GOLDSTORY S.A.S.

Consolidated Financial Statements

Nine-month period ended June 30, 2023

THOM

H3 Stroili OROVIVO 1856 AGATHA PARIS

SMIZZE FRANCO GIOIELLI Marc Orian TrésOr Paris

Table of content

1. Consolidated financial statements

a. Consolidated balance sheet

Assets	Notes	30/06/2023	30/09/2022
In €m			
Intangible assets	a.	777.3	759.4
o/w goodwill	*b.*	*328.5*	*321.7*
Property, plants and equipments		72.9	67.9
Financial assets		24.6	24.5
Fixed assets		**874.8**	**851.8**
Inventories	c.	289.3	260.1
Trade receivables and related accounts		16.7	14.2
Other receivables and asset adjustement accounts		92.3	93.6
Marketable securities		-	0.0
Cash		25.0	18.1
Current assets		**423.3**	**386.0**
Total assets		**1 298.1**	**1 237.8**

Equity and liabilities	Notes	30/06/2023	30/09/2022
In €m			
Share capital		3.6	3.6
Share premium		186.6	195.7
Consolidated reserves and net income		131.2	88.6
Currency translation reserves		0.2	0.1
Equity attributable to owners of the parent	**d.**	**321.6**	**288.0**
Non-controlling interests		**3.1**	**3.3**
Provisions		**13.4**	**12.6**
Other financial liabilities	e.	692.0	666.8
Trade payables and related accounts		129.4	147.6
Other liabilities and adjustement accounts	f.	138.6	119.5
Liabilities		**960.0**	**933.9**
Total liabilities		**1 298.1**	**1 237.8**

In accordance with ANC 2020-01 regulation:

- Goodwill is considered in « Intangible Assets »,
- Unrealized exchange losses and gains are maintained on the balance and are respectively accounted in « Other receivables and asset adjustment accounts » and in « Other liabilities and adjustment accounts»,
- Deferred tax assets and liabilities are presented in "Other receivables and prepayments" and "Other liabilities and prepayments" respectively.

The comparative column 30/09/2022 presented in the 30/06/2023 financial statements is amended accordingly.

b. Consolidated income statement

Goldstory's first consolidated financial statements covered the period from February 1, 2021 to September 30, 2022.

As of June 30, 2022, the previous year period runs from February 1, 2021 to June 30, 2022. To have comparable periods with the nine-month period ended June 30, 2023, the income statement for the 17-month period ended June 30, 2022 is presented into two columns: eight-month period ended September 30, 2021 and nine-month period ended June 30, 2022 (corresponding to the nine-month period disclosed in Q3 2023 Management Discussion and Analysis and Q3 2023 Investors presentation).

Income Statement	Notes	30/06/2023	30/06/2022		
		01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m					
Sales	a.	793.6	723.9	388.0	1 111.9
Other operating income		5.1	4.8	14.1	18.9
Costs of goods sold	b.	(270.6)	(248.5)	(142.4)	(390.9)
Personnel expenses	c.	(193.9)	(177.9)	(99.3)	(277.2)
Other operating expenses	d.	(170.9)	(143.3)	(93.9)	(237.2)
Taxes and duties		(7.2)	(7.4)	(4.6)	(12.0)
Allowance for depreciation, amortization and provisions		(24.1)	(20.0)	(12.3)	(32.3)
Operating income before depreciation and amortization of goodwill		**132.0**	**131.6**	**49.6**	**181.2**
Goodwill - depreciation and amortization		-	-	-	-
Operating income after depreciation and amortization of goodwill		**132.0**	**131.6**	**49.6**	**181.2**
Financial income (expense)	e.	(29.4)	(27.2)	(27.6)	(54.8)
Non-recurring income (expense)	f.	(6.8)	8.6	(6.4)	2.2
Income tax	g.	(36.1)	(37.2)	(9.7)	(46.9)
Net income of integrations entities		**59.7**	**75.9**	**5.9**	**81.8**
Share in result of equity-accounted entities		0.1	0.2	0.1	0.3
Net income of consolidated entities		**59.8**	**76.1**	**6.0**	**82.1**
Net income attributable to non-controlling interests		(0.1)	(0.2)	(0.1)	(0.3)
Net income attributable to owners of the parent		**59.7**	**75.9**	**5.9**	**81.8**

In accordance with ANC 2020-01 regulation, subtotals « Recurring income » and « Operating income » no longer exist. Subtotals « Operating income before depreciation and amortization of goodwill » and « Operating income after depreciation and amortization of goodwill » have been newly created.

The three columns for 30/06/2022 results presented in the 30/06/2023 financial statements are amended accordingly.

The reference to « Earnings per share » (basic and diluted) is now optional whereas it was compulsory according to the previous regulation CRC 99-02. Considering this information as insufficiently relevant for the reader of the financial statements, Goldstory did not raise this option.

c. Consolidated cash-flow statement

Cash-Flow statement	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
EBITDA	**157.4**	**153.6**	**63.0**	**216.6**
Business Tax (CVAE) & Closed stores	(1.2)	(2.0)	(1.1)	(3.1)
Change in working capital	(28.2)	7.5	(5.6)	1.9
Income tax paid	(19.7)	(19.3)	(13.8)	(33.1)
Other non-recurring income (expenses)	(6.1)	9.0	(2.0)	7.0
Net cash flows from/ (used in) operating activities	**102.2**	**148.8**	**40.5**	**189.3**
Acquisition of property, plant & equipment, intangible assets	(35.6)	(23.5)	(19.7)	(43.2)
Disposal of property, plant & equipment, intangible assets	0.5	0.1	0.2	0.3
Change in receivables and payables on fixed assets	(1.6)	(0.3)	3.2	3.0
Net cash flows from/ (used in) investing activities	**(36.7)**	**(23.7)**	**(16.2)**	**(40.0)**
Free Cash Flow	**65.4**	**125.1**	**24.2**	**149.3**
Revolving credit facilities, Net of Repayment	8.0	(0.0)	-	(0.0)
Interest paid on Senior Secured Notes	(21.2)	(20.4)	(19.6)	(40.0)
Interest paid on RCF	(1.4)	(0.7)	(1.1)	(1.7)
Interest paid on Term Loan B	-	-	(1.1)	(1.1)
Other interest paid	(0.1)	(0.2)	(1.1)	(1.3)
Other cash flows used in financing activities	(3.4)	(1.2)	(0.6)	(1.8)
Net cash flows (used in)/from financing activities	**(18.1)**	**(22.4)**	**(23.6)**	**(45.9)**
Net cash flows before specific projects	**47.3**	**102.7**	**0.7**	**103.4**
Change in Debt and Financing cost	-	-	35.4	35.4
Payment to shareholders, Net	-	-	(158.1)	(158.1)
FY21 refinancing and change in shareholders	**-**	**-**	**(122.7)**	**(122.7)**
Altastory current accont	(1.0)	-	-	-
Dividends	(25.0)	(110.6)	0.0	(110.6)
Upstream flows outside the restricted group	**(26.0)**	**(110.6)**	**0.0**	**(110.6)**
Agatha acquisition	(6.2)	-	(3.3)	(3.3)
M&A	**(6.2)**	**-**	**(6.6)**	**(6.6)**
Net increase / (decrease) in cash and cash equivalents	**15.1**	**(7.9)**	**(128.6)**	**(136.5)**
Cash and cash equivalents at the beginning of the period	**6.6**	**59.7**	**-**	**-**
Change in perimeter (Venson + Popsell)	3.4	-	188.3	188.3
Cash and cash equivalents at the end of the period	**25.0**	**51.8**	**59.7**	**51.8**
Change in cash	**15.1**	**(7.9)**	**(128.6)**	**(136.5)**

