

BELLON S.A.

Statutory Auditors' report on the financial statements

(For the year ended December 31, 2023)

ERNST & YOUNG Audit
Tour First
TSA 14444
92037 Paris La Défense Cedex

KPMG S.A.
Tour Eqho
2, avenue Gambetta
92066 Paris La Défense Cedex

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

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To the Annual General Meeting,
BELLON S.A.
17/19, Place de la Résistance
92130 Issy-les-Moulineaux

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of BELLON S.A. for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for statutory auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.

Justification of assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the following matter relating to risks of material misstatement that, in our professional judgment, was the most significant in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of financial investments

- The company's investment in Sodexo, whose net balance sheet amounted 1,899,254 thousands euros as at December 31, 2023, is assessed at acquisition cost and impaired based on its value in use described in the note 2.2 "Financial Investments" to the financial statements. Our work consisted in reviewing the data and assumptions used for the determination of this value in use and checking the calculations made by your company.

As part of our assessments, we have ensured that these estimates are reasonable.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, required under Article D.441-6 of the French Commercial Code (*Code de commerce*).

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code (*Code de commerce*).

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory auditors' responsibilities for the audit of the financial statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La-Défense, April 9, 2024

The Statutory Auditors,

ERNST & YOUNG Audit

KPMG S.A.

Gilles Cohen
Partner

Grégoire Menou
Partner

Financial statements BELLON SA as of December 31, 2023

I INCOME STATEMENT

In thousands of euro	Year ended December 31	
	2023	2022
REVENUES	4 729	3 895
Other operating income	65	65
Personnel costs	(7 625)	(6 569)
Other operating expense	(18 752)	(5 335)
Taxes other than income taxes	(319)	(255)
Depreciation and amortization	(35)	(35)
OPERATING PROFIT	(21 937)	(8 234)
Financial income	199 089	152 134
Financial expense	(8 430)	(2 282)
FINANCIAL RESULT	190 659	149 852
Employee Profit- sharing		
Income taxes		
NET INCOME	168 722	141 618

II BALANCE SHEET

ASSETS (in thousands of euro)	As of Dec. 31, 2023	As of Dec. 31, 2022
NON-CURRENT ASSETS, NET		
Property, plant and equipment	59	93
Financial investments	1 899 254	1 899 254
Rental Security deposit	35	35
• Total non-current assets	1 899 348	1 899 382
CURRENT ASSETS		
Accounts receivables		
Other receivables	561	86
Cash & marketable securities	184 212	27 826
• Total current assets	184 773	27 912
TOTAL ASSETS	2 084 121	1 927 294
LIABILITIES AND EQUITY (in thousands of euro)		
SHAREHOLDERS' EQUITY		
Share capital	388	388
Additional paid in capital	284 734	284 734
Reserves and retained earnings	1 684 542	1 534 657
• Total Shareholders' equity	1 969 664	1 819 779
LIABILITIES		
Borrowings	103 112	105 299
Accounts payables	8 765	481
Other liabilities	2 580	1 735
Total liabilities	114 457	107 515
TOTAL LIABILITIES AND EQUITY	2 084 121	1 927 294

Notes to the financial statements

I SIGNIFICANT EVENTS

Borrowings

On February 2, 2023, 102M€ were drawn on the ELS subscribed on November 2, 2022, with Natixis, CA-CIB and BNP, for an amount of 34M€ each.

On February 3, 2023, the ELS subscribed on April 2020 with CA-CIB was fully reimbursed (50M€).

At last, the current NeuMtn papers were also fully repaid during the financial year.

II ACCOUNTING PRINCIPLES, RULES AND METHODS

The annual financial statements were prepared and presented in conformity with the principles, standards and accounting methods required by the general accounting plan of 1999 in compliance with Rule 2014-3 of the Accounting Regulatory Committee.

The accounting principles used to prepare the statutory financial statements for 2023 are the same as those used for 2022. The historical cost method was used in the preparation of these financial statements.

Unless otherwise mentioned, amounts included in tables or in the footnotes are expressed in thousands of euros.

The amounts reported as exceptional income/expense represent the items which do not relate to current activities, as well as certain items considered exceptional by their nature, but which concern ordinary activities.

2.1 Property, plant and equipment

Fixed assets are valued at acquisition cost less depreciation. Cost includes expenditures directly incurred to acquire the asset. All other repair and maintenance costs are recognized as expenses during the period in which they are incurred.

