2CRSI

Universal Registration Document

2019-2020

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The universal record document was approved on 31/08/2020 by the AMF, in its capacity as authority capacitated to deal with the matter under regulation (EU) 2017/1129.

The AMF approves this document after having verified that the information it contains is complete, coherent and understandable. The universal record document bears the following approval number: R.20-019.

This approval should not be considered as a favourable opinion on the issuer who is the subject of the universal record document.

The universal record document may be used for the purposes of a public offer of financial securities or for the admission of public securities to negotiation on a regulated market if it is accompanied by an offering circular or, where applicable, a summary and the supplementary document(s) appertaining to it. The ensemble thus formed is approved by the AMF in accordance with regulation (EU) 2017/1129.

It is valid until 30 August 2021 and, during that period and at the latest at the same time as the offering circular and under the conditions of article 10 and 23 of regulation (EU) 2017/1129, must be completed by a supplementary document to the universal record document in the case of new significant events or of major errors or inexactitudes.

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1.1. GENERAL OVERVIEW OF THE GROUP

Created in Strasbourg in 2005 by Alain and Michel Wilmouth, 2CRSi has become an international benchmark group in design, manufacturing and marketing of ultra-high-performance IT servers that are tailor-made and respectful of the environment.

2CRSi is the acronym for the French words for Advice, Design, Research and IT Services, which are the 4 pillars of our savoir-faire and our innovations.

In the age of the cloud, of big data, of blockchains and of artificial intelligence, our IT servers support the financial world's biggest players (CGG, OVH, Blade, Free, Caltech etc.), providing them with the computing power they need to grow.

We make the difference with our technological solutions that combine power with energy economy. The latter characteristic is at the heart of our DNA: we designed all of our solutions with the aim of providing specific responses to our customers' financial and ecological challenges.

Our latest generation of immersion servers therefore reduces electrical consumption by 40 to 60% compared to equivalent traditional systems. This strong commitment to "Green IT" is a major competitive advantage for our customers, whose energy consumption may represent up to about 40% of their server use costs.

Over the past two years, we have extended our activities by acquiring Tranquil PC (rugged products, edge computing) and creating Green Data (housing, rental of computing power under the Green Computing brand). We have entered a new stage in 2019 with our acquisition of Boston Limited. This international Group of British origin is a worldwide benchmark in the integration and marketing of IT equipment that benefits from the most advanced technologies on the market. In addition to the considerable enlargement of our positions abroad thanks to Boston Limited, we are benefiting from strong commercial synergies and significant economies of scale.

Over the course of the 2019/2020 financial year, the Group achieved a pro forma turnover of 141.1 million euros.

At the end of February, it has 355 employees, and its offer of innovative solutions (computing, storage and network) is distributed in more than 45 countries throughout the world.

Six strong brands:

2CRSi: designer and manufacturer of high-performance servers based on R&D expertise and an OCP approach (Open Compute Project, a community advocating sharing of hardware knowledge). The solutions offered are particularly appreciated for their capacity to reduce customers' OPEX costs by up to 25% and their CAPEX costs by 40%. Our technical know-how is concentrated in France, in Strasbourg. Manufacturing can be carried out locally at one of the Group's sites.

Tranquil PC: manufacturer of rugged servers and of on-board computers with low energy consumption. The entire production chain is internalised (R&D, manufacturing, tests), as a sign of quality. The products are top of the range and the company has the capacity to develop tailor-made products.

Boston Limited: value-added distributor offering a wide range of server/storage/workstation solutions. Boston Limited offers complete product personalisation as well as all-in-one solutions bringing different technologies together. Boston Limited has been a Supermicro premium partner for over 20 years.

Escape Technology: re-seller of IT solutions dedicated to the graphics creation, cinema and special effects sector.

BIOS IT: activity in advising and integration with an expertise particularly well developed in sectors requiring high-performance computing (HPC) such as finance, artificial intelligence, deep learning, research centres or cloud services.

Green Computing: rental and housing of ecological computing power, bare metal offer, HPC as a Service. The society operates two data centres in France: one in Nanterre and the other in Sophia Antipolis.

The synergy of these six brands meets the most specific and most demanding needs of customers and users, including data centres, publishers of independent software, distributors and other companies in need of reliable, high-quality, high-performance IT solutions that also economise on energy.

The Group's success is based on solid experience in research and development, with know-how combining megatronics, electronics, thermodynamics and software genius. These internal skills allow us to develop our own products and technologies. Our ecosystem of key international technological partners such as Intel®, AMD, Western Digital®, Supermicro®, allied with experts such as Submer, GRC, Open IO, Vcinity, Kalray, NVIDIA®, allows us to provide specially-aimed solutions, even tailor-made ones, for our customers throughout the world.

Ergonomics is the ultimate level of a smart approach that is near to our hearts and serves the needs of our customers, the work of whose technicians is greatly facilitated.

Today, we are reducing energy consumption. Tomorrow, we will recycle heat by reusing it. The day after tomorrow, we want to produce electricity, so using heat as an alternative energy source for other uses.

1.2. 2CRSi

UNIQUE TECHNOLOGICAL KNOW-HOW

THAT ALLOWS US TO CREATE INNOVATIVE AND HIGH-PERFORMING SOLUTIONS

Our value proposal is to offer high-performance products and services at reduced use costs to ensure a quicker return on investment for all our customers.

Our innovations are founded on our R&D culture (integrated department made up of 30 people) and our agnostic approach.

We therefore work with all manufacturers of processors (Intel® Corporation, ARM...), of professional graphics cards (Nvidia® Corporation, AMD, etc.), of electronic cards (ASUS®, Gigabyte® Technology Co., Ltd, SuperMicro® Computer, Inc., etc.) and of storage products (Western Digital®, Seagate® Technology PLC, Toshiba Corporation, Intel® Corporation, Samsung®), selecting, depending on customer needs, the best possible combination, and redesigning the final solution.

THE ABILITY TO OFFER TAILOR-MADE SOLUTIONS

The Group offers unique solutions specially examined to be able to meet the needs of demanding customers and at the cutting edge of the technology on their markets. This “tailor-made” service is a competitive advantage for the Group in relation to the market leaders because it has the agility and flexibility required to imagine the best solution for the customer. In particular, the group has provided the Saagie company, a big data platform, with a personalised version of the OpenBlade™ that allows a flexible and extremely fast deployment of smart professional applications.

This ability to adapt is based on technical knowledge of the software that allows the Group to design well-suited hardware. The Group’s many partnerships offer its engineers the opportunity to benefit from state-of-the-art training programs on applications that facilitate their analysis of customers’ problems.

FLEXIBILITY AND AVAILABILITY TO LISTEN TO CUSTOMERS’ NEEDS

The reactivity of 2CRSi and its proximity to the main builders of components make it possible rapidly to integrate new technologies into the products and to shorten time-to-market in order to offer products that are unique on the market. With the capacity to implement production lines for small and large series, 2CRSi moreover brings industrial dimension to its approach, thereby providing solutions suited to the needs of its small and large customers.

For each project, a dedicated team is established, which follows and advises the customer throughout the duration of the project.

COMMITMENT TO THE OPEN COMPUTE PROJECT (https://www.opencompute.org/about)

Since 2018, 2CRSi has been a Platinum member of the Open Compute Project. At the heart of this community, collective intelligence is put to use to redefine computing infrastructure solutions. With a view to performance and effectiveness.

In this vein was born OCtoPus, our bestseller platform for 21’’ servers.

OCtoPus mutualises cooling and electronic supply systems, allowing the reduction by about 23% of the energy consumption of air-cooled servers in relation to classic servers. The number of certain components (fans, switches) is reduced, and the cabling redefined in order to be simplified, etc.

COMMITMENT TO GREEN IT

The question of energy, and more specifically of the cooling of data centres, is a true challenge because the global market for cooling systems for data centres is experiencing annual growth of 15%, which could bring the world market to 14 million US dollars between now and 2021.

This is why 2CRSi became committed very early to designing eco-responsible solutions.

Thanks to our 3 cooling technologies (air, liquid cooling and immersion), we are dedicated to reducing energy consumption at all life stages of the product.

We offer solutions to optimise the overall acquisition costs of our products. As an example, in the United States, energy costs linked mainly to server energy consumption represent between 30 and 42% of the operational costs of a data centre and the costs for operation and maintenance between 43 and 50% of the total operational costs. To deal with these customer issues, we provide innovative solutions making it possible to minimise these two expense items, in particular by electronic and mechanical design as well as in the choice of components and their organisation.

In the solution developed by Shadow PC (service developed by the Blade company - premier European player in cloud gaming), 2CRSi has been able to offer a solution that provides a reduction in energy consumption of around 23% in relation to standard competing solutions. This performance was achieved in particular by reducing the number of fans by at least one per server. Moreover, in the same product range, maintenance is facilitated thanks to a front-facing cabling solution (in cool corridors) and no-equipment interventions.

In total, 2CRSi is thus able to offer its clients the best performances according to the technical, economical and energetic criteria required.

INDUSTRY KNOW-HOW ALLOWING THE IMPLEMENTATION OF KEY-IN-HAND SOLUTIONS

Initially a company offering advice on and design of IT solutions, 2CRSi has developed is industrial toolbox in France from 2010 (in Strasbourg) then in the United States, in San Jose (California) from 2016.

Our strength is our ability to continue adapting to the creation of series both small and large.

Moreover, 2CRSi is one of the rare actors on the market to offer customers, in an industrial-scale manner, the opportunity to integrate their own software or technology at the heart of the products developed and/or to allow them to place their name on a product developed by 2CRSi.

Our industry know-how allows us to offer customers an ensemble of complementary services and to deliver key-in-man infrastructures, in particular by offering:

- assembly and testing at the Group's sites,
- assistance with certification by third-party organisations (APAVE, Bureau Veritas, etc.),
- disassembly, packaging and shipping,
- establishment of the entirety of the technical and administrative documentation (including customs documentation),
- installation and testing on the customer's or user's site,
- short- or long-term rental of the materials, and
- maintenance on the customer's or user's site.

The diversity of this offer allows the group, on a permanent basis, to meet customers' specific needs in an effective and tailored way and to stand out from its competitors.

ACCREDITATION OF SUPPLIERS

- DataCore
  - 4 sellers and 4 certified technical experts
- BeeGFS
  - 2 certified experts in systems engineer training
- BRIGHT COMPUTING
  - 1 certified expert
- INTEL®
  - HPC Data Centre Specialist
  - Technology Provider Platinum Partner
- OCP
  - Platinum Member
- WESTERN DIGITAL®
  - myWD Diamond Partner
- AMD
  - EPYC Partner Program Elite
- NVIDIA®
  - Visualization Technical Curriculum (2020)

4 certified technical experts

- Compute DGX Technical Curriculum (2020)

1 certified technical expert

- Visualization Sales Curriculum (2020)

2 certified sellers

- Compute DGX Sales Curriculum (2020)

2 certified sellers

- Compute Sales Curriculum (2020)

4 certified sellers

THE 2CRSI OFFER EXTENDS AROUND STORAGE AND COMPUTING SOLUTIONS.

- **ULYS**
  - Data Storage solutions
    - High Performance Servers (High Availability Data Storage Servers, Clusters)
    - JBOD,
    - JBOF (All Flash Storage)
    - NVMe SSD
    - NVMe-over-Fabric (Solution: Composable Infrastructure)
    - Data Storage Platforms, Software Defined Solution (SDS)
    - Interconnectivity capacity for Ultra Low Latency and IOPS (Performance, Bandwidth)

- **CLOE**
  - 19'' multi-CPU, multi-GPU computing servers specially adapted to the needs of artificial intelligence
    Interconnectivity capacity for Ultra Low Latency and IOPS (Performance, Bandwidth)

- **ATLANTIS**
  - 19'' immersion-cooled servers with integrated power supply

- **ATLAS**
  - 21'' servers that can be air- or immersion-cooled

Immersion cooling offers data centres the opportunity to deploy faster in special areas such as city centres.

This resolves the latency constraints linked to the distances and restrictions of today's computing requirements.

- **GODI**
  - 21'' and 19'' computing servers that support PCIe accelerators

- **OCtoPus**
  - 21'' servers using the OCP standard without integrated power supply

The OCtoPus infrastructure solution is an autonomous and evolving ecosystem, optimised for high-performance computing on a large scale. It meets the high expectations of applications such as simulation, artificial intelligence, deep learning but also power allocation infrastructure (SaaS, IaaS, PaaS) such as cloud gaming (VDI - Virtual Desktop Infrastructure), Big Data, image rendering or computer-assisted design (CAD).

Data centres are dealing with steep growth in the number of users and usages. Software, which is more and more resource-hungry, is causing them to rethink their IT parks in order to lower the overall cost without impacting the performances offered to the end user. To provide the best performance/price offer and stay competitive, the operators of the cloud must reduce other cost items, which are currently significant: energy consumption, construction of additional surface area or maintenance.

OCtoPus offers two data centres, aiming to increase the profitability of their installation by a reduced-cost solution that remains evolving and high-performing. Its unique design makes it possible to achieve density, energy efficiency and ergonomics that significantly reduce the cost of use.

Anchored in a "green" way of doing things, OCtoPus mutualises cooling and electronic supply systems, allowing the reduction by about 23% of the energy consumption of air-cooled servers.

Its density allows optimisation of the space available in data centres and a major increase in the quantity of servers per m2. As the cost per m2 of data centre is very high, cost optimisation must occur by densification of the IT solution. The OCtoPus solution thus makes it possible for the customer to increase its capacity without investing in extra surface area.

To meet the problems of maintenance and of use of data centres, its design is inspired by the OCP philosophy. In contrast to classic solutions (19'' bay), the front-facing network cabling and the accessibility of the components from the front facilitate maintenance.

The simplicity of moving items in an OCtoPus bay means that the steps involved in maintenance can be completed up to twice as fast as in a classic bay, which represents a considerable time gain and makes it possible to reduce the resources that must be mobilised on site. The data centre therefore improves service availability for its end users.

Moreover, the optimisation of the quantity of heat dissipated and the improvement of air flows drastically reduce the use of costly air conditioners, as the temperature difference between the hot air corridor and the cold air corridor is reduced.

The extreme optimisation and flexibility of the OCtoPus also make it a preferred solution for needs associated with applications of Blockchain technology.

- **OpenBlade™**

    - 19'' blade server

Data centres are seeing the number of users increase via cloud computing and the virtualisation of workstations. To meet growing demand while remaining competitive, cloud operators must provide the best customer experience.
To meet demand and attract new customers, data centres are seeking to optimise investment in their IT parks. OpenBlade™ makes it possible to meet the requirements of compatibility, obsolescence and evolution while also reducing overall cost.

OpenBlade™ is designed to reduce significantly the total cost of ownership of data centres. Designed for simplified use, OpenBlade™ is agnostic and modular, thereby constituting an eco-efficient solution for the users of IT infrastructure.

With a 19'' architecture, OpenBlade™ is a flexible and evolving platform: it offers the customer the freedom to evolve at its own rhythm, according to its needs, with the ability to scale its investments. Moreover, it is the first blade server that allows integration of hardware-agnostic technologies. The electronics developed by 2CRSi aim at accepting the greatest possible number of technologies with no impact on existing IT, but simply by changing certain modules. Its modularity and evolutivity allow it to limit costs in the case of obsolescence of the off-the-shelf components used by the Group (motherboard, HDD, NVMe, processors, RAM, power supply, fans, etc.).

The OCP approach is particularly present in the development of OpenBlade™ with the mutualisation of cooling and centralisation of the electric power supply. Moreover, an OpenBlade™ comprising 48 computing nodes (16 blades with 3 motherboards each) and a power shelf with two power supplies offers the equivalent in number of traditional 19'' servers of an entire bay for six times less space.

Each blade acts like a unique server dedicated to a specific application but can also be used in a server cluster to deploy dense solutions on a large scale.

Finally, the architecture was designed to be redundant and to satisfy high-availability needs.

Entries and exits are easily available because they are located at the front-facing section of the OpenBlade™, in contrast to standard solutions. The cabling has been optimised to reduce the number of visible cables by 90%, thus simplifying maintenance and management operations. It is no longer necessary to have access to the cold corridor, an area located behind the server bays for extracting air in data centres.

PRIZES AWARDED TO 2CRSI

The 2CRSi company is regularly recognised by industry awards: among the most recent distinctions:

- 2013: The Company becomes Intel® Technology Provider Partner.
- 2014: The Company's Hexaphi server carries off the prize awarded by the digital excellence network Rhenatic Alsace Innovation.
- 2016: The Company is awarded the Alsace Innovation trophy "Digital challenges of tomorrow" with its product OpenBlade™, and becomes an official partner of HGST Inc.
- 2017: 1st prize in Pass French Tech Grand Est.
- 2019: Les Victoires de la Croissance, awarded by Croissance Plus, BNP Paribas, KPMG et Le Figaro.

1.3. Boston Limited

Since 1992, Boston's mantra has been to place its expertise and its operational excellence at the service of the success of its long-term partners. Boston strives always to provide its customers with cutting-edge technologies and solutions that are primed and adapted to their use.

The Boston group is made up of three brands with distinct activities: Boston Limited (IT integration and distribution), Bios IT (consulting and tailor-made solutions), Escape Technology (IT solutions for content creation in the media, entertainment and 3D sectors).

INTERNATIONAL PRESENCE

Since its foundation in London, UK, Boston has significantly extended its international activities. After the successful launch of Boston IT Solutions India in 2009, Boston made its mark with Boston Server & Storage Solutions GmbH in Germany in 2010. In 2012, the company established itself on the West and East coasts of the United States. In 2018, Boston commenced activities in South Africa, Switzerland and Australia.

TAILOR-MADE SOLUTIONS, DEDICATED TEAMS

Boston's high-performance server and data storage solutions are personalised, adapting Supermicro®-based solutions in order to create the ideal response to customer needs.

COMPLIANCE AND ACCREDITATIONS

Committed to a quality process for several years, Boston Limited seeks to improve its products and services on a continuous basis.

- Certification ISO 9001:2015
- Certification 14001:2015
- WEE registration number: WEE/CC0749YY
- Cyber Essentials certificate number: 7208475
- Directive on waste packaging (PWD CODE): NPWD312354
- European battery directive registration number: BPRN06332

COMMITMENT TO GREENER TECHNOLOGIES

Boston aspires to reduce its carbon footprint and to help so-called "green" information technology progress. The ISO environmental certification shores up this commitment with well-defined goals and standards, as does the choice of partners such as Supermicro® and Asperitas, aiming to put ever more energy-efficient solutions on the market. Boston is also committed to recurrent tree-planting and fund-raising initiatives and participates in the British government's "Cycle to Work" programme aimed at all the employees of its headquarters in St Albans. A "Green Team" prize is also awarded every year to the department that has done the most towards achievement of the "green" goals set by the company to incite employees to adopt more environmentally friendly daily behaviour.

BOSTON LABS

Boston offers access to its "Boston Labs", a testing laboratory that allows resellers and their customers to test the latest products and technologies available on the market. This includes distance access to servers and makes it possible to carry out tests from the customer's office itself before buying the final solution.

PRIZES AWARDED TO BOSTON LIMITED

The Boston company is regularly recognised by industry awards: among the most recent distinctions:

- 2019 Manoj Nayee - Gamechanger of the Year - ACQ5
- 2019 Innovators of the year in the field of storage - Storage prize
- 2018 Hyper-Convergence Vendor of the Year - Storage Awards
- 2018 Best marketing video - Tech Marketing & Innovation Awards
- 2018 Best AR/VR solution - Tech Product Awards
- 2018 Tesla partner of the year - NVIDIA®

ACCREDITATION OF SUPPLIERS

- SUPERMICRO®
  - Distributor
- AMD
  - AMD Elite Partner
- IBM®
  - IBM® Business Partner
- INTEL®
  - Intel® Technology Provider Platinum Partner
  - HPC Data Centre Specialist
  - Intel® Select Solution Partner
- MELLANOX®
  - Distributor
- MICRON®
  - Distributor
- NVIDIA®
  - Tesla – Elite

- DGX – Elite
- vGPU – Preferred
- Quadro – Elite
- Deep Learning Institute - Elite

Boston is also a partner to other suppliers of IT materials and publishers of independent software in a certain number of specialties.

BOSTON LIMITED’S MAIN PRODUCTS AND SOLUTIONS:

Boston Limited has a wide range of state-of-the-art products and solutions. All its solutions are available to be tested at Boston Labs.

- **BOSTON FLASH-IO TALYN**

Boston Flash-IO Talyn is a revolution in the field of NVMe over Fabrics. Thanks to Excelero’s NVMesh architecture, Boston Flash-IO Talyn is capable of extending SDS’s promise with regard to low-latency workloads by making use of the NVMe flash storage on the server side to provide an evolving convergent infrastructure for high-level performances.

There are three Flash-IO Talyn models designed for all company sizes and all needs, from an entry-level 1U solution to a hyperconverged deployment.

- **BOSTON STREAM +**

Constructed in partnership with V-Nova and Xilinx, Boston Stream+ uses the unique coding technology from P+ by V-Nova which considerably improves quality and speed of all standard coders such as the AVC/H.264, HEVC, VP9 and - in future - AV1. The Boston Stream+ is the highest-density coding solution currently available on the market, allowing use cases such as live 4Kp60 coding.

- **BOSTON VENOM TR3**

Drawing their power supply from the 3rd generation processor AMD Ryzen™ Threadripper™, the GPUs, NVMe storage and workstations from the Boston Venom TR3 are designed to deal with the most complex workflows and use cases. The latest generation of processors is based on the "Zen 2" heart architecture, which comprises up to 64 hearts/128 threads while at the same time improving clock rate up to 4.5 GHz.

- **THE INTEL® SELECT SOLUTION FOR SIMULATION AND MODELLING**

Boston's Intel® Select solution was one of the first to be accredited worldwide. Intel® Select solutions are developed with partners that are considered first-rank suppliers of data centres and services. These solutions, verified by Intel®, aim at accelerating the selection and deployment of data centre infrastructure and communication network infrastructure. Buying solutions from Intel® Select Solutions is the fastest route to infrastructure transformation.

- **BOSTON ANNA SERIES**

Based on Supermicro® construction blocs, Boston's ANNA (Artificial Neural Network Accelerator) have up to 16x GPU NVIDIA® connected by NVIDIA® NVLink technology. These powerful AI/DL solutions can also be integrated under their AI reference architecture with partners such as vScaler et Excelero.

- **BOSTON'S IMMERSED AIC24 IT PLATFORM**

Boston offers a wide catalogue of units for management of compatible material stocks and the expertise necessary to meeting all customers' requirements. This is the case in particular with collaboration with award-winning experts from Immersed Computing®, immersion cooling, Asperitas and Boston. This collaboration offers an end-to-end "datacentre-in-a-box" solution for cloud computing providers and data centre operators. Boston has created a certain number of compatible "sledges" that use the state-of-the-art technologies of AMD, NVIDIA® et Intel®. Boston's AIC24 can be used in a wide range of fields, from cutting-edge IT/5G to the cloud and to HPC.

- **BOSTON ROAMER MU-VR**

Developed in partnership with NVIDIA® and the creators of Holodeck, the Boston Roamer is a solution that is unique of its kind and can serve up to 4 users in the same RV environment, which makes it an ideal tool for collaborative work such as CAO/FAO 3D.

Virtual reality is quickly becoming the medium of choice for a variety of applications such as video games, simulation, engineering and training.

BOSTON LIMITED'S TRAINING ACADEMY

Boston has a Training Academy whose ambition is to become the benchmark in IT training. The wide catalogue of training programmes ensures that accreditation from the Boston Training Academy is a sign of excellence, differentiating the commitment of partners ready to go further in their learning.

Boston is also a partner of the NVIDIA® Deep Learning Institute training scheme and has a certain number of NVIDIA®-qualified internal trainers throughout the world.

1.4. BIOS IT

The BIOS IT brand offers IT advice and integration services, offering tailor-made global solutions to businesses needing high-performance computing. BIOS IT has special know-how in the research (sciences, engineering, university computing laboratories) and finance (trading, risk management) sectors. The product and services offer includes high-performance servers for data storage and placement on networks, on site or in the cloud, and the entirety of the services and support apparatus associated with them.

BIOS IT has acquired high levels of HPC expertise thanks to years of experience and collaboration with a large number of first-rank universities and research centres. BIOS IT's internal team of technology experts is thus able to provide its clients with HPC solutions that are evolving, effective and reliable.

BIOS IT is contributing to simplifying the deployment, use and management of IT systems in clusters by providing a standardised and reproducible method. This method allows the construction of clusters and the execution of ready-to-use high-performance applications. BIOS IT offers a range of cluster management software packages from computing to free source code or otherwise, selected depending on clients' environment and workflow. BIOS IT predesigns and tests multiple variants of material and software, which makes computing clusters easy to deploy, simple to use, coherent, transparent, key-in-hand and wholly available.

FIELDS OF ACTIVITY

- ***Finance:*** developing FinTech is the greatest challenge for the financial services sector. Artificial intelligence (AI) is an essential tool for staying at the highest level in this highly competitive world. Use of AI has increased massively in applications such as data analysis, security and combatting fraud. The explosion of crypto-currency and of "Open Banking" is creating new possibilities in financial services, the technology being deployed to accelerate research and development.

- ***Health:*** one of the main factors causing the huge growth in the health technology market is the development of profitable and fast IT solutions. BIOS IT offers a range of solutions optimised for life sciences which combine breakthrough material and software technologies supporting the digital transformation of the industry. They also allow time gains for researchers and reduction in total discovery cost (TCD). These revolutionary solutions are ideal for precision medicine, microbiology, clinical research, genomics.

- ***Scientific research:*** the scientific disciplines use information technologies in different ways. For example, in high-energy physics, in neurobiology, in chemistry and in materials science, experiments generate millions of observations per second, which must be put on the screen and registered in real time. By contrast, economics, psychology and public health experiments slowly accumulate data over time. Although these disciplines require intensive computing with a high storage capacity, they do not need the capacity to react in “real time”, which makes the requirements of the intensive computing solution very specific. Whatever the scale of the company, BIOS IT’s objective is to construct and implement computing solutions that are optimally sized by using their expertise in high-performance computing, in application-specific environments, in cloud computing and in IaaS (Infrastructure as a Service).

- ***University world:*** for clients in the university world, high-performance computing is now an integral part of their infrastructure. Institutes can accelerate their research by accessing varied architectures, the most recent technologies and a faster computing capacity. The BIOS IT range of solutions for the university world was developed over the course of years of collaboration with first-rank universities, such as Cambridge University (Big Data Institute), Imperial College London, Montana State University, the University of New South Wales, etc.

- ***Simulation:*** new technologies are constantly emergency and continue to make simulations more complex and more important: from non-volatile memory (Optane) from Intel®, 1000 times faster than traditional NAND memory, to AMD processors from the EPYC 7002 series, with a memory bandwidth that can reach 208 Go/sec per socket. The BIOS IT range of solutions, optimised by CAE, includes the latest breaking technologies, in particular Intel® Optane, AMD EPYC and OpenStack Cloud.

1.5. ESCAPE TECHNOLOGY

Escape Technology was created in 2005 as a commercial unit specialising in technology within Escape Studios - an elite training school for visual effects. Following an investment by Boston Limited in 2013, Estate Technology was established as a public limited company and has subsequently developed to become the supplier of choice to content creation studios in the games, visual effects, animation, design visualisation and architectural visualisation sectors. Among Escape Technology's customers are some of the best studios in the media and entertainment industry, including MPC, The Mill and Industrial Light and Magic (ILM).

Escape Technology provides materials, software and technical assistance to infographic designers in its sectors. Thanks to collaboration with the main manufacturers such as HP®, Dell®, Nvidia®, Adobe® and Autodesk®, Escape provides complete solutions for creative workflows and the underlying IT infrastructure. Escape Technology's team is made up of professionals with a rich range of experience in the industry and in creative technologies, who are able to recommend, provide and maintain the best technology for creation studios.

- ***Engineering:*** the internal team is made up of engineers and technical specialists. Each has during his or her career had the opportunity to work on the first line in the field of visual effects or post-production and brings to customers a strong and varied skillset. Knowledgeable about all the aspects of workflow, pipeline architecture and systems administration processes, Escape Technology's expertise benefits studios throughout the United Kingdom and now, also Germany.

- ***Know-how and anticipation:*** since its creation, Escape Technology has been anticipating trends and preparing its customers for the evolution of visual effects. Whether in the case of new working methods or technological revolutions such as GPU rendering or the cloud, Escape Technology has always been there ahead.

FIELDS OF ACTIVITY

- ***Postproduction:*** thanks to Escape Studio's experience and to the integration of key people, the Escape Technology team has been active in the cinematic and televisual post-production industry for decades.

- ***Design visualisation:*** with the rapid evolution of graphic technology, various industries are beginning to see the advantages of what previously only existed in the area of films and games: virtual guided tours, landscape flyovers, immersive experiences, etc.

- ***Gaming:*** since the arrival of Neil Parmar, co-founder of Bluefgx, in 2015, Escape Technology has been able to leave its mark on game development history.

- ***Education:*** as the outgrowth of a teaching establishment (Escape Studios), Escape Technology maintains close relationships with universities. By providing VFX courses on sites such as London and Doncaster with state-of-the-art technology and advice, Escape Technology benefits from optimal experience, combining theoretical studies and market needs.

ACCREDITATION OF SUPPLIERS

- Adobe® - Gold Partner
- Autodesk® - Gold Partner
- Dell® - Authorised Partner
- HP® - Gold Partner
- Mellanox® - Authorised Partner
- Pixel Farm® - Exclusive reseller for the UK and Europe
- Pixit Media® - Certified and specialised partner
- Science-D-Visions® - Exclusive reseller in the UK
- Unity® - Approved Gold reseller
- Vortechsfx® - Exclusive reseller in the UK

1.6. TRANQUIL PC

Founded in 2003 in Manchester in the UK, Tranquil PC is a company that designs and manufactures ”edge” IT systems that are on-board, rugged and energy efficient. The manufacturing site is ISO 9001 certified.
The company offers a range of products directly to customers or by OEM (Original Equipment Manufacturer) contracts.

The Tranquil PC offer meets the needs identified in varied industrial applications and context, and more specifically in extreme environments.

- **The products are rugged:** they meet the constraints of intensive usage in an industrial environment. Meeting the requirements of an elevated IP classification, these products are designed to work under conditions of extreme shock or vibration, temperature, exposure to liquid projections...and are perfectly suited to on-board use.

- **Fan-free, silent, including limited maintenance**: the breakdown risks posed by mobile items (fans) are removed. The products also have the advantage of working in total silence.

- **Designed for extended temperature ranges:** the machine-made aluminium chassis of Tranquil PC products are unique and designed for optimal cooling. They guarantee long-term reliability and allow high-performance functionality covering an extended temperature range.

This offer is made around 4 Tranquil PC product ranges:

- **Rugged computers:**
    - Mini Multi Display
    - Mini Rugged Computer
    - Rugged NUC
    - Ultra Slim NUC

- **Rugged server:**
    - Rugged Fanless Server

- **Rugged workstation:**
    - Pulsar

- **Portable data centre**
    - Microcluster

RUGGED SYSTEMS TO SUPPORT DATA AND THE INTERNET OF THINGS

Data, the "new black gold", is opening new perspectives on the world of industry. To produce it, capture it and make use of it, more and more tools are deployed for numerous activities: IoT (the Internet of Things), video surveillance, digital display, the medical, maritime or military fields.

In order to be able to increase data production and use, customers need both computing power and storage power.

In fact, numerous data are produced and captured directly in the field and very often need immediate processing rather than being sent to a datacentre to be processed there. Environments and needs are many, and specific to each client. More and more means of transport (autonomous vehicle, railway or air) are calling on complex software whose information can only be processed by classic IT solutions that are under-dimensioned.

The range of "on-board systems" is ideal for proximity computing (edge computing). With no mobile components and with a robust design, it is ideal for on-board using and can be put in place in any environment to gather and process data.

The machine-made monobloc aluminium chassis gives it the required robustness and this unique construction allows optimal dissipation of the heat generated by the electronic components.

With no ventilation, the range is optimised for optimum cooling and durability. With limited maintenance, it is designed for a longer life and to resist the most extreme environments.

A specific possible application: autonomous vehicles. The information gathered by the capturers must be analysed and processed in record time in order to transmit to the vehicle the correct manoeuvre to make, while ensuring user safety.

Another specific example needing a rugged product: a customer, active in the rail sector, was seeking a solution to be integrated into the cabins of its trains in order to obtain data. Tranquil PC has developed a tailor-made solution for this environment that is restrained and constrained by vibrations and shocks.

MICROCLUSTER OR THE PORTABLE DATA CENTRE

IT has revolutionised industrial research and processes. The need for computing power is becoming more and more nomadic and spontaneous and data sovereignty is becoming a real challenge, in particular for sensitive data.

Numerous usages require computing power but without the opportunity to access high-performing networks and data centres. Certain actors in petrol research, construction or scientific research are located in uncommon areas and need computing power and IT tools on site.

Microclusters are a versatile tool that can be considered as a portable mini data centre.

Compact, key-in-hand and energy-efficient, it can be turned to use in difficult environments or restricted spaces. It provides its users with high computing power, and an ideal platform for all kinds of software (CRM, ERP, CAO, etc.), while ensuring the integrity of data that are not in transit on any network: these are directly stored in the mini data centre, ensuring increased security.

The Microcluster provides a broad panel of highly diversified usages, among them:

- private and/or portable cloud;
- teaching and/or development of new technologies;
- resumption of activity in a company whose IT infrastructure has been damaged;
- computation of graphic yield covering for example the needs of architects;
- sales and demonstration of software in a salon or on home visits to the customer (POC - Proof of Concept);
- creating of a workspace that is distinct from the existing IT infrastructure: “life-size” software developing and testing, VDI etc.;
- workstation(s) in a hostile environment or one that offers no IT infrastructure (construction in a remote area, oil rigs on the open sea or in the desert, etc).;
- crisis management tool in the case of natural disaster or health crisis (rural hospital, reestablishment of IT infrastructure following an earthquake, etc.).

Technical explanation

Transportable in a special suitcase, the Microcluster is able to handle a multitude of applications thanks to its multi-node construction. It is easy to deploy as it needs no prior infrastructure.

A Microcluster is made of a management blade, computing blades, an internal network, a power supply, a shared fan and a software management of blades, all integrated in a personalisable container designed for easy transport.

The microcluster is available in multiple versions, with an internal network power that can go up to 10 GbE. It can specialise in computing or graphics tasks according to need, or aimed at dealing with a significant data flow, while remaining a compact and easily transportable solution.

1.7. GREEN COMPUTING

Green Computing is the commercial brand under which the Green Data brand operates, a joint venture founded in March 2019 and 55% owned by 2CRSi and 45% by the company Azur Datacenter, which specialises in data housing.

The Green Computer infrastructure is made up of:

- 2 datacentres in Nanterre and Sophia-Antipolis
- An HPC infrastructure made up of:
  - 30,000 available heart nodes
  - A DLC (direct liquid cooling) platform of 1.5 MW
  - 1 MW of immersion cooling
  - OCP housing solutions (21'')
- A network offer comprising
  - A fibre-optic network linking the main Ile-de-France datacentres
  - Connections to the main suppliers of Internet access and peering points in France
- An a la carte service offer:
  - Housing
  - Networks
  - Bare Metal on demand
  - HPC as a Service: from autumn 2020

The GREEN COMPUTING SERVICES PANEL

Bare Metal as a Service	**HPC as a Service**	**Hardware Hosted Client** (sold or rented by 2CRSi)

Network connectivity and security
IP transit, VPN, Dark fibres, Dedicated links
Anti-DDoS, Firewall

HOUSING
standard servers, OCP servers
3 types of cooling: **air, DLC or immersion**

THE ADDED VALUE OF GREEN COMPUTING

AN INNOVATIVE VISION FOR TECHNICALLY AND FINANCIAL OPTIMAL SOLUTIONS

HPC ORIENTED INFRASTRUCTURE

Offer very high-density hosting solutions for **intensive computing** needs (3D rendering, IA, VDI, etc.). The major players in the data centre (Equinix, InterXion, etc.) are not yet present in this market.

COMPLEMENTARITY WITH THE 2CRSi OFFER

With the increase in electrical densities, the new platforms offered by 2CRSi to their customers are more and more complicated to host on their premises, hence the natural demand for outsourcing in a **specialized data centre**.

