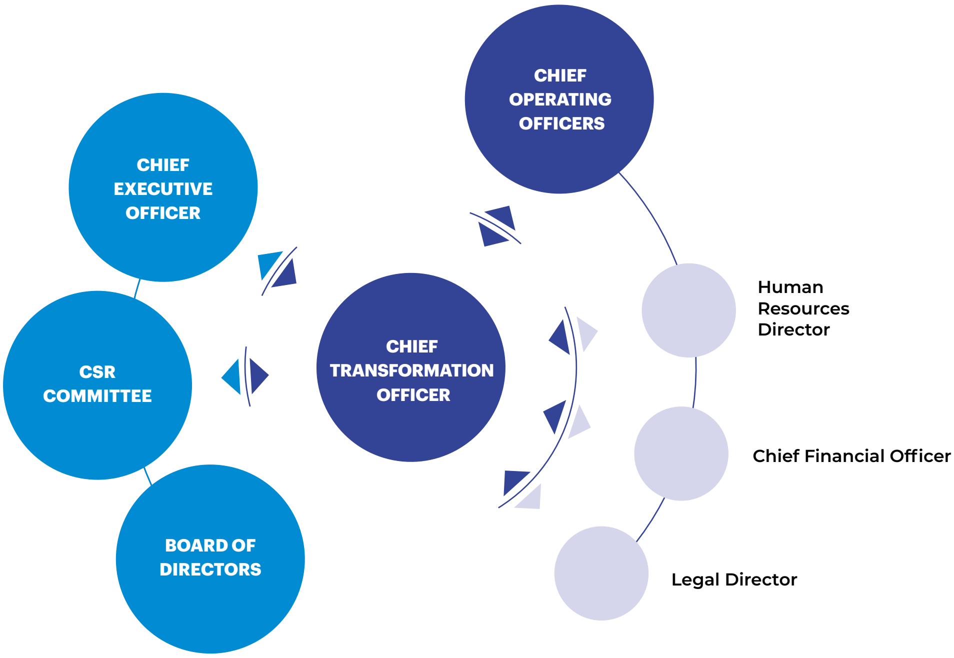
Thus, after the introduction, this chapter presents the Group's business model (4.1 and 1.3), its main non-financial risks and opportunities (4.3), the European sustainable taxonomy (4.2), the policies implemented (4.4) and the results of these policies with performance indicators (4.5), in accordance with Articles L.225-102-1 and R.225-105, L.22-10-36 of the French Commercial Code.

CSR governance

Under the aegis of the Board of Directors and Executive Management, the companies of the EXEL Industries group are pursuing the objective of developing an ambitious CSR strategy in the societal, environment and governance areas.

The Group's CSR governance is as follows:

- the CSR Committee, set up on May 25, 2022, assesses the progress of the roadmap and reports to the Board of Directors;
- the Chief Sustainable Transformation and CSR Officer proposes to the Chief Executive Officer the guidelines for the Group's CSR strategy, which are the result of collaborative work carried out with the Chief Operating Officers and their CSR managers, as well as the holding company departments. He prepares the meetings of the CSR Committee;
- a CSR commission brings together the managers of each of our companies once every three months to share and take a position on the tools, methods and integration of regulations into our policies. This is an important moment that allows the Group to accelerate its work through the sharing of best practices.



Historical values at the service of our goals

- Customer Care;
- Love of Product, Innovation;
- Excellence, Professionalism;
- Trust, Initiative;
- Openness, Transparency;
- Team spirit;
- Pride in belonging;
- Acting responsibly (CSR).

The Group and its companies have always been able to rely on values that are conducive to creating innovative solutions to create sustainable value.

Its capacity for innovation, reflected in the number of patents filed, the investments made in R&D, its collaborations with universities and engineering schools, and the development of partnerships with start-ups, individual entrepreneurs and incubators, is a key factor in finding solutions to contemporary CSR challenges.

Progress on our CSR roadmap

Our goal can be summed up in a single phrase: "a more sustainable and desirable value proposition".

In 2022-2023, significant progress was made in identifying and translating ESG issues into our strategy. We produced materiality matrices that cover all of our three business lines. The approach was conducted at company level and then aggregated by division and at Group level.

Identification of the main ESG challenges

First of all, we carried out meticulous work to identify the main ESG issues on the basis of sectoral guidelines and benchmarks that were contextualized with objectives such as those of the United Nations, the Paris agreements, and the Common Agricultural Policy, to name but a few.

A total of 29 issues were selected in order to assess their impact and the risks and opportunities they represent for the Group's activities.

	ESG themes	No.	CSR issues
Environment	Climate (mitigation)	1	Energy consumption and GHG emissions related to product use
	Climate (mitigation)	2	Energy consumption and GHG emissions related to operations (transport and logistics)
	Climate (mitigation)	3	Energy consumption and GHGs related to production (raw materials and factories)
	Climate (adaptation)	4	Vulnerability of plants and customer activities to the consequences and hazards of climate change
	Pollution, Water, Waste	5	Prevention of industrial pollution, reduction of discharges, waste and water consumption
	Pollution	6	Waste and pollution related to product packaging (plastic, paper, cardboard, etc.)
	Biodiversity and ecosystems	7	Prevention of pollution related to the spraying of phytopharmaceutical products
	Biodiversity and ecosystems	8	Waste and pollution related to the end of life of products (plastic pollution)
	Biodiversity and ecosystems	9	Protection of biodiversity and ecosystems
	Water	10	Water consumption related to production (plants)
	Water	11	Water consumption related to use
	Circular economy and resources	12	Eco-design and sustainable use of resources (recycled, bio-sourced materials)
	Circular economy and resources	13	Circularity of products (repair, collection and recyclability, refurbishment, used, etc.)
Labor and societal	Employees	14	Working conditions, remuneration and social dialogue
	Employees	15	Occupational health and safety
	Employees	16	Attractiveness, employee retention
	Employees	17	Training and development of human capital
	Employees	18	Diversity, inclusion, non-discrimination and disability
	Users, affected communities	19	Protection of user health and safety
	Users	20	User education and awareness
Governance	Responsible business practices	21	Local roots and relations with stakeholders
	Responsible business practices	22	Responsible purchasing and sourcing (human rights, environmental impacts)
	Responsible business practices	23	Business ethics
	Responsible business practices	24	Regulatory and product compliance
	Responsible business practices	25	Data protection
	Responsible business practices	26	Integration of CSR in the strategy and embodiment by Management
Business	Business model	27	Development of technologies to limit the environmental impacts of products during use
	Business model	28	Transformation and adaptation of products towards an agroecological transformation of the agricultural system
	Business model	29	Adaptation of the business model towards leasing and the functional economy

We then drew up a list of eight stakeholders who were approached:

- management/Executive Management;
- employees/staff representatives;
- customers and consumers;
- suppliers;
- financial community;
- sector experts;
- public institutions;
- scientific institutions.

All selected stakeholders were asked in the form of individual interviews or questionnaires to identify and prioritize how our activities impact them. We also asked them to rate their perception of our current performance in terms of solutions provided by our companies.

Moreover, in 2024 the Group reinforced its goal of establishing an open and cross-functional dialogue by rolling out its very first international social climate survey. This initiative, conducted with our partner Supermood, took place from June 11 to 28. The survey was translated into 17 languages, in order to ensure that it was fully accessible to all employees.

The primary objective was clear: to further develop communication at the Group, an objective that was achieved, with 69% of employees surveyed, *i.e.* more than 2,800 responses collected. We are also very proud of the score obtained on employer-employee relationships, of 4.3 out of 5, which demonstrates the quality of the interactions at the Group.

To promote proximity and to respect the uniqueness of each company, each entity is now asked to establish a local action plan, which is targeted and in line with the expectations expressed by its teams.

This approach marks a key step in our desire for continuous improvement and the reinforcement of our employees' commitment.

Lastly, collaborative workshops were organized where each of the Management Committee of our companies assessed how the selected issues affect their activity on five dimensions:

- turnover and cash;
- reputation;
- employee satisfaction;
- satisfaction of dealers and customers;
- regulations.

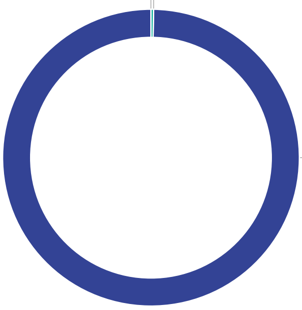
Our companies therefore have a list of their specific challenges, some of which are shared with other Group companies.

At Group level, this enabled us to group and summarize the 29 issues into nine priority strategic issues which are listed in Section 4.1.

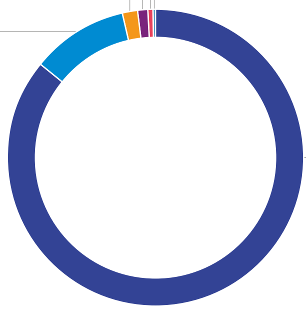
Carbon assessments on Scopes 1, 2 and 3

During the 2022-2023 fiscal year, we carried out carbon assessments covering Scopes 1, 2 and 3 (upstream and downstream) of our three main activities covering 75% of turnover. Overall emissions over the 2022-2023 period represented 1,678,850 metric tons of CO_2eq, including 13,426 metric tons of CO_2eq for upstream and downstream transport. Furthermore, in particular, we fine-tuned the conditions of use (number of treatments, surface area treated and operating time) of some of our machines. As a result, fuel consumption was adjusted, and with it the resulting CO_2 emissions for a total of 122,399 tCO_2eq. With regard to the carbon assessment, in relation to the financial scope, three companies (ET Works, HOLMER, NAUTISME) are temporarily excluded. The carbon assessment of these companies is being finalized and results will be included in the next sustainability report. The share of turnover of these companies represents 25%.

Emissions by scope as a % *(in metric tons of CO_2eq)*



Emissions by item as a % *(in metric tons of CO_2eq)*



Excluding ETW, HOLMER, BOATING and end of life of TRICOFLEX products.

The methodology used consisted in breaking down our products by nomenclature item, then assessing the composition and quantity of materials in order to apply the most specific emission factors possible (from the ADEME and Ecoinvent databases). This approach facilitates our future work of identifying decarbonization methods and targets by assigning parts of the nomenclature to working groups. When this method was not possible, for example because the diversity of products is too great, we worked on the types of material used by identifying the quantity consumed from our purchasing databases, then by applying the appropriate conversion factors.

The carbon assessments are published using the GHG protocol carbon footprint method and the French regulatory assessment method.

Following the assessments, each company began to inventory the virtuous practices that make it possible to significantly reduce emissions for each key item. Additional studies were carried out on the feasibility of the identified initiatives, and on their environmental and financial impact.

The initiatives thus selected are the subject of various action plans in order to accelerate the deployment of existing initiatives or to implement disruptive initiatives.

Once we have consolidated the action plans and completed the coverage of our companies, we will be in a position to communicate the Group's objectives by the publication date of the 2024-2025 Sustainability Report at the latest.

The work carried out on carbon assessments and materiality matrices enabled us to define our priority issues as well as the framework of our sustainable strategy. To meet this challenge, all Group companies are working actively to build ambitious initiatives and targets to accelerate our transformation.

We continued our sustainable financing policy, as a result of which €65 million of our financing now includes ESG objectives, *i.e.* 63% of our borrowings from credit institutions.

Lastly, since the 2021-2022 fiscal year, a portion of the variable remuneration of top managers is based on their CSR actions.

4.1 Business model

Our business model (our activities, main markets by region and customer type, competitive positioning, positioning in the sector, products and services, production resources) is described in Chapter 1 of this Registration Document.

With regard more specifically to the consideration of CSR issues in our strategic choices, we are gradually adapting our business model. The initiatives presented below in the rest of the SNFP incorporate these new guidelines to varying degrees. As mentioned above, we are working on initiatives related to our new policies, some of which already exist but would need to be revisited, and others of which are new. This work will be fully completed and shared in our sustainable development report for 2024-2025.

A business model focused on the satisfaction of our stakeholders

A total of 348 stakeholders, covering the six main countries in which the parent companies of our sub-groups and their subsidiaries are located, were surveyed. We thus gathered a great deal of information that allows us to better understand their expectations and the challenges that bring us together around the shared goal of sustainable value creation.

We identified nine priority strategic issues:

- decarbonizing our activities and products;
- respecting biodiversity;
- water resources;
- circular economy;
- attracting and retaining our talent;
- health and safety of our employees and users;
- wellbeing at work;
- compliance;
- integrating CSR into the strategy.

A business model that creates sustainable value

Creating sustainable value means reconciling three objectives:

- **an economic objective** to generate more competitive and resilient cash flows by adapting our business model to new ESG risks and opportunities;
- **a labor and societal objective** to make work a pleasant and safe activity that unites the men and women of our companies around our values;
- **an environmental objective** to limit the impact of our activities on global warming, biodiversity and water consumption.

A business model based on six policies

Develop products and solutions that create sustainable value for our customers

- Our credo "the right dose in the right place at the right time" is a guarantee to our customers that our solutions will help them protect their products and crops, while providing them with competitive advantages that respect the environment.
- Our autonomous machine and/or automated function solutions help them meet their skilled labor shortage challenges.
- Provide them with circular economy solutions that help maintain the economic value and performance of their assets at a level as close as possible to that of new ones, by offering reliable products that last longer and are easier to repair and retrofit in order to ensure a minimal impact on the environment.

Develop sustainable products and solutions

- Develop products and solutions that reduce our carbon footprint and that of our customers, and that incorporate a growing share of sustainable materials.
- Develop products that help our customers reduce their impact on biodiversity.
- Develop products that help our customers reduce and control their water consumption.

Use sustainable manufacturing methods that reduce waste and resource consumption

- Optimize production processes to reduce consumption and improve the energy intensity of our factories.
- Increase the share of renewable or low-carbon energy in our energy mix.
- Reduce waste through internal recovery systems or through recycling channels.

A responsible employer

- Work tirelessly on the safety and health of our employees and users.
- Create a pleasant working environment.
- Strengthen existing programs to attract and retain our employees.
- Ensure the safety of our products to protect the health of end users.

Compliance

- Business conduct (Sapin II).
- Personal data (GDPR).

Integration of CSR in the strategy

Each policy is translated into local initiatives

4.2 European sustainable taxonomy

The European Sustainable Taxonomy Regulation is a key element of the European Commission's action plan on sustainable finance, which aims to redirect capital flows towards a more sustainable economy. The taxonomy is a classification system for environmentally "sustainable" economic activities. As a Group subject to the obligation to publish non-financial information in accordance with Article 29a of Directive 2013/34/EU, the EXEL Industries group falls within the scope of Article 8 of the EU Taxonomy Regulation and must thus communicate on the extent to which its activities are related to economic activities classified as sustainable.

The six environmental objectives defined in the EU Taxonomy Regulation are:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and production of water and marine resources;
- the transition to a circular economy;
- pollution prevention and reduction;
- the protection and restoration of biodiversity and ecosystems.

Until now, technical selection criteria, as well as the DNSH (Do No Significant Harm) principles and minimum social guarantees were established by the European Commission for the first two climate-related objectives.

For the 2023-2024 reporting period, for the first two climate objectives, Article 8 of the delegated act provides for the proportion of economic activities eligible and ineligible for the taxonomy, as well as their alignment with regard to the technical review criteria, to be carried forward in total turnover, capital expenditure (CAPEX) and certain operating expenses (OPEX). This year's particularity concerns the addition of the last four environmental objectives, in respect of which the deferral of the turnover and investments of associated activities only relates to eligibility.

Main activities

In light of Regulation (EU) 2020/852 of June 18, 2020, as well as Delegated Regulation (EU) 2021/2139 of June 4, 2021, the Sustainable Transformation Department, in collaboration with the CSR managers of each company, examined all the economic activities potentially eligible for the taxonomy for the six environmental objectives listed above. It concluded that across its entire financial and non-financial consolidation scope, the activities of the EXEL Industries group are eligible with regard to certain activities contributing to the objective of transition to a circular economy. As a result, the turnover eligibility rate of the EXEL Industries group is 18.1%. This year, the capital expenditure (CAPEX) and operating expenditure (OPEX) considered are items associated in part with production activity relating to the objective of a transition to a circular economy, as well as investments that contribute individually to the climate change mitigation objective.

Turnover

The Group's turnover is generated by both the sale of manufactured products and by services, including after-sales activities. With the entry into force of the four new objectives, including the transition to a circular economy, a significant portion of our turnover is now eligible for the taxonomy. In 2023-2024, it represented €199,428,032, or 18.1% of total turnover. Our activities include the sale of spare parts (5.2), the sale of used goods (5.4), repair, refurbishment and remanufacturing (5.1), as well as products as services and other circular service models focused on use and results (5.5).

CAPEX and OPEX

This year, we structured our processes for identifying the eligible and aligned CAPEX and OPEX with each subsidiary. Based on the 89 activities on climate change mitigation, the 96 activities on climate change adaptation, the six activities on the sustainable use and production of water and marine resources, the 21 activities on a transition towards a circular economy, the six activities on the prevention and reduction of pollution, and the two activities on the protection and restoration of biodiversity and ecosystems. We selected a list of around 20 activities applicable to the Group's investment types. In line with this work, the financial reporting tools integrated the various taxonomic components and were monitored half-yearly to make their implementation effective.

In 2024, the share of CAPEX eligible for the taxonomy amounted to 68.1% of total CAPEX (*vs.* 36.8% in 2023).

Eligible CAPEX (€33.6 million) as included in the numerator mainly includes investments made in the acquisition of buildings (7.7), the vehicle fleet (6.5), the renovation of new buildings (7.2) for SAMES, the installation of equipment promoting energy efficiency (7.3), the installation of charging stations for electric vehicles (7.4) and the installation, maintenance and repair of renewable energy technologies (7.6) for GF's solar panels.

The amount of CAPEX (€49.3 million) included in the denominator is further developed in Chapter 1 of this URD.

The change in eligible CAPEX is mainly due to work carried out on the renovation of existing buildings to reduce energy consumption and the acquisition of new buildings built after 2020 and complying with the criteria of activity 7.2.

In 2024, the share of CAPEX aligned with the taxonomy represented 35.0% of the eligible CAPEX, *i.e.* 24.0% of total CAPEX.

The Taxonomy Regulation is based on a reduced definition of OPEX which is mainly composed of costs relating to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as any other direct expenses related to the day-to-day maintenance of tangible assets.

On the basis of the consolidation work carried out at Group level, the eligible OPEX (€10.5 million) mainly relates to research and development activities close to the market (9.1), the manufacture of equipment for the production and use of hydrogen (3.2), and the manufacture of electric and electronic equipment. The share of the eligible OPEX represents 17.9% of the total OPEX of EXEL Industries (€58.8 million).

In 2024, the share of aligned OPEX represented 4.7%, *i.e.* €2.8 million, of total OPEX, mainly due to market-related research, development and innovation (9.1).

Compliance with the technical review criteria and the DNSH

The investments were categorized according to the Taxonomy activity grid, and analyzed with regard to the technical review criteria. The alignment methodology used aims to identify investments made in:

- the installation, maintenance and repair of energy efficiency equipment (7.3);
- the installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings) (7.4);
- transport by motorcycles, passenger cars and light commercial vehicles (6.5): vehicles of categories M1 and N1 with emissions of less than 50 g of CO_2/km (electric vehicles and some hybrid vehicles);
- the renovation of existing buildings (7.2);
- the renovation of existing buildings (7.2) and the acquisition and ownership of buildings (7.7);
- the installation, maintenance and repair of renewable energy technologies (7.6);
- market-based research, development and innovation (9.1).

The Group carried out the work to verify compliance with the DNSH criteria and notably verified compliance with the DNSH on climate change adaptation by analyzing the DNSH for activities 7.3 and 9.1. As a result of this analysis, no high sensitivity on the targeted assets was identified, and no financial impact was deemed significant.

The Group operates mainly in regions (Europe, North America, Oceania) that respect the principles and rights of the ten fundamental conventions mentioned in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and in the International Charter of Human Rights. Therefore, we can reasonably state that the minimum social guarantees are met.

Regulatory tables

Turnover

Economic activities	Code(s)	Absolute CAPEX *(in €)*	Share of CAPEX *(as a %)*	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
				Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	Minimum safeguards *Y/N*	Taxonomy-aligned share of CAPEX, year N-1 *(as a %)*	Category (enabling activity)	Category (transitional activity)
A.	**ACTIVITIES ELIGIBLE FOR THE TAXONOMY**																		
A.1	**Environmentally sustainable activities (aligned with the Taxonomy)**																		
Turnover from environmentally sustainable activities (aligned with the Taxonomy) (A.1)	N/A	0	0%																
Of which enabling	N/A	0	0.0%	100%	0%	0%	0%	0%	0%							YES			
Of which transitional	N/A	0	0.0%	100%	0%	0%	0%	0%	0%							YES			
A.2	**Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)**																		
				EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL										
Repairs, refurbishment and remanufacturing	5.1	3,593,902	0.3%	NEL	NEL	NEL	EL	NEL	NEL										
Sale of spare parts	5.2	146,163,077	13.3%	NEL	NEL	NEL	EL	NEL	NEL										
Sale of used goods	5.4	46,263,393	4.2%	NEL	NEL	NEL	EL	NEL	NEL										
Products as services and other circular service models focused on usage and results	5.5	3,407,661	0.3%	NEL	NEL	NEL	EL	NEL	NEL										
Turnover from activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)	N/A	199,428,032	18.1%	NEL	NEL	NEL	EL	NEL	NEL										
Total (A.1 + A.2)	**N/A**	**199,428,032**	**18.1%**																
B.	**ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY**																		
CAPEX of the activities not eligible for the Taxonomy (B)	N/A	899 873 145	81.9%																
TOTAL (A + B)	**N/A**	**1,099,301,177**	**100.0%**		**0**														

OPEX

Economic activities	Code(s)	Absolute CAPEX *(in €)*	Share of CAPEX *(as a %)*	Substantial contribution criteria: Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	DNSH criteria (Do No Significant Harm): Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	Minimum safeguards *Y/N*	Taxonomy-aligned share of CAPEX, year N-1 *(as a %)*	Category (enabling activity)	Category (transitional activity)
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																			
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	53,715	0.1%	YES	NO	NO	NO	NO	NO		YES			YES		YES	NA		T
Installation, maintenance and repair of charging stations for electric vehicles inside buildings	7.4	891	0.0%	YES	NO	NO	NO	NO	NO		YES					YES	NA		T
Market-based research, development and innovation	9.1	2,708,412	4.6%	YES	NO	NO	NO	NO	NO		YES	YES	YES	YES	YES	YES	NA		T
OPEX of the environmentally sustainable activities (aligned with the Taxonomy) (A.1)	N/A	2,763,018	4.7%	YES	NO	NO	NO	NO	NO							YES	NA		
Of which enabling	NA	0	0.0%	100%	0%	0%	0%	0%	0%							YES			
Of which transitional	N/A	2,763,018	4.7%	100%	0%	0%	0%	0%	0%							YES			
A.2 Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
				EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL										
Manufacturing of electrical and electronic equipment	1.2	800,468.17	1.4%	NEL	NEL	NEL	EL	NEL	NEL								NA		
Manufacturing of equipment for the production and use of hydrogen	3.2	405,000	0.7%	EL	NEL	NEL	NEL	NEL	NEL								1.00%		
Repairs, refurbishment and remanufacturing	5.1	31,730	0.1%	NEL	NEL	NEL	EL	NEL	NEL								NA		
Market-based research, development and innovation	9.1	6,503,351	11.1%	EL	NEL	NEL	NEL	NEL	NEL								8.10%		
OPEX of the activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)	N/A	7,740,549	13.2%	EL	NEL	NEL	NEL	NEL	NEL								9.10%		
Total (A.1 + A.2)	**N/A**	**10,503,568**	**17.9%**														**9.10%**		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OPEX of activities not eligible for the Taxonomy (B)	N/A	48,333,289	82.1%																
TOTAL (A + B)	**N/A**	**58,836,856**	**100.0%**																

CAPEX

				Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	Code(s)	Absolute CAPEX *(in €)*	Share of CAPEX *(as a %)*	Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	Climate change mitigation *Y/N*	Climate change adaptation *Y/N*	Water *Y/N*	Circular economy *Y/N*	Pollution *Y/N*	Biodiversity *Y/N*	Minimum safeguards *Y/N*	Taxonomy-aligned share of CAPEX, year N-1 *(as a %)*	Category (enabling activity)	Category (transitional activity)
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																			
Renovation of existing buildings	7.2	7,435,758	15.1%	YES	NO	NO	NO	NO	NO		YES	YES	YES	YES		YES	NA		
Transport by motorcycles, passenger cars and light commercial vehicles	6.5	1,217,504	2.5%	YES	NO	NO	NO	NO	NO		YES		YES	YES		YES	4.20%		T
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	313,002	0.6%	YES	NO	NO	NO	NO	NO		YES			YES		YES	1.80%		T
Installation, maintenance and repair of renewable energy technologies	7.6	764,000	1.5%	YES	NO	NO	NO	NO	NO		YES					YES	NA		T
Acquisition and ownership of buildings	7.7	1,729,720	3.5%	YES	NO	NO	NO	NO	NO		YES					YES	NA		T
Installation, maintenance and repair of charging stations for electric vehicles inside buildings	7.4	51,403	0.1%	YES	NO	NO	NO	NO	NO		YES					YES	0.10%		T
Market-based research, development and innovation	9.1	310,196	0.6%	YES	NO	NO	NO	NO	NO		YES	YES	YES	YES	YES	YES	NA		T
CAPEX of the environmentally sustainable activities (aligned with the Taxonomy) (A.1)	N/A	11,821,582	24.0%	YES	NO	NO	NO	NO	NO							YES	6.30%		
Of which enabling	NA	0	0.0%	100%	0%	0%	0%	0%	0%							YES			
Of which transitional	N/A	11,821,582	24.0%	100%	0%	0%	0%	0%	0%							YES			
A.2 Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
				EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL	EL/ NEL										
Manufacturing of equipment for the production and use of hydrogen	3.2	8,000	0.0%	EL	NEL	NEL	NEL	NEL	NEL								0.30%		
Transport by motorcycles, passenger cars and light commercial vehicles	6.5	4,863,440	9.9%	EL	NEL	NEL	NEL	NEL	NEL								16.40%		
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	129,545	0.3%	EL	NEL	NEL	NEL	NEL	NEL								NA		
Acquisition and ownership of buildings	7.7	16,414,991	33.3%	EL	NEL	NEL	NEL	NEL	NEL								10.80%		
Market-based research, development and innovation	9.1	344,895	0.7%	EL	NEL	NEL	NEL	NEL	NEL								NA		
CAPEX of the activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)	N/A	21,760,872	44.1%	EL	NEL	NEL	NEL	NEL	NEL								30.50%		
Total (A.1 + A.2)	**N/A**	**33,582,453**	**68.1%**														**36.80%**		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
CAPEX of activities not eligible for the Taxonomy (B)	N/A	15,736,163	31.9%																
TOTAL (A + B)	**N/A**	**49,318,617**	**100.0%**																

	Share of CAPEX/Total CAPEX		Share of OPEX/Total OPEX		Share of turnover/Total turnover	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective	Aligned with taxonomy by objective	Eligible for taxonomy by objective	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	24%	44%	4.7%	12%	0%	0%
CCA	0%	0%	0%	0%	0%	0%
WTR	N/A	0%	N/A	0%	N/A	0%
CE	N/A	0%	N/A	1%	N/A	18%
PPC	N/A	0%	N/A	0%	N/A	0%
BIO	N/A	0%	N/A	0%	N/A	0%

4.3 Main non-financial risks and opportunities

EXEL Industries reviewed the risks that could potentially have a material adverse effect on its business, financial position or results (or its ability to meet its targets).

Every year, EXEL Industries companies undertake an in-house analysis of threats and opportunities at the time of their budget presentations to the EXEL Industries Executive Management.

In 2020-2021, the year was marked by in-depth work aimed at reviewing all the financial and non-financial risks liable to affect the Group. This work was carried out on a large scale with the Group's Top Managers and more than a hundred employees.

Structured around each participant's analysis and the collective sharing of conclusions, pursuing an iterative method, it resulted in mapping all the Group's risks. This approach was enhanced in 2022-2023 by an improved consideration of ESG risks and opportunities.

This mapping was established in conjunction with a risk matrix that measures severity and probability of occurrence, as well as with the activity materiality matrices. It also took into account the analyses from the various entities of the EXEL Industries group, carried out as part of the ORM.

This risk analysis is presented to the Audit Committee.

The risk mapping includes the non-financial risks summarized in the table below and which will be discussed hereafter.

RISKS

E	S		G	
ENVIRONMENTAL	**LABOR AND SOCIETAL**	**RESPECT FOR HUMAN RIGHTS**	**ANTI-CORRUPTION**	**FIGHT AGAINST TAX EVASION**
▸ Risk of ground and air pollution ▸ Biodiversity risk ▸ Risk of soil compaction ▸ Climate risk: reducing carbon footprint ▸ Risk related to water use restrictions	▸ Risks related to employee health and safety at work ▸ Risk related to attractiveness (apprenticeship, disability, gender balance) ▸ Risk related to the maintenance and development of skills (training, mobility)	▸ Non-compliance with fundamental human rights (child labor, discrimination)	▸ Risk related to corruption and influence peddling	▸ Risk of non-compliance with the tax laws and regulations of the countries in which the Group operates: • due to its international presence • due to rapid/unfavorable changes in taxation

4.3.1 The environment

As our industrial sites mainly involve the assembly of purchased components, the environmental risks described here are mainly those that concern the users of the equipment sold by the Group.

Risk of ground and air pollution

In our Agricultural Spraying activity, the major challenge for our customers lies in their ability to respect the environment without degrading yields. In order to achieve this objective, the Group's brands provide them with high-precision farming techniques capable of reducing by 30% to 80% the use of phyto products intended to combat the three major plagues of agriculture: plant diseases (viruses and fungi), insect pests and invasive weeds.

Since its businesses involve spraying, EXEL Industries has for many years dealt with the risks related to restrictions on using phytopharmaceutical products.

The products applied by our agricultural sprayers are phytopharmaceutical products with a synthetic or natural origin. They notably include herbicides, insecticides and fungicides intended to combat such diseases.

These products are subject to strict regulations and, in some cases, are destined to disappear (glyphosate in particular), but will have to be replaced by alternative products.

Research and innovation combined with visual recognition, drone and GPS mapping technologies and the use of data are the avenues for a productive and environmentally-friendly agriculture.

The Garden activity, for its Spraying segment, is also affected by the ban on the private use of glyphosate. In response, we offer our customers composters of organic waste, to be used as fertilizer, and thermal weedkillers with low energy consumption.

Biodiversity risk

Because of its activity, the sprayers manufactured by EXEL Industries companies use phytopharmaceutical products that partially affect the soil. In this context, biodiversity may be affected. The innovations implemented at EXEL Industries and described in Section 3.1.5 take this risk into account.

Our Industrial Spraying activity is constantly striving for greater effectiveness in its innovations and for improved transfer efficiency (the fraction of paint actually applied to the target). Our SAMES brand develops a whole range of products and solutions that make it possible to glue, protect and embellish while reducing the emissions of volatile organic compounds.

Risk of soil compaction

The use of heavy machinery for work in the fields and in particular for harvesting in wet soil can affect the soil by causing significant compaction due to the machine wheels. This settlement is detrimental to the soil's due respiration and to biodiversity. The innovations mentioned in Section 3.5.1 provided by HOLMER reduce this impact.

Climate risk: reducing carbon footprint

The risks in relation to reducing the carbon footprint and mitigating climate change were addressed in Section 3.1.5.

Risk related to water use restrictions

The risks related to water use restrictions are discussed in Section 3.1.5.

4.3.2 Labor and societal

The risks identified in this area involve several elements:

In an environment of scarcity of human resources and hyper-competition among work organizations, Human Capital is a key resource for EXEL Industries. This is why the Group is committed to attracting the talent of tomorrow to support its development. It offers its employees a work environment conducive to efficiency, provides training initiatives and acts, in a spirit of respect for all diversity, to ensure that everyone feels well and valued.

In particular, the main risks identified are:

Risks related to employee health and safety at work

Well-being at work, the management of absenteeism and workplace accidents are major challenges for our Group. In particular, the safety of our employees at work is held to the highest standards by the Group's Executive Management. Monitoring of new hires and temporary workers is considered important.

EXEL Industries has many industrial sites that present multiple risks: working at height, use of machine tools, handling of rolling stock, working together, etc. are all examples of risky situations. EXEL Industries is committed to making workplace safety an absolute priority. The implementation of positive impact financing, one of the major objectives of which is to reduce Frequency Rate 1 to five years, is a material consideration.