d. Reconciliation of operating income to EBITDA

Bridge from Operating Income to EBITDA	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month	Var.
In €m					
Operating Income	**132.0**	**131.6**	**49.6**	**181.2**	**(49.3)**
Reversals of provisions	(17.0)	(17.4)	(20.0)	(37.5)	20.4
Depreciation, amortization and provisions	41.2	37.5	32.3	69.7	(28.5)
Business tax (CVAE)	1.2	2.1	1.0	3.1	(1.9)
Contribution of closed stores	0.1	(0.1)	0.1	0.0	0.1
EBITDA	**157.3**	**153.6**	**63.0**	**216.6**	**(59.3)**

2. Key events

The following consolidated financial statements cover the nine-month period ended June 30, 2023 compared to the seventeen-month period ended June 30, 2022, of which sixteen-month of operating activities, as the group THOM was purchased by Goldstory S.A.S. on February 26, 2021.

Goldstory first time consolidation covers the period from February 1, 2021 to September 30, 2022.

a. Sales network

As of June 30, 2023, Goldstory S.A.S. ("Goldstory") operates, through its European subsidiaries, 1,017 directly operated stores (including 2 wedding fairs), as well as 62 corners and six e-commerce platforms. The increase in mainly explained by the 100% acquisition, on December 16, 2022, of Agatha's network which includes 34 stores and 62 corners in France and Spain, and 1 e-commerce platform, 2 stores and 2 partner stores in Asia as well as distribution via third party e-commerce platform (Tmall, Tiktok…). The group also has 37 affiliate stores in France, of which 2 opening during the nine-month period ended June 30, 2023.

During the nine-month period ended June 30, 2023, 22 stores were opened (vs. 7 stores opened over the same period last year) and 20 stores were closed (vs. 19 stores in the same period last year).

b. Incorporation of new companies

Purchase of remaining 50% of Agatha

On December 16, 2022, Goldstory S.A.S, via its subsidiary THOM, purchased the remaining 50% shares of Agatha to Renaissance Luxury Group.

As a reminder, the initial 50% were purchased on February 26, 2021 when the Group and Renaissance Luxury Group, via its subsidiary ALTESSE, were appointed by the Bobigny Commercial Court for the takeover of the jewelry brand AGATHA, in a 50/50 joint venture.

Other group companies with the same business activities have not acquired, during the period, any other financial participation.

c. Increase in Management share ownership

On December 31, 2022, management companies Ring 1, Ring 2, Ring 3 and Ring 4 were merged in Altastory S.A.S, the ultimate parent of Goldstory S.A.S.

As a result, management increased its share ownership to 21.9% on December 31, 2022 (compared to 15.0% before the operation) while converting its Management Package in Ordinary Shares. This operation was made only possible thanks to the quality of the relationship between the shareholders and the Management and the formidable performance of the Group over the past few years.

d. Employee Shareholding Fund ("FCPE")

In April 2023, the group launched a second operation of Employee Shareholding Fund ("FCPE") in which each employee, with a seniority of more than 3 months, can invest. The Group has offered to contribute to employees' investment up to 100% of €300. The operation was a success: 20% of our employees have contributed to the fund (> 1,200 people) for an average of approx. 1,000€/ pers.

Shares have been transferred to the employees in July 2023.

e. Strategic projects

The « Salesforce » project, initiated in the first quarter of calendar year 2018 to design a new platform for all the Group's e-commerce websites, was deployed with respect to our French brands Marc Orian and Histoire d'Or in FY20 and to our German brand, OroVivo in FY21. The project team remains actively engaged on the migration of the Italian platform planned for October 18, 2022.

The « Shine 2020 » project (ERP change to SAP and redesign of Group IT infrastructure), initiated in the first quarter of calendar year 2018, was launched in Germany as of October 1, 2020. The migration date for the France-Benelux and Italy scopes are not yet fixed.

We expect the projects mentioned above to continue to require significant internal and external resources until their completion. Certain employees have been fully dedicated to the project and isolated in a dedicated space. These people, some of whom have left an operational position, have been replaced.

3. Accounting policies and measurement methods

a. Accounting policies

On February 26, 2021, Altamir (and related entities) entered in THOM group's share capital and became the majority shareholder, by the way of three new holdings, Altastory S.A.S., Mstory S.A.S. and Goldstory S.A.S, which owns in fine 100% of Thom Group's share capital.

This takeover has led to the creation of a new Group, of which the ultimate parent Altastory S.A.S. closed its first consolidated financial statements on September 30, 2022, for a 20-month period from February 1, 2021, but with an operating activity of 19-month period as the takeover took place on February 26, 2021.

Like for Altastory S.A.S, Goldstory S.A.S first time consolidated financial statements were prepared for September 30, 2022 (20-month period).

Goldstory's consolidated financial statements for the 9-month period ended June 30, 2023 have been prepared in accordance with ANC 2020-01 (French Accounting Regulation Authority) of March 6, 2020 related to consolidated accounts.

b. Accounting principles

Generally accepted accounting principles, including the principle of prudence, that adhere to the following basic assumptions have been used for the financial statements:

- Going concern;
- Consistency of accounting policies and methods used from a year to another;
- Independency of accounting periods.

c. Consolidation methods

Legal consolidation of the group is at Altastory S.A.S. level. The group prepares, on a voluntary basis, its consolidated accounts at Goldstory S.A.S. level for financial communication purposes.

All of Thom Group's subsidiaries are fully consolidated.

The full consolidation method is applied to all subsidiaries over which the parent company exercises exclusive control. Exclusive control is presumed to exist when the parent company holds, either directly or indirectly, the majority of voting rights or appoints the majority of the members of the governing bodies of the subsidiary for two successive financial years or exercises dominant influence by virtue of a contract or clauses in the articles of association.

d. Measurement methods

Intangible Assets

Goodwill

In accordance with ANC 2020-01 regulation, goodwill is disclosed as a part of “Intangible Assets”.