Fixed assets are depreciated over the useful life of the asset and take into account their residual value.

The principal depreciation rates used are the following:

General fixtures and fittings	9 years
Office equipment	9 years
Computer equipment	4 years

2.2 Financial Investments

Shares in companies and other financial investments are carried at historical cost or contribution value. At each closing date, an impairment write-down may be recognized if the value in use is less than the carrying amount.

2.3 Marketable securities

Marketable securities are recognized at their acquisition cost at each closing date and are written down for unrealized losses.

2.4 Borrowings

Transaction costs on borrowings are expensed in « Commissions and expenses on loan issuance » in the period in which they are incurred.

III NON-CURRENT ASSETS

	Amounts as of January 1,2023	Increase	Decrease	Amounts as of December 31, 2023
Property, plant and equipment	322	0	0	322
Financial investments				
Sodexo	1 899 254	0	0	1 899 254
Other investments				
Total financial investments	1 899 254	0	0	1 899 254
Total non-current assets (gross amount)	1 899 576	0	0	1 899 576
Depreciation	(230)	(34)	0	(264)
Total non-current assets (net)	1 899 346	(34)	0	1 899 312
Rental security deposit	35	0	0	35
Total non-current assets (net)	1 899 382	(34)	0	1 899 348

Sodexo shares are valued at historical cost. Market price as of the year end (share price at 99.62 €) would have been 6.280 million euros.

IV MARKETABLE SECURITIES

The marketable securities mainly consist in two term deposits (maturity date: January 2024 and March 2024), bearing an annual interest rate of 4.10% and 4.18% respectively.

V CHANGES IN SHAREHOLDERS' EQUITY

	Number of shares	Capital	Additional paid in capital	Legal reserve	Ordinary reserve	Retained earnings	Net income for the fiscal year	Shareholders equity
Shareholders' equity as of December 31, 2020	24 255	388	284 734	41	1 077 867	73 024	160 734	1 596 788
Share redemption								
Dividends paid					120 000	27 278	(160 734)	(13 456)
Net income for the year							110 527	110 527
Shareholders' equity as of December 31, 2021	24 255	388	284 734	41	1 197 867	100 302	110 527	1 693 859
Share redemption								
Dividends paid					90 000	4 829	(110 527)	(15 698)
Net income for the year							141 618	141 618
Shareholders' equity as of December 31, 2022	24 255	388	284 734	41	1 287 867	105 131	141 618	1 819 779
Share redemption								
Dividends paid					100 000	22 781	(141 618)	(18 838)
Net income for the year							168 722	168 722
Shareholders' equity as of December 31, 2023	24 255	388	284 734	41	1 387 867	127 911	168 722	1 969 664

VI BORROWINGS

	Amounts as of January 1, 2023	Increase	Decrease	Amounts as of December 31, 2023
Bank borrowings	105 299	258 410	(260 597)	103 112
Overdraft	0	0	0	0
Total borrowings	105 299	258 410	(260 597)	103 112

The ELS signed with CACIB, Natixis an BNP in November 2022 contain terms that are usual for loans of this nature made to a holding company. These conditions mainly include the following:

- the level of Bellon SA's investment in Sodexo should not be less than 33.34% of capital and voting rights.
- the ratio of revaluated assets to revaluated net financial debt must be higher than 2.5 as of August 31 and December 31 of each year.

As of December 31, 2023, Bellon SA met its commitments.

VII MATURITIES OF RECEIVABLES AND PAYABLES

RECEIVABLES		Amounts	Less than 1 year	More than 1 year
	Clients and account attached			
	Other receivables	561	561	-
TOTAL RECEIVABLES (NET)		561	561	-

LIABILITIES		Amounts	Less than 1 year	1 to 5 years	More than 5 years
	Bank borrowings	103 112	1 112	102 000	-
Total Borrowings		103 112	1 112	102 000	
	Accounts payable	8 765	8 765	-	-
	Employee related liabilities	999	999	-	-
	Social and tax liabilities	1 581	1 581	-	-
	Other			-	-
Total other liabilities		2 580	2 580	-	-
TOTAL LIABILITIES		114 457	12 457	102 000	

