

# CREATIVE SPIRIT, SUSTAINABLE IDEAS

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ANNUAL REPORT 2019



FLORIDIENNE  

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GROUP

# CONSOLIDATED ACCOUNTS 2019

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## CONTENTS

CONSOLIDATED BALANCE SHEET	01
CONSOLIDATED INCOME STATEMENT	02
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	03
TABLE OF CONSOLIDATED CASH FLOWS	04
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	05
AUDITOR'S REPORT	06
FINANCIAL CALENDAR	13

# CONSOLIDATED BALANCE SHEET

ASSETS IN EUR THOUSANDS	Note	31/12/19	31/12/18
<b>NON-CURRENT ASSETS</b>		<b>167 787</b>	<b>144 129</b>
Intangible assets	11	5 070	4 031
Goodwill	11	72 898	65 768
Right-of-use assets		4 719	0
Tangible assets	12	72 724	62 559
Holdings consolidated using the equity method	13	4 765	4 421
Deferred tax assets	14	2 131	1 754
Other assets	15	5 480	5 597
<b>CURRENT ASSETS</b>		<b>177 330</b>	<b>176 174</b>
Inventories	17	54 111	53 221
Biological inventories	17	3 209	3 030
Trade receivables	27	80 379	74 807
Current tax assets		8 678	8 025
Other financial assets	18	602	569
Cash and cash equivalents	19	22 091	29 822
Other assets	15	8 260	6 699
<b>TOTAL ASSETS</b>		<b>345 118</b>	<b>320 303</b>

EQUITY AND LIABILITIES IN EUR THOUSANDS	Note	31/12/19	31/12/18 herwerkt*
<b>TOTAL EQUITY</b>	<b>24</b>	<b>143 374</b>	<b>133 005</b>
Floridienne equity		119 728	112 903
Non-controlling interests		23 646	20 103
<b>LIABILITIES</b>		<b>201 744</b>	<b>187 297</b>
Non-current liabilities		91 243	85 182
Interest-bearing debt	20	74 606	73 206
Lease commitment debts	20	3 429	0
Subsidies received		2 560	2 723
Provisions	21	1 454	1 144
Staff benefits	22	1 843	1 756
Deferred tax liabilities	14	2 986	2 694
Other long-term debts		4 365	3 661
Current liabilities		110 501	102 115
Interest-bearing debt	20	39 502	35 260
Lease commitment debts	20	1 365	0
Subsidies received		279	361
Provisions	21	237	321
Staff benefits	22	538	459
Trade payables	27	48 362	50 321
Current tax liabilities		4 324	3 329
Other liabilities	23	15 893	12 064
<b>TOTAL LIABILITIES</b>		<b>345 118</b>	<b>320 303</b>

\* The consolidated balance sheet as at 31 December 2018 differs from the version published in April 2019 due to the reclassification of crossed options (sale/purchase options on non-controlling shareholders) held on minority interests in "Interest-bearing debt" in "Other long-term debts" for € 3.7 million.

The consolidated equity increased by € 10.4 million to € 143.4 million as at 31 December 2019, compared with € 133 million as at 31 December 2018. This increase in equity may be attributed to the result generated during the financial year (€ 13.2 million) and to transactions with the non-controlling shareholders of some of our subsidiaries (€ 2.0 million), less the dividend paid by the parent company to the shareholders of Floridienne S.A. for the 2018 financial year (€ -2.1 million), the dividends paid to non-controlling shareholders in certain consolidated companies (€ -2.1 million) and exchange rate effects (€ -0.6 million). We refer to the consolidated statement of changes in equity for details on the changes in equity on page 5.

The net financial indebtedness of the group increased by € 13.4 million in 2019 to € 92.0 million (excluding lease commitment debts (IFRS 16 Leases) and debts to non-controlling shareholders), compared with € 78.6 million as at 31 December 2018 due to investments executed by the group.

The consolidated balance sheet total consequently rose by € 24.8 million compared with 31 December 2018.