“Goodwill depreciation and amortization” are now disclosed between “Operating income before depreciation and amortization of goodwill” and “Operating income after depreciation and amortization of goodwill”.

Upon initial consolidation of a newly acquired company, identifiable assets acquired, and liabilities assumed are re-measured and recorded at fair value. In the particular case of Thom Group, the net book values of business goodwill, leasehold rights, brands and, to a lesser extent, inventories and property, plant and equipment were adjusted to be accounted for at fair value.

The excess of the securities purchase price (net of acquisition costs) over the fair value of identifiable assets acquired and liabilities assumed at the acquisition date is recognized as goodwill.

Analysis and expert assessments may be carried out as necessary and goodwill may be adjusted accordingly within a period ending at the end of the financial year following the year of acquisition. Nevertheless, at the end of the year of acquisition, a temporary assessment must be performed for items whose estimate is sufficiently reliable.

Goodwill is recorded at cost less accumulated impairment losses. Impairment losses cannot be reversed.

Goodwill is subject to an annual impairment test based on the Group’s operational split into Cash Generating Units (CGUs). The annual impairment testing consists in determining the recoverable value of the CGUs to which the goodwill is allocated and comparing them with the net book value of the assets concerned. The recoverable value of a CGU is determined based on its fair market value or value-in-use. The fair market value is determined based on the 2-year average EBITDA, restated by a Covid adjustment, for which the methodology is documented in the Offering Memorandum for the €620 million Notes dated Avril 4, 2021, and multiplied by a transaction multiple, which reflects the acquisition value of the THOM Group in 2010 and of the current market multiple (method combining comparable transactions and comparable stock market multiples). Value-in-use is obtained via the Discounted Cash Flows method (DCF).

Brands

Brands are valued by discounting forecast royalties to perpetuity. This approach equates a brand’s value with the present value of theoretical royalties, net of tax and costs incurred in maintaining the brand. As such, royalties required to be paid for a brand’s use can be determined based on sales growth rates, which in turn depend on market outlook and royalty rates.

Only brands that are commercially viable have been valued.

Considering that the Group’s brands represent indefinite-life intangible assets, they are not amortized but are subject to an annual impairment test.

Leasehold rights

Only the portion of business goodwill that is subject to legal protection is recorded under leasehold rights. Any residual amount is recognized under goodwill.

Legally-protected leasehold rights are not amortized. This is the case in France where the lessee of a commercial lease is entitled to an almost unlimited number of lease renewals. Consequently, the useful life of leasehold rights is undefined and indefinite.

Leasehold rights are subject to an impairment test. The required impairment is the difference between the net book value in the consolidated accounts and the fair market value determined from the valuations carried out by experts.

Leasehold rights related to stores abroad are not considered to have enough legal protection to be recognized under intangible assets. Consequently, the full amount paid is recorded under goodwill.

Other intangible assets

Software is recognized at cost and amortized over periods ranging from one to five years, depending on its useful life.

Property, plant and equipment

Property, plant and equipment are measured at cost. Depreciation is calculated based on the estimated useful lives of different categories of assets, in accordance with the legislation in force (straight-line method).

Estimated useful lives are as follows:

- Fixtures and fittings: 5 to 7 years
- Sales equipment: 3 years
- Office equipment: 3 years
- Office furniture: 10 years
- IT equipment: 3 years
- Machinery: 5 years

Fixed assets held under finance leases are recognized in the consolidated financial statements as if they had been acquired through financing. The assets are recorded under fixed assets on the balance sheet and depreciated according to their expected useful lives. The lease obligations are recognized under financial debt. Lease rentals are split between debt repayments and financial interest.

Financial assets

Non-consolidated investments are recorded at cost. An impairment is recognized if their fair value falls below their purchase price.

Guarantee deposits granted to lessors are recorded under other financial assets on the consolidated balance sheet.

Inventories

Inventories are valued at actual acquisition costs when monitored on a unit basis and are valued under the weighted average cost method when monitored by reference. Actual cost and weighted average cost are both net of rebates as well as gold and US-dollar hedging costs (recorded when incurred).

Inventory depreciation is recorded based on losses observed on defective products during the fiscal year compared to the opening balance. The loss rates thus calculated, after deductions of re-invoicing to suppliers and / or the melting value of gold products, are applied to inventories at closing, according to their ageing. The weight of the stocks by age is also tested, the change in inventories of the highest age group (as a % of the total stock) is depreciated at 100%.

Depreciation of raw materials is recorded when the market price is lower than the purchase price.

Trade receivables and related accounts

Trade receivables are recorded at their nominal value. A provision for depreciation is recognized when their recoverable value is lower than their net book value. Recoverable value is measured based on the overdue amounts and the age of the receivables.

Prepaid expenses

Prepaid expenses mainly include rents, insurance premiums and leasehold rights. Lease rights paid to lessors when opening new stores in shopping centers are recognized in the income statement over the duration of the lease.

Loan-issuance fees, bond discounts and bond premiums

Loan issuance fees are capitalized and amortized on a straight-line basis over the loan duration, not on a prorate basis, according to ANC 2020-01 regulation.

When bonds are issued above par, the premium is recorded as a liability and progressively recognized as a financial income over the bond duration.

When bonds are issued below par, the premium is recorded as an asset and progressively recognized as a financial expense over the bond duration.

Marketable securities

Marketable securities are recognized at cost. An impairment is recognized when their market value falls below their acquisition cost.

Deferred tax

Deferred tax assets are disclosed in “Other receivables and adjustment accounts”’ and deferred tax liabilities are disclosed in “Other liabilities and adjustment accounts”’.

Deferred taxes are recorded according to the liability method on the temporary differences between the carrying amount and tax base of assets and liabilities. Deferred taxes are measured using the enacted tax rates at the closing date expected to apply to taxable income when the temporary differences are expected to reverse. Deferred tax assets are recognized for tax loss carry-forwards, but they are impaired if their recovery is not likely.

The Group considers brands as non-transferable independently of the activity, which justifies the non-recognition of deferred taxes on brands.

Provisions for risks and charges

Provisions for risks and charges are recognized for probable outflows of resources to third parties, without any benefit in return for the Group. They are estimated based on the most probable assumptions at the reporting date.

In April 2001, the Group launched a loyalty card scheme, which entitles customers to a voucher after five purchases. The voucher amounts to 10% of the total amount paid for the five purchases and can only be used for subsequent purchases.

In compliance with Opinion no. 2004-E issued on 13 October 2004 by the French National Accounting Board, the Group recognizes provisions for customers' vested rights from first purchase and loyalty card issuance. Vested rights are calculated from the issuance date of the loyalty card, based on the estimated probability that a voucher will be issued and used, and using the average value of vouchers adjusted to cost price.

Foreign currency transactions

They mainly relate to purchases in foreign currencies. These purchases are initially recorded at the actual spot rate at the time the transaction is made. Foreign currency gains or losses generated by the hedging instruments implemented by the Group are then included in the costs of goods purchased.