OPERATIONAL AGILITY

CAPEX optimization: upgrading, with a limited investment, of industrial sites or data centres destined to be dismantled, and which have robust and relatively recent electrical infrastructures (set up by the previous occupants, most often very large groups). This approach allows **very aggressive** prices to be applied (CAPER reduced compared to the competition)

GREEN-IT

Reduction of the ecological footprint:
an **optimized PUE (power usage effectiveness or energy efficiency indicator)** with direct liquid cooling, immersion cooling, and heat recovery.

The Group knows how to place its expertise at the service of its customers who have periodic needs for computing power, specialised simulation or software testing or who may be experiencing a peak of activity in the existing IT park.

In this way, customers can meet their needs without having to invest amounts that can sometimes be large given the duration of use.

For example, to create more and more realistic renderings (3D image), certain clients in the cinema or advertising industries draw upon higher and higher levels of computing power. Their own computing resources being limited, for specific or periodic products (production of a cartoon or advert, presentation of a new product), they need supplementary computing power or storage.

The Group thus has a wide range of key-in-hand solutions that are rapidly deliverable and entirely adapted to these needs (pre-cabled bays with complete servers that can be connected to the customer’s network).

1.8. MISSION, VISION, STRATEGY AND PERSPECTIVES

MISSION

For many, the current period resembles the Renaissance, with a bubbling-over of new ideas, a mingling of disciplines and techniques and an accelerated diffusion of knowledge. In this new world, Big Data and artificial intelligence represent a new industrial revolution, beyond that of the Internet. From business to energy via finance, health or culture, all sectors of human activity are currently major consumers of digital data which have become the goldmines of the modern world.

Big Data designates at the same time the ability to produce or to collect digital data, to store it, to analyse it and to visualise it. It is very often characterised by the '3 Vs' (volume, variability, velocity): data arrive en masse at an unprecedented speed and are more varied in character than in the past. The arrival of the 'Internet of things' will strongly accentuate this phenomenon.

However, behind this virtualised, distributed, distant information are very real infrastructures with high energy consumption and a large carbon footprint. If the world's Datacentres formed one country, it would be the 6th largest energy consumer in the world. According to some analyses, the digital sector could generate as much in greenhouse gas emissions (GGE) as air transport in 2040. Today, digital emissions are 2% of GGE in France, that is, 15 MtCO2eq, on the basis of an anticipated growth of 60% in 20 years, they could reach 24 MtCO2eq of emissions in 2040, or 7% of the emissions anticipated for France.

In this context where digital data is taking on more weight every day, 2CRSi is proud that its mission is: "Combining IT with the protection of the planet".

This combination is done using technological solutions that

- consume less energy,
- are better adapted to customer needs (eliminating in particular the overperformance towards which numerous IT manufacturers are pushing),
- are optimised in terms of components,
- are locally produced.

VISION

Over the past 10 years, the competitive landscape of the server market has been reshaped. Traditional actors such as HP, Dell and IMB have experienced a significant drop in market share on a world level, which has allowed new actors to emerge. Therefore, according to Gartner, these actors (HP, Dell and IBM) represented by themselves nearly 75% of the worldwide market in 2012. Their cumulative market shares are only 52% of the worldwide revenues of the server market as of end 2017 and 43% at end 2019, despite the efforts of these actors to defend their market share by purchasing certain emergent competitors.

This modification of the competitive landscape is caused by multiple factors:

- The emergence of Chinese actors such as Inspur or Huawei. The arrival of these new actors results from the policy of the Chinese government, which wishes to equip itself with Chinese actors able to provide solutions for domestic demand and which are not dependent on foreign actors, in particular for data security reasons.

- Vertical integration and the introduction of new server design standards by Web and cloud giants such as Google Microsoft or Facebook: tired of the product offers of the big generalist brands that did not deal with its concerns, Facebook launched, in 2011, a new project dedicated to developing server design, the OCP (Open Compute Project). Developed with the aim of optimising the costs of use for IT infrastructures, this initiative is based on an open to all standard and a scope statement that all can reply to. The main change is a change of ideology: it's not the offer that leads the tender process but demand that guides constructors' offers. Thus, on 10th March 2015, Facebook announced that it had already saved more than 2 million US dollars on its infrastructure costs in three years thanks to OCP.

- The other Internet giants have followed this trend, choosing their technology from different suppliers (such as 2CRSi) and in that way developing their own equipment, which they then have manufactured by sub-contractors, in particular in China and Taiwan. In France, OVH and Oline (Iliad) are following this strategy. In practice, an open standard allows multiplication of innovations through the appearance of new actors who, thanks to the innovations they provide, will be able to take on very large volumes of orders from major Internet order issuers (GAFA or assimilated entities).

- The development of hyperconverged systems, which combine the functions of calculation, data storage, networking and virtualisation. This new generation of architectures is allowing new, more flexible actors offering solutions with higher added value, tailor-made and disruptive, to take on market share. This is the case for, for example, 2CRSi, Penguin Computing and Liquid. These actors are benefiting from the growth of this market segment, while traditional actors are seeing their growth slow down as their historical positions are based on less buoyant segments. Therefore, according to Gartner, multi-node servers, which are used for hyperconverged systems, should be around 30% (in number of units) of the world market in 2021, as against 17% in 2014 and 25 % in 2017, with a growth of nearly 10% over the 2017-2021 period.

- The need for Green IT. Taking into account of the environmental challenge represented by the growth of data centres favours actors who, like the Group, are offering solutions that reduce energy consumption: reduction of the quantity of electricity required for the servers to function, and therefore the quantity of heat generated by these servers, causes an additional drop in the energy consumption needed for cooling.

These tendencies are leading towards the emergency of a modified competitive landscape, in which traditional actors, who remain present with strong market share, are competed with by actors who are both more operationally flexible and able to offer solutions with an optimised possession cost.

2CRSi's ambition is to be a benchmark player in hyperconvergence and Green IT, to make these solutions the new market norm, and thereby to reach the top 10 of IT server sales.

STRATEGY

The Group's strategy is based on three pillars:

1. **Technological innovation, which is always aligned with customers' performance needs and respectful of the environment**
2. **The expansion of the offer with complete IT solutions and a greatly increased number of services and opportunities for market access thanks to a variety of strong brands**
3. **Extended international coverage**

1. Technological innovation

Since the creation of 2CRSi, innovation has been an essential component of its DNA. This innovation is at the service of high-level customers to whom the Company offers tailored solutions.

Since 2006, the Company has been equipped with design capacities in mechatronics and financial intelligence in the server and industrial IT sectors. Since 2013, the Group has been structuring its research and development efforts by increasing the fields of action for its engineering teams. At present, the development of new 2CRSi solutions is carried by:

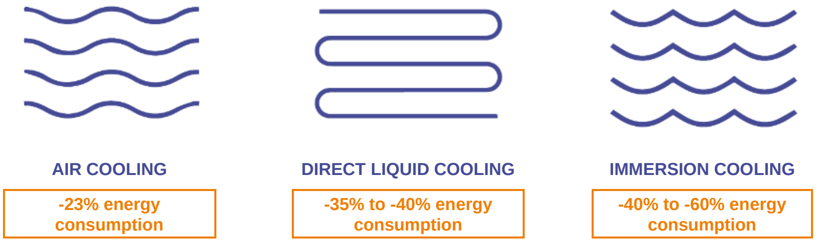
- a team in charge of server architecture and design,
- a team of doctors, engineers and technicians dedicated to mechatronics and thermodynamics,
- a team specialising in electronics and in on-board software,
- an applied research team working on major developments in energy-related matters.

For five years, the new technologies developed by 2CRSi have resulted from efforts aimed at reducing server electricity consumption and financial cost thanks to:

- The mutualisation of server cooling and power supply systems;
- Piloting fans through a server specially dedicated to monitoring server activity;

- Maintaining server function despite failure of one or more items.

Thus, the first servers in the OCtoPus range have made it possible, since 2017, to save 23% on electronic consumption in comparison to equivalent competing servers. Today, 2CRSi offers gains in electrical consumption, both in the air, in immersion (the servers are placed in a tank containing a dielectric liquid) and with direct liquid cooling technology (the hottest components are cooled by Thermoblocs in which a liquid circulates).



Beyond the gains in electrical consumption, 2CRSi's teams have also made it possible to reduce the acquisition cost of servers thanks to the removal of all non-useful components, the mutualisation of fans and power supplies or the use of reconditioned materials.

Finally, 2CRSi servers make it possible to facilitate maintenance work thanks to access to all connections on the "cold corridor" side and thus to achieve additional savings in the use phase.

The work done up to this point has allowed design of servers with electrical consumption reduced by 40% to 60% in immersion. The substantial savings that these technologies make possible represent the first stage of 2CRSi's research on the subject of energy.

Today, the Group is also enabling its customers to produce the waste heat produced by servers, for example to heat water. Tomorrow, the teams' ambition will be to reuse this heat to produce electricity.

2. Extension of the offer

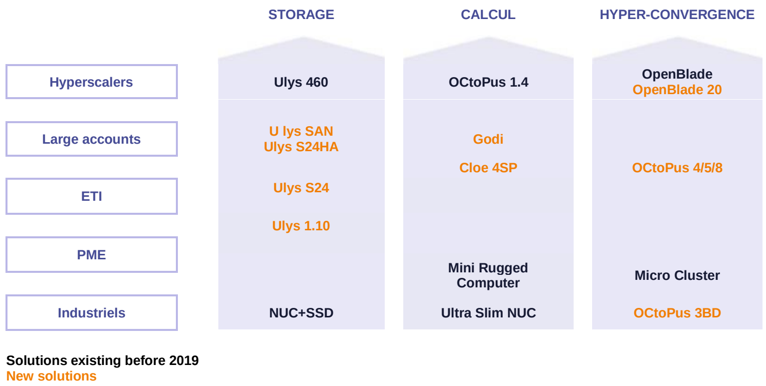
a. Extension of the server offer

By being able to meet specific needs with a tailored response, 2CRSi rapidly acquired a top-of-the-line clientele that uses IT at the heart of its service offer (flight simulations, video games, housing, university research, geological modelling, etc.).

This initial positioning, although it showed 2CRSi's innovative strength, presented certain constraints for the Company's growth over the short or medium term:

- Major order placers were reluctant to entrust orders to small-sized actors
- To ensure robust and regular growth, 2CRSi needed to diversify its customer portfolio

This is why the years 2019 and 2020 have been devoted to finalising the development of new products allowing overage of over 80% of the market: this catalogue offer will allow development of group sales over a wider and more diversified customer pool.

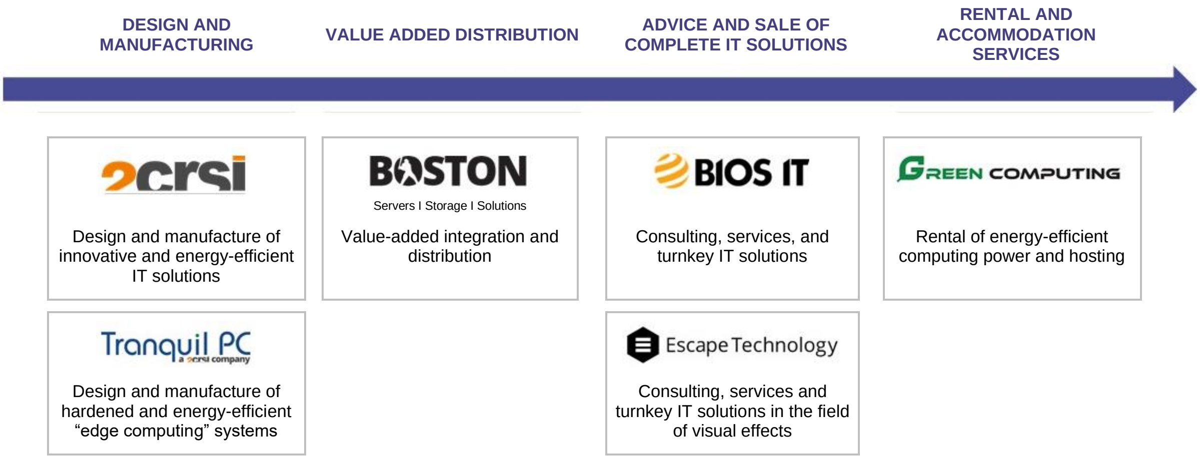


b. Extension of the offer with complete solutions and services

In order to meet customers' needs, 2CRSi intends to offer more than products. The Group has thus developed its capacity to sell complete solutions comprising applicative elements as well as the services the customer may need: rental of computing power and of data storage, installation, maintenance, etc. The Group's teams are also more and more sought after by major companies to provide them advisory or diagnostic services upstream of the phases of investment in new IT infrastructures.

The Group comprises six established brands, each with a clear positioning:

- 2CRSi: designer and manufacturer of eco-energy IT servers
- Tranquil PC: designer and manufacturer of rugged servers
- Boston: value-added integrator and distributor
- BIOS IT: value-added reseller of complete IT solutions and provider of services (advice, design, installation)
- Escape Technology: value-added reseller of complete IT solutions in the field of audio-visual creation
- Green Computing: housing and rental of computing power and of data storage.



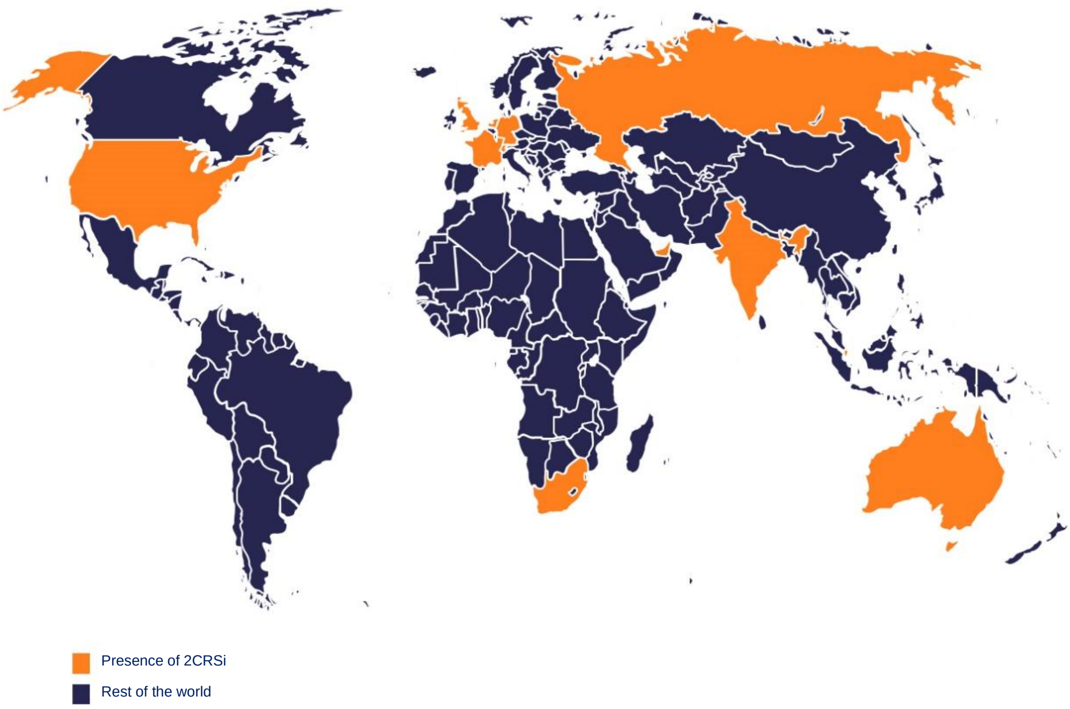
3. Extended international coverage with a multi-local approach

2CRSi's goal is to meet the needs of its international customers in order to offer them the opportunity to access local technical teams but also to anticipate regulatory obstacles (technical standards, customs fees and other barriers to entry). Numerous clients need this support in new geographical areas. For example, the software publishers for which the Group creates specific appliances want the Group to offer them identical services regardless of their geographical area. Likewise, the Group's customers in the military world need a partner who can project their teams beyond seas and continents, speaking the same language and with the same working methods.

This wish to support customers has always guided the Group's new international installations. It remains the chief vector of this strategy.

The Group's vocation is to be a multi-local company, with production sites close to target markets. The goal of this vision is better to serve customers thanks to the responsiveness of skilled local teams. Moreover, it is participating in increasing collaborators' sense of the meaning of the work insofar as the customer is a company established in their region. Finally, it is contributing to the development of the areas where the Group is established with a local team formation and local employment development initiative.

2CRSi global presence



Beyond its current positions, 2CRSi also wishes to expand its coverage to new, high-potential markets in order to take up market share there, in particular with hyperscalers (actors in big data and the Internet/cloud) who are developing their activities on these markets.

In this way, the Group intends to expand its geographic presence to new countries, in Asia as a priority. New geographical regions are also being studied. The new countries targeted, mainly in the Southern hemisphere, have certain points in common: a sustained rhythm of economic growth, expensive electricity, a high average temperature even in winter, etc.

Organic growth and external growth

At its initial public offering, 2CRSi stated that external growth was an important growth axis. Currently, the Group is focusing its efforts on developing and/or integrating the two initial acquisitions made in 2018 and 2019 and considers that the potential for organic growth of the current ensemble is very significant.

However, strengthened by these initial experiences, the Group is once again able to envisage new acquisitions in future of technological, commercial or industrial components allowing it to feed its growth and to expand its positions on the value chain.

The main characteristics of the target companies would be the same as announced in 2018:

- the capacity to innovate: in order to accelerate, diversify or reinforce the Group's research and development or applied research skills, the goal of growth operations will be to extend or to deepen the knowledge, techniques, methods or technologies needed for the improvement of products or the development of new products;
- profitability: a necessary condition, as the profitability of the targets must have been in place for several financial years;
- the existence on a market close to the Group's professional area, which would allow either to provide supplies (upstream integration) or to provide results (downstream integration);
- the capacity to accelerate the commercial dynamic of the companies acquired. The acquisition of companies with high business potential, on a new market or in a new geographic region, should also make it possible to acquire sales forces who are already working for customers on this market or in this region and thus allow the Group rapidly to increase its market share, while limiting the risk of business failure.

PERSPECTIVES

A 2020/21 FIRST TRIMESTER SHOWING GROWTH DESPITE THE IMPACT OF THE COVID-19 CRISIS

After a positive dynamic since the acquisition of Boston Limited, the COVID-19 health crisis has weighed on the Group's growth trajectory. This impact, felt since the month of January 2020, has become apparent at several levels:

- Lengthening of about 40% of delivery times for certain components coming from Asia;
- A contrasting development of the business dynamic with, simultaneously, delays to business discussions and, in parallel, an increased demand in certain sectors of activity such as cloud computing or online video games; and
- A more constrained integration process for Boston Limited teams.

Despite the impact of COVID-19, the Group has managed to maintain a good level of activity during the first trimester of the 2020-21 financial year (1 March-31 May 2020) with a +18% turnover growth, in a constant manner in relation to the same period of the previous year.

This growth dynamic is also apparent in the first part of the second trimester.

NEW GOALS FOR THE 2020-21 FINANCIAL YEAR

Buoyed by the first results of the reinforced marketing and business effort of 2019 and of the benefits of having acquired the Boston Limited group, 2CRSi is approaching the coming months with confidence, thanks to:

- An expanded 2CRSi product offer and its inclusion in the Boston Limited catalogue allowing coverage of more than 80% of market needs;

- An extension of commercial reach thanks to the strength of Boston Limited’s network, to the recent establishment in Singapore and to the appointment of Wally Liaw which will contribute to the acceleration of the Group’s development in the United States and in East Asia;
- Economies of scale in provisioning and marketing. Following the acquisition of Boston, 2CRSi and Boston Limited’s purchasing teams have therefore aligned purchasing conditions in the two entities and negotiated better conditions thanks to increased purchase volumes and the opportunity to negotiate directly with certain manufacturers. The average gains achieved are on average 3 to 6%, and up to 10-15% on certain major orders;
- A business conquest strategy concentrated on five priority sectors or “vertical cross-sections”.

On the basis of the work described above, 2CRSi is confident of its capacity to show strong growth in the financial year 2020-21, achieving a turnover of between

- 170 M€ (supposing that server demand is stable throughout the year with regard to the first trimester, that is, a turnover progressing by approximately +18% in relation to the same period and scope in 2018) and
- 200 M€ (in the case of growth in demand for servers in the 2nd semester of the year 2020-21 to achieve a total annual growth of 42%).

Under a constant rate of change, this progression of the turnover should be accompanied by an improvement of the level of profitability in relation to the prior financial year; despite the expected pursuit of human investment efforts to support the Group’s growth on an international scale, the rhythm of progression of the cost base should be below the progression of the turnover chiefly thanks to better purchasing conditions for the majority of components and the stability of external fees and charges.

The Company attests that the forecasting or estimation of the benefit was established and drawn up upon a basis:

a. in accordance with historical financial information;
b. in accordance with the issuer’s accounting methods.

1.9. RESEARCH AND INNOVATION

Research, Development and Innovation (RDI) are part of 2CRSi's DNA and are the tools of the crusade the company is leading to meet the numerous technological challenges of the IT industry world.

Since its creation, the Company has been specialising in engineering, then, since 2006, developing tailor-made products. In 2014, the Company commenced research on electronic subjects (transport of power and information) then on software (on-board software and distributed systems) in 2015; since 2016, it has been working on developments linked to energy.

2CRSi's ambition and success are in being able to offer innovative products with more stringent standards, to achieve a greater density of storage and power, all while centring ourselves on orienting towards more frugality, whether energetic or with regard to natural resources.

The skills at work in R&D and innovation within the Group are chiefly based around specialism such as mechanics/integration, ecodesign, thermics/thermodynamics, electronics/on-board electronics, innovation, methods, cybersecurity, simulation and rapid prototyping. On the strong basis of this technical and scientific know-how, 2CRSi's doctors, engineers and technicians daily face challenges of greater or lesser complexity which, although they all fall broadly into the area of applied research or experimental development work, are also the subject of more specific and in-depth fundamental research, further upstream, intending to design products or systems whose outlook is that of breakthrough innovation.

The mission of our R&D team: to offer customers ever more innovative and high-performing products, ecologically designed and meeting their specific need(s).

R&D AT THE HEART OF 2CRSi

The R&D team is made up of some thirty people working on targeted projects with specific milestones and clearly identified objectives. Part of the developments achieved is also the result of a certain form of serendipity: sometimes, specific research makes it possible to discover a technical or technological solution suited to another need or use to that identified at first glance. This research then becomes a new axis of development with new milestones. This flexibility is also a strength of a dynamic and plural R&D team like 2CRSi's.

In 2CRSi's R&D work, empiricism holds a significant role: we research, simulate, develop, design, on theoretical and scientific bases, but we also continue to experiment a great deal and to test solutions through the trial-error-success process, in our electronics or mechanics laboratories, in the purest tradition of an ingenious engineering.

Thus, in order to achieve success in R&D, 2CRSi has testing and electronics laboratories and a rapid prototyping workshop that continue to be improved and equipped in order for ever more equipment adapted to the design of reliable and innovative servers to be available. Our research and development efforts are also supported by tools that allow us complete technical and practical mastery of our R&D efforts.

INNOVATION AT 2CRSi

On a market experiencing the most rapid and marked obsolescence, our innovation is at the heart of what Joseph Schumpeter called the “Perpetual hurricane of creative destruction”: new innovations causing the obsolescence and disappearance of the old ones. This technical and technological progress in constant movement is our passion.

Although R&D and innovation are frequently associated with technology, they can just as well be organisational, societal, social, marketing, etc. Thus, part of the innovation team dedicates 50% of its time to researches concerning, more than technology, improvement of production, of quality, or organisation, of processes, etc. This segment is significant for preparing the company’s growth and its capacity to serve more large customers.

OUR LEVERS

Pluridisciplinarity and pluriculturalism are our main levers. It is in a project mode and with a process of ideation that the four different RDI divisions cooperate on a daily basis.

Moreover, the different RDI divisions interact closely with the company’s other departments, such as manufacturing, marketing or commerce, in order to benefit from their exchanges of experience for the development of our future product ranges or tailor-made systems.

Finally, a key point is the maintenance of our teams at the highest level of skill and knowledge by taking three pathways: technological alertness, continuing education (seminars, MOOCs, training sessions) and teaching activities (some of our RDI collaborators teach at a university or in an engineering school for disciplines such as hardware/software electronics or innovation).

ECO-DESIGN

Our research and development aims at more austerity along the entire value chain for design and manufacturing of our products with, in particular, a reflection covering the entire life cycle and research on the carbon footprint or more generally the ecological impact of 2CRSi servers. The energy frugality of our products and systems, like the reuse of waste heat, are must-haves in our development and research. The preservation of natural resources (diverse primary materials, rare earths, etc.) has also become one of our main interests with initial investigations being led on the integration of biosourced materials.

RESEARCH ON AN ACADEMIC LEVEL

With the goal of leading state-of-the-art research, we undertook in 2019 the steps necessary to supporting two of our engineers in their doctoral thesis completion project. Thus, with CIFRE training and co-management with the laboratories in the region specialised in the areas in question, two thesis subjects will be dealt with:

Life Cycle Analysis (LCA): this first subject, directly connected with our interest in eco-conception, will examine parametric and significant life cycle analysis. These researches aim to put in place the processes, solutions and tools (artificial intelligence and Big Data) that allow the integration (intelligent and automatised) of environmental aspects from the point of design of our products (goods and services) throughout their lifecycle, with the goal of equivalent or higher service yield. The goal is, evidently, to reduce the damaging effects of our activity on the planet. Some of the questions which this thesis will seek to answer are:

- How to establish and reference a standard life cycle for an IT server
- How to gather reliable data on the environmental impacts of servers (in operation, at end of life or when recycled)
- How to conduct comparative analysis on the environmental impacts of servers (in operation, at end of life or when recycled)
- How to calculate a recyclability rate for a server
- How to integrate, from the point of design, the problematics of reuse or recyclability

HPC link via FPGA: this second subject constitutes the basis of research on a new architecture paradigm for transfer of packets in real time and optimisation of HPC links via FPGA (Field Programmable Gate Arrays). The aim is to deal with optimisation of HPC links and the transfer of packets in real time with a low-level hardware electronic approach. The advantage of using FPGA technology and of the electronic and logical approach (VHDL) to these works is in the idea of a system for transferring packets in real time adapted to HPC and with the opportunity to have standardised links with certified and known transfer times. Moreover, and still in line with our eco-design approach, the advantages of FPGA technology with regard to power consumption should be noted. On the research programme:

- Optimisation of links.
- Normalisation of links.
- Advanced network discovery, etc.

R&D IN PRACTICE

In continuity with the RDI efforts we have made in past years, we are undertaking work with a view to improving and developing the OCtoPus and OCtoPus “i” ranges. These are also joined by developments in direct liquid cooling.

OCtoPus: The OCtoPus range is a complete ensemble that can be put to numerous uses such as cloud-gaming, high-performance computing (HPC), housing or artificial intelligence. It is a multi-server solution delivered in complete bays, with the integration of data networks and of management. Moreover, it is equipped with redundant and mutualised power supplies and an external cooling system piloted by a dedicated server. In 2019, the range was joined by, in particular, new multi-node, multi-processor (CPU), multi-graphics processor (GPU) servers.

OCtoPus “i”: The OCtoPus “i” range includes OCP format servers (21 inches) optimised for liquid cooling by immersion in a suitable dielectric liquid. The challenge was to improve overall energy performance, with a systematic approach. This has been a success, because equipped datacentres can expect to achieve 40% savings on their costs of use. Moreover, the absence of powerful air-conditioning systems allows a gain that can represent almost 25% savings on the investment required for the construction of a data centre. Our R&D efforts in 2019 chiefly regarded system improvement and polyvalence and the adaptation of air servers to immersion, with, along the way, an increase in the power of the CPUs and GPUs.

Direct Liquid Cooling: 2CRSi has expanded its product offer with solutions that function using direct liquid cooling: (DLC) in response to a need generated by ever more significant heat dissipation by processors, new generation graphics cards and other components, an increase in power that is joined by the ultra-densification offered to certain clients. The developments regarding DLC were made around two approaches: complete systems that are part of dedicated and adapted environments and hybrid, autonomous systems combining DLC and air cooling, which can be integrated anywhere. Moreover, the growing interest in reusing waste heat is leading us to continue our research in this area.

THE PATENT POLICY

The Group’s intellectual property protection policy is limited. The reason for this policy is the slowness of the procedures for registering intellectual property rights and the difficulty of providing proof that one’s rights antedate those of competitors. The Group considers that the costs and the time required for this policy are disproportionate with regard to the protection obtained in an industry where the pace of innovation and technological development is faster than that of the processes for protecting intellectual property rights.

Moreover, part of the Group's intellectual property is based on knowledge and skills that are not easy to patent. Additionally, the Group implements officialisation at trade fairs or press statements on these innovative solutions and products in order to claim paternity for them.

Finally, collaborators are all subject to strict confidentiality rules and the Group limits as much as possible communication of sensitive information to third parties, by ensuring contractually that these third parties undertake not to misappropriate, use or communicate this information, chiefly by the use of confidentiality agreements.

1.10. GROUP ORGANIZATION AND OTHER ELEMENTS OF ACTIVITY

RECONCILING IT AND THE PLANET

2CRSi has always been acknowledged in the IT world for designing and producing infrastructure solutions that reduce energy consumption, thus offering greener IT options to our customers.

This ethos, which has been guiding us since the creation of the OCToPus all the way through to the advent of immersion solutions, is what sets our value proposition apart.

These principles are reflected not only in our product range, but also in the management of our teams. Therefore, it is because we aim for consistency between what we do for our customers and the way we relate with our employees that 2CRSi fully integrates social, environmental and economic principles into its strategy.

ENABLE EVERYONE TO BRING THEIR VALUABLE CONTRIBUTION TO THE COMPANY

In a computer hardware sector still struggling to attract women right from the training stage, we aim for gender balance within our teams. Today we have 33% women in the Group worldwide and 45% in the Operational Committee.

Our management team, perfectly balanced and inclusive, is particularly diverse in terms of gender, nationality or background, valuing diversity as a source of creativity and, therefore, innovation for the company.

Our teams are particularly proactive in recruiting women in departments where their small number in our sector could suggest that this is the norm, as is the case with R&D. Recruitment interviews, carried out in the vast majority of cases by mixed pairs of interviewers, are a way to neutralize, as much as possible, the unconscious biases that can alter impartial selection. We will continue to ensure the strengthening our recruitment processes.

AN INCLUSIVE APPROACH

This diversity policy applied at the time of recruitment is all the easier for us since it has always been at the heart of 2CRSi. Indeed, making a contribution takes precedence over everything else. Right from the get-go, self-taught "geeks" have worked side by side with PhD graduates in electronics or mechanics. On the issue of degrees, as on everything else, the 2CRSi philosophy is to recruit those who can best help the company satisfy their customers, while continuing to innovate and, thus, create value.

Because 2CRSi has grown a lot and continues to recruit, we have also improved our employee integration processes, turning the arrival of each new employee into a success for the company and for the person in question. Since we are an innovation and product company, each new employee is invited, during their integration phase, to spend time directly on the production line, to understand what we do for our customers and how we do it. In addition to a more traditional integration process within other departments, this experience in production seems essential to us, so that once the employee is integrated into his or her destination department, he or she maintains a good perspective of the whole flow of our business, as well as of our challenges in meeting our customers' demands.

This increase in our workforce was also an opportunity for us to rethink the development of skills within our Group. Pilots have been launched in France to allow everyone, regardless of their role and level, to better understand the operation of a computer server and its components. More comprehensive programs have been created for employees who already have this technical knowledge.

TRAINING & MOBILITY

The extremely positive feedback has led us to expand this opportunity to the rest of the Group. Beyond one's own skills, the pride of belonging to a company which produces locally and innovates in an environmentally responsible manner in a cutting-edge sector should be an important element of retention in the years to come.

Our employees are aware that 2CRSi seeks to keep its products as close as possible to the needs of its customers, focussing on responsiveness and environmental sustainability.

In the spirit of valuing the particular skills held by our employees, we encourage them, whenever possible, to train their colleagues in order to allow the development of new skills through the concept of educational sharing, especially for those who master the game and become, over a few sessions, trainers acknowledged by their peers.

These internal training courses are of course supplemented by external training whenever necessary, and in particular whenever we need to enable our employees to acquire skills which are not sufficiently mastered internally, or which would be mastered by an insufficient number of employees.

TOMORROW'S HR CHALLENGES

In a company that has grown as much as ours, one of the challenges identified is to prepare succession plans for key positions. This is also an opportunity to develop an internal mobility policy in the future, including career paths able to promote the development of skills, which will prepare selected people to confront future challenges that await them.

2. GENERAL INFORMATION - CAPITAL AND SHAREHOLDING

2.1. GENERAL INFORMATION ON THE COMPANY

COMPANY NAME

2CRSi

PLACE AND NUMBER OF REGISTRATION OF THE COMPANY - DATE OF REGISTRATION

2CRSi is registered with the Strasbourg Trade and Companies Register under the Trade and Companies Register identification number [RCS] 483 784 344.

It was registered on 20 September 2005.

LISTING - LEI [LEGAL ENTITY IDENTIFIER] CODE

The 2CRSi share is listed on Euronext compartment B, while it is also part of Euronext's CAC Small, CAC Mid & Small and CAC All-Tradable. 2CRSi is also included in the European Rising Tech label.

The LEI code is: 969500PMJR23G2GLP639

HISTORY OF THE 2CRSI.PA COURSE FROM 31 JANUARY TO 29 FEBRUARY 2020

Date	Volume	Capital	Average price	+ Top	+ Bottom	End of month price
31 JANUARY 2019	287,256	2,594,862.00	9.0333	9.9000	8.2400	9.7200
28 FEBRUARY 2019	234,436	2,198,146.00	9.3763	9.9600	8.6600	9.9200
31 MARCH 2019	348,971	3,434,277.00	9.8412	10.4500	8.8200	9.7600
30 APRIL 2019	275,330	2,615,148.00	9.4982	10.3000	8.8200	9.9600
31 May 2019	140,443	1,321,530.86	9.4097	9.9800	8.8800	9.3400
30 JUNE 2019	296,178	2,794,449.00	9.4350	9.8400	9.0000	9.2800
31 JULY 2019	241,450	2,195,081.00	9.0912	9.5000	8.7200	9.2400
31 AUGUST 2019	97,218	872,533.76	8.9750	9.3800	8.6000	8.9800
30 SEPTEMBER 2019	1044,049	5,989,272.41	5.7366	9.0000	4.6300	5.1600
31 OCTOBER 2019	1,971,649	7,766,516.82	3.9391	5.1800	2.9800	3.8200
30 NOVEMBER 2019	1945,770	8,578,949.29	4.4090	5.3800	3.3200	5.0000
31 DECEMBER 2019	742,275	3,597,324.06	4.8463	5.1600	4.6000	5.0000
31 JANUARY 2020	1,610,806	7,913,496.90	4.9128	5.8600	4.1600	4.4500
29 FEBRUARY 2020	875,143	3,448,174.56	3.9401	4.5800	3.1000	3.1100

DATE OF INCORPORATION AND DURATION

2CRSi was incorporated in September 2005 for a period of 99 years from their registration in the trade and companies register, except for early dissolution or extension by the collective resolution of the shareholders in accordance with the law and the articles of association.

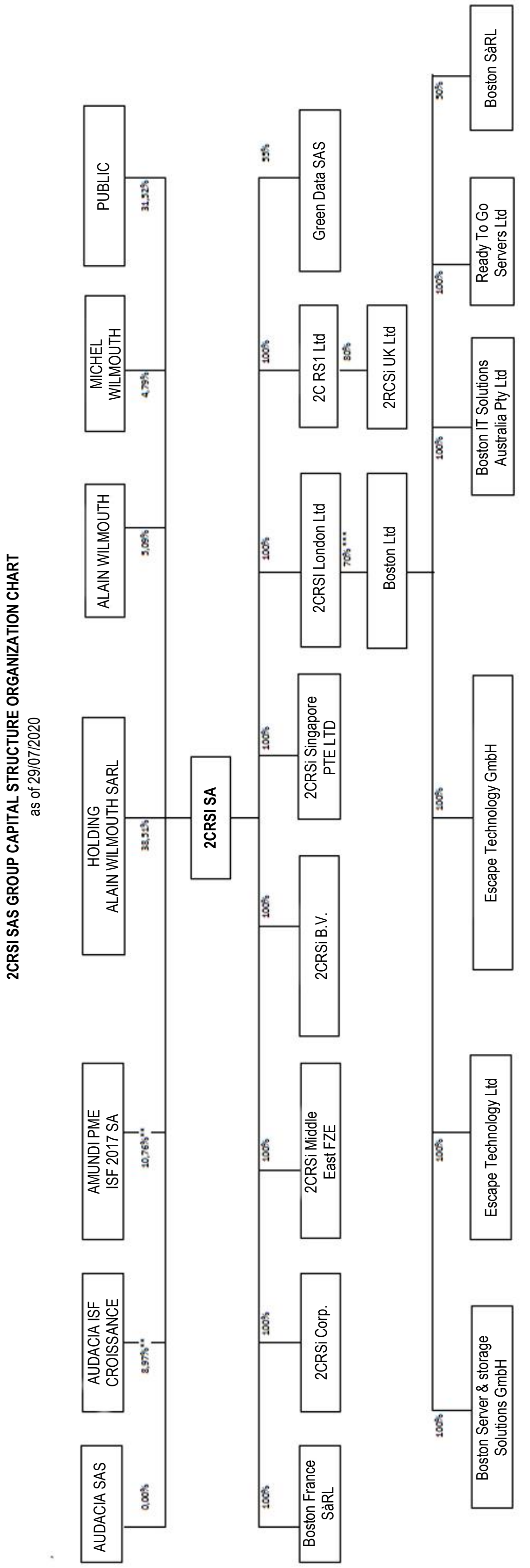
The financial year begins on 1 March and ends on the last day of February of each year. It is specified that the opening and closing dates of the balance sheet of 2CRSi, initially from 1 January to 31 December, have been modified, following a decision of the Extraordinary General Meeting of 19 December 2019. The 2019 financial year thus had an exceptional duration of 14 months, from 1 January 2019 to 29 February 2020.