# CONSOLIDATED INCOME STATEMENT

	Note	31/12/19	31/12/18
<b>OPERATING INCOME</b>		<b>417 928</b>	<b>390 320</b>
Turnover		410 328	382 843
Other operating income	6	7 599	7 478
<b>OPERATING EXPENSES (-)</b>		<b>-383 532</b>	<b>-366 181</b>
Raw materials and consumables		-231 227	-229 193
Staff costs		-72 344	-64 020
Other operating expenses	6	-79 962	-72 969
<b>EBITDA</b>		<b>34 395</b>	<b>24 139</b>
Amortisation and impairment	7	-13 386	-10 095
<b>OPERATING RESULT</b>		<b>21 009</b>	<b>14 044</b>
Result from disposal of non-current assets	8	21	4 839
Debt burden	9	-3 484	-3 373
Financial result	9	594	131
Share of the net result of equity-accounted companies		383	811
<b>RESULT BEFORE TAX</b>		<b>18 522</b>	<b>16 453</b>
Tax on the result	10	-5 368	-5 933
<b>NET RESULT FOR THE FINANCIAL YEAR</b>		<b>13 154</b>	<b>10 520</b>
Attributable to Floridienne shareholders		9 108	8 293
Attributable to non-controlling interests		4 046	2 226
Net result attributable to Floridienne per basic share	25	9.30	8.47
Net result attributable to Floridienne per diluted share	25	9.30	8.47

The Floridienne Group turnover in 2019 amounted to € 410.3 million, up 7.2% compared to the turnover of 2018 equaling € 382.8 million. This increase can be mainly attributed to the strong organic growth of the Life Sciences Division's turnover and entries into the scope of consolidation amounting to € 7.0 million.

The EBITDA amounted to € 34.4 million at 31 December 2019, up € 10.3 million compared with € 24.1 million in 2018. The operating result rose by € 7.0 million to € 21.0 million.

The update of the assessment of the power of control of the Floridienne Group over its Moroccan subsidiaries BIOBEST MAROC and BIOBETTER in July 2018 had led in 2018 to the recognition of a capital gain on the disposal of non-current assets amounting to € 4.8 million, in accordance with IFRS 3.42 (measurement of the fair value determined on the date when control is taken of the non-controlling investment – step acquisition). This (non-recurring) result is presented in the comparative figures as at 31 December 2018 in the results on the disposal of non-current assets.

In 2019, as in 2018, the group benefited from more balanced exchange rates between the various currencies. The exchange rate effects are therefore positive, amounting to € 0.6 million in 2019 and € 0.1 million in 2018.

The result of the companies consolidated using the equity method amounted to € 0.4 million in 2019, down by € -0.4 million compared with 2018. Excluding scope effects, the result of companies consolidated using the equity method would have been stable compared with the previous year.

As at 31 December 2019, the consolidated result before tax consequently amounted to € 18.5 million, compared with € 16.5 million in 2018.

A non-recurring additional tax burden of € -2.7 million had been recorded for the 2018 financial year as a result of the adoption by the Floridienne Board of Directors of stricter rules on the recognition of deferred tax assets on tax losses.

The group therefore closed its 2019 financial year with a consolidated net result of € 13.2 million, up 25% compared with € 10.5 million in 2018. The group's share of the net result rose to € 9.1 million, compared with € 8.3 million as at 31 December 2018.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	31/12/19	31/12/18
Consolidated result for the financial year	13 154	10 520
Other comprehensive income		
<b>Items that can be reclassified in the income statement in future financial years</b>		
Changes in the fair value of financial assets through other comprehensive income (FVOCI)		
Gain / loss (net) on cash flow hedges	-146	-119
Conversion rate adjustments linked to consolidated companies	-493	-1 635
Other changes		
<b>Items that cannot be reclassified in the income statement in future financial years</b>		
Actuarial gains (losses) from defined benefits	0	0
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAXES</b>	<b>12 515</b>	<b>8 766</b>
Attributable to:		
Floridienne shareholders	8 569	7 052
Non-controlling interests	3 946	1 714