Unrealized forex gains and losses (assets and liabilities) are maintained on the balance sheet and respectively disclosed in "Other receivables and adjustment accounts" and "Other liabilities and adjustment accounts". Application of ANC 2020-01 being prospective, the three comparative columns for 31/03/2022 results were not amended.

Post-employment benefits

At retirement, the Group's employees in France receive an indemnity in accordance with the provisions of the watch-jewellery retail collective agreement. This commitment represents an off-balance sheet item. The corresponding costs are incurred in the salaries on the effective year of employee departure.

In Italy, the TFR (Trattamento di fine Rapporto) is based on a compulsory employer contribution of 7.4% of gross salary. The expenses and liabilities are recorded in the income statement and the balance sheet. A portion of the TFR can be allocated to funds. Subscription to these funds is voluntary. The contribution is shared between the employee and the company.

In Germany, post-employment benefits are based on a compulsory employer contribution of 9.3% of gross salary. The expenses and liabilities are recorded in the income statement and the balance sheet.

Non-recurring income and expenses

Non-recurring income and expenses represent items arising from events or transactions that are clearly distinct from the ordinary activities of the Group. They mainly include store pre-opening costs (staff costs, rents, fees) and the costs related to disposed or closed stores, except for changes in depreciation of leasehold rights that are recognized in operating income and expenses.

4. Consolidation scope

As of June 30, 2023, the Group consisted of the following companies:

Scope of consolidation						
Company	**Legal Form**	**Country**	**Control %**	**Interest %**	**Entry Date**	**Consolidation Method**
Goldstory	SAS	France	100.00%	100.00%	01/02/2021	Full Consolidation
Thom Group	SAS	France	100.00%	100.00%	26/02/2021	Full Consolidation
Thom	SAS	France	100.00%	100.00%	26/02/2021	Full Consolidation
Histoire d'Or Monaco	SARL (Monaco)	Monaco	99.94%	99.94%	26/02/2021	Full Consolidation
Histoire d'Or Belgium	SA (Belgium)	Belgium	99.99%	99.99%	26/02/2021	Full Consolidation
Thom Asia	Hong Kong Law	Hong-Kong	100.00%	100.00%	26/02/2021	Full Consolidation
Thom India	Indian Law	India	100.00%	100.00%	26/02/2021	Full Consolidation
OroVivo	AG	Germany	100.00%	100.00%	26/02/2021	Full Consolidation
Stroili Oro	S.p.A	Italy	100.00%	100.00%	26/02/2021	Full Consolidation
Histoire d'Or Luxembourg	SARL (Lux)	Luxembourg	100.00%	100.00%	26/02/2021	Full Consolidation
Thom Trade	SAS	France	100.00%	100.00%	26/02/2021	Full Consolidation
Thom Trade Italy	Srl	Italy	100.00%	100.00%	26/02/2021	Full Consolidation
Duo Mu Jewellery (China)	WOFE	China	100.00%	100.00%	26/02/2021	Full Consolidation
NewCo Sell Platform	SAS	France	65.02%	65.02%	24/03/2021	Full Consolidation
Popsell	SAS	France	65.02%	65.02%	11/06/2021	Full Consolidation
Venson Paris	SAS	France	100.00%	100.00%	31/08/2021	Full Consolidation
Agatha	SAS	France	100.00%	100.00%	01/10/2022	Full Consolidation
Agatha Spain	SL	Spain	100.00%	100.00%	01/10/2022	Full Consolidation
Agatha Asia	Ltd	Hong-Kong	100.00%	100.00%	01/10/2022	Full Consolidation
RLC China	WOFE	China	100.00%	100.00%	01/10/2022	Full Consolidation
Agatha Shanghai Distribution	WOFE	China	100.00%	100.00%	01/10/2022	Full Consolidation
Airport International	SA	Luxembourg	100.00%	100.00%	n.a.	Not consolidated

The annual closing date for all Group companies is September 30, except for Thom India (March 31) and Duo Mu Jewellery, Agatha Asia, Agatha Shanghai Distribution and RLC China (December 31) due to local legislation.

On December 16, 2022, Goldstory S.A.S, via its subsidiary THOM, purchased the remaining 50% shares of Agatha to Renaissance Luxury Group. Agatha SAS, Agatha Spain SL, Agatha Asia, RLC China and Agatha Shanghai Distribution are fully consolidated in the group account as of June 30, 2023 from October 1, 2022. The other Agatha's subsidiary (Airport International) is not consolidated due to its non-significance.

Investments in Economic Interest Groups (EIG) which manage shopping centers and over which the Group has no significant influence are disclosed under financial assets.

5. Comparability

Financial statements presented as of June 30, 2023, are not comparable with financial statements presented as of June 30, 2022 as we are comparing nine-month activity (October 2022 to June 2023) to seventeen-month activity (February 2021 to June 2022).

For more comparable results, we have added proforma information for eight-month (February to September 2021) and for nine-month (October 2021 to June 2022) in the income statement, the cash-flow and the EBITDA reconciliation.

6. Notes to the Balance Sheet

a. Intangible assets

Intangible assets							
In €m	Opening	Change in scope	Acquisition	Disposal	Reversal	Reclass.	Closing
Gross							
Goodwill	321,7	6,2	-	-	-	0,6	328,5
Leasehold rights	92,3	0,4	0,0	(0,1)	-	-	92,6
Brands	302,8	0,7	0,0	-	-	0,0	303,6
Software	27,5	0,1	0,9	(0,0)	-	0,1	28,6
Other	0,1	0,0	0,0	-	-	0,6	0,7
Intangible assets in progress	37,6	0,7	11,3	-	-	(0,6)	48,9
Gross intangible assets	**782,1**	**8,2**	**12,3**	**(0,2)**	**-**	**0,6**	**803,0**
Amortization and depreciation							
Goodwill	-	-	-	-	-	-	-
Leasehold rights	(1,8)	(0,0)	(0,0)	(0,0)	0,1	-	(1,8)
Brands	(0,3)	-	(0,0)	-	-	-	(0,3)
Software	(20,4)	(0,1)	(2,7)	0,0	-	-	(23,2)
Other	(0,1)	(0,0)	(0,1)	-	-	-	(0,3)
Intangible assets in progress	-	-	-	-	-	-	-
Amortization and depreciation	**(22,6)**	**(0,1)**	**(2,9)**	**0,0**	**0,1**	**-**	**(25,6)**
Net							
Goodwill	321,7	6,2	-	-	-	0,6	328,5
Leasehold rights	90,5	0,4	(0,0)	(0,2)	0,1	-	90,8
Brands	302,5	0,7	0,0	-	-	0,0	303,2
Software	7,1	0,0	(1,8)	-	-	0,1	5,4
Other	0,0	0,0	(0,1)	-	-	0,6	0,5
Intangible assets in progress	37,6	0,7	11,3	-	-	(0,6)	48,9
Net intangible assets	**759,4**	**8,1**	**9,4**	**(0,2)**	**0,1**	**0,6**	**777,3**

Note: As of June 30, 2023, goodwill amounted to €328.5 million in net book value (cf. note 6. b.). The increase compared to September 30, 2022 is mainly related to the acquisition of Agatha. The purchase price allocation for the goodwill has not yet been finalized and will be done before the end of the financial year.