REGISTERED OFFICE, LEGAL FORM, APPLICABLE LEGISLATION, COUNTRY OF ORIGIN, ADDRESS AND TELEPHONE NUMBER OF THE REGISTERED ADDRESS, WEBSITE

The registered office of the Company is located at 32, rue Jacobi Netter, 67200 Strasbourg, France.
The telephone number of the registered address is: 03.68.41.10.60
The Company is a public limited company (société anonyme) governed by French law. The website is www.2CRSi .com[1]

[1]Information on the Company's website is not part of the Universal Registration Document, unless this information is included therein as a reference.

2.2. LEGAL ORGANIZATION CHART



* The Group has holdings: Gamestream 14.40%, Blade <1%
** Preference shares (see chapter 2.3.3.)
*** 2CRSi has a purchase option on the remaining 30%. The 70% already held by 2CRSi today corresponds to 100% of the right to dividend

2.3. MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

2.3.1. Summary of corporate purpose

The main purpose of the Company in France and in all other countries is to provide consultancy, design, development, production, marketing, research and any other IT service.

The full version of the corporate purpose can be found in article 3 of the articles of association.

2.3.2. Rights and obligations associated with ordinary shares

Voting rights (article 11 of the articles of association)

Possession of an ordinary share automatically entails acceptance of the articles of association and of the resolutions regularly adopted by all general meetings.

Shareholders are only liable for the company’s liabilities up to the amount of their contributions.

Each ordinary share gives the right to a share proportional to the portion of capital that it represents in the profits, the company assets and the liquidation bonus.

Ownership of a share automatically entails acceptance of the company's articles of association and the resolutions of shareholders' meetings.

Where applicable and subject to imperative requirements, before proceeding with any reimbursement during the existence of the Company or upon its liquidation, all ordinary shares will be combined, without distinction of any tax exemptions or charges, as well as of all taxes likely to be borne by the Company, so that all ordinary shares receive the same net sum regardless of their origin and date of creation, taking into account their respective par value.

The shares are indivisible in relation to the Company.

The voting right associated with ordinary shares is proportional to the portion of the capital they represent, and each share gives the right to at least one vote, subject to the exceptions provided for by law.

All fully paid-up ordinary shares, for which proof of registration in the name of the same shareholder is provided for two years, benefit from a double voting right compared to that granted by other ordinary shares, taking into account the portion of the capital they represent.

In the event of a capital increase by incorporation of reserves, profits or issuance premiums, this right is also conferred, upon their issuance, to registered shares, allocated free of charge to a shareholder, due to old shares, by virtue of which he benefits of this right.

Registered shares with double voting rights converted to holder or transferred in full ownership lose double voting rights, except in all cases provided for by law.

2.3.3. Special Benefits - Preference Shares (Article 7 of the Articles of Association)

The extraordinary general meeting of 24 April 2017 decided to issue 350,000 share subscription warrants (the "SSWs"), the exercise of which allowed each holder of an SSW to subscribe to a 2017 preference share.

The share capital was increased by way of creation and issuance of 350,000 2017 preference shares having each the par value of EUR 0.90.

Taking into account the division of the par value by ten decided by the Combined General Meeting of 24 May 2018, the 3,500,000 2017 preference shares now have a par value of EUR 0.09 each. It will therefore be proposed to the Combined General Meeting of 25 September to update Article 7 of the Articles of Association in order to ensure its compliance with the division of the par value, in particular with regard to the rule for calculating the price of 2017 preference shares.

The 2017 preference shares shall comply with all statutory provisions which are subject to the specific rights described below, given that the 2017 preference shares will not be the subject of a request for admission to trading on a regulated market.

The following rights and prerogatives are associated to 2017 preference shares:

2.3.3.1. Priority dividends

The 2017 preference shares are not entitled to the payment of the ordinary dividend of the Company. On the other hand, each 2017 preference share is entitled to a priority and cumulative annual dividend, paid in preference to all the other shares of the Company, deducted from the distributable sums and paid no later than 10 July of each year (the "**Priority Dividend**").

The Priority Dividend is equal to the Priority Dividend rate multiplied by EUR 0.10. For all the financial years ending before 1 January 2023, the Priority Dividend rate is equal to five (5)%.

For the financial years ending after this date, the Priority Dividend rate is equal to the 12-month Euribor + 1,500 basis points. In the event of an extension of the duration of a financial year beyond twelve months, the amount of Priority Dividends will be increased pro rata temporis.

In the event that the Euribor would disappear, this article will apply at the rate of the index replacing the Euribor.

In the absence of a substitution rate, the Company and the Representative of the Holders shall appoint, for the determination of a new reference rate, an independent agent, acting in a commercially reasonable manner and in good faith, in charge of determining a substitute reference rate, the performance and return of which are comparable and recognized on the market as such.

This substitution reference rate (in the absence of manifest error) will be final, binding and will apply to the calculation of the Priority Dividend. It is expressly specified that this rate will be increased by 1,500 basis points.

In the event of a persistent dispute between the Company and the Representative of the Holders, the appointment of the determining agent will be entrusted to the Strasbourg Commercial Court.

The Priority Dividend is cumulative. If applicable, to the payment of the Priority Dividend is therefore added the payment of an accrued and unpaid dividend (the "**Accrued and unpaid dividend**"), which will be equal to the sum of the amounts of Priority Dividends not paid during a maximum of six financial years which precede the financial year during which the Priority Dividend is paid, amounts to which an annual capitalization rate of 15% is applied.

Thus, by way of illustration, if the Company has not paid a Priority Dividend for the first two fully closed financial years since the balance sheet date of the sixth financial year following the subscription date of the 2017 preference shares, the amount of the Accrued and Unpaid Dividend payable for each 2017 preference share for this financial year, in addition to the Priority Dividend, will be equal to (12-month Euribor + 1,500 basis points) x EUR 0.10 x (1.15 + 1.15 x 1, 15).

The payment of the Priority Dividend and of the Accrued and Unpaid Dividend no later than 10 July of each year is an obligation of the Company up to the amount specified in the distributable sums appearing on their balance sheet, with the specification that the Priority Dividends and the Accrued and Unpaid Dividends will be charged with priority to the financial year's distributable profits, then to other distributable sums.

As of the financial year ending 31 December 2016, the Company and the Executive thus undertake to hold the annual general meeting to approve the accounts within six months of the financial year-end, and during this meeting the Company and the Executive undertake to make provisions for the payment of the priority dividend, voted before 10 July of each year. If the meeting does not vote this distribution, or if the Company does not pay the dividend voted by the meeting, then any 2017 preference shares Holder may force the payment of the dividend by means of legal action.

For all the financial years since, and including the one ending on 31 December 2016, the Company can vote and pay a dividend for the other shares issued and to be issued by the Company (the "**Ordinary Dividend**"), once the amount of the Priority Dividend and, where applicable, of the Accrued and Unpaid Dividend, has been voted and paid. The Ordinary Dividend will be taken only from the distributable profit defined in Article L. 232-11 of the French Commercial Code, within the limit of the net profit for the financial year, minus the financial income and exceptional income for the same financial year, except with the prior written consent of the Representative of the 2017 preference shares Holders.

For all the financial years from and including the one ending on 31 December 2022[2], in the event of non-exercise of the redemption option defined in article c below, if an Ordinary Dividend is paid on the other shares issued and to be issued by the Company, this Ordinary Dividend shall not exceed, at par value, the amount of the Priority Dividend, except when paying simultaneously to the Holders of the 2017 preference shares a supplementary dividend (the "**Supplementary Dividend**"), taken from the distributable profit for the financial year, the distributable reserves or retained earnings, and equal, in the event of a par value equivalence, to the difference between the Ordinary Dividend and the Priority Dividend. In the event that the par values between the 2017 preference shares and the other shares are unequal, the Supplementary Dividend will be adjusted accordingly.

The 2017 preference shares shall confer the right to a dividend starting with the financial year during which their subscription was made.

2.3.3.2. The Representative of the 2017 preference shares Holders

The 2017 preference shares Holders are permanently represented by a representative (the "**The Representative of the 2017 preference shares Holders**") appointed at a special meeting. The Representative of the 2017 preference shares Holders will be convened, with a minimum period of 15 days, to ordinary and extraordinary general meetings, instead of the 2017 preference shares Holders. As such, any notification, convocation or communication of any nature whatsoever addressed to the Representative of the 2017 preference shares Holders, under these articles of association, will be deemed to have been correctly issued to each Holder of the 2017 preference shares, and therefore as being enforceable against them, the Representative of the 2017 preference shares Holders being personally responsible for updating each Holder of the 2017 preference shares within the deadlines. This latter can participate or vote by correspondence at meetings and take part in debates and in voting on resolutions in the name and on behalf of all the 2017 preference shares Holders.

At ordinary and extraordinary general meetings of the Company, each 2017 preference share gives the right to at least one vote, being understood that the percentage of voting rights of each 2017 preference share is equal to the same percentage of the share capital represented by each 2017 preference share. Any statutory clause not taking this key allocation into account shall not apply to 2017 preference shares.

However, the rights to convene, receive a share of the profits and vote in the special meetings of the Holders of the 2017 preference shares (the "**Special Meetings**") can only be exercised by the Holders of the 2017 preference shares. The procedures for convening, holding meetings and voting at Special Meetings are those that apply for extraordinary meetings of the Company, with the exception of the quorum conditions, which are governed by those set out in Article L. 225-99 paragraph 3 of the French Commercial Code.

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[2]Following the change in the balance sheet date of the financial year to the last day of February, it will be proposed to the General Meeting of 25 September 2020 to modify article 7 of the articles of association, "SPECIAL BENEFITS - PREFERENCE SHARES", in order to modify certain dates concerning the 2017 preference shares accordingly.

The Representative of the 2017 preference shares Holders will be appointed and dismissed by a Special Meeting. This latter can resign from their functions, during a Special Meeting called for this purpose. In this case, she/he will have the obligation to put forward a successor to be immediately appointed by the Special Meeting convened. Her/his resignation will not take effect until the date of the appointment of the successor.

It is specified that any communication from the Company intended for the Holders of the 2017 preference shares will always be addressed exclusively to the Representative of the 2017 preference shares Holders, who will be responsible for disseminating the information communicated by the Company to the Holders of the 2017 preference shares, in the format and frequency chosen exclusively by the Representative of the 2017 preference shares Holders. Under no circumstances will the Company communicate information directly to the Holders of the 2017 preference shares without going through the Representative of the 2017 preference shares Holders.

In the event of exercise of the redemption option defined in paragraph 2.3.3.3 below, the mission of the Representative of the 2017 preference shares Holders will be completed once the Redemption Price has been paid and the securities transferred.

The first Representative of 2017 preference shares is Audacia, a simplified joint-stock company under French law with a share capital of EUR 457,000, whose registered office is located at 6, rue de Téhéran 75008 Paris, and whose identification number in the trade and companies register is 492 471 792, in the Trade and Companies Register of Paris.

2.3.3.3. Redemption Option

Each Holder of the 2017 preference shares irrevocably undertakes to transfer all of the 2017 preference shares they hold, in one go, to HAW (Strasbourg Trade and Companies Register no. 799 911 656) or to any other person replacing them, excluding the Company (the "**Third Party Buyer"**), if the latter(s) so request(s) (the "**Redemption Option**"), during the period from 1 January 2023 to 31 March 2023 (the "**Option Period**"), for an amount, per each 2017 preference share, of 110% x EUR 0.10, increased, if applicable, by the Accrued and Unpaid Dividend (the "**Redemption Price**").

In the event that said option is exercised, Holding Alain Wilmouth (in their own name and on behalf of any person replacing them) undertakes to:

- convert all of the 3,500,000 2017 preference shares into ordinary shares of the Company at a conversion rate of one 2017 preference share for one ordinary share. The admission to trading of the resulting 3,500,000 ordinary shares will then be requested;
- communicate their intention regarding the development of their stake in the Company and not to weigh on the share market in the event of a plan to sell shares.

The exercise of the Redemption Option will be validly notified to the Representative of the 2017 preference shares Holders by the Third-Party Purchaser, no later than the last day of the Option Period, by any means. The notification will contain the name or company name and address of the Third-Party Purchaser, as well as their registration number in the trade and companies register, if it is a legal person.

In the absence of notification of the exercise of the Redemption Option by the Third-Party Buyer by this date, the Redemption Option will lapse.

If the Redemption Option was not exercised within the aforementioned period, any statutory clause, in particular clauses of approval or pre-emption, limiting the freedom to sell the different categories of shares already issued or to be issued by the Company, will be considered as inapplicable and deemed never to have existed with regard to 2017 preference shares.

The Redemption Option relates exclusively to all of the 2017 preference shares and no partial exercise is authorized.

The completion of the sale of the 2017 preference shares will be subject to the issuance of:

i. cashier's cheques (or any other document providing proof of the execution of a bank transfer) to the Representative of the 2017 preference shares Holders, in an amount equal to the Redemption Price, in the event of a sale;

ii. a duly completed and signed movement order to the Company, instructing them to proceed with the transfer of the 2017 preference shares for the benefit of the Third-Party Buyer.

The Payment of the Redemption Price by the Third-Party Buyer must be forwarded within 30 (thirty) days following the notification of the Redemption Option.

In the event of notification of the Redemption Option within the time limits and failure to pay the Redemption Price within the time period indicated above, the Redemption Option will lapse, and its exercise will be deemed non-existent and of no effect.

The Third-Party Buyer, the Holders of the 2017 preference shares and the Representative of the 2017 preference shares Holders expressly acknowledge the irrevocable and intangible nature of the terms of the Redemption Option. Any declaration of will on the part of one of them, without the express consent of the others, aimed at affecting the terms and conditions of the Redemption Option will be void of any effect. Consequently, the Holders of the 2017 preference shares, the Representative of the 2017 preference shares Holders and the Third Party Buyer agree, pursuant to article 1217 of the French Civil Code, that the Third Party Buyer can proceed to enforcement of the Redemption Option against the Holders of the 2017 preference shares, without prejudice to the damages that may be claimed.

2.3.3.4. Tag-along right

At the end of the Option Period and to the extent that the Redemption Option has not been exercised, and in the event that:

- one or more shareholders of the Company (hereinafter referred to as the "**Concerned Party(es)**"), will consider, alone or together, the transfer of securities of the Company (hereinafter referred to as the “**Relevant Securities**”), to a third party or to a shareholder (hereinafter referred to as the “**Purchaser**”), or several Purchasers acting together within the meaning of Article L. 233-10 of the French Commercial Code; and
- this transfer would result in a change of control (within the meaning of Article L. 233-3 of the French Commercial Code) of the Company, immediately or in the future, directly or indirectly.

The Holders of the 2017 preference shares will have a full priority tag-along right, under the terms of which they will be allowed to transfer as a priority to the Purchaser part or all of their 2017 preference shares, under the same terms as those offered by the Purchaser to the Concerned Party and under the price conditions described below (hereinafter the "**Full Tag-Along Right**"). Any other tag-along right (or right related to it) concerning any other Company share can only be exercised by their holder on the condition that the Purchaser has irrevocably committed to acquire the 2017 preference shares from those 2017 preference shares Holders who wish to exercise their Full Tag-Along Right concurrently with the Relevant Securities.

The Concerned Party must therefore, prior to a transfer of all or part of the Relevant Securities or any commitment on their part with a view to their transfer likely to result in the application of the Full Tag-Along Right, obtain the irrevocable commitment of the Purchaser that the latter will offer the Holders of the 2017 preference shares the possibility of transferring to the Purchaser some or all of the 2017 preference shares that they hold and that they wish to transfer, under the conditions below.

Consequently, in the situation referred to in article d.1 above, the Concerned Party must forward to the Representative of the 2017 preference shares Holders, prior to the completion of the transfer under the Full Tag-Along Right, the details of this transfer project (purchase price, the identity of the Purchaser and other terms offered by the Purchaser), and whether this transfer project is likely to result in a change of control of the Company (within the meaning of article L. 233-3 of the French Commercial Code).

The Holders of the 2017 preference shares will have a period of forty-five (45) days from receipt of the notification provided for in article d.2 above to exercise their Full Tag-Along Right according to the following modalities (the "**Exercise Period**"):

The decision of the Holders of the 2017 preference shares relating to the exercise of the Full Tag-Along Right will be taken at a Special Meeting and will then be binding for all Holders of the 2017 preference shares.

In the event that the legal quorums of the Special Meeting are not reached, each Holder of the 2017 preference shares who wishes to exercise their Full Tag-Along Right, must notify their decision to exercise said right to the Representative of the 2017 preference shares Holders, by specifying the number of 2017 preference shares they wish to sell.

If the Holders of the 2017 preference shares have expressed at a Special Meeting or, in the absence of a quorum, individually, their wish to assert their Full Tag-Along Right, the Representative of the 2017 preference shares Holders will notify the Concerned Party, prior to the expiry of the Exercise Period, regarding the number of 2017 preference shares that the Holders of the 2017 preference shares wish to sell (hereinafter referred to as the "**2017 preference shares Offered**").

In the event of exercise of the Full Tag-Along Right, the purchase price by the Purchaser of each 2017 preference share Offered will be established on the basis of the purchase price agreed between the Purchaser and the Concerned Party, for the transfer of the Securities Concerned, or, where applicable, offered in good faith by the Concerned Party. Each 2017 preference share will be valued as one ordinary share of the Company if the ordinary shares and 2017 preference shares have the same par value; and, in the event that the two par values are different, each 2017 preference share will be valued by multiplying the value of an ordinary share by the ratio between the par value of a 2017 preference share and the par value of an ordinary share. To this price will be added, if applicable, the amount of the Accrued and Unpaid Priority Dividend.

In the event that this transfer conferring control is carried out in several tranches, the price retained for the exercise of the Full Tag-Along Right will correspond either (i) to the price per share agreed upon when the last tranche was sold, or (ii) to the average price of sales made over the last twenty-four months, if this average price is higher than the price used during the sale of the last tranche.

At the initiative of the Representative of the 2017 preference shares Holders, in the event that the Full Tag-Along Right is exercised, the sale of the 2017 preference shares Offered will be carried out within the time limit referred to in the notified transfer project or, if nothing is provided for this purpose, within fifteen (15) days from the date of expiry of the Exercise Period.

In order to ensure the redemption by the Purchaser of the 2017 preference shares Offered and their payment within the time limit set in the last paragraph of article d.3, the Concerned Party will not transfer ownership of the Relevant Securities to the Purchaser, and will only receive the price of the Relevant Securities on condition that, simultaneously, the Purchaser sees ownership transferred and pays the sale price of the 2017 preference shares Offered.

In the event that, on the occasion of a duly notified transfer project, the Holders of the 2017 preference shares have not exercised their Full Tag-Along Right under the conditions specified in article d.3, the Concerned Party can proceed with the transfer, in strict compliance with the terms of the notified project and within the time limit provided for by the aforementioned or, if there is no specified time limit, within thirty (30) days from the expiry of the Exercise Period.

Should the Concerned Party fail to carry this out, they must again, prior to any transfer of their Relevant Securities, comply with the provisions of this article.

If failing to comply with the foregoing provisions, the Purchaser acquires the Relevant Securities from the Concerned Party, but does not purchase the 2017 preference shares Offered by the 2017 preference shares Holders, the Concerned Party would be required to take ownership, under the same conditions, of all those 2017 preference shares Offered, within eight (8) days, from the expiry of the time limit set to the Purchaser in the last paragraph of article d.3.

Likewise, if the Purchaser acquires the Relevant Securities of the Concerned Party, and the 2017 preference shares Offered by the Holders of the 2017 preference shares, but does not pay for the 2017 preference shares Offered, the Concerned Party will be jointly and severally liable with the Purchaser, to proceed, within eight (8) days from the expiry of the time limit set in the last paragraph of article d.3, to the payment for the 2017 preference shares Offered to the Purchaser.

At the end of the Option Period and insofar as the Redemption Option has not been exercised, in the event of a change of control of the Company, which would directly or indirectly hold control of the Company within the meaning of article L 233-3 of the French Commercial Code (the "**Ultimate Shareholder**"), the Holders of the 2017 preference shares will have a full tag-along right, under identical conditions to those provided for in articles d. 1, d.2, d.3, d.4, d.5 and d.6, being specified that, for the application of the latter, the party designated as the "Concerned Party" corresponds to the "Ultimate Shareholder". As such, they will have the option of selling all their 2017 preference shares to the Purchaser, under the same terms and conditions as those offered by the Purchaser to the Ultimate

Shareholder, except for the price. In fact, the value of the 2017 preference shares will, in such a case, be determined by an expert, appointed at the request of the most diligent party, by the President of the Commercial Court of the Company's registered office, ruling under the conditions provided for in article 1843-4 of the French Civil Code.

The provisions of the articles above shall not apply in the event of a merger of the Company into or with another company (whether the Company is the absorbing or absorbed entity), or in the event of a division of the Company, resulting or not in a change of control of the Company within the meaning of Article L. 233-7 of the French Commercial Code, the Holders of the 2017 preference shares then having the right to make a decision on said transaction under the conditions provided for by law. However, these provisions shall apply in the event of a contribution, by one or more shareholders of the Company, of their Company securities to another entity, and resulting in a change of control under Article L. 233-7 of the French Commercial Code.

Notwithstanding the statutory clauses organizing the redemption of the 2017 preference shares, the public order provisions relating to the right to public offers are applicable from the admission to trading of the Company's shares on a regulated market (including article 234- 2 of the French Financial Market Authority General Regulation).

2.3.3.5. Full Tag-Along Obligation

At the end of the Option Period, insofar as the Redemption Option has not been exercised, and in the event that one or more shareholder (s) or one or more third parties, acting alone or together within the meaning of article L. 233-10 of the French Commercial Code (hereinafter referred to as the "**Beneficiary**") will come to make an offer for 100% of the Company's shares (hereinafter the "**Offer**"), and the holders of shares, representing at least 80% of the voting rights of the Company, would like to accept the Offer (hereinafter the "**Qualified Majority**"), each Holder of the 2017 preference shares (hereinafter individually referred to as the "**Promisor**" and collectively the "**Promisors**") shall (the "**Promise**"), if the Beneficiary so requests in writing, assign to the Beneficiary the 2017 preference shares held on the date of exercise of the Promise.

The Beneficiary must notify the draft Offer in writing to the Representative of the 2017 preference shares Holders, being specified that the notification of said draft Offer must, under penalty of inadmissibility, mention or include:

- *i.* the name (or company name) and address (or registered office) of the intended assignee (hereinafter the "**Intended Assignee**"), and
- *ii.* the identity of the person or persons having control, within the meaning of Article L. 233-3 of the French Commercial Code, of the Intended Assignee, and
- *iii.* any financial or other eventual links, whether direct or indirect, between the shareholders making up the Qualified Majority, the Executive and the Intended Assignee, and
- *iv.* the number of ordinary shares and 2017 preference shares (hereinafter the "**Sold Securities**") whose sale is planned, and
- *v.* the price offered by the Intended Assignee, and
- *vi.* the other terms of the proposed transaction,

vii. a duly signed copy of the firm and bona fide offer of the Intended Assignee, and

viii. in the event of a planned Transfer where the price is not paid in full in cash (hereinafter an "**Exchange Transaction**"), or of a planned Transfer where the Sold Securities are not the only asset whose Transfer is considered by the Beneficiary (hereinafter a "**Complex Transaction**"), the Beneficiary must also provide an assessment of the value of the Sold Securities, and of the goods that they would receive in exchange, in the event of an Exchange Transaction and/or an assessment of the Sold Securities, in the event of a Complex Transaction.

The Beneficiary must send the Representative of the 2017 preference shares Holders their decision to exercise the Promise within fifteen (15) days, from the day when the condition defined in article e.1 above is met (hereinafter -after the "**Notification of the Beneficiary**").

They must also notify the terms of the accepted Offer, as well as the written agreement of the Qualified Majority as referred to in article e.1 above.

The Beneficiary will only be able to exercise the Promise once for all 2017 preference shares still held by each of the Promisors on the date of exercise of the Promise. In the event of more than one Beneficiary, they must agree on the distribution of the Sold Securities between them.

If the Promise has not been exercised under the aforementioned conditions, it will automatically lapse without compensation due by any party.

Notwithstanding the statutory clauses organizing the redemption of the 2017 preference shares, the public order provisions relating to the right to public offers are applicable from the admission to trading of the Company's shares on a regulated market (including article 234- 2 of the French Financial Market Authority General Regulation).

2.3.3.6. Setting the exercise price of the promise

In the event that the promise is exercised within the terms and deadlines set out above, each Promisor undertakes to transfer the ownership of their 2017 preference shares, in accordance with the terms and conditions of the Offer which will have been notified to them, in exchange for payment of the cash price.

The purchase price by the Beneficiary for each 2017 preference share will be valued to the equivalent of one ordinary share of the Company, if the ordinary shares and 2017 preference shares have the same par value; and, in the event that the two par values are different, each 2017 preference share will be valued by multiplying the value of an ordinary share by the ratio between the par value of a 2017 preference share and the par value of an ordinary share.

In any event, the purchase price proposed by the Beneficiary for each 2017 preference share will be at least equal to the Redemption Price, to which the amount of the Accrued and Unpaid Dividend will be added.

If the Promise is exercised within the terms and deadlines set out above, and the price calculated in accordance with article e.5 above, the transfer of the ordinary shares and the 2017 preference shares (the "**Transfer**") and the payment of sale price will occur no later than thirty (30) days after the date when the Beneficiary exercised the Promise, being specified that the Holders of the 2017 preference shares will have the right to receive a price entirely paid in cash, in the event of an Exchange Transaction, and both for the exercise of their Full Tag-Along Right and their Full Tag-Along Obligation.

The Transfer will be subject to the issuance:

i. to the holders of ordinary shares and, in case of the 2017 preference shares, to the Representative of the 2017 preference shares Holders, who will send each of the Promisors, in the event of a sale, of cashier's cheques (or any other document providing proof of the execution of a bank transfer) of an amount equal to the purchase price of their Securities, as determined in article e.5;

ii. to the Beneficiary, of a duly completed and signed movement order instructing the Company to proceed with the Transfer for the benefit of the Beneficiary.

2.3.3.7. Representation for the sale of 2017 preference shares

The Representative of the 2017 preference shares Holders is already legally mandated by the Holders of the 2017 preference shares to sign any deed relating to the resale of the 2017 preference shares, resulting in particular from the exercise of the Redemption Option (c) of the Tag-Along Right (d), and the Full Tag-Along Obligation (e), and in particular for the signing of movement orders for the benefit of the Third Party Buyer, the Beneficiary or the Purchaser, as required. The movement orders signed by the Representative of the 2017 preference shares Holders, shall validly bring about the transfer of the 2017 preference shares, for the benefit of the Third-Party Buyer, the Beneficiary or the Purchaser.

2.3.3.8. Reduction of share capital

As long as the 2017 preference shares have not been purchased in accordance with the terms set out in these Articles of Association, the Company shall not reduce the share capital unless they have obtained the agreement of the Holders of the 2017 preference shares convening in a Special Meeting.

2.3.3.9. Priority right to the liquidation bonus

In the event of the liquidation of the Company, the proceeds of the liquidation available after the settlement of the liabilities, payment of the liquidation costs, and, more generally, after any priority payment imposed by law and the applicable regulations (the "**Liquidation Bonus**") will be distributed in the following order of priority:

- To the Holders of the 2017 preference shares, an amount equal for each 2017 preference share to the Redemption Price, increased by the Accrued and Unpaid Dividends; being understood that, if the liquidation bonus does not cover this amount, the liquidation bonus will revert in full to the holders of the 2017 preference shares.
- To holders of other Company shares, an amount per share equal to the amount of its par value.
- To the holders of the 2017 preference shares and to the holders of other Company shares, an amount proportional to their equity stake.

2.3.3.10. Modification of articles of association

Any modification of the articles of association affecting articles a to h, modifying the rights associated to the 2017 preference shares, or increasing the obligations imposed on the Holders of the 2017 preference shares, must be previously approved by the Special Meeting, before being submitted to the vote of the extraordinary general meeting of the Company.

The approval of the Special Meeting will not be required for any issuance of new preference shares, the application of which will be subject to the prior satisfaction of the rights associated to the 2017 preference shares. In this case, in the absence of modification of the rights associated to the 2017 preference shares, the conditions of application of Article L. 225-99 of the French Commercial Code will not be met.

2.3.4. Capital information and stock market data

2.3.4.1. Breakdown of the Company's capital

As of the date of this document, the subscribed capital, fully paid, amounts to EUR 1,596,908.70, divided into 17,743,430 shares with a par value of EUR 0.09, divided into two categories of shares, in the following proportions (i) 14,243,430 ordinary shares and (ii) 3,500,000 preference shares, known as "2017 preference shares".

2.3.4.2. Capital evolution since 1 January 2018

The table below summarizes the evolution of the Company's capital since 1 January 2018:

Date	Nature of the transaction	Capital before transaction	Number of shares before transaction	Number of shares after the transaction	Par value after the transaction (in EUR)	Capital after the transaction (in EUR)
10 JULY 2018	Full exercise of the over-allotment option by Natixis, giving rise to the remission of 749,143 additional new shares, as part of the admission of the Company's shares on the regulated market	1,529,485.83	16,994,287	17,743,430	0.09	1,596,908.70
25 JUNE 2018	Capital increase with the cancellation of preferential subscription rights by public offering and without priority period, for a nominal amount of EUR 449,485.83, with a view to the admission of the Company's shares to trading on the regulated market	1,080,000	1,200,000	16,994,287	0.09	1,529,485.83
24 MAY 2018	Reduction of the par value of ordinary shares by exchanging 1,200,000 shares with a par value of EUR 0.90 for 12,000,000 shares with a par value of EUR 0.09	1,080,000	1,200,000	12,000,000	0.09	1,080,000

2.3.4.3. Non-equity shares

There are no non-equity shares.

2.3.4.4. Breakdown of the Company's share capital and voting rights as of 29 February 2020

As of the date of this document, the subscribed capital, fully paid, amounts to EUR 1,596,908.70, divided into 17,743,430 shares with a par value of EUR 0.09, divided into two categories of shares, in the following proportions (i) 14,243,430 ordinary shares and (ii) 3,500,000 preference shares known as “2017 preference shares”.

Shareholders	Number of shares	Percentage of share capital	Share category	Number of actual voting rights	Percentage of actual voting rights	Number of theoretical voting rights	Percentage of theoretical voting rights
Holding Alain Wilmouth (a)	6,833,320	38.51%	ordinary shares	12,917,497	50.74%	12,917,497	50.67%
Alain Wilmouth	903,020	5.09%	ordinary shares	1,719,690	6.76%	1,719,690	6.75%

Subtotal Alain Wilmouth	**7,736,340**	**43,60 %**	**ordinary shares**	**14,637,187**	**57,50 %**	**14,637,187**	**57,41 %**
Michel Wilmouth	850,000	4,79 %	ordinary shares	1,700,000	6,68 %	1,700,000	6,67 %
Total family group	**8,586,340**	**48,39 %**	**ordinary shares**	**16,337,187**	**64,71 %**	**16,337,187**	**64,08 %**
Amundi PME ISF 2017 (managed by Audacia)	1,909,100	10,76 %	preference shares	1,909,100	7,50 %	1,909,100	7,49 %
Audacia ISF Croissance (managed by Audacia)	1,590,900	8,97 %	preference shares	1,590,900	6,25 %	1,590,900	6,24 %
Audacia (b)	10	0,00 %	ordinary shares	20	0,00 %	20	0,00 %
Public	5,620,598	31,68 %	ordinary shares	5,620,598	22,08 %	5,620,598	22,05 %
Treasury	36,482	0,21 %	ordinary shares		•	36,482	0,14 %
Total	**17,743,430**	**100,00 %**		**25,457,805**	**100,00 %**	**25,494,287**	**100,00 %**

(a) HAW also benefits from a redemption option at their sole initiative, applicable from 1 January to 31 March 2023, on the 3,500,000 2CRSi preference shares, managed by Audacia and held by Amundi PME ISF and Audacia ISF. It is specified that HAW is controlled in proportion of 91.64% by Mr Alain Wilmouth.

(b) Ten (10) shares held by Audacia, as representative of the holders of 2017 preference shares, are subject to a share loan concluded with Holding Alain Wilmouth. Once their role as representative of holders has ended, Audacia will have to return the securities loaned on first demand.

The difference between the number of shares and voting rights corresponds to the existence of double voting rights conferred on shares which have been held in registered form by the combined general meeting of 24 May 2018, for at least two years. The difference between theoretical voting rights and actual voting rights corresponds to the number of treasury shares held by the Company.

To the Company's knowledge, there is no other shareholder holding, directly or indirectly, alone or together with others, more than 5% of the share capital or voting rights of the Company.

As of the date of this document, there has been no significant change in the distribution of the Company's capital and voting rights since the balance sheet date.

Over the past two years, the distribution of the Company's capital has evolved as follows:

	24 May 2019			31 December 2019			29 February 2020		
Shareholders	% of share capital	% of theoretical voting rights	% of actual voting rights	% of share capital	% of theoretical voting rights	% of actual voting rights	% of share capital	% of theoretical voting rights	% of actual voting rights
Holding Alain Wilmouth (a)	38.51%	50.67%	50,70 %	38.51%	50.67%	50,70 %	38.51%	50.67%	50.74%
Alain Wilmouth	4,77 %	6,52 %	6,53 %	5.09%	6.75%	6.75%	5.09%	6.75%	6.76%
Subtotal Alain Wilmouth	**43,28 %**	**57,19 %**	**57,23 %**	**43,60 %**	**57.42%**	**57,45 %**	**43,60 %**	**57.42%**	**57,50 %**
Michel Wilmouth	4,79 %	6,67 %	6,67 %	4,79 %	6.67%	6,67 %	4.79%	6,67 %	6,67 %
Total family group	**48,07 %**	**63,86 %**	**63,90 %**	**48,39 %**	**64.09%**	**64,12 %**	**48,39 %**	**64,09 %**	**64,17 %**
Amundi PME ISF 2017 (managed by Audacia)	10,76 %	7,49 %	7,49 %	10,76 %	7,49 %	7,49 %	10,76 %	7,49 %	7,49 %
Audacia ISF Croissance (managed by Audacia)	8,97 %	6,24 %	6,24 %	8,97 %	6,24 %	6,24 %	8,97 %	6,24 %	6,24 %
Audacia (b)	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Dorval Asset Management	5,00 %	3,48 %	3,48 %						
Public	27,10 %	18,86 %	18,88 %	31,52 %	21,94 %	21,95 %	31,41 %	21,86 %	21,89 %
Treasury	0,10 %	0,07 %		0,09 %	0,06 %		0,21 %	0,14 %	
Total	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**	**100,00 %**

(a) *HAW also benefits from a redemption option at their sole initiative, applicable from 1 January to 31 March 2023, on the 3,500,000 2CRSi preference shares, managed by Audacia and held by Amundi PME ISF and Audacia ISF. It is specified that HAW is controlled in proportion of 91.64% by Mr Alain Wilmouth.*

(b) *Ten (10) shares held by Audacia, as representative of the holders of 2017 preference shares, are subject to a share loan concluded with Holding Alain Wilmouth. Once their role as representative of holders has ended, Audacia will have to return the securities loaned on first demand.*

The number of shares held by each member of the Board of Directors is detailed in chapter 3.4.1 of the Board of Directors' report on corporate governance.