# TABLE OF CONSOLIDATED CASH FLOWS

	Note	31/12/19	31/12/18
Result for the financial year before taxes		18 522	16 453
Amortisation - impairment	7, 11	13 404	10 114
Impairment on inventories		3	3
Result of companies consolidated using the equity method		-383	-811
Provisions	21	0	-16
Capital gains / losses on the disposal of assets	8	-3	-5 079
Taxes for the financial year	10	-5 501	-3 356
Financial expenses	9	4 431	4 133
Other		-1 942	-1 508
<b>SELF-FINANCING GROSS MARGIN</b>		<b>28 531</b>	<b>19 935</b>
Changes in current assets / liabilities			
Inventories	17	-978	-4 888
Receivables and other	27	-7 162	-1 133
Amounts payable	27	1 873	180
<b>CHANGE IN THE WORKING CAPITAL REQUIREMENT</b>		<b>-6 267</b>	<b>-5 841</b>
<b>NET CASH FLOW RELATING TO OPERATING ACTIVITIES</b>		<b>22 264</b>	<b>14 093</b>
Investment transactions			
Acquisitions of intangible assets	11	-1 704	-1 741
Acquisitions of tangible assets	12	-20 261	-14 661
Acquisitions of financial assets after deduction of cash acquired	13, 15	-2 665	-4 042
Acquisitions of other financial assets	13, 15	0	-2
New loans	15	-129	-732
<b>TOTAL INVESTMENTS</b>		<b>-24 759</b>	<b>-21 178</b>
Divestment transactions			
Disposals of intangible assets	11	5	10
Disposals of tangible assets	12	327	1 210
Disposals of financial assets after deduction of cash disposed of	13, 15	21	50
Income from holdings		0	907
Repayment of loans	15	280	1 357
<b>TOTAL DIVESTMENTS</b>		<b>632</b>	<b>3 535</b>
<b>CASH FROM INVESTMENTS</b>		<b>-24 127</b>	<b>-17 643</b>
Financing transactions			
Capital increases in non-controlling holdings		0	10 200
Acquisitions and disposals of financial assets		26	-281
New loans and subsidies	20	17 259	20 405
Repayment of financial debts	20	-17 353	-13 428
Change in bank overdraft	20	2 684	-4 451
Financial expenses		-4 431	-4 133
Dividends paid by the parent company		-2 057	-2 284
Changes in own shares		0	0
Dividends paid by subsidiaries to non-controlling holdings		-2 064	-446
<b>CASH FROM FINANCING ACTIVITIES (+/-)</b>		<b>-5 936</b>	<b>5 581</b>
<b>CHANGES IN CASH POSITION</b>		<b>-7 799</b>	<b>2 031</b>
Cash in hand at the start of the financial year		29 822	28 671
Net change		-7 799	2 031
Conversion rate adjustments		68	-880
Other movements		0	0
Cash in hand at the end of the financial year		<b>22 091</b>	<b>29 822</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium at issue	Revaluation reserves	Own shares	Consolidation reserves	Conversion rate adjustments	Floridienne equity	Non-controlling interests	Total equity
Opening balance as at 01/01/2018	4 855	30 570	(5)	(1 868)	75 674	(9 152)	100 074	6 267	106 341
Result for the financial year					8 294		8 294	2 226	10 520
Other comprehensive income			(119)			(1 123)	(1 242)	(512)	(1 754)
Total comprehensive income	-	-	(119)	-	8 294	(1 123)	7 052	1 714	8 766
Capital increases							-		-
Capital increases subsidiaries subscribed by third parties					7 833		7 833	2 626	10 459
Dividends and fees paid					(2 056)		(2 056)	(604)	(2 660)
Own shares (bought)/ sold				-			-		-
Sale options granted							-		-
Business combination							-	10 099	10 099
Closing balance as at 31/12/2018	4 855	30 570	(124)	(1 868)	89 745	(10 275)	112 903	20 102	133 005
Opening balance as at 01/01/2019	4 855	30 570	(124)	(1 868)	89 745	(10 275)	112 903	20 102	133 005
Result for the financial year					9 108		9 108	4 046	13 154
Other comprehensive income			(146)			(393)	(539)	(100)	(639)
Total comprehensive income	-	-	(146)	-	9 108	(393)	8 569	3 946	12 515
Capital increases							-		-
Capital increases subsidiaries subscribed by third parties						-	-		-
Dividends and fees paid					(2 056)	-	(2 056)	(2 064)	(4 120)
Own shares (bought)/ sold				-			-		-
Sale options granted							-		-
Business combination					312		312	1 662	1 974
Closing balance as at 31/12/2019	4 855	30 570	(270)	(1 868)	97 109	(10 668)	119 728	23 646	143 374