Risk related to attractiveness

All our companies work in the industrial sector. They are medium-sized and aim to attract candidates and make them want to join the Group.

Most of the occupations that our companies need for their development are under pressure. This is the case for worker trades where skills in mechanics, hydraulics and electronics are in demand. This is also the case for research and development, engineering and industrial organization, which encompass mechanics, electronics, robotics and new information technologies such as digital, data and artificial intelligence. These specialized profiles are in great demand today.

The size of our companies, the quality of social dialogue in the field, the culture of local initiative, the HR tools implemented, the policy of developing apprenticeships and retaining our young people are all necessary responses to address this attractiveness challenge.

Risk related to the maintenance and development of skills

Multiple, varied efforts must be made to support employees once they join our companies. In-house and outsourced career-long training are areas that the Group considers carefully and on which it is working specifically.

4.3.3 Anti-corruption

The risk of corruption and influence peddling is a risk identified at the Group in view of the diversity of the countries in which it operates and the third parties with which it interacts. These third parties may be public servants, customers, suppliers, commercial agents, dealers, consultants or public or private partners.

Corruption distorts competition and the normal functioning of the market.

This risk could lead to legal action against the Group and have major consequences for the due execution of the Group's business, its reputation and its attractiveness.

The Executive Management of EXEL Industries has made the prevention and detection of corruption a priority, and is committed to a policy of zero tolerance.

4.3.4 Human rights

Failure to respect fundamental human rights such as child labor, discrimination against certain categories of the population or work carried out in unacceptable conditions is at odds with the values we hold and could, moreover, lead to legal actions against the Group with major consequences in terms of reputation and attractiveness.

4.3.5 Tax evasion

As an international group operating in many countries, EXEL Industries is aware of its possible exposure to this issue and takes into account all possible measures mentioned in Section 3 of the Universal Registration Document.

4.4 Actions undertaken

4.4.1 The environment

Foreword

EXEL Industries offers its customers solutions for reducing their environmental impact:

- accurate systems for treating crops that reduce the amounts of phytopharmaceutical products sprayed;
- sugar beet harvesters and beet cleaners that leave as much soil as possible in the field;
- high transfer rate painting systems that reduce the amounts of paint and solvent used;
- powdered paint atomizers with recycling systems;
- hydrosoluble (solvent-free) paint sprayers;
- alternative products to the application of chemical weedkillers in the Garden activity.

Compared to so-called heavy industries, the Group's production sites consist mainly of assembly plants that only have a slight environmental impact: moderate consumption of water, energy and raw materials, and moderate pollution. With regard to internal actions, each Group company:

- monitors local regulations: such legislation is a benchmark in all countries;
- in addition to legislation, also establishes proactive actions;
- has managers responsible for environmental matters (in the majority of our companies);
- endeavors to sort waste, preferably calling on local channels, and often solidarity structures or players in the circular economy;
- implements recycling procedures (water, raw materials);
- provides employee training and awareness-raising initiatives on environmental protection, mainly in relation to the due management of chemicals and waste management procedures.

More specifically:

The industrial investments made in the Group's companies always take environmental concerns into account.

That was the case with the Group's latest major construction projects.

It is also the case for future construction projects, which take into account environmental matters in the CAPEX.

4.4.1.1 Soil and air pollution, respect for biodiversity and reduction in soil compaction

The protection of people (customers, employees) who come into contact with risks is ensured through training, awareness-raising initiatives, documentation and instruction manuals. Innovation is a daily concern for the Management of our companies in these activities.

On certain sites, in particular those requiring ICPE authorization (TRICOFLEX) or registration (HOZELOCK EXEL), specific environmental procedures have been established.

Examples of results in these areas are cited below:

In Industrial Spraying

- Our paint sprayers allow the application of non-polluting aqueous products, with the best transfer efficiency on the market. Our 3D printing technology will also contribute in the coming years to considerably reducing pollution by reducing the amount of paint used, eliminating masking materials and reducing the volume of volatile organic compounds.
- A QHSE manager was hired in 2022 at the SAMES Meylan site and the standards ISO 14001 and ISO 45001 were obtained by the site.

At TRICOFLEX, elimination of all phthalate supplies.

In 2024, SAMES obtained the gold medal and TRICOFLEX the bronze medal of the same assessment system.

In Agricultural Spraying

Our companies play a key role in the agricultural sector. Thus, as their customers' partners (dealers, contractors, end-user farms, etc.), they listen to them and meet their needs through innovation. In this way they participate actively in the transformation of the sector, creating long-term farm productivity and improved crop quality.

Our agricultural developments are in line with the guidelines set out in the Green Deal.

Recently, HARDI's GEOSELECT technology and EXXACT Robotics' 3S technology have drastically reduced the quantities of products applied. These technologies, which will be available for sale this year, will also contribute to the preservation of biodiversity.

All our brands in the field of Agricultural Spraying develop innovative solutions that respect the environment and people.

In the Sugar Beet Harvesting business

Environmentally-friendly agriculture endeavors to preserve the soil, in other words, to respect biodiversity and limit soil compaction. HOLMER offers machines that limit soil compaction by incorporating latest-generation low-pressure tires and staggered axle techniques to avoid rolling twice in the same place and to better distribute the load. The highly productive machines that harvest 12 rows simultaneously (*vs.* six for standard equipment) significantly reduce their footprint.

Design offices are working on using wider tires with lower pressures to reduce soil compaction. In spreading activities, GPS systems guide the machines and thus help preserve the soil. The new manure spreader protects the soil by being much lighter.

After the sale of the first Terra Variant 585 in France in 2018, the lighter Terra Variant 435 is an eco-friendly solution for soil. This lighter manure spreader protects the soil by preventing excessive compaction by heavy machines. The Terra Variant has a driver assistance system to protect the soil and maintain directional stability in row crops.

In the Garden business

For the mass retail market, HOZELOCK EXEL has developed products that consume less active material. Our electric weeder, which destroys weeds by creating a thermal shock, avoids the use of chemical weed killers (Green Power).

HOZELOCK markets a rotating garden composter that recycles waste and allows fertilization with organic products.

In 2024, HOZELOCK EXEL was awarded a bronze medal by the Ecovadis international assessment system.

4.4.1.2 Take climate action by reducing air emissions and controlling energy usage

a- Climate action

Due to our activity

In the work-related transport field: we encourage our employees to use public transport (train rather than car). To limit travel, the Group has set up videoconferencing systems and uses shared digital tools (teams, etc.). Vehicle fleets are managed in a way that limits CO_2/km. Several companies in the Group now offer mileage allowances to employees who travel to work by bike. Car-pooling is also encouraged.

Covid-19 accelerated this movement in all our companies. The much greater use of digital tools significantly reduces the Group's environmental impact.

Companies are starting to offer electric or hybrid company cars. At the HARDI Denmark site, 12 charging stations for electric vehicles have been installed. At SAMES, the "bike bonus" has been extended to users of electric vehicles and the company has installed the first electric charging station on the Meylan site, which makes it the first such model company in its economic area. The same applies to iNTEC. SAMES is also increasingly moving its products to America and China by sea rather than by plane.

On sites with painting facilities, VOC emissions are monitored and limited by the air extraction and filtering equipment, which is installed in paint booths and welding stations.

Energy audits were carried out in 2021 on the French industrial sites of our Agricultural Spraying business. These enabled us to prepare action plans to reduce energy consumption for greater sobriety.

We encourage the installation of radiant heating systems: they are more energy efficient than oil heating systems, which have been replaced on certain sites.

Due to our customers using our equipment

To reduce the greenhouse gas emissions of the farm machinery we market, our Research and Development Departments are working on ever lighter machines. The standards that we comply with are an essential benchmark for these machines. Our companies have upgraded their engines to Phase 5, in accordance with the European NRMM regulation (non-road mobile machinery emissions) – Technical name EU 2016 (1628).

ET Works and the US market, the largest agricultural equipment market in the world, are affected by these developments. This is why the design offices are involved in moving to the Stage 5 emissions standard for diesel engines.

Likewise, in Sugar Beet Harvesting and Agricultural Spraying, the specific plans for renovating and exchanging machines help to limit our environmental footprint.

Another issue on which our agricultural businesses are working is the quality of their customer service.

The quality of this service as established in Premium programs includes "full-service" packages that get the customer up and running with training in the use of the technologies included in the device and regular visits to the customer by technicians in order to guarantee the upkeep, maintenance and use of the sprayer under optimal conditions. The aim is to guarantee the quality of spraying and thereby optimize the volumes of phytopharmaceutical products used for the treatment of plots.

Industrial painting equipment (pumps and applicators) consumes electricity and compressed air.

This consumption represents a cost for our customers which goes beyond ecological concerns. Our design offices are trying to make our equipment consume as little energy as possible.

Adapting to climate change

Our machines already adapt to different climates: desert climates in Australia, wide expanses in Russia, with humid weather in the fall for beet crops, agriculture on small plots in France, etc.

b- Reducing consumption

We are always striving to limit energy consumption.

- The AGRIFAC plant is one of the most energy-efficient buildings in the Netherlands and obtained BREEAM certification.
- The use of LED lighting continues to increase significantly in all Group companies.
- Roof repairs and better insulated buildings also allow energy savings.

4.4.1.3 Waste management

For many years, EXEL Industries companies have managed waste by sorting it by materials and their destinations, sometimes with solidarity economy players.

There are numerous examples of successful waste management projects. Notably:

- by commissioning a new recycling line that increases its capacity, TRICOFLEX recycles flexible PVC waste from other European companies. For this commitment to the circular economy, TRICOFLEX was awarded the MORE label by EuPC and the *Fédération Française de la Plasturgie et des Composites*;
- AGRIFAC is committed to a circular economy approach;
- ET Works takes delivery in bulk of the petroleum products used in the manufacturing processes. A system of pipes delivers the oils and fuels from the storage locations to the production locations. This eliminates the use of disposable products for these products;
- SAMES is continuing its policy of redesigning its product and shipping packaging and packing in order to reduce cardboard consumption;
- in Sugar Beet Harvesting, the business model for this activity provides for the purchase of used machines. HOLMER intends to further develop and promote these circular economy operations.

4.4.1.4 Controlling water use

The Group's manufacturing sites are not highly dependent on the use of water in their manufacturing process. Nevertheless, some plants have undertaken voluntary measures to reduce the consumption of this resource:

- implementation of a closed circuit for the production of PVC pipes;
- recovery and recycling of the water used to test sprayers at plants;
- rainwater recycling systems, installed in some of our plants.

In addition, we market products that save water for our customers:

The products marketed by SAMES reduce paint sludge through an optimized transfer efficiency.

HOZELOCK's water savings can be achieved by using, for example:

- drippers and micro-irrigation;
- ollas (microporous terracotta pots), for autonomous and ecological watering with 50% less water compared to surface watering.

Lastly, our sprayers reduce water consumption when spraying phytopharmaceutical products diluted with water.

4.4.2 Food waste, food scarcity, animal welfare and responsible, fair and sustainable food policy

Food waste is not very relevant to EXEL Industries. Only the canteens are concerned and these are not managed by the Group.

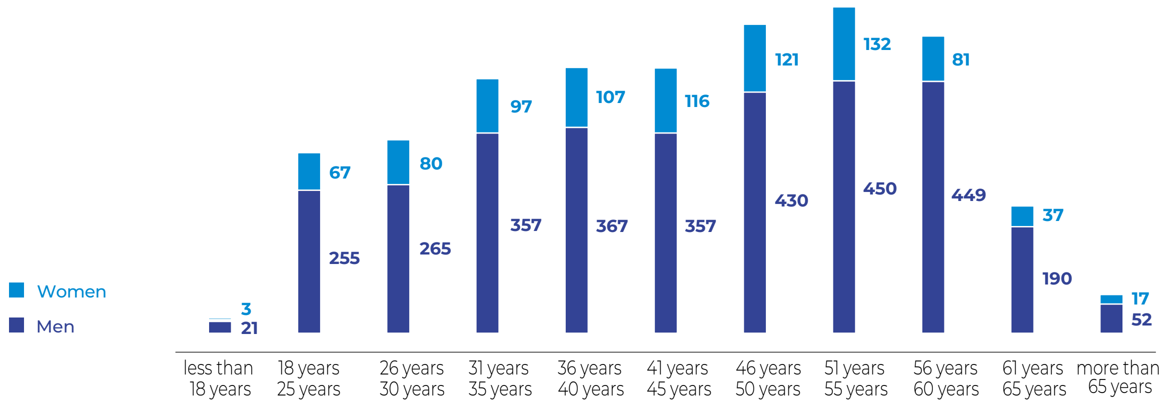
Through its activity, the fight against food insecurity, respect for animal welfare, responsible, fair and sustainable food and actions to promote the nation-army link and support commitment in the reserves are not very significant for the EXEL Industries group. Nevertheless, we can highlight the approach put in place by HARDI to reduce its food waste from its company restaurants.

4.4.3 Labor and societal

Foreword: Statement of Headcount – Primary Data

As of September 30, 2024, the Group's total headcount was 4,047 employees (permanent contracts + fixed term contracts + apprentices), including 21% women and 79% men, a stabilization in the proportion of women since last year. The headcount averaged 4,214 employees during the fiscal year.

The age pyramid was as follows:



The Group's average age is relatively stable, increasing from 43 years and 9 months to 44 years and 3 months. 52% of employees are in the first part of their career (under 45 years old).

Young people under the age of 25 continue to be well represented (nearly 9% of the headcount as of September 30, 2024). The share of seniors (over the age of 55) decreased to 20% (compared to 23% in 2023).

Over the reporting period, 675 people left the Group, including 184 layoffs, and there were 534 new hires.

Breakdown of the international headcount

	2021-2022	2022-2023	2023-2024
France	42.0%	41.3%	42.0%
Northern Europe	10.0%	10.0%	8.0%
Southern Europe	0.9%	3.7%	4.0%
Eastern Europe	2.1%	2.1%	2.1%
Western Europe	27.1%	25.2%	24.8%
Central Europe	4.6%	4.0%	3.6%
North America	6.7%	7.5%	7.3%
Asia	2.2%	2.2%	2.4%
Oceania	3.2%	3.4%	3.1%
South America	1.0%	0.5%	1.1%
Africa and Near & Middle East	0.3%	0.3%	0.3%

The countries corresponding to the areas concerned for which our employees are present are:
- Northern Europe: Denmark, Norway, Sweden;
- Southern Europe: Italy, Portugal, Spain;
- Eastern Europe: Russia, Ukraine;
- Western Europe: Belgium, England, Germany, the Netherlands, Switzerland, excluding France;
- Central Europe: Austria, Czech Republic, Hungary, Poland, Romania;
- North America: Canada, United States;
- Asia: China, India, Indonesia, Japan, Malaysia, Thailand, Vietnam, Kazakhstan;
- Oceania: Australia, New Zealand;
- Central and South America: Argentina, Brazil, Mexico;
- Africa and Near & Middle East: Turkey.

In terms of geographical distribution, 58% the Group's headcount is outside France, most of which residing in Europe (outside France).

Note on the headcount:

The headcount is presented as of September 30, 2024: it includes all the employees on fixed term contracts (including apprentices) and permanent contracts at the Group on September 30, 2024, regardless of their working time. This is the figure used in the breakdown by age, gender and region.

Concerning the average headcount: this is the average number of employees present on the last day of each month over a 12-month period, disregarding any part-time work, and including temporary employees (including apprentices) and permanent employees.

4.4.3.1 Guaranteeing Workplace Health, Safety and Well-being

a- Acting preventively to ensure the safety of employees

The health and integrity of our employees is essential. We integrate these issues into our day-to-day management. The improvement in safety outcomes is the result of a long process. It is based both on a high level of compliance with rules, storage, cleanliness, the wearing of personal protective equipment and employee training (first aid, fire, safety) and with the exemplary attitude of managers.

It is also the result of putting safety first, and of continuous awareness, thanks to the attention paid to risky situations in companies.

Workplace safety is an absolute priority at the heart of our concerns.

All Group Top Managers are encouraged to take all necessary measures to minimize workplace risks and aim for zero accidents. Each Executive Management meeting begins with the issue of safety. Every visit gives rise to a “factory tour” with the aim of detecting and avoiding potential risks of accident thanks to an external perspective.

In September 2022, we set up a safety commission with one representative per company.

Similarly, proactive approaches are implemented at each company. They are based on the involvement of the entire company hierarchy and, more broadly, all employees. They include regular “safety walks” or “safety days” that involve the entire working community. With a view to pooling risk situations, they also provide for the sharing of prevention reports, accident reports and action plans to improve industrial organization through “5S” type approaches.

Work-related accidents, even minor ones, are analyzed at our companies. In general, medical check-ups are organized. Having healthy employees is one of the essential elements of prevention in our work community.

The very great majority of sites have set up welfare protection for employees, notably health and welfare arrangements.

The Group also has a global coverage program for accident risk conditions as part of professional assignments, which it has rolled out to all countries, including outside Europe.

At sites with a production activity, someone is responsible for safety matters, who often combines this role with responsibility for environmental issues. We also encourage learning in this area.

Communication continues to be a lever for raising awareness at most sites, with the use of green crosses, totems and posters as part of the “five-minute points”.

Nursing and social worker services exist in several structures.

The highest level of attention is also paid to psychosocial risks. At companies, Company Management, along with the medical/social staff of the Human Resources Departments, work closely with managers, employee representatives and employees to prevent and create alerts for such risks.

b- Measuring and reducing occupational accidents

Despite the multiplication of the prevention actions undertaken, we have not yet reached zero accidents. And while the results for the frequency rate are improving, efforts must be continued.

This is why our impact financing plan (EURO PP) has made it one of its three CSR indicators.

Two years ago, a new Frequency Rate indicator, FR2, corresponding to reported workplace accidents with and without lost time, was implemented. As with FR1, it is monitored on a monthly basis.

Each Group company will henceforth be challenged and given assistance in the event of deviation or failure to control such risks.

- **The frequency rate (FR1) is:**

$$\frac{\text{Number of occupational accidents with time lost x 1,000,000}}{\text{Number of hours worked by all Group employees (excluding temporary workers)}}$$

This refers to the number of accidents involving at least one day of lost time per million hours worked.

- **The frequency rate (FR2) is:**

$$\frac{\text{Number of occupational accidents declared with and without time lost x 1,000,000}}{\text{Number of hours worked by all Group employees (excluding temporary workers)}}$$

- **The severity rate is:**

$$\frac{\text{Number of days of absence following workplace accidents x 1,000}}{\text{Number of hours worked by all Group employees (excluding temporary workers)}}$$

This refers to the average number of days of lost time per thousand hours worked.

In 2024, we reinforced the calculation of hours worked by having, on the one hand, theoretical days and, on the other, theoretical hours, whereas in 2023 this breakdown was not available. This improvement enabled us to note a minor difference of 40,094 hours in the Group’s total, *i.e.* an impact of 0.2 on the FR1, which in 2023 would have been 11.71 instead of 11.51.

We are also building strong partnerships with the temporary employment agencies working on our sites by setting up joint questionnaires with temporary workers, and involving them in our safety days.

No fatal workplace accidents affected the Group’s employees or temporary workers during 2023-2024.

c- Absenteeism

In 2023-2024, the year saw a slight decrease in our absenteeism rate compared to the previous year. The indicator therefore improved by 0.10 points, going from 3.53% in 2022-2023 to 3.43% in 2023-2024.

To improve wellbeing at work and to reduce the costs of absenteeism, concrete actions have been implemented at the Group's companies:

- return to work interviews are held for employees who were absent for over a week;
- improving communication (by department, at Management level, at the level of the social partners) with employees on specific health themes, remaining in contact with sick employees;

d- Good health, life hygiene and wellbeing

Beyond the basic health and safety requirements, the Group strives to create an environment conducive to helping workers feel happy and fulfilled in their work.

Collaborative spaces have been built, with open spaces, interactive discussion spaces and break rooms that give employees a chance to vary the rhythm of and take breaks from their workday.

Morning exercises before starting work (as at HOZELOCK Ltd or HOZELOCK EXEL) or spaces that employees appropriate in order to embellish their work environment have emerged.

SAMES, at certain sites, has also established wellbeing programs aimed at mental, psychological and physical contentment.

AGRIFAC provides regular psychological counseling for employees who may be experiencing psychological difficulty.

4.4.3.2 Increasing our attractiveness

Developing apprenticeships, close relationships with schools, ties to associations and seeking out people with different, varied and unusual backgrounds are responses to that risk.

a- Apprenticeships, work-study programs and attracting new types of work relationships

The apprenticeship policy is one of our long-standing Corporate Social Responsibility focuses.

The number of apprentices has grown steadily, and the increase is real.

We have a relative stability in terms of apprentices with 130 for this fiscal year compared to 127 last year, or 3%.

Our companies work with schools of all levels to offer internships and apprenticeship contracts.

Work-study engineering and tertiary positions have become a common practice in our organizations. We see a real attraction for this method of training, recruitment and societal involvement.

The employees are involved in tutoring and follow up the training. They sit on recruitment panels and end-of-study presentation panels and are present on forums.

HOLMER dedicates a full-time employee and equipment and machinery to the management of a stable group of around 30 apprentices.

In France, the apprenticeship tax is primarily distributed to local educational establishments.

Work-study programs of all kinds are being promoted in an increasing number of countries, including in some which are not used to using this type of system.

Moreover, we are coming across an increasing number of young entrepreneurs who are not interested in old-fashioned work relationships but occasionally provide their (often highly specialized) skills for very specific projects. This is especially true in the area of partnerships with single-person start-ups.

b- Employing people with disabilities

Our welcoming, humanistic companies care a great deal about diversity.

In practice, the Group employs people with disabilities either directly or through work-based support centers (ESATs in France).

At SAMES and EVRARD, an initiative involving executive management, partners, managers and employees has been carried out for several years to change the way people view disability.

Workstation modifications, as at EVRARD, have been implemented in collaboration with the disability assistance services.

96.37 units of employees with disabilities were recorded, down slightly compared to 2023.

More broadly, foreign companies are involved in this process to take differences into account.

c- Gender balance and diversity

EXEL Industries group welcomes differences and believes that diversity and gender balance only add to the success of a business. The people of EXEL Industries have a wealth of varied, complementary backgrounds. EXEL Industries is a family-scale, people-focused group with international ambitions. It is therefore open to all origins. The Group is committed to ensuring that its foreign subsidiaries are managed by local executive officers.

Gender balance: complementarity and an indispensable source of wealth

The percentage of women in the Group remained stable in 2024. It reached 21% of our headcount.

The Group's Board of Directors has three women, four men and one Director representing the employees, thus demonstrating gender diversity in the Group's highest governance body.

The French companies have all worked on agreements to promote gender equality. In countries where there is no such legal requirement, charters are adopted in compliance with local legislation in terms of gender equality.

The Group's policy is to favor competence and motivation beyond any consideration of gender in hiring and wage raises.

In practice, all the aforementioned topics are closely monitored by the Human Resources Departments of our companies.

- **Male-female headcount**: special attention is given to gender balance in certain departments, certain occupational categories or certain managerial levels: monitoring indicators have been set up. Local communication actions have been organized to promote certain more technical trades among girls.
- **Access to training**: future training plans have also been drawn up taking into account gender equality issues.
- **Special measures for family-life arrangements**: gender balance related issues have been taken into account:
  - interviews when returning to work after maternity leave/ parental leave/long-term absences;
  - attention given to work-life balance – notably in relation to children (working times adapted to constraints such as school times, sick child leave, flexibility at the end of school holidays, part-time working). For companies where flexible working already exists, the maximum amount of information is obtained upstream to permit good personal organization, and access to childcare is provided close to work on certain sites, with the Company contributing to its cost.
- **Assistance in promoting gender balance at workshops:**
  - anticipation on the manufacturing lines of certain heavier products so as to adapt the workstation.

The Gender Diversity Index is monitored in all our companies and updated annually.

Ethnic diversity, acting locally

The organization of the Group comprises a union of companies which, along with respect for local cultures, has historically favored locating our sites in rural areas and integrating them into local industrial life and society. Our companies are a major source of employment in these rural areas (direct or indirect, permanent or temporary jobs), and are connected to local job centers. Increasingly richer partnerships with these players (in particular in the practical tests of employees and the measurement of knowledge and skills) make it possible to diversify the onboarding provided for our young employees.

Other companies in more difficult regions have long been open to the youth of our neighborhoods and help them along, working with local networks, associations and employment partners.

d- Meaningful employer-employee dialogue

Mature, peaceful employer-employee relationships lead to constructive dialog whose purpose is to improve the Company and the people who make it up.

In addition to the compulsory meetings and negotiations in the countries concerned, regular meetings are held with employee representatives, managers or the teams directly where a complete range of subjects are discussed: working conditions, remuneration, presentation of the Company's strategy and results, etc.

41 agreements are in force at the various Group companies.

The period related to Covid-19 expanded opportunities for discussion and agreement among management and the social partners at our companies. For many months, continuous and consensual exchanges were conducted at our sites around the world in order to protect and preserve the health and safety of our employees. Numerous agreements or commitments were made on individual protection measures, telework, travel conditions, continued employment and solidarity among employees who were required to work, as well as those unable to work when deemed "vulnerable".

Value No. 7: "Pride in belonging" is experienced through festive events such as long-service awards, and open days bringing together families and sometimes retirees.

The Group Works Committee brings together the representatives of the biggest companies worldwide. Moreover, the Group's Chief Executive Officer also invites members of the Works Committee to the Annual General Meeting.

The Group's Board of Directors includes a Director representing the employees, elected by the members of the Group Works Council. The Group Works Council meets twice a year.

e- Chosen working hours – New collective and individual work arrangements

Throughout the Group, part-time work that is actively sought and not imposed has become increasingly important. Only overtime due to seasonality can be turned down as not compatible with our very strong seasonal surges. However, this method of organization is developing.

Overall, across the Group, there were 171 part-time employees as of September 30, 2024, up slightly compared to last year.

New work-time arrangements are being discussed at our companies with the implementation of teleworking, building on the experiences in this area during the pandemic. This has enabled our companies to form an extremely precise opinion on teleworking thanks to a measurement of the resulting impacts, both positive and negative, with balanced charters or working agreements, while taking into account the fact that our Group has many positions that cannot be performed through telework.

4.4.3.3 Maintaining and developing skills

a- Customized training: at the service of the Company's improved effectiveness

Training requirements are identified through individual interviews among managers and employees, and by cross-referencing them with the entity's strategy. The training plans are annual and specific to each entity, and may involve the Human Resource Departments where these exist. The courses are approved by the Executive Management teams, in line with the Company strategy.

The themes mainly concern:

- **safety**: this is the main topic covered at each company. Raising the awareness of all actors on this topic from the moment they join the Company is of upmost importance. This training involves new hires but also individuals working for set periods of time, such as seasonal and temporary workers. A new indicator was introduced in 2020 to determine the severity and frequency rates of workplace accidents with lost time among temporary workers. The frequency rate with lost time of 14.6 temporary workers and the severity rate of 0.03 give meaning to the commitment made by companies to steadily improve the training, onboarding and monitoring of temporary workers. The Group has established framework agreements in which action plan objectives (temporary worker onboarding process, training, action plans) are posted;
- **management**: in addition to current initiatives in this area, the Covid-19 period also encouraged companies to support managers remotely through the video-conferencing tool to manage their teams;
- due to the Group's internationalization, languages are also a major training topic. English is the Group-wide language for communication, and any meeting where one of the participants does not understand French is conducted in English. But the Group also ensures that French is taught in the foreign companies. The foreign companies run many courses;
- technical skills are also the subject of numerous courses on products and know-how;
- IT is also covered for integrated management software packages (ERP), business software, and office automation. Awareness-raising sessions are also organized on security and the proper use of IT resources. They take place during distance learning sessions or interactive meetings such as seminars through the internet (webinars);
- the tools for implementing new methods of production management require broad skills and knowledge. Several Group entities have adopted these tools, which require a major training program as well as the appointment of internal contacts responsible for adapting them.

b- Qualifying training and re-training: indispensable for making and keeping workers employable, and keeping them abreast of technological advances

A lifelong training pathway is increasingly becoming a necessity. Several major measures were taken in technical fields to raise the skill levels of our employees. In particular, HOZELOCK EXEL provided training leading to a qualification as a Line Conductor and Operator. TRICOFLEX initiated long-term actions for the joint qualification certificate of metallurgy (CQPM) for assemblers. AGRIFAC developed continuous improvement tools.

The Group's companies provided a total of 37,901 hours of training, for a trained headcount of nearly 1,409 people (excluding EVRARD and Supray Technologie SAS). This data is reported for the 2023 calendar year.

This excludes work time dedicated to customized in-house training on work stations and assistance to young people in training for their apprenticeships, internships, etc.

c- Internal mobility: a way to develop skills and discover the Group

The EXEL Industries group pays close attention to the development of its employees at its various subsidiaries. Interviews held at least yearly are arranged with management. These make it possible to focus on and take stock of employees' plans and ambitions.

The daily discussions between the Human Resources Departments of the various companies, coupled with the oversight by the Group HR Department, an HR Committee for France and an International HR Committee, encourage HR professionals to work together. The aim is to define the skills required, establish the positions to be filled and promote employee mobility and career development. The recently rebuilt EXEL Industries website has a "talent" page which presents job offers at the Group.

The *Exechos* magazine, produced at Group level in eight languages, is sent to all employees at their homes. The Group's press releases are distributed at the companies. An eco-responsible feature can be found in each issue. This magazine introduces and explains the Group's cultural resources to all employees beyond their own entity.

4.4.3.4 Measures taken to safeguard consumer health and safety

Created in November 2019, EXXACT Robotics coordinates breakthrough research and innovation activities for our Agricultural Equipment Division in particular. A true pooled research center, this company responds to the new challenges of agricultural and wine-growing spraying and offers EXEL Industries' Agricultural Spraying companies solutions for major agricultural transitions. Various technologies are developed and integrated into the Group's product ranges to respond to the issues of automation and traceability in day-to-day agricultural work.

It is also developing robotics and autonomous vehicle applications that address issues of arduousness and safety in vineyards. The challenge is to provide sustainable solutions to the major transitions that viticulture is undergoing.

The solutions developed for our customers comply with safety and environmental directives and standards (Machinery Directive, ATEX Directive, Reach, RohS, certain ISO standards, etc.).

Another consequence of the actions described in the context of respect for biodiversity is the preservation of consumer health by reducing the use of phytopharmaceutical products.

4.4.4 Business ethics

EXEL Industries has drawn up a plan to prevent corruption, in accordance with Article 17 of the law of December 9, 2016 on transparency, the fight against corruption and the modernization of the economy (known as the Sapin II Law), which applies to companies with more than 500 employees and turnover of €100 million.

4.4.4.1 Code of Conduct

In November 2017, a policy to combat corruption and influence peddling was implemented at the EXEL Industries group, at the initiative of its Chief Executive Officer. This code, translated into 19 languages and distributed throughout the Group, is signed by all employees and is part of the Internal Rules of each Group company. The code was rolled out, which enabled us to assess the number of employees who signed the code, amounting to 3,345, or 83% in total.

The code's rollout was accompanied by risk analysis by activity.

Training and awareness-raising initiatives were conducted for executive officers, managers, and human resources and sales managers, who themselves promoted these training courses within their respective companies.

4.4.4.2 Whistleblowing system

To limit the risks to which one of the entities of the EXEL Industries group, one of its employees or any external person working with the Group may be confronted, a whistleblowing system has been implemented to report serious breaches.

For external and occasional employees of the Group, the whistleblowing system is described in the Group's Ethics Charter, which can be consulted on the EXEL Industries website, under the "our commitments" section.

All employees are strongly encouraged to openly report their questions or concerns to their line manager, the Human Resources Department or the Executive Management.

To date, no acts of corruption have been reported.

4.4.4.3 Compliance with international sanctions

The EXEL Industries group has established its policy on international sanctions. EXEL Industries ensures that the companies that make up the Group do not carry out any activity prohibited by regulations on sanctions and embargoes, and that they do not enter into relations with sanctioned natural persons or legal entities. Due diligence is carried out whenever necessary. In particular, we have ensured compliance with the sanctions against Russia.

4.4.4.4 Internal vigilance procedures

The EXEL Industries group has implemented procedures to regulate relations with suppliers and customers.

For example, a dual signature is required for purchases above a certain amount; certain Group companies, such as HOZELOCK EXEL or BERTHOUD, regularly reshuffle the portfolio of suppliers among their purchasers.