2.3.4.5. Treasury shares and cross-shareholdings

There are no cross-shareholdings. The company has set up a share redemption program: 36,482 treasury shares were held in this capacity as of 29 February 2020 (a description of the program is available in chapter 2.3.4.7.).

2.3.4.6. Sale of shares performed to regularize cross-shareholdings

We inform you that the Company has not had to sell shares in order to put an end to the cross-shareholdings prohibited by Articles L. 233-29 and L. 233-30 of the French Commercial Code.

2.3.4.7. Acquisition by the Company of their own shares - Description of the share redemption program

2.3.4.7.1. Share redemption program approved by the General Meeting of 13 June 2019

The Combined General Meeting of the Company held on 13 June 2019 authorized, for a period of eighteen months from the date of the Meeting, the Board of Directors to implement a redemption program for the shares of the Company, within the framework of the provisions of article L. 225-209 of the French Commercial Code and in accordance with the General Regulations of the French Financial Market Authority (AMF) under the conditions described below:

- **Relevant securities:** ordinary shares

- **Maximum portion of the capital authorized for redemption:** 10% of the capital (or 1,774,343 shares as of 31 December 2019), being specified that this limit is assessed on the date of redemptions in order to take into account any operations to increase or reduce the capital that may occur during the implementation of the program. The number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased, minus the number of shares resold during the duration of the program as part of the liquidity objective.

•As the company cannot hold more than 10% of their capital, they will have to take into account the number of shares already held when the next program is allocated.

•**Maximum purchase price:** EUR 30 per share

•**Maximum program amount:** EUR 53,230,290

•**Objectives:**

- ensure the stimulation of the secondary market or the liquidity of the 2CRSi share, through an investment service provider, through a liquidity contract, in accordance with the market practice permitted by the regulations in force,

- keep the purchased shares and subsequently deliver them in exchange, or as payment, in the context of any external growth operations, being specified that the shares acquired for this purpose may not exceed 5% of the company's capital,
- ensure the coverage of share purchase option plans and/or free share plans (or similar plans) for the benefit of the employees and/or corporate officers of the group, as well as all share allocations, under a company or group savings plan (or similar plan), in respect of profit-sharing, and/or all other forms of allocation of shares to employees and/or corporate officers of the group,
- ensure the coverage of transferable securities giving the right to the allocation of company shares within the framework of the regulations in force,
- implement any market practice that may come to be accepted by the French Financial Market Authority, and more generally carry out any other transaction in accordance with the regulations in force,
- proceed with the possible cancellation of the shares acquired,

- **Duration of the program:** 18 months from the general meeting of 13 June 2019 or until 13 December 2020.

2.3.4.7.2. Implementation of the share redemption program

During the financial year ending on 29 February 2020, the following resources appeared in the liquidity account of the share redemption program concluded with Portzamparc:

- 36,482 Company shares (representing 0.21% of its share capital) with a par value of EUR 0.09 per share and a total book value of EUR 146,595.62, valued at the closing market price of 29.02.2020; and
- EUR 13,508.56

Reasons for acquisitions	Percentage of program
Facilitation of share price	100 %
Employee shareholding	0%
Transferable securities giving the right to the allocation of shares	0%
External growth operations	0%
Cancellation	0%

As part of the share redemption program, between the opening and closing date of the balance sheet for the 2019/2020 financial year, the Company proceeded with the purchase and sale of own shares, as follows:

Number of shares purchased	371,833
Average purchase price	EUR 6.27
Number of shares sold	366,108
Average sale price	EUR 6.38
Number of shares registered at the end of the financial year	36,482
Value assessed at purchase price	EUR 146,596
Par value at the end of the financial year	EUR 113,459
Trading fees	None

With the exception of shares held under the liquidity contract, the Company does not hold, as of the date of the Universal Registration Document, any of their own shares, and no Company shares are held by any of their subsidiaries, or by a third party on their behalf.

The shares held by the company have not been used or reallocated for other purposes since the last authorisation granted by the general meeting.

2.3.4.7.3. New share redemption program proposed to the General Meeting of 25 September 2020

- As of 29 February 2020, the number of shares held directly and indirectly was of 36,482, representing 0.21% of the company's capital.

NUMBER OF SECURITIES HELD BROKEN DOWN BY OBJECTIVE:

- Course stimulation by means of a liquidity contract in accordance with market practice: 36,482
- External growth operations: 0
- Cover for share purchase options or other employee shareholding system: 0
- Cover for transferable securities giving right to the allocation of shares: 0
- Cancellation: 0

THE NEW PROGRAM IS PROPOSED AS FOLLOWS:

•Relevant securities: ordinary shares

•Maximum portion of the capital authorized for redemption:

10% of the capital (or 1,774,343 shares at the date of this document), being specified that this limit is assessed on the date of the redemptions, in order to take into account any operations to increase or reduce capital, that may occur during the program. The number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased, minus the number of shares resold during the duration of the program as part of the liquidity objective.

• As the Company cannot hold more than 10% of their capital, the maximum number of shares that can be purchased will be of 1,774,343 shares, including shares already held.

•Maximum purchase price: EUR 30

•Maximum program amount: EUR 53,230,290

•Terms of redemptions:

purchases, sales and transfers may be carried out by any means on the market or over-the-counter, including transactions on blocks of securities, being specified that the resolution put to the vote of the shareholders does not limit the part of the program that can be carried out by purchasing blocks of securities. These operations cannot be carried out during a public offer period. The Company does not intend to use option mechanisms or derivative instruments.

•Objectives:

- ensure the stimulation of the secondary market or the liquidity of the 2CRSi share, through an investment service provider, through a liquidity contract, in accordance with the market practice permitted by the regulations in force,
- keep the shares purchased, and subsequently deliver them in exchange or as payment, in the context of any external growth operations, being specified that the shares acquired for this purpose may not exceed 5% of the Company's capital,
- ensure the coverage of share purchase option plans and/or free share plans (or similar plans) for the benefit of the employees and/or corporate officers of the group, as well as all share allocations, under a company or group savings plan (or similar plan), in respect of profit-sharing, and/or all other forms of allocation of shares to employees and/or corporate officers of the group,
- ensure coverage for transferable securities giving the right to the allocation of Company shares within the framework of the regulations in force,

- implement any market practice, which would come to be accepted by the French Financial Market Authority and, more generally, to carry out any other transaction in accordance with the regulations in force,

- proceed with the possible cancellation of the shares acquired, subject to the authorisation granted by the General Meeting of shareholders on 25 September 2020.

•**Duration of the program:** 18 months from the general meeting of 25 September 2020, or until 25 March 2022.

2.3.4.8. Status regarding employee equity stake at the balance sheet date

There is no right of employees to be mentioned in this report in application of the provisions of Article L. 225-102 of the French Commercial Code.

2.3.4.9. Adjustment of the basis for converting transferable securities giving access to the capital, subscription and purchase options and free shares

Not applicable in the absence of transferable securities giving access to the capital.

2.3.4.10. Voting rights of the main shareholders

Article 11.3 of the Company's articles of association stipulates that each Company share gives the right to one vote. However, a voting right with a double value compared to the one granted by the other shares, in relation to the portion of the share capital they represent, is attributed to all fully paid-up shares, for which proof of registration is provided for at least two consecutive years in the name of the same shareholder.

2.3.4.11. Issuer control

The Company is controlled, as indicated above, at the highest level, by Alain Wilmouth. The main step taken in order to ensure that control is not exercised in an abusive manner is the presence of an independent director on the Board of Directors, the appointment of a second independent director being proposed to the General Assembly of 25 September 2020.

2.3.4.12. Shareholder agreement

The Company is not aware of any declaration of agreement between their shareholders other than the Dutreil Agreement in accordance with paragraph 2.3.4.9.8. of this document.

2.3.4.13. Legal thresholds

By the letter received on 30 September 2019, the public limited company Dorval Asset Management (1 rue de Gramont, 75002 Paris), acting for the funds they manage, declared that on 27 September 2019 they have fallen below the threshold of 5% of 2CRSi capital and hold, on behalf of said funds, 870,767 2CRSi shares representing as many voting rights, namely 4.91% of the capital and 3.42% of the voting rights of this company. The crossing of this threshold is the result of a sale of 2CRSi shares on the market (French Financial Market Authority Notice No. 219C1776 of 1 October 2019).

By the letter received on 21 November 2019, specifically complemented by a letter received on 25 November, Mr Alain Wilmouth declared that on 15 November 2019 he individually exceeded the threshold of 5% of the 2CRSi capital and individually holds 903,020 2CRSi shares representing 1,719,690 voting rights, namely 5.09% of the capital and 6.75% of the voting rights of this company.

The crossing of this threshold is the result of an acquisition of 2CRSi shares on the market. On this occasion, the Wilmouth family group did not cross any thresholds and holds, as of 15 November 2019, 12,086,340 2CRSi shares, representing 19,837,187 voting rights, namely 68.12% of the share capital and 77.81% of the voting rights of this company (French Financial Market Authority notice no. 219C2449 of 26 November 2019).

2.3.4.14. Statutory thresholds

In addition to the declarations of crossing of thresholds expressly provided for by the legal and regulatory provisions in force, any natural or legal person who comes to own directly or indirectly, alone or together with others, a fraction of the capital or voting rights (calculated in accordance with the provisions of articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of the general regulations of the French Financial Market Authority) equal to or greater than 2% of the capital or of the voting rights, or any multiple of this percentage, including above the thresholds stipulated by legal and regulatory provisions, must notify the Company of the total number of (i) shares and voting rights that they own, directly or indirectly, alone or together with others, (ii) securities that they own, directly or indirectly, alone or together with others, giving future access to the capital of the Company and the voting rights which are potentially associated to it, and (iii) shares already issued that this person can acquire by virtue of an agreement or of a financial instrument mentioned in article L. 211-1 of the French Monetary and Financial Code. This notification must be made by registered letter with acknowledgment of receipt, within four (4) trading days from the crossing of the relevant threshold.

When the shareholder's equity stake or voting rights fall below one of the above-mentioned thresholds, the obligation to inform the Company also applies within the same time limits and under the same conditions.

As an exception to the above, the aforementioned obligation to notify the Company of crossing of thresholds ceases to apply when the share of capital or voting rights held directly or indirectly by a shareholder, acting alone or in together with other shareholders, is equal to or greater than 50% of the capital or voting rights.

In the event of non-compliance with the above-mentioned obligation regarding the threshold crossing declaration and upon request, recorded in the minutes of the general meeting, of one or more shareholders representing at least 5% of the capital or voting rights, the shares exceeding the fraction that should have been declared are deprived of the right to vote until the expiry of a period of two years following the date of issuing the notification in accordance with the regulations.

The Company reserves the right to bring to the attention of the public and of the shareholders either the information which has been notified to them, or the non-compliance with the above-mentioned obligation by the person concerned.

2.3.4.15. Agreement effecting a change of control

No particular element of the memorandum of association, articles of association, charter or regulations of the Company can have the effect of delaying, deferring or preventing a change of control of the Company

To the Company's knowledge, as of the Date of the Universal Registration Document, there are no concerted actions or agreements between the shareholders of the Company that can result in a change of control of the Company.

2.3.4.16. Collateral status

To the Company's knowledge, as of the date of the Universal Registration Document, there is no collateral for the Company shares.

2.3.4.17. Dutreil Agreement

Some of the Company's shareholders have signed a collective agreement to retain shares subscribed for in application of Article 787 B of the French General Tax Code, the main terms of which are detailed below:

	Dutreil Agreement
Governance	Article 787 B of the French General Tax Code
Date of signature:	25 February 2019
Duration of collective agreement	2 years
Terms of renewal	Tacitly extended from quarter to quarter
Percentage of capital covered by the agreement on the date of signature	40.85%

Percentage of voting rights covered by the agreement at the date of signature	55.23%
Names of signatories having the capacity of executive officers and/or directors	Mr. Alain Wilmouth, Chief Executive Officer, Mr Michel Wilmouth, Director, HAW Director
Names of signatories holding at least 5% of the capital and voting rights who do not have the status of executive, trustee and/or director	None

2.3.4.18. Information on the capital of any group member subject to an option or to a conditional or unconditional agreement stipulating its placement under option

To the Company's knowledge, there is no purchase or sale or agreement option for the benefit of the Company's shareholders or granted by them relating to Company shares, with the exception of a redemption option enjoyed by Holding Alain Wilmouth relating to the 3,500,000 2017 preference shares held to date by Audacia funds and applicable from 1 January 2023 until 31 March 2023.

2.3.4.19. Summary of transactions regarding securities, carried out by executives and persons of equivalent status mentioned in Article L.621-18-2 of the French Monetary and Financial Code

The summary of the trustees' operations regarding the securities of the company mentioned in Article L 621-18-2 of the French Monetary and Financial Code, carried out during the last financial year, is as follows:

For the financial year ending on 29 February 2020, the following transactions have been declared to the French Financial Market Authority:	Alain Wilmouth
Role with the issuing company	Chief Executive Officer
Transactions carried out by a person in connection with the above person	-
Description of the financial instrument	Shares
Sale of financial instruments:	-
Total amount of sales:	-
Acquisitions of financial instruments:	61,493 shares
Total amount of acquisitions	EUR 281,562.532
Transfer of financial instruments to a family holding company:	-
Total transfer amount:	-

For the financial year ending on 29 February 2020,the following transactions have been declared to the French Financial Market Authority:	Marie de Lauzon
Role with the issuing company	Deputy Chief Executive Officer
Transactions carried out by a person in connection with the above person	-
Description of the financial instrument	Shares
Sale of financial instruments:	-
Total amount of sales:	-
Acquisitions of financial instruments:	14,856 shares
Total amount of acquisitions	EUR 61,338
Transfer of financial instruments to a family holding company:	-
Total transfer amount:	-

2.4. DIVIDEND DISTRIBUTION POLICY

Summary of dividends paid during the last financial years

Financial year	2017	2018	2019/20
Priority dividend	EUR 175,000	EUR 175,000	EUR 175,000
Ordinary dividend	N/A	N/A	N/A

2.4.1. Dividends paid to holders of 2017 preference shares

Each holder of 2017 preference shares is entitled to a priority and accrued and unpaid annual dividend, paid in preference to all the other shares of the Company, taken from the distributable sums and paid no later than 10 July of each year (the “Priority Dividend”). The Priority Dividend is equal to the Priority Dividend rate multiplied by EUR 0.10. This rate is of 5% for financial years ending before 1 January 2023, or a total of EUR 175,000 per year, and 12-month Euribor + 1.5%, for financial years ending subsequently.

In the event of non-payment of a Priority Dividend, payment of the latter is postponed and will be performed at the same time as the next Priority Dividend payment. Its amount (the "Accrued and Unpaid Dividend") will be equal to the sum of the amount of Priority Dividends not paid during a period of a maximum of five financial years preceding the financial year during which the Priority Dividend is paid, to which amount an annual capitalization rate of 15% will be applied.

For all the financial years since the one ending on 31 December 2016, once the amount of the Priority Dividend and, where applicable, the Accrued and Unpaid Dividend, has been voted and paid, the Company can vote and pay a dividend on the other shares issued and to be issued by the Company (the “Ordinary Dividend”). The Ordinary Dividend will be taken only from the distributable profit defined in Article L. 232-11 of the French Commercial Code, within the limit of the net profit for the financial year, minus the financial income and exceptional income for the same financial year, except with the prior written consent of the Representative of the 2017 preference shares Holders. The 2017 preference shares are not entitled to the payment of an ordinary dividend from the Company.

In addition, for all the financial years since, and including the one ending on 31 December 2022[3], in the event that Holding Alain Wilmouth (or any other person replacing them) does not exercise the redemption option which they retain for all 2017 preference shares, if an Ordinary Dividend is paid to the other shares issued and to be issued of the Company, this Ordinary Dividend shall not exceed, at par value, the amount of the Priority Dividend, except in order to pay a supplementary dividend (the “Supplementary Dividend”) to the Holder(s) of the 2017 preference shares simultaneously, taken from the distributable profit for the financial year, the distributable reserves or the retained earnings and equal, in the event of par value equivalence, to the difference between the Ordinary Dividend and the Priority Dividend. In the event that the par values between the 2017 preference shares and the other shares are unequal, the Supplementary Dividend will be adjusted accordingly.

Consequently, if the results of the Company do not allow them to pay the Priority Dividend (and, where applicable, the Accrued and Unpaid Dividend), they will not be able to pay an Ordinary Dividend. In addition, even if the Company has the sums to pay an Ordinary Dividend since the financial years ending on 31 December 2022 and if the purchase option is not exercised, the amount thereof will be reduced, due to the fact that these sums must be shared between the Ordinary Dividend and the Supplementary Dividend.

2.4.2. Dividend distribution policy

As of the date of this document, with the exception of the payment of the priority dividend to holders of Preference Shares, the Company has not planned to initiate a short-term dividend distribution policy and primarily aims to promote their growth.

2.5. SUMMARY OF DILUTIVE INSTRUMENTS

As of the date of this document, there are no securities that can give access to the capital.

[3] Following the change in the balance sheet date of the financial year to the last day of February, it will be proposed to the General Meeting of 25 September 2020 to modify article 7 of the articles of association, “SPECIAL BENEFITS - PREFERENCE SHARES”, in order to modify certain dates concerning the 2017 preference shares accordingly.

However, the Company awarded:

- 178,179 free shares to all employees according to a decision of the Board of Directors dated 12 December 2018 and for which the definitive purchase period is set on 13 December 2018. To date, 143,402 are still in the process of being acquired and could give rise to a capital increase through the incorporation of reserves of a maximum nominal amount of EUR 16,036.11;
- 142,722 free shares to employees of the Boston sub-group, as decided by the Board of Directors on 18 March 2020 and whose final purchase period is 19 March 2022.
- The exercise of all the rights mentioned above giving access to the capital of the Group could lead to the creation of 286,124 new shares, generating a maximum dilution of 1.61% based on the existing capital.

The dilution in voting rights stands at 1.12% on the basis of theoretical voting rights and on the basis of real voting rights.

The Combined General Meetings of 24 May 2018 and 13 June 2019 conferred on the Board of Directors a delegation of authority enabling them to proceed with the allocation of free shares. As part of this delegation, the Board of Directors of the Company has decided on the following attributions:

Date of the free share allocation	Plan no. 1 of 12 December 2018	Plan no. 1 2020 of 18 March 2020
Date of the 2CRSi general meeting that authorised the allocation	24 May 2018	13 June 2019
Date of allocation by the Board of Directors	12 December 2018	18 March 2020
Number of shares that can be allocated	1,772,343	1,772,343
Total number of shares allocated	178,179	142,722
including the total number of shares allocated to corporate officers:		0
Emmanuel Ruffenach	1,575 (1)	
Estelle Schang	11,745	
Michel Wilmouth	16,800	
Number of beneficiaries who are not trustees at the initial allocation date	55	34
Number of shares in the process of being acquired on the date of this document	143,402	142,722
Acquisition date	13/12/2023	19/03/2022
Terms of acquisition	Presence (2)	No presence or performance conditions
Number of shares acquired on the date of the Universal Registration Document	0	0
Number of cancelled or lapsed shares	34,457	
Duration of retention period	0	0

(1) Shares lapsed following the departure of Mr Ruffenach

(2) To definitively acquire the shares allocated to them, the beneficiaries must, without interruption during the acquisition period, be an employee of one of the companies in the Group

2.6. AUTHORISED CAPITAL

2.6.1. Delegations and authorisations for current capital increases

The delegations and authorisations for current capital increases available to the Company are as follows:

	Date of the General Meeting	Authorisation number	Duration of authorisation and expiry	Maximum nominal amount (EUR)
Delegation to be granted to the Board of Directors with a view to issuing share subscription warrants (SSW), new and/or existing share subscription and/or purchase warrants (BSAANE) and/or new and/or existing redeemable share subscription and/or purchase warrants (BSAAR) with cancellation of preferential subscription rights in favour of a category of persons (4) (6)	13/06/2019	Thirteenth resolution (9)	18 months 13/12/2020	10% of the share capital *(1)*
Authorisation to be given to the Board of Directors with a view to granting share subscription and/or purchase options to members of the salaried staff (and/or certain corporate officers)	13/06/2019	Fourteenth resolution	38 months 13/08/2022	10% of the share capital *(1)*
Authorisation to be given to the Board of Directors with a view to allocating free shares to members of the salaried staff (and/or certain corporate officers)	13/06/2019	Fifteenth resolution	38 months 13/08/2022	10% of the share capital *(1)*
Authorisation to be given to the Board of Directors with a view to allocating subscription warrants for company founders (BSPCE warrants) with cancellation of the preferential subscription right for the benefit of a category of persons (7)	13/06/2019	Sixteenth resolution	18 months 13/12/2020 *(2)*	10% of the share capital
Authorisation to be given to the Board of Directors with a view to cancelling the shares redeemed by the company under the provisions of Article L. 225-209 of the French Commercial Code	13/06/2019	Eleventh resolution	No	10% of the capital over 24months *(3)*
Delegation of authority to be given to the Board of Directors to increase the capital by issuing ordinary shares and/or transferable securities, giving access to the capital with cancellation of preferential subscription rights for the benefit of members of the company's savings plan, in application of articles L. 3332-18 and subsequent of the French Labour Code (4)	13/06/2019	Twelfth resolution	26 months 13/08/2021	EUR 810,000
Delegation to be given to the Board with a view to issuing shares and/or transferable securities giving immediate and/or future access to the Company's capital with retention of preferential subscription rights (4)	24/05/2018	Fifteenth resolution	24/07/2020	EUR 1,080,000 for shares - charged to threshold I EUR 100 million for common debt securities - charged to threshold II *(5)*
Delegation to be given to the Board with a view to issuing shares and/or transferable securities giving immediate and/or future access to the Company's capital with cancellation of preferential subscription rights, through a public offer (4) (7)	24/05/2018	Sixteenth resolution (9)	24/07/2020	EUR 1,080,000 for shares - charged to threshold I EUR 100 million for common debt securities - charged to threshold II *(5)*
Delegation to be given to the Board with a view to issuing shares and/or transferrable securities giving immediate and/or future access to the capital of the Company with cancellation of the preferential subscription right by private placement (4)	24/05/2018	Seventeenth resolution	24/07/2020	EUR 1,080,000 for shares - charged to threshold I EUR 100 million for common debt securities - charged to threshold II *(5)*
Authorization to freely set the price (4) (8)	24/05/2018	Eighteenth resolution	24/07/2020	
Over-allotment (4)	24/05/2018	Nineteenth resolution	24/07/2020	Within the limit of the threshold for the relevant delegation (and of thresholds I and II and 15% of the amount of the initial issuance) (5)
Delegation to be given to the Board, with a view to increasing the capital by issuing shares and/or transferrable securities giving immediate and/or future access to the Company's capital, with cancellation of the preferential subscription right in remuneration of contributions in kind, relating to equity securities or securities giving access to the capital (4)	24/05/2018	Twentieth resolution	24/07/2020	10% of the capital - charge to threshold I of EUR 100 million for debt securities - charged to threshold II *(5)*
Delegation to be given to the Board of Directors with a view to increasing the sharecapital by incorporating reserves, profits or premiums (4)	24/05/2018	Fourteenth resolution	24/07/2020	EUR 810,000 Independent threshold

(1) The total number of shares will be deducted from this threshold, which may give rights to (i) shares allocated free of charge, and (ii) share subscription and/or purchase options that may be granted by the Board of Directors under the authorizations provided for by this Meeting.
(2) Please note: the right to allocate BSPCE warrants within the favourable framework established by the law of 22 May 2019 (PACTE law) will end on 20 September 2020, the Company having been registered on 20 September 2005.
(3) Limit of 10% of the capital, calculated on the day of the cancellation decision, minus any shares cancelled during the previous 24 months, the shares that the company holds or may hold as a result of redemptions carried out within the framework of the article L. 225-209 of the French Commercial Code, as well as of reducing the share capital up to the suitable amount, in accordance with the legal and regulatory provisions in force.
(4) It is specified that a proposal will be submitted to the annual general meeting of 25 September 2020 to renew these authorisations (please see chapter 8 of this Universal Registration Document).
(5) The overall thresholds are as follows: threshold I: EUR 1,080, 000/ threshold II : EUR 100 million
(6) The category of beneficiaries concerned is as follows: (i) employees and/or corporate officers of the Company, or of a company belonging to the group within the meaning of Article L.233-3 of the French Commercial Code; and/or (ii) service providers or consultants who have signed a contract with the Company, or a company belonging to the group within the meaning of Article L.233-3 of the French Commercial Code.
(7) The category of beneficiaries concerned is as follows: "members of the salaried staff and/or executives subject to the tax regime for employees of the Company, and of companies in which the Company holds the portion of capital or voting rights required by the article 163 bis G of the French Tax Code, in compliance with the conditions provided for therein and, subject to the promulgation of the law regarding the growth and transformation of companies known as the “PACTE law”, to the directors of the Company.
(8) Authorisation given to the Board of Directors, which decides on an issuance of ordinary shares or transferrable securities, giving access to the capital, in application of resolutions 16 and 17, derogating, within the limit of 10% of the share capital per year, from the price setting conditions, provided for in the aforementioned resolutions, as follows: setting the issuance price of ordinary shares or of all transferrable securities giving access, immediately and/or in the future, to the Company's capital, at a price at least equal to the volume-weighted average (in the central order book and excluding the off-market block) of the Company's share prices on the market regulated by Euronext in Paris for the last three (3) trading sessions preceding the issue price setting, this average being able, if necessary, to be corrected, to take into account the differences in the dividend date and possibly be reduced by a maximum discount of 15%.
(9) As of the date of this document, these delegations authorised by the General Meeting of 13 June 2019 have not yet been used.

2.6.2. Delegations and authorisations regarding capital increases submitted to the shareholders' vote at the Combined General Meeting of 25 September 2020

The delegations and authorizations for capital increases that will be submitted to the vote of the shareholders at the General Meeting of 25 September 2020 are as follows:

	Date of the General Meeting	Authorisation number	Duration of authorisation and expiry	Maximum nominal amount (EUR)
Authorisation to be given to the Board of Directors with a view to cancelling the shares redeemed by the company under the provisions of Article L. 225-209 of the French Commercial Code	25/09/2020	Fourteenth resolution	24 months 25/09/2020	10% of the share capital over 24 months
Delegation of authority to be given to the Board of Directors to increase the capital by incorporating reserves, profits, and/or premiums	25/09/2020	Fifteenth resolution	26 months 25/11/2022	EUR 810,000 Independent threshold
Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued (by the company or by a company belonging to the group) with the retention of preferential subscription rights	25/09/2020	Sixteenth resolution	26 months 25/11/2022	EUR 1,080,000 for shares - EUR 100 million for debt securities Independent thresholds
Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or transferable securities giving access to equity securities to be issued (of the company or of a company belonging to the group) with cancellation of preferential subscription rights by public offer, excluding the offers referred to in paragraph 1 of article L.411-2 of French Monetary and Financial Code and/or in remuneration of securities within the framework of a public exchange offer	25/09/2020	Seventeenth resolution	26 months 25/11/2022	EUR 1,080,000 for shares within the limit of 20% of the capital per year - EUR 100 million for debt securities Common thresholds to the ones referred to in the 18th and 19th resolutions
Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or transferable securities giving access to equity securities to be issued (by the company or a company belonging to the group), with cancellation of preferential subscription rights by an offer referred to in paragraph 1 of article L.411-2 of the French Monetary and Financial Code	25/09/2020	Eighteenth resolution	26 months 25/11/2022	EUR 1,080,000 for shares within the limit of 20% of the capital per year - EUR 100 million for debt securities Common thresholds to the ones referred to in the 17th and 19th resolutions
Delegation of authority to be given on the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or transferable securities giving access to equity securities to be issued (by the company or by a company belonging to the group), with cancellation of the preferential subscription right for a category of beneficiaries (1)	25/09/2020	Nineteenth resolution	26 months 25/11/2022	10% of the share capital - EUR 100 million for debt securities Independent thresholds
Delegation to be given to the Board of Directors to increase the capital by issuing ordinary shares and/or transferable securities giving access to the capital, up to a limit of 10% of the capital, with a view to remunerating contributions in kind of equity securities or of transferable securities giving access to capital	25/09/2020	Twentieth resolution	26 months 25/11/2022	10% of the share capital - EUR 100 million for debt securities Independent thresholds
Authorisation to freely set the price (2)	25/09/2020	Twenty-first resolution	-	Derogation within the limit of 10% of the share capital per year
Authorisation to increase the number of issuances in the event of excess demand	25/09/2020	Twenty-second resolution	26 months 25/11/2022	Within the limit of the cap for delegation used (taking into account common limits) and within the limit of 15% of the initial issuance amount - Targeted issuances: issuances carried out under the 16th to 19th resolutions.
Delegation of authority to be given to the Board of Directors to increase the capital by issuing ordinary shares and/or transferable securities, giving access to the capital with cancellation of preferential subscription rights for the benefit of members of the company's savings plan, in application of articles L. 3332-18 and subsequent of the French Labour Code	25/09/2020	Twenty-third resolution	26 months 25/11/2022	EUR 810,000 Independent threshold

Delegation to be granted to the Board of Directors with a view to issuing share subscription warrants (SSW), new and/or existing share subscription and/or purchase warrants (BSAANE) and/or new and/or existing redeemable share subscription and/or purchase warrants (BSAAR) with cancellation of preferential subscription rights in favour of a category of persons (3)	25/09/2020	Twenty-fourth resolution	18 months 25/03/2022	10% of the share capital Independent threshold

1) The category of beneficiaries concerned is as follows: legal persons governed by French or foreign law (including holdings, entities, investment companies, mutual funds, or collective savings management funds) or natural persons, each having the status of qualified investor (within the meaning of Article L.411-2 1 of the French Monetary and Financial Code) and investing on a regular basis in listed companies operating in the IT sector and in particular that of the construction of computer servers, in computer systems and networks, the Internet, computer security, computer equipment manufacturers, and information systems, for a minimum individual subscription amount of EUR 100,000 per transaction or the equivalent of this amount and with the number of investors limited to 50; being specified that the Board of Directors will establish the exact list of beneficiaries within this category of beneficiaries, as well as the number of securities to be allocated to each of them. (2) Authorisation given to the Board of Directors which decides on an issuance of ordinary shares or transferable securities giving access to the capital, in application of resolutions 17 and 18, derogating, within the limit of 10% of the share capital per year, from the pricing conditions provided for in the aforementioned resolutions, as follows: the issue price of equivalent equity securities to be issued immediately or deferred may not be lower, at the choice of the Board of Directors:

either than the weighted average price of the company's share the day before the start of the public offer, possibly minus a maximum discount of 15%, or than the average of 5 consecutive quoted prices of the share chosen from the last thirty trading sessions preceding the start of the public offer, possibly minus a maximum discount of 15%. (3) The category of beneficiaries concerned is as follows: (i) employees and/or corporate officers of the Company or of a company belonging to the group within the meaning of Article L.233-3 of the French Commercial Code; and/or (ii) service providers or consultants who have signed a contract with the Company or a company belonging to the group within the meaning of Article L.233-3 of the French Commercial Code.

2.7. HOLDINGS INFORMATION

As of the date of this Universal Registration Document, the Company holds the following stakes:

- 14.4% of Gamestream, the world leader in B2B video game streaming services. Information available on the site https://gamestream.biz;

- <1% of Blade, specialist in Cloud Computing for video gamers. Information available on the site https://shadow.tech/frfr.

3. CORPORATE GOVERNANCE

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

This part sets out the report of the Board of Directors on corporate governance in accordance with Article L. 225-37 of the French Commercial Code.

The Board of Directors' report on corporate governance seeks in particular to report, as part of the preparation of the financial statements for the 2019/2020 financial year, on the conditions for the preparation and organization of the work of the Board of Directors, and of the Audit Committee, the powers of the Chief Executive Officer, and of the Deputy Chief Executive Officer, the principles and rules established to determine the compensation and benefits of any kind granted to Corporate Officers, the constitutive elements of the compensation of Corporate Officers, the compensation policy for the Chief Executive Officer and the Deputy Chief Executive Officer in application of Article L. 225-37-2 of the French Commercial Code, as well as other information therein mentioned under Articles L. 225-37 and subsequent of the French Commercial Code.

This report was prepared on the basis of the work carried out by the various management bodies of the Company.

This report was approved by the Board of Directors on 8 July 2020 and sent to the Statutory Auditors.

3.1. GOVERNANCE RULES

In order to comply with the requirements of Article L. 225-37 of the French Commercial Code, the Company has designated the Corporate Governance Code published in September 2016 by MiddleNext (the "MiddleNext Code") as the reference code to which they intend to refer. The Company's objective is to comply with all the recommendations of the MiddleNext Code. The table below lists the various recommendations of the MiddleNext Code and specifies those with which the Company has complied or not to date.

Middlenext Code recommendation	Compliance	Non-Compliance
“Supervisory” power		
R1 - Code of ethics of Board members	X	
R2 - conflicts of interest	X	
R3 - Composition of the Board - Presence of independent members		X *(1)*
R4 - Information for Board members	X	
R5 - Organization of Board and committee meetings	X	
R6 - Establishment of committees	X *(2)*	
R7 - Establishment of rules of procedure of the Board	X	
R8 - Choice of each member of the Board	X	
R9 - Term of office of members of the Board	X *(3)*	
R10 - Compensation of Board members	X	
R11 - Establishment of an evaluation of the Board’s work	X *(4)*	
R12 - Relationship with "shareholders"	X	
Executive power		
R13- Definition and transparency of the compensation of executive directors	X	
R14 - Preparation of the succession of "directors"	X	
R15 - Combination of employment contract and corporate office	X	
R16 - Severance allowances	X	
R17 - Supplementary pension schemes	X	
R18 - Stock options and free allocation of shares	X	
R19 - Review of points of vigilance	X	

(1) The Board of Directors had 2 independent directors, in accordance with the recommendation of the MiddleNext Code, until Marie de Lauzon took up her post as Deputy Chief Executive Officer on 1 September 2019. The appointment of a new independent director is proposed to the General Meeting of 25 September 2020.

(2) When the Board of Directors meets as an audit committee, the CEO and the COO are not members of this latter. The COO is however invited to participate to a part of certain meetings in order to share information with the members of the Committee.

(3) The term of office for directors is 3 years, in line with the time period set for achieving the Group's objectives. To date, whilst the directors are serving their first term of office, a staggered renewal is not in place. This will be considered at the end of the current terms of office.

(4) An assessment of the work and operation of the Board for the 2019/20 financial year was considered at a meeting cancelled due to lockdown. It was held during the Board meeting of 8 July 2020.

3.2. 2CRSi GOVERNANCE ORGANIZATION

EXECUTIVE POWER

The general management of the Company is provided by Mr Alain Wilmouth, co-founder of the company, as Chief Executive Officer and by Mrs Marie de Lauzon as Deputy Chief Executive Officer.

SUPERVISORY POWER

The Board of Directors is made up of six members. These members and the Board's operating rules are presented in paragraph 3.4.

3.3. GOVERNANCE STRUCTURE

3.3.1 Powers of the Chief Executive Officer

In their capacity as Chairman of the Board of Directors, the Chief Executive Officer organizes and directs the work of the latter, on which they report to the General Meeting. They ensure the proper functioning of the Company's bodies and ensure, in particular, that the Directors are able to fulfil their mission. They may request the communication of any document or information suitable to clarify matters for the Board of Directors as part of the preparation for its meetings.

The Chairman of the Board of Directors assumes, under their responsibility, the general management of the Company and represents it in relation to third parties. Subject to the powers that the law expressly grants to shareholders' meetings, as well as the powers that it reserves for the Board of Directors, they are invested, in their capacity as Chief Executive Officer, with the most extensive powers, to act in all circumstances in the name of the Company within the limits of the corporate purpose, as well as in compliance with the Rules of Procedure of the Board of Directors.

3.3.2. Powers of the Deputy Chief Executive Officer

As part of the structuring of their management team, ensuring its development and strong growth, the Company asked Marie de Lauzon to accept the position of Deputy Chief Executive Officer.

Marie de Lauzon's position as Deputy Chief Executive Officer was granted to her for a period of 4 years from 1 September 2019.

The Deputy Chief Executive Officer performs the attributions of their position in compliance with all applicable contractual, legislative, and regulatory provisions, and in compliance with the powers granted to other bodies of the Company and/or to their shareholders.

Beyond that, they undertake to exercise it in accordance with the strategy adopted by the Board of Directors of the Company, and with a constant focus on promoting the interests of the Company, preserving and developing their assets, and promoting the profitability of their activities.