In 2019, the equity situation was impacted mainly by:

- The consolidated result for the period of € 13.2 million.
- The dividend paid by the parent company to the shareholders of Floridienne S.A. (€-2.1 million) for 2018 and the dividends paid to non-controlling shareholders in certain consolidated companies (€-2.1 million).
- The change in conversion rate adjustments (€-0.5 million).
- The 'business combination' heading relates to:
  - Transfers between the reserves of non-controlling interests and the group following a transaction impacting the percentage held in subsidiaries without leading to a modification of the power of control over these subsidiaries,
  - The goodwill on non-controlling interests (€ 1.7 million), valued at fair value (full goodwill method), recognised after taking control of the Australian company Bugs for Bugs on 1 January 2019.

As regards the 2019 financial year, the Floridienne Board of Directors will propose the Floridienne General Meeting not to distribute dividends due to the current uncertainties linked to the COVID-19 coronavirus pandemic.

*Original text of this report is in French*



Company number: BE 0403.064.593

**STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF  
FLORIDIENNE SA  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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In the context of the statutory audit of the consolidated financial statements of FLORIDIENNE SA (the "Company") and its subsidiaries (together referred to as 'the Group'), we hereby present our statutory auditor's report. It includes our report on the audit of the consolidated financial statements as well as our report on the other legal and regulatory requirements. The whole is integrated and is indivisible.

We have been appointed as statutory auditor by the general shareholders' meeting of 5 June 2018, following the proposal formulated by the Board of Directors issued upon recommendation of the audit committee. Our statutory auditor's mandate expires on the date of the general meeting deliberating on the annual accounts closed on 31 December 2020. We have performed the statutory audit of the consolidated financial statements of FLORIDIENNE SA for at least 20 consecutive periods.

### **Report on the consolidated financial statements**

#### ***Unqualified opinion***

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of the financial position as at 31 December 2019, the consolidated income statement and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of 345.118.(000) EUR and for which consolidated income statement shows a profit for the year of 13.154.(000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's net equity and financial position as at 31 December 2019, as well as of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

#### ***Basis for unqualified opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the '*Statutory auditor's responsibilities for the audit of the consolidated financial statements*' section in this report. We have complied with all the ethical requirements that are relevant to the audit of consolidated financial statements in Belgium, including those concerning independence.

We have obtained from the Board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