VIII RELATED PARTY INFORMATION

		Amount	Related companies and associates	Companies with related investments
ASSETS				
	Financial investments (gross)	1 899 254	1 899 254	-
LIABILITIES				
	Accounts payable	143	143	-
	Deferred revenues			-
INCOME STATEMENT				
	Operating income	4 729	4 729	-
	Operating expense	142	142	-
	Financial income	195 654	195 654	-

Transactions as stipulated by the regulation "ANC 2010-02" are presented below:

Related parties	Nature of transaction	Amount of transaction
Sodexo S.A.	Assistance and advisory services agreement between Bellon S.A. and Sodexo S.A.	The invoice issued by Bellon S.A. amounts to 4 729 thousand euro (excluding VAT) for the year ended December 31, 2023. The revenues recorded on the financial statement ended Dec 31, 2023, amount to 4 729 thousand euros, after write-off of the prepaid revenues booked in 2023.

IX ACCRUED EXPENSES

Accrued invoices	7 012
Personnel related liabilities	999
Social and fiscal liabilities	540
Total	8 551

X ISSUED CAPITAL

Total capital is 388 080 euro divided into 24 255 shares of 16 euros each, all fully paid.

XI ANALYSIS OF REVENUES

Revenues are related to services rendered in France and amount to 4.729 thousand euros.

XII AUDIT FEES

The statutory auditors' fee for the year ended December 31,2023 amounts to 65 thousand euros for the statutory audit of the financial statements.

XIII FINANCIAL RESULT

The financial result of 190 660 thousand euros is split as follows:

- Dividends from Sodexo for 195 654 thousand euros.
- Interest income on financial investments for 3 436 thousand euros.
- Interest expense amounting to 8 430 thousand euro related to the interest on the company's debt.

XIV INCOME TAXES

The company recognized a tax loss of 12 377 thousand euros for the year. Consequently, the disclosures regarding income taxes are not applicable.

XV UNREALISED TAX GAINS AND LOSSES

Following the September 1997 merger with Financière Sodexho, Bellon SA committed to calculating, in the future, any unrealized gains on the 3 306 684 Sodexo contributed shares as compared to the tax value recognized by Sodexho Financiere, which was 201 271 thousand euro.

Following the April 1998 grant of three new shares for each previously held share and the four for one stock split in March 2001, the number of Sodexo shares held through the merger was multiplied by 16.

As of December 31, 2008, total Sodexo shares resulting from the merger were 46 726 226 with a tax value of 168 588 thousand euro.

As of December 31, 2023, Bellon SA has accumulated tax losses of 542 591 thousand euros which can be carried forward indefinitely, representing a decrease in future taxes payable of 135.648 thousand euro, based on the current rate of 25%.

XVI OPERATING LEASE COMMITMENTS

Outstanding commitments arising in respect of operating leases relating to the rental of Bellon SA office are as follows:
(in thousands of euro)

As of December 31, 2023

Less than 1 year	154
1 to 5 years	103
More than 5 years	<u>0</u>
Total	257

XVII PLEDGE SHARES

For the CACIB, Natixis, and BNP ELS subscribed in November 2022, a total of 1 829 901 Sodexo shares have been pledged.

XVIII RETIREMENT BENEFIT COMMITMENTS

Bellon SA is required to pay benefits to retiring employees under the terms stipulated in the Sodexo collective agreement.

The commitment, which is not recognized as a liability in the balance sheet, is estimated at 1 148 thousand euro.

XIX COMPENSATION, ADVANCES AND COMMITMENTS WITH RESPECT TO PENSIONS AND INDEMNITIES PAID TO THE MEMBERS OF THE SUPERVISORY BOARD AND NON-EXECUTIVE DIRECTORS

• Total compensation paid to the members of the Board and non executive directors	1 179 Keuro
• Advances and loans	None
• Amount paid to a defined benefit pension plan during the financial year	None

XX NUMBER OF EMPLOYEES

As of December 31, 2023, 11 executives were employed by the company.

XXI LIST OF SUBSIDIARIES

	% interest in Capital	Capital (m€)	Shareholders' equity (m€)	Book value of investment (m€)	Revenues (m€)	Net income for recent fiscal year (m€)	Date	Dividends (m€)
Sodexo SA	42,75%	590	3 779	1 899	224	1 308	8/31/2023	195,7

XXII CONSOLIDATION

Under IFRS standards, Bellon SA prepares consolidated financial statements as of August 31st. The scope of consolidation includes Bellon SA et Sodexo Group.