In the event of a different position between the Deputy Chief Executive Officer and the Board of Directors of the Company, they undertake to respect the position of the Board of Directors and to participate in its implementation.

The limitations on the powers of the Deputy Chief Executive Officer result from the applicable regulations. They also undertake to scrupulously respect the limitations of powers, as listed below, and, in general, all those limitations that the Board of Directors of the Company could put in place, in addition to or in substitution for those listed below, whether or not all of these power limitations are incorporated into the Company's articles of association.

Consequently, as an internal rule that cannot be enforced against third parties, the Deputy Chief Executive Officer may not, without the prior written authorisation of the Board of Directors, make any of the following decisions:

- A substantial change in the strategic direction and/or activity of the Company or the Group,
- Purchases, sales, exchanges of real estate, business assets or commercial establishments or conclusion of leases relating to such property,
- Conclusion or termination of leases relating to buildings, whether as lessee or lessor, relating to a rental exceeding EUR 50,000 per year,
- Management of the Company's business assets, or management of the assets of another business,
- Granting of mortgages, collaterals and other securities on Company property,
- Granting of sureties, endorsements and guarantees, with the exception of those granted for the benefit of customers or suppliers within the framework of the operational activity of the Company, or of controlled companies within the meaning of the provisions of article L.233-3 of the French Commercial Code,
- Equity purchase in all companies constituted or to be constituted and total or partial sale of stakes,
- Equity purchase in a group of economic interests, as well as a European group of economic interests,
- Decree of annual investment, financing budgets, etc...,
- Borrowings, with the exception of normal bank overdrafts and current account advances granted by shareholders,
- Carrying out investments outside the annual budget relating to an asset with a value greater than EUR 100,000,
- Conclusion, outside the annual budget, of rental contracts, equipment leasing, etc. relating to a piece of movable property for which the total rent over the rental period is greater than EUR 100,000,
- Consenting to debt write-offs in favour of third parties,
- Assigning or acquiring industrial rights, patents, know-how licenses, brands, domain names, or any other intellectual property rights,
- Settling any legal dispute between a third party and the Company, or one of their subsidiaries for which the amount or the stake would be greater than EUR 100,000 per dispute, as well as any Company waiver of rights against third parties without payment,
- Hiring, outside the annual budget, an employee whose gross annual remuneration exceeds EUR 60,000 per year,
- The decision, in their capacity as the legal representative of the Company, to modify the statutory provisions of their direct or indirect subsidiaries relating to:
    * the terms of appointment, dismissal and remuneration of corporate officers,
    * limitations on the powers of corporate officers,
    * the establishment of management or control bodies.

3.4. BOARD OF DIRECTORS

The Board of Directors is composed, at the date of this document, of six members, one of whom is considered independent[4]:

- Mr Alain Wilmouth, Chairman of the Board of Directors;
- Mr Michel Wilmouth;
- Mrs Estelle Schang;
- Holding Alain Wilmouth, represented by Mr Jean-Louis Wilmouth;
- Mrs Monique Jung (independent director);
- Mrs Marie de Lauzon, Deputy Chief Executive Officer.

DIVERSITY POLICY

In this regard, after having carefully analysed the composition of the Board with regard to criteria such as age, sex, skills, professional experience, nationality, and independence, and taking into account the evolution of the composition of the Board during the year, they set the following objectives:

(i) **Age of directors:** In 2019, the Board considered that the average age was satisfactory and decided to observe closely the limit regarding one-third of directors being over the age of 75;

(ii) **Parity:** In 2019, the Board was made up of 3 men and 3 women. The Board considered that the ratio was very satisfactory, and aims to maintain the ratio at 50%, allowing a perfectly equal representation of men and women; having professional experience in various sectors of activity and in high-level positions, some of them serve or have served as directors or corporate officers in other companies, some of which are listed on the stock exchange and (ii) the diversity of skills is manifested by the variety of profiles of the members of the Board, who have different experiences and training.

(iii) Consequently, the Board considered that the diversity of skills within it was satisfactory and should be maintained;

(iv) **Diversity in terms of nationalities:** In 2019, all members of the Board are of French nationality, but some of them have strong international professional experience and benefit from a bi-national culture.

[4] The appointment of a second independent director is on the agenda of the General Meeting of Shareholders of 25 September 2020.

The Board of Directors includes three men and three women, the gender parity is perfect. The term of office for directors is of three years, the term being renewable.

The number of **directors** who have reached the age of 75 may not exceed one-third of the members of the Board of Directors. When this threshold is exceeded, the oldest director is deemed to have automatically resigned at the end of the next general meeting.

CENSOR

At their meeting on 12 December 2018, the Board of Directors appointed Mr Stanislas Jannet as censor for a term of three years.

In accordance with the articles of association, the Board of Directors may appoint one or two censors (natural or legal persons). Censors perform their duties for a period of three years, except resignation or early termination of office decided by the Board of Directors. The functions of a censor end at the moment of the meeting of the general assembly having decided on the accounts for the past financial year and held during the year in which their term of office expires.

Censors can be re-elected indefinitely; they can be dismissed at any time without compensation, by decision of the board of directors.

Censors are invited to all meetings of the Board and attend meetings of the Board of Directors in an advisory capacity. Their right to information and communication is identical to that of the members of the Board of Directors.

The procedures for performing the duties of the censors, including their possible remuneration, are set by the board of directors.

INDEPENDENT DIRECTORS

According to the third recommendation of the Middlenext Code on the composition of the Board, and on the presence of independent members, five criteria make it possible to presume the independence of a member of the Board, namely the absence of a financial, contractual, family relationship or of significant proximity likely to alter the independence of the judgment:

	Alain Wilmouth	Michel Wilmouth	Jean-Louis Wilmouth (representing HAW)	Marie-Estelle Schang	Marie de Lauzon	Monique JUNG	Board candidate Dominique Henneresse
Not to have been during the last five years and not to be an employee or corporate officer of the company or of a company of their group	no	no	yes	no	no	yes	yes
Not to have been during the last two years and not to have a significant business relationship with the company or their group (customer, supplier, competitor, service provider, creditor, banker, etc...)	no	no	yes	no	yes	yes	yes
Not be a reference shareholder of the company or hold a significant percentage of voting rights	no	no	no	no	yes	yes	yes
Not have a close relationship or close family link with a corporate officer or a reference shareholder	no	no	no	no	yes	yes	yes
Not to have been a company auditor for the past six years	yes	yes	yes	yes	yes	yes	yes
	Not Independent	Not Independent	Not Independent	Not Independent	Not Independent*	Independent	Independent

** Marie de Lauzon, an independent director of the Company since 24 May 2018, lost their independent director status upon their appointment to the position of Deputy Chief Executive Officer as of 1 September 2019.*

3.4.1. Summary of the composition of the Board of Directors

Surname	Age	Sex	Number of shares (1)	Number of mandates in listed companies excluding 2CRSi	Independence	Beginning of mandate End of mandate	Seniority on the Board (years)	Individual attendance rate
Alain Wilmouth	48	M	903,200	0		26/04/2018 AG 2021	2	100%
Michel Wilmouth	56	M	850,000	0		24/05/2018 AG 2021	2	87.50%
Marie-Estelle Schang	42	F	487	0		26/04/2018 AG 2021	2	100%
Holding Alain Wilmouth, represented by Wilmouth	82	M	10,333,320	0		26/04/2018 AG 2021	2	75%
Monique JUNG	56	F	0	0	✓	24/05/2018 AG 2021	2	87.50%
Marie de Lauzon	42	F	18,567	0		24/05/2018 AG 2021	2	100%

(1) As of 29/02/2020

3.4.2. Ethics of directors

Article 5 of the rules of procedure, adopted by the Board of Directors on 7 May 2018, specifies the ethical obligations applicable to directors and to their permanent representatives, each director acknowledging having read these obligations before accepting their position.

The rules of procedure also reflect the various rules in force relating to the conditions for trading on the Company's securities and the related disclosure reporting obligations.

In addition, the Board of Directors of 21 September 2018 adopted a Code of Ethics, intended to prevent insider trading and breaches, by complying with legal obligations. This code was updated by the Board of Directors on 24 October 2019.

The 2CRSi company code of ethics can be viewed by employees on the Company's intranet network.

3.4.3. Functions exercised by directors

Alain WILMOUTH
48 years old
French nationality
Professional address: 2CRSi SA 32 Rue Jacobi-Netter 67200 Strasbourg
Co-founder, Chief Executive Officer

Alain Wilmouth has a DEUG [2-year undergraduate degree] in Economics. Self-taught and entrepreneur, for more than 25 years he has built his technical expertise and his notoriety in the IT world. His numerous experiences in management positions in the IT sector have allowed him to acquire a solid managerial and business experience while sharpening his technical background. After founding several businesses, he founded 2CRSi in 2005.

Director
First appointment: 26 April 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year
Number of company shares held: 903,020
Roles and functions performed:
Outside the group :
- Manager of SCI du NNORD
- Chairman of ALISPALU SAS
- Chairman of HAW

- Within the Group:
- Chief Executive Officer of 2CRSi SA
- Manager of ADIMES SARL
- Chairman of 2CRSi Middle East FZE
- Chairman of2CRSi CORP
- Chairman of2CRSi UK (formerly Tranquil PC)
- Chairman of 2CRSi Limited
- Chairman of 2CRSi London Limited
- Chairman of Boston Limited

Positions and roles previously held that expired during the last 5 financial years:
Outside the group : None
Within the Group: Manager of 2CRSi before transformation into SAS [Simplified Joint-Stock Company]

Marie de LAUZON
42 years old
French nationality
Professional address: 2CRSi SA 32 Rue Jacobi-Netter 67200 Strasbourg
Deputy Chief Executive Officer

A graduate of HEC Paris and holder of a CEMS master's degree from the University of St. Gallen, Marie de Lauzon began her career in investment banking at Citigroup, where she spent 7 years working in London and Zurich. She then joined PwC as Chief of Staff of the Chief Executive Officer for 3 years, then became COO of an investment fund and Associate Executive Director of a French management company. Secretary General of Voltalia (an international player in renewable energies) from 2014 to 2019, Marie de Lauzon was also in charge of the communications, information systems and CSR department.

Director

First appointment: 24 May 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year

Number of company shares held: 18,567

Roles and functions performed:

Outside the group :

- Director of Gamestream (representative of 2CRSi SA)

Within the Group:

- Deputy Chief Executive Officer of 2CRSi SA
- Director of Boston Limited
- Director of 2CRSi London Limited

Positions and roles previously held that expired during the last 5 financial years:

Outside the group :

- Secretary General of Voltalia
- Director of Voltalia Greece SA

Within the Group: None

HAW represented by Jean-Louis WILMOUTH

82 years old

French nationality

The permanent representative of Holding Alain Wilmouth, Jean-Louis Wilmouth is retired. After training as a carpenter and cabinet maker, Mr Jean-Louis Wilmouth became a Master Craftsman Carpenter and Cabinetmaker in 1961. He joined the Stadler carpentry workshop in Forbach in 1964 and was then depot manager of the Moeser Furniture company in Forbach until 1970. From 1971 until his retirement, Mr Jean-Louis Wilmouth ran the family business "Meubles WILMOUTH".

Director

First appointment: 26 April 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year

Number of company shares held: 6,833,320

Roles performed:

Outside the group : None
Within the Group: None

Positions previously held that expired during the last 5 financial years:

Outside the group : None
Within the Group: None

Estelle Schang
42 years old
French nationality
Professional address: 2CRSi SA 32 Rue Jacobi-Netter 67200 Strasbourg
Vice-President

Marie-Estelle SCHANG graduated with a BTS [advanced vocational training certificate] in Real Estate Professions. Her first work experience, dating between 1997 and 2001 as an assistant in rental management for a Strasbourg agency, led her to a sales position since 2003, this time for a real estate developer. Five years later, she joined 2CRSi to take on the administrative and financial management. She became Vice-President of the Group in 2017.

Director

First appointment: 26 April 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year.
Number of company shares held: 487
Roles and functions performed:

Outside the group : None
Within the Group: 2CRSi employee

Positions previously held that expired during the last 5 financial years:

Outside the group : None
Within the Group: None

Michel WILMOUTH
56 years old
French nationality
Professional address: 2CRSi SA 32 Rue Jacobi-Netter 67200 Strasbourg
Co-Founder

Self-taught, Mr Michel Wilmouth is co-founder of the company 2CRSi. He was the Manager from 2005 to 2010 and the Chief Executive Officer from 2017 to 2018. He is still an employee of the Company. Previously, Mr Michel Wilmouth was responsible for assembly and after-sales service at Allen Computers France. In 2010, he co-founded the subsidiary ADIMES SARL. Since 2015 he has been responsible for after-sales service within the ALISPALU company.

Director

First appointment: 24 May 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year

Number of company shares held: 850,000

Roles and functions performed:

Outside the group : None

Within the Group: 2CRSi employee

Positions previously held that expired during the last 5 financial years:

Outside the group : None

Within the Group: Chief Executive Officer of 2CRSi SA until 26 April 2018

Monique JUNG

56 years old

French nationality

Professional address: ADIRA – 3 Quai Kléber 67000 Strasbourg

Monique Jung holds a master's degree in international relations from the University of Strasbourg, Cycle of Advanced European Studies of ENA, Director of Adira where she has been working since 1988. After fifteen years abroad for economic prospecting, she is focussing on the economic development of companies based in Alsace. She held political offices in the Alsace Region between 2004 and 2015, as Vice-President responsible for the environment and energy transition.

Independent director

First appointment: 24 May 2018 - End of term: at the end of the 2021 general meeting ruling on the accounts for the past financial year

Number of company shares held: 350

Roles and functions performed:

Outside the group : Director of ADIRA

Within the Group: None

Positions previously held that expired during the last 5 financial years:

Outside the group : None

Within the Group: None

Stanislas JANNET

39 years old

French nationality

Professional address: Portzamparc Groupe BNP Paribas 16 rue de Hanovre 75002 Paris

A graduate of EM Lyon and Paris-Dauphine University, Stanislas Jannet began his career in investment banking in London at UBS Investment Bank, where he carried out M&A transactions in the TMT sector. He then joined an investment fund created by former UBS bankers as Investment Associate and then co-set up a primary bond desk at an American broker. Stanislas is now Managing Director at Portzamparc BNP Paribas.

Censor
First appointment: 12 December 2018 - End of term of office: 12 December 2021
Number of company shares held: 0
Roles performed:
Outside the group : None
Within the Group: None
Positions previously held that expired during the last 5 financial years:
Outside the group : None
Within the Group: None

3.4.4. Declarations relating to administrative bodies conflicts of interest

Alain Wilmouth, Chief Executive Officer of the Company and Michel Wilmouth, employee and director of the Company, are brothers.

Jean-Louis Wilmouth, representing Alain Wilmouth Holding on the Board of Directors of the Company, is the father of Alain Wilmouth, Chief Executive Officer of the Company, and of Michel Wilmouth, employee and director of the Company.

Estelle Schang, Vice-President and Director is the sister of the partner of Alain Wilmouth, Chief Executive Officer of the Company.

In addition, to the best of the Company's knowledge and on the date of this document, over the past five years:

- No conviction for fraud has been pronounced against the members of the Board of Directors, the Managing Director and the Deputy Chief Executive Officer
- None of the members of the Board of Directors, of the Managing Director and of the Deputy Chief Executive Officer has been associated with a bankruptcy, receivership or liquidation,
- No official public charge and/or sanction has been issued against the members of the Board of Directors, the Managing Director, and the Deputy Chief Executive Officer by statutory or regulatory authorities
- And none of the members of the Board of Directors, the Managing Director and the Deputy Chief Executive Officer has been prevented by a court from acting as a member of an administrative, management, or supervisory body of an issuer, nor to intervene in the management or conduct of the affairs of an issuer.

To the Company's knowledge, at the date of preparation of this document, there are no conflicts of interest between the duties towards the Company of the members of the Board of Directors and of the General Management, and their private interests.

Furthermore, to the Company's knowledge, at the date of preparation of this document, there is no arrangement or agreement concluded with the main shareholders, customers, suppliers or others, under which one of the members of the Board of Directors has been selected as a member of the Board of Directors or a member of the General Management of the Company.

At the date of preparation of this document, there is no restriction accepted by the members of the Board of Directors and of the general management concerning the sale, within a certain period of time, of their company equity stake.

Finally, to the Company's knowledge, there is no contract for the provision of services binding the members of the Board of Directors or managers to the Company or to any of their subsidiaries.

3.4.5. Organisation and operation of the Board of Directors

The Board of Directors determines the guidelines of the Company's activity and oversees their implementation.

Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors may deal with any matter relating to the smooth running of the Company. They regulate through their deliberations the matters which concern the Company. They carry out all the controls and verifications they deem appropriate.

In accordance with the provisions of Article L.225-35 of the French Commercial Code, the Board of Directors must authorise in advance any surety, endorsement, or guarantee issued by the Company.

The Board of Directors shall meet as often as the interests of the Company so require, at the invitation of their Chairman. Invitations to convene can be made by any means. Except in special circumstances, they are forwarded at least eight days before each meeting.

The provisional schedule of meetings of the Board of Directors for the coming year is established at the end of the previous year. There are 4 scheduled meetings, the other meetings are decided on the basis of the subjects to be dealt with and the decisions to be taken.

If the Board of Directors has not met for more than two months, directors constituting at least one third of the members of the Board may ask the Chairman to call for a meeting on a specific agenda.

Meetings are held at the registered office or at any other location designated in the invitation.

The Board of Directors meets under the chairmanship of their Chairman, or of the author, or the oldest author of the invitation. Failing this, the Board itself shall elect the chairman of the meeting.

The Board of Directors shall only validly deliberate if at least half of their members are present. Decisions shall be taken by majority vote of members present or represented. In the event of a tie, the vote of the chairman of the meeting shall be decisive.

In accordance with the Company's rules of procedure, the directors also have the opportunity to participate in the deliberations of the Board of Directors by means of videoconference or telecommunication, within the limits and under the conditions set by the laws and regulations in force.

Any director may grant a mandate to another director to represent them at a Board meeting. Each director may have, during the same meeting, only one proxy.

To enable the members of the Board to prepare meetings in a useful manner and to provide them with quality information in accordance with the rules of procedure of the Board of Directors and recommendation no. 4 of the Middlenext Code, the Chairman shall communicate to them, with sufficient time before each meeting, all the documents and information relating to the issues on the agenda and necessary for the accomplishment of their mission.

The deliberations of the Board of Directors are recorded in minutes signed by the chairman of the meeting and by at least one director who took part in the meeting. If the chairman of the meeting is unable to attend, it shall be signed by at least two directors.

In the usual way, after proofreading and approval of the minutes recording the deliberations and decisions of the previous meeting, the Board deliberates and decides on the issues proposed on their agenda. The Chairman shall ensure that all items on the agenda are examined by the members of the Board.

Anyone called to attend meetings of the Board of Directors is bound to discretion with regard to information of a confidential nature given as such by the Chairman, as well as to a general obligation of secrecy.

3.4.6. Powers and attributions of the Board of Directors

The Board of Directors determines the guidelines of the Company's activity and oversees their implementation.

Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors may deal with any matter relating to the smooth running of the Company. They regulate through their deliberations the matters which concern the Company. They carry out all the controls and verifications they deem appropriate.

In accordance with the provisions of Article L.225-35 of the French Commercial Code, the Board of Directors must authorise in advance any surety, endorsement, or guarantee issued by the Company.

RULES OF PROCEDURE

The Board of Directors established their rules of procedure on 7 May 2018. The rules of procedure shall determine the role of the Board, and the operations subject to its prior authorization, its operating rules, and remind the directors of the rules of ethics to be observed during their term of office, and their various obligations (such as in particular their obligation of loyalty, non-competition or abstention from intervention in the company's securities in the event of access to inside information). Each director signs the rules of procedure.

MANAGEMENT OF CONFLICTS OF INTEREST

In accordance with their rules of procedure and recommendation no. 1 of the Middlenext Code, in a situation revealing or likely to reveal a conflict between the company interest and their direct or indirect personal interest or the interest of the shareholder or of the group of shareholders that they represent, the director concerned must inform the Board of this as soon as they become aware of it, and accept any consequences related to the performance of the attributions attached to their role. Thus, depending on the case, they must either abstain from participating in the vote of the corresponding deliberation, or not attend the meetings of the Board of Directors during the period in which they would be in a situation of conflict of interest, or resign of their duties as director.

An absence of information is equivalent to confirming that no conflict of interest exists. In case of failure to comply with these rules of abstention, or even withdrawal, the administrator's liability could be incurred.

EVALUATION OF THE BOARD

In accordance with their rules of procedure and recommendation 11 of the Middlenext Code, the Board of Directors devotes an item on their agenda each year to the evaluation of their functioning.

An assessment of the attributions and operation of the Board for the 2019/20 financial year was carried out at the Board meeting on 8 July 2020.

FREQUENCY OF MEETINGS AND ATTENDANCE

During the past financial year, the Board of Directors met 8 times. The attendance rate of directors at meetings of the Board of Directors was of 91.07%. The meetings took place at the Company's registered office or at external premises.

In accordance with the provisions of Article L.823-17 of the French Commercial Code, the statutory auditors were invited to Board meetings which examined and approved the annual accounts, as well as the half-year accounts.

ACTIVITY OF THE BOARD OF DIRECTORS DURING THE PAST FINANCIAL YEAR.

During the past financial year, the Board of Directors was consulted in particular on the following points:

Group financial position, cash flow, and commitments	• review of the 2018 annual accounts and the first half of 2019 • corresponding financial communications projects • renewal of financial and legal authorisations granted to the Chief Executive Officer, in particular for funding transactions and off-balance sheet commitments, and authorisations for the Group's significant guarantee transactions • Group funding policy
Monitoring of the Group's main orientations and operations	• review of the budget and long-term plan • review of the Company's and the Group's development projects through external growth, in particular, the acquisition of Boston Limited • examination of international development projects, for example in Singapore (new subsidiary), in the United States
Corporate Governance	• approval of the policy and the compensation of the Chief Executive Officer and the Deputy Chief Executive Officer • appointment of Ms. Marie de Lauzon as Deputy Chief Executive Officer; determination of their powers and compensation • discussion of the desired profile for the independent director to be recruited and appointed • assessment of the independence of directors • distribution of the compensation allocated to directors
Miscellaneous	• summons of the annual combined general meeting and adoption of reports and draft resolutions • review of multi-year regulated agreements and commitments and transactions with related parties

3.4.7. Board meeting in the form of an audit committee

In accordance with the Articles of Association of the Company and the sixth recommendation of the Middlenext Code, the Board of Directors may decide to create committees responsible for studying matters that themselves, or their Chairman, submit for their consideration. They set, in accordance with the provisions of the Board's rules of procedure, the composition and powers of the committees which exercise their activity under their responsibility. They also set the remuneration for the people who are a part thereof.

The Company considered that their structure and size did not require creating ad hoc specialized committees, being specified that the Company is not subject to the obligation to set up an audit committee, insofar as the Board of Directors performs the functions of the audit committee (in accordance with the provisions of article L. 823-20, 4 of the French Commercial Code). When forming an audit committee, the Board of Directors shall be chaired by an independent director.

Also, the Board of Directors of the company met 3 times during the past financial year, in its capacity as an audit committee, under the chairmanship of Mrs Marie de Lauzon, then under that of Mrs Monique Jung as of 1 September 2019. The attendance rate of directors in the meetings of the Board of Directors meeting in the capacity of audit committee was of 93.03%.

In accordance with the recommendations of the aforementioned working group report, the Chairman of the Board and the Deputy Chief Executive Officer exercise executive functions, but they are not members of the Board, when meeting as an audit committee, even if they may be invited to participate at a part of the meeting.

Each Board meeting in the capacity of an audit committee ends with a closed session, first in the presence of Statutory Auditors, then in their absence.

3.5. COMPENSATION POLICY FOR ADMINISTRATIVE AND MANAGEMENT BODIES

In accordance with Article L. 225-37-2 of the French Commercial Code and article R.225-29-1 of the French Commercial Code, the compensation policy for corporate officers for the 2020/2021 financial year is presented below, having been established by the Board of Directors meeting of 8 July 2020, which will be submitted for approval to the Combined General Meeting of 25 September 2020, when voting on resolutions 6, 7 and 8.

In addition, this section also presents the information relating to the compensation of the Company's corporate officers (the directors, the Chief Executive Officer and the Deputy Chief Executive Officer) required by Articles L. 225-37-3 I, on referral from Article L. 225-100 of the French Commercial Code, which will be submitted for approval to the General Meeting of 25 September 2020 when voting on resolutions 9, 10, 11, and 12.

3.5.1. Compensation policy applicable to all corporate officers

The Board of Directors of 8 July 2020 adopted the compensation policy for all corporate officers as follows:

3.5.1.1. Respect for the corporate interest, and contribution to the business strategy and sustainability of the Company

The compensation policy for corporate officers is in line with the Company's corporate interests, contributes to their sustainability, and is part of their development strategy as described in section 1.8.

The compensation policy for corporate officers is decided by the Board of Directors, in accordance with (i) the regulations in force, the recommendations of the French Financial Market Authority and the Middlenext code, to which 2CRSi refers; (ii) the practice of contracts in comparable sectors and for companies of similar size, in particular with regard to turnover and workforce.

3.5.1.2 Decision-making process followed for the establishment, revision and implementation of the remuneration policy, including measures for avoiding or managing conflicts of interest.

Each year, the Board of Directors draws up and then approves the compensation policy for corporate officers, being specified that the executive corporate officers do not participate in the deliberations or in the voting procedure regarding their compensation.

To determine the compensation of executive corporate officers, the Board of Directors takes into account and applies the principles laid down by the Middlenext Code (recommendations 10 and 13). In determining compensation, the Board ensures that the compensation and employment conditions of Company employees are taken into account; in particular, they ensure that the compensation of executive corporate officers is determined in accordance with that of other executives and employees of the company and that the establishment of compensation elements achieves a fair balance while taking into account the company's corporate interest, market practices, the performance of all or part of the executive corporate officers, and the other stakeholders of the company.

3.5.1.3. Evaluation methods to be applied to executive corporate officers, to determine the extent to which the performance criteria set for variable compensation and share-based compensation have been met

In the event that the executive directors receive variable compensation and/or compensation in shares, the Board of Directors determines the level of achievement of the objectives. To do this, the Board of Directors relies on the Group's Finance Department to determine the level of achievement of financial objectives and, where applicable, on the Human Resources Department, to determine the level of achievement of extra-financial objectives. These various elements are discussed during the meeting.

3.5.1.4. Criteria for the distribution of the annual fixed sum allocated to the directors by the general meeting

The Board of Directors is free to distribute among their members the Board member's remuneration set by the general meeting.

However, in accordance with Article 8 of the Board of Directors' rules of procedure, this distribution shall take into account each director’s attendance and time devoted to their duties. It is hereby specified that a minimum amount of the directors' compensation package is allocated to independent directors.

Finally, directors exercising a function within the group (under an employment contract or a corporate office) will not receive any compensation for their position as director.

3.5.1.5. Description and explanation of substantial changes to the compensation policy

The compensation policy for corporate officers has not been changed compared to the policy adopted for the previous financial year.

3.5.1.6. Terms of application of the compensation policy provisions to newly appointed corporate officers, or to those whose terms of office have been renewed, pending the approval of major changes to the remuneration policy by the general meeting, if applicable

In the event of a change in governance, the compensation policy shall be applied to the new corporate officers of the Company with the necessary adaptations, if applicable, and subject to the approval, by the general meeting, of significant modifications to the compensation policy, mentioned in II of article L. 225-37-2 of the French Commercial Code.

3.5.1.7. Procedural conditions allowing exemption from the application of the compensation policy

The Board of Directors may derogate from all elements of the compensation policy approved by the meeting, in exceptional and temporary circumstances. It will be up to the Board of Directors, with the help of various departments of the Company, if applicable, to validate the exceptional and temporary nature of the circumstances invoked, as well as to establish whether the proposed exemption is in accordance with the corporate purpose, and also necessary to guarantee the sustainability or viability of the Company. The corporate officers concerned shall not participate in this decision.

3.5.2. Compensation policy applicable to the Chief Executive Officer, the Deputy Chief Executive Officer and the directors

3.5.2.1. Compensation policy for the Chief Executive Officer

The compensation policy for the Chief Executive Officer, for the 2020/2021 financial year, as described below, shall be submitted to the Combined General Meeting of 25 September 2020:

The compensation of the Chief Executive Officer consists solely of fixed compensation paid monthly, as well as the provision of a company vehicle.

The Chief Executive Officer’s fixed compensation for 12 months currently in force is of EUR 240,000 gross.

The Board of Directors establishes the fixed part of the compensation for a period of 12 months, this compensation is paid in twelve monthly instalments.

This fixed compensation is reviewed annually by the Board of Directors.

Taking into account the economic and financial results of the Company for the previous year, a change in this compensation may occur.

The Chief Executive Officer does not receive any compensation for their position as director.

Since the Chief Executive Officer is the Company's leading shareholder, they do not benefit from any compensation in shares, or from the free allocation of shares, or from options to subscribe and/or purchase shares

In addition, they do not receive any annual or multi-year variable compensation. The Board of Directors has not planned to award to the Chief Executive Officer any compensation, allowances, or benefits due or likely to be due as a result of taking office, nor any allowances or benefits due or likely to be due as a result of termination or change of duties, or thereafter, or conditional entitlements, granted under defined benefit pension obligations, meeting the characteristics of the schemes referred to in Articles L. 137-11 and L. 137-11-2 of the French Social Security Code.

They are also not subject to a non-compete agreement.

The Company's compensation policy does not provide for exceptional compensation granted to the Chief Executive Officer, in conditions of the normal operation of the company.

In case of exceptional activity or operation (for example, but not exhaustive: organic growth of more than 10%, external acquisition representing more than 20% of existing turnover, opening in a new country representing more than 10% of existing turnover, etc.), they may be paid, subject to approval by the general meeting, an exceptional compensation shall which will be decided by the Board of Directors by a reasoned decision.

3.5.2.2. Compensation policy for the Deputy Chief Executive Officer

2CRSi’s compensation policy for the Deputy Chief Executive Officer seeks consistency with the market and industry practices, to ensure competitive compensation levels, a strong link to the company’s performance, and to maintain the balance between short-term and medium/long-term performance. Both in the short term and in the longer term, its objective is to align compensation with the interests of shareholders.

The compensation of the Deputy Chief Executive Officer is set by the Board of Directors, in line with market practices. The Deputy Chief Executive Officer does not participate in the deliberations relating to their remuneration.

THE COMPENSATION STRUCTURE

2CRSi's objective is to set up and maintain a balanced remuneration structure between the fixed component, benefits in kind, the short-term variable component in cash, and the medium-term variable component in shares. The amounts of fixed compensation and annual variable compensation are subject to an annual review by the Board of Directors.

2CRSi's compensation policy is designed to motivate and reward performance, thus ensuring that a significant component of compensation is conditional on the achievement of performance criteria, reflecting the corporate interest and the creation of shareholder value. The two main mechanisms of action are variable compensation in cash and compensation in shares.

FIXED ANNUAL COMPENSATION

The Deputy Chief Executive Officer’s fixed compensation for 12 months currently in force is of EUR 140,000 gross.

The Board of Directors establishes the fixed part of the compensation of the Deputy Chief Executive Officer for a period of twelve months. This compensation is paid in twelve monthly instalments.

This fixed compensation is reviewed annually by the Board of Directors. Taking into account the economic and financial results of the Company for the previous year, a change in this compensation may occur.

VARIABLE ANNUAL COMPENSATION

The annual variable compensation is between 0% and 50% of the fixed compensation.
It is established according to quantitative and qualitative criteria set annually by the Board of Directors, in line with the medium-term objectives announced by the company.

The objectives are always linked to the achievement of strategic objectives for the Group, both financial and extra-financial. For the 2020-21 financial year, the Group has defined quantitative criteria (such as, for example, the achievement of a consolidated turnover target, in line with the objectives communicated by the Group), or qualitative (such as the integration of Boston

Limited, with objectives such as improving purchasing conditions, developing sales of 2CRSi products, or establishing procedures). For the coming years, the Company is also considering introducing extra-financial criteria.

The level of achievement of these objectives is determined by the Board of Directors but is not made public for reasons of confidentiality.

This compensation is reviewed annually by the Board of Directors. Taking into account the economic and financial results of the Company for the previous year, a change in this compensation may occur.

MULTI-YEAR VARIABLE COMPENSATION:

The Deputy Chief Executive Officer does not benefit from multi-year variable compensation.

The Company's compensation policy does not provide for exceptional compensation granted to the Deputy Chief Executive Officer, in conditions of the normal operation of the company.

EXCEPTIONAL COMPENSATION

In case of exceptional activity or operation (for example, but not exhaustive: organic growth of more than 20%, external acquisition representing more than 20% of existing turnover, opening in a new country representing more than 10% of existing turnover, etc.), they may be paid, subject to approval by the general meeting, an exceptional compensation which shall be decided by the Board of Directors by a reasoned decision.

BENEFITS OF ANY KIND

The Deputy Chief Executive Officer benefits from official accommodation, the monthly rent of which may not exceed EUR 2,000 excluding charges + indexation of rents, and a company vehicle.

They can also benefit from subscription to a supplementary mutual health insurance scheme.

COMPENSATION IN SHARES

The compensation in shares (in particular through the free allocation of shares or subscription and/or share purchase options) of the Deputy Chief Executive Officer is an important element, aimed both at bringing together the interests of the beneficiary and those of the shareholders and at strengthening attachment to the company. It can represent the equivalent of more than one year of their fixed compensation at the time of award.

Consequently, the Board of Directors may decide to grant performance shares to the Deputy Chief Executive Officer, in accordance with the regulations in force and the principles set out below.

The Board of Directors will set the performance conditions attached to share-based compensation, which will promote the achievement of objectives, based on the consolidated performance of 2CRSi. The performance conditions retained will be in line with the objectives announced to the market by 2CRSi. The valuation of the shares allocated free of charge shall be calculated on their date of allocation. Each allocation granted to the Deputy Chief Executive Officer will take into account their previous allocations and their total compensation. The Board of Directors shall establish a purchasing period of at least 3 years for each award. Once the purchasing period has ended, the awards shall also be linked to preservation requirements for the Deputy Chief Executive Officer: the latter must preserve at least 20% of the shares allocated during their term of office.

ALLOWANCES, BENEFITS AND COMPENSATION GRANTED TO THE DEPUTY CHIEF EXECUTIVE OFFICER DUE TO THE TERMINATION OR CHANGE OF THEIR DUTIES

The Board of Directors has not planned to award to the Deputy Chief Executive Officer any compensation, allowances, or benefits due or likely to be due as a result of taking office, nor any allowances or benefits due or likely to be due as a result of termination or change of duties, or thereafter, or conditional entitlements, granted under defined benefit pension obligations, meeting the characteristics of the schemes referred to in Articles L. 137-11 and L. 137-11-2 of the French Social Security Code.

They are also not subject to a non-compete agreement.

The Deputy Chief Executive Officer benefits from the same pension scheme as the French employees of the company, as well as from a GSC insurance (Unemployment Insurance for Corporate Directors).

CONSEQUENCES OF THE DEPARTURE OF THE DEPUTY CHIEF EXECUTIVE OFFICER WITH REGARDS TO SHARE-BASED COMPENSATION

If the Deputy Chief Executive Officer leaves 2CRSi before the end of the share purchasing period, they shall irrevocably lose the shares they are in the process of purchasing. In the event of retirement before the end of the purchasing period of free shares, the Deputy Chief Executive Officer also loses the benefit of the shares initially allocated.

3.5.2.3. Compensation policy for directors

The distribution of the compensation of Board members is determined under the conditions of Article L.225-37-2 of the French Commercial Code.

Only members of the Board of Directors who do not perform any function within the group receive compensation for their position as director since the others already receive compensation for their function in the company.

Directors receiving compensation for their position are:

- Monique JUNG
- HAW

Directors not receiving specific compensation for their position are:

- Alain Wilmouth
- Michel Wilmouth
- Estelle Schang
- Marie de Lauzon (since 1 September 2019)

The amount paid per meeting is now uniform but could vary depending on the level of seniority of future members.

PRINCIPLES AND RULES OF PAYMENT

The Chief Executive Officer receives compensation in their capacity as CEO but does not receive specific compensation for their position as director.

Directors who do not perform any other function within the company are remunerated according to the time they devote to their function, preparing and participating in meetings. The director chairing the Board meeting in the form of an audit committee receives additional fixed compensation.