Tender procedures have been launched for a large number of Group contracts: insurance, IT, lawyers, financial or organizational consultants, etc.

In a context marked by an increase in the overall level of risk, the EXEL Industries group has sought to strengthen its internal control system.

At the start of 2021, EXEL Industries launched a program to exhaustively list the risks to which its activities are faced, in order to update its risk management policy. This policy defines the resources, behaviors, procedures and actions that enable the management of:

- the efficiency and effectiveness of operations;
- the reliability of financial information;
- compliance with laws, regulations and internal rules.

An internal control process was redesigned based on a four-stage continuous improvement approach:

- the analysis of the main risks liable to prevent the Group from achieving its strategic and operational objectives;
- the implementation of prevention and detection controls proportional to the type of risk that are documented in an internal control manual;
- the communication of the procedures and training for internal control stakeholders;
- lastly, a periodical review of the system's effectiveness in order to provide changes.

The governance of the internal control structure relies on the following players:

- the Board of Directors, which entrusts the Audit Committee with the responsibility of overseeing the operation of internal control;
- the Audit Committee, which defines the audit plan and takes note of the internal audit reports, in particular major malfunctions and cases of fraud, in order to initiate corrective actions. It closely monitors the results of the annual risk mapping exercise;
- the Group's Executive Management, which is responsible for ensuring that procedures and instructions are correctly applied, that controls are effective, and that the declarations of compliance signed by the operational departments reflect reality;
- the Chief Operating Officers, who ensure that the internal control manual is applied in all the companies they manage, that the necessary controls exist and that they are carried out;
- the internal control ambassadors, who are responsible for rolling out the Group internal control manual and thus ensuring that it is adapted to the specific context of each activity (ERP, organization, tools, etc.);
- the Statutory Auditors, who report any deficiencies in internal control to the Audit Committee and the Board of Directors.

4.4.4.5 GDPR

The EXEL Industries group takes privacy and the protection of personal data very seriously. The Group is committed to taking adequate measures to ensure the protection, confidentiality and security of personal data and to process and use such data in compliance with the provisions of European Regulation 2016/679 of April 27, 2016 (the General Data Protection Regulation, or "GDPR") and any applicable local laws.

A personal data protection policy is available on the EXEL Industries website: this policy sets out the measures taken with regard to the processing of personal data by EXEL Industries in respect of categories of people whose data are collected and processed (notably website visitors, suppliers, service providers and shareholders).

Lastly, a Group IT Charter was drafted and distributed to all Group companies in October 2020. Each employee must read it and sign a certificate to that effect.

At the same time, to round out this approach, EXEL Industries is reviewing all of its insurance contracts.

4.4.5 Human rights

The EXEL Industries group is committed to promoting diversity within its own organization, and considers it an essential asset due to its international footprint.

It ensures equal opportunity and treatment for each employee with regard to hiring, access to training, remuneration and professional development. Candidates' skills and experience are the only factors taken into account.

It also strives to offer a work environment that respects everyone. Any physical or moral harassment is strictly prohibited and punishable.

It ensures health and safety at work for its employees. Finally, for all of its activities, it demands that these values be respected within them and among their suppliers, subcontractors and partners.

4.4.5.1 Outsourcing and suppliers

The EXEL Industries group has initiated a global approach to its purchases, taking into account the social and environmental challenges facing subcontractors and suppliers.

The Group's companies strive to maintain a local network of subcontractors and suppliers, including training organizations, maintenance and cleaning companies, temporary employment agencies and maintenance companies.

Most of the Group's companies have adopted charters emphasizing the social responsibility of our partners.

For example, GAMA Technologies requires its subcontractors to comply with the REACH regulation and has set up prevention and safety plans.

HARDI asks its subcontractors to sign a Supply Code of Conduct. It emphasizes compliance with the laws and regulations in force on employment, non-discrimination, the working environment and the fight against corruption. HARDI systematically audits its new subcontractors. HOZELOCK has included greenhouse gas emission criteria and the implementation of a CSR policy in the assessment grid for the main suppliers.

SAMES introduced corporate social responsibility obligations into its general conditions of purchase and general conditions of sale, and established a responsible purchasing charter, signed by 305 suppliers.

4.4.5.2 Anti-discrimination policy

The Group's general policy is underpinned by a strong ethical commitment on the part of the Board of Directors. This is supplemented by a Director representing employees. To manage its employees by focusing on their skills without any consideration of sex, age, disability, membership of an ethnic group, religion, sexual orientation, political opinion, state of health or family circumstances is a fundamental value and included in its value No. 8 "Acting responsibly".

Promotion and observance of the core conventions of the International Labour Organization:

- freedom of association and the effective recognition of the right to collective bargaining;
- the elimination of discrimination in respect of employment and occupation;
- the elimination of all forms of forced or compulsory labor;
- the effective abolition of child labor.

To comply with each country's laws, but most importantly out of ethical conviction, the Group respects the rights and principles contained in the eight fundamental conventions of the International Labour Organization (ILO). The Group mainly operates in Europe (over 80% of its headcount), in countries which have ratified the ILO's fundamental conventions.

SAMES has drawn up a human rights charter.

4.4.5.3 Other actions concerning human rights

Our respect for human rights is reflected in our values:

- Trust, Initiative;
- Openness, Transparency;
- Team Spirit;
- Acting Responsibly.

4.4.6 Tax evasion

Our Group has always had a reasonable tax policy with the aim of guaranteeing the interests of the shareholders while preserving relationships of trust with the countries where it is located. The financial staff of EXEL Industries, both centrally and locally and with the support of tax advisors, is committed to respecting its national and international tax obligations. Through transfer pricing, the Group takes special care so that the profit of companies is located where the added value was generated, without regard to tax optimization.

Technical discrepancies, however, may show up during audits, which may lead to tax disputes, notably due to uncertainties in the interpretation of tax laws or in the way we fulfill our tax obligations. When and if necessary, after analyzing the materiality of the risk, provisions are recognized on the financial statements in order to reflect the financial consequences of such departures.

4.5 Results of the policies implemented and performance indicators

4.5.1 Labor and societal

For labor and societal matters, we have adopted the following monitoring indicators:

- Frequency Rate 1 of workplace accidents;
- severity rate of workplace accidents;
- apprenticeship rate.

These indicators are supplied monthly by each company through the financial reporting system.

At the time of monthly management reviews, the CEOs report to Group Executive Management with regard to the action plans implemented and explain any deviations and departures from the objectives.

For the 2023-2024 fiscal year

The objectives set last year for 2023-2024 were as follows:

	2020-2021	2021-2022	2022-2023	2023-2024
Frequency Rate 1	14.7	13.0	11.5	8.1
Severity rate	0.5	0.6	0.4	0.3
Apprenticeship rate	3.2%	2.7%	3.0%	3.0%

Explanation of changes over time

As regards Frequency Rate 1

This rate has been falling continuously for years. It is 8.1.

Insofar as this is an absolute priority laid down by the Group's Executive Management, EXEL Industries will deploy the necessary actions to achieve it.

Efforts must also focus significantly on the most vulnerable groups, especially seasonal workers. Numerous action plans have also been implemented in this regard.

Our Frequency Rate 2 is also monitored monthly at the highest level of the Group and action plans adapted to the context of each plant are defined.

As regards apprenticeship

There was a slight improvement in our indicators on work-study programs and in particular apprenticeships. Of course, the German system, which has always been very supportive of apprenticeships, produces a significant number of apprentices. However, the widespread expansion of apprenticeships in our companies in France has enabled significant progress over the last few years. A comprehensive approach to the topic, which starts in March and April to prepare for the following school year, enables us to identify the skills we wish to bring into our companies. Naturally, we also try to hire the best young people whenever job opportunities arise.

4.5.2 Governance

The fight against corruption is one of the major risks highlighted by our risk mapping. This is why a monitoring indicator on the distribution of Codes of Conduct to all new employees was created.

4.5.3 The environment

Calculation of CO_2 emissions (Scopes 1 and 2)

	2020-2021	2021-2022	2022-2023	2023-2024
Calculation of CO_2 emissions*	31,502,715	20,976,119	23,325,430	23,562,275

* *In kilograms of CO_2.*

Greenhouse gases

The new electricity conversion factors for 2024 are shown in the table below.

Energy sources	Conversion factor	Source
Electricity – Germany	0.461 kg CO_2/KWh	Ademe database
Electricity – Argentina	0.367 kg CO_2/KWh	Ademe database
Electricity – Australia	0.841 kg CO_2/KWh	Ademe database
Electricity – Brazil	0.0868 kg CO_2/KWh	Ademe database
Electricity – Canada	0.186 kg CO_2/KWh	Ademe database
Electricity – China	0.766 kg CO_2/KWh	Ademe database
Electricity – Spain	0.238 kg CO_2/KWh	Ademe database
Electricity – United States	0.522 kg CO_2/KWh	Ademe database
Electricity – France	0.058 kg CO_2/KWh	Ademe database
Electricity – India	0.912 kg CO_2/KWh	Ademe database
Electricity – Italy	0.406 kg CO_2/KWh	Ademe database
Electricity – Japan	0.416 kg CO_2/KWh	Ademe database
Electricity – Mexico	0.455 kg CO_2/KWh	Ademe database
Electricity – Netherlands	0.415 kg CO_2/KWh	Ademe database
Electricity – Poland	0.781 kg CO_2/KWh	Ademe database
Electricity – Portugal	0.255 kg CO_2/KWh	Ademe database
Electricity – Czech Republic	0.589 kg CO_2/KWh	Ademe database
Electricity – Romania	0.413 kg CO_2/KWh	Ademe database
Electricity – United Kingdom	0.457 kg CO_2/KWh	Ademe database
Electricity – Russia	0.384 kg CO_2/KWh	Ademe database
Electricity – Sweden	0.0296 kg CO_2/KWh	Ademe database
Electricity – Switzerland	0.0273 kg CO_2/KWh	Ademe database
Electricity – Turkey	0.46 kg CO_2/KWh	Ademe database
Electricity – Ukraine	0.392 kg CO_2/KWh	Ademe database
Natural gas – Europe	0.213 kg CO_2/KWh PCS	Ademe database
Propane, including maritime – Europe	0.267 kg CO_2/KWh PCI	Ademe database
Petrol at the pump – Metropolitan France	2.7 kg CO_2/L	Ademe database

Monitoring water and energy consumption

	2020-2021	2021-2022	2022-2023	2023-2024
Water usage *(in m^3)*	87,011	78,960	74,860	78,889
Use of electricity *(in kWh)*	44,303,718	42,511,461	38,323,644	36,391,818
Use of gas *(in kWh HHV)*	30,306,435	29,074,091	28,283,817	26,565,013
Use of propane *(in kWh HHV)*	5,808,796	5,549,301	5,691,986	6,427,772
Use of fuel oil *(in liters)*	1,737,280	1,694,437	1,889,821	2,458,636

4.6 SNFP preparation process

This document was drawn up in project mode, using a working group structure.

The guidelines adopted by the Group's companies provide data reliability and repeatability over time.

These reporting guidelines are sent to all EXEL Industries group companies through their Chief Executive Officers. It is up to each company to consolidate the data of its own subsidiaries.

The data are subject to a consistency check, an overall consolidation at Group level, and an audit by the independent third party.

As far as qualitative data is concerned, general trends were identified last year and in previous fiscal years. We work on the basis of differentials, asking Group companies to report on new CSR initiatives undertaken during the year.

Reporting scope

In accordance with Article L.225-102-1 of the French Commercial Code, the indicators concern all Group companies, which in turn consolidate the data of their subsidiaries. There is no geographical restriction.

As part of its continued diversification, EXEL Industries acquired G.F. in February 2022. Lastly, in June 2023, the Group acquired the Devaux and Duschenay sites. The data from these companies have been included in the consolidated data of EXEL Industries, in line with the financial scope of consolidation.

4.7 Report of the Independent Third-Party Organization on the verification of the consolidated statement of non-financial performance in the Management Report

Fiscal year ended September 30, 2024

To the shareholders,

In our capacity as an independent third-party organization, member of the Forvis Mazars network, Statutory Auditors of EXEL Industries, accredited by COFRAC Verification under number 3-1895 (scope of accreditation available on www.cofrac.fr), we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information (recorded or extrapolated) of the consolidated statement of non-financial performance (hereinafter the "Information" and the "Statement" respectively), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the fiscal year ended on September 30, 2024, presented in the Management Report of EXEL Industries (hereinafter the "Company" or the "Entity"), pursuant to the provisions of Articles L.225 102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures that we implemented, as described in the section "Nature and extent of the audit", our review, and the elements that we collected, we did not identify any material misstatement that would suggest that the statement of non-financial performance does not comply with the applicable regulations or that the Information, taken as whole, is not presented fairly and in keeping with the Guidelines.

Comments

Without calling into question the conclusion expressed above and pursuant to the provisions of Article A. 225-3 of the French Commercial Code, we present the following comments:

- The scope of publication is not homogeneous for the key performance indicator "Number of training hours", due to the exclusion of certain site data, notably impacting the comparability of the data. The scope of publication of the labor KPIs covers between 93% and 100% of the total Group headcount at September 30, 2024. The difference in scope is specified for the indicator in the Statement.
- EXEL Industries publishes the GHG emissions related to energy consumption and also carried out carbon assessments (Scopes 1, 2 & 3) for the Agrifac, France Pulvé, Hardi, Hozelock, SAMES and Tricoflex sites. These activities cover 75% of the Group's turnover. However, the latter does not yet have medium- and long-term greenhouse gas emission reduction targets.
- In view of the non-financial risks regarding soil and air pollution, biodiversity, soil compaction and water use restrictions, the Company recently formalized six Group policies; however, it does not have a key performance indicator at this stage.
- As indicated in the methodological note, the methods for calculating training hours were updated compared to the previous fiscal year.

Preparation of the Statement of Non-Financial Performance

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Information allows the use of different but acceptable measurement techniques that may affect comparability among entities and over time.

Consequently, the Information must be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of information

As indicated in the Statement, the Information may be subject to inherent uncertainty in the state of scientific or economic knowledge and the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used to prepare it and presented in the Statement.

The Company's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for preparing the Information;
- preparing a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- as well as implementing the internal controls that it deems necessary to prepare Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared in accordance with the Entity's Guidelines as mentioned above.

The Independent Third-Party Organization's responsibility

It is our responsibility, based on our audit, to provide a reasoned opinion expressing a conclusion of moderate assurance concerning:

- the Statement's compliance with Article R.225-105 of the French Commercial Code;
- the accuracy of the historical information (noted or extrapolated) provided pursuant to Paragraph 3 of Sections I and II of Article R.225-105 of the French Commercial Code, namely the outcomes of the policies, including key performance indicators, and the actions taken in light of the principal risks;

We carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information, whether recorded or extrapolated.

As we are responsible for establishing an independent conclusion on the Information as prepared by Management, we are not authorized to be involved in the preparation of such Information as this could compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (notably in terms of the information provided for by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy), the vigilance plan and the fight against corruption and tax evasion);
- the accuracy of the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, the professional doctrine of the *Compagnie Nationale des Commissaires aux Comptes* (the French national auditing body) relating to this intervention in lieu of an audit program and the international standard ISAE 3000 (revised).

This report was prepared in accordance with the *RSE_SQ_Programme de vérification_DPEF* verification program.

Independence and quality control

Our independence is defined by the criteria laid out in Article L.822-11 of the French Commercial Code and the French Code of Ethics of the Statutory Auditors' profession. Moreover, we set up a quality control system which includes documented procedures and policies aimed at ensuring compliance with applicable legal and regulatory texts, our rules of ethics and the professional standards of the *Compagnie Nationale des Commissaires aux Comptes*.

Means and resources

Our work involved the skills of eight people and took place between October and December 2024 over a total period of five weeks.

We conducted three interviews with the persons responsible for preparing the Statement, representing notably the Executive Management and the Risk Management, Human Resources and Environment Departments.

Nature and extent of the audit

We planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we conducted, while exercising our professional judgment, enable us to formulate a conclusion of moderate assurance:

- we took note of the business of all the entities included in the scope of consolidation and the presentation of the main risks;
- we appraised the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into consideration, where relevant, good industry practices;
- we verified that the Statement covers every category of information provided for in Section III of Article L.225-102-1 regarding social and environmental issues as well as respect for human rights and the fight against corruption and tax evasion;
- we verified that the Statement includes the information provided for in Section II of Article R.225-105 when it is relevant with regard to the main risks, and that it includes, where applicable, an explanation of the reasons justifying the absence of the information required by Paragraph 2 of Section III of Article L.225-102-1;
- we verified that the Statement presents the business model and a description of the principal risks associated with the operations of all of the entities included in the scope of consolidation, including, where it seems helpful and proportionate, the risks created by its business relationships, products and services as well as the policies, actions and results, including key performance indicators related to the main risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators used, with regard to the main risks and policies presented, and
  - corroborate the qualitative information (actions and results) that we considered the most important as presented in Appendix 1. For all risks, our work was carried out at the level of the consolidating Entity and in a selection of entities;
- we verified that the Statement covers the scope of consolidation, *i.e.* all of the companies included in the scope of consolidation in accordance with Article L.233-16, within the limits specified in the Statement;
- we took note of the internal control and risk management procedures implemented by the Entity and assessed the collection process implemented by the Entity aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered the most important as presented in Appendix 1, we undertook:
  - analytical reviews verifying that the data collected was consolidated correctly and that its changes over time were internally consistent,
  - detailed spot checks to test that the definitions and guidelines were applied correctly and to compare the data with the underlying documents. This work was carried out at a selection of contributing entities[1] and covered between 14% and 70% of the consolidated data chosen for these tests;
- we assessed the overall consistency of the Statement in relation to our knowledge of all the entities included in the scope of consolidation.

The procedures implemented as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed according to the professional doctrine of the *Compagnie Nationale des Commissaires aux Comptes*; a higher level of assurance would have required more extensive verification work.

The Independent Third-Party Organization,

Forvis Mazars SAS

Paris-La Défense, December 16, 2024

David Couturier

David COUTURIER

Partner

Edwige REY

Edwige REY

CSR & Sustainable Development Partner

(1) EVRARD, SUPRAY, HARDI INTERNATIONAL, HOZELOCK LIMITED and OVA – Ohio Valley AG (Carburant).

Appendix 1: Information considered to be the most important

Qualitative information (actions and results relating to the main risks)

- Occupational health and safety
- Training and attractiveness
- Ethics Charter
- Code of Conduct on the prevention of corruption
- Actions to prevent pollution and protect biodiversity
- Carbon footprint

Quantitative indicators including key performance indicators

- Headcount
- Number of apprentices
- Number of fixed-term contracts
- Turnover
- Number of new employees
- Number of departures
- Number of hours worked
- Number of workplace accidents with lost time
- Number of days lost due to workplace accidents
- Frequency rate
- Severity rate
- Temporary employees: Number of workplace accidents with lost time
- Number of training hours
- Use of electricity (in kWh)
- Natural gas consumption (in kWh HHV)
- Use of propane (in kWh HHV)
- Fuel consumption in liters
- Greenhouse gas emissions
- Total number of FTE employees (permanent, temporary and apprentice) who signed the code of conduct as of 30/09

5 Consolidated financial statements at September 30, 2024

5.1 Consolidated income statement

(in € thousands)	Notes	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Revenue	**3**	**1,099,301**	**1,094,266**
Raw materials and consumables		(585,144)	(585,833)
Staff expenses	4	(273,007)	(257,210)
External expenses		(144,430)	(139,866)
Taxes and duties		(7,823)	(6,825)
Net allowances for depreciation and amortization		(30,027)	(27,564)
Net allowances for provisions & impairment of assets	5	(1,888)	(6,040)
Change in inventories work-in-progress and finished goods		2,537	(649)
Other operating income and expenses		(3,073)	(3,514)
Current operating income		**56,446**	**66,766**
Non-recurring operating items	6	(1,368)	3,885
Operating income		**55,078**	**70,651**
Cost of net debt		(8,262)	(5,938)
Other finance income/(expenses)		(3,844)	(4,118)
Total finance income/(expenses)	**7**	**(12,106)**	**(10,055)**
Profit (loss) before tax		**42,972**	**60,596**
Tax	8	(12,572)	(19,028)
Share in net income of associates	12	781	931
NET INCOME FOR THE PERIOD		**31,181**	**42,499**
Net income attributable to owners of the parent		31,157	42,496
Net income from non-controlling interests		24	2
Earnings per share – Group share (in €)		*4.6*	*6.3*
Diluted earnings per share – Group share (in €)		*4.6*	*6.3*

Net earnings per share are calculated based on the number of shares outstanding during the fiscal year after deduction of treasury shares (see Note 18).

Statement of net income and gains and losses recognized directly in equity

(in € thousands)	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Net income	**31,181**	**42,499**
Revaluation of liabilities (assets) for defined benefit plans	1,007	(8,309)
Deferred taxes on actuarial gains/losses	(233)	2,079
Items that cannot be recycled to profit or loss	**774**	**(6,230)**
Changes in currency translation and hyperinflation	(1,003)	(5,883)
Items recyclable to profit or loss	**(1,003)**	**(5,883)**
TOTAL GAINS AND LOSSES RECOGNIZED IN EQUITY	**30,952**	**30,386**
Attributable to owners of the parent	*30,928*	*30,384*
Non-controlling equity interests	*24*	*2*

5.2 Consolidated balance sheet

Consolidated assets

(in € thousands)	Notes	09/30/2024	09/30/2023*
NON-CURRENT ASSETS			
Goodwill	9	72,359	71,667
Other intangible assets	10	19,799	23,580
Tangible assets	11.1	172,406	160,188
Rights of use	11.2	28,556	18,609
Investments in associates	12	4,052	4,053
Financial assets	13	3,940	3,508
Deferred tax assets	8	30,981	26,890
Total non-current assets		**332,094**	**308,496**
CURRENT ASSETS			
Inventories	14	295,978	298,799
Trade receivables	15	164,860	172,242
Customer contract assets		17,042	13,276
Current tax receivables		6,183	4,488
Other current receivables	16	20,940	26,825
Cash and cash equivalents	17	50,196	64,862
Total current assets		**555,199**	**580,492**
TOTAL ASSETS		**887,293**	**888,988**

* *The fiscal year ended September 30, 2023 was restated following the application of the amendment to IAS 12 – Deferred tax on assets and liabilities arising from the same transaction (see Note 1.2).*

Consolidated equity and liabilities

(in € thousands)	Notes	09/30/2024	09/30/2023*
EQUITY			
Capital	18.1	16,970	16,970
Other reserves	18.3	415,246	383,637
Treasury shares	18.2	(232)	(247)
Net income for the period		31,157	42,496
Equity (Group share)		**463,141**	**442,855**
Non-controlling interests:			
Share of equity		1,197	1,215
Share of net income		24	2
Total non-controlling interests		**1,221**	**1,217**
Total equity		**464,362**	**444,072**
NON-CURRENT LIABILITIES			
Provisions for pensions and other similar benefits	19.2	16,833	18,060
Other long-term provisions	19.1	5,216	5,553
Long-term financial debt	20	75,269	80,033
Deferred tax liabilities	8	8,986	7,057
Total non-current liabilities		**106,304**	**110,704**
CURRENT LIABILITIES			
Current provisions	19.1	21,294	19,512
Short-term borrowings and financial debt	20	103,487	102,630
Trade payables		59,683	79,983
Contract liabilities and deferred income		31,446	28,449
Current tax liabilities		10,421	15,269
Other current liabilities	21	90,297	88,368
Total current liabilities		**316,628**	**334,211**
TOTAL LIABILITIES		**887,293**	**888,988**

* *The fiscal year ended September 30, 2023 was restated following the application of the amendment to IAS 12 – Deferred tax on assets and liabilities arising from the same transaction (see Note 1.2).*

5.3 Consolidated statement of cash flow

(in € thousands)	Notes	09/30/2024	09/30/2023
A. OPERATING ACTIVITIES			
Net income attributable to owners of the parent		31,157	42,496
Attributable to non-controlling interests		24	2
- Share in net income of associates	12	1	(293)
+ Allowances for depreciation of non-current assets		30,192	27,555
+ Net allowances for provisions and impairment[1]		2,974	(2,122)
+ Deferred taxes	8.1	(4,548)	(6,397)
+ Goodwill impairment		-	-
- Net gains on disposals of non-current assets and other non-cash flows		(836)	(1,744)
Operating cash flows		**58,964**	**59,497**
Net working capital requirements (-)/resources (+)	**22**	**(9,420)**	**23,151**
Net cash flow provided by operating activities[3]		**49,544**	**82,648**
B. INVESTMENT ACTIVITIES			
Purchases of non-current assets[2]		(30,236)	(20,308)
Proceeds from the sale of non-current assets		2,052	2,911
Impact of changes in Group structure	2	-	(3,110)
Net cash flow used in investing activities		**(28,184)**	**(20,507)**
C. FINANCING ACTIVITIES			
Increase in share capital and premium		-	-
Net dividends paid in the fiscal year		(10,661)	(7,125)
Increase in borrowings		17,438	17,165
Repayment of borrowings		(30,594)	(59,971)
Repayment of lease liabilities		(9,609)	(7,543)
Change in treasury shares		43	(43)
Net cash flow used in financing activities		**(33,383)**	**(57,517)**
D. IMPACT OF CHANGES IN EXCHANGE RATES		**(1,758)**	**(4,222)**
Change in cash and cash equivalents (A + B + C + D)		**(13,781)**	**402**
Net cash and cash equivalents at beginning of the fiscal year		63,292	62,889
NET CASH POSITION AT CLOSING		**49,511**	**63,292**
Marketable securities	17	-	3
Cash and cash equivalent	17	50,196	64,859
Current bank facilities and overdrafts	20	(685)	(1,570)
(1) Excluding current asset provisions.			
(2) Purchases are net of changes in payables on non-current assets.			
(3) Of which interest paid		*9,046*	*6,817*
and of which Income Tax paid (or refunded)		*21,581*	*12,860*

5.4 Consolidated statement of changes in equity

	Equity attributable to owners of the parent							
(in € thousands)	Capital	Share premiums	Retained earnings and reserves	Currency translation	Treasury shares	Total attributable to owners of the parent	Non-controlling equity interests	Total consolidated equity
Equity at 09/30/2022	**16,970**	**2,528**	**400,589**	**(251)**	**(191)**	**419,645**	**15**	**419,660**
Total gains and losses recognized in equity	-	-	35,150	(4,767)	-	30,384	2	30,386
Dividends paid	-	-	(7,123)	-	-	(7,123)	-	(7,123)
Treasury shares	-	-	10	-	-	10	-	10
Change in Group structure	-	-	-	-	-	-	1,199	1,199
Other changes	-	-	(362)	358	(55)	(59)	-	(59)
Equity at 09/30/2023	**16,970**	**2,528**	**428,264**	**(4,660)**	**(247)**	**442,855**	**1,217**	**444,072**
Total gains and losses recognized in equity	-	-	31,778	(850)	-	30,928	24	30,952
Dividends paid	-	-	(10,651)	-	-	(10,651)	(10)	(10,661)
Treasury shares	-	-	21	-	-	21	-	21
Change in Group structure	-	-	-	-	-	-	-	-
Other changes	-	-	666	(693)	15	(12)	(10)	(22)
BALANCE AT 09/30/2024	**16,970**	**2,528**	**450,078**	**(6,203)**	**(232)**	**463,141**	**1,221**	**464,362**

5.5 Notes to the consolidated financial statements

Introduction

EXEL Industries is a French limited company with a Board of Directors listed on Euronext Paris, Compartment B. Its registered office is located at 54, rue Marcel Paul, 51200 Épernay, France, and its principal office is located at 78, boulevard Malesherbes, 75008 Paris, France.

EXEL Industries is a French family-owned group that designs, manufactures and markets capital goods and associated services in the areas of agricultural equipment, industry and leisure.

The annual consolidated financial statements for the year ended on September 30, 2024 were approved by the Board of Directors on December 18, 2024 and will be submitted to the vote of the Annual General Meeting on February 4, 2025.

Note 1 Accounting and consolidation rules and policies

1.1 Accounting standards

The consolidated financial statements of the EXEL Industries group are prepared in accordance with IFRS international accounting standards (International Financial Reporting Standards) as adopted by the European Union as of September 30, 2024 and available online on the European Commission's website.

The consolidated financial statements were prepared according to the same accounting rules and policies as those used to prepare the consolidated financial statements for the fiscal year ended September 30, 2023, except for the changes in standards set out in Note 1.2. Moreover, the Group has not adopted in advance any standards, interpretations and amendments whose application is not compulsory from the fiscal year beginning October 1, 2023.

The accounting principles and policies applied are detailed in the various notes concerned.

1.2 Changes in accounting standards

1.2.1 Deferred tax on assets and liabilities arising from the same transaction (amendment to IAS 12)

This amendment was published in the *Official Journal* of the European Union on August 12, 2022, and applies to fiscal years beginning on or after January 1, 2023. According to this amendment, a deferred tax liability must be recognized for the taxable temporary difference and a deferred tax asset for the deductible temporary difference. This amendment relates notably to the recognition of leases under IFRS 16. For this restatement, the Group already recognized a deferred tax for the net amount between the deductible and taxable temporary differences in respect of these transactions. Consequently, the application of this amendment only has a balance sheet impact related to the decompensation of deferred tax assets and liabilities for €6.8 million at September 30, 2024 and €4.8 million at September 30, 2023 (see Note 8).

1.2.2 Implementation of the Global Minimum Tax (Pillar 2)

The Group is concerned by the global minimum tax and has begun work to collect the data necessary for its quantification. According to our current estimates, no additional tax should be paid.

On May 23, 2023, the IASB published an amendment "International tax reform – rules of the second pillar of the model" to IAS 12, relating to the recognition of income taxes. This amendment grants a mandatory exception to the application of IAS 12 to the deferred tax effects of these new rules.

This exception is applied by the Group in its financial statements at September 30, 2024.

1.3 Basis of preparation of the financial statements

1.3.1 Basis of assessment

The financial statements are prepared according to the historical cost principle, with the exception of certain categories of assets and liabilities measured in accordance with the rules set by IFRS.

1.3.2 Management's judgments and estimates

Use of estimates

To prepare consolidated financial statements in compliance with the rules provided for under IFRS, Group Management makes a certain number of estimates and adopts certain assumptions that may have an impact on the amounts disclosed under assets and liabilities. These include amounts for depreciation, amortization and provisions, information on contingent assets and liabilities on the reporting date of the consolidated financial statements and amounts recognized under income and expenses for the fiscal year. These estimates are based on the assumption of going concern and include assumptions that Management considers relevant and feasible in the Group's operating environment and based on available feedback.

Estimates and assumptions are reviewed on a regular basis and at a minimum at the end of each fiscal year. They may vary if the circumstances on which they were based change or new information becomes available. Actual results may differ from these estimates and assumptions.

The main estimates made by the Group when preparing the consolidated financial statements relate notably to the assumptions used to calculate deferred tax (see Note 8.1), the valuation of intangible assets (see Notes 9 and 10), the impairment of current assets (see Notes 14 and 15) and current and non-current provisions (see Note 19).

1.3.3 Conversion method

Foreign currency translation

The financial statements of foreign companies are translated from their functional currency into the Group's presentation currency using the closing rate method: balance sheet assets and liabilities are translated at the end-of-year exchange rate, and income statement items are translated at the average exchange rate. Currency translation is recognized in "Other comprehensive income" and then transferred to equity under "Currency translation".

Transactions by Group entities in a currency other than their functional currency are translated at the exchange rate prevailing on the transaction date. Monetary items under assets and liabilities denominated in a currency other than the functional currency of the entity are translated at the closing exchange rates in force at the end of the fiscal year. Currency gains and losses are recognized directly under finance income and expense.

The Group applies IAS 29 – Financial Reporting in hyperinflationary economies for the financial statements of entities whose functional currency is that of a hyperinflationary country.

1.3.4 Business combinations

Business combinations are recognized on the basis of the acquisition method, according to the principles of IFRS 3 – Business Combinations.

The acquisition cost is measured at the fair value of the consideration transferred.

On the acquisition date, goodwill corresponds to the difference between the consideration transferred and the fair value of the identifiable assets acquired and the liabilities assumed. The fair value of identifiable assets acquired and liabilities assumed may be adjusted within 12 months of the acquisition date on the basis of facts and circumstances existing at the acquisition date. These goodwill adjustments are retrospective.

In the event of a negative difference, it is immediately recognized in the income statement under “Non-recurring operating items”.