Leasehold rights amounted to €90.8 million net book value and mainly related to stores in France. Leasehold rights were subject to impairment tests. The required impairment is the difference between the net book value in the consolidated accounts and the fair market value determined from the valuations carried out by experts (cf. note 3.c).

As of June 30, 2023, brands were recognized on the Group's balance sheet for €303.2 million net book value and mainly included: Histoire d'Or at €185.7 million, Stroili at €95.4 million, Marc Orian at €13.6 million, Orovivo at €7.7 million and Franco Gioielli at €1.1 million.

Each brand was subject to an annual impairment test. They were valued based on the discounted cash-flows method, i.e. by discounting forecast royalties to perpetuity (cf. note 3.c).

Some intangible assets such as business goodwill are not recognized as such on the balance sheet and are reclassified to goodwill.

The increase of €11.3 million in intangible assets in progress mainly related to the SAP (and all related sub-projects) and Salesforce projects. Salesforce was deployed in Italy and Agatha is in October 2022.

b. Goodwill

Goodwill						
In €m	**Opening**	**Change in scope**	**Acquisition**	**Disposal**	**Reclass.**	**Closing**
Gross						
France	245.3	6.2	-	-	(0.1)	251.5
Italy	38.9	-	-	-	0.6	39.6
RoE	37.5	-	-	-	-	37.5
Goodwill, gross	**321.7**	**6.2**	**-**	**-**	**0.6**	**328.5**
Amortization						
France	-	-	-	-	-	-
Italy	-	-	-	-	-	-
RoE	-	-	-	-	-	-
Amortization	**-**	**-**	**-**	**-**	**-**	**-**
Net						
France	245.3	6.2	-	-	(0.1)	251.5
Italy	38.9	-	-	-	0.6	39.6
RoE	37.5	-	-	-	-	37.5
Goodwill, net	**321.7**	**6.2**	**-**	**-**	**0.6**	**328.5**

Note: In accordance with article 231-11 of ANC 2020-01 regulation, goodwill is not amortized as the Group has qualified the goodwill utilization period as unlimited.

Goodwill are subject to an annual impairment test based on the Group's operational split into Cash Generating Units (CGUs). The annual impairment test consists in determining the recoverable amounts of the CGUs to which the goodwill is allocated and comparing them with the carrying amounts of the relevant assets. The recoverable value of an CGU is determined based on fair market value, which is obtained with the multiple valuation method (cf. note 3.c). Value-in-use is obtained via the Discounted Cash Flows method (DCF). No impairment loss was recognized as of September 30, 2022 as a result of the annual impairment tests.

The opening value of €321.7 million corresponds to goodwill related to the THOM Group acquisition on February 26, 2021 for €316 million, to the Popsell acquisition on June 11, 2021 for €5.5 millions and for the Timeway France acquisition on August 31, 2021 for €0.2 million.

Goodwill on THOM was calculated as follow:

In €m	Goodwill - THOM GROUP
Entreprise Value	**915.0**
Net financial debt and convertible bonds	(589.1)
Provisions	(7.2)
Equity Value	**318.7**
Net asset value	(283.7)
Excess Purchase Price	**602.4**
Recognised Brands	302.1
Leasehold (step-down)	(21.0)
Deferred taxes/ leasehold (step-down)	5.4
Goodwill after PPA	**315.8**

The €6.2 million change in scope during the period corresponds the acquisition of Agatha. The purchase price allocation for the goodwill has not yet been finalized and will be done before the end of the financial year.

c. Inventories

Inventories		
In €m	**30/06/2023**	**30/09/2022**
Raw materials and packaging inventories	39.5	31.8
Finished goods	265.9	240.7
Gross inventories	**305.4**	**272.5**
Depreciation	**(16.1)**	**(12.4)**
Net inventories	**289.3**	**260.1**

Note: Raw materials mainly include gold. The €8.6 million increase in raw material inventories during the period was mainly due to the sale of gold for coverage and cash protection purposes (€33.8 million euros gold inventory as of June 30, 2023 compared to €24.9 million euros as of September 30, 2022).

The Group is pursuing its optimized hedging costs policy (accelerated in 2021) by favouring the stock building of physical gold collected in its stores (clients can sell gold in stores in exchange of cash or voucher), rather than market swaps (cf. Off Balance Sheet commitments).

Thom S.A.S. net inventories as of June 30, 2023 amounted to €121.8 million. Stroili Oro's and Orovivo's net inventories as of June 30, 2023 were €106.4 million and €13.3 million respectively. The inventories for our wholesale activity represent a net amount of €14.2 million.

Finished goods are mainly located in stores. The increase in finished goods inventories of €25.2 million over the nine-month period ended June 30, 2023 was mainly explained by the building of a security stock for our best-selling products, by the increase of products range width (new references) mainly in Italy and by the consolidation of Agatha for €4.2 million.

Finished goods depreciation is recorded based on losses on defective and unsold products of the year, compared to the previous year's inventories. This depreciation is completed by a test on the weights of slow-moving items. Raw materials depreciation is recorded based on the variation of gold prices.

d. Shareholders' equity

Equity In €m	Share capital	Share premium	Consolidated reserves	Net income	Currency translation reserves	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Equity at 30 September 2021	**3.6**	**195.7**	**(0.0)**	**88.6**	**0.1**	**288.0**	**3.3**	**291.2**
Increase in share capital	0.0	-	0.0	-	-	0.0	-	0.0
Change in perimeter - Entry	(0.0)	-	(1.3)	-	-	(1.3)	-	(1.3)
Allocation of net income	-	-	88.6	(88.6)	-	-	-	-
Dividend distribution (Restricted Group)	-	(9.1)	(15.9)	-	-	(25.0)	(0.0)	(25.0)
Net income for the year	-	-	-	59.8	-	59.8	(0.1)	59.7
Currency translation adjustment	(0.0)	-	-	0.0	0.1	0.1	-	0.1
Equity at 31 June 2023	**3.6**	**186.6**	**71.4**	**59.8**	**0.2**	**321.6**	**3.1**	**324.7**

Note: The share capital is divided into 359,880,999 ordinary shares of €0.01 each.