In accordance with the 10th resolution of the Combined General Meeting of 13 June 2019, the annual budget that may be paid to directors for their service is set at EUR 60,000. The Board may propose to the Meeting to modify the amount of this budget.

3.5.3. Compensation of the Company's corporate officers over the last two financial years

Executive compensation is presented below in the form of tables, in accordance with the Guide for the preparation of reference documents, adapted to the average values of the French Authority of Financial Markets - DOC- 2014-14 (the "Guide").

This paragraph describes, in accordance with the compensation policy approved by the General Meeting of 13 June 2019, the compensation and benefits paid (or to be paid) for the 2019/2020 financial year, closed on 29 February 2020, to the executive corporate officers of the Company, being specified that the elements of variable compensation can only be paid after their approval by the General Meeting of 25 September 2020, in accordance with the provisions of Article L. 225-100 of the French Commercial Code.

Consequently, the fixed, variable, and exceptional components making up the total compensation and the benefits of any kind paid or awarded are described (i) for the period from 31 December 2018 to 29 March 2020 to the Chief Executive Officer, (ii) for the period from 31 December 2018 to 25 May 2019 to Mr Emmanuel Ruffenach in his capacity as Deputy

Chief Executive Officer and (iii) for the period from 1 September 2019 to 29 February 2020 to Mrs Marie de Lauzon in her capacity as Deputy Chief Executive Officer.

The compensation received by the directors and by all corporate officers of the companies was as follows:

Table no. 1: Summary of compensation and options and shares granted to each executive corporate officer

Director corporate officer	2018 Financial year	2019/2020 Financial year
Alain WILMOUTH - Chief Executive Officer		
Compensation due for the financial year	EUR 160,000	EUR 280,000
Valuation of multi-year variable compensation awarded during the financial year	-	-
Valuation of options, BSPCE warrants and BSA granted during the year	-	-
Valuation of free shares allocated during the financial year	-	-
Emmanuel RUFFENACH - Deputy Chief Executive Officer until 24 May 2019		
Compensation due for the financial year (1)	EUR 120,000	EUR 56,162.08
Valuation of multi-year variable compensation awarded - during the financial year	-	-
Valuation of options, BSPCE warrants and BSA granted during the year	-	-
Valuation of free shares allocated during the financial year	-	EUR 17,161 (1)
Marie de LAUZON - Deputy Chief Executive Officer since 1 September 2019		
Compensation due for the financial year	10,000 *(2)*	115,633 (3)
Valuation of multi-year variable compensation awarded during the financial year	-	-
Valuation of options, BSPCE warrants and BSA granted during the year	-	-
Valuation of free shares allocated during the financial year	-	-

(1) The shares allocated to Mr Ruffenach became null and void at the end of their term of office.

(2) Compensation due in respect of the position of Company director.

(3) The compensation due breaks down into three parts: (i) EUR 8,500 gross due under the term of office as director of the Company from 1 January to 31 August 2019; (ii) EUR 70,000 gross due under the COO term of office from 1 September 2019 to 29 February 2020; (iii) EUR 23,333 of variable compensation, namely 50% of fixed compensation for the period from 1 September 2019 to 31 December 2019. At their meeting of 29 July 2020, the Board of Directors considered that the objectives related to leading the management team and meeting the needs of key clients were 100% achieved. Benefits in kind are also included in the total.

Table no. 2: Summary of the compensation of each executive corporate officer

Director corporate officer	2018 Financial year		2019/2020 Financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Alain WILMOUTH - Chief Executive Officer				
Fixed compensation	160,000	160,000	280,000	280,000
Variable compensation	-	-	-	-
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-		-	
Compensation due in respect of the position of Company director	-	-	-	-
Benefits in kind	-	-	-	-
Emmanuel RUFFENACH - Deputy Chief Executive Officer *(1)*				
Fixed compensation	120,000	120,000	56,162.08	56,162.08
Variable compensation	-	-	-	-
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation due in respect of the position of Company director	-	-	-	-
Benefits in kind	-	-	-	-
Marie de LAUZON - Deputy Chief Executive Officer *(2)*				
Fixed compensation	-	-	70,000	70,000
Variable compensation	-	-	23,333 (3)	-
Multi-year variable compensation	.	-	-	-
Exceptional compensation	-	-	-	-
Compensation due in respect of the position of Company director	10,000	10,000	8,500 (4)	-
Benefits in kind	-	-	13,800	13,800

(1) The term of office of Deputy Chief Executive Officer of Mr Emmanuel Ruffenach ended on 25 May 2019.

(2) Mrs Marie de Lauzon's term of office as Deputy Chief Executive Officer began on 1 September 2019. Mrs de Lauzon had previously served as an independent director of the company since 25 June 2018.

(3) EUR 23,333 in variable compensation, namely 50% of fixed compensation for the period from 1 September 2019 to 31 December 2019. On 30 August 2019, the Board of Directors established, as an exception, objectives relating to the appointment of Marie de Lauzon, from September to December 2019. In December 2019, the end of the financial year was postponed to 29 February 2020. At their meeting on 29 July 2020, the Board of Directors considered these appointment objectives regarding the leadership of the management team and meeting the needs of key clients were 100% achieved. For the period from 1 September to 31 December 2019, they represent an amount of EUR 23,333. Marie de Lauzon proposed to the Board of Directors to waive any variable cash compensation for the months of January and February 2020 in favour of an allocation of future dilutive instruments. As a reminder, variable compensation represents 50% of fixed compensation.

(4) The compensation received for the term of office of independent director and chairman of the audit committee from 1 January 2019 to 31 August 2019.

- **Ratios in application of article L225-37-3 I no. 6 and 7, modified by ordinance no. 2019-1234 of 27 November 2019**

The table reproduced below shows the level of compensation of the Chief Executive Officer and the Deputy Chief Executive Officer with regard to the average and median compensation of employees on a full-time equivalent basis, other than corporate officers.

	2019/20 14 months		**2018 12 months**	
	EUR	**Ratio**	**EUR**	**Ratio**
Chief Executive Officer				
Compensation over the period	280,000		160,000	
Average compensation of employees over the period	53,899	5.19	47,478	3.37
Median compensation of employees over the period	49,010	5.71	41,636	3.84
Deputy Chief Executive Officer				
Compensation over the period	172,251		120,000	
Average compensation of employees over the period	53,899	3.20	47,478	2.53
Median compensation of employees over the period	49,010	3.51	41,636	2.88

The compensation used for this calculation corresponds to any compensation in cash (fixed, variable, commissions, exceptional bonus) actually paid during the financial year. A rule of three has been applied to obtain an equivalent remuneration over the entire period concerned for those employees who were not present during the financial year or who have worked on a part-time basis.
The 2019-20 financial year has an exceptional duration of 14 months.
During the 2019-20 financial year, the position of COO was held by Mr Emmanuel Ruffenach until 25 May 2019, then by Mrs Marie de Lauzon from 1 September 2019.

Table no. 3: Compensation received by members of the Board of Directors

Members of the Board of Directors are remunerated exclusively in the form of compensation for their activity as directors.

In accordance with the 10th resolution of the Combined General Meeting of 13 June 2019 and until a new decision is issued, the annual remuneration that may be paid to directors for their service is set at EUR 60,000.

The breakdown of the amounts paid for the last two financial years is as follows:

Corporate officer	2018 Financial year		2019/2020 Financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Alain Wilmouth - Director and Chairman of the Board of Directors				
Compensation for service	-	-	-	-
Other compensation	-	-	-	-
Monique JUNG - Director				
Compensation for service	10,000	-	11,500	10,000
Other compensation	-	-	-	-
Holding Alain Wilmouth - Director				
Compensation for service	10,000	-	9,000	10,000
Other compensation	-	-	-	-
Estelle SCHANG - Director				
Compensation for service	-	-	-	-
Other compensation	70,723	70,723	93,374	93,374
Michel WILMOUTH – Director				
Compensation for service	-	-	-	-
Other compensation	30,025	30,025	36,573	36,573
Marie de Lauzon *(1)* **- Director**				
Compensation for service	10,000	-	8,500	10,000
Other compensation	-	-	-	-

(1) Marie de LAUZON no longer receives compensation for her position as director since her appointment as Deputy Chief Executive Officer on 1 September 2019.

Table no. 4: Entrepreneur's share subscription warrants ("BSPCE" warrants), share subscription warrants and share subscription options, allocated to each executive corporate officer by the Company or any company in the Enterprise, during the financial years ending on 31 December 2018 and 29 February 2020

None

Table no. 5: Entrepreneur's share subscription warrants ("BSPCE" warrants), share subscription warrants and share subscription options, exercised by each executive corporate officer during the fiscal years ended on 31 December 2018 and 29 February 2020.

None

Table no. 6: Free shares allocated to each corporate officer during the financial year

None.

Table no. 7: Shares allocated free of charge that have become available to each corporate officer

None.

Table no. 8: Record of allocation of entrepreneur's share subscription warrants ("BSPCE" warrants), share subscription warrants and share subscription options for executive corporate officers

None.

Table no. 9: Entrepreneur's share subscription warrants ("BSPCE" warrants), share subscription warrants and share subscription options granted to the first 10 employees who are not corporate officers and are exercised by the latter

None.

Table no. 10: Record of free share allocations

Date of the free share allocation	Plan no. 1 of 12 December 2018	Plan no. 12020 of 18 March 2020
Date of the 2CRSi general meeting that authorised the allocation	24 May 2018	13 June 2019
Date of allocation by the Board of Directors during the financial year	12 December 2018	18 March 2020
Number of shares that can be allocated	1,774,343	1,774,343
Number of shares that can be allocated including the total number of shares allocated to corporate officers:	178,179	142,722
Emmanuel Ruffenach	1,575 *(1)*	0
Marie-Estelle Schang	11,745	0
Michel Wilmouth	16,800	0
Number of beneficiaries who are not trustees at the initial allocation	55	34
Number of shares in the process of being acquired on the date of this document	143,402	142,722
Acquisition date	13 December 2023	19 March 2022
Terms of acquisition	Presence *(2)*	No presence and performance conditions
Number of shares acquired on the date of the Universal Registration Document	0	0
Number of cancelled or lapsed shares	34,457	0
Duration of retention period	0	0

(1) Shares lapsed following the departure of Mr Ruffenach

(2) To definitively acquire the shares allocated to them, the beneficiary must, without interruption during the acquisition period, be an employee of one of the companies in the Group.

Note: The 18 March 2020 plan, the beneficiaries of which are employees of the Boston Limited group, was the subject of discussions during negotiations to acquire the group.

Table no. 11: Details of the compensation conditions and other benefits granted to executive corporate officers

Directors corporate officers	Employment contract	Supplementary pension scheme	Allowances or benefits due or likely to be due by reason of the termination or change of Function	Allowances relating to a non-competition clause
Alain WILMOUTH Chief Executive Officer	No	No	No	
Start date of the term of office		26/04/2018		
Termination date of the term of office		AG 2021		
Renewal date of the term of office		N/A		
Emmanuel RUFFENACH Deputy Chief Executive Officer	No	No	No	No
Start date of the term of office		26/04/2018		
Termination date of the term of office		25/05/2019		
Renewal date of	the term of office	-		
Marie de LAUZON Deputy Chief Executive Officer	No	No	No	No
Start date of the term of office		01/09/2019		
Termination date of the term of office		01/09/2023		
Renewal date of the term of office		N/A		

3.6. REGULATED AGREEMENTS

CORPORATE OFFICER AGREEMENT CONCLUDED WITH MRS MARIE DE LAUZON

2CRSi SA has established a service agreement with Mrs Marie de Lauzon following their appointment as Deputy Chief Executive Officer the Company. The Board of Directors authorised the signing of the said service agreement by decision dated 30.08.2019.

This service agreement was signed for a period of 4 years with effect from 1 September 2019.

The payments made within the framework of this service agreement are mentioned in point 3.5.2.2. of this document.

2CRSI

General meeting to approve the accounts for the fourteen-month financial year ended on 29 February 2020

Special report of the statutory auditors on regulated agreements

SOCIETE FIDUCIAIRE DE REVISION S.A.	**ERNST & YOUNG Audit**
2, avenue de Bruxelles	Tour Europe
68350 Didenheim	20, place des Halles
S.A. with a capital of EUR 76,225	P.O. BOX 80004
339 304 230 R.C.S. Mulhouse	67081 Strasbourg cedex
	S.A.S. with variable capital
	344 366 315 R.C.S. [Trade and Companies Register] Nanterre
Statutory Auditor	Statutory Auditor
Regional company member	Regional company member
of Colmar	of Versailles

2CRSI

General meeting to approve the accounts for the fourteen-month financial year ended on 29 February 2020

Special report of the statutory auditors on regulated agreements

At the General Meeting of 2CRSI,

In our capacity as statutory auditors of your company, we present to you our report on regulated agreements.

It is our responsibility to communicate to you, on the basis of the information given to us, the characteristics, the essential methods, as well as the reasons justifying the interest for the company, of the agreements of which we have been informed, or that we have discovered during our mission, without having to comment on their usefulness, their merits or to seek the existence of other conventions. It is your responsibility, according to the terms of article R. 225-31 of the French Commercial Code, to assess the interest attached to entering into these agreements with a view to their approval.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in article R. 225-31 of the French Commercial Code relating to the performance, during the past financial year, of agreements already approved by the general meeting.

We have implemented the due diligence that we deemed necessary with regard to the professional doctrine of the French National Company of Auditors, relating to this mission. These procedures consisted of verifying that the information given to us was consistent with the basic documents from which it was taken.

Agreements subject to the approval of the general meeting

In application of Article L. 225-40 of the French Commercial Code, we have been informed of the following agreement entered into during the past financial year which was the subject of the prior authorisation of your Board of Directors.

Methods

Your Board of Directors, on a proposal from Mr. Alain Wilmouth, decides to appoint Ms. Marie de Lauzon as Deputy Chief Executive Officer with effect from 1 September 2019.

This appointment is made for a period of four years.

In the event that the Managing Director ceases or is prevented from exercising their functions, the Deputy Chief Executive Officer will retain, unless otherwise decided by your Board of Directors, their functions and powers until the appointment of the new Chief Executive Officer.

With regard to third parties, the Deputy Chief Executive Officer shall have the same powers as the Chief Executive Officer.

As an internal measure, unenforceable against third parties, they may not take the following decisions without the prior authorisation of your board of directors:

- a substantial change in the strategic direction and/or activity of your company or group;
- purchases, sales, exchanges of real estate, business assets or commercial establishments or conclusion of leases relating to such property;
- conclusion or termination of leases relating to buildings, whether as lessee or lessor, relating to an annual rental exceeding EUR 50,000;
- management of your company's business assets or management of business assets;
- granting of mortgages, collaterals, and other real security interests on your company's assets;
- granting of sureties, endorsements, and guarantees, with the exception of those granted for the benefit of customers or suppliers within the framework of the operational activity of your company or controlled companies within the meaning of the provisions of Article L. 233-3 of the French Commercial Code, acquisition of a stake in the capital of all companies incorporated or to be constituted and total or partial sale of stakes;
- equity purchase in an economic interest group and a European economic interest group;
- decree of annual investment, funding budgets, etc.,
- borrowings, with the exception of normal bank overdrafts and current account advances granted by shareholders;
- carrying out investments outside the annual budget relating to an asset with a value greater than EUR 100,000;
- conclusion, outside the annual budget, of rental contracts, leasing of movable property, etc. relating to a movable asset for which the total rent over the rental period exceeds EUR 100,000;
- consenting to debt write-offs in favour of third parties;
- assigning or acquiring industrial rights, patents, know-how licenses, brands, domain names, or any other intellectual property rights;

- settling in any legal dispute between a third party and your company or one of their subsidiaries for which the amount or the stake would be greater than EUR 100,000 per dispute, as well as any waiver without consideration by your company of rights against third parties;
- hiring, outside the annual budget, an employee whose gross annual remuneration exceeds EUR 60,000;
- deciding, in their capacity as the legal representative of your company, to modify the statutory provisions of direct or indirect subsidiaries relating to:
  - the terms of appointment, dismissal and compensation of corporate officers;
  - limitations on the powers of corporate officers;
  - the establishment of management or control bodies.

Your board of directors has decided that Ms. Marie de Lauzon will benefit from the following compensation terms:

- a fixed gross annual compensation of EUR 140,000;
- annual variable compensation for 2020 up to a maximum of 50% of gross annual compensation based on quantitative and qualitative criteria set annually by your board.

The achievement of the objectives will be assessed annually by your board of directors at the same time as the determination of the new criteria. Your board of directors will rule on these points when closing the annual accounts.

In accordance with Article L. 225-37-2 of the French Commercial Code, the payment of annual variable compensation is subject to the approval by an ordinary general meeting of the components of compensation for the Deputy Chief Executive Officer under the conditions provided for in Article L. 225-100 of the French Commercial Code;

- subscription to complementary mutual health insurance scheme;
- I. the provision of official accommodation paid for by your F6 type company for a monthly rent of EUR 2,000, excluding charges;
- the provision of a company vehicle type Renault Espace paid for by your company;
- subscription to the corporate guarantee for business leaders (GSC) at the level of 55% over twelve months, then 70% over eighteen months after the first year of membership, with a waiting period of twelve months.

This compensation is for twelve months.

Your board of directors notes that Ms. Marie de Lauzon will not combine their mandate with an employment contract in your company.

In addition, Ms. Marie de Lauzon may claim, upon presentation of supporting documents, reimbursement of expenses incurred in the performance of their mandate.

Reasons justifying the interest of the agreement for the company

Your board justified this agreement as follows: "Ms. Marie de Lauzon's service agreement was concluded with the company 2CRSI as part of the structuring of their management team in order to respond to their development and strong growth".

Agreements already approved by the general assembly

We inform you that we have not been given notice of any agreement already approved by the general meeting, the execution of which would have continued during the past financial year.

Didenheim and Strasbourg, 31 August 2020

Statutory Auditors

SOCIETE FIDUCIAIRE DE REVISION S.A. | ERNST & YOUNG Audit

Thierry Liesenfeld | Véronique Habé | Alban de Claverie

3.7. AUTHORISATIONS AND DELEGATIONS

The Board of Directors of the company, in their summons to the Combined General Meeting of 25 September 2020, proposed the authorisations and financial delegations presented in section 2.6.

3.8. ELEMENTS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

It is indicated, in application of the provisions of Article L. 225-37-5 of the French Commercial Code:

The Company's capital structure, as well as the direct or indirect shareholdings known to the Company, by virtue of Articles L. 233-7 and L. 233-12 of the French Commercial Code, and all relevant information, are described in paragraph II-9 of this document;

There is no statutory restriction regarding the transfer of shares;

There is no statutory restriction on the exercise of voting rights other than the removal of voting rights, which may be requested by one or more shareholders holding at least 5% of the voting rights, in the event of non-declaration of the crossing of the statutory or legal threshold, for a period of two years following the regularization of the notification (article 8 of the articles of association);

To the best of the Company's knowledge, with the exception of the commitment to preserve the Company's shares signed on 25 February 2019, for the application of Article 787 B of the French General Tax Code, Dutreil Agreement) there are no agreements and other commitments signed between shareholders (in particular between managers) that could lead to restrictions on the transfer of shares and the exercise of voting rights;

There is no security bearing special control rights;

There are no provisions that could have the effect of delaying, deferring or preventing a change of control of the company. However, in accordance with Article 11.3 of our articles of association, fully paid-up shares for which there is proof of subscribed registration for at least two years in the name of the same shareholder have double voting rights than those conferred on other shares, each of which gives the right to one vote;

There are no control mechanisms provided for in a possible employee shareholding system, with control rights which are not exercised by the latter;

The rules for appointing and replacing members of the Board of Directors are the legal and statutory rules provided for in Article 12 of the articles of association of the company;

With regard to the powers of the Board of Directors, the current delegations and authorisations granted for capital increases are described in chapter 3.7 of this document; while the elements relating to the own shares redemption program are described in chapter 2, section 2.3.4.7.2, of this document;

The Company's articles of association are amended in accordance with legal and regulatory provisions;

There is no specific agreement providing for allowances for members of the Board of Directors in the event of termination of their duties or for employees in the event of resignation, dismissal without real and serious cause or if their employment ends due to a takeover bid;

With the exception of banking contracts, there are no agreements entered into by the company which are amended or terminated in the event of a change of control of the company.

3.9. THE GENERAL MEETING AND TERMS RELATING TO SHAREHOLDER PARTICIPATION

Detailed information concerning the specific terms and conditions relating to the participation of shareholders in the General Meeting can be found in the Articles of Association of the Company (Article 15 - Shareholders' Meetings).

Pursuant to Article 15 of the Articles of Association, any shareholder has the right to personally participate in general meetings, or to be represented there, under the conditions set by the regulations in force, or to vote by correspondence, regardless of the number of their equity securities, as soon as their securities are released from the due payments entered in an account in their name on the second business day preceding the meeting, at midnight, Paris time, either in the registered securities accounts held by the Company or in the bearer securities accounts held by the authorised intermediary.

4. CORPORATE SOCIAL RESPONSIBILITY

Preliminary note:
As a medium-sized company, 2CRSi is not required to provide non-financial reporting in the form of a declaration of non-financial performance.

4.1. 2019-2020 HIGHLIGHTS

4.1.1. Ongoing changes at 2CRSi

STRENGTHENING OF TEAMS

During the 2019-20 financial year, 2CRSi expanded its teams with new recruits, mainly in marketing, sales and R&D. To support the teams, sustain the Group's strong business growth and achieve its technological and commercial ambitions, the senior management team has also been reinforced with experienced directors who have been selected to head up the teams and define the processes required for future strong business growth.

A financial director and directors of R&D, HR and Marketing and Communication were incorporated into the management team this year.

Finally, 2019 was also marked by the appointment of Marie de Lauzon as the new Deputy CEO on 1 September. She has been a director since June 2018.

INTEGRATION AND DEVELOPMENT OF COMPANIES ACQUIRED

In 2019-20, 2CRSi also stepped up work to integrate and develop the activity of TranquilPC, acquired in 2018, and initiated the process of integrating Boston Limited, acquired in November 2019.

4.1.2. Integration of Boston Limited teams

With the acquisition of Boston Limited, 2CRSi is accelerating its business development and expanding its international presence. Given Boston's reputation in the market, the group's commercial activity and its brand will be maintained. Expected revenue synergies will be achieved through the expansion of the Boston catalogue to include 2CRSi's most innovative products, while cost synergies will come primarily from savings on purchasing and marketing as a result of pooling representation strategies at commercial events (trade shows, conferences, webinars, etc.).

The priorities for the first months of 2020 have therefore been:

- to train Boston Limited's technical and sales teams on 2CRSi and TranquilPC products
- to follow up initial commercial opportunities together
- to obtain better purchasing conditions for the Group and organise purchases in order to take advantage of long-standing relationships,
- to define a marketing strategy for the different brands in the new group structure and coordinate efforts.

Integration has unfortunately been slowed down by the COVID-19 health crisis and remains a priority for the coming year.

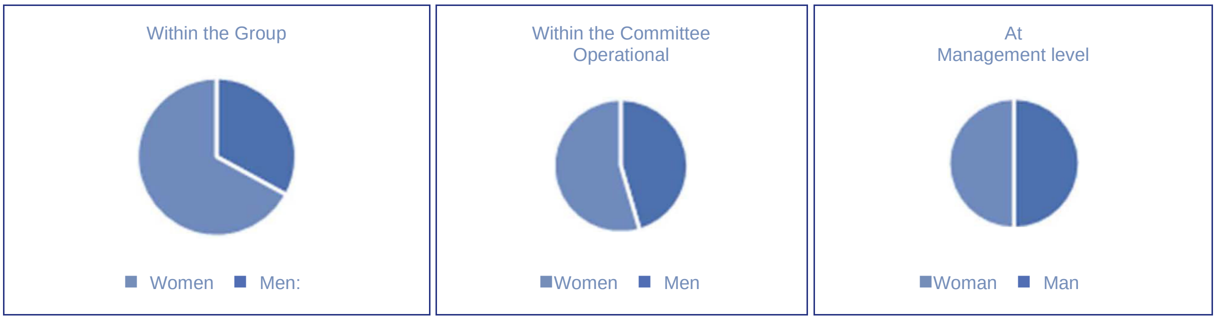
4.2. BEING A RESPONSIBLE EMPLOYER

Employee support is a priority for 2CRSi, which is why in 2019, the HR team was strengthened with the arrival of an experienced HR Director who will work to put in place a policy consistent with the Group's strategy.

On 29 February 2020, the Group had 355 employees, 32% women and 68% men.

4.2.1. HR policy: progress

In a computer hardware sector still struggling to attract women, both at the training stage and thereafter, we aim for a good balance between men and women within our teams, which we see as a source of strength. We hope that the example set by our Operations Committee, in which 45% of the members are women, will lead to more women joining the group.



Our senior management team, which has exactly the same number of men and women, is an illustration of our vision of greater value creation through diversity. Our teams are particularly careful to recruit women to departments in which there are currently few women in the sector, and this might be seen to be the norm, as is the case in the technical departments. Recruitment interviews, carried out in the vast majority of cases by mixed pairs, are a way of neutralizing any unconscious biases that may alter impartial selection. We will continue to be careful to strengthen our recruitment processes in this respect.

This diversity policy in recruitment is particularly natural for us as it has always been at the heart of 2CRSi. Indeed, making a contribution takes precedence over everything else. Since we started up, self-taught "geeks" have worked alongside those with PhDs in electronics or mechanics. With regard to qualifications, as with everything else, 2CRSi's philosophy is to recruit those who can best help the company continue to innovate, create value and satisfy our customers.

Since 2CRSi has grown considerably and continues to recruit, we have also improved employee integration processes, so as to turn the arrival of each new employee into a success for the company and for the person in question. And since we are an innovation and product company, each new employee is invited to spend time directly on the production line during their integration phase, in order to understand what we do for our customers and how we do it. In addition to a more traditional integration process within other departments, experience in production is essential, so that once employees are integrated into their own department, they have a good idea of the whole flow of our business, as well as the challenges in meeting our customers' demands.

This increase in our workforce has been an opportunity for us to rethink how to develop skills within the Group. Pilot programs have been launched in France to enable everyone, regardless of their role and level, to gain a better understanding of how computer server work and how they are made. More comprehensive programs have been created for employees who already have this technical knowledge. The extremely positive feedback in all cases has led us to extend this experience to the rest of the Group. Apart from developing their own skills, staff's pride in belonging to a company which produces locally and innovates in an environmentally responsible manner in a cutting-edge sector should encourage them to remain with the company in the coming years.

Our employees are aware that 2CRSi seeks to keep its products as close as possible to the needs of its customers, focussing on responsiveness and environmental sustainability.

In order to value our employees' skills, we encourage them, whenever possible, to train their colleagues, and to develop new skills in educational sharing, especially for those who become adept trainers and are acknowledged as such by their peers after a few sessions.

These internal training courses are of course supplemented by external training whenever necessary, and in particular whenever we need to enable our employees to acquire skills which are not sufficiently mastered internally, or which would be mastered by an insufficient number of employees.

4.2.2. HR policy: progress

In a company that has grown as much as ours, one of the challenges identified is to prepare succession plans for key positions. This should also be accompanied by an internal mobility policy, including career paths that promote the development of experiences that will enable the selected people to confront the challenges that await them.

4.2.3. The year in figures

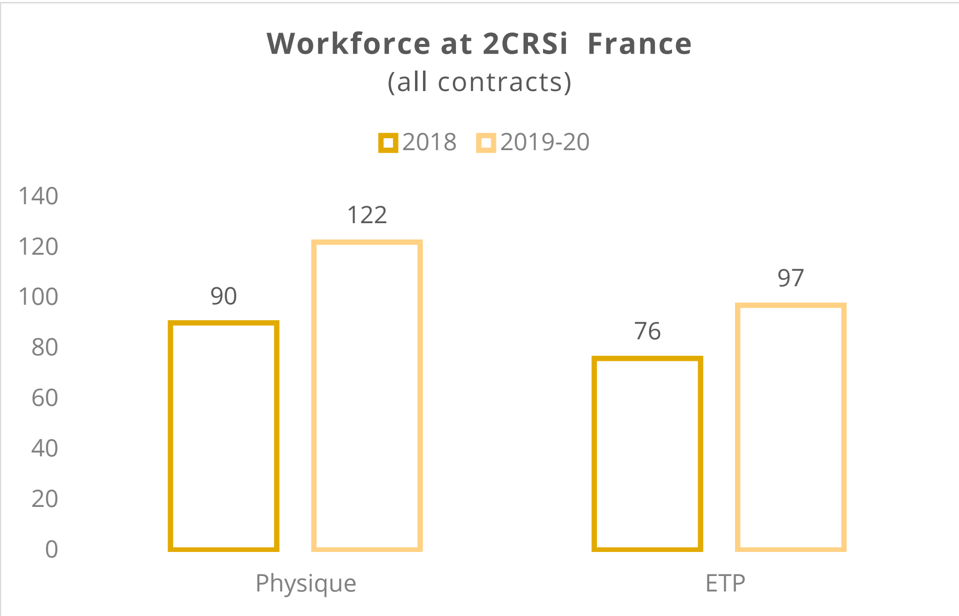
4.2.3.1. Employment

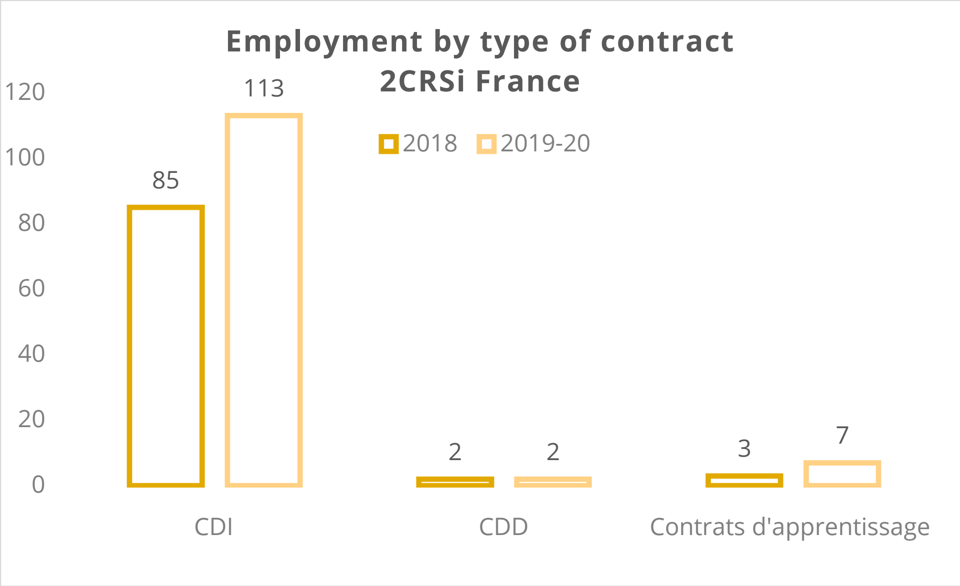
For this first year of reporting, the scope of social data refers exclusively to France, which still represents more than one-third of Boston Limited's post-integration workforce. The reference period runs from 1 January 2019 to 29 February 2020.

TOTAL WORKFORCE AND BREAKDOWN OF EMPLOYEES BY GENDER AND AGE (IN FRANCE)

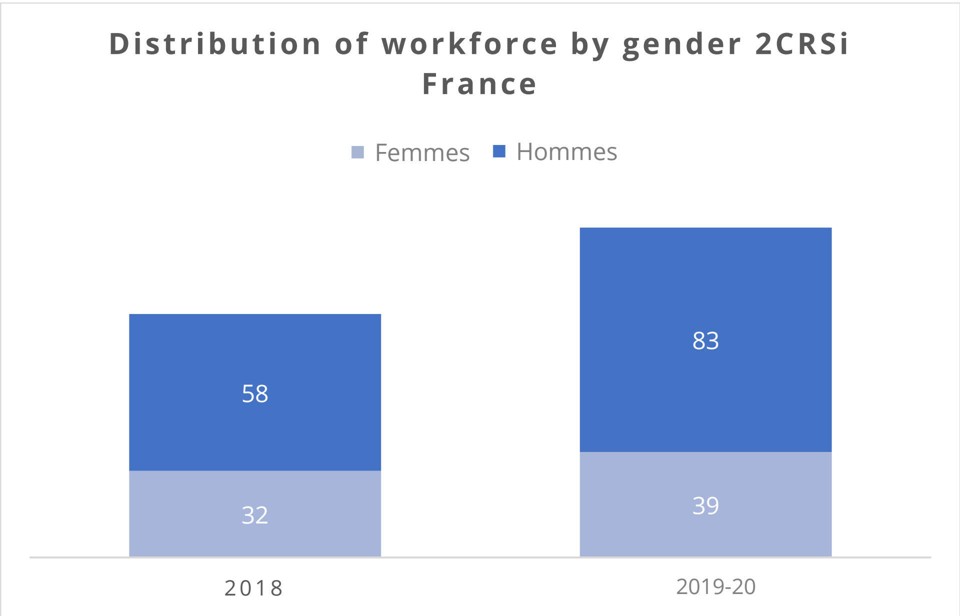
The headcount indicated in this section takes into account the number of employees on permanent and fixed-term contracts, as well as temporary staff and apprentices in France. It does not include trainees and those on international volunteer programs (VIE).

As of 29 February 2020, 2CRSi had 122 employees. The 35.5% increase in the workforce since 1 January 2019 reflects continuing recruitment campaigns aimed at supporting the Group's transformation as well as 2CRSi's strong business growth. 88% of the additional workforce have permanent contracts, demonstrating the dynamism of 2CRSi.

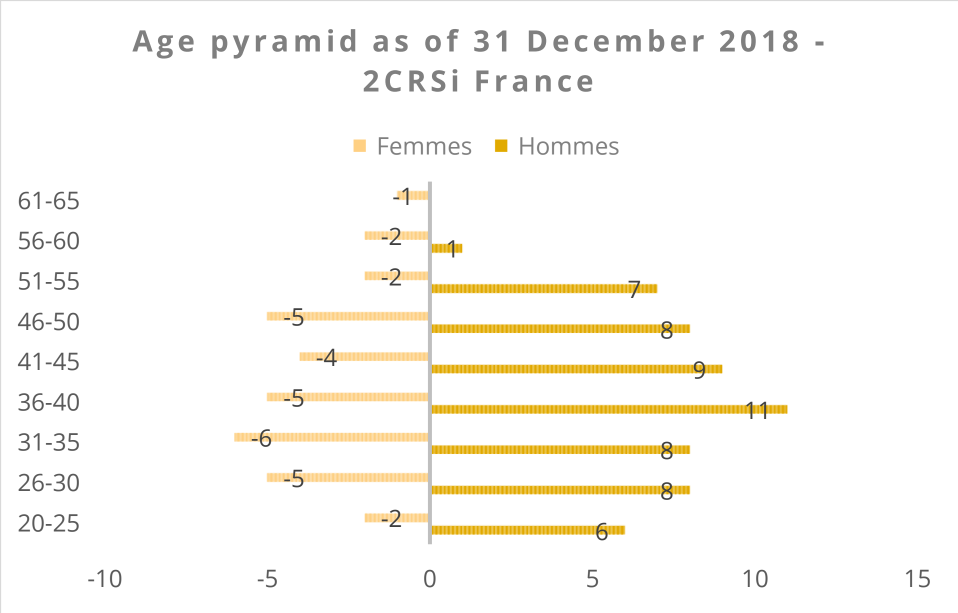


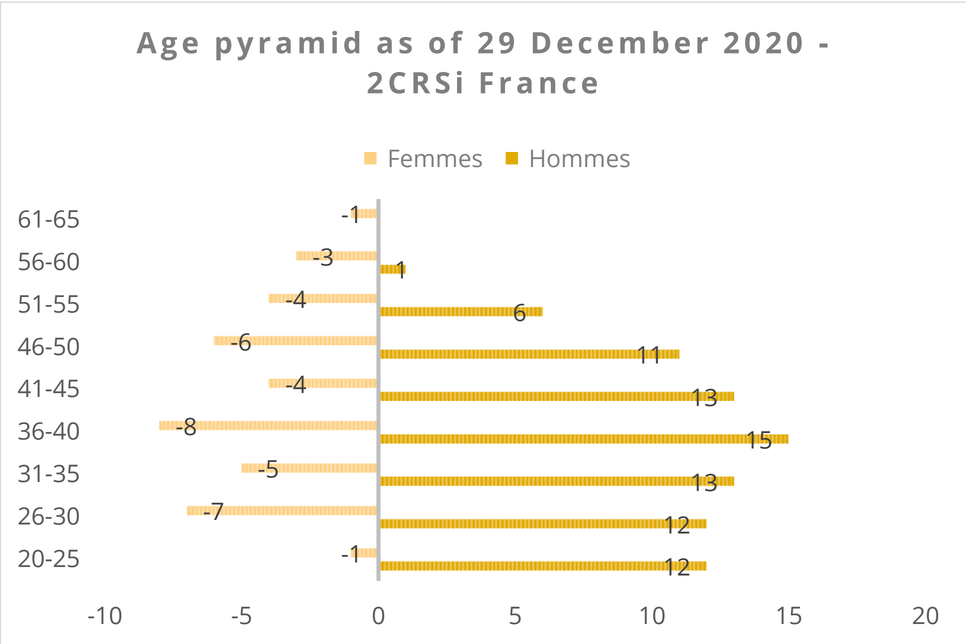


At of the end of February 2020, the total workforce of 2CRSi France consisted of 32% women and 68% men, an increase of 22% in the proportion of women within the company since 31 December 2018.