Goodwill is not amortized and is tested for impairment whenever an indication of impairment is identified and at least once a year at the end of the fiscal year (see Note 9).

Note 2 Scope of consolidation

Accounting principles and policies

Companies over which EXEL Industries exercises exclusive control are fully consolidated. The Group controls an entity if it holds cumulatively:

- power over the entity;
- exposure or rights to variable returns due to its involvement with the entity;
- the ability to exercise its power over the entity in such a way as to affect the amount of returns it obtains.

Companies in which EXEL Industries exercises a material influence are accounted for using the equity method. Significant influence is an ability to participate in the financial and operating policy decisions of a company without however exercising control over its policies. It is presumed to exist when the Group directly or indirectly holds between 20% and 50% of the voting rights.

Receivables, payables and reciprocal assets and liabilities are fully eliminated for fully consolidated companies as well as intra-Group profits and losses (dividends, capital gains, margins on inventory).

Name	% interest		Method of consolidation
	09/2024	09/2023	
EXEL Industries SA	100.00%	100.00%	Parent company
SUPRAY Technologies SAS	100.00%	100.00%	FC
TECNOMA SASU	100.00%	100.00%	FC
PRECICULTURE SAS	100.00%	100.00%	FC
CMC SAS	100.00%	100.00%	FC
NICOLAS SPRAYERS SAS	100.00%	100.00%	FC
EXXACT Robotics SASU	100.00%	100.00%	FC
GAMA Technologies SAS	100.00%	100.00%	FC
BERTHOUD SASU	100.00%	100.00%	FC
BERTHOUD Sprayers Ltd (UK)	100.00%	100.00%	FC
BERTHOUD Sprayers (Ukraine)	100.00%	100.00%	FC
SCI CATHAN	100.00%	100.00%	FC
CAPAGRI	100.00%	100.00%	FC
SCI MAIZY	100.00%	100.00%	FC
VERMOREL (Romania)	100.00%	100.00%	FC
INGELIA (Romania)	90.00%	90.00%	FC
HOZELOCK EXEL	100.00%	100.00%	FC
Établissement Devaux SA	81.00%	81.00%	FC
Duchesnay SA	90.39%	90.39%	FC
SCI Duchesnay	82.37%	82.37%	FC

Name	% interest 09/2024	09/2023	Method of consolidation
EVRARD	100.00%	100.00%	FC
POMMIER S.C.E.P.	47.32%	47.32%	EM
EXEL Real Estate (USA)	100.00%	100.00%	FC
EXEL Real Estate Australia (Australia)	100.00%	100.00%	FC
EXEL Real Estate Germany (Germany)	100.00%	100.00%	FC
EXEL Real Estate Netherlands BV (Netherlands)	100.00%	100.00%	FC
EXEL Real Estate Denmark (Denmark)	100.00%	100.00%	FC
EMC LLC (Russia)	100.00%	100.00%	FC
SAMES SAS	100.00%	100.00%	FC
SAMES KREMLIN Germany	100.00%	100.00%	FC
SAMES GmbH (Germany) (formerly iNTEC SAMES KREMLIN)	100.00%	100.00%	FC
SAMES Iberica Sau (Spain)	100.00%	100.00%	FC
SAMES s.r.l. (Italy)	100.00%	100.00%	FC
SAMES North America corporation (United States)	100.00%	100.00%	FC
SAMES Unipessoal Lda (Portugal)	100.00%	100.00%	FC
SAMES KREMLIN Argentina	100.00%	100.00%	FC
SAMES sp. Z o.o. (Poland)	100.00%	100.00%	FC
SAMES Equipamentos de pulverizacao e extusao Ltda (Brazil)	100.00%	100.00%	FC
SAMES Private Limited (India)	100.00%	100.00%	FC
SAMES (China)	100.00%	100.00%	FC
SAMES LLC (Russia)	100.00%	100.00%	FC
SAMES (Japan)	100.00%	100.00%	FC
SAMES Norte America SA de CV (Mexico)	100.00%	100.00%	FC
SAMES Kazakhstan	100.00%		FC
HARDI INTERNATIONAL AS (Denmark)	100.00%	100.00%	FC
Foreign subsidiaries:			
HARDI North America Inc. (USA)	100.00%	100.00%	FC
HARDI Australia PTY (Australia)	100.00%	100.00%	FC
ILEMO-HARDI S.A. (Spain)	100.00%	100.00%	FC
HARDI Gmbh (Germany)	100.00%	100.00%	FC
HARDI Norge A/S (Norway)	100.00%	100.00%	FC
HARDI Agricultural Equipment (China)	100.00%	100.00%	FC
French subsidiaries:			
HARDI Service	100.00%	100.00%	FC
AGRIFAC MACHINERY B.V. (Netherlands)	100.00%	100.00%	FC
Foreign subsidiaries:			
AGRIFAC UK Ltd (UK)	100.00%	100.00%	FC
AGRIFAC Australia PTY LTD (Australia)	100.00%	100.00%	FC
AGRIFAC North America Inc.	100.00%		FC
RASINDECK Ltd (UK)	100.00%	100.00%	FC
HOZELOCK Ltd (UK)	100.00%	100.00%	FC
HOZELOCK Holland BV (Netherlands)	100.00%	100.00%	FC
HOZELOCK Sweden AB (Sweden)	100.00%	100.00%	FC
HOZELOCK Australia Pty (Australia)		100.00%	FC
TRICOFLEX	100.00%	100.00%	FC

Name	% interest 09/2024	09/2023	Method of consolidation
HOLMER Maschinenbau GmbH (Germany)	**100.00%**	**100.00%**	**FC**
Foreign subsidiaries:			
HOLMER Poland	100.00%	100.00%	FC
HOLMER Ukraine	100.00%	100.00%	FC
HOLMER Czech Republic	100.00%	100.00%	FC
HOLMER USA	100.00%	100.00%	FC
HOLMER Turkey	100.00%	100.00%	FC
HOLMER Egypt	100.00%	100.00%	FC
French subsidiaries:			
HOLMER France (formerly HOLMER Exxact)	100.00%	100.00%	FC
Minworth Property UK	**100.00%**	**100.00%**	**FC**
ET WORKS INC (USA)	**100.00%**	**100.00%**	**FC**
ET Ag Center (LLC)	100.00%	100.00%	FC
ET Works Retail (LLC)	100.00%	100.00%	FC
ET Works Canada, Ltd	100.00%	100.00%	FC
EXEL YACHTING	**100.00%**	**100.00%**	**FC**
ETTORE YACHTING	**100.00%**	**100.00%**	**FC**
SCI DES VOILIERS	**100.00%**	**100.00%**	**FC**
GF s.r.l. (Italy)	**100.00%**	**100.00%**	**FC**

FC: Full consolidation – EM: Equity method – NA: Not applicable.

2.1 Changes in scope

The Group opened two new commercial entities, SAMES Kazakhstan and AGRIFAC North America. In addition, HOZELOCK Australia, a dormant company, was closed.

2.2 Internal changes within the scope

On October 1, 2023, HOLMER Exxact changed its corporate name and became HOLMER France.

Note 3 Net revenue

Accounting principles and policies

Breakdown of revenue

Income from ordinary activities results from the manufacturing and sale of goods, from purchases and resales of goods and from sales of product services as part of the Group's main activities.

Income from operating activities is recognized in accordance with IFRS 15. Income is recognized as soon as the Group has discharged its obligations, which is on the date of delivery of the goods or when the customer receives the benefits of a service, at which date the Group has a definite right to receive a payment. Any trade discounts or rebates granted to customers, or returns of goods are recognized as a deduction from income.

Income from the sale of products is recognized when the delivery has taken place, the amount of revenue can be reliably measured and the economic benefits of the transaction will flow to the Group.

The majority of the Group's contracts do not exceed one year and the transfer of control takes place on a given date. However, the Group sometimes carries out specific projects that extend over longer periods of time and which may involve several phases, including design, construction and installation. These services give rise to a gradual recognition of revenue according to the stage of completion of the project. The percentage of completion is determined using the cost-related completion method.

Segment information

The main business activity of the EXEL Industries group is precision spraying, for agriculture and industry. The Group is also present in the garden watering and nautical industry markets (grouped together in segment information under a "Leisure" segment) and the sugar beet harvesters market.

Revenue by business and region breaks down as follows:

	09/30/2024		09/30/2023	
(in € millions)	Fiscal year	%	Fiscal year	%
ACTIVITIES				
Agricultural Spraying	503.3	45.8%	525.2	48.0%
Sugar Beet Harvesting	170.0	15.5%	158.6	14.5%
Leisure	134.8	12.3%	143.6	13.1%
Industry	291.3	26.5%	266.8	24.4%
TOTAL	**1,099.3**		**1,094.3**	
REGION				
France	202.0	18.4%	208.5	19.1%
Europe (excluding France)	495.5	45.1%	493.8	45.1%
USA/Canada/Latin America	230.8	21.0%	224.1	20.5%
Asia	84.3	7.7%	75.5	6.9%
Africa & Oceania	86.7	7.9%	92.4	8.4%
TOTAL	**1,099.3**		**1,094.3**	

The breakdown in France and internationally is as follows:

	09/30/2024		09/30/2023	
(in € millions)	Fiscal year	%	Fiscal year	%
France	202.0	18.4%	208.5	19.1%
International	897.4	81.6%	885.7	80.9%
TOTAL	**1,099.3**		**1,094.3**	

Amounts invoiced internationally break down as follows (euro equivalents):

- **total invoiced in euros**: €448.9 million
- **total invoiced in foreign currency**: €448.4 million
  - in US dollars: €193.4 million, *i.e.* USD 209.6 million
  - in pounds sterling: €71.4 million, *i.e.* GBP 61.0 million
  - in Australian dollars: €68.7 million, *i.e.* AUD 113.0 million
  - in Chinese yuan: €36.8 million, *i.e.* CNY 287.3 million
  - in other currencies: €78.2 million

Note 4 Staff expenses and headcount

Employee profit sharing and profit-sharing agreements, specific to certain companies of the Group amounted to €2,334 thousand for the 2024 fiscal year, compared with €1,534 thousand for the previous fiscal year. These costs are included under staff expenses for the fiscal year.

As of the end of each period, the headcount was as follows:

Permanent headcount	09/30/2024	09/30/2023
Managers	789	781
Technical and supervisory staff	1,399	1,398
Plant workers	1,626	1,752
TOTAL	**3,814**	**3,931**

The headcount decreased by 117 people compared to September 30, 2023.

Permanent headcount by activity	09/30/2024	09/30/2023
HEADQUARTERS		
Headcount in France	23	24
	23	**24**
AGRICULTURAL SPRAYING		
Headcount in France	704	700
Headcount in other countries	990	1,085
	1,694	**1,785**
SUGAR BEET HARVESTING		
Headcount in France	25	24
Headcount in other countries	359	365
	384	**389**
LEISURE		
Headcount in France	245	254
Headcount in other countries	380	408
	625	**662**
INDUSTRY		
Headcount in France	618	634
Headcount in other countries	470	437
	1,088	**1,071**
TOTAL		
Headcount in France	1,615	1,636
Headcount in other countries	2,199	2,295
TOTAL	**3,814**	**3,931**

Note 5 Net allowances for operating provisions and impairment

(in € thousands)	09/30/2024 Fiscal year	09/30/2023 Fiscal year
ALLOWANCES FOR OPERATING PROVISIONS AND IMPAIRMENT		
Provisions for contingencies and expenses	(10,840)	(12,782)
Provisions for current assets	(16,975)	(17,604)
REVERSALS OF OPERATING PROVISIONS AND IMPAIRMENT		
Provisions for contingencies and expenses	10,717	14,279
Provisions for current assets	15,210	10,068
TOTAL	**(1,888)**	**(6,040)**

Note 6 Non-recurring operating items

Accounting principles and policies

This section includes items whose nature, frequency and amount cannot be considered as part of the Group's day-to-day activities and which affect the comparability of fiscal years. These include, notably, impairment losses arising from impairment tests, provisions for restructuring and litigation, costs or income related to the acquisition of equity interests, past service costs following an amendment to long-term employee benefits, and capital gains or losses on the sale of assets other than those relating to activities sold or in the process of being sold.

The Group's non-recurring operating items for the 2024 fiscal year amounted to -€1.4 million. They mainly include (i) costs and provisions for costs relating to the restructuring of the Sugar Beet Harvesting business (-€2 million), as well as (ii) various capital gains on the disposal of non-current assets (+€0.7 million).

It should be recalled that the Group's non-recurring operating items for the 2023 fiscal year amounted to €3.9 million. They mainly included:

(i) badwill in the amount of €1.8 million from the acquisition of Devaux and Duchesnay;

(ii) compensation from property damage insurance of €1.5 million;

(iii) the amendment of the pension plan in France for €0.3 million.

Note 7 Finance income and (expenses)

(in € thousands)	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Income from cash and cash equivalents	1,379	1,170
Gross cost of financial debt	(9,046)	(6,817)
Financial interest on lease liabilities	(605)	(368)
Finance income measured at fair value	11	77
Net (cost)/income from financial debt	**(8,262)**	**(5,938)**
(Losses)/gains on foreign exchange & other finance income/(expenses)	(3,844)	(4,117)
TOTAL FINANCE INCOME AND EXPENSES	**(12,106)**	**(10,055)**

Net financial income/(expense) fell €2.1 million compared to the previous fiscal year. This change was mainly due to the increase in average interest rates over the period compared to last year on short-term and long-term variable rate loans.

Note 8 Income tax

The income tax expense breaks down as follows:

(in € thousands)	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Current tax income/(expense)	(15,221)	(25,425)
Deferred tax income/(expense)	2,648	6,397
TOTAL	**(12,572)**	**(19,028)**

8.1 Change in deferred tax

Accounting principles and policies

Pursuant to IAS 12 – Income tax, provisions for deferred tax are set up using the liability method for all temporary differences arising from the difference between the accounting and tax bases of assets and liabilities (including tax losses). Deferred taxes are calculated at the prevailing tax rate in force.

The effects of changes in tax rates are recognized in equity or in profit or loss for the period in which the change in tax rate is decided, depending on the original accounting of the restatement in earnings or reserves.

Deferred tax assets are recognized only if their recovery is probable. Notably, no deferred tax asset was recognized in respect of the tax losses of certain subsidiaries whose recovery is not currently probable, for a total deferred tax amount of around €31 million.

Deferred tax assets and liabilities are not discounted.

The Group offsets deferred tax assets and liabilities if the entity has the legal right to offset current income tax assets and liabilities and they relate to types of taxes levied by the same tax authority. Pursuant to IAS 12, the Group does not offset deferred tax assets and liabilities arising from a single transaction, and notably those arising from the application of IFRS 16.

Consolidated *(in € thousands)*	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Net deferred tax at opening: assets/(liabilities)	**19,834**	**12,068**
Deferred taxes recognized in equity	(241)	2,075
Deferred tax income/(expense)	2,648	6,397
Change in Group structure	(1)	586
Translation differences	(245)	(1,294)
NET DEFERRED TAX AT CLOSING	**21,996**	**19,834**
Of which deferred tax assets	30,981	26,890
Of which deferred tax liabilities	(8,986)	(7,057)

8.2 Breakdown of deferred taxes by type

(in € thousands)	09/30/2024	09/30/2023
(assets if +; liabilities if -)		
DEFERRED TAXES FROM TEMPORARY TIMING DIFFERENCES		
Employee benefits (provisions for pension liabilities, profit sharing, paid vacations)	5,763	5,843
Other timing differences between tax income and book income	669	299
Tax losses to be carried forward	6,935	6,311
DEFERRED TAXES ARISING FROM CONSOLIDATION ADJUSTMENTS		
Capitalization of leases	102	16
Cancellation of regulated provisions (accelerated depreciation)	(3,062)	(2,964)
Elimination of internal inventory margins	8,241	7,345
Revaluation differences	1,320	1,489
Adjustments of income from customer contracts	(500)	648
Other misc. items	2,528	847
NET DEFERRED TAX AT CLOSING	**21,996**	**19,834**
Of which deferred tax assets	30,981	26,890
Of which deferred tax liabilities	(8,986)	(7,057)

8.3 Reconciliation of the effective tax expense and theoretical tax expense

(Calculated at the tax rate applicable in France)

(in € thousands)	09/30/2024 Fiscal year	09/30/2023 Fiscal year
Profit (loss) before tax	42,972	60,596
Goodwill impairment	0	0
Theoretical taxable income	**42,972**	**60,596**
Current tax rate in France	25.83%	25.83%
Theoretical tax income/(expense) at the current tax rate	**(11,100)**	**(15,652)**
Impact of:		
Permanent tax differences	(3,371)	(1,791)
Tax loss not used	(3,005)	(2,853)
Differences in tax rate	1,442	(693)
Tax credits(1)	3,802	3,437
Taxes on dividend distribution	(808)	(940)
Miscellaneous (including impact of the French tax consolidation)	468	(536)
Net tax income/(expense) recognized	**(12,572)**	**(19,028)**
Effective Group tax rate (as a %)	*29.3%*	*31.4%*

(1) Tax credits correspond mainly to research tax credits (French CIR). Given the purely fiscal nature of this provision, which is subject to changes in line with changes in tax regulations mainly in France, research tax credits are recognized as a deduction from the income tax expense.

Note 9 Goodwill

Accounting principles and policies

For fully consolidated companies, the difference in value between the fair value of the consideration transferred and the Group's share of the net fair value of the assets and liabilities acquired existing at the date of acquisition of control constitutes goodwill recognized in the "Goodwill" account on the assets side of the consolidated balance sheet. On the date of acquisition of control, the Group may opt to recognize each business combination transaction using either the partial goodwill method or the full goodwill method. In the case of full goodwill, non-controlling interests are measured at fair value and the Group recognizes goodwill on total identifiable assets and liabilities.

Expenses directly related to the takeover are recognized as "Non-recurring operating items".

9.1 Changes during the period

(in € thousands)	09/30/2024	09/30/2023
Opening net values	**71,667**	**70,701**
Changes in scope:		
Increases	-	553
Decreases	-	-
Impairment	-	-
Other net changes (foreign exchange effect)	692	413
NET VALUES AT CLOSING	**72,359**	**71,667**

The change in goodwill is explained by translation differences mainly due to the change in the pound sterling.

It should be recalled that last year's €0.6 million increase in goodwill corresponded to the adjustment of the purchase price allocation of GF s.r.l., which resulted in the recognition of €7.6 million of goodwill (of which €7.1 million was recognized at September 30, 2022).

9.2 Analysis of goodwill per Cash Generating Unit (CGU)

(in € thousands)	09/30/2024 Net value	09/30/2023 Net value
Agricultural Spraying CGU	-	-
Sugar Beet Harvesting CGU	-	-
Garden Watering and Spraying CGU	42,494	41,802
Industrial Spraying CGU	29,865	29,865
TOTAL	**72,359**	**71,667**

The goodwill resulting from the acquisition of GF s.r.l. is included in the line of the "Garden Watering and Spraying" CGU.

9.3 Impairment tests

Accounting principles and policies

In accordance with the provisions of IAS 36 – Impairment of Assets, the Group carries out a review of the tangible and intangible assets at each reporting date in order to identify any indications of impairment when events or circumstances suggest that their carrying amount could be higher than their recoverable value. Impairment tests are carried out whenever there is an indication of impairment, and at least once a year in the fourth quarter of each fiscal year. This impairment test is performed on each CGU to which the goodwill or the tested non-current assets are attached.

The recoverable value is determined as the higher of fair value less costs to sell and value in use. The latter is determined on the basis of the present value of future operating cash flows expected over a five-year period and a terminal value based on a perpetuity growth rate for cash flow. When the recoverable value of the CGU is below its net carrying amount, an impairment charge is recognized on the line "Non-recurring operating items".

After recognizing this provision, the asset is maintained in the balance sheet at its net carrying amount after impairment. In the case of depreciable assets, the depreciation expense is calculated on the basis of the new net carrying amount and its remaining estimated useful life.

This test is performed on the cash-generating unit (CGU) constituted by the assets or the smallest group of assets including the asset to be tested and generating cash inflows that are largely independent of those generated by other assets or groups of assets. A CGU is defined as a legal entity or group of subsidiaries belonging to the same business sector which generate cash flows which are clearly independent of the cash flows generated by other CGUs.

Goodwill was allocated to each CGU defined as:

Agricultural Spraying, Sugar Beet Harvesting, Garden Watering and Spraying and Industrial Spraying.

All the CGU tests were carried out using the following principal assumptions:

- the perpetual growth rate used to calculate the terminal value was 1.5% (1.6% in 2023);
- the discount rate was 10.0%, up compared to 2023 (9.9%).

The discount rate used for the impairment tests corresponds to the weighted average cost of capital (WACC) estimated on a date close to the reporting date. The WACC is calculated on the basis of target indebtedness of 25% of equity and a risk-free interest rate of 3.00% (average ten-year French government bond rate).

The growth rate is assessed in accordance with the IMF's inflation forecasts weighted for each region.

The cash flows used are established according to past performance and anticipated changes, at the date these projections are prepared.

Goodwill related to foreign companies is recognized in the functional currency of the acquired entity and converted at the exchange rate on the reporting date.

The Group considered the physical and transition climate risks that could impact cash flow and did not identify any significant risk over the next five years.

As of September 30, 2024, the Group carried out a sensitivity analysis on the discount rate and terminal margin rate assumptions, applying a 100 bp increase in the discount rate or a 50 bp decrease in the terminal margin rate. This analysis shows an additional impairment risk of €6 million on the goodwill of the Garden Watering and Spraying CGU.

A stress test was used to determine the discount rate or termination margin rate parameter that would result in the value in use being equal to the carrying amount:

	2024		2023	
	Industrial Spraying	**Garden Watering and Spraying**	**Industrial Spraying**	**Garden Watering and Spraying**
Increase in the discount rate of	+1,724 bps	+64 bps	+1,386 bps	+105 bps
Or decrease in the termination margin rate of	-1,443 bps	-116 bps	-1,206 bps	-120 bps

Note 10 Other intangible assets

Accounting principles and policies

Other intangible assets are recorded on the balance sheet at their acquisition cost or at their contribution value and are mainly composed of:

- software amortized over its useful life: between 3 and 5 years;
- brands acquired with indefinite useful lives or amortized on a straight-line basis over their useful lives, and contractual relationships amortized on a straight-line basis over their useful lives;
- patents amortized according to the useful lives or protection periods, generally between 8 and 12 years.

In accordance with IAS 38, development expenses are not capitalized by the Group, for several reasons:

- when these expenditures are incurred, the technical feasibility of completing the intangible asset so that it will be available for use or sale is not certain;
- the Group is not able to demonstrate how the intangible asset will generate probable future economic benefits. In particular, it is difficult to demonstrate the existence of a market (or evaluate the duration) for production resulting from these development expenditures. The Group is constantly developing new innovations in its market and the potential of these developments is still unknown, or non-existent at that particular time.

These costs consist mainly of staff expenses and are recognized as soon as they are incurred.

	09/30/2024				09/30/2023
(in € thousands)	Gross	Amortization	Impairment	Net	Net
Patents, trademarks, licenses and software	42,116	(28,286)	-	13,830	14,941
Other intangible assets	18,708	(12,738)	-	5,970	8,639
TOTAL	**60,824**	**(41,024)**	**-**	**19,799**	**23,580**

Other intangible assets mainly comprise customer portfolios valued following the acquisition of companies.

10.1 Changes during the period

	09/30/2024			09/30/2023
(in € thousands)	Gross	Amortization	Net	Net
Intangible assets at beginning of period	**59,847**	**(36,267)**	**23,580**	**28,110**
Acquisitions/allowances	1,041	(4,892)	(3,851)	(4,904)
Change in Group structure	-	-	-	-
Disposals or assets scrapped	(197)	195	(2)	-
Impact of foreign exchange and misc.	133	(60)	73	374
INTANGIBLE ASSETS AT END OF PERIOD	**60,824**	**(41,024)**	**19,799**	**23,580**

Note 11 Tangible assets and right-of-use assets

Accounting principles and policies

Noon-current assets are recognized in the balance sheet at their acquisition cost or their contribution value.

These assets are depreciated according to the straight-line method applied on the basis of their corresponding estimated useful lives.

The rates applied are as follows:

- 20 to 30 years for buildings;
- 5 to 10 years for building improvements;
- 5 to 10 years for industrial equipment and machinery;
- 3 to 5 years for other non-current assets (office equipment, vehicles, etc.).

Pursuant to IFRS 16, rights of use on leases are recognized as property, plant and equipment, with a corresponding entry to a lease liability. The right-of-use asset is depreciated over the lease term. The lease obligation, initially measured at the present value of the fixed lease payments over the lease term, is accreted at the rate implicit in the lease if it can be easily determined or at the Group's incremental borrowing rate and taking into account the duration of the contract and the currency area in which the contract is subscribed. The reasonably certain duration of leases includes the non-cancellable period, renewal options and early exit options if the lessee is reasonably certain not to exercise them. The duration is determined by the department that signed the contract and is reviewed at each accounting closing date.

The Group has chosen to adopt the exemptions provided for by IFRS 16, which allow it to continue to record rents from leases with a term of 12 months or less and leases relating to low-value assets on a straight-line basis in the income statement over the lease term.

Tangible assets and rights of use are impaired when their recoverable value falls below their net carrying amount (see Note 9.3 "Accounting principle and policy – Parameters used for impairment tests").

	09/30/2024				09/30/2023
(in € thousands)	Gross	Depreciation	Impairment	Net	Net
Land and developments	60,081	(7,429)	-	52,652	49,507
Buildings	186,767	(100,735)	-	86,032	71,671
Plant and equipment	240,070	(199,015)	(729)	40,326	36,853
Other tangible assets[1]	50,440	(37,502)	-	12,937	11,562
Tangible assets under construction	8,729	(110)	-	8,619	8,538
Advances and prepayments	397	-	-	397	666
TOTAL	**546,483**	**(344,792)**	**(729)**	**200,962**	**178,798**
Tangible assets	496,977	(323,842)	(729)	172,406	160,188
Rights of use	49,506	(20,950)	-	28,556	18,609

(1) Other tangible assets mainly comprise vehicles, furniture and computer equipment.

The changes in tangible assets from September 30, 2023 to September 30, 2024 are detailed in Notes 11.1 and 11.2.

11.1 Changes during the fiscal year concerning tangible assets

	09/30/2024				09/30/2023
(in € thousands)	Gross	Depreciation	Impairment	Net	Net
Tangible assets at beginning of period	**475,839**	**(315,283)**	**(367)**	**160,188**	**157,113**
Acquisitions/allowances	28,473	(15,267)	(342)	12,864	3,824
Change in Group structure	-	-	-	-	934
Disposals or assets scrapped	(8,890)	7,615	-	(1,275)	(258)
Impact of foreign exchange and misc.	1,555	(907)	(20)	630	(1,424)
TANGIBLE ASSETS AT END OF PERIOD	**496,977**	**(323,842)**	**(729)**	**172,406**	**160,188**

11.2 Changes during the fiscal year concerning rights of use

	09/30/2024			09/30/2023
(in € thousands)	Gross	Depreciation	Net	Net
Rights of use at beginning of period	**35,103**	**(16,494)**	**18,609**	**18,017**
New leases, renewal, modification/allowance	19,806	(9,691)	10,115	927
Change in Group structure	-	-	-	40
End of lease	(5,092)	5,092	-	(2)
Impact of foreign exchange and misc.	(311)	143	(168)	(373)
RIGHTS OF USE AT END OF PERIOD	**49,506**	**(20,950)**	**28,556**	**18,609**

Rights of use increased during the fiscal year following the renewal of several major real estate leases.

Note 12 Investments in associates

(in € thousands)	09/30/2024	09/30/2023
Opening net values	**4,053**	**3,760**
Acquisition	-	-
Change in Group structure	-	-
Share in earnings of equity-accounted associates	781	931
Dividend distribution	(782)	(638)
Disposals/deconsolidation	-	-
Other net changes (incl. foreign exchange)	-	-
NET VALUES AT CLOSING	**4,052**	**4,053**

The stake concerns POMMIER, which is 47%-owned by the Group. The consolidated financial statements include non-material transactions between the Group and POMMIER.

Note 13 Non-current financial assets

Accounting principles and policies

Non-current financial assets include non-controlling equity interests, derivative financial instruments, and other long-term investments.

Equity interests refer to the Group's investment in the capital of unconsolidated companies. When the purpose of these holdings is to recover the cash flows from disposals, these securities are recognized at fair value through profit or loss or at their acquisition cost, which the Group believes to represent their fair value, in the absence of an active market (IFRS 9).

In the case of a permanent loss in value, the corresponding impairment loss is recognized in the income statement of the fiscal year. The permanent nature of the impairment is determined by comparing it with the estimated value based on the share of net equity, the market price or earnings growth prospects, after adjusting for the effects of these holdings on the Group in terms of strategy, synergies or existing businesses. The recognition of this impairment loss in the income statement is not reversible if the estimated value develops positively in the future (in which case the unrealized profit is recognized under the separate heading of equity mentioned above).

The Group uses financial instruments to hedge interest rate or foreign exchange risks in order to reduce its exposure to them. The Group's policy is not to operate on the financial markets for speculative purposes. These instruments are recognized in the balance sheet at their fair value under "Financial assets" and "Long-term financial debt". Their change is recognized in net financial income to the extent that they do not meet the concept of hedging under IFRS 9.

Other long-term investments are recognized at amortized cost. A provision for impairment may be recorded when there is an objective indication of an impairment loss.

Securities held for trading are recognized at fair value and unrealized gains and losses on re-measurement are recognized in the income statement under "profit or loss from cash and cash equivalents".

	09/30/2024			09/30/2023
(in € thousands)	Gross	Impairment	Net	Net
Equity interests	958	-	958	920
Other securities	2,365	(1)	2,364	1,730
Loans	54	-	54	42
Other long-term investments	468	-	468	355
Derivative financial instruments	95	-	95	462
TOTAL	**3,941**	**(1)**	**3,940**	**3,508**

Other securities include shares in a fund over which the Group does not have any control or significant influence.

Other non-current financial assets mainly include security deposits.

Derivative financial instruments include a EUR/GBP cross currency swap and a contract with a cap rate on a portion of the Company's debt. These products hedge interest rate risk and/or foreign exchange risk. The fair value of derivative financial instruments amounted to €95 thousand for a nominal value of €24,815 thousand.

Note 14 Inventories and work-in-progress

Accounting principles and policies

In accordance with IAS 2 – Inventories, inventories and work-in-progress are measured at the lower of their cost and their net realizable value. Cost is measured according to the FIFO method. Net realizable value is defined as the expected selling price in the ordinary course of business minus the costs necessary to complete or make the sale.

The Group may recognize an impairment on inventories based on their sale prospects in its sales network and their use in the production cycle or when the net realizable value is lower than the carrying amount.

Inventories of raw materials and goods are valued at the purchase price plus incidental expenses, mainly using the first-in, first-out method. Except for the Garden Watering and Spraying business, which uses the weighted average unit cost method.

Inventories of work in progress and finished products are recognized at their production cost, which includes the cost of raw materials, direct labor costs and direct and indirect production costs.

Margins on transactions among consolidated companies are neutralized.

	09/30/2024			09/30/2023
(in € thousands)	Gross	Impairment	Net	Net
Raw materials	177,430	(36,773)	140,657	148,329
Work-in-progress (goods and services)	25,973	(2,164)	23,809	27,475
Semi-finished and finished goods	78,409	(6,776)	71,633	64,844
Trade goods and used machines	77,681	(17,802)	59,879	58,151
TOTAL	**359,493**	**(63,515)**	**295,978**	**298,799**

Net inventories and work-in-progress amounted to €296.0 million, a decrease of €2.8 million compared to September 30, 2023.

Note 15 Trade receivables

Accounting principles and policies

Trade receivables and related accounts are valued at their nominal value. Provisions for impairment are recorded according to the age of the receivable and the expected losses based on the lifetime of the receivable. Impairment is estimated on an individual basis, following the recognition of a known risk of default of the customer in question, and on the expected losses based on the lifetime of the receivable.

	09/30/2024			09/30/2023
(in € thousands)	Gross	Impairment	Net	Net
Trade receivables	172,733	(7,873)	164,860	172,242
TOTAL	**172,733**	**(7,873)**	**164,860**	**172,242**

Net trade receivables amounted to €164.9 million, an decrease of €7.4 million compared to September 30, 2023.