Company number: BE 0403.064.593

### Emphasis of Matter Paragraph

Without qualifying our opinion expressed here above, we draw attention to

- (i) Note 15 [*Other non-current and current assets*] of the consolidated financial statements containing a description of the uncertainty related to the fair value valuation of the investment in the company Larzul, shown in *other non-current financial assets* (2,6 MEUR), and the receivables held on the company (1,5 MEUR), particularly with regard to the evolution of the legal proceedings preventing the group to exercise its power of control on that company.
- (ii) Note 29 [*Events occurring after the closing date*] describing the uncertainties resulting from the health crisis COVID-19, occurred in 2020, of which the impact can – at this stage – not be quantified or estimated reliably.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of Goodwill</b></p> <p>As of December 31, 2019, the net goodwill included in the assets of the FLORIDIENNE Group's statement of financial position amounts to 72.898 KEUR and represents 21,1 % of total assets. The details of goodwill are presented in Note 11 to the consolidated financial statements.</p> <p>Under IFRS (IAS 36 – <i>Impairment of assets</i>), the company is required to perform an annual impairment test on goodwill. Based on the annual impairment test on goodwill, the Board of Directors concluded that no impairment loss on goodwill was to be recognized. The main assumptions and sensitivities are presented in Note 11 to the consolidated financial statements.</p> <p>We have considered that the valuation of goodwill and the annual impairment test on these assets constitute a key audit matter since</p> <ul style="list-style-type: none"> <li>▪ the importance of these assets in FLORIDIENNE's consolidated financial statements;</li> <li>▪ the judgment and the accounting estimates required by the Board of Directors in the assessment of potential impairment losses, which are based in particular on assumptions (prospective data and valuation parameters) that are influenced by the current and future economic conditions.</li> </ul>	<p>Our audit approach to assess the goodwill valuation is based on a detailed analysis – on a sample base - of the forecasts and the annual impairment test. The work included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ an assessment of the mathematical accuracy of the calculations;</li> <li>▪ a reconciliation with the prospective data approved by the Board of Directors;</li> <li>▪ an analysis of the assumptions used in the underlying analysis process of the annual <i>impairment test</i> prepared by the Board of Directors, including expected future cash flows, growth rates, discount rates and other relevant assumptions;</li> <li>▪ a test of the "<i>robustness</i>" of assumptions used by challenging them with past experience, and particularly the assumptions applied in previously used models (<i>back testing</i>).</li> </ul> <p>Furthermore, we have assessed the adequacy and appropriateness of the disclosures provided by the company in Note 11 to the consolidated financial statements in accordance with IAS 36.</p>



Company number: BE 0403.064.593

	<p><b>References to the notes to the consolidated financial statements</b></p> <p>The valuation of goodwill is referred to in Note 11.</p>

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of deferred tax assets</b></p> <p>The FLORIDIENNE Group has recognized at 31 December 2019 deferred tax assets (DTA) for a total amount of 2.131 KEUR, of which 918 KEUR relate to tax losses carried forward.</p> <p>Under IFRS, the company is required to periodically reassess the valuation of deferred tax asset positions.</p> <p>We considered that the valuation of deferred tax assets is a key audit matter since the valuation process is complex and involves a significant judgment of the Board of Directors, in particular with regard to the convincing evidence of the existence of sufficient future taxable profits and the assumptions with regard to current and future economic conditions and tax laws and regulations.</p>	<p>Our audit approach included, amongst others,</p> <ul style="list-style-type: none"> <li>▪ an assessment of the underlying assumptions used in the estimate of the probability that future taxable profits will be available against which the deductible temporary differences can be utilized. In this context, we have assessed the consistency of the prospective data (<i>business plans</i>) retained by the Board of Directors with those considered in particular in the annual impairment on goodwill.</li> <li>▪ an assessment of the local taxation of the different entities concerned.</li> </ul> <p>Furthermore, we focused on the appropriateness of the disclosures provided by the company in Notes 10 and 14 to the consolidated financial statements in accordance with IAS 12.</p>
	<p><b>References to the notes to the consolidated financial statements</b></p> <p>Reference is made to the valuation of the deferred tax assets in Notes 10 and 14.</p>

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Accounting for business combinations</b></p> <p>In 2019, the FLORIDIENNE Group entered into several business combinations (IFRS 3 – <i>Business combinations</i>), of which the most important was related to the obtaining of control over the Australian company Bugs for Bugs (<i>Lifescience</i> division) as from the 1<sup>st</sup> of January 2019.</p> <p>These transactions led to the recognition of a (provisional) allocation of purchase prices resulting in a total goodwill of 7.130 KEUR, of which 7.070 KEUR was related to Bugs for Bugs acquisition. The purchase price allocation was finalized, in accordance with IFRS 3, within the 12 months after the acquisition date.</p> <p>We considered that the Bugs for Bugs business combination was important for our audit because of the judgments applied in assessing the conditions of</p>	<p>With regard to the accounting of the acquisitions, we have, amongst others,</p> <ul style="list-style-type: none"> <li>▪ reviewed the acquisition agreements, assessed the appropriateness of the accounting treatment and evaluated the disclosures to the notes to the consolidated financial statements with that regard [Note 32].</li> <li>▪ assessed the judgments applied by management in its control assessment, including the facts and circumstances leading to the conclusion of obtaining control in light the definition provided by IFRS 10;</li> <li>▪ tested the identification and consistency of the underlying assumptions used in the fair value remeasurements of the assets acquired and the liabilities assumed by the Group;</li> </ul>