e. Financial debt

Financial debt In €m	Less than one year	1 to 5 years	More than 5 years	30/06/2023	30/09/2022
Principal	-	620.0	-	620.0	620.0
Accrued interest	8.0	-	-	8.0	2.8
Senior Secured Notes ("High Yield Debt")	**8.0**	**620.0**	**-**	**628.0**	**622.8**
RCF	30.0	-	-	30.0	22.0
Other financial debt ("PGE")	-	4.6	-	4.6	-
Accrued interest, accrued commitment fees	0.2	-	-	0.2	0.1
Bank loans	**30.2**	**4.6**	**-**	**34.8**	**22.1**
Bank overdrafts	**-**	**-**	**-**	**-**	**11.5**
Debt on finance leases	0.4	0.4	-	0.9	0.7
Tax integration debt (Altastory)	23.0	-	-	23.0	9.0
Shareholder loan (Altastory)	5.4	-	-	5.4	0.0
Other financial debt	**28.8**	**0.4**	**-**	**29.3**	**9.7**
	-	-	-	-	-
Total financial debt	**66.9**	**625.0**	**-**	**692.0**	**666.2**

Senior Secured Notes ("High Yield")

On February 26, 2021, Goldstory S.A.S. financed the acquisition of THOM by the issuance of high yield notes, with a maturity date on March 1, 2026, for a total amount of €620 million divided between €370 million aggregate principal amount of fixed rate 5.375% senior secured notes and €250 million aggregate principal amount of floating rate notes (with a margin of EURIBOR plus 550bps) (collectively, the "Notes").

As of June 30, 2023, accrued interest on senior secured notes amount to €8.0 million.

Bank loans

In addition to the Notes, a revolving credit facility ("RCF") of €90.0 million is available for a period of 4.5 years, that is a due date on September 1, 2025, bearing interest at 2.75% margin plus EURIBOR (with a 0% floor) for the drawn amount and 30% of the same rate for the undrawn amount.

Under the terms of the RCF, in certain circumstances, Goldstory must maintain a leverage ratio (Financial net debt/ Reported EBITDA) below 7.2x. Under certain circumstances, deleveraging of the Group will reduce the applicable margin (subject to a minimum of 2.75%).

As of June 30, 2023, this credit line, was drawn for €30.0 million euros.

State guaranteed loans ("PGE") correspond to loans granted to Agatha during the Covid-19 pandemic.

Other financial debt

Other financial debt mainly corresponds to tax integration current account with Altastory, following the change in tax integration group and to a shareholder loan with Altastory.

f. Other liabilities and adjustment accounts

Other liabilities and adjustement accounts		
In €m	**30/06/2023**	**30/09/2022**
Profit-sharing reserve	**2.9**	**2.1**
Deferred tax liabilities	**4.7**	**4.2**
Payroll liabilities	33.9	31.5
Social security contributions	23.6	18.6
TFR	2.2	2.3
Employee profit-sharing	6.5	10.3
VAT	17.1	13.8
Income tax	10.0	5.4
Other taxes and duties	10.1	7.1
Payroll & tax payables	**103.4**	**88.8**
Fixed asset payables	**13.8**	**13.6**
Other miscellaneous liabilities	**11.6**	**9.0**
Prepaid income	**2.1**	**1.9**
Total other liabilities and adjustement accounts	**138.6**	**119.5**

Employee profit-sharing reserve

The employee profit-sharing reserve is the amount placed by employees in locked current account. The account bears interest at the average rate of yield of bonds in private companies increased by 1 percentage point. The management of employee profit-sharing is outsourced to Amundi.

7. Notes to the income statement

All tables from the income statement below are comparing nine-month results as of June 30, 2023 to seventeen-month results as of June 30, 2022 (of which sixteen-month activity). For more comparable results, proforma information eight-month (February to September 2021) and nine-month (October 2021 to June 2022) are added to each table.

a. Sales

Sales	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
France	460.6	431.5	207.7	639.2
Foreign	285.7	246.9	150.4	397.3
Sales to affiliates	7.7	9.4	2.8	12.2
Stores sales	**754.0**	**687.7**	**361.0**	**1 048.7**
Sales of precious metals	37.3	34.6	26.0	60.6
Invoicing to suppliers	1.1	1.0	0.5	1.5
Purchasing & logistics services	0.3	0.3	0.2	0.5
Other income	0.9	0.3	0.3	0.6
Other sales	**39.6**	**36.2**	**27.0**	**63.2**
Total sales	**793.6**	**723.9**	**388.0**	**1 111.9**

Note: Thom S.A.S. and Stroili Oro S.p.A.'s contribution to sales of precious metals amounted respectively to €17.4 and to €19.9 million in the nine-month period ended June 30, 2023.

The decrease in sales to affiliates for €1.7 million is due to a mainly due to a large volume of returned goods in the nine-month period ended June 30, 2023.

b. Other operating income

Other operating income	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
Income from insurance for theft of merchandise	0.1	0.1	0.1	0.2
Income from insurance for destruction of goods	0.0	0.1	0.1	0.2
Reinvoicing of training costs	0.1	0.1	0.0	0.1
Royalty from franchise	1.0	0.9	0.4	1.2
French Solidarity Fund Subsidy	-	-	10.6	10.6
Other	3.9	3.6	2.9	6.5
Total other operating income	**5.1**	**4.8**	**14.1**	**18.9**

Note: As of June 30, 2022, subsidies from the Governments during the Covid-19 pandemic corresponded to Fixed Cost Coverage Plan and French Solidarity Fund in France for respectively €10.0 and €0.4 million on Thom S.A.S. and €0.2 million for Timeway France.

c. Costs of goods sold

Costs of goods sold	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
Purchase of raw materials	(61.5)	(39.2)	(36.7)	(75.9)
Change in inventories - raw materials	7.0	(10.2)	8.3	(1.9)
COGS - Raw materials	**(54.5)**	**(49.4)**	**(28.4)**	**(77.8)**
Purchase of finished goods	(236.5)	(230.4)	(90.0)	(320.4)
Change in inventories - finished goods	20.4	31.3	(24.0)	7.3
COGS - Finished Goods	**(216.1)**	**(199.1)**	**(114.0)**	**(313.1)**
Total costs of goods sold	**(270.6)**	**(248.5)**	**(142.4)**	**(390.9)**

Note: Compared to the nine-month period ended June 30, 2022, the €22.1 million increase in costs of goods sold was in line with the increase in sales.

d. Personnel expenses

Personnel expenses	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
Wages and salaries	(142.7)	(126.9)	(73.4)	(200.3)
Social security charges	(43.4)	(41.5)	(22.4)	(63.9)
Employee profit-sharing	(7.8)	(9.5)	(3.5)	(13.0)
Total personnel expenses	**(193.9)**	**(177.9)**	**(99.3)**	**(277.2)**

Note: Compared to the nine-month period ended June 30, 2022, the €16 million increase in personnel expenses was mainly explained by the acquisition of Agatha for €9.1m and by the return to a normative pre covid level of staff expenses.