Changes in impairment of trade receivables were as follows:

(in € thousands)	09/30/2024	09/30/2023
Impairment of trade receivables at opening	**(9,281)**	**(6,306)**
Net reversal (or impairment)	1,197	(3,081)
Change in Group structure	-	(1)
Other changes	211	108
IMPAIRMENT OF TRADE RECEIVABLES AT CLOSING	**(7,873)**	**(9,281)**

The payment schedule of gross receivables and impairments is as follows:

		Past-due receivables				
(in € thousands)	Receivables not due	< 90 days	91 to 180 days	181 to 360 days	> 360 days	Total
Gross trade receivables	139,899	21,678	3,928	993	6,236	172,733
Impairment of trade receivables	(235)	(848)	(1,367)	(476)	(4,947)	(7,873)
TOTAL NET RECEIVABLES	**139,664**	**20,830**	**2,561**	**517**	**1,289**	**164,860**

The net receivables may include non-payment risks that are covered by bank guarantees and an international credit insurance program.

Note 16 Other current receivables

(in € thousands)	09/30/2024 Net value	09/30/2023 Net value
Tax receivables excluding corporate income tax (mainly VAT)	8,938	8,841
Payroll receivables	235	193
Advances and prepayments paid	1,204	2,805
Sundry debtors	4,012	7,568
Prepaid expenses	6,551	7,418
TOTAL	**20,940**	**26,825**

Note 17 Cash and cash equivalents

Accounting principles and policies

Cash includes bank balances and highly liquid investments and cash equivalents with maturities of less than three months from their date of acquisition. It is subject to a negligible risk of change in value.

Bank overdrafts, being treated as financing, are recognized as current liabilities on the balance sheet.

(in € thousands)	09/30/2024	09/30/2023
Marketable securities	-	3
Cash and cash equivalent	50,196	64,859
TOTAL	**50,196**	**64,862**

The Company does not have any investment portfolios of equity securities.

Note 18 Equity

18.1 Share capital

As of September 30, 2024, the parent company's share capital consisted of 6,787,900 ordinary shares with a nominal value of €2.5 per share, the same as at September 30, 2023. The Company has no dilutive instruments, such as stock subscription or purchase option plans.

No capital transactions were carried out over the period.

18.2 Treasury shares

Accounting principles and policies

In accordance with IAS 32 – Financial Instruments, treasury shares held by the Group through the share repurchase program related to the liquidity agreement are recorded at their acquisition cost and deducted from equity. Proceeds from the disposal of treasury shares are recognized under equity, net of income tax, and are not included under income in the fiscal year.

As of September 30, 2024, there were 4,675 treasury shares (5,345 treasury shares at September 30, 2023). These treasury shares are presented as a deduction from equity at their acquisition cost.

18.3 Dividend distributions

The Annual General Meeting of February 6, 2024 decided to pay a dividend of €1.57 per share for the 2023-2024 fiscal year in respect of the 2022-2023 fiscal year. No interim dividend was paid for the 2023-2024 fiscal year.

18.4 Policy for managing equity

Equity management mainly involves determining the level of current and future share capital and the policy with respect to the distribution of dividends.

The Group's management policy is based on providing a sufficient level of equity to ensure that the Group's financial structure remains sound. This level is monitored using the Net Financial Debt (see Note 20.3) to Equity ratio.

The Group has also set up a liquidity agreement to facilitate trading in its shares on the market. This agreement does not allow the use of significant amounts of capital and is only marginally applicable to stock market transactions.

18.5 Stock option and similar plans

No stock subscription or purchase option plan or free share allocation plan existed at September 30, 2024.

Note 19 Provisions and pension liabilities

Accounting principles and policies

In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized based on case-by-case assessments of the corresponding contingencies and expenses. A provision is recorded whenever Group corporate governance bodies are made aware of a legal or implicit obligation resulting from a past event when it is probable that it will result in an outflow of resources with no inflow of resources representing an equivalent amount expected in return.

Provisions are broken down between current and non-current liabilities according to the expected term to maturity of the risk. The provisions with a term to maturity of more than one year are discounted when their impact is material.

19.1 Provisions

Accounting principles and policies

A provision for contractual customer warranties is made to cover the estimated cost of guaranteeing machines and spare parts at the time of their sale to the networks or end customers. It covers the contractual warranty, as well as its possible extension after study on a case-by-case basis. The provision is established on the basis of historical statistical data projections.

Commitments resulting from restructuring plans are recognized when detailed plans have been drawn up and a start of implementation or an announcement has created a valid expectation among the persons concerned.

Provisions also include provisions for dealing with risks and litigation of a commercial, tax and social nature, notably in relation to operations.

19.1.1 By type

Consolidated *(in € thousands)*	09/30/2024	09/30/2023
Contractual customer warranties	19,457	17,433
Other miscellaneous employee benefit obligations (excluding employee benefit plans)	3,242	3,108
Commercial disputes and expenses for work-in-progress	2,692	3,877
Provisions for restructuring	640	206
Tax risk excluding income tax	309	269
Sundry	170	172
TOTAL	**26,510**	**25,065**
Portion over one year	5,216	5,553
Portion less than one year	21,294	19,512

19.1.2 Breakdown of changes

(in € thousands)	Contractual customer warranties	Other miscellaneous employee benefit obligations (excluding employee benefit plans)	Commercial disputes and expenses for work-in-progress	Provisions for restructuring	Other provisions	Total
Provisions at 09/30/2023	**17,433**	**3,108**	**3,877**	**206**	**441**	**25,065**
Allowance	8,486	590	783	2,000	166	12,025
Reversal (used provisions)	(5,498)	(430)	(457)	(1,566)	(106)	(8,057)
Reversal (unused provisions)	(817)	(12)	(1,555)	-	(39)	(2,423)
Reclassifications & others	(10)	(15)	-	-	25	-
Changes in scope & foreign exchange	(137)	1	44	-	(8)	(100)
PROVISIONS AT 09/30/2024	**19,457**	**3,242**	**2,692**	**640**	**479**	**26,510**
Of which portion over one year	3,196	811	1,039	-	170	5,216

The “Other provisions” column includes provisions for “tax risks excluding income tax” and “sundry” provisions.

Provisions for contingencies and expenses amounted to €26.5 million, an increase of €1.5 million compared to last year, mainly due to the increase in provisions for contractual guarantees.

19.2 Pension liabilities

Accounting principles and policies

In accordance with the laws and practices of each country, and certain professional and/or company agreements, the Group offers its employees various retirement plans, end-of-career benefits and post-employment plans. The valuation and recognition methods followed by the Group are those laid down by IAS 19 – Employee Benefits.

Provisions are recorded in the balance sheet for liabilities arising from defined benefit plans. These liabilities are calculated using the projected unit credit method based on actuarial valuations performed at the end of the fiscal year. Actuarial assumptions used to calculate these liabilities vary according to the economic conditions of the country in which the plan applies. Each plan is recognized separately.

The Group makes use of the services of an outside entity to partially cover its benefit liabilities. The provision recorded in the consolidated financial statements corresponds solely to the uncovered portion as well as social security expenses for the full amount of these benefit liabilities.

For defined benefit plans financed through external fund managers (pension funds or insurance policies), any positive or negative difference in the fair value of plan assets and the present value of obligations is recognized in the balance sheet as an asset or liability. However, such differences are only recognized as assets when they represent a future economic benefit for the Group.

Past service costs represent the benefits granted when the Company either adopts a new defined benefit plan or modifies the level of benefits of the existing plan. When new rights to benefits are vested as of the adoption of the new plan or the change of the existing plan, past service costs are immediately recognized in the income statement. Conversely, when the adoption of a new plan or a change in the existing plan results in the vesting of rights subsequent to the date the plan is established, past service costs are expensed on a straight-line basis over the average remaining period for the corresponding rights to be fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and adjustments related to experience (differences between actuarial assumptions and assumptions based on actual experience). Actuarial gains and losses are recognized in "Other comprehensive income" and therefore have no impact on profit or loss.

For defined benefit plans, the expenses recognized in operating income include service costs during the fiscal year, the amortization of past service costs, the discounting costs as well as the effects of any plan curtailment or settlement.

Depending on the country, Group employees are eligible for defined contribution and defined benefit retirement plans.

19.2.1 Defined contribution plans

Under this type of retirement plan, the Company only pays contributions to a body (private or public) that is independent from the Company and which is then responsible for paying out retirement benefits to the Company's retirees.

Staff expenses and contributions payable are recognized by the Group when they are incurred.

19.2.2 Defined benefit plans

This concerns:

- the Group's French employees, who receive a lump sum severance payment on retirement;
- employees of the British company HOZELOCK Ltd., which has set up a pension scheme whose assets are managed by an Independent Trustee. HOZELOCK Ltd.'s pension scheme was closed to new members on April 6, 1997 and the rights of existing members were frozen on April 6, 2001.

For defined benefit plans, the Group recognizes a provision for pension liabilities corresponding to the amount of liabilities calculated by independent actuaries, deducting plan assets managed by external funds (insurance companies or pension funds).

Main assumptions used to estimate pension liabilities as of September 30, 2024:

For French companies

- Growth of wages (including inflation): 3.8% for managers and 3.7% for non-managers (same as in 2023).
- Discount rate used (including inflation): 3.45% (*vs.* 3.90% in 2023).
- Retirement age: 62 to 64 depending on the year of birth.
- Life expectancy: INSEE Mortality Table 2016-2018.
- Employee turnover rate: based on the demographic data specific to each Group entity and actual experience.
- Social security expenses rate of 45% applied to total liabilities.
- Average weighted duration of the plans: 11 years.

With regard to the English company HOZELOCK Ltd.

- Growth rate of pension payments: 2.05%-5.0%.
- Discount rate used: 5.00% (*vs.* 5.45% in 2023).
- Inflation rate: 3.00% (3.20% in 2023).
- Retirement age: 63 years.
- Life expectancy: 110% of the S3PA Mortality Table.
- Average weighted duration of the plans: 11 years.

The cost for the fiscal year consists of:

- expenses in relation to pension liabilities recognized under "Current operating income";
- interest recognized under "net financial income/(expense)";
- impacts related to plan amendments recognized under "Non-recurring operating items".

(in € thousands)	Gross	Social security expenses	Total 09/30/2024	Total 09/30/2023
Service costs in the fiscal year	415	187	602	654
Discount costs	234	105	339	329
Interest cost	3,099	-	3,099	3,040
Plan reduction	(86)	(39)	(125)	(230)
Plan amendment	43	19	62	(305)
CURRENT SERVICE COST	**3,704**	**273**	**3,977**	**3,487**

Changes in pension and similar liabilities break down as follows:

(in € thousands)	Gross	Social security expenses	Total 09/30/2024	Total 09/30/2023
Pension liabilities at opening	**64,593**	**2,979**	**67,573**	**67,648**
Current service cost	3,704	273	3,977	3,487
Actuarial gains and losses (recognized in other items of comprehensive income)	3,913	238	4,151	(740)
Retirement benefits paid	(3,996)	(193)	(4,189)	(4,170)
Change in exchange rates	2,096	-	2,096	1,222
Change in Group structure	-	-	-	125
PENSION LIABILITIES AT CLOSING	**70,310**	**3,296**	**73,608**	**67,573**

Pension liabilities hedging assets changed as follows:

(in € thousands)	Gross	Social security expenses	Total 09/30/2024	Total 09/30/2023
Fair value of assets at opening	**49,513**	**-**	**49,513**	**55,381**
Expected return on plan assets	2,658		2,658	2,975
Actuarial gains and losses (recognized in other items of comprehensive income)	5,157		5,157	(9,049)
Employer contribution	1,166		1,166	2,574
Retirement benefits paid	(3,568)		(3,568)	(3,493)
Change in exchange rates	1,847		1,847	1,124
Change in Group structure	-		-	-
FAIR VALUE OF ASSETS AT CLOSING	**56,773**	**-**	**56,773**	**49,513**

Breakdown of pension liabilities hedging assets

(in € thousands)	Total 09/30/2024		Total 09/30/2023	
Shares	12,789	22.5%	277	0.6%
Bonds	12,615	22.2%	12,588	25.4%
Structured funds and products	31,369	55.3%	36,647	74.0%
FAIR VALUE OF ASSETS AT CLOSING	**56,773**	**100%**	**49,513**	**100%**

Reconciliation between pension liabilities and provisions for liabilities recognized in the balance sheet at September 30, 2024:

(in € thousands)	Gross	Social security expenses	09/30/2024	09/30/2023
Total pension liabilities at closing	**70,310**	**3,296**	**73,608**	**67,573**
Fair value of plan assets	(56,773)		(56,773)	(49,513)
PROVISIONS AT CLOSING	**13,537**	**3,296**	**16,833**	**18,060**

Provisions for pensions varied as follows for the fiscal year:

(in € thousands)	Gross	Social security expenses	Total 09/30/2024	Total 09/30/2023
Provisions at opening	**15,081**	**2,979**	**18,060**	**12,267**
Current service cost	3,704	273	3,977	3,487
Actuarial gains and losses (recognized in other items of comprehensive income)	(1,244)	238	(1,006)	8,309
Retirement benefits paid	(429)	(193)	(621)	(677)
Expected return on plan assets	(2,658)	-	(2,658)	(2,975)
Employer contribution	(1,166)	-	(1,166)	(2,574)
Change in exchange rates	248	-	248	98
Change in Group structure	-	-	-	125
PROVISIONS AT CLOSING	**13,537**	**3,296**	**16,833**	**18,060**

The sensitivity of the pension liability to changes in the discount rate is shown in the table below:

(in € thousands)	Total 09/30/2024	With a 0.5% decrease in the discount rate	With a 0.5% increase in the discount rate
Pension liabilities at closing	73,608	77,620	69,961
Including HOZELOCK Ltd	*52,619*	*55,566*	*49,935*

Note 20 Financial liabilities

Accounting principles and policies

Borrowings and financial debt are valued at their historical nominal value, which is considered to be close to their amortized cost.

In accordance with IFRS 16, a lease liability is recognized for leases. The lease liability is initially calculated on the basis of the present value of future lease payments. The Group has chosen to adopt the exemptions provided for by IFRS 16, which allow it to continue to record rents from leases with a term of 12 months or less and leases relating to low-value assets on a straight-line basis in the income statement over the lease term.

20.1 Breakdown of financial debt by type

Consolidated *(in € thousands)*	09/30/2024	09/30/2023
Bank overdrafts – France and other countries	685	1,570
Lease liabilities	28,774	18,750
Loans from credit institutions – France and other countries[a]	103,095	128,557
Shareholder current account	34,367	28,300
Payables on employee profit sharing	583	73
Other borrowings	11,124	5,320
Regulated government subsidies	128	93
TOTAL FINANCIAL DEBT	**178,756**	**182,663**
According to the maturities below:		
Non-current portion (> 1 year)	75,269	80,033
Current portion (< 1 year)	103,487	102,630
TOTAL FINANCIAL DEBT	**178,756**	**182,663**

The average interest rate for the 2024 fiscal year was 4.41%, compared to 3.35% the previous fiscal year.

(a) Loans from credit institutions break down as follows:

Consolidated *(in € thousands)*	**09/30/2024**	**09/30/2023**
France	103,035	128,184
Other countries	61	373
TOTAL	**103,095**	**128,557**
Of which fixed rate debt	55,677	63,001
Of which variable rate debt	47,418	65,556

Loans from credit institutions include loans at rates indexed to ESG criteria for €65.0 million at September 30, 2024 compared to €83.0 million at September 30, 2023. These ESG criteria concern targets for reducing occupational accidents and doses of phytopharmaceutical products sprayed.

20.2 Financial debt maturity schedule

(in € thousands)	**Less than 1 year**	**From 1 year to 5 years**	**More than 5 years**	**Total**
Bank overdrafts – France and other countries	685	-	-	685
Bank borrowings – France and other countries	49,840	53,256	-	103,095
Employee profit sharing payables and miscellaneous payables	10,312	1,063	332	11,707
Contingent debt	-	128	-	128
Subtotal	**60,837**	**54,446**	**332**	**115,615**
Shareholder current account	34,367	-	-	34,367
Lease liabilities	8,283	16,335	4,157	28,774
TOTAL FINANCIAL DEBT	**103,487**	**70,781**	**4,489**	**178,756**

20.3 Net financial debt

Accounting principles and policies

Net financial debt is calculated by adding together non-current financial debt (including lease liabilities resulting from the application of IFRS 16 and excluding employee profit-sharing liabilities) and current financial debt (including lease liabilities resulting from the application of IFRS 16), less cash and cash equivalents.

(in € thousands) *Debts (+)/Cash and cash equivalents (-)*	**Net cash**	**Miscellaneous financial assets**	**Loans from credit institutions**	**Shareholder current account**	**Lease liabilities**	**Other borrowings and advances**	**Total**
Net financial debt at 09/30/2023	**(63,291)**	**(462)**	**128,557**	**28,300**	**18,750**	**5,414**	**117,267**
Cash flow	13,780	-	(25,452)	6,067	(9,609)	6,229	(8,985)
Change in Group structure	-	-	-	-	0	(0)	0
Currency effects & other non-cash changes	-	367	(9)	-	19,632	(390)	19,600
NET FINANCIAL DEBT AT 09/30/2024	**(49,511)**	**(95)**	**103,095**	**34,367**	**28,774**	**11,253**	**127,882**

Reconciliation of net financial debt with the cash flow statement:

Net financial debt at 09/30/2023	**117,267**
Change in net cash position	**13,780**
Increase in borrowings	17,438
Repayment of borrowings	(30,594)
Repayment of lease liabilities	(9,609)
Issuance/repayment of financial debt	**(22,765)**
Change in non-cash scope	**0**
Other non-cash changes	**19,600**
NET FINANCIAL DEBT AT 09/30/2024	**127,882**

Note 21 Breakdown of other current liabilities

(in € thousands)	09/30/2024	09/30/2023
Advances and prepayments received	34,905	30,430
Tax (excluding corporate income tax) and social security liabilities	49,130	50,534
Other liabilities	6,261	7,404
TOTAL	**90,297**	**88,368**

Note 22 Change in working capital requirements (WCR)

(in € thousands)	09/30/2024	09/30/2023
Net inventories	302	1,464
Advances and prepayments paid	(1,671)	995
Net trade receivables	(1,975)	7,375
Current income tax receivables	1,741	(8,735)
Other receivables and accruals	(3,598)	542
	(5,202)	**1,640**
Advances and prepayments received	5,017	(417)
Trade payables	(19,938)	10,463
Payables for non-current assets	31	(322)
Tax and social security liabilities (excluding current corporate income tax payables)	(1,210)	10,057
Current corporate income tax payables	(4,608)	3,831
Other payables and accruals	2,406	(5,775)
	(18,302)	**17,836**
WORKING CAPITAL REQUIREMENTS (+)/RESOURCES (-)	**13,101**	**(16,197)**
Payables on non-current assets reclassified under Investments	(31)	322
Impact of company closures on change in WCR	-	-
Impact of foreign exchange on WCR	3,712	6,632
OPERATING WORKING CAPITAL REQUIREMENTS (+)/RESOURCES (-) (EXCLUDING FOREIGN EXCHANGE AND SCOPE EFFECT)	**9,420**	**(23,151)**

Note 23 Transactions with related parties

23.1 Remuneration and benefits paid over the fiscal year to the Group's corporate officers

Remuneration and benefits are detailed in the Management Report.

23.2 Transactions with other related parties

Under the existing cash management agreement between EXEL SAS and EXEL Industries, the Group made payments or withdrawals from the financial current account; the current account amounted to €34.4 million at September 30, 2024 and is included in financial debts (see Note 20). EXEL Industries recorded a net interest expense of €1,702 thousand corresponding to a Euribor 1-month interest rate of +1.5% in respect of this cash management agreement.

The service agreement signed by EXEL SAS and EXEL Industries for the provision of tax, legal and financial administrative services remained in force during the 2023-2024 fiscal year.

Note 24 Off-balance sheet commitments

24.1 Guarantees given on financial debt

Certain medium-term loans are guaranteed by pledges on equipment acquired. At September 30, 2024, the amount of these pledges was not material and represented less than 1% of the gross value of the Group's total tangible assets.

The equity interests in the real estate company Minworth Property UK were pledged as amortizable collateral for a bank loan, the outstanding principal of which was GBP 1.5 million at September 30, 2024. This commitment ends on July 31, 2025.

24.2 Opening of medium-term credit lines

In the event of external growth operations, the EXEL Industries group has access to medium-term credit lines with its banks.

24.3 Guarantees given

None.

24.4 Other commitments

As of September 30, 2024, the EXEL Industries group is committed to a project for the demolition, construction and renovation of an industrial site in France over the next two fiscal years for an amount of €10 million.

To the best of the Group's knowledge, it has not omitted to disclose any material off-balance sheet commitments in accordance with applicable accounting standards.

Note 25 Contingent liabilities

Accounting principles and policies

In the event that a liability is neither probable nor can be measured reliably but remains possible, the Group recognizes this contingent liability in its off-balance sheet commitments.

Contingent liabilities are reported in the notes unless the probability of an outflow of resources is very low. Contingent assets are reported in the notes when their future recognition is probable.

In the normal course of its business, the Group is involved in legal proceedings and is subject to tax, customs and administrative controls.

The Group believes that there are no exceptional events or disputes involving significant probable risks that could affect the Group's assets, earnings or financial position, for which provisions were not deemed necessary at the end of the fiscal year.

Note 26 Liquidity risk

No loans obtained by the EXEL Industries group from banks provide for prepayment provisions based on financial ratios (covenants).

After performing a specific review of its liquidity risk, the Company considers that it has the resources to honor its future payment obligations.

Note 27 Events after the end of the fiscal year

As of the date the Board of Directors approved the consolidated financial statements, on December 18, 2024, there were no events after the reporting date that could have a significant impact on the Group's financial position and assets.

Note 28 Summary of Statutory Auditors' fees

	Grant Thornton				Forvis Mazars			
(in € thousands)	Amount at 09/30/2024	%	Amount at 09/30/2023	%	Amount at 09/30/2024	%	Amount at 09/30/2023	%
AUDIT – STATUTORY AUDITORS, CERTIFICATION AND EXAMINATION OF INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS								
Issuer	120	18%	97	14%	113	11%	118	13%
Fully consolidated subsidiaries	515	78%	563	83%	736	71%	633	69%
Subtotal	**634**	**96%**	**660**	**97%**	**848**	**82%**	**752**	**82%**
SERVICES OTHER THAN THE CERTIFICATION OF THE FINANCIAL STATEMENTS								
Other related assignments and other audit missions					27	3%	27	3%
Legal, tax, employee-related assignments	23	4%	20	3%	157	15%	142	15%
Information technology								
Others								
Subtotal	**23**	**4%**	**20**	**3%**	**184**	**18%**	**169**	**18%**
TOTAL	**658**	**100%**	**680**	**100%**	**1,033**	**100%**	**920**	**100%**

The other services related to certification assignments included fees for auditing the Corporate Social Responsibility report (€27 thousand), and fees for tax auditing services. These tax services are mainly provided outside France.

5.6 Statutory Auditors' Report on the consolidated financial statements

Fiscal year ended September 30, 2024

To the Annual General Meeting of EXEL Industries,

Opinion

Pursuant to the assignment entrusted to us by the Annual General Meeting, we audited the EXEL Industries consolidated financial statements for the year ended September 30, 2024, as attached to this report.

We certify that the consolidated financial statements for the year give a true and fair view, according to IFRS as adopted in the European Union, of the assets, financial position and results of the Group formed by the persons and entities included within the scope of consolidation.

The opinion given above is consistent with our report to the Audit Committee.

Basis for opinion

Framework for our audit

We performed our audit in accordance with the professional standards which apply in France.

We believe that the audit evidence we obtained provides a sufficient and appropriate basis for our audit opinion.

Our responsibilities with respect to these standards are stated in the "Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements" section of this report.

Independence

We performed our audit in compliance with the independence rules provided for by the French Commercial Code and the French Code of Ethics of the Statutory Auditors' profession applicable from October 1, 2023 to the date of our report and we provided no services which are prohibited under Article 5 paragraph 1 of Regulation (EU) No. 537/2014.

Justification of our assessments – Key points of the audit

Pursuant to the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risk of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the fiscal year, as well as the responses we provided to these risks.

These assessments were made within the context of the audit of the consolidated financial statements overall and the formation of our opinion expressed above. We have no opinion to make on the components of these consolidated financial statements taken individually.

Goodwill impairment tests

(Note 9 to the consolidated financial statements)

Risk identified

On September 30, 2024, the Group's net goodwill totaled €72.4 million, or around 8% of the Group's total assets. This goodwill was recognized following the various external growth operations carried out by the Group and allocated to the cash generating units (CGUs) defined by the Group.

As stated in Note 9.3 of the notes to the consolidated financial statements, the Group carries out an impairment test on goodwill at least once a year and every time the Management identifies an indication of impairment. This test involves determining the recoverable value of each Cash Generating Unit (CGU) to which the goodwill is allocated, and checking that the CGU's net carrying amount is not higher than their respective recoverable values. This is the value in use that is determined on the basis of the present value of future operating cash flows expected by Management over a five-year period and a terminal value. The net values are presented in Note 9 to the consolidated financial statements.

Any unfavorable change in the business plans for the activities to which the goodwill has been allocated and/or the assumptions of discount rates and growth rates could materially affect the recoverable value of these CGUs and potentially lead to the recognition of an impairment.

We considered that the determination of the recoverable value of goodwill is a key point of the audit because of its relative weight in the Group's consolidated financial statements and because the determination of the recoverable amount of the various CGUs to which it is attached involves significant use of judgment by Management.

Our response

We examined the procedures used to establish the impairment tests, examined their methods of implementation in line with the applicable accounting standards and, with the help of our valuation experts, assessed whether the principal estimations made by Management were of a reasonable nature. We verified:

- the reasonable nature of the cash flow projections presented to the Board of Directors compared to the economic and financial context in which the different CGUs are operating, as well as the consistency of these forecasts with the Group's historical performance;
- the main parameters used with regard to our own benchmarks, namely:
  - the consistency of the perpetual growth rates used by Management,
  - the methods of calculating the discount rate applied to projected cash flows.

In addition, we conducted our own sensitivity analysis and verified the arithmetic accuracy of the impairment tests.

Specific verifications

In accordance with the professional standards applicable in France, we also performed the specific legal and regulatory verifications that are required regarding the information about the Group that is provided in the Board of Directors' Management Report.

We have no matters to report with respect to the fair presentation of this information and its consistency with the consolidated financial statements.

We certify that the consolidated statement of non-financial performance provided for in Article L.225-102-1 of the French Commercial Code does appear in the information about the Group presented in the Management Report. It is further specified that, in accordance with Article L.823-10 of that Code, the information contained in this statement was not verified by us in terms of its accuracy or consistency with the consolidated financial statements and must be the object of a report by an independent third-party organization.

Other verifications or disclosures provided for by the legal and regulatory texts

Presentation format of the consolidated financial statements intended to be included in the Annual Financial Report

In accordance with professional standards on the Statutory Auditors' procedures relating to the annual and consolidated financial statements presented using the single European electronic information format, we also verified compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements to be included in the Annual Financial Report mentioned in Section I of Article L.451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer.

With regard to consolidated financial statements, our procedures include verifying that the markup of these financial statements complies with the format defined by the aforementioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the Annual Financial Report respects, in all material respects, the single European electronic information format.

It is not our responsibility to verify that the consolidated financial statements that will be included by your Company in the Financial Report filed with the French Financial Markets Authority (AMF) correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as EXEL Industries' Statutory Auditors by the Annual General Meeting of January 21, 2015, in the case of Forvis Mazars SA, and that of February 9, 2021, in the case of Grant Thornton.

As at September 30, 2024, Forvis Mazars SA was in the tenth uninterrupted year of its mission and Grant Thornton in its fourth uninterrupted year.

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

It is Management's responsibility to prepare consolidated financial statements which provide a true and fair presentation in accordance with IFRS standards as adopted by the European Union, and to implement such internal control procedures as it deems necessary to ensure that the consolidated financial statements are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, Management is responsible for assessing the entity's capacity to continue its operations and for presenting information in these financial statements on the entity as a going concern and for applying the going concern accounting convention, unless there are plans to liquidate the entity or to discontinue its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where necessary, internal audit, in respect of procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements

We are responsible for preparing a report on the consolidated financial statements. Our aim is to obtain the reasonable assurance that overall, the consolidated financial statements do not contain any material misstatements. Reasonable assurance corresponds to a high level of assurance without however guaranteeing that an audit which is performed to professional auditing standards systematically detects all material misstatements. Misstatements can come from fraud or result from errors and are considered to be significant when it is to be reasonably expected that when taken individually or as a whole, they may affect the economic decisions which are taken by the users of the financial statements based on them.

As Article L.821-55 of the French Commercial Code specifies, our mission to certify the financial statements does not involve guaranteeing your entity's viability, or the quality of its management.

In the context of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

Moreover:

- the Statutory Auditor identifies and assesses the risks of material misstatement in the consolidated financial statements, whether from fraud or mistakes, and determines and implements auditing procedures to cover these risks and collects the information it deems to be sufficient and appropriate to form an opinion. The risk of not detecting a fraudulent material misstatement is higher than that of not detecting a significant material misstatement from a mistake because fraud may involve collusion, forgery, intentional omissions, false declarations or the circumvention of internal controls;
- the Statutory Auditor examines the internal control procedures which are relevant for the audit in order to decide the appropriate audit procedures in this context, and not in order to express an opinion on the effectiveness of the internal control;
- the Statutory Auditor assesses the appropriate nature of the accounting methods used and the reasonable nature of the accounting estimations made by the Management as well as the information on them supplied in the consolidated financial statements;
- the Statutory Auditor assesses the appropriate nature of Management's application of the going concern accounting convention and, based on the information collected, whether or not there is significant uncertainty related to events or circumstances which are liable to affect the entity's capacity to continue its operations. This assessment is based on the information which is collected up until the date of the Statutory Auditor's report, with the proviso, however, that subsequent circumstances or events could create doubts over the Company's future as a going concern. If the Statutory Auditor concludes that a significant uncertainty exists, it will draw the reader's attention in the report to the information supplied in the consolidated financial statements relating to this uncertainty, or if this information is not supplied, or is not relevant, the Statutory Auditor will issue a certificate with reserves or refuse to certify;
- the Statutory Auditor assesses the presentation of the consolidated financial statements as a whole and whether they reflect the underlying events and operations in such a way as to provide a true and fair presentation;
- the Statutory Auditor collects the financial information from the people or entities within the scope of consolidation which it deems sufficient and appropriate for expressing an opinion on the consolidated financial statements. It is responsible for the management, supervision and implementation of the audit of the consolidated financial statements and for expressing an opinion on these financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee describing the extent of the auditing services, the work program implemented and our conclusions. Where necessary, we also inform it of any significant weaknesses we identified in internal control in respect of the preparation and processing the accounting and financial information.

Among the matters disclosed in the report to the Audit Committee are the risks of material misstatement, which we considered to be the most significant for the purposes of our audit of the consolidated financial statements for the fiscal year and which therefore constitute the key points of the audit, and which it is our responsibility to describe in this report.

We also provide the Audit Committee with the statement provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out notably in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics of the Statutory Auditors' profession. Where necessary, we discuss with the Audit Committee the risks weighing on our independence and the safeguard measures implemented.