**Company number: BE 0403.064.593**

control (IFRS 10), the determination of the liability (redemption amount) related to put and call options concluded with the minorities as well as well as the Purchase Price Allocation (PPA).	<ul style="list-style-type: none"> <li>▪ assessed and questioned valuation assumptions such as prospective date and other valuation parameters.</li> </ul>
	<p><b>References to the notes to the consolidated financial statements</b></p> <p>Reference is made to the business combination in Note 32.</p>

### ***Responsibilities of the Board of Directors for preparation of the consolidated financial statements***

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory provisions applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### ***Statutory auditor's responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated financial statement.

In carrying out our audit, we comply with the legal, regulatory and normative framework applicable to the audit of consolidated financial statements. The scope of the audit does not include an assurance on the future viability of the Company or on the efficiency or effectiveness with which the Board of Directors has conducted or will conduct the Company's operations.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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;



**Company number: BE 0403.064.593**

- Obtain 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 Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors, as well as information about them provided by the latter;
- Conclude on the appropriateness of the board of directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. The scope of the statutory audit does not include assurance as to the future viability of the company or as to the efficiency or effectiveness with which the management body has conducted or will conduct the company's business;
- Evaluate the overall presentation, structure and content of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, the supervision and the performance of the Group audit. We assume full responsibility for the auditor's opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit as well as significant audit findings, including any significant deficiencies in internal control identified during the audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year, and are therefore the key audit matters. We describe these matters in our statutory auditor's report unless law or regulation precludes public disclosure about the matter.



Company number: BE 0403.064.593

## Report on other legal and regulatory requirements

### ***Responsibilities of the Board of Directors***

The Board of Directors is responsible for the preparation and the contents of the management report on the consolidated financial statements and for the other information included in the annual report on the consolidated financial statements.

### ***Responsibilities of the statutory auditor***

In the context of our mandate and in accordance with the Belgian standard (revised version) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the management report on the consolidated financial statements and the other information included in the annual report on the consolidated financial statements, as well as to report on these elements.

### ***Aspects related to Board of Director's report on the consolidated financial statements and to the other information included in the annual report on the consolidated financial statements***

In our opinion, after having performed specific procedures in relation to the management report, the management report is consistent with the consolidated financial statements for the same financial year, and it is prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the management report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements (i.e. Group Profile, Key Figures of the Group, Description of *Divisions* and *Corporate Governance Statement*) contains any material misstatements, i.e. any information which is inadequately disclosed or otherwise misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you. We do not express any form of assurance whatsoever on the management report on the consolidated financial statements.

The non-financial information required pursuant to article 3:32, § 2 of the Code of companies and associations is included in the management report on the consolidated financial statements, section "*Statement on non-financial information / Corporate Social Responsibility*". In preparing this non-financial information, the company did not rely on a recognized European or international reference framework. Furthermore, we do not express any assurance on the individual elements included in this non-financial information.

### ***Statement concerning independence***

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of consolidated financial statements, and we remained independent of the Group throughout the course of our mandate.
- The fees related to additional services which are compatible with the audit of the consolidated financial statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the consolidated financial statements.



**Company number: BE 0403.064.593**

***Other communications***

- This report is in compliance with the contents of our additional report to the audit committee as referred to in article 11 of Regulation (EU) No 537/2014.

Brussels, 27 April 2020

**Mazars Réviseurs d'Entreprises SC**

Statutory Auditor

Represented by

Peter LENOIR

# FINANCIAL CALENDAR

1 <sup>st</sup> interim statement	22 May 2020
Annual general meeting	2 June 2020
Half-year results	30 September 2020
2 <sup>nd</sup> interim statement	20 November 2020



FLORIDIENNE  
GROUP

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