Employee profit-sharing includes social contribution.

e. Other operating expenses

Other operating expenses	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
Utilities and other supplies	(10.8)	(4.0)	(2.3)	(6.3)
Real property leases	(68.6)	(63.2)	(47.4)	(110.5)
Expenses related to real property leases	(10.4)	(8.4)	(5.7)	(14.2)
Advertising	(27.3)	(21.7)	(9.8)	(31.5)
Transport	(7.7)	(6.7)	(4.6)	(11.4)
Insurance	(1.1)	(1.3)	(1.0)	(2.3)
Maintenance	(4.9)	(4.5)	(2.8)	(7.2)
Consultancy fees	(13.3)	(8.3)	(5.4)	(13.7)
Bank fees	(3.4)	(3.2)	(1.4)	(4.6)
Information system and technology	(5.2)	(4.3)	(2.7)	(7.0)
Telecommunication and network expenses	(3.1)	(2.9)	(2.1)	(5.0)
Travel, accommodation and courtesy costs	(4.4)	(2.9)	(1.1)	(4.0)
Other	(10.7)	(11.9)	(7.7)	(19.6)
Total Other operating expenses	**(170.9)**	**(143.3)**	**(93.9)**	**(237.2)**

Note Other costs totalling €10.7 million mainly include the cost of temporary workers, the lease costs of company cars and other miscellaneous charges.

Compared to the nine-month period ended June 30, 2022, the €27.6 million increase in other operating expenses was mainly explained by (i) the acquisition of Agatha for €11.3 million, by (ii) the new communications campaigns in France, Italy and Germany for €3.4, by (iii) the inflation on energy, by (iv) the increase of rent expenses for €4.6 million and by (v) the return to a normative pre covid level for other operating expenses.

f. Financial income and expenses

Financial income and expenses	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
Interest on Senior Secured Notes ("High Yield")	(26.3)	(25.3)	(22.2)	(47.6)
Interest on bank loan and Revolving Credit Facility	(1.4)	(0.7)	(1.1)	(1.8)
Amortization of bond redemption premium	-	-	(2.8)	(2.8)
Financial expenses for customer deferred payments	(0.8)	(0.7)	(0.3)	(1.0)
Foreign currency exchange	(0.2)	(0.2)	(0.3)	(0.6)
Other	(0.6)	(0.2)	(0.9)	(1.1)
Financial income (expense)	**(29.4)**	**(27.2)**	**(27.6)**	**(54.8)**

Note: Interest on Senior Secured Notes amount to €26.3 million for the nine-month period ended June 30, 2023.

As of June 30, 2022, the amortization of bond redemption premium for €2.8 million corresponded to the full amortization of the remaining bond redemption premium in relation with the reimbursement of the TLB on February 26, 2021.

g. Non-recurring income and expenses

Non-recurring income and expenses		01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m					
Pre-opening costs	(1)	(1.6)	(0.7)	(0.9)	(1.6)
Tax and payroll-related adjustments and commercial litigations		-	-	-	-
Other income and expenses	(2)	(4.2)	10.1	(0.5)	9.6
Non-recurring gain (loss) on operations		**(5.8)**	**9.4**	**(1.3)**	**8.1**
Income from disposal of leasehold rights (and equivalents)		0.5	0.1	0.2	0.3
Net book values of disposed fixed assets	(3)	(1.5)	(0.9)	(0.9)	(1.7)
Non-recurring amortization, depreciation and provisions	(4)	-	-	(4.4)	(4.4)
Non-recurring gain (loss) on disposal of fixed assets		**(1.0)**	**(0.8)**	**(5.0)**	**(5.8)**
Total non-recurring income & expenses		**(6.8)**	**8.6**	**(6.4)**	**2.2**

(1) Pre-opening costs of €1.6 million are costs incurred for the opening of new stores or for the refurbishment of existing stores when the refurbishment involves the closure of a store for an extended period. These expenses mostly include rents, staff costs and fees.

(2) Other income and expenses for a net expense amount to €4.2 million expenses in the nine-month period ended June 30, 2023, compared to a net income of €10.1 million in the nine-month period ended June 30, 2022. The €14.3 million decrease is mainly due to the income received in the nine-month period ended June 30, 2022 compared to none in the nine-month period ended June 30, 2023, that is, (i) a €4.1 million credit notes for rents received from landlords in France and Italy and related to lockdown periods in the previous financial year, (ii) a €3.8 million subsidy for Real Estate Rents received from the French government and (iii) a €3.0 million subsidy received from the German government to support companies who suffered during 2021 Covid-19 pandemic. In addition, there are some non-recurring expenses in the nine-month period ended June 30, 2023, compared to none in the nine-month period ended June

30, 2022, that is, (i) a €1.2 million inventory write-off mainly in Agatha for pre-acquisition inventory that were destroyed, (ii) €1.0 million consulting fees and indemnities paid for a tax control in Italy, (iii) a €0.6 million of severance payments, (v) €0.6 million for development costs for Agatha China and (vi) €2.4 million of other non-recurring expenses.

(3) The net book value of disposed fixed assets mainly includes the disposal of goodwill, leasehold rights and facilities of closed stores, as well as disposal of fixed assets following store refurbishments.

(4) The non-recurring amortization for €4.4 million as of June 30, 2022 corresponded to the extraordinary amortization of issuance borrowing costs related to the TLB reimbursed on February 26, 2021.

h. Income tax expense

Income tax	01/10/22 - 30/06/2023 9-month	01/10/21 - 30/06/2022 9-month	01/02/21 - 30/09/21 8-month	01/02/21 - 30/06/22 17-month
In €m				
Current income tax	(32.7)	(36.2)	(8.6)	(44.8)
Deferred income tax	(3.4)	(1.0)	(1.1)	(2.1)
Total income tax	**(36.1)**	**(37.2)**	**(9.7)**	**(46.9)**

Note: The decrease in net income tax expense of €1.1m between nine-month period ended June 30, 2023 and nine-month period ended June 30, 2022 is detailed as follows:

- The net income tax expense recognized by the tax group for French companies amounted to a €25.5 million expense compared to a €30.6 million expense in the nine-month period ended June 30, 2022. The decrease of €5.0 million is explained by the decrease in profit before tax by €11.6 million, for the tax group, compared to the nine-month ended June 30, 2022, as the cost structure is back to a normative pre covid level in the nine-month period ended June 30, 2023.
- The net income tax expense recognized by foreign subsidiaries, or by recently acquired French subsidiaries not yet integrated in the French tax group, amounted to an expense of €10.5 million (mainly Italy for €9.1 million and Belgium €1.5 million) compared to a €6.6 million expense in the previous fiscal year.