Bordeaux and Reims, January 10, 2025,

The Statutory Auditors

Forvis Mazars SA	Grant Thornton French Member of Grant Thornton International
David COUTURIER Partner	Mallory DESMETTRE Partner

6 Statutory financial statements

6.1 Balance sheet at September 30, 2024

Assets

(in € thousands)	09/30/2024 Gross	09/30/2024 Depr./Amort. prov.	09/30/2024 Net	09/30/2023 Net
Intangible assets	34,207	(14,260)	19,947	21,672
Tangible assets	2,851	(2,525)	326	345
Long-term investments	489,163	(151,261)	337,902	352,583
Fixed assets	**526,221**	**(168,046)**	**358,175**	**374,600**
Trade receivables	6,064		6,064	8,224
Other receivables	194,634		194,634	167,332
Cash and cash equivalent	24,339		24,339	36,223
Accruals & translation differences	1,159		1,159	1,294
Current assets	**226,196**	**0**	**226,196**	**213,073**
TOTAL ASSETS	**752,417**	**(168,046)**	**584,371**	**587,673**

Liabilities

(in € thousands)	09/30/2024	09/30/2023
Capital	16,970	16,970
Share premiums	2,528	2,528
Statutory reserve	1,697	1,697
Other reserves	2,404	2,404
Retained earnings	353,728	370,413
Net income	19,631	(6,034)
Regulated provisions	3,205	2,711
Equity	**400,163**	**390,689**
Provisions for contingencies and expenses	**638**	**698**
Financial debt	**137,995**	**157,358**
Trade payables and related accounts	8,545	8,036
Tax and social security liabilities	1,629	2,009
Other liabilities	34,968	27,900
Accruals & translation differences	433	982
Trade and other payables	**45,575**	**38,927**
TOTAL LIABILITIES	**584,371**	**587,673**

6.2 Income statement at September 30, 2024

(in € thousands)	09/30/2024	09/30/2023
Revenue	34,153	34,231
Other operating income	2,599	3,328
Operating income	**36,751**	**37,559**
Raw materials and consumables		
Other purchases and external charges	(16,321)	(16,285)
Taxes and duties	(398)	(411)
Staff expenses	(4,528)	(4,674)
Net allowances for depreciation, amortization and provisions	(1,932)	(2,036)
Other expenses	(206)	(506)
Operating expenses	**(23,386)**	**(23,912)**
Operating income	**13,365**	**13,647**
Net financial income/(expense)	**10,968**	**(8,773)**
Current operating income	**24,333**	**4,874**
Net extraordinary income/(loss)	**(4,769)**	**(1,316)**
Profit (loss) before tax	**19,564**	**3,558**
Tax	67	(9,592)
NET INCOME	**19,631**	**(6,034)**

6.3 Notes to the statutory financial statements

Note 1 Accounting principles, rules and methods

(Article L.123-13 to L.123-21 of the French Commercial Code; ANC Regulation No. 2016-07)

1.1 Application of general principles

The financial statements of our Company for the fiscal year ended on September 30, 2024 were prepared in accordance with the accounting standards, principles and policies applicable in France of ANC Regulation No. 2016-07 amended by subsequent regulations.

General accounting conventions are applied with due regard to the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- independence of fiscal years;
- consistency of accounting methods from one fiscal year to another; and
- compliance with the general rules for the preparation and presentation of annual financial statements.

The basic method used to measure items recorded in the accounts is the historical cost method.

The financial statements for the fiscal year were prepared taking into account the current economic context and on the basis of financial parameters for the market available at the end of the fiscal year. This economic and financial environment is taken into account notably when valuing assets such as marketable securities, as well as when valuing long-term assets such as equity interests and related receivables.

The value of these assets is reassessed at the end of the fiscal year based on the long-term economic outlook and the Company management's best assessment of future cash flows.

1.2 Use of estimates

To prepare annual financial statements in compliance with the generally accepted accounting principles, the Company makes a certain number of estimates and adopts certain assumptions that may have an impact on the amounts disclosed under assets and liabilities, on the information on contingent assets and liabilities as of the closing date of the financial statements, as well as on the amounts recognized under income and expenses for the fiscal year.

These estimates are based on the assumption of going concern and include assumptions Management considers relevant and feasible in the Company's operating environment and based on available feedback.

Estimates and assumptions are reviewed on a regular basis and at a minimum at the end of each fiscal year. They may vary if the circumstances on which they were based change or new information becomes available. Actual results may differ from these estimates and assumptions.

The main estimates made by the Company when preparing the financial statements concern notably assumptions adopted for calculations used for the valuation of long-term investments and provisions.

Note 2 Notes on the balance sheet and income statement

2.1 Intangible assets

Intangible assets are recognized at their acquisition cost, including acquisition expenses. They are amortized in accordance with the following durations:

- patents: straight-line 1 to 10 years;
- trademarks: non-amortizable unless there are indications of impairment;
- computer software: straight-line 1 to 5 years.

2.2 Tangible assets

Tangible assets are valued at their acquisition cost, including acquisition expenses, or at their production cost. Economic depreciation is calculated over the following estimated useful life of the assets:

- buildings: straight-line between 10 and 20 years;
- equipment & tools: accelerated method between 3 and 5 years;
- fixtures and fittings: straight-line between 1 and 10 years;
- office equipment and furniture: straight-line and accelerated method between 3 and 10 years.

2.2.1 Statement of non-current assets

(in € thousands)	Opening gross value	Increases	Decreases	Item-to-item transfers	Closing gross value
Intangible assets:					
Patents	17,258				17,258
Brands	15,820				15,820
Software and others	1,065	64			1,128
Tangible assets	2,859	18	(26)		2,851
Long-term investments:					
Equity interests	341,744	30,900			372,644
Receivables on investments	126,565		(13,512)		113,053
Other securities	2,835	581			3,416
Other long-term investments	50				50
TOTAL	**508,196**	**31,562**	**(13,537)**	**0**	**526,221**

The flows reported in the "Increases" column mainly concern capital increases carried out in subsidiaries which are wholly owned by EXEL Industries. The flows shown in the "Decreases" column mainly concern the repayment of loans granted to subsidiaries to cover their cash requirements.

2.2.2 Statement of amortization, depreciation and impairment of non-current assets

(in € thousands)	Opening balance	Allowance	Reversals	Closing balance
Amortization of intangible assets	(12,471)	(1,788)		(14,260)
Depreciation of tangible assets	(2,514)	(36)	26	(2,525)
Impairment of equity interests	(89,109)	(35,251)	100	(124,260)
Impairment of related receivables	(29,500)		2,500	(27,000)
Impairment of other long-term investments	(1)			(1)
TOTAL AMORTIZATION, DEPRECIATION AND IMPAIRMENT	**(133,596)**	**(37,075)**	**2,626**	**(168,046)**

2.2.3 Changes affecting provisions for accelerated depreciation

(in € thousands)	Depreciation at opening	Allowance	Reversals	Depreciation at closing
For tangible and intangible assets	0	0		0
For long-term investments	2,711	494		3,205
TOTAL ACCELERATED DEPRECIATION	**2,711**	**494**	**0**	**3,205**

2.3 Long-term investments

The gross value of equity interests and receivables related to investments corresponds to their acquisition cost, including acquisition expenses, or their contribution value. The net carrying amount of the equity interests is compared to the share of equity of the companies held. In the event of a capital shortfall, the value in use is determined by taking into account discounted cash flow forecasts (DCF method) or, to a lesser extent, the net asset value (NAV method). Impairment is recognized on equity interests and/or related receivables if the calculated value in use is lower than the net carrying amount.

For the 2024 fiscal year, the main assumptions were as follows:

- the perpetual growth rate used from the sixth year was 1.5% (1.6% in 2023);
- the discount rate was 10.0% (9.9% in 2023).

The valuation is made in the functional currency of the entity and converted at the exchange rate in force at the end of the period.

As at September 30, 2024, a sensitivity analysis on the assumptions shows a maximum impairment risk of €14 million in the event of a 100 bps increase in the discount rate or a 50 bps decrease in the perpetual growth rate.

Acquisition-related expenses are capitalized and amortized over five years on an accelerated basis.

2.3.1 Table of subsidiaries and equity interests of EXEL Industries

Subsidiaries and equity interests *(in € thousands)*	SIREN	Currency	Capital	Equity other than capital	Share of capital held *(as a %)*
FRENCH SUBSIDIARIES					
GAMA TECHNOLOGIES	515 720 829	€K	1,200	4,867	100
BERTHOUD	852 943 158	€K	2,559	1,512	100
CAPAGRI	379 502 016	€K	80	219	100
NICOLAS SPRAYERS	339 046 054	€K	1,625	(861)	100
EVRARD	322 814 955	€K	4,000	(1,324)	100
SCI CATHAN		€K	0	203	99
CMC	379 364 847	€K	405	261	100
ETTORE YACHTING	395 304 801	€K	1,171	(537)	100
EXXACT ROBOTICS	878 255 512	€K	16,001	(6,466)	100
HOZELOCK EXEL	779 658 772	€K	2,600	6,278	100
PRECICULTURE	097 150 353	€K	420	5,065	100
EXEL YACHTING	404 875 452	€K	9,643	(4,162)	100
SAMES	572 051 688	€K	12,720	50,547	100
SCI des Voiliers		€K	5	(19)	100
SUPRAY TECHNOLOGIES	350 484 309	€K	6,891	(4,643)	100
TECNOMA	853 321 420	€K	2,055	318	100
TRICOFLEX	380 333 427	€K	1,909	9,922	100
FOREIGN SUBSIDIARIES					
AGRIFAC MACHINERY BV (NL)		€K	68	39,617	100
LLC EMC (Russia)		*K RUB*	*7,604*	*115,750*	*100*
LLC EMC (Russia)		€K			
EXEL REAL ESTATE (USA)		*K USD*	*1,675*	*912*	*100*
EXEL REAL ESTATE (USA)		€K			
EXEL REAL ESTATE AUSTRALIA		*K AUD*	*4,325*	*12,647*	*100*
EXEL REAL ESTATE AUSTRALIA		€K			
EXEL REAL ESTATE NETHERLANDS		€K	0	386	100
EXEL REAL ESTATE GERMANY		€K	25	1,188	100
ETW Inc (USA)		*K USD*	*33,469*	*(21,451)*	*100*
ETW Inc (USA)		€K			
HARDI INTERNATIONAL A/S (DK)		*K DKK*	*50,000*	*17,320*	*100*
HARDI INTERNATIONAL A/S (DK)		€K			
ERED		*K DKK*	*400*	*1,956*	*100*
ERED		€K			
HOLMER Maschinenbau GmbH		€K	5,000	(2,688)	100
G.F. s.r.l. (Italy)		€K	500	8,962	100
MINWORTH Property UK		*K GBP*	*8,400*	*4,121*	*100*
MINWORTH Property UK		€K			
RASINDECK Ltd (UK)		*K GBP*	*15,122*	*36,885*	*100*
RASINDECK Ltd (UK)		€K			
VERMOREL (RO)		*K Ron*	*974*	*3,339*	*100*
VERMOREL (RO)		€K			
INGELIA (RO)		*K Ron*	*0*	*46*	*90*
INGELIA (RO)		€K			
Other equity interests		**€K**			

Gross value of securities held	Net value of securities held	Loans and advances granted by the Company *(net amount)*	Pledges and guarantees given by the Company	2024 revenue	Income after tax for the last fiscal year – 2024	Dividends received by the Company during the fiscal year
3,012	3,012	8,845		40,533	(104)	2,280
4,945	4,945	1,388		61,640	1,724	0
524	524	0		1,412	25	0
11,422	2,422	406		2,150	(480)	0
7,500	2,700	16,042		54,634	(317)	0
4,597	4,597	0		0	140	129
844	653	0		0	14	0
1,620	634	0		441	(550)	0
28,800	9,500	0		1,054	(6,465)	0
5,120	5,120	5,321		35,460	900	1,240
1,584	1,584	19,229		50,754	457	1,435
21,400	5,481	0		4,807	(4,162)	0
15,815	15,815	39,143		134,883	31,929	22,260
10	10	2,996		0	(71)	0
23,912	2,248	6,048		17,070	(4,938)	0
7,761	7,761	0		47,600	(243)	1,521
22,022	22,022	0		40,480	2,075	1,050
11,591	11,591	9,338		125,727	11,076	0
184	184			14,337	492	0
1,116	1,116				578	47
2,679	2,679	0			547	
0	0	10,255		0	(718)	0
25	25	13,929		0	345	0
27,740	27,740	9,110		61,650	4,426	
39,852	31,652	35,035		74,961	(3,802)	
54	54	9,968		0	254	201
69,627	44,727	42,332		152,618	(7,882)	0
26,025	9,425	21,058		24,331	(4,137)	0
11,891	11,891				432	
16,619	16,619			0	1,193	1,195
4,350	1,650	1,423		7,444	565	0
2	2			0	0	
3,416	**3,415**					
376,060	**251,799**	**251,866**				**31,358**

2.4 Inventories and work-in-progress

Not applicable.

2.5 Trade receivables

Receivables are recorded at their nominal value.

Impairment is recognized in the event of collection difficulties.

2.6 Marketable securities

This line item includes treasury shares held in relation to a market-making agreement.

At the end of the fiscal year, there were 4,675 treasury shares valued at €49.70 per share for a total of €232,347.50.

During the fiscal year, the Company purchased 21,383 shares at an average price of €52.10 per share and sold 22,053 shares at an average price of €52.48 per share.

2.7 Foreign exchange risk

At September 30, 2024, the Company held in its bank accounts:

- USD 90 thousand; these foreign exchange holdings were not covered by a currency hedge; they are measured at the closing rate of USD 1.1196/€; this balance represented €80 thousand;
- GBP 3,109 thousand; these foreign exchange holdings were not covered by a currency hedge; they are measured at the closing rate of GBP 0.8354/€; this balance represented €3,721 thousand;
- AUD 1 thousand; these foreign exchange holdings were not covered by a currency hedge; they are measured at the closing rate of AUD 1.6166/€; this balance represented €1 thousand.

As part of its international development activity, our Company grants loans or current accounts advances in foreign currencies to some of its foreign subsidiaries. The asset and liability foreign currency translation adjustments are the result of foreign currency fluctuations at the closing date compared to the historical conversion rate.

During the fiscal year the Company continued its foreign exchange risk policy by using short-term and medium-term lines of credit in foreign currencies to hedge its receivables due from foreign subsidiaries.

In addition, the Company has set up financial instruments to hedge its foreign exchange risk (see the paragraph on financial instruments).

These measures reduced the Company's exposure to exchange rate impacts.

2.8 Derivative financial instruments

The Group uses financial instruments to hedge interest rate or foreign exchange risks in order to reduce its exposure to them. The Group's policy is not to operate on the financial markets for speculative purposes.

At the end of the fiscal year, there were two derivative financial instruments outstanding:

Type of product	Description of the financial instrument	Nominal value of the hedged item	Carrying amount of the financial instrument on the balance sheet at 09/30/2024 *(in € thousands)*	Fair value at 09/30/2024 *(in € thousands)*	Position at 09/30/2024
EUR-GBP currency swap	Currency hedging instrument on a receivable in GBP	GBP 4.1 million	(89)	42	Hedge
CAP – Interest rate cap contract	Interest rate risk hedging instrument on part of the Company's debt	€20 million	53	53	Isolated open position

2.8.1 EUR-GBP currency swap

This financial instrument is recognized as a liability on the balance sheet under financial debt.

Its carrying amount corresponds to an exchange rate difference that is symmetrical to the one recorded on the hedged receivable.

2.8.2 CAP – Interest rate cap contract

This financial instrument is recognized on the asset side of the balance sheet under cash and cash equivalents.

As of September 30, 2024, this financial instrument is in an isolated open position, as it no longer qualifies as a hedge.

Its carrying amount corresponds to its market value.

The provision for unrealized losses on financial instrument contracts was reversed in full at September 30, 2024 (see Note 2.11).

Changes in the value of derivative financial instruments are recognized under net financial income.

2.9 Share capital

The share capital is comprised of 6,787,900 fully paid-up shares of €2.5 each.

2.10 Change in equity

(in € thousands)	
Equity at September 30, 2023	**390,689**
Dividends	(10,651)
Net income for the fiscal year	19,631
Change in regulated provisions	494
EQUITY AT SEPTEMBER 30, 2024	**400,163**

2.11 Provisions for contingencies and expenses

Provisions are recorded for contingencies and expenses whose purpose is clearly defined and whose timing or amount cannot be precisely determined, when the Company has an obligation towards a third party and it is certain or likely that this obligation will cause an outflow of resources without at least equivalent compensation.

2.11.1 Changes over the fiscal year

(in € thousands)	09/30/2023	Allowance	Reversals (used)	Reversals (not used)	09/30/2024
Provisions for disputes	122	87			209
Provisions for restructuring	0				0
Provisions for retirement benefits	163	21			183
Provisions for foreign exchange losses	115	246	(115)		246
Provisions for losses on financial instruments	299		(238)	(61)	0
TOTAL	**698**	**354**	**(353)**	**(61)**	**638**

2.11.2 Provisions for retirement benefits

Contractual benefits payable on retirement are calculated on the basis of rights acquired at the end of the fiscal year, in accordance with the collective bargaining agreement for the metallurgy industry, using a mortality table, a turnover table and a discount rate, and taking into account a general salary revaluation rate.

EXEL Industries applies the "Corridor" method under French Accounting Standards Authority (ANC) Recommendation No. 2013-02 of November 7, 2013 amended on November 5, 2021, on the rules for valuing and recognizing pension liabilities and similar benefits. This involves spreading the portion of actuarial gain and loss commitments exceeding 10% of the highest value between the discounted value of the obligation before deduction of plan assets and the value of the plan assets, over the forecasted residual duration of the commitments.

At the end of the fiscal year, the provision for retirement benefits amounted to €183 thousand, broken down as follows:

- Liabilities/pension liabilities – excluding social security expenses €126 thousand
- + Social security expenses (45% of liabilities) €56 thousand
- - Unrecognized actuarial gains and losses €1 thousand
- = Total provisions (including social security expenses) €183 thousand

2.11.3 Other provisions for contingencies and expenses

The provisions for litigation mainly concern ongoing labor risks.

2.12 Advances to executive officers

No advances or loans were granted to executive officers for the period under review.

2.13 Related-party transactions

The Company carries out transactions with related parties that are not significant, or are concluded under normal conditions, or are excluded from the scope of application of French Accounting Standards Authority (ANC) Regulations No. 2010-02 and 2010-03.

2.14 Trade receivables and payables

2.14.1 Statement of receivables

(in € thousands)	Gross amount	Within 1 year	More than 1 year
Receivables from equity interests	113,053	13,620	99,433
Other long-term investments	50		50
Trade receivables	6,064	6,064	
Tax and employee-related receivables	3,507	3,507	
Group and associates	190,900	190,900	
Other receivables and accruals	956	956	
TOTAL	**314,529**	**215,046**	**99,483**
Loans granted over the fiscal year	0		
Repayments received over the fiscal year	13,512		

2.14.2 Detail of accrued income

- Trade receivables – Invoices to be issued €27 thousand
- Other accrued income €226 thousand
- Total accrued income €253 thousand

2.14.3 Statement of payables

(in € thousands)	Gross amount	Within 1 year	More than 1 year and less than 5 years	More than 5 years
Other bonds	35,339	339	35,000	0
Financial debt (including shareholder current accounts)	102,656	84,394	18,262	0
Trade payables	8,545	8,545		
Tax and social security liabilities	1,629	1,629		
Group and associates	34,812	34,812		
Payables for non-current assets	0	0		
Other payables and accruals	200	200		
TOTAL	**183,181**	**129,919**	**53,262**	**0**
Loans taken out over the fiscal year	10,067			
Loans repaid over the fiscal year	29,128			

Financial debt includes loans at rates indexed to ESG criteria for €65.0 million at September 30, 2024 compared to €83.0 million at September 30, 2023. These ESG criteria concern targets for reducing occupational accidents and doses of phytopharmaceutical products sprayed.

2.14.4 Breakdown of accrued expenses

- Accrued interest/financial debt €531 thousand
- Trade payables €793 thousand
- Tax and social security liabilities €1,055 thousand
- Other liabilities €156 thousand
- Total accrued expenses €2,535 thousand

2.15 Revenue

The Company's revenue consists of trademark and patent royalties and management fees, which are invoiced to the Group's subsidiaries.

(in € thousands)	09/30/2024	09/30/2023
France Services	15,944	15,540
Export Services	18,209	18,691
REVENUE	**34,153**	**34,231**

2.16 Net financial income/(expense)

(in € thousands)	09/30/2024	09/30/2023
Financial income from equity interests	31,358	32,992
Other interest and similar income	19,280	16,982
Reversals of impairment and provisions	3,013	26,620
Foreign exchange gains	865	1,501
Net income on sales of marketable securities	45	24
Total income	**54,562**	**78,120**
Allowances for provisions and impairment	(35,497)	(80,235)
Interest	(7,375)	(5,681)
Foreign exchange losses	(722)	(976)
Net expense on sales of marketable securities	0	0
Total expenses	**(43,594)**	**(86,893)**
NET FINANCIAL INCOME/(EXPENSE)	**10,968**	**(8,773)**

The financial flows with related companies resulted in:

(in € thousands)	09/30/2024	09/30/2023
Financial income	50,399	49,779
Financial expenses	2,163	1,326

2.17 Net extraordinary income/(loss)

Extraordinary income and expenses take into account not only items that are not related to the Company's normal activity but also those that are exceptional in view of their amount.

(in € thousands)	09/30/2024	09/30/2023
Application of a "better fortunes" (financial recovery) clause	225	225
Proceeds from sale of non-current assets	0	3
Reversal of provisions/sale of non-current assets	0	40
Reversal of provisions for contingencies and expenses	0	345
Reversals of special depreciation allowance (accelerated depreciation)	0	1
Total income	**225**	**613**
Debt waivers granted to subsidiaries	(4,500)	(1,400)
Net carrying amount of non-current assets disposals	0	(42)
Provisions for contingencies and expenses	0	0
Special depreciation allowance (accelerated depreciation)	(494)	(429)
Other misc. items	0	(58)
Total expenses	**(4,994)**	**(1,929)**
NET EXTRAORDINARY INCOME/(LOSS)	**(4,769)**	**(1,316)**

2.18 Income tax

Income tax as presented in the income statement breaks down as follows:

- tax on the Company's own taxable income (identical to the tax that would have been borne in the absence of tax consolidation) €6,845 thousand
- tax consolidation expense/(income) (mainly from subsidiaries' losses charged to group income) -€5,928 thousand
- tax audits and tax reliefs, prior year tax adjustments -€33 thousand
- Company's tax credits (mainly research tax credits) -€951 thousand
- **Total income tax expenses for the fiscal year (or net income) -€67 thousand**

2.18.1 Tax consolidation

EXEL Industries has been the head of a tax group since September 1, 1993, in accordance with the tax consolidation agreement of August 30, 1994 with effect from September 1, 1993.

The agreements signed between the parent company and the consolidated subsidiaries are based on the neutrality method. The tax due is recognized by the subsidiaries as if they were taxed separately; the parent company records its own tax and the saving or expense arising from the application of the tax consolidation scheme.

Breakdown of income tax

(in € thousands)	Profit (loss) before tax	Tax due	Net income after tax
Current operating income	24,333	(6,017)	18,316
Net extraordinary income/(loss)	(4,769)	156	(4,613)
Impact of tax consolidation		5,928	5,928
ACCOUNTING INCOME	**19,564**	**67**	**19,631**

Deferred taxes

(in € thousands)	Amount
Taxes payable on:	
Regulated provisions (accelerated depreciation)	3,205
Total deferred tax increase	**3,205**
Prepaid taxes on:	
Temporarily non-deductible expenses and timing differences (to be deducted the following year)	335
Expenses to be subsequently deducted (non-deductible provisions)	392
Total deferred tax decrease	**728**
NET DEFERRED TAXES	**2,477**

Note 3 Other disclosures

3.1 Financial commitments and contingent liabilities

Commitments given *(in € thousands)*	09/30/2024
Pledge of equity interests in an English subsidiary, granted as security for a bank loan	1,746
	1,746

Commitments received *(in € thousands)*	09/30/2024
"Better fortunes" (financial recovery) clauses (received from subsidiaries)	12,540
	12,540

3.2 Average number of employees

	09/30/2024	09/30/2023
Managers	23	23
Employees	0	0
TOTAL	**23**	**23**

3.3 Executive officer compensation

The total remuneration paid during the fiscal year to the executive officers (excluding social security expenses) amounted to €1,122 thousand.

3.4 Events after the end of the fiscal year

As of the date the Board of Directors approved the financial statements, on December 18, 2024, there were no events after the reporting date that could have a significant impact on the Group's financial position and assets.

6.4 Results of the last five fiscal years

Fiscal year closing date (12-month period) *(in euros)*	09/30/2024	09/30/2023	09/30/2022	09/30/2021	09/30/2020
CAPITAL AT REPORTING DATE					
Share capital	16,969,750	16,969,750	16,969,750	16,969,750	16,969,750
Number of shares					
• ordinary shares	6,787,900	6,787,900	6,787,900	6,787,900	6,787,900
• preferred shares					
Maximum number of potential shares					
• by conversion of bonds					
• by exercise of subscription rights					
OPERATIONS AND RESULTS					
Revenue excluding tax	34,152,971	34,230,568	31,577,356	24,897,737	20,145,783
Profit (loss) before tax, employee profit-sharing, depreciation, amortization and provisions	54,473,776	58,946,287	52,187,759	19,938,741	43,140,051
Income tax	(67,092)	9,591,565	(3,194,143)	(3,529,821)	(3,390,257)
Employee profit-sharing					
Depreciation, amortization and provisions	34,909,909	55,388,567	21,028,735	(5,020,416)	25,557,039
Net income	19,630,959	(6,033,844)	34,353,167	28,488,978	20,973,268
Distributed profit	7,806,085[1]	10,650,946	7,123,498	10,857,990	-
EARNINGS PER SHARE					
Income after tax, profit-sharing, before depreciation, amortization and provisions	8.04	7.27	8.16	3.46	6.84
Income after tax, profit-sharing, depreciation, amortization and provisions	2.89	(0.89)	5.06	4.20	3.09
Dividend per share	1.15	1.57	1.05	1.60	-
PERSONNEL					
Average number of employees	23	23	20	17	15
Payroll	3,175,540	3,240,967	2,767,104	2,490,126	1,660,443
Amounts paid in employee benefits (social security, social work, etc.)	1,352,731	1,433,386	1,157,583	1,076,906	750,918

(1) Dividend proposed to the Annual General Meeting of February 4, 2025.

6.5 Breakdown of trade payables and trade receivables

	Article D. 441 I. – 1° of the French Commercial Code: Invoices *received* but not yet paid at reporting date of past fiscal year and past due						Article D. 441 I. – 2° of the French Commercial Code: Invoices *issued* but not yet paid at reporting date of past fiscal year and past due					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) LATE PAYMENT TRANCHE												
Number of invoices concerned						28						3
Total amount of invoices concerned excluding tax		€32,332.55	€76.80	€269.58	€56,324.13	€89,003.06		€38,316.38	€10,094.17	€0.00	€4,594.00	€53,004.55
Percentage of total purchases for the fiscal year excluding tax		0.20%	0.00%	0.00%	0.35%	0.55%						
Percentage of revenue for the fiscal year excluding tax								0.11%	0.03%	0.00%	0.01%	0.16%
Number of invoices excluded												
Total amount of the excluded invoices (specify excl. tax or incl. tax)												

(B) REFERENCE PAYMENT TERMS USED (CONTRACTUAL OR LEGAL DEADLINE – ARTICLE L.441-6 OR ARTICLE L.443-1 OF THE FRENCH COMMERCIAL CODE)

Payment terms used to calculate late payments	Contractual deadlines: • Subsidiaries: within 15 days of the end of the month (implementation of a netting scheme in 09/2022) • Other suppliers: 0 to 60 days	Contractual deadlines: • Subsidiaries: within 15 days of the end of the month (implementation of a netting scheme in 09/2022) • Other customers: within 10 days of the end of the month of invoice issue

6.6 Statutory Auditors' Report on the annual financial statements

Fiscal year ended September 30, 2024

To the Annual General Meeting of EXEL Industries,

I. Opinion

Pursuant to the assignment entrusted to us by the Annual General Meeting, we audited the EXEL Industries financial statements for the year ended September 30, 2024, as attached to this report.

We hereby certify that, in accordance with the accounting rules and principles applicable in France, the financial statements give a true and fair view of the results of Company's operations over the past fiscal year, as well as of its assets and liabilities and its financial position at the end of the said fiscal year.

The opinion given above is consistent with our report to the Audit Committee.

II. Basis for opinion

Framework for our audit

We performed our audit in accordance with the professional standards which apply in France. We believe that the audit evidence we obtained provides a sufficient and appropriate basis for our audit opinion.

Our responsibilities with respect to these standards is stated in the "Responsibilities of the Statutory Auditors for the audit of the annual financial statements" section of this report.

Independence

We performed our audit in compliance with the independence rules provided for by the French Commercial Code and the French Code of Ethics of the Statutory Auditors' profession applicable from October 1, 2023 to the date of our report and we provided no services which are prohibited under Article 5 paragraph 1 of Regulation (EU) No. 537/2014.

III. Justification of our assessments – Key points of the audit

Pursuant to the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risk of material misstatement that, in our professional judgment, were the most significant for the audit of the annual financial statements for the fiscal year, as well as the responses we have provided to these risks.

These assessments were made within the context of the audit of the annual financial statements overall and the formation of our opinion expressed above. We have no opinion to make on the components of these annual financial statements taken individually.

Valuation of equity interests and related receivables

(Note 2.3 to the annual financial statements)

Risk identified

Equity interests and related receivables appear on the assets side of the balance sheet as of September 30, 2024, respectively, for a net amount of €248.4 million and €86.1 million, or around 57.2% of total assets.

As stated in Note 2.3 "Long-term investments" to the annual financial statements, the net carrying amount of equity interests is compared to the share of equity of the companies held. In the event of a capital shortfall, the value in use is determined by taking into account discounted cash flow forecasts (DCF method) or, to a lesser extent, the net asset value (NAV method). Impairment is recognized on equity interests and/or related receivables if the calculated value in use is lower than the net carrying amount.

Estimating the value in use of these securities on the basis of cash flow forecasts requires Management to exercise its judgment. In view of the amounts represented by these assets, on the one hand, and the importance of Management's judgments, on the other, we considered the valuation of these assets as a key point of our audit.

Our response

Our work mainly involved reviewing the valuation methods and, with the support of our valuation experts, checking the data and the assumptions used by Management to determine the value in use of equity interests and related receivables:

- For valuations relying on historical elements, we verified that the equity used is in agreement with the annual financial statements of the entities.
- For valuations relying on forecast elements, we:
  - assessed the reasonableness of cash flow projections, as presented to the Board of Directors, in relation to the economic and financial context in which the various companies operate as well as the consistency of these forecasts with the historical performance of the entities,
  - compared the perpetual growth rates adopted for the projected flows with our own benchmarks,
  - compared the discount rate used (WACC) with our own databases.
- We audited the arithmetic accuracy of the elements used to determine the values in use.
- We verified the appropriateness of the information supplied in the notes to the annual financial statements.

IV. Specific verifications

In accordance with professional standards applicable in France, we also performed the specific verifications required by legal and regulatory texts.

Information presented in the Management Report and other documents regarding the financial position and the annual financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information presented in the Management Report of the Board of Directors and in the other documents addressed to shareholders regarding the financial position and the annual financial statements.

We certify the accuracy and consistency with the annual financial statements of the information relating to payment terms mentioned in Article D.441-6 of the French Commercial Code.

Corporate Governance Report

We certify that the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code is provided in the Board of Directors' Corporate Governance Report.

With regard to the information provided, pursuant to the terms of Article L.22-10-9 of the French Commercial Code on remuneration and benefits paid or awarded to corporate officers, and undertakings made for their benefit, we verified the consistency thereof with the financial statements or the data used to prepare these statements and, where necessary, the items collected by your Company from companies controlling your Company or that are controlled by it within the scope of consolidation. Based on our work, we certify that this information is exact and true.

With regard to the information relating to the items that your Company considered liable to have an impact in the event of a public tender or exchange offer, provided pursuant to the provisions of Article L.22-10-11 of the French Commercial Code, we verified their compliance with the documents from which they were taken and which were provided to us. On the basis of this work, we have no matters to report on this information.

Other disclosures

Pursuant to the law, we verified that the Management Report contains the appropriate disclosures as to the identity of the holders of the share capital or voting rights.

V. Other verifications or disclosures provided for by the legal and regulatory texts

Presentation format of the annual financial statements intended to be included in the Annual Financial Report

In accordance with professional standards on the Statutory Auditors' procedures relating to the annual and consolidated financial statements presented using the single European electronic information format, we also verified compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements to be included in the Annual Financial Report mentioned in Section I of Article L.451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer.

On the basis of our work, we conclude that the presentation of the annual financial statements to be included in the Annual Financial Report respects, in all material respects, the single European electronic information format.

It is not our responsibility to verify that the annual financial statements that will be included by your Company in the Annual Financial Report filed with the French Financial Markets Authority (AMF) correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as EXEL Industries' Statutory Auditors by the Annual General Meeting of January 21, 2015, in the case of Mazars, and of February 9, 2021, in the case of Grant Thornton.

As at September 30, 2024, Mazars was in the tenth uninterrupted year of its mission and Grant Thornton in its fourth uninterrupted year.

VI. Responsibilities of the Management and those charged with corporate governance in relation to the annual financial statements

It is Management's responsibility to prepare annual financial statements which provide a true and fair presentation in accordance with French accounting rules and principles, and to implement such internal control procedures as it deems necessary to ensure that the annual financial statements are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, Management is responsible for assessing the Company's capacity to continue its operations and for presenting information in these financial statements on the Company as a going concern and for applying the going concern accounting convention, unless there are plans to liquidate the Company up or to discontinue its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where necessary, internal audit, in respect of procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Board of Directors.