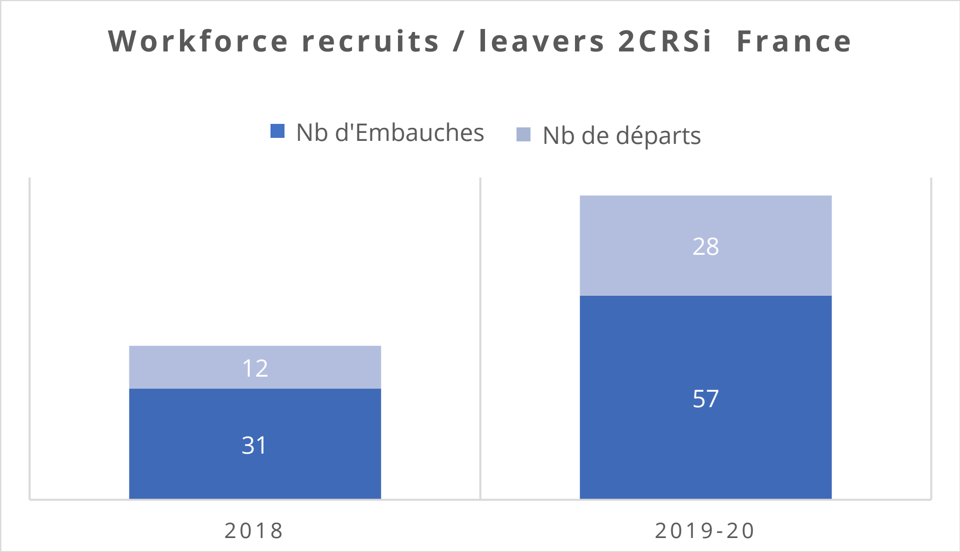
The age pyramid of the workforce was stable between 2018 and 2019-20, with an average age of 38.





RECRUITMENT AND DISMISSAL

The headcount indicated in this section takes into account the number of employees on permanent and fixed-term contracts, as well as temporary staff and apprentices in France. It does not include trainees or those on international volunteer programs (VIE) and trainees.



55 people were recruited in France on permanent contracts and 2 on fixed-term contracts between 1 January 2019 and 29 February 2020.

During the 2019-20 financial year, the large number of recruits made it possible to strengthen sales teams in France and (finance, marketing) support functions.

The majority of leavers left at the end of fixed-term contracts or trial periods or at the end of contracts by mutual agreement.

REMUNERATION

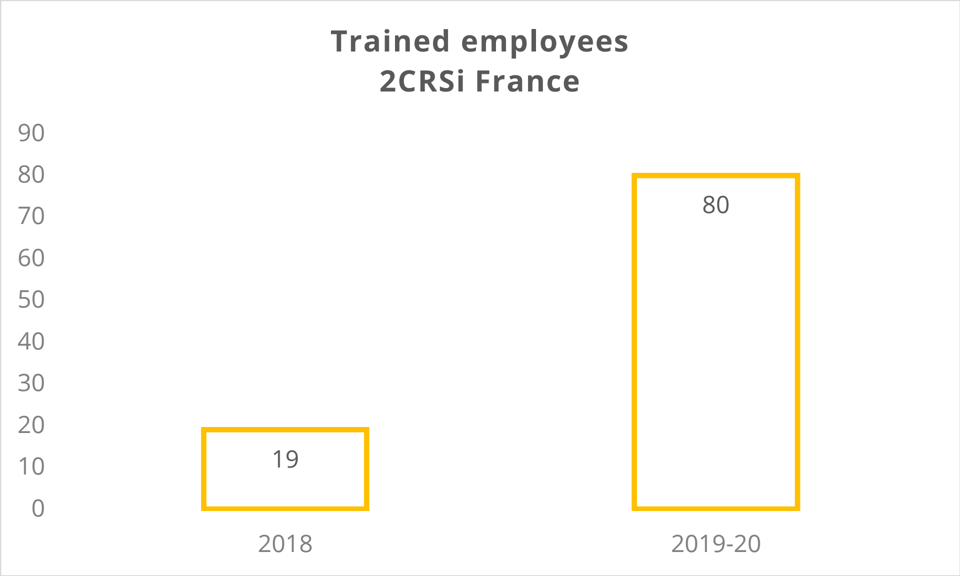
The Group's remuneration policy is based on local labour market conditions, internal consistency and applicable legislation. 2CRSi's remuneration policy takes into account individual responsibilities and results, team performance and the Group's financial results.

In 2019-20, the average gross salary of 2CRSi employees was 3,316 euros, compared with 3,088 euros in 2018.

The average gross monthly salary of women employed by the company in 2019-20 increased from 2,940 euros to 3,215 euros (9.3%). For men, this figure rose from 3,168 euros to 3,366 euros (6.3%).

TRAINING

2CRSi believes that the professional and personal development of each of its employees is an essential condition for its growth. In 2019-20, 65% of employees were offered training linked to their professional objectives.



4.2.3.2. Health and safety

The prevention of risks at work and occupational health and safety issues are central concerns of the Group at all its sites. In 2019, 2CRSi recruited an HSE manager for its main production site in Strasbourg in order to define and implement required processes and training. Information campaigns and safety training sessions were given to all employees (including all new recruits) during the year.

THE COVID-19 HEALTH CRISIS

Recommendations on distancing have been issued and the cleaning of door handles and other community equipment has been stepped up ahead of the beginning of the winter season starting in November. As soon as Covid-19 appeared in France at the beginning of March 2020, measures were reinforced with the widespread availability of hydro-alcoholic gel, and then, from April onwards, the distribution of masks to all employees who had to visit the site as part of their duties.

From 7 to 12 May, a survey was carried out among employees in order to understand how they felt about lockdown being relaxed and how to prepare for this stage.

ABSENTEEISM

In 2019, 1124 days were lost in France due to absenteeism. The absenteeism rate was 3.62%.

Absenteeism due to sickness and accidents at work

	2018		2019-20	
	No. of days	%	No. of days	%
Disease	313.5	84%	842.38	75%
Work accident	48	13%	154	14%
Maternity, paternity	12	3.21%	128	11.38%
Total absences	**373**		**1124**	

FREQUENCY RATE (*) OF ACCIDENTS AT WORK AND SEVERITY RATE (**) OF ACCIDENTS AT WORK

Most accidents were caused in low-risk situations and were attributable to employee negligence in complying with safety regulations. As a result, HSE actions in 2019 focused primarily on strengthening prevention and awareness campaigns (training, floor markings, visits by health and safety advisors (ACST), raising awareness of new employees during job induction periods, etc.).

Number of work accidents leading to a work stoppage	2018	2019-20
Frequency rate	43.04	0.00
Severity rate	0.25	0.00
Number of deaths	0	0

(*) number of accidents with lost time x 1,000,000 / number of hours worked

(**) number of days lost due to occupational accidents or diseases x 1000 / Number of hours worked

WELL-BEING AT WORK

Since 2018, 2CRSi has taken numerous steps to improve the well-being of its employees at work.

This involves the creation of ergonomic workspaces (ergonomic chairs, height-adjustable desks favouring changes in posture), open and closed collaborative spaces that take into account the need for technology (videoconferencing), areas for greater concentration or confidentiality, and spaces for relaxation and interaction that are accessible to all.

4.2.3.4. Equal treatment of men and women

MEASURES TAKEN TO PROMOTE EQUALITY BETWEEN MEN AND WOMEN

The Group is committed to advancing equality between men and women and is determined to improve gender diversity in its professions.

In 2019-20, 22% of those recruited were women. As of 29 February 2020, women accounted for 33% of the company's managers and 32% of the Group's total workforce (in France).

	31 December 2018		29 February 2020	
Category	**Number**	**%**	**Number**	**%**
Apprentice	1	3.13%	0	0.00%
Employees	13	40.63%	13	33.33%
Supervisor/Technicians	4	12.50%	8	20.51%
Cadres	13	40.63%	13	33.33%
Operational Committee	1	3.13%	5	12.82%
Total workforce Women	**32**	**100%**	**39**	**100%**

MEASURES TAKEN TO PROMOTE PROFESSIONAL TRAINING

In line with its recruitment policy and its charter on diversity, 2CRSi is striving to fight against all forms of discrimination and sees diversity as an asset in terms of creativity and dynamism that is conducive to the development of the company. The Company is therefore seeking to promote the inclusion of young people in the labour market through vocational training.

There was an increase in the proportion of young people (20-29 years old) in the Group's workforce, reaching 26% at the end of February 2020.

Following the Covid-19 health crisis, the Operations Committee decided to recruit an average of 2 apprentices per department to help students enter the world or work.

MEASURES TAKEN IN ORDER TO PROMOTE THE EMPLOYMENT AND INCLUSION OF PEOPLE WITH DISABILITIES

Our aim is to improve the representation of people with disabilities in our workforce through staff awareness campaigns and recruitment.

- **Awareness-raising activity**: “1 day, 1 email” is a competition on disability in the workplace. The idea is to answer questions in order to learn about disability in the workplace and to shed preconceived ideas.

- **Action plan**: In order to advance this process and benefit from support in defining our action plan, we requested a service known as Diagnostic Action from AGEFIPH, the organization for helping disabled people at work. Diagnostic Action is a customized and realistic action plan that enables the company to deliver an employment policy to support people with disabilities. The objective is to study the company's situation with regard to its employment obligations and the tools it can employ to identify solutions for the employment of people with disabilities.

- **Training** of an employee as a Disability contact person.

These initiatives led us to recruit two people with disabilities in 2019-20.

ANTI-DISCRIMINATION POLICY AND DIVERSITY CHARTER

2CRSi has been a signatory of the **Diversity Charter** since November 2018. The Diversity Charter can be signed by any employer who wishes to take a committed and proactive approach to promote diversity and to go beyond the legal framework in the fight against all forms of discrimination.

2CRSi offers equal employment opportunities to all people, without any distinction due to age, gender, sexual orientation, disability, race, religion, marital status, family status or country of origin.

By signing the Diversity Charter, 2CRSi commits to:

- Raise awareness and train leaders and managers involved in recruitment, training and career development in non-discrimination and diversity issues, and subsequently move to include all employees in training.
- Promote the application of the principle of non-discrimination in all its forms in all acts of management and decision-making in the enterprise or organisation, and in particular in all aspects of human resources management.
- Promote the representation of the diversity of French society in all its cultural, ethnic and social variety both within the workforce and at all levels of responsibility.
- Communicate its commitment to all employees as well as to customers, partners and suppliers, in order to encourage them to respect and implement these principles.
- Include the development and implementation of diversity policy in social dialogue with employee representatives.
- Regularly evaluate progress made and report internally and externally the practical results resulting from the implementation of our commitments.

This equal opportunity initiative also involves 2CRSi's participation in the **100 opportunities 100 jobs scheme**, supported by Entreprises pour la Cité.

The aim of this scheme is to support the professional integration of marginalised young people by introducing them to the world of work. It involves mentoring young people (help in getting a job, writing a CV, preparing for interviews, advice on job search, etc.).

4.2.4. Social relations

ORGANIZATION OF SOCIAL DIALOGUE

2CRSi strives to maintain respectful and constructive social relations with all its employees. In addition to encouraging its employees to support its business aims, 2CRSi strengthened social dialogue in 2019-20 through the development of its human resources teams.

At the beginning of December 2019, 2CRSi France set up a CSE (Social and Economic Committee) to comply with current legislation. The CSE combines and replaces all other employee representative bodies (employee delegates, works council, health, safety and working conditions committee (CHSCT)).

The CSE is now the forum for the collective expression of employees' interests so that they can be taken into account in decisions relating to the management and economic and financial life of the company, the organization of work, professional training, and production techniques.

The CSE also plays an important role in the field of health, safety and working conditions. The CSE is informed and consulted on issues concerning the organization, management and general direction of the company.

Made up of five employees from the Strasbourg offices, the CSE has already met 14 times and has played a part in the Group’s management of Covid-19 health crisis.

ORGANIZATION OF WORKING TIME

Following company changes, 2CRSi has decided to initiate a rethink with the CSE on how working time is organized. The aim is to respond to 3 challenges:

- To organize work in such a way as to ensure that each group’s tasks are carried out effectively
- To balance the need for good working conditions with carrying out the work
- To put in place clear and precise rules that everyone can understand.

Moreover, the recent health crisis has led to the widespread use of teleworking, which has made it possible to identify its advantages and disadvantages. Following lockdown. 2CRSi plans to continue to take advantage of these benefits by offering employees the flexibility of one day per week teleworking.

4.3. ENVIRONMENTAL COMMITMENTS

The IT sector accounts for 7% of the world's electricity consumption and 4% of greenhouse gas emissions. And this consumption is doubling every 4 years! Why is this? Because of the explosion of data production, estimated at 1.7 megabytes per person per second in 2020.

At 2CRSi, our job is to design and manufacture very high-performance IT servers that limit energy consumption. Our vision is to adopt an environmentally friendly approach to innovation in order to combine IT with the protection of the planet.

4.3.1. General environmental policy: energy efficiency, energy savings, and sustainable technology solutions

COMBINING IT WITH THE PROTECTION OF THE PLANET

2CRSi has always been acknowledged in the IT world for its design and production of infrastructure solutions that reduce energy consumption and offer greener IT options to our customers.

This ethos, which has been guiding us since the creation of the OCToPus all the way through to the advent of immersion solutions, is what sets our value proposition apart.

OUR VISION: TO BRING VALUE, SUSTAINABLY

2CRSi's core business is to meet customers' IT performance needs, while enabling them to achieve their sustainable development objectives.

As a French challenger in the world of IT, we seek to challenge IT standards by focusing on energy efficiency, simplicity and performance in order to meet the economic and environmental challenges of today's digital revolution.

By pooling the power supply and ventilation of the servers, we have managed to reduce the amount of electricity needed to run and cool them. Launched in 2017, OCtoPus, which belongs to the latest generation of the company's servers, reduces power consumption by 23% compared to equivalent solutions.

Immersion cooling of our servers opens a new chapter in the improvement of data centre cooling by reducing power consumption by 40% to 60% compared with equivalent traditional systems, making infrastructures more efficient.

Our firm commitment to “Green IT” is a major competitive advantage for our customers, whose energy consumption represents a considerable proportion of their server use costs.

To exploit this approach fully, 2CRSi is investing in R&D to address energy recycling: experiments are already underway to reuse any heat produced by the servers which has not previously been recovered.

4.3.2. Pollution, circular economy, subcontractors and suppliers

In order to further reduce our carbon footprint, several initiatives have been carried out or initiated during 2019-20:

- analysis of the life cycle of our products (with a big data approach and deep learning prediction) in order to identify and quantify the physical flows of matter and energy associated with the design, manufacture, distribution, use and dismantling of our IT servers. we are providing support to one of our collaborators in carrying out her doctoral thesis
- “Re-Use" approach: recovery of components, optimized design and residual heat from servers
- feasibility study on a 100% eco-designed server (bio-sourced materials, recyclability etc,)
- priority for short delivery circuits (optimization of our supplies in terms of carbon footprint and proximity to our production sites, benefiting the local economy and local employment,
- selection of partners and subcontractors that are committed to a sustainable and local approach (e.g. Viwamétal, Green Data). Preparation of a purchasing policy
- reduction in energy consumption (thermal sensors throughout the Strasbourg headquarters building); reduction in waste (mandatory sorting in offices, warehouses and production); reduction in paper printing by creating a single "printer" point per floor since 2018; reduction in water consumption
- sorting and recycling at all our production sites: with the exception of TranquilPC production, the sites mainly produce waste composed of electronic components and cardboard. At TranquilPC, aluminium waste is recycled, while chemical waste related to the anodizing process is taken care of by a specialized company. All recycling is certified
- installation of 2 beehives and melliferous plants on the roof of the head office

4.3.3. Travel and new ways of working

Along with carbon emissions and energy consumption, the impact of business travel is a major environmental issue for 2CRSi.

Since 2018, 2CRSi has conducted multiple initiatives to limit the environmental impact of travel and offer its employees greater flexibility:

- Use of remote working tools for all employees (information sharing, collaborative work on documents, videoconferencing, etc.).
- Teleworking (1 day per week)
- Policy to limit travel to essential journeys and encourage the use of less polluting means of transportation (train instead of car and plane), carpooling and car sharing
- Parking infrastructure with charging stations for electric vehicles and numerous secure bicycle spaces
- Partner since 2018 of the regional operation 'Au travail à Vélo' (Cycle to work), which promotes commuting by bicycle

4.4. ETHICS AND COMPLIANCE

4.4.1. Business ethics

Although the Group is not currently active in countries considered to be at risk in terms of corruption, an ethical charter for the conduct of business and the fight against corruption is currently being prepared.

Since September 2018, the Group has had a stock market code of ethics aimed at preventing insider misconduct. This code has been distributed to all employees who, as a precautionary measure, are all subject to the close window linked to the Group's financial publications.

4.4.2. Compliance

The quality of service to our customers is a priority.

Two companies in the 2CRSi group have obtained ISO 9001 certification. These are Boston limited (2015) and TranquilPC (2019). This standard sets out what is needed for quality management systems in order to increase customer satisfaction. It also covers processes, risks and continuous quality improvement. 2CRSi is also setting up structured processes to prepare for compliance.

Lastly, in June 2020,TranquilPC will start the certification process for ISO 14001, which defines the requirements for an organisation's environmental management system.

5. RISK MANAGEMENT

This section on internal control and risk management is part of corporate governance, in accordance with the reference framework of the French Financial Market Authority (AMF) on the risk management and internal control system.

5.1. INTERNAL CONTROL AND RISK MANAGEMENT

5.1.1. Definition of internal control

Internal control is a system that applies to the Company subsidiaries within their scope of consolidation and whose objectives are to ensure:

- compliance with the laws and regulations applicable to the Group's subsidiaries and establishments;
- the effective application of strategic orientations, directives, internal policies and procedures, and best practices set by the Group's general management;
- safeguarding the Group's assets;
- the reliability and fairness of the financial information and accounts communicated to the corporate bodies and published;
- prevention and control of identified risks resulting from the Group's activity; and
- optimization of operational activity.

The internal control system integrates risk management, whose objectives are:

- to create and preserve the value, assets and reputation of the Group;
- to secure the Group's decision-making and processes with a view to promoting the achievement of their objectives;
- to promote consistency between the actions and the values of the Group;
- to mobilize Group employees around a common vision regarding the main risks, and to make them aware of the risks inherent in their activity.

While helping to prevent and control the risks to which the Group is exposed in the implementation of their strategy, the internal control system contributes to the management of the Group's activities, the efficiency of their operations and the efficient use of their resources.

One of the objectives of the internal control systems is to prevent and control all risks resulting from the Group's activity, in particular accounting and financial risks, including error or fraud, but also various operational risks, strategic risks as well as compliance risks. However, like any control system, it cannot provide an absolute guarantee that these risks are completely eliminated.

5.1.2. Description of the internal control environment

5.1.2.1. Components of internal control

The main internal control bodies are as follows:

AT GROUP LEVEL

The internal control system is based on a number of identified players, but remains the responsibility of everyone within the Group: raising awareness of all staff with regard to the company's values thus constitutes the first mechanism in the internal control system. This transmission of values in a vertical manner is ensured both within the framework of regular team meetings and through regular communications on the life of the Group and their strategy. Everyone, regardless of their position, is thus able to ensure at all times that their actions are in line with the values and strategy of the Group.

The internal control system brings into play:

- the Board of Directors and the Audit Committee, whose operating procedures and main activities are described in section 3.4 of the Universal Registration Document;
- the General Management: The Chief Executive Officer and the Deputy Chief Executive Officer;
- the Administration and Finance Department and the other functional departments.

The Board of Directors and the Audit Committee

Based on the work of the Audit Committee, the Board of Directors ensures ultimate control of the implementation of the strategy by the General Management. By authorising structuring operations, they ensure the continuity of this implementation and check whether it falls within the levels of risk and profitability that have been considered acceptable, together with the General Management.

The Board of Directors regularly monitors the operational performance and financial situation of the Group.

Alongside the Audit Committee, the Board of Directors also plays a decisive role in monitoring the risk management system. The Audit Committee reviews annually especially the effectiveness of the internal control systems and the risk mapping, which was formalized in 2020.

The General Management: The Chief Executive Officer and the Deputy Chief Executive Officer

The General Management ensures the implementation of the strategy adopted by the Board of Directors and, in this context, is responsible for the proper functioning of the internal control system and risk management that they are gradually putting in place, taking into account the objectives defined by the Board of Directors.

In the short term, the General Management ensures the performance of operations, monitors the achievement of objectives, prescribes the necessary corrective actions, and controls their implementation as part of action plans. In the longer term, they also play a decisive role in the dissemination of the Group's strategic directions and values.

The Administration and Finance Department and the other functional departments

The Administration and Finance Department, to which Accounting, Consolidation & Reporting and Management Control are attached, is responsible for the reliability, transparency and accuracy of data when producing financial and accounting information. They undertake to preserve the separation between their activities of production and supervision of financial statements and use independent experts for the valuation of complex accounting items and/or involving subjective assumptions, as well as for the preparation of consolidated financial statements.

The Administration and Finance Department is also responsible for producing the monthly reporting, which constitutes the basis for the permanent monitoring of activities.

Finally, the Administration and Finance Department plays a decisive role in defining the procedures to be put in place. For example, they initiated the establishment of a procedure for delegating powers in order to carry out acquisitions.

The other functional departments:

- The Marketing and Sales Department, which monitors on a daily basis the preservation of the Group's brands and their development
- The Human Resources Department, which defines the HR strategy in terms of recruitment, training, career management, remuneration, etc. in accordance with the strategy defined by the group.
- The IT Department, which ensures that the Group's information systems offer a level of security able to guarantee the integrity, confidentiality, and retention of data, as well as access to it.

AT THE SUBSIDIARY LEVEL

- The Group's General Management and the Directors of the subsidiaries are responsible for ensuring proper control of the main risks that could affect a subsidiary.
- The Group's General Management and the Administration and Finance Department are responsible for setting up internal control systems so as to prevent and control the risks resulting from the company's activity, in particular accounting and financial risks, including error or fraud.

5.1.2.2. Risk identification and management

The 2019/20 financial year was devoted to:

- formalization of financial cycle procedures and certain operational cycles,
- the continuation of prevention and protection efforts in operational units,
- the implementation of an initiative to formalize risk mapping.

Risk mapping allows:

- to identify and assess gross exposure to risks whose occurrence could threaten the achievement of objectives,
- to define a strategy for managing these risks,
- to assess the effectiveness and efficiency of this management strategy through a criticality criterion,
- to determine the “net” residual risk after management actions.

The criteria are rated on a scale of 1 (low impact and risk) to 5 (critical). Each risk is therefore assessed in matrix form by combining its financial impact and its probability of occurrence, which makes it possible to estimate gross exposure to risk without taking into account existing action plans or control elements.

All identified areas for improvement are the subject of specific action plans validated by the Audit Committee, within each subsidiary and within the Group.

5.1.2.3. Key elements of internal control procedures

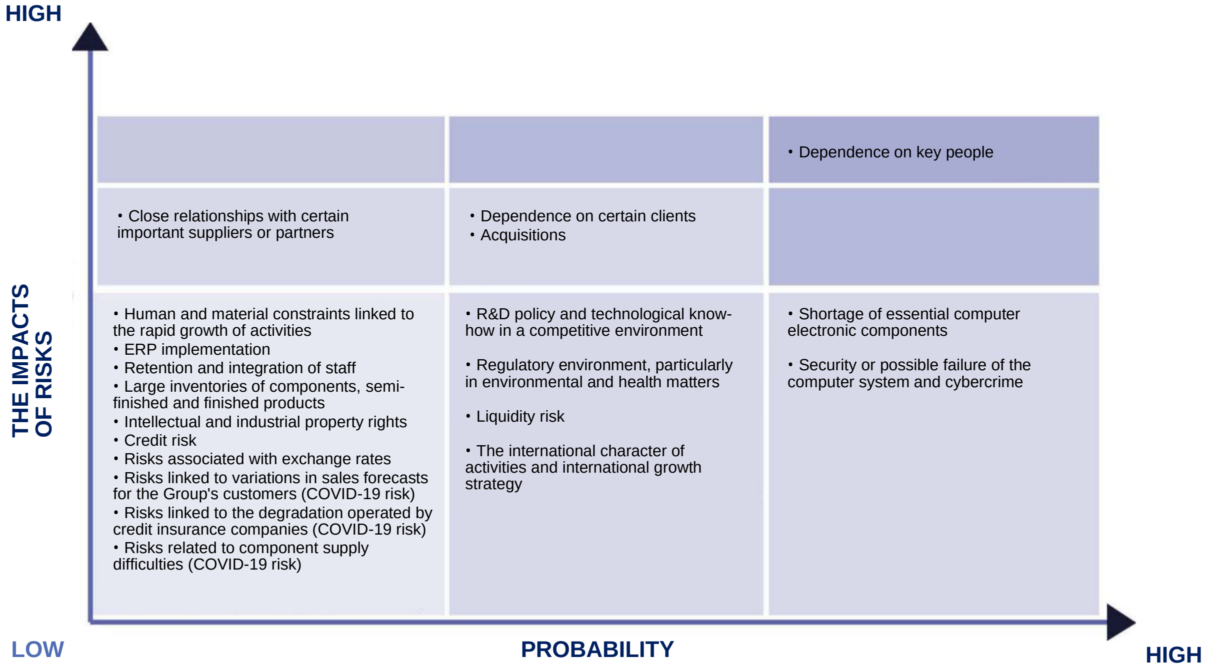
A formal procedure for delegation of powers specifies the powers of the Chief Executive Officer, as well as the powers delegated to the Deputy Chief Executive Officer.

Budget control revolves around three areas: the annual budget (re-estimated several times during the year), the monitoring of achievements as part of monthly reports (turnover, cash flow, income statement, investments), and the strategic plan. It is based on management control teams, reporting to the Finance Department, both at Headquarters and at subsidiary level. It is implemented in the following way:

- the budget is the subject of precise instructions (principles, timetable) issued by the headquarters and communicated to all subsidiaries. The budget is reviewed by General Management, before being presented to the Board of Directors for final approval;
- reporting is prepared on the basis of data collected directly from the subsidiaries, according to a precise schedule, communicated at the start of the year, and in accordance with the reporting package issued by headquarters;
- the monthly performance analysis in the context of reporting is presented by the Finance Department to General Management, and during meetings of the Audit Committee and the Board of Directors;
- a multi-year strategic plan shall be drawn up every 2 or 3 years and submitted for approval to the Board of Directors

5.2. RISK FACTORS

The Group's risk matrix established in 2019/20 is presented below.



PRIORITIZATION OF RISKS

Risks related to the business sector	Close relations with certain important suppliers or partners, Shortage of essential electronic components for computers, R&D policy, and technological know-how in a competitive environment Human and material constraints linked to the rapid growth of activities
Operational risks or those linked to the activity of the Group	Reliance on key people, Reliance on certain customers The international character of activities & international growth strategy Security or possible failure of the computer system and cybercrime, Implementation of a new ERP [enterprise resource planning] Retention and integration of staff Large inventories of components, semi-finished and finished products
Legal and regulatory risks	Acquisitions Regulatory environment, particularly in environmental and health matters Intellectual and industrial property rights
Financial Risks	Liquidity risk Credit risk Risks associated with exchange rates
Risks linked to Covid-19	Risks linked to variations in sales forecasts for the Group's customers, Risks linked to deterioration carried out by credit insurance companies Risks related to component supply difficulties

Level of risk (potential impact x probability) on the value of the company: *low*
moderate
high

Risk factors are presented in a limited number of categories, depending on their nature. The most important risk factors are presented first in each category. The financial risk linked to the priority dividend associated to the preference shares is not the subject of any development, because the risk is not significant (EUR 175 k).

5.2.1. Risks related to the business sector

5.2.1.1. Shortage of essential computer electronic components

RISK DEFINITION AND DESCRIPTION

The manufacture of the Group's products uses various essential electronic components, such as processors (also called “central processing unit” or CPU in English), graphics cards (“Graphics Processing Unit” or GPU), dynamic RAM (“Dynamic Random Access Memory” or DRAM), rewritable semiconductor mass memories (“Negative-AND Flash” or NAND Flash) or even hard disks (“magnetic storage” or HDD), for which the Group gets their supplies from third parties.

For several years, the electronic and computer components market has experienced shortages linked, on the one hand, to supply difficulties in rare-earth elements and metals and, on the other hand, to manufacturers’ insufficient production capacity and, finally, to various causes (earthquake, floods or tsunamis) which unexpectedly cause a rupture in the supply chains and create speculation regarding the available parts. During the period of COVID-19, the closure of many component factories in Asia, and the scarcity of transport options had an impact on transport prices by nearly 30%, and an impact on the availability period of 10%.

POTENTIAL EFFECTS ON THE GROUP

These shortages lead to:

- delays in delivery, with a risk of cancellation of customer orders or triggering penalties,

- significant variations in the price of components impacting the company's margins,

- an increase in the company's needs in terms of working capital, which has a negative impact on the company's cash flow (anticipation of purchases, which requires paying suppliers before the collection of trade receivables).

RISK MANAGEMENT AND MITIGATION

The Group has generally been able to carry the component price increases forward to their selling prices. Likewise, the Group's customers generally agreed to receive deliveries at a later date than the one initially planned, due to the delays in delivery being ascribed outside the Group.

To mitigate this risk, the company carries out trading activities to a lesser extent, which allows them to anticipate these periods of shortages, and builds up a sufficient level of inventories to best meet the needs of their clients.

5.2.1.2. R&D policy and technological know-how in a competitive environment

RISK DEFINITION AND DESCRIPTION

The computer server market is a competitive market, in which well-established players operate while having superior resources, facilities and experience to those of the Group, as well as a stronger reputation. Thus, among the Group's competitors are IBM, Hewlett Packard Enterprise, Dell EMC, Lenovo, Huawei Technologies, Inspur, SuperMicro, Fujitsu, QCT, ASUS, GIGABYTE Technology Co., Ltd., TYAN Computer Corp., ASRock Rack Inc. or CRAY Inc. By comparison, the Group only started marketing their products in 2005 in France and more recently developed their international presence, in particular by opening subsidiaries in the United States in 2015, in the United Kingdom, and in Dubai in 2018, then in early 2020 in Singapore.

The Group's competitiveness depends on several factors, including:

- technological know-how enabling them to create innovative, high-performance solutions with optimized ownership costs;
- an ability to offer tailor-made solutions;
- industry know-how allowing the implementation of turnkey solutions;
- a loyal and established clientele made up of experts in their field;
- an ambitious and attractive growth trajectory; and
- an expert management team supported by dynamic and multicultural teams.

The Group cannot guarantee that their research and development endeavours will systematically lead to a satisfactory outcome. Furthermore, the Group cannot guarantee that there will be no delay in the development of a product compared to the duration initially planned, nor that the finished product will be financially or commercially viable, as production or distribution costs may prove to be too high.

POTENTIAL EFFECTS ON THE GROUP

Competitors who develop more efficient, more innovative or less costly technologies than those marketed by the Group could generate:

- a loss of the group's market share and re-evaluation of their prospects,
- loss of competitiveness, with a detrimental effect on profitability and future performance of the group.

RISK MANAGEMENT AND MITIGATION

The Group has recruited people with specific skills, and the Research & Development team is working on the development of innovative products and systems, promoting sustainable solutions and focusing on renewable energies. The Group has set up a procedure for launching projects with a preliminary assessment and an industrialization process to mitigate this risk.

The Marketing, R&D, and Sales departments constantly monitor the market and the competition.

5.2.1.3. Close relationships with certain important suppliers or partners

RISK DEFINITION AND DESCRIPTION

Most of the markets on which the Group operates are affected by the presence of certain important suppliers, such as Intel Corporation, Nvidia Corporation, Western Digital, Samsung, Zotac, etc., benefiting from a significant market share, and/or bargaining power. The privileged relationships that the Group has been able to develop with certain dominant suppliers (Intel Corporation, for example) are key to their success, in particular due to privileged access to certain technologies or products, or to advantageous financial conditions.

The Group's top three suppliers accounted for 47% of purchases of goods and raw materials during the financial year ending on 29 February 2020, of which 33% corresponded to the Group's leading supplier.

POTENTIAL EFFECTS ON THE GROUP

These relationships are more complex than simple one-sided dependency relationships, and both parties would have to lose if they deteriorated. However, in many cases, the Group is the “junior partner”, and their negotiating margins are more limited than those of their counterpart.

If these partners were to seek to abuse this imbalance in trade negotiations, cause the Group to lose part of the benefits they derive from these relationships or even terminate them, this could have a significant adverse impact on the business, the financial situation, the performance and prospects of the Group.

RISK MANAGEMENT AND MITIGATION

The partnerships that the Group maintains are cultivated by common opportunities. The Group presents certain customer development projects upstream to their suppliers and partners, who find it very beneficial to be able to sell components on markets where they do not deliver directly, such as OCP [Open Compute Project] and immersion. In addition, this allows the Group to develop, by offering their customers a tailor-made and financially advantageous solution.

5.2.2. Operational risks related to the Group's activity

5.2.2.1. Dependence on key people

RISK DEFINITION AND DESCRIPTION

The Group's success has historically been based on Alain Wilmouth, founder and Chief Executive Officer of the Company, a recognized figure on the market. He is thus mainly responsible for the Group's commercial success with the most important clients. He cannot guarantee that these clients will follow the Group when he will be less involved in operations, in particular due to the strengthening of the management team.

In addition, a large number of the Group's senior directors have developed, during their professional careers within the Group, significant technical and commercial experience, which would be difficult to replace.

POTENTIAL EFFECTS ON THE GROUP

The departure of certain members of the management team and of certain key employees could lead to a loss of know-how and to the weakening of certain activities, which is all the more pronounced in the event of transfer to the competition, and it could also lead to shortages of technical and commercial skills, which may slow down activity and may ultimately alter the Group's ability to achieve their objectives.

RISK MANAGEMENT AND MITIGATION

The recruitment of more experienced people in various departments, particularly in R&D, marketing and sales, makes it possible to transmit the know-how of the Management. The

Group is also in the process of setting up a KM (Knowledge Management) system, which will allow employees to capitalize on the lessons learned and the experiences acquired.

5.2.2.2. Dependence on certain clients

RISK DEFINITION AND DESCRIPTION

The Group achieved nearly 51% of their turnover with their first client in 2018 and in the first half of 2019, the Group's largest client still represented 44% of turnover.

Over the period from 01/03/19 to 29/02/20 (pro forma accounts), the Group achieved nearly 36% of their turnover with the top ten active customers.

POTENTIAL EFFECTS ON THE GROUP

The Group may not be able to meet the demand or needs of their main customers, retain them, or continue to develop their commercial relations with them. The Group could lose one or more of their customers or main contracts, suffer a significant reduction in the volume of their turnover, or they could even be affected by a substantial change in the conditions governing their commercial relations with them. Finally, one of their customers could fail to honour their purchase order or payment commitments, which would have a negative impact on the Group's financial situation.

RISK MANAGEMENT AND MITIGATION

The acquisition of the Boston Limited group and the enlargement of the sales team greatly reduces this risk, by expanding and diversifying the Group's customer portfolio. Indeed, the new Group’s commercial strategy makes it possible to meet the needs of a greater number of customers and, in particular, to manage large accounts that individual companies could not reach before, due to their smaller sizes on the market.

5.2.2.3. Security or possible failure of the computer system and cybercrime

RISK DEFINITION AND DESCRIPTION

A fault, breakage, breakdown, or computer or industrial hacking could disrupt the proper functioning of the Group's IT systems and disrupt the conduct of their activities. The Group has implemented data backup systems, access protection, management of network protection tools (antivirus), and IT emergency plans.