8. Other information

a) Subsequent events

Employee Shareholding Fund (“FCPE”)

In April 2023, the group launched a second operation of Employee Shareholding Fund (“FCPE”) in which each employee, with a seniority of more than 3 months, can invest. The Group has offered to contribute to employees’ investment up to 100% of €300. The operation was a success: 20% of our employees have contributed to the fund (> 1,200 people) for an average of approx. 1,000€/ pers. Shares havebeen transferred to the employees in July 2023.

b) Off-balance sheet commitments

i) Post-employment benefits (France)

Post-employment benefits are calculated once a year. As of June 30, 2023, post-employment benefits in France were off-balance sheet and amounted to €1.2 million. The main actuarial assumptions are as follow as of September 30, 2022:

- Discount rate: 3.74% (vs. 0.98% as of September 2021)
- Salary increases rate: 2.5% (similar as of September 2021)
- Calculation of employee turnover by socio-professional category based on historical data at each entity
- INSEE mortality table 2013-2015

ii) Pledges

Pledges listed below are granted for the benefit of the noteholders under the Notes and the banks under the new RCF agreement:

- Pledge over Thom Group S.A.S shares held by Goldstory S.A.S;
- Pledge over the material bank accounts of Goldstory S.A.S.;
- Pledge over receivables above a specified threshold arising under certain intragroup loans (proceeds loan and cash pool) between Goldstory S.A.S. and any member of the Group;
- Pledge over THOM S.A.S. shares held by Thom Group S.A.S.;
- Pledge over the material bank accounts of Thom Group S.A.S.;
- Pledge over receivables above a specified threshold arising under certain intragroup loans (proceeds loan and cash pool) between Thom Group S.A.S. and any member of the Group;
- Pledge over Stroili Oro S.p.A. shares held by THOM S.A.S.;
- Pledge over the material bank accounts of THOM S.A.S.;
- Pledge over receivables above a specified threshold arising under certain intragroup loans (proceeds loan and cash pool) between THOM S.A.S and any member of the Group;
- Pledge over material trademarks (Histoire d’Or and Marc Orian) of THOM S.A.S.;
- Pledge over material bank accounts of Stroili Oro S.p.A.;

- Pledge over receivables above a specified threshold arising under certain intragroup loans between Stroili Oro S.p.A. and any member of the Group.

iii) Hedges

Due to its activity, the Group is exposed to changes in foreign exchange rate (USD/EUR), gold price and EURIBOR interest rates in respect of its floating rate senior secured notes and any drawings under its new RCF. These changes may negatively impact the Group's earnings and financial statements. The Group follows a centrally administered risk management policy and uses various derivative financial instruments to hedge its exposure to these risks. Counterparties are selected based on their international ratings as well as for diversification purposes.

As of June 30, 2023, the fair values of these instruments were as follows:

	30/06/2023			30/09/2022		
In €m	**Fair Value**	**On B/S**	**Off B/S**	**Fair Value**	**On B/S**	**Off B/S**
Currency hedge USD/EUR	0.2	-	0.2	9.7	-	9.7
Gold price hedge	0.1	-	0.1	(1.4)	-	(1.4)
Euribor hedge	18.4	0.8	17.6	18.3	0.9	17.5
Total	**18.6**	**0.8**	**17.9**	**26.7**	**0.9**	**25.8**

Euribor hedge, related to the floating rate senior secured notes (FRN) and to the RCF, refinanced in February 2021, for a total of €17.6 million as of June 30, 2023, is at Goldstory S.A.S level. The nominal covered is €188.0 million. Out of €18.4 million Euribor hedge, €0.8 million corresponds to the premium paid for caps for used hedging EURIBOR interest rates related to the FRN and RCF, that have been recognized on balance sheet and amortized over the duration of the contracts.

Currency hedge

A significant portion of the Group companies' purchases are denominated in USD. The EUR/USD exchange rate risk is hedged by currency forwards and structured products. As of June 30, 2023, the Group's long positions aggregated to $38.1 million (compared to $118.3 million as of September 30, 2022), hedging nearly all its forecasted USD-denominated payment needs up to the end of the next two fiscal years. This hedging strategy to cover 2 years has been decided by the Group due to the strong appreciation of USD against EUR.

Currency hedge (purchase of USD against EUR)		
In USD million	**30/06/2023**	**30/09/2022**
Collar		
Notional amount in USD	**14.3**	**83.3**
Expiry:		
- due within one year	*10.8*	*52.0*
- due in more than one year	*3.5*	*31.3*
Forward contracts		
Notional amount in USD	**23.8**	**35.0**
Expiry:		
- due within one year	*19.1*	*10.0*
- due in more than one year	*4.8*	*25.0*

Gold price hedge

The Group purchases products containing gold at a minimum quantity of 3,300 ounces of gold per month. Gold price fluctuation risk is covered by swaps as well as physical gold stock.

As of June 30, 2023, the Group is covered by physical gold held in inventory of approximately 19,521 ounces which amounted to a value of €33.8 million as of June 30, 2023. The group has agreements with foundries, if needed, to invest in additional physical gold inventory in case gold fixing was to deteriorate.

Gold price hedge		
In ounces	**30/06/2023**	**30/09/2022**
Synthetic calls		
Hedged quantity (ounces)	**1 350**	**10 200**
- Purchases against EUR	*1 350*	*10 200*
- Purchased against USD	-	-
Expiry:		
- due within one year	*1 350*	*10 200*
- due between one and two years	-	-

EURIBOR interest rate hedge

EURIBOR interest rate risk related to the FRN is hedged through interest rate caps. The FRN and the new RCF being underwritten by Goldstory S.A.S., the EURIBOR interest rate hedge is contracted at that level.

iv) Commitments received

As of June 30, 2023, the Group has an RCF line of €90.0 million, drawn for €30.0 million, as well as 7 bank facilities for a total of €34.0 million.

v) Commitments given

Other commitments given by Goldstory S.A.S. as of June 30, 2023:

- Corporate guarantee given to the COFACE (French credit insurance) on behalf of its subsidiaries for a total amount of €6.0 million.

Other commitments given by THOM Group S.A.S. as of June 30, 2023:

- Bank guarantees to lessors and suppliers for a total amount of €0.6 million.

Other commitments given by THOM S.A.S. as of June 30, 2023:

- Bank guarantees in favour of lessors for a total of €2.5 million

Commitments given by Histoire d'Or Belgium as of June 30, 2023:

- Bank guarantees in favour of lessors for a total of €1.0 million.

Commitments given by Stroili Oro S.p.A. as of June 30,2023:

- Bank guarantees in favour of lessors for €11.3 million.

Commitments given by OroVivo AG as of as of June 30, 2023:

- Bank guarantees in favour of lessors for €1.4 million.

Commitments given by Agatha SAS as of as of June 30, 2023:

- Bank guarantees in favour of lessors for €0.5 million.

All bank guarantees are either collateral security or guarantee on first demand.

[[DMS:5608834v3:03/29/2021--12:29 PM]]