VII. Responsibilities of the Statutory Auditors' for the audit of the annual financial statements

The purpose and approach of the audit

We are responsible for preparing a report on the annual financial statements. Our aim is to obtain the reasonable assurance that overall, the annual financial statements do not contain any material misstatements. Reasonable assurance corresponds to a high level of assurance without however guaranteeing that an audit which is performed to professional auditing standards systematically detects all material misstatements. Misstatements can come from fraud or result from errors and are considered to be significant when it is to be reasonably expected that when taken individually or as a whole, they may affect the economic decisions which are taken by the users of the financial statements based on them.

As Article L.821-55 of the French Commercial Code specifies, our mission to certify the financial statements does not involve guaranteeing your Company's viability, or the quality of its management.

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

- the Statutory Auditor identifies and assesses the risks of material misstatement in the annual financial statements, whether from fraud or mistakes, and determines and implements auditing procedures to cover these risks and collects the information it deems to be sufficient and appropriate to form an opinion. The risk of not detecting a fraudulent material misstatement is higher than that of not detecting a significant material misstatement from a mistake because fraud may involve collusion, forgery, intentional omissions, false declarations or the circumvention of internal controls;
- the Statutory Auditor examines the internal control procedures which are relevant for the audit in order to decide the appropriate audit procedures in this context, and not in order to express an opinion on the effectiveness of the internal control;
- the Statutory Auditor assesses the appropriate nature of the accounting methods used and the reasonable nature of the accounting estimations made by the Management as well as the information on them supplied in the annual financial statements;
- the Statutory Auditor assesses the appropriate nature of the Management's application of the going concern accounting convention and, based on the information collected, whether or not there is significant uncertainty related to events or circumstances which are liable to affect the Company's capacity to continue its operations. This assessment is based on the information which is collected up until the date of the Statutory Auditor's report, with the proviso, however, that subsequent circumstances or events could create doubts over the Company's future as a going concern. If the Statutory Auditor concludes that a significant uncertainty exists, it will draw the reader's attention in the report to the information supplied in the annual financial statements relating to this uncertainty, or if this information is not supplied, or is not relevant, the Statutory Auditor will issue a certificate with reserves or refuse to certify;
- the Statutory Auditor assesses the presentation of the annual financial statements as a whole and whether they reflect the underlying events and operations in such a way as to provide a true and fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee describing the extent of the auditing services, the work program implemented and our conclusions. Where necessary, we also inform it of any significant weaknesses we identified in internal control in respect of the preparation and processing the accounting and financial information.

Among the matters disclosed in the report to the Audit Committee are the risks of material misstatement, which we considered to be the most significant for the purposes of our audit of the annual financial statements for the fiscal year and which therefore constitute the key points of the audit, and which it is our responsibility to describe in this report.

We also provide the Audit Committee with the statement provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out notably in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics of the Statutory Auditors' profession. Where necessary, we discuss with the Audit Committee the risks weighing on our independence and the safeguard measures implemented.

Bordeaux and Reims, January 10, 2025,

The Statutory Auditors

Forvis Mazars	Grant Thornton French Member of Grant Thornton International
David COUTURIER Partner	Mallory DESMETTRE Partner

6.7 Statutory Auditors' special report on regulated agreements

Annual General Meeting for the approval of the financial statements for the fiscal year ended September 30, 2024

To the Annual General Meeting of EXEL Industries,

As your Company's Statutory Auditors, we hereby present our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of, as well as the reasons for the Company's interest in, those agreements and commitments brought to our attention or which we may have discovered over the course of our audit, without expressing an opinion on their usefulness and merits or identifying such other agreements. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code, to assess the merits of concluding these agreements with a view to approving them.

Moreover, it is our responsibility to provide you with the information stipulated in Article R.225-31 of the French Commercial Code relating to the implementation, over the past fiscal year, of agreements previously approved by the Annual General Meeting, if any.

We performed the procedures we deemed necessary in accordance with the professional guidelines of the *Compagnie Nationale des Commissaires aux Comptes* (the French national auditing body) relating to this engagement.

Agreements submitted for approval to the Annual General Meeting

Agreements authorized and entered into during the last fiscal year

We inform you that we were not notified of any agreement authorized during the past fiscal year which is to be submitted to the approval of the Annual General Meeting in accordance with the provisions of Article L.225-38 of the French Commercial Code.

Agreements previously approved by the Annual General Meeting

We inform you that we were not notified of any agreements previously approved by the Annual General Meeting which remained in force during the fiscal year.

Bordeaux and Reims, January 10, 2025,

The Statutory Auditors

Forvis Mazars	Grant Thornton French Member of Grant Thornton International
David COUTURIER Partner	Mallory DESMETTRE Partner

7 Information on the Company and its share capital

7.1 Stock market data and dividend

Identity card of the share

- NYSE-Euronext Paris, Compartment B
- Indexes: indice EnterNext© PEA-PME 150
- ISIN/MNEMO/Reuters/Bloomberg: FR0004527638/EXE/EXEP.PA/EXE: FP
- End of the fiscal year: September 30
- Number of shares: 6,787,900
- Nominal value: €2.5

Key figures

- Share value at September 30, 2024: €49.70 (closing price)
- Share performance over one year: +7.3%
- Market capitalization at September 30, 2024: €337.4 million
- Average daily trading volume: 839

Price changes

Price changes of the EXEL Industries share over the past 24 months, listed in compartment B of NYSE-Euronext Paris since June 20, 1997, were as follows (Source: NYSE-EURONEXT):

- **Period from December 2022 to November 2024**

Period	Trading volume in number ofshares	Capital *(in € millions)*	Price *(in €)*		
			+ high	+ low	Last
Dec-22	16,376	0.79	53.84	36.45	53.45
Jan-23	17,254	1.02	61.51	41.76	60.53
Feb-23	37,437	2.07	61.60	53.06	52.00
Mar-23	8,237	0.42	54.20	50.20	49.90
Apr-23	34,067	1.68	53.20	49.40	50.80
May-23	18,292	0.94	53.20	47.60	51.00
Jun-23	5,145	0.26	51.40	48.20	49.70
Jul-23	25,029	1.25	54.20	49.70	53.80
Aug-23	4,382	0.22	53.80	49.10	49.50
Sep-23	10,528	0.5	51.80	49.20	46.30
Oct-23	14,359	0.62	46.70	43.40	44.80
Nov-23	13,952	0.64	48.50	41.20	47.50
Dec-23	16,057	0.81	57.20	43.30	54.00
Jan-24	18,415	1.03	60.00	51.20	58.00
Feb-24	17,269	1.00	60.00	55.20	57.20
Mar-24	8,939	0.51	57.80	54.00	55.80
Apr-24	17,702	0.99	57.60	54.00	54.80
May-24	12,618	0.68	58.80	51.20	57.00
Jun-24	69,240	3.68	57.40	48.40	52.80
Jul-24	14,479	0.76	53.20	50.80	51.20
Aug-24	4,268	0.21	51.20	46.20	47.60
Sep-24	7,488	0.35	49.70	45.10	49.70
Oct-24	12,473	0.60	51.20	46.00	48.00
Nov-24	7,201	0.33	48.00	43.20	43.70

Dividends paid over the last three fiscal years

Dividend amount

Fiscal year	Dividend per share
2020-2021	€1.60 per share
2021-2022	€1.05 per share
2022-2023	€1.57 per share

Appropriation of profit

- It should be noted that no change in the share capital has occurred over the last five years. The share capital remains unchanged at €16,969,750.
- In view of the significant retained earnings, it was decided to pay a dividend of €1.15 per share.
- Following this dividend payment, retained earnings decreased from €353,728,101 to €365,552,975.

Dividend policy

The plan foreseen is to pay a dividend of around one-quarter (25%) of consolidated net income over the next few years, except in the event of negative or excessively low consolidated net income.

7.2 Relations with the financial community

Financial communications

EXEL Industries provides extensive information to its shareholders and to the entire financial community and the general public, through:

- its Annual Report – Universal Registration Document filed with the French Financial Markets Authority (AMF);
- the publication of financial notices and press releases;
- regular meetings with analysts and investors;
- a website with a section dedicated to financial communication and regulated information.

Access to information

The documents are available on request and can be downloaded from the Company's website:

www.exel-industries.com/regulated-information/?lang=en

The Articles of Association, the Statutory Auditors' reports and the financial statements for the last five fiscal years, as well as any other document required by law, can be consulted on the EXEL Industries website or at the Financial and Legal Departments at its principal office in PARIS (75008), 78, boulevard Malesherbes.

2023-2024 publications

December 29, 2023	Availability of the 2022-2023 Non-Financial Performance Statement
January 15, 2024	Availability of the 2022-2023 Universal Registration Document
January 25, 2024	Q1 2023-2024 revenue
February 6, 2024	Annual General Meeting
April 24, 2024	H1 2023-2024 revenue
May 24, 2024	H1 2023-2024 results
July 23, 2024	Q3 2023-2024 revenue
October 25, 2024	Q4 2023-2024 revenue
December 19, 2024	Full-year 2023-2024 results

Schedule of 2024-2025 communications

December 30, 2024	Availability of the 2023-2024 Non-Financial Performance Statement
January 13, 2025	Availability of the 2023-2024 Universal Registration Document
January 28, 2025	Q1 2024-2025 revenue
February 4, 2025	Annual General Meeting
April 29, 2025	H1 2024-2025 revenue
May 23, 2025	H1 2024-2025 results
July 23, 2025	Q3 2024-2025 revenue
October 24, 2025	Q4 2024-2025 revenue
December 18, 2025	Full-year 2024-2025 results

Brokerage and research firms covering EXEL Industries group

- Gilbert Dupont
- Oddo
- Portzamparc
- CM-CIC
- Id Midcaps

7.3 Shareholding

7.3.1 Breakdown of capital

There have been no changes to the share capital over the last five years. The amount of share capital thus remains unchanged at €16,969,750.

The nominal value of the EXEL Industries share was divided by two during the 2007/2008 fiscal year, from €5 to €2.5.

Breakdown of share capital and voting rights – EXEL Industries

	At 12/31/2024			At 09/30/2023			At 09/30/2022		
Shareholders	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
EXEL (SAS)*	4,793,722	70.62%	70.64%	4,793,722	70.62%	73.38%	4,793,722	70.62%	73.31%
Patrick BALLU and family shareholders	900,796	13.27%	18.05%	900,748	13.27%	16.35%	899,893	13.26%	16.41%
BALLU family subtotal	**5,694,518**	**83.89%**	**88.69%**	**5,694,470**	**83.89%**	**89.73%**	**5,693,615**	**83.88%**	**89.72%**
Treasury shares	5,414	0.08%	0.00%	5,345	0.08%	0.00%	5,463	0.08%	0.00%
Financial institutions, misc. investors and the public	1,087,968	16.03%	11.31%	1,088,085	16.03%	10.27%	1,088,822	16.04%	10.28%
TOTAL	**6,787,900**	**100.00%**	**100.00%**	**6,787,900**	**100.00%**	**100.00%**	**6,787,900**	**100.00%**	**100.00%**

* *EXEL (SAS) is wholly owned by the family of Patrick BALLU.*

7.3.2 Legal or natural persons able to exercise control

EXEL (SAS)

Presentation

EXEL (SAS) is a company that holds EXEL Industries shares. EXEL (SAS) shareholders are exclusively members of the BALLU family, who are natural persons.

The purpose of EXEL (SAS) is:

- to conduct all transactions relating to the acquisition of direct or indirect equity interests in any French or foreign listed or unlisted companies, as well as the administration, management and development of those investments and any related activities;
- to create new companies through contributions, the subscription or purchase of shares or corporate rights, mergers with other companies, or the leasing or management of any assets or rights;
- and generally to conduct all financial, commercial, civil, industrial, movable or real estate transactions that may be directly or indirectly related to the corporate purpose defined above.

EXEL Industries control structure

As of December 31, 2024, EXEL (SAS) and its affiliates are the controlling shareholders of EXEL Industries with 83.89% of the capital and 88.69% of the voting rights.

The following measures ensure that the control exercised by EXEL (SAS) over the Company is carried out in an appropriate manner:

- separation of the duties of Chairman of the Board of Directors and Chief Executive Officer;
- the Chief Executive Officer is not a member of the BALLU family and is not a partner of EXEL (SAS);
- presence of independent members on the Board of Directors, in accordance with the recommendations of the Middlenext Code;
- committees of the Board of Directors mainly composed of independent members and chaired by independent members.

Number of theoretical voting rights

At 09/30/2022	10,854,242
At 09/30/2023	10,868,026
At 09/30/2024	11,391,721

7.4 Crossing of thresholds

To the best of the Company's knowledge, during the 2023-2024 fiscal year and at the start of the 2024-2025 fiscal year, no threshold crossings were declared.

Shareholders holding more than 2.5% of the share capital among "financial institutions, misc. investors and the public"

Lazard Frères Gestion

Shareholders holding more than 5% of the share capital among "financial institutions, misc. investors and the public"

None.

Number of shareholders

As of September 30, 2024, there were 203 registered shareholders.

No employee stock ownership plan exists.

7.5 Transactions carried out on the Company's shares by corporate officers

No transaction on the Company's shares mentioned in Article L.621-18-2 of the French Monetary and Financial Code were carried out by persons exercising executive officer responsibilities during the 2023-2024 fiscal year.

7.6 Share repurchase program

Authorizations to purchase treasury shares

The Annual General Meeting of February 6, 2024 (eighteenth resolution) authorized a repurchase program by the Company of its own shares within the limit of a number of shares representing 10% of the number of shares comprising the capital at the time of said repurchases, for a period of 14 months. Under this authorization, the maximum purchase price is €100.

The Board of Directors is thus authorized to buy back a maximum number of shares representing a maximum of 10% of the total number of shares comprising the share capital, *i.e.* as of the date of the authorization, 678,790 shares.

These shares may be acquired on one or more occasions and through any means with a view to:

- market-making or share liquidity services provided by an Investment Service Provider through a liquidity agreement in compliance with the Code of Ethics recognized by the French Financial Markets Authority (AMF);
- purchasing shares to be retained for future use for payment or exchange as part of potential acquisitions;
- cancelling all or part of the shares thus acquired;
- covering employee stock option plans (or other grants to employees) or debt securities convertible into shares.

These shares may be acquired, sold or transferred by any means, on or off market, including through the use of any derivative financial instruments. The entire share repurchase program may be carried out through block trades.

In a scenario involving the purchase of 5% of the shares, the maximum amount paid would be €33.94 million.

Shares thus purchased may be held, sold or transferred.

In order to stabilize its share price, the Company made use of this option to buy back its own shares and, as of September 30, 2024, it held 4,675 shares.

On June 1, 2016, EXEL Industries entered into a liquidity agreement with Gilbert Dupont with a view to stimulating the market for its shares, which ended on June 30, 2022.

As of this date, a new liquidity agreement entered into with ODDO BHF came into force. On September 30, 2024, ODDO BHF purchased and sold a number of EXEL Industries treasury shares, with a view to ensuring the share's liquidity and regulating the share price:

Number of treasury shares held at 09/30/2023	5,345
Number of shares repurchased over the fiscal year ended 09/30/2024	21,383
The shares were purchased at an average price of	€52.10
Number of shares sold over the fiscal year ended 09/30/2024	22,053
The shares were sold at an average price of	€52.48
Number of treasury shares held at 09/30/2024	4,675

Description of the share repurchase program submitted for approval by the Annual General Meeting of February 4, 2025

In the seventeenth resolution, the Annual General Meeting of February 4, 2025 is asked to approve the implementation of a new share repurchase program in accordance with the provisions of Articles L.22-10-62 *et seq.* of the French Commercial Code, Title IV of Book II of the French Financial Markets Authority's (AMF) General Regulations, European Regulation No. 596/2014 of the European Parliament and of the Council on market abuse and Delegated Regulation 2016/1052 of the Commission of March 8, 2016 on the conditions applicable to repurchase programs and stabilization measures.

Under the program, shares may be repurchased with a view to using them for one of the following purposes:

- the promotion of the secondary market or the liquidity of the share by an Investment Services Provider under a liquidity agreement entered into in accordance with market practice accepted by the French Financial Markets Authority (AMF);
- holding shares pending delivery of shares (in exchange, payment or otherwise) in the context of acquisitions, mergers, spin-offs or contributions;
- the cancellation of all or part of the shares thus bought back, pursuant to the authorization of the Annual General Meeting;
- delivery on the occasion of the exercise of rights attached to securities giving immediate or future access to the Company's share capital;
- the allocation or sale of shares in respect of the participation in the fruits of the expansion of the Company and the implementation of any Company Savings Plan implemented at the Group under the conditions and in accordance with the terms and conditions provided for by law, in particular Articles L.3332-1 *et seq.* of the French Labor Code;
- the implementation of any stock option plan in accordance with the provisions of Articles L.22-10-56 *et seq.* of the French Commercial Code or the allocation of free shares pursuant to the provisions of Articles L.22-10-59 *et seq.* of the French Commercial Code.

The authorization granted to the Board of Directors relates to a number of shares that may not exceed 10% of the total number of shares comprising the share capital at the date of the repurchase, *i.e.* 678,790 shares, at a maximum price of €100 (excluding trading expenses), which represents a maximum theoretical amount of €67,879,000.

As of September 30, 2024, the number of treasury shares held by EXEL Industries was 4,675. On that basis, the Company would be able to buy back 674,115 shares in view of the number of treasury shares held.

The buyback authorization would be valid for a period of 14 months from the Annual General Meeting of February 4, 2025 and could not be implemented during a public tender offer period.

7.7 Summary table of authorizations/delegations granted by the Annual General Meeting to the Board of Directors

The table below summarizes the delegations/authorizations granted by the Annual General Meeting to the Board of Directors in relation to the share capital and valid as of the date of filing of this Universal Registration Document.

Type of delegation/authorization	Date of AGM	Duration and expiry	Nominal and maximum amount	Amount used at 09/30/2024
Authorization granted to the Board of Directors to trade in the Company's shares	AGM of February 6, 2024, eighteenth resolution	14 months, until April 7, 2025	10% of the share capital, maximum price of €100 per share	€247,473.5

7.8 Additional information regarding the share capital

Share capital (Article 6 of the Articles of Association)

“The share capital is set at €16,969,750, divided into 6,787,900 shares with a nominal value of €2.50 each.

The shares are all fully subscribed, paid up and allocated among the shareholders in proportion to their rights.”

Changes in the capital over the last five years

There have been no changes to the share capital over the last five years. The amount of share capital thus remains unchanged at €16,969,750.

Other information on the capital

Identifiable bearer shares

The Company is entitled, under the legal and regulatory conditions in force (L.228-2 of the French Commercial Code) to request, at any time, for a fee, information concerning the owners of its shares and securities conferring immediate or future voting rights at its Annual General Meetings.

Disclosures on ownership thresholds (Article 10 of the Articles of Association)

“In addition to the thresholds provided for by applicable laws and regulations, any shareholder, whether a natural or legal person, who acquires a proportion of the share capital or voting rights equal to 2.5%, or whose holdings fall below or rise above this threshold or any multiple thereof, must notify the Company of the total number of shares and voting rights they own within four trading days after crossing this threshold, by registered letter with acknowledgment of receipt.”

Failure to comply with this reporting obligation is penalized by the deprivation of voting rights attached to shares exceeding the fraction that has not been declared for any Annual General Meetings held until the expiry of a period of two years following the date of rectification of the notification, at the request, recorded in the minutes of the Annual General Meeting, of one or more shareholders holding, in terms of number of shares or voting rights, the minimum fraction stipulated in the Articles of Association as referred to in the first paragraph above.

Other securities giving access to the share capital

None.

Information on pledges

To the best of our knowledge, none of the shares making up EXEL Industries share capital are pledged.

Shareholders’ agreement

There are no shareholders’ agreements.

Limitation period

In accordance with the provisions of French law, dividends not claimed within five years are time-barred and shall be paid over to the French State.

7.9 Information that could have an impact in the event of a public tender offer

Pursuant to Article L.22-10-11 of the French Commercial Code, to the Company’s knowledge, the elements likely to have an impact in the event of a public tender offer are as follows:

- as of December 31, 2024, EXEL (SAS) and its affiliates held 83.89% of the share capital and 88.69% of the theoretical voting rights of EXEL Industries;
- allocation of double voting rights to fully paid-up shares that have been registered in the name of the same shareholder for at least four years;
- crossing of statutory thresholds: crossings must be declared every 2.5% of the capital and voting rights held;
- the Board of Directors is authorized to buy back Company shares;
- appointment of Directors: they are appointed by the Annual General Meeting, where EXEL (SAS) and its affiliates hold more than 85% of the exercisable voting rights.

7.10 General information on EXEL Industries

Company name

EXEL Industries

Registered office

54, rue Marcel Paul – 51200 ÉPERNAY

Principal office

78, boulevard Malesherbes – 75008 PARIS, France

Legal form

A French public limited company (*société anonyme*) with a Board of Directors.

Nationality

French

Date of Incorporation

August 4, 1952

Duration

99 years effective from its date of registration in the Trade and Companies Register (RCS) or until August 3, 2051 barring early liquidation or extension.

Corporate purpose (Article 3 of the Articles of Association)

"The Company's purpose, directly or indirectly, in France and in all other countries, is to design, manufacture and market equipment, materials and services primarily for agricultural, industrial or consumer use, and to carry out all commercial, industrial, financial, securities or real estate transactions directly or indirectly related to the above-mentioned purpose, or to any other similar or related purposes or to purposes contributing to the achievement of this purpose, and likely to promote directly or indirectly the Company's long-term sustainability and development".

Trade and Company Registers

For the Registered Office

RCS REIMS 095 550 356

For the principal office

RCS PARIS 095 550 356

APE business identifier code (registered office): 7010Z

APE business identifier code (principal office): 2830Z

Location where documents and information relating to the Company may be consulted

The Articles of Association, minutes of meetings and other corporate, legal or accounting documents may be consulted at the SA EXEL Industries principal office: in PARIS (75008) – 78, boulevard Malesherbes (at the Legal and Finance Departments), subject to the terms and periods provided for by the legislation in force in relation to shareholders' rights to information.

Fiscal year (Article 24 of the Articles of Association)

The Company's fiscal year begins on October 1 of each year and ends on September 30 of the following year.

Board secretariat (Article 16 of the Articles of Association)

"[...] 16.2. The Chair may be appointed for his or her full term as a Director, provided that the Board reserves the right to remove him or her from the Chair and that he or she has the right to resign before the term expires.

The Chair is deemed to have resigned immediately following the Ordinary Annual General Meeting called to approve the financial statements for the fiscal year in which the Chair reaches 90 years of age."

Deliberations of the Board of Directors (Article 17 of the Articles of Association)

"17.1. Board members are called to Board of Directors' meetings by all available means (including electronic messaging, remote transmission, videoconferencing, etc.) and including orally.

All Directors may attend, participate and vote in Board meetings through videoconferencing and telecommunication under the conditions provided for by the regulations in force at that time.

A record of attendance is maintained, which is signed by the Board members participating in the Board of Directors' meeting. (...)"

Annual General Meetings (Article 23 of the Articles of Association)

"Shareholders are convened to Annual General Meetings and deliberate under the conditions laid down by law and regulations.

They are to be held at the registered office or at any other venue indicated in the notice of meeting.

The Annual General Meeting is chaired by the Chairman of the Board of Directors or by the Director temporarily appointed for this purpose or, barring this, by a Vice-Chairperson. If the Chairman, the Director temporarily appointed for that purpose or the Vice Chairmen are absent at the same time, the meeting is then chaired by the Director designated by the Board or, barring this, a person selected by the meeting.

Proceedings of the meeting are recorded in minutes signed by the members of the Secretariat.

Subject to restrictions provided for by law or resulting from its application, any shareholder may attend Annual General Meetings and proceedings in person or through a representative, regardless of the number of shares they hold, subject to providing proof of identity, and provided that no payments are due on said shares.

Attendance at the meeting is subject to registration of the shares in the name of the shareholder or of the intermediary registered on the shareholder's behalf, at midnight (Paris time) on the second business day preceding the meeting:

- either in the registered share accounts held by the Company or its agent;
- or in the bearer share accounts held by the authorized intermediary; in this case, registration must be verified by a certificate of participation issued by the authorized intermediary and appended to the postal voting form, proxy form or admission card request drawn up in the shareholder's name.

However, the Board of Directors may reduce or set aside these time requirements provided that this is to the benefit of all shareholders.

Any shareholder may vote by mail using a form that may be obtained according to the conditions indicated by the notice of meeting.

A shareholder may be represented only by his or her spouse or by another shareholder with proof of power of attorney.

Votes in meetings can be cast through all means (including electronic messaging, remote transmission, videoconferencing, etc.), in accordance with the conditions established by regulations and set forth in the notice of meeting."

Transfer and circulation of shares (Article 10 of the Articles of Association)

No provisions of the Articles of Association impose restrictions on the transfer of shares.

Joint ownership – usufruct – bare ownership (Article 11 of the Articles of Association)

"[...] 11.2 The bare owner and the owner with usufruct are invited to meetings and may take part in them under the same conditions as shareholders with sole ownership. They may exercise the same right to communicate, under the same conditions, and receive the same information.

They may take part, if they wish, in the discussions that precede voting and their voiced opinions, if any, are recorded in the minutes, like those of shareholders.

If the ownership is divided, the voting rights of the owner of usufruct are limited to questions relating to the appropriation of profits."

Double voting right (Article 12 of the Articles of Association)

"(...) shares that are fully paid up and which have been held in registered form in the name of the same shareholder for at least four years, carry a double voting right. This four-year period starts when the shares are recorded in registered form."

The double voting right was introduced by the Extraordinary General Meeting of May 26, 1997 (twelfth resolution).

The double voting right ceases to exist for any share converted to bearer form or on transfer, excluding transfers from one registered shareholder to another pursuant to inheritance or a gift to a qualifying family member (see applicable laws and regulations).

Appropriation and allocation of profits (Article 25 of the Articles of Association)

"The income statement summarizes the income and expense items of the fiscal year. It presents, after deducting allowances for depreciation, amortization and provisions, the profit or loss of the fiscal year.

From this profit, less accumulated losses of previous fiscal years, when applicable, are deducted:

- at least 5% to be allocated to the legal reserves. This obligation remains in force until the reserve amount equals one-tenth of the capital and resumes when, for any reason, the reserve amount falls below this percentage;
- and all amounts allocated to legal reserves.

The balance plus profits brought forward constitutes the distributable earnings for the year. This amount is available to the Annual General Meeting, pursuant to a proposal by the Board, for distribution in part or in full as dividends, allocation to all reserves, repayment of the capital or to be carried forward to retained earnings.

The Annual General Meeting, called to approve the financial statements for the fiscal year, may grant shareholders the choice of receiving a dividend in the form of cash or shares for all or part of the dividend to be distributed.

Reserves available to the Annual General Meeting may be used, pursuant to its decision, for the payment of dividends. Such decision expressly specifies the reserve accounts from which the amounts are drawn."

8 Ordinary Annual General Meeting of February 4, 2025

8.1 Report of the Board of Directors on the resolutions submitted to the Ordinary Annual General Meeting of February 4, 2025

The purpose of this report is to present the draft resolutions submitted by the Company's Board of Directors to the Ordinary General Meeting, with the exception of those relating to the approval of the statutory financial statements and the consolidated financial statements for the fiscal year ended on September 30, 2024 (first and second resolutions) which are the subject of the Management Report and whose adoption the Board of Directors recommends.

It aims to set out the most important points of the draft resolutions and specify the draft resolutions for which the Board of Directors supports adoption. Consequently, it does not claim to be exhaustive. We therefore invite you to carefully read the text of the draft resolutions before exercising your voting rights.

Appropriation of net income for the fiscal year and dividend payment

The purpose of the third resolution is to appropriate the income for the fiscal year ended on September 30, 2024, to set and pay the dividend. Shareholders are asked to approve the payment of a dividend of €1.15 per share.

The ex-dividend date will be February 11, 2025 and the dividend will be paid on February 13, 2025.

For individuals domiciled for tax purposes in France, the dividend is subject either to a flat-rate tax on the gross dividend at the rate of 12.8% (Article 200 A of the French General Tax Code), or, optionally, to income tax according to the progressive scale after an allowance of 40% (Article 200 A, 2. and 158.3.2° of the French General Tax Code). The dividend is also subject to social security contributions at the rate of 17.2%.

Pursuant to Article 243 *bis* of the French General Tax Code, we hereby provide the amount of the dividends paid over the previous three fiscal years:

Fiscal year	Dividend per share
2020-2021	€1.60
2021-2022	€1.05
2022-2023	€1.57

The Board of Directors proposes that you adopt this draft resolution.

Appointment of a sustainability auditor

The purpose of the fourth resolution is to appoint a sustainability auditor for a duration of two fiscal years expiring at the end of the Ordinary Annual General Meeting called to meet in 2027 to approve the financial statements for the year ending September 30, 2026.

The Board of Directors, on the advice of the CSR Committee, therefore proposes the appointment of the independent third-party organization RSE France-APAVE as the Company's Statutory Auditor in charge of certifying sustainability information, pursuant to Article L.822-20 of the French Commercial Code. And to do so for a period of two fiscal years expiring at the end of the Ordinary General Meeting called in 2027 to approve the financial statements for the year ending September 30, 2026.

The independent third-party organization RSE France-APAVE stated that they accepted the duties that would be entrusted to them and that they were not affected by any incompatibility or prohibition that might prevent their appointment and that they satisfied all conditions required by law and regulations for the exercise of said term of office.

The Board of Directors proposes that you adopt this draft resolution.

Remuneration of Directors

The fifth resolution aims to set the total amount of remuneration allocated to the Directors at €156,000 until otherwise decided by the Annual General Meeting.

It should be noted that the Board of Directors may freely distribute this total annual amount among its Directors and, if it so wishes, decide to use only a portion of this amount with regard, notably, to the work of the Board of Directors over the period in question.

The Board of Directors proposes that you adopt this draft resolution.

Vote on the remuneration of corporate officers

Ex-ante Say on Pay

The purpose of the sixth to ninth resolutions is to approve the remuneration policy for the 2024-2025 fiscal year for the Chief Executive Officer, the Deputy CEOs, the Chairman of the Board of Directors and the Directors. This policy is presented in the Board of Directors' Corporate Governance Report in Section 2.7.1 of the Company's 2023-2024 Universal Registration Document. Your vote is required pursuant to Article L.22-10-8, II of the French Commercial Code.

The Board of Directors proposes that you adopt these draft resolutions.

Ex-post Say on Pay

The purpose of the tenth resolution is to approve the information relating to the remuneration of all of the Company's corporate officers for the 2023-2024 fiscal year, as presented in the Board of Directors' Corporate Governance Report (Section 2.7.2 of the 2023-2024 Universal Registration Document), in accordance with Article L.22-10-9, I of the French Commercial Code. Your vote is required pursuant to Article L.22-10-34, I of the French Commercial Code.

The purpose of the eleventh to sixteenth resolutions is to approve the components of the remuneration paid during or awarded in respect of the 2023-2024 fiscal year (Section 2.7.2 of the 2023-2024 Universal Registration Document) to:

- Mr. Patrick BALLU, Chairman of the Board of Directors;
- Mr. Yves BELEGAUD, Chief Executive Officer until December 20, 2023;
- Mr. Daniel TRAGUS, for his term of office as Chief Executive Officer starting December 20, 2023, and as Deputy CEO until December 20, 2023;
- Mr. Marc BALLU, Deputy CEO;
- Mr. Cyril BALLU, Deputy CEO.

In addition to the information concerning the total remuneration and benefits of any kind paid during or awarded in respect of the 2023-2024 fiscal year, the information provided notably contains the ratios between the level of remuneration of the executive corporate officers and the mean and median remuneration of the employees of the Company and the Group's French companies. This information is provided in Section 2.7 of the 2023-2024 Universal Registration Document.

Your vote is required pursuant to Article L.22-10-34, I of the French Commercial Code.

The Board of Directors proposes that you adopt these draft resolutions.

The components of the variable remuneration for Messrs. Daniel TRAGUS, Marc BALLU and Cyril BALLU will be paid to them after your approval at the Annual General Meeting.

Regulated agreements

The purpose of the seventeenth resolution is to approve the Statutory Auditors' special report on regulated agreements. You are asked to take note of the conclusions of this special report, which does not include any new agreement entered into during the fiscal year ended on September 30, 2024, falling within the scope of Articles L.225-38 and L.225-40 of the French Commercial Code.

The Board of Directors proposes that you adopt this draft resolution.

Share repurchase program

The purpose of the eighteenth resolution is to renew the authorization given to the Company to buy back its own shares under the conditions set by law. The maximum repurchase price has been set at €100 and the duration of the authorization is fourteen months. The share repurchase program may only be used for the objectives defined by law and determined in the resolution. In practice, your Company may use it to buy back shares with a view to their cancellation, to carry out external growth transactions or to stimulate the market for the Company's shares. In 2023-2024, EXEL Industries purchased 21,383 treasury shares under the liquidity agreement. Under no circumstances may the Company acquire more than 10% of its share capital, *i.e.,* based on the share capital at September 30, 2024, 678,790 shares. The authorization, the duration of which is fourteen months, may not be used during a public tender offer.

The Board of Directors proposes that you adopt this draft resolution.

Powers for formalities

The nineteenth resolution is a standard resolution that allows for advertising and legal formalities to be carried out.

The Board of Directors proposes that you adopt this draft resolution.

8.2 Text of the resolutions submitted to the Ordinary Annual General Meeting of February 4, 2025

Agenda of the Ordinary General Meeting

1. Approval of the statutory financial statements for the fiscal year ended September 30, 2024
2. Approval of the consolidated financial statements for the fiscal year ended September 30, 2024
3. Net income allocation, dividend approval and dividend payment
4. Appointment of the independent third-party organization RSE France-APAVE as sustainability auditor
5. Setting of the amount of Directors' remuneration

6 to 9. Vote on the remuneration policy for corporate officers (*ex-ante* say on pay): approval of the remuneration policy for corporate officers for the 2024-2025 fiscal year for the Chief Executive Officer (sixth resolution), the Deputy CEOs (seventh resolution), the Chairman of the Board of Directors (eighth resolution), and the Directors (ninth resolution)

10 to 16. Vote on the remuneration paid during or awarded in respect of the previous fiscal year (*ex-post* say on pay): approval of the information mentioned in Article L.22-10-9 I of the French Commercial Code relating to the remuneration of the corporate officers paid during or awarded in respect of the fiscal year ended September 30, 2024 (tenth resolution), approval of the components of remuneration paid during or awarded in respect of the fiscal year ended September 30, 2024 to Mr. Patrick BALLU (eleventh resolution), Yves BELEGAUD (for his term as Chief Executive Officer until December 20, 2023) (twelfth resolution), Daniel TRAGUS (for his term as Chief Executive Officer starting December 20, 2023, and as Deputy CEO until December 20, 2023) (thirteenth and fourteenth resolutions), Marc BALLU (fifteenth resolution) and Cyril BALLU (sixteenth resolution)

17. Approval of the Statutory Auditors' special report on regulated agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code
18. Authorization granted to the Board of Directors to purchase Company shares
19. Powers for formalities

Draft resolutions

First resolution

Approval of the statutory financial statements for the fiscal year ended September 30, 2024

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed:

- the Management Report of the Board of Directors for the 2023-2024 fiscal year; and
- the Statutory Auditors' report on the statutory financial statements,

approves the statutory financial statements for the fiscal year beginning on October 1, 2023, and ended on September 30, 2024, as presented to it by the Board of Directors, showing a positive net income of €19,630,959, as well as the transactions reflected in those financial statements or summarized in those reports.

Moreover, it duly notes the transfer to the "Retained earnings" account, pursuant to the decision taken by the Annual General Meeting of February 6, 2024, of the dividends allocated for the 2022-2023 fiscal year to the shares held by the Company on the date of payment, representing a total amount of €6,057.06.

Second resolution

Approval of the consolidated financial statements for the fiscal year ended September 30, 2024

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed:

- the Management Report of the Board of Directors for the 2023-2024 fiscal year; and
- the Statutory Auditors' report on the consolidated financial statements,

approves the consolidated financial statements for the fiscal year beginning on October 1, 2023, and ended on September 30, 2024, as presented to it by the Board of Directors, showing a consolidated net income of €31,181 thousand, as well as the transactions reflected in those financial statements or summarized in those reports.

Third resolution

Net income allocation, dividend approval and dividend payment

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings,

1. resolves to allocate the income for the 2023-2024 fiscal year, which amounts to €19,630,959, plus retained earnings of €353,728,101, forming a distributable amount of €373,359,060, as follows:
   - to the shareholders, an amount of €7,806,085, in order to pay a dividend of €1.15 per share,
   - and the balance to retained earnings, the credit balance of which is thus increased from €353,728,101 to €365,552,975;
2. resolves that the ex-dividend date is set on February 11, 2025 and that the payment date is set on February 13, 2025;
3. resolves that the dividend that cannot be paid to treasury shares will be allocated to the "Retained earnings" account.

It should be recalled that, pursuant to Article 243 *bis* of the French General Tax Code, the following dividends were paid over the previous three fiscal years:

Fiscal year	Dividend per share
2020-2021	€1.60
2021-2022	€1.05
2022-2023	€1.57

For individuals domiciled for tax purposes in France, the dividend is subject either to a flat-rate tax on the gross dividend at the rate of 12.8% (Article 200 A of the French General Tax Code), or, optionally, to income tax according to the progressive scale after an allowance of 40% (Article 200 A, 2. and 158.3.2° of the French General Tax Code). The dividend is also subject to social security contributions at the rate of 17.2%.

Fourth resolution

Appointment of the independent third-party organization RSE France-APAVE as sustainability auditor

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, on the proposal of the CSR committee and the Board of Directors, decides, in accordance with the provisions of Article L.232-63 of the French Commercial Code, to appoint the independent third-party organization RSE France-APAVE as the Company's Statutory Auditor in charge of certifying sustainability information, in accordance with Article L.822-20 of the French Commercial Code.

The Annual General Meeting resolves to entrust him with these duties for a duration of two fiscal years expiring at the end of the Ordinary Annual General Meeting called to meet in 2027 to approve the financial statements for the year ending September 30, 2026.

The independent third-party organization RSE France-APAVE stated that they accepted the duties that would be entrusted to them and that they were not affected by any incompatibility or prohibition that might prevent their appointment and that they satisfied all conditions required by law and regulations for the exercise of said term of office.

Fifth resolution

Setting of the amount of Directors' remuneration

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, sets the maximum total annual amount of the remuneration awarded to the Directors as of today at €156,000.

This decision applies until the Annual General Meeting resolves otherwise.

The Board of Directors may freely allocate this total annual amount among its Directors and, if it so wishes, decide to use only a portion of this amount, notably in view of the work of the Board of Directors during the period in question.

Sixth resolution

Approval of the remuneration policy for the Chief Executive Officer for the 2024-2025 fiscal year (*ex-ante* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, drawn up in accordance with Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.22-10-8, II of the French Commercial Code, the remuneration policy applicable to the Chief Executive Office by virtue of his office, as presented in this report (Section 2.6.1 of the 2023-2024 Universal Registration Document).

Seventh resolution

Approval of the remuneration policy for the Deputy CEOs for the 2024-2025 fiscal year (*ex-ante* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, drawn up in accordance with Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.22-10-8, II of the French Commercial Code, the remuneration policy applicable to the Deputy CEOs in respect of their office, as presented in this report (Section 2.7.1 of the 2023-2024 Universal Registration Document).

Eighth resolution

Approval of the remuneration policy for the Chairman of the Board of Directors for the 2024-2025 fiscal year (*ex-ante* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report drawn up in accordance with Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.22-10-8, II of the French Commercial Code, the remuneration policy applicable to the Chairman of the Board of Directors in respect of his office, as presented in this report (Section 2.7.1 of the 2023-2024 Universal Registration Document).

Ninth resolution

Approval of the remuneration policy for the Directors for the 2024-2025 fiscal year (*ex-ante* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, drawn up in accordance with Article L.225-37 of the French Commercial Code, approves, in accordance with Article L.22-10-8, II of the French Commercial Code, the remuneration policy applicable to the Directors in respect of their office, as presented in this report (Section 2.7.1 of the 2023-2024 Universal Registration Document).

Tenth resolution

Approval of the information referred to in Article L.22-10-9 I of the French Commercial Code relating to the remuneration of corporate officers paid in respect of the fiscal year ended September 30, 2024, or granted in respect of that fiscal year (*ex-post* say on pay)

The Annual General Meeting, voting in accordance with the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report drawn up in accordance with Article L.225-37 of the French Commercial Code and included in Section 2.7.2 of the 2023-2024 Universal Registration Document, approves, in accordance with Article L.22-10-34, I of the French Commercial Code, the information mentioned in this report and provided for in Article L.22-10-9, I of the French Commercial Code relating to the remuneration paid in respect of the fiscal year ended on September 30, 2024 or allocated in respect of the same fiscal year to the Company's corporate officers for their office.

Eleventh resolution

Approval of the components of the remuneration paid during the fiscal year ended on September 30, 2024 to Mr. Patrick BALLU in his capacity as Chairman of the Board of Directors (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components comprising the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Patrick BALLU in his capacity as Chairman of the Board of Directors, as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Twelfth resolution

Approval of the components of the remuneration paid during the fiscal year ended on September 30, 2024 to Mr. Yves BELEGAUD in his capacity as Chief Executive Officer until December 20, 2023 (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components comprising the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Yves BELEGAUD in his capacity as Chief Executive Officer (for the period from October 1, 2023 to December 20, 2023), as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Thirteenth resolution

Approval of the components of the remuneration paid during the fiscal year ended September 30, 2024, to Mr. Daniel TRAGUS in his capacity as Chief Executive Officer starting December 20, 2023 (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components making up the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Daniel TRAGUS in his capacity as Chief Executive Officer starting December 20, 2023, as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Fourteenth resolution

Approval of the components of the remuneration paid during the fiscal year ended September 30, 2024, to Mr. Daniel TRAGUS in his capacity as Deputy CEO (for the period from October 1, 2023 to December 20, 2023) (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components comprising the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Daniel TRAGUS in his capacity as Deputy CEO (for the period from October 1, 2023 to December 20, 2023), as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Fifteenth resolution

Approval of the components of the remuneration paid during the fiscal year ended on September 30, 2024 to Mr. Marc BALLU in his capacity as Deputy CEO (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components comprising the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Marc BALLU in his capacity as Deputy CEO, as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Sixteenth resolution

Approval of the components of the remuneration paid during the fiscal year ended on September 30, 2024 to Mr. Cyril BALLU in his capacity as Deputy CEO (*ex-post* say on pay)

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' Corporate Governance Report, approves, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components comprising the total remuneration and benefits of any kind paid during the fiscal year ended on September 30, 2024 to Mr. Cyril BALLU in his capacity as Deputy CEO, as presented in this report (Section 2.7.2 of the 2023-2024 Universal Registration Document).

Seventeenth resolution

Approval of the Statutory Auditors' special report on regulated agreements covered by Articles L.225-38 *et seq*. of the French Commercial Code

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Statutory Auditors' special report on the agreements subject to the provisions of Articles L.225-38 and L.225-40 of the French Commercial Code, approves the said report in all its provisions and takes note of the conclusions of this special report, which does not include any new agreements entered into during the fiscal year ended on September 30, 2024 that fall within the scope of Articles L.225-38 and L.225-40 indicated above.

Eighteenth resolution

Authorization granted to the Board of Directors to purchase Company shares

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' report and in accordance with the provisions of Articles L.22-10-62 *et seq.* and L.225-210 *et seq.* of the French Commercial Code, Regulation (EU) 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 concerning the conditions applicable to buyback programs and stabilization measures, the General Regulations of the French Financial Markets Authority (AMF), Articles 241-1 *et seq.*, as well as any other provisions that may become applicable:

1. authorizes the Board of Directors, with the option of subdelegation under the conditions set by law, to have the Company buy back its own shares within limits such as:
   - the number of shares that the Company purchases during the period of the repurchase program does not exceed 10% of the shares comprising the Company's share capital, at any time, this percentage being applied to a share capital adjusted according to transactions affecting it subsequent to

this Meeting (*i.e.*, for information purposes, 678,790 shares on the basis of the share capital as of September 30, 2024), it being specified that, in accordance with the law, (i) when the shares are bought back to promote liquidity under the conditions defined by the General Regulations of the AMF, the number of shares taken into account for the calculation of this limit of 10% corresponds to the number of shares purchased less the number of shares resold under the liquidity agreement during the period of the authorization and (ii) when the shares are purchased by the Company with a view to being held and subsequently delivered in payment or in exchange as part of an external growth transaction, the number of shares purchased may not exceed 5% of its share capital,

- the number of shares that the Company may hold at any time does not exceed 10% of the Company's share capital on the date in question;

2. resolves that the shares of the Company, within the limits set above, may be bought back with a view to allocating them for one of the following purposes:
   - promoting the secondary market or the liquidity of the share by an investment services provider acting in the name and on behalf of the Company in complete independence under a liquidity agreement entered into in accordance with market practice accepted by the AMF,
   - holding shares pending their delivery (in exchange, payment or otherwise) in the context of acquisitions, mergers, spin-offs or contributions,
   - cancelling all or part of the shares thus bought back, pursuant to the authorization of the Annual General Meeting,
   - delivery on the occasion of the exercise of rights attached to securities giving immediate or future access to the Company's share capital,
   - allocating or selling shares in respect of profit-sharing in the results of the expansion of the Company and implementing any Company Savings Plan in place at the Group under the conditions and in accordance with the terms and conditions provided for by law, notably Articles L.3332-1 *et seq.* of the French Labor Code,
   - implementing any stock option plan in accordance with the provisions of Articles L.22-10-56 *et seq.* of the French Commercial Code or allocating bonus shares pursuant to the provisions of Articles L.22-10-59 *et seq.* of the French Commercial Code.

   The program is also intended to enable the Company to operate for any other purpose authorized, currently or in the future, by the law or regulations in force or by any market practice that may come to be accepted by the AMF, in which case the Company would inform its shareholders by means of a press release;

3. resolves that the purchase, sale or transfer of shares may, subject to applicable legal and regulatory restrictions, be carried out at any time and by any means, on the regulated market of Euronext Paris or outside it, including:
   - through block transfers or over-the-counter transactions that may relate to the entire repurchase program,
   - through tender, sale or exchange offers,
   - through the use of any financial instruments or derivatives,
   - by setting up optional instruments,
   - by conversion, exchange, redemption or delivery of shares following the issue of securities giving future access to the Company's share capital, or
   - in any other way, either directly or indirectly through an Investment Services Provider;
4. sets the maximum purchase price at €100 per share (excluding trading expenses) (*i.e.,* for information purposes, an overall maximum amount allocated to the share repurchase program of €67,879,000 on the basis of a number of 678,790 shares – corresponding to 10% of capital as of September 30, 2024), and grants full powers to the Board of Directors with the option of subdelegation, in the event of transactions involving the Company's share capital, to adjust the above-mentioned purchase price in order to take into account the impact of these transactions on the value of the shares;
5. resolves that the Board of Directors may not, without the prior authorization of the Annual General Meeting, make use of this delegation as from the announcement by a third party of a proposed public tender offer for the Company's shares, until the end of the offer period;
6. grants full powers to the Board of Directors, with the option of subdelegation, without this list being exhaustive, to decide on and implement this authorization, to specify, if necessary, the terms and conditions thereof, and to carry out the share repurchase program, and notably place any stock market order, enter into any agreement with a view to keeping share purchase and sale registers, inform shareholders under the conditions provided for by law and regulations, and carry out all declarations to the French Financial Markets Authority, complete all formalities and, in general, take the necessary steps to implement this authorization;
7. resolves that this authorization, which terminates, for the amounts unused to date, any previous authorization with the same purpose, is valid for a period of fourteen (14) months from the date of this Meeting.

Nineteenth resolution

Powers for formalities

The Annual General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, grants full powers to the bearer of copies or extracts of the minutes of these proceedings to make all declarations and carry out all registration, filing and other formalities.

9 Additional information

9.1 Person responsible for the Universal Registration Document

Mr. Daniel TRAGUS

Chief Executive Officer

9.2 Statement by the person responsible

I hereby certify that, having taken all reasonable steps to ensure that such is the case, the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and contains no omission likely to affect its scope.

I hereby certify that, to the best of my knowledge:

- the financial statements were prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company, as well as of all the companies included in the scope of consolidation;
- and that the Annual Report presents a true and fair view of the business trends, results and financial position of the Company and all the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties facing them.

I obtained a completion of work letter from the Statutory Auditors in which they indicate that they verified the information concerning the financial position and the financial statements presented in this Universal Registration Document, and that they read the entire Universal Registration Document.

The historical financial information presented in this document was the subject of the reports by the Statutory Auditors that appear on pages 123 to 125 for the fiscal year ended on September 30, 2024 and on page 1, included for reference purposes, for the fiscal year ended on September 30, 2023.

January 10, 2025

Daniel TRAGUS

Chief Executive Officer

9.3 Controllers responsible for auditing the financial statements

Principal Statutory Auditors

The financial statements for the 2023-2024 fiscal year were verified by:

- Grant Thornton
  - Start of first appointment: February 9, 2021.
  - End of appointment: appointment ends on the date of the Ordinary Annual General Meeting called to approve the financial statements for the fiscal year ending in 2026.
- SA MAZARS
  - Start of first appointment: January 21, 2015.
  - End of appointment: appointment ends on the date of the Ordinary Annual General Meeting called to approve the financial statements for the fiscal year ending in 2026.

Statutory Auditors' fees

The information concerning the Statutory Auditors' and other service fees are given in Section 5.5, Note 28 of the Universal Registration Document

Cross-reference tables

1.1 Cross-reference table of the 2023-2024 Universal Registration Document (URD)

The cross-reference table below makes it possible to identify the information required by Appendices 1 and 2 of Delegated Regulation (EC) No. 2019/980 of March 14, 2019 pursuant to the URD schema.

		Page No.	Chapter No.
1.	**Persons responsible, information from third parties, expert reports and approval by the competent authority**		
1.1	Identity of persons responsible	166	9
1.2	Statement of persons responsible	166	9
1.3	Expert statement	N/A	N/A
1.4	Statement relating to third-party information	N/A	N/A
1.5	Statement regarding the filing of the document	1	-
2.	**Statutory Auditors**	**166**	**9**
3.	**Risk factors**	**53 to 62**	**3**
4.	**Information about EXEL Industries**	**147 to 155**	**7**
5.	**Business overview**		
5.1	Main activities	24 to 32	1
5.1.1	Nature of operations and main activities	24 to 32	1
5.1.2	New products and services	34 to 35	1
5.2	Main markets	25 to 32	1
5.3	Significant events	36 to 38; 102	1; 5
5.4	Strategy and objectives	8 to 9; 24; 38	1
5.5	Dependence on patents, licenses, industrial, commercial or financial contracts or manufacturing processes	34 to 35	1
5.6	Competitive position	25 to 29	1
5.7	Investments	38	1
5.7.1	Significant investments made	38	1
5.7.2	Ongoing investments or firm commitments	N/A	N/A
5.7.3	Joint ventures and significant investments	N/A	N/A
5.7.4	Environmental issues that may affect the use of tangible assets	108	5
6.	**Organizational structure**		
6.1	Brief description of the Group	20 to 21	1
6.2	List of significant subsidiaries	100 to 102	5
7.	**Review of the financial position and results**		
7.1	Financial position	36 to 38	1
7.1.1	Change in results and financial position including key financial and, where applicable, non-financial performance indicators	36 to 38; 71 to 74; 86 to 87; 94 to 98; 128 to 129; 139	1; 4; 5; 6
7.1.2	Future development forecasts and research and development activities	34 to 35	1
7.2	Operating income	36 to 38	1
7.2.1	Significant factors, unusual or infrequent events or new developments	38	1
7.2.2	Reasons for significant changes in net revenue or net income	36	1
8.	**Cash and capital**		
8.1	Capital information	37; 94 to 98; 114; 128; 135; 139	1; 5; 6
8.2	Cash flow	36 to 38; 97	1; 5
8.3	Financing requirement and financing structure	118 to 120	5
8.4	Restrictions on the use of capital	N/A	N/A
8.5	Expected sources of funding	N/A	N/A
9.	**Regulatory environment**		
9.1	Description of the regulatory environment that may affect the issuer's activities	25 to 27; 54 to 61; 69 to 73	1; 3; 4

		Page No.	Chapter No.
10.	**Information on trends**		
10.1	Description of the main trends and any significant changes in the Group's financial performance since the end of the last fiscal year	38	1
10.2	Events likely to have a significant impact on the outlook	22 to 23; 25 to 27; 38; 54; 69 to 73	1; 3; 4
11.	**Profit (loss) forecasts and estimates for the period**		
11.1	Reported profit (loss) forecasts or estimates for the period	N/A	N/A
11.2	Statement setting out the main forecast assumptions	N/A	N/A
11.3	Statement of comparability with historical financial information and compliance of accounting policies	99	5
12.	**Administrative, management, supervisory and executive management bodies**		
12.1	Information concerning the members of the administrative, Management, supervisory and Executive Management bodies	10 to 13; 40 to 42; 44 to 46;	1; 2
12.2	Conflicts of interest	46	2
13.	**Remuneration and benefits**		
13.1	Remuneration paid and benefits in kind	47 to 51; 121; 135; 138; 158 to 159; 161 to 162	2; 5; 6; 8
13.2	Provisions for pensions, retirement and other similar benefits	115 to 118; 135	5; 6
14.	**Functioning of the administrative and management bodies**		
14.1	Expiry date of terms of office	41	2
14.2	Service contracts	46	2
14.3	Committees	10 to 11; 44	1; 2
14.4	Statement of compliance with the corporate governance regime in force	40	2
14.5	Potential future changes to corporate governance	40 to 41	2
15.	**Employees**		
15.1	Breakdown of employees	25; 27 to 29; 79; 103 to 104	1; 4; 5
15.2	Equity interests and stock options	103	5
15.3	Employee shareholding agreement	N/A	N/A
16.	**Main shareholders**		
16.1	Breakdown of capital	150 to 151	7
16.2	Existence of different voting rights	155	7
16.3	Control of the issuer	150	7
16.4	Shareholder agreement	N/A	N/A
17.	**Transactions with related parties**	**121; 135**	**5; 6**
18.	**Financial information concerning the assets and liabilities, financial position and results of the issuer**		
18.1	Historical financial information	93 to 145; 148	5; 6; 7
18.2	Interim and other financial information	147 to 148	7
18.2.1	Quarterly or half-yearly financial information reported	148	7
18.3	Audit of historical annual financial information	139	6
18.4	Pro forma financial information	N/A	N/A
18.5	Dividend distribution policy	148 to 149	7
18.5.1	Description of the dividend distribution policy and any applicable restrictions	149	7
18.5.2	Dividend amount per share	148	7
18.6	Administrative, legal and arbitration proceedings	60	3
19.	**Additional information**		
19.1	Information on share capital	148 to 153	7
19.2	Articles of Incorporation and Articles of Association	154 to 155	7
20.	**Major contracts**	**31 to 32**	**1**
21.	**Available documents**	**149**	**7**

1.2 Cross-reference table of the Annual Financial Report

This URD incorporates the items of the Annual Financial Report referred to in Article L.451-1-2 of the French Monetary and Financial Code as well as Articles 222-3 and 222-9 of the General Regulations of the French Financial Markets Authority (AMF). The cross-reference table below makes it possible to identify the information included in the Annual Financial Report in this registration document.

		Page No.	Chapter No.
1.	Statement by the person responsible for the information contained in the Annual Financial Report	166	9
2.	Statutory financial statements	127 to 140	6
3.	Consolidated financial statements	93 to 122	5
4.	Management Report		
	• business development analysis	24 to 38	1
	• analysis of results	36 to 38	1
	• analysis of financial position	36 to 38	1
	• main risks and uncertainties	54 to 61; 65 to 66; 74 to 76	3; 4
	• key indicators relating to environmental and personnel issues	86 to 87	4
	• buybacks by the Company of its own shares	151 to 152	7
5.	Statutory Auditors' Report on the statutory financial statements	141 to 144	6
6.	Statutory Auditors' Report on the consolidated financial statements	123 to 125	5

1.3 Cross-reference table of the Management Report

The cross-reference table below makes it possible to identify in this URD the information that constitutes the Annual Management Report in accordance with Articles L.225-100-1 *et seq.* of the French Commercial Code.

		Page No.	Chapter No.	Reference texts
1.	**Information on the activity of the Company and the Group**			
1.1	Presentation of the business and results of the Company, its subsidiaries and the companies it controls by business unit	35 to 38	1	L.232-1 and L.233-6 of the French Commercial Code
1.2	Foreseeable development of the Company	38	1	L.232-1 and L.233-6 of the French Commercial Code
1.3	Significant events after the end of the fiscal year	N/A	N/A	L.232-1 and L.233-6 of the French Commercial Code
1.4	Research and development activities	34 to 36	1	L.232-1 and L.233-26 of the French Commercial Code
1.5	Analysis of the evolution of the business, results and financial position of the Company, with regard to the volume and complexity of the business	34 to 37	1	L.225-100-1 and L.233-26 of the French Commercial Code
1.6	Financial and non-financial key performance indicators (including information relating to environmental and personnel issues)	34 to 37; 72 to 90; 141 to 144	1; 4; 5; 7	L.225-100-1 of the French Commercial Code
1.7	Main risks and uncertainties facing the Company	53 to 62; 74 to 76	3; 4	L.225-100-1 of the French Commercial Code
1.8	Financial risks related to the effects of climate change and presentation of measures taken to reduce them	58 to 59	3	L.225-100-1 of the French Commercial Code
1.9	Main characteristics of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information	61 to 62	3	L.225-100-1 of the French Commercial Code
1.10	Transaction hedging objectives and policy: • Information on the use of financial instruments • Exposure to price, credit, liquidity and cash risks of the Company and the Group	59; 98 to 100; 118 to 120	3; 5	L.225-100-1 of the French Commercial Code

		Page No.	Chapter No.	Reference texts
2.	**Legal, financial and tax information of the Company**			
2.1	Breakdown of and changes in shareholding	150 to 153	7	L.233-13 of the French Commercial Code
2.2	Names of controlled companies	100 to 102	5	L.233-13 of the French Commercial Code
2.3	Statement of employee profit sharing	N/A	N/A	L.225-102 of the French Commercial Code
2.4	Significant equity interests in companies having their registered office in France	103	5	L.233-6 of the French Commercial Code
2.5	Acquisition and disposal by the Company of its own shares (share repurchase program)	152	7	L.225-211 of the French Commercial Code
2.6	Injunctions or financial penalties for anti-competitive practices	N/A	N/A	L.464-2 of the French Commercial Code
2.7	Statement of any adjustments for securities giving access to the share capital in the event of share repurchase or financial transactions	N/A	N/A	R.228-90 of the French Commercial Code
2.8	Dividends paid over the last three fiscal years	139; 158	6; 7; 8	243 *bis* French General Tax Code
2.9	Supplier and customer payment terms	140	6	L.441-6-1 of the French Commercial Code D.441-4 of the French Commercial Code A.441-2 of the French Commercial Code
2.10	Conditions for the exercise and retention of options by corporate officers	N/A	N/A	L.225-185 of the French Commercial Code
2.11	Conditions for holding free shares granted to executive and corporate officers	N/A	N/A	L.225-197-1 of the French Commercial Code
2.12	Company results over the last five fiscal years	139	6	R.225-102 of the French Commercial Code
2.13	Social and environmental consequences of the activity (including Seveso)	63 to 90	4	L.225-102-1 of the French Commercial Code
2.14	Vigilance plan	N/A	N/A	L.225-102-4 of the French Commercial Code
3.	**Issuer CSR information**			
3.1	Statement of Non-Financial Performance	63 to 91	4	L.225-102-1 of the French Commercial Code R.225-104 and R.225-105 of the French Commercial Code
3.2	Statement of the independent third-party organization on the information contained in the Statement of Non-Financial Performance	88 to 90	4	L.225-102-1 V and R.225-105-2 of the French Commercial Code
4.	**Corporate Governance Report**	**39 to 51**	**2**	

1.4 Cross-reference table of the Corporate Governance Report

The cross-reference table below makes it possible to identify in this URD the information that constitutes the Corporate Governance Report in accordance with Articles L.225-37-3 *et seq.* of the French Commercial Code.

		Page No.	Chapter No.	Reference texts
1.	**Information on remuneration and benefits granted**			
1.1	Total remuneration and benefits of any kind paid by the issuer to the corporate officers	47 to 51	2	Article L.22-10-9, I., 1° of the French Commercial Code
1.2	Components of the fixed, variable and exceptional remuneration paid by the issuer to the corporate officers	47 to 51	2	Article L.22-10-9, I., 2° of the French Commercial Code
1.3	Commitments of any kind made by the Company for the benefit of its corporate officers	47 to 51	2	Article L.22-10-9, I., 4° of the French Commercial Code
1.4	Level of remuneration of corporate officers in light of (i) the average remuneration and (ii) the median remuneration on a full-time equivalent basis of employees of the Company other than corporate officers and changes in this ratio over the course of at least the five most recent fiscal years, presented together and in a way that allows comparison	51	2	Article L.22-10-9, I., 6° and 7° of the French Commercial Code
2.	**Governance information**			
2.1	Offices and positions held in any Company by each corporate officer during the fiscal year	41 to 50	2	Article L.225-37-4, 1° of the French Commercial Code
2.2	Agreements entered into between a corporate officer or a significant shareholder with a subsidiary of the issuer (excluding agreements relating to day-to-day transactions and concluded under normal conditions)	46 to 47	2	Article L.225-37-4, 2° of the French Commercial Code
2.3	Table summarizing the currently valid delegations of authority granted by the Annual General Meeting in the area of capital increases showing the use made of these delegations during the fiscal year	152	7	Article L.225-37-4, 3° of the French Commercial Code
2.4	Procedures for exercising Executive Management in the event of a change	N/A	N/A	Article L.225-37-4, 4° of the French Commercial Code
2.5	Composition, conditions of preparation and organization of the work of the Board of Directors	40 to 44	2	Article L.22-10-10, 1° of the French Commercial Code
2.6	Description of the diversity policy applied to the members of the Board of Directors	42	2	Article L.22-10-10, 2° of the French Commercial Code
2.7	Possible limitations that the Board of Directors places on the powers of the Chief Executive Officer	N/A	N/A	Article L.22-10-10, 3° of the French Commercial Code
2.8	Code of Corporate Governance	40	2	Article L.22-10-10, 4° of the French Commercial Code
2.9	Specific procedures for the participation of shareholders in the Annual General Meeting or the provisions of the Articles of Association that provide for these procedures	155	7	Article L.22-10-10, 5° of the French Commercial Code
2.10	Description of the procedure put in place by the Company pursuant to Article L.22-10-12 and its implementation	46 to 47	2	Article L.22-10-10, 6° of the French Commercial Code

		Page No.	Chapter No.	Reference texts
3.	**Information likely to have an impact in the event of a public tender or exchange offer**			**Article L.22-10-11 of the French Commercial Code**
3.1	Capital structure of the Company	150	7	Article L.22-10-11, 1° of the French Commercial Code
3.2	Statutory restrictions on the exercise of voting rights and share transfers	N/A	N/A	Article L.22-10-11, 2° of the French Commercial Code
3.3	Direct or indirect equity interests in the Company's share capital	150	7	Article L.22-10-11, 3° of the French Commercial Code
3.4	List of holders of securities with special rights and description of these rights	N/A	N/A	Article L.22-10-11, 4° of the French Commercial Code
3.5	Control mechanisms provided for in any employee shareholding system, when control rights are not exercised by the latter	N/A	N/A	Article L.22-10-11, 5° of the French Commercial Code
3.6	Agreements between shareholders that may result in restrictions on the transfer of shares and the exercise of voting rights	N/A	N/A	Article L.22-10-11, 6° of the French Commercial Code
3.7	Rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's Articles of Association	N/A	N/A	Article L.22-10-11, 7° of the French Commercial Code
3.8	Powers of the Board of Directors, in particular with regard to the issue or buyback of shares	151	7	Article L.22-10-11, 8° of the French Commercial Code
3.9	Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company, unless such disclosure, except in the case of a legal obligation to disclose, would seriously harm its interests	N/A	N/A	Article L.22-10-11, 9° of the French Commercial Code
3.10	Agreements providing for severance payments for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause or if their employment is terminated due to a public tender or exchange offer	N/A	N/A	Article L.22-10-11, 10° of the French Commercial Code

NOTES

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