The security systems put in place by the Group may not be sufficient to prevent the loss or theft of information or even disruption of their IT systems.

POTENTIAL EFFECTS ON THE GROUP

The occurrence of one of these events could lead to delays in production, delivery or invoicing, and, more generally, the functioning of the Group, and thus have a significant unfavourable effect on their activity, financial situation, performance, and prospects.

RISK MANAGEMENT AND MITIGATION

Device administration rights are limited to members of the IT team. A person from R&D (lead implementer) is 27001 certified and is in charge of internal audits and compliance.

Backup devices are ready to use in the event of a hardware failure on a server.

User data is centralized and replicated on One Drive and 2CRSi Cloud, but subject to compliance with user preferences.

5.2.2.4. The international character of activities and international growth strategy

RISK DEFINITION AND DESCRIPTION

The Group has 22 sales offices (subsidiaries and offices) and aims to expand their operations to other countries. They thus opened a subsidiary in Singapore at the beginning of 2020 and plan to open other sales offices or create other subsidiaries in the coming years in Europe, Asia, and Africa. The Group would then be exposed to new economic, fiscal, legal, regulatory and political frameworks. This could lead to delays in the sales of the Group's products on these new markets, and/or significant costs, to ensure compliance with these laws and regulations.

The costs associated with entering and establishing the business on these markets could be higher than expected, and the Group could face significant competition on these markets.

The Group acknowledges in particular that their activity could be affected by various risks and difficulties in their target markets, in particular:

- difficulties in managing their operations abroad;
- difficulties and delays in the performance of contracts, and in the collection of receivables under the legal systems of foreign countries;

- regulatory and legal obligations, affecting their ability to enter new markets through partnerships with local entities;
- legislative and regulatory changes;
- divergent business and corporate practices and procedures;
- export and import restrictions;
- multiple tax regimes (including regulations on transfer pricing, withholding taxes and taxes on transfers of funds and other payments made by subsidiaries);
- restrictions on foreign investment;
- exchange controls and restrictions on the repatriation of funds;
- economic and/or financial sanctions targeting countries under embargo, taken in particular by the United Nations, the European Union, France or the United States; and
- potential changes in UK regulations following the UK's decision to leave the European Union (Brexit), especially with regards to customs duties.

POTENTIAL EFFECTS ON THE GROUP

If the Group were unable to manage the risks associated with their expansion and growth on new foreign markets and, consequently, would fail to establish a solid and lasting presence on these markets, their activity, financial situation, performance, and prospects could be negatively and significantly impacted.

RISK MANAGEMENT AND MITIGATION

The Group works with local legal and accounting advisers. In addition, the Group's auditors have a developed a wide international network (E&Y).

In view of the profit forecasts that would be released by the British subsidiaries, and in the event that British legislation following Brexit proves to be more restrictive, in particular regarding the taxation of dividend distributions to a foreign parent company, the Group would be exposed, to the extent of the income that would be generated in the UK. In order to limit this possible risk, the Group has decided to set up two holding sub-subsidiaries in the United Kingdom, 2CRSi Ltd and 2CRSi London Ltd. This structuring should enable them to decide on the distribution of the income generated by local companies (with a view to repaying the purchase debt), without giving rise to cross-border flows.

5.2.2.5. Acquisitions

RISK DEFINITION AND DESCRIPTION

After the acquisitions of Tranquil PC and Boston Limited group, the Group could study other acquisition opportunities, in particular of new partners. As was the case with the recent acquisition of Boston Limited, the studies are likely to engage several members of the management team, in order to assess the suitability of the opportunities and to conduct negotiations for the acquisition. In the event of a significant acquisition, the Group's performance will depend in part on their ability to successfully integrate the acquired businesses. Such integrations can require the implementation of a complex, long and expensive process, and involve a certain number of risks, in particular regarding the fact of having to bear costs and expenses, to face unforeseen events, the fact that the management is diverting their attention from day-to-day operations, due to the increased engagement of management teams caused by the increased volume and scope of business following the acquisition. In addition, the Group cannot guarantee that an acquisition will generate the synergies that may be expected, the expected cost savings, an increase in profits and cash flow, better operational efficiency and, more generally, the benefits that the Group would expect.

POTENTIAL EFFECTS ON THE GROUP

Acquisition opportunities and integration periods mobilize members of the Management and key people who must free up time on operational activities. This acquisition process may have an impact on the Group's activity, their performance, development and prospects.

The Group may also be exposed to unforeseen liabilities or commitments in connection with such acquisitions. If these responsibilities and commitments are significant, or if the Group fails to effectively integrate a new acquisition, this could have an unfavourable effect on their activities, financial position, performance, development, and prospects.

RISK MANAGEMENT AND MITIGATION

The Group receives by legal and financial advice and is considering the possibility of recruiting a person in charge of acquisitions, in order to limit the mobilization of a large number of members of the management team in this type of process.

5.2.3. Legal and regulatory risks

5.2.3.1. Regulatory environment, particularly in environmental and health matters

RISK DEFINITION AND DESCRIPTION

The Group is subject to a strict and standardized set of national, international, or conventional regulations, for example, European regulations on the export of dual-use products and technologies (civil or military), rules on export restrictions or embargoes to certain countries, the rules regarding follow-up, and documentation for customs. In particular, the Group may have to resort to foreign suppliers in order to source their components or semi-finished products. Products thus imported give rise to a declaration to the competent authorities by both the importer and the exporter. It cannot be excluded that, despite the Group's diligence, the exporter might not fulfil the obligations required by the national legislation to which they are subject. Given this situation and the controls operated by the French customs services, the Group could be exposed to the risk of having to pay an adjustment to the French services. To limit the consequences of importing foreign products, the Group uses the services of a lead customs declarant. Beyond that, the Group remains subject to the fluctuation of customs duties, which remain within the sovereignty of the States.

In environmental and health matters, the Group is subject to:

- the RoHS II Directive, restricting the use of certain hazardous substances in electrical and electronic equipment. The Group does not manufacture all of the components they use; however, they ensure that their suppliers comply with this directive;
- the REACH Regulation on the registration, evaluation and authorization of chemical substances, as well as the restrictions applicable to these substances.
- the WEEE II Directive on electrical and electronic equipment waste. In this context, the Group uses suppliers specializing in waste treatment (in particular metals), such as Schroll and Derichebourg;
- the Low Voltage Directive, relating to the supply on the market of electrical equipment intended for use within certain voltage limits.

These standards are complex and subject to change and, although the Group pays particular attention to compliance with the regulations in force, they may not be able to strictly comply with all of these regulations, or may not be able to adapt to the evolution or entry into force of new standards. In addition, the Group could be required to incur significant costs in order to comply with changes in regulations, and cannot guarantee that they will always be able to adapt their activities and organization to these developments within the necessary deadlines.

The Group's suppliers are subject to the same constraints, and these may have indirect repercussions on the Group (price increases, delays, etc.).

POTENTIAL EFFECTS ON THE GROUP

In the event of non-compliance with these standards, the Group could find themselves ordered to pay fines, or be subject to sanctions by the competent regulator, or even find themselves party to a legal dispute.

Regarding customs duties or taxes related to international transactions, it cannot be ruled out that an upward variation has consequences, having a significant unfavourable effect on the Group's financial position and performance.

RISK MANAGEMENT AND MITIGATION

The Group ensures that their component suppliers comply with applicable directives, such as RoHS II or REACH. This monitoring is carried out in particular through prior requests for precise information on the composition of electrical and electronic equipment. The certificate received thus ensures that all the equipment supplied in a complete IT system has been subject to upstream RoHS II and REACH verifications.

For waste treatment, the Group uses companies specializing in waste treatment, such as Schroll and Derichebourg. Therefore, the collection method complies with WEEE requirements.

Within the framework of the Low Voltage Directive, the required inspections are carried out by a control office.

Finally, the Group has recruited an engineer charged with formalizing the application of standards and people responsible for their application locally, in the various countries working with them.

5.2.4. Financial Risks

5.2.4.1. Liquidity risk

RISK DEFINITION AND DESCRIPTION

Liquidity risk corresponds to the Group's ability to have financial resources in order to meet their commitments, namely the risk for the Group of not being able to repay their debts.

The Group uses diversified sources of funding, in particular:

- loans from banking institutions;
- funding and guarantees from the BPI;
- repayable advances and subsidies; and

- sale-leaseback contracts.

Net financial debt stood at EUR 59.4 million as of 29 February 2020 and includes EUR 17.7 million in lease debt (IFRS 16), and EUR 15 million in financial debt related to earn-out clauses and put options granted to minority shareholders in Boston Ltd (EUR 11.6 million), as well as to preference shares (EUR 3.4 million).

The EUR 15 million loan which made it possible to finance the acquisition of the Boston Ltd securities in December 2019 is subject to covenants relating to the Group's cash flow, as well as to debt ratios (cf. section 7.3.3.11). The repayment of this loan will be made over 5 years. As this loan is at a variable rate, the Group is subject to an interest rate risk on the outstanding capital.

POTENTIAL EFFECTS ON THE GROUP

The Group's level of net debt could limit their development and growth and have a negative impact on their financial performance. A liquidity constraint could lead the Group to refuse or defer orders, in the event of difficulty in financing the working capital required to fulfil them.

In addition, if any of the covenants of the Boston Limited acquisition funding loan agreement were to be breached, the bank could demand early repayment of the loan.

RISK MANAGEMENT AND MITIGATION

The Group has entered into a cash flow agreement with all of their subsidiaries enabling them, where applicable, to optimize the management of their resources.

At the end of June, the group's gross cash flow amounted to EUR 8.6 million, additional to the lines of financing worth EUR 9.3 million (bank overdraft, undrawn short-term lines of credit). As of the date of this document, a request for a State Guaranteed Loan (PGE) is under consideration, for an amount between EUR 8 and EUR 10 million.

In addition, the former 2CRSi group did not respect, on 31/05/2020, the cash flow agreed in the senior loan contract concluded on 05/12/2019. Informed of the noncompliance with this commitment, the bank confirmed that they were waiving the early repayment of the debt. The group was compliant with the two other covenants to which they are subject.

Based on the available cash flow and the lines that can be mobilized at the date of this document, as well as the funding to be obtained, which should make it possible to cover the Group's forecast cash flow needs, the Company considers that they are in a position to meet their deadlines over the next 12 months.

5.2.5. Risks linked to Covid-19

The Group was affected by the COVID crisis since the first months of 2019. As for all players in the electronics and IT sectors, the main immediate consequence of the health crisis was the closure or very sharp reduction in the activities of many electronic component factories, or subassemblies of IT servers, and the sharp reduction in freight supply, linked to the cancellation of almost all international flights to China.

The health crisis then spread to Europe and the rest of the world, impacting many economic sectors.

5.2.5.1. Risks related to variations in sales forecasts for the Group's customers

RISK DEFINITION AND DESCRIPTION

The Group's customers are themselves impacted by the Covid-19 crisis and they can decide to postpone or temporarily suspend certain purchases and investments.
The most affected customer sectors are, for example, automotive, oil, audio-visual production or advertising.

POTENTIAL EFFECTS ON THE GROUP

This postponement of orders could have a negative impact on the Group's turnover and on their cash flow in the short or even medium term.

RISK MANAGEMENT AND MITIGATION

The Group has stepped up their efforts to further expand their customer base, and intensify contacts with companies in the sectors which have grown during the crisis: *cloud*, internet, *gaming*, telecom, ...

The Group has benefited from the support measures put in place by the governments of the various countries, namely the postponement of the payment of employers' social security contributions for 2 months, the postponement of part of the leasing deadlines for 6 months.

5.2.5.2. Risks related to the deterioration operated by credit insurance companies

RISK DEFINITION AND DESCRIPTION

Credit insurance companies have, on the whole, all reviewed their position, and reduced the outstanding amounts of customers, given the increased likelihood of corporate default risks in this period of unprecedented crisis (growing cash flow difficulties, especially in certain sectors, or disappearance of companies).

POTENTIAL EFFECTS ON THE GROUP

The position of credit insurance companies could have a negative impact on the Group's cash flow due to:

- delays in payment of trade receivables, and the decrease in covered trade receivables;
- prepayment requests on order, demanded by suppliers, also due to the decrease in work-in-progress granted by their credit insurance companies.

RISK MANAGEMENT AND MITIGATION

The Group asks their customers to pay a down payment on order for the part of the outstanding receivables not covered by their credit insurance companies.

On the other hand, they offer their customers, through an external company, solutions for funding the purchase of components and hosting services, and for maintenance to minimize cash flow disbursements at TC [treasury certificates] (rental of 3 to 5 years).

The Group's parent company has applied for a State Guaranteed Loan in the amount of EUR 8 to 10 million. This system was put in place by the French Government, to support French companies impacted by the coronavirus crisis and, in particular, to cover short-term cash flow needs.

5.2.5.3. Risks related to component supply difficulties

RISK DEFINITION AND DESCRIPTION

In the event of a new wave of COVID in Asia, a further closure or very sharp reduction in the activities of electronic component factories or computer server subassemblies could occur.

POTENTIAL EFFECTS ON THE GROUP

As at the start of 2019, long delivery times induced by the epidemic would impact the Group's ability to deliver certain orders.

In addition, the scarcity of supply would probably be accompanied by a price increase on the market for certain components, more particularly memory components (DDR4), data storage components (NAND Flash), graphics processors (GPU), and processors (CPU).

RISK CONTROL AND MITIGATION

With the improvement in supply conditions during the summer of 2020, the Group has replenished their inventories of critical components.

In addition, the company is pursuing their strategy, initiated several years ago, of promoting local production. Thus, the sheet metal elements and certain electronic boards are already produced in France, sometimes including German subcontracting. The manufacture of TranquilPC's hard products is carried out in Manchester. Our teams are monitoring the market in order to further expand the number of local suppliers.

5.3. RISK INSURANCE AND COVERAGE

For 2CRSi, recourse to insurance is a financial transfer solution for the major risks facing the Group.

This transfer is accompanied by a prevention policy aimed at reducing the hazard as much as possible. The Group is following their risk assessment in order to best adjust the level of coverage of the risks incurred.

The Group has two types of cover: on the one hand, Group insurance programs and, on the other hand, policies taken out locally. Group-level programs are supervised by the General Management, who coordinates the insurance policy and risk management, and by a person responsible for monitoring the prevention of industrial risks.

5.3.1. Insurance taken out

To cover the main risks, 2CRSi has set up international insurance programs, to which certain subsidiaries of the former 2CRSi Group adhere, excluding certain exceptions due to regulatory constraints inherent to each country, or more attractive conditions offered by the local market. The subsidiaries integrated into the Group in November 2019 (following the acquisition of 70% of the securities of Boston Ltd) benefit from the insurance program put in place by Boston. These programs include the following coverages:

- Damage to property and consequent operating losses;
- Operating/product civil liability, including costs and losses of the Group due to accidental and/or criminal contamination;
- Environmental civil liability in certain cases;
- Civil liability of corporate officers;
- Damage during transport (and stay);
- Business trips ;
- Fraud/cybercrime.

In addition, credit insurance programs are in place to reduce the risks associated with trade receivables.

Some subsidiaries have taken out additional insurance to meet specific needs (examples: insurance for vehicle fleets; etc.).

5.3.2. Coverages

5.3.2.1. For the former 2CRSi Group

Insurance type	Guarantees and limits for the main policies taken out
Civil Liability Insurance	- Guarantee of defence costs and pecuniary consequences (damages)- of civil liability due to bodily, material, and immaterial damage caused to third parties during the insured activities. Guaranteed amounts: * CL Operation (per claim unless otherwise stated): EUR 10,000,000 * CL After delivery (per insurance year): EUR 5,000,000
Property Damage Insurance	- Guarantee of movable and immovable property linked to professional activity as well as: - Consecutive costs and losses (costs of excavation, demolition, expert fees, fees for architects, decorators, design, control, and engineering offices, loss of rent, etc.); - Related responsibilities (property owner's civil liability, rental risks, recourse from neighbours and third parties, etc.); - Additional operating costs resulting from guaranteed material damage - contractual limitation of compensation for damage to property and consequent operating losses, by event: EUR 19,900,000
Transported Goods Insurance	Guarantee of goods, whatever their mode of transport (road, rail, sea, river or air), against risks such as deterioration, missing items or loss of weight, resulting from multiple events: traffic accident, failure to load or unload, fire, theft, natural event, strike, riot, act of terrorism or war ... The Transported Goods insurance protects the company from the limits of liability and the grounds for exemption that the carriers (at the base responsible for damages and losses relating to the goods entrusted to them) can oppose to their customer. This insurance is taken out in the form of an international insurance program: Master policy in France + 1 local policy (USA).
Directors' Liability Insurance	Directors' Liability insurance aims to protect the personal assets of directors against the risks of questioning linked to their personal liability. It covers, without denomination, all past, present, and future managers, de jure or de facto, of the subscriber company and their subsidiaries. With regard to natural persons, the insurance contract covers: - Defence costs as soon as their liability is called into question (both civil and criminal); - The possible payment of damages; - As well as, in particular: the costs of damage to reputation, the costs of crisis management, the costs of support in the event of a restrictive measure of property, the costs in the event of extradition, psychological support ... The Company, a legal person, also benefits from the status of insured in a certain number of cases, in particular as the ex officio manager of their subsidiaries and holdings or in the event of fault deemed inseparable. This insurance is taken out in the form of an international insurance program (see below): Master policy in France + 2 local policies (USA and UAE) Capital: - Master policy of EUR 10,000,000 per insurance year - Each of the local policies: USD 1,000,000
Professional Travel Insurance	Coverage for all employees, trainees, corporate officers, directors, and managers of the Company traveling on a professional mission anywhere in the world: protection during business travel, as well as support and compensation in the event of a disaster.

5.3.2.2. For subsidiaries of the Boston Ltd sub-group

Insurance type	Guarantees and limits for the main policies taken out
Development costs	**Guaranteed amounts:** • Professional: GBP 5,000,000 • Civil: GBP 5,000,000 per event: • Employer: GBP 10,000,000 • Income: GBP 5,000,000 per insurance year
Technology and Communications Package Insurance	**Guaranteed amounts:** • CL: GBP 12,000 • Computer loss or damage: GBP 100,000 • Interruption of activities or additional costs: GBP 100,000 • Cyber Theft: GBP 100,000 • Cyber Extorsion GBP 100,000
Maritime transport insurance	**Guaranteed amounts:** • Ship, aircraft or means of transport: GBP 2,000,000 • Location during ordinary transit: GBP 2,000,000 • Post GBP 1,000 Exposure risk GBP 50,000 Demonstration risk GBP 5,000

5.3.3. Means provided by the Group to manage the consequences of a disaster, particularly in the event of an industrial accident

In the event of a disaster affecting 2CRSi or a Group company, and in particular, in the event of an industrial accident, the latter will rely on their brokers and insurers, involving all stakeholders and service providers necessary to ensure effective management and resolution of the disaster. All of these agents involved have the experience and the means required to manage exceptional situations.

5.4. RISKS AND LITIGATION: PROVISION METHOD

As part of their activities, the 2CRSi Group may be involved in legal actions and is subject to tax, customs, and administrative controls. The Group only makes a provision for litigation if it is probable that a present obligation resulting from a past event will require a settlement, the amount of which can be reliably assessed.

The valuation of provisions corresponds to the best estimate of the outflow of resources, allowing the extinction of this obligation. The provisions may therefore call for a judgment-based measure on the part of the Group's management.

To date, there are no governmental, judicial, or arbitration proceedings, including any proceedings of which the company is aware, which are pending or with which they are threatened, likely to have or have had, over the past 12 months, significant effects on the financial situation or the profitability of the company and/or the group.

5.5. FINANCIAL AND ACCOUNTING INFORMATION

5.5.1. Preparation of consolidated financial statements

The half-yearly and annual consolidated financial statements are prepared by the Consolidation Manager attached to the Group Finance Department as follows:

- preparation and transmission, by the Consolidation Manager, of consolidation instructions and packages to the subsidiaries before each consolidation, including a precise timetable;
- step-by-step consolidation
- preparation of consolidated financial statements based on the information provided, making it possible to cover the entire scope; and
- use of consolidation software by the Group's parent company. The maintenance of the latter and the training of users are carried out by the Group Finance Department, with the occasional assistance of external consultants.

In addition, the consolidated and audited subsidiary companies write a letter of representation addressed to the Statutory Auditors, which will be also sent to the headquarters of the Group's parent company. This letter commits the management of the consolidated subsidiaries to the accuracy and completeness of the financial information sent to Headquarters, as part of the consolidation.

5.5.2. Preparation of the corporate accounts of 2CRSi

2CRSi draws up corporate accounts in accordance with the laws and regulations in force. They prepare a consolidation package in accordance with the instructions received from the Finance Department.

6. ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Article 19 of EU Regulation No. 2017/1129 of 14 June 2017, the following information is included by reference in this Universal Registration Document:

- *the consolidated financial statements for the financial year ending on 31 December 2018, drawn up in application of IFRS [International Financial Reporting Standards] standards, and the related Statutory Auditors' Report, respectively presented on pages 75 to 123 and p. 150 of the Company's Annual Financial Report published on their website: https://investors.2crsi.com/fr/rapports-financiers-annuels/*
- *the consolidated financial statements for the year ending on 31 December 2017 prepared in accordance with the IFRS standard, and the related Statutory Auditors' Report presented on pages 156 to 198 and 119 of the Base Document, registered with the French Financial Market Authority on 28 May 2018 under number I.18-004 ".*

6.1. GENERAL PRESENTATION OF THE PERFORMANCE AND OF THE FINANCIAL SITUATION

6.1.1. Key figures

The year 2019 was marked by the acquisition of Boston Limited, carried out in November 2019, allowing 2CRSi to respond to the three priority challenges set in 2018: accelerate commercial transformation, diversify customer portfolio, and extend their reach outside France.

Following the acquisition, the company decided to change the balance sheet date of their financial year, from 31 December to the end of February. This change aligns the balance sheet with that of Boston Limited, and presents a situation more in line with the seasonality of the business, traditionally strong in the last months of the year. The closed financial year, therefore, has an exceptional duration of 14 months, from 1 January 2019 to 29 February 2020.

In millions of EURO	**2019-2020 *14 months***	**2018 *12 months***	***2019-2020 12 months pro forma****
Turnover	77.0	65.2	*141.1*
EBITDA	0.4	6.2	3.8
EBITDA margin rate	*0.5%*	*9.5%*	*2.7%*
Consolidated net income, group share	(4.3)	3.7	(0.8)

* The pro forma 12-month income statement, from 1 March 2019 to 29 February 2020 was established:

- Based on the consolidated financial statements of the former 2CRSi group over the 14-month period, from which were deducted the consolidated accounts drawn up over the period from 1 January 2019 to 28 February 2019, on the same scope.
- By adding the consolidated income statement of the Boston Ltd group for the period from 1 March 2019 to 29 February 2020, considering that the fair value adjustments determined on 18/11/2019 would have been identical on 1 March 2019 (without taking into account, over 12 months, the amortization of the customer relationship, and the accretion of the debt related to the put).

6.1.2. Activity update

With the integration of Boston Limited over 12 months (1 March 2019 - 29 February 2020), the Group's pro forma turnover stands at EUR 141.1 million over 12 months. As a reminder, 2CRSi achieved a turnover of EUR 65.2 million for the 2018 financial year (1 January 2018 - 31 December 2018).

As expected,[5], the Group's turnover was impacted by the first effects of COVID, from January and February 2020. In fact, from the beginning of January, many component factories were closed, and the transport options greatly reduced. These supply difficulties have had the direct effect of lower turnover, an increase in inventory (some missing components blocking the production of servers already ordered), and a relative decrease in supplier outstanding receivables.

The 2019-20 financial year (1 January 2019 - 29 February 2020) shows a consolidated Group turnover of EUR 77.0 million over 14 months, including a contribution from Boston Limited of EUR 32.5 million from 18 November 2019 to 29 February 2020.

	Accounting data				Pro forma data
Period	01/01/19 – 29/02/20	18/11/19 – 29/02/20	01/01/19 – 29/02/20	01/01/18 – 31/12/18	01/03/19 – 29/02/20
Term	14 months	3 months and 14 days	14 months	12 months	12 months
Entity	2CRSi (hist.)	Boston Ltd	2CRSi + Boston Ltd	2CRSi (hist.)	2CRSi + Boston Ltd
Turnover (in millions of EURO)	44.5	32.5	77.0	65.2	141.1

Expansion and diversification of the customer base

The diversification of 2CRSi's customer base (former scope) continues with three new entries in the top 10 over 12 months. Over the 14-month financial year, the 1st customer thus only represents 35% of turnover.

The acquisition of Boston Limited automatically diversified the customer base: The Group's number one customer now represents only 10% of pro forma turnover, compared to 51% of the 2018 turnover. The top 5 customers of the new group now represent only 25% of pro forma turnover, compared to 75% of the 2018 turnover regarding the former 2CRSi scope.

(1) Press release of 26 February 2020 "Expected impacts of the closure of many Asian factories due to COVID-19"

Diversification of the customer portfolio

256 customers billed
during the financial year 2018

1st customer : 51%
of total turnover for the former scope

5 first customers: 75%
of total turnover for the former scope

288 customers billed
during the financial year 2019-2020

1st customer : 35%
of total turnover for the former scope

5 first customers: 69%
of total turnover for the former scope

avec BOSTON

1 761 customers billed
during the financial year 2019-2020

1st customer : 10%
of total turnover of the Group

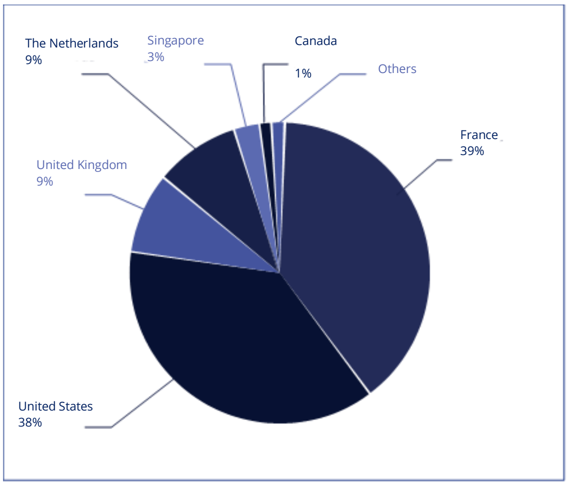
5 first customers: 25%
of total turnover of the Group

** Pro forma data, Boston Limited integrated over 12 months (1 March 2019 - 29 February 2020*

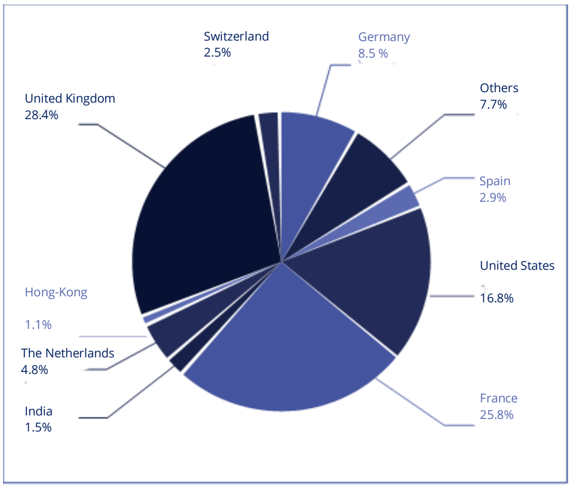
International expansion

2CRSi has considerably strengthened their international positions, with 87% of their business carried out outside France on a pro forma basis. Over the same period, excluding the contribution of Boston Limited, turnover outside France would have represented less than 57% of total activity.

Breakdown of 2CRSi (hist.) 2018 turnover by place of delivery



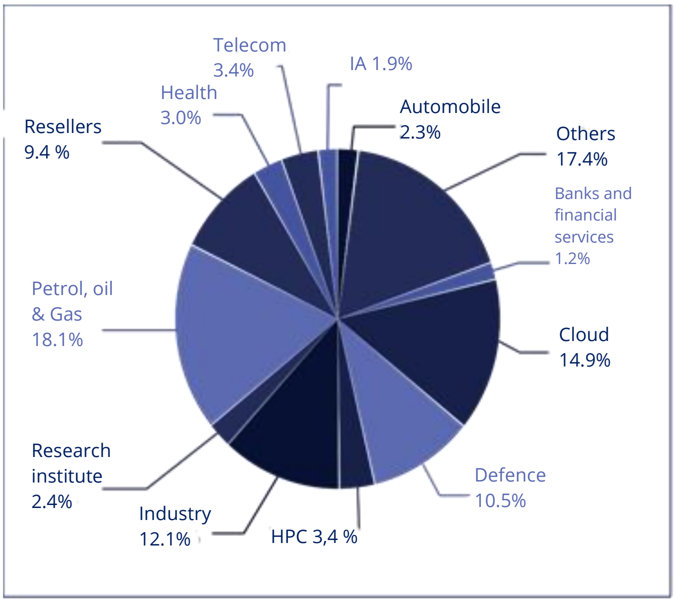
Breakdown of 2019-20 turnover over 14 months by place of delivery



Diversified clients

The new 2CRSi + Boston Limited entity presents a diverse profile in terms of their customers' business sectors. They are very well positioned in fast-growing sectors such as the *cloud*, defence/security, telecom, etc...

Breakdown of 2019-20 turnover over 14 months



6.1.3. Update on expenses for the financial year

	Accounting data				*Pro forma data*
Period	01/01/19 - 29/02/20	18/11/19 - 29/02/20	01/01/19 - 29/02/20	01/01/18 - 31/12/18	01/03/19 - 29/02/20
Term	14 months	3 months and 14 days	14 months	12 months	12 months
Entity	2CRSi (hist.)	Boston Group	2CRSi + Boston Group	2CRSi (hist.)	2CRSi + Boston Group
Turnover	44.5	32.5	77.0	65.2	141.1
Other income from the activity	1.6	0.0	1.7	0.1	0.9
Income from ordinary activities	**46.2**	**32.5**	**78.6**	**65.2**	**142.0**
Consumables purchased	(29.8)	(27.3)	(57.1)	(49.7)	(109.0)
External costs	(6.3)	(1.9)	(8.2)	(4.1)	(11.7)
Staff costs	(9.5)	(2.9)	(12.4)	(4.8)	(16.8)
Taxes and duties	(0.5)	(0.1)	(0.6)	(0.4)	(0.6)
EBITDA	**0.0**	**0.4**	**0.4**	**6.2**	**3.8**

Variable costs

For the 2019-20 financial year (14 months), 2CRSi posted a gross margin rate of 33% over their former scope (compared to 24% in 2018), due to contracts with higher added value and lower purchase prices for some components. By integrating Boston Limited over a full year (*pro forma* data), the new group would have achieved a gross margin rate of 23%.

Fixed costs

External costs amount to EUR (8.2) million over 14 months and EUR (11.7) million pro forma over 12 months, or respectively 10.4% and 8.3% of revenues. These costs are up slightly from the 2018 level, due to an increase in fixed costs of the former 2CRSi. This increase is mainly related to the increase in the workforce (increase in recruitment costs and travel costs), and to the increase in marketing costs and trade fairs.

Staff costs stand at EUR (12.4) million over 14 months and EUR (16.8) million pro forma over 12 months; they represent 12% of the Group's pro forma turnover over 12 months, compared to 7% in 2018. This sharp increase reflects the strengthening of the 2CRSi teams with more experienced profiles, in particular in the R&D, marketing, and sales teams, but also within the support roles.

Thus, EBITDA for the year came to EUR 0.4 million over 14 months, and EUR 3.8 million *pro forma* over 12 months.

6.1.4. Other income statement items

In millions of EURO	**2019-2020** ***14 months***	**2018** ***12 months***	**2019-2020** ***12 months pro forma***
EBITDA	**0.4**	**6.2**	**3.8**
Other current operating incomes and costs	(0.6)	(0.1)	(0.6)
Depreciation allowance and provisions	(5.1)	(1.7)	(4.8)
Current operating income	**(5.3)**	**4.3**	**(1.6)**
Operating income	**(5.5)**	**3.7**	**(1.7)**
Financial income	0.6	(0.5)	0.9
Consolidated net income	**(4.5)**	**3.7**	**(0.6)**
Consolidated net income, group share	**(4.3)**	**3.7**	**(0.8)**

Other current operating revenues and costs include acquisition costs: TranquilPC in 2018 and Boston Limited in 2019-20.

Net depreciation allowance and provisions amounted to EUR (5.1) million during the 2019-20 financial year, a sharp increase linked to the amortization of the rights to use property leases concluded during the financial year, in particular in Nanterre (Green Data) and Strasbourg.

As a reminder, other non-recurring income and expenses in 2018 corresponded to the portion of expenses related to the IPO [Initial Public Offering], not charged to the issuance premium.

Operating profit for the year came to EUR (5.5) million over 14 months.

Financial income includes the cost of debt, as well as financial income related to the financial lease of Blade servers, and financial income related to the Blade debt rescheduling contract (concluded 23/01/2020). For the financial year ending on 29/02/2020, financial income related to the Blade debt rescheduling contract amounted to EUR 1.7 million.

After taking into account the financial income and the income tax, the consolidated net income group share is of EUR (4.3) million for the year.

6.1.5. Significant facts

2CRSI and "SNB Middle East" announce a distribution partnership

On 21 January 2019, 2CRSi and IT distributor SNB Middle East announced the signing of a distribution agreement in the Middle East. This strengthened partnership, extended to all 2CRSi products, was an important step for the growth of 2CRSi's activities in the region.

Creation of the Green Data subsidiary

On 28 February 2019, the Board of Directors authorised the creation of a company owned in proportion of 55% by the Company, and in proportion of 45% by Azur Datacenter, in order to lease a property complex called “Le Capitole”, located in Parc des Fontaines, 55 avenue des Champs Pierreux in Nanterre.

Green Data SAS, a company created on 15 March 2019, leased the premises in Nanterre on 15 April 2019. Their purpose is to:

- develop and operate data centres, market a Housing service
- deploy on-demand service platforms for 3D rendering of film studios, risk calculations for banks and insurance companies, scientific calculations for industry, cloud gaming ...

The rights of use corresponding to this lease were registered in the amount of EUR 8,509 K in tangible fixed assets and depreciated for EUR 841 K during the year. Financial lease debts amounted to EUR 8,255k as of 29/02/2020.

Collective commitment to keep the company's securities

On 14 March 2019, 2CRSi made public the fact that the shareholders of the Wilmouth family group, namely Mr Alain Wilmouth, Chief Executive Officer, Mr Michel Wilmouth, director of HAW, director and majority shareholder, had signed on 25 February 2019, for a period of two-years which will be tacitly extended from quarter to quarter, a collective commitment to retain 2CRSI securities, in application of article 787 B of the French General Tax Code.

Under the terms of this deed, the signatory shareholders have undertaken, for themselves or their successors free of charge (heirs, legatees or donees), to collectively retain 7,247,742 shares, representing 40.85% of the capital and 55.23 % of voting rights attached.

2CRSI supports the launch of Gamestream with their very high-performance servers. 2CRSI acquires a 12.45% stake in Gamestream

On 18 March 2019, 2CRSi and Gamestream, a leader in B2B video game streaming services, announced the use of 2CRSi servers at two telecom operators, Telkom Indonesia and Etisalat.

Gamestream chose 2CRSI to provide their users with the best streaming gaming experience possible on TV, PC and mobile. The responsiveness, the tailor-made nature of the high-performance servers and the geographic coverage of 2CRSI were decisive assets in this decision.

To accelerate the deployment of their solution, Gamestream carried out an initial fundraising in which 2CRSi, convinced of the company's potential, contributed approximately EUR 1 million, corresponding to 12.45% of Gamestream's capital.

2CRSI and VCINITY announce a partnership

On 23 April 2019, US technology solutions company VCINITY and 2CRSI announced a new partnership. 2CRSi thus added VCINITY to their product portfolio, to provide an ultra-fast solution to data access and transfer problems, anywhere in the world, regardless of distance.

2CRSi makes their first contribution to the global Open Compute Project community

On 17 June 2019, 2CRSi, manufacturer of very high-performance computer servers, announced that they had contributed for the first time to the Open Compute Project Foundation, thanks to their OCtoPower v1.2 connector, which is now recognized as an OCP Accepted ™ product. OCtoPower v1.2. is a solution with a very compact design, which allows connection of the server to the 12-volt power bars of OCP-type racks. This solution allows easy and secure assembly, considerably reducing installation and maintenance time, thanks to increased reliability. Asides from the technological impact it produces, this new product combines ease of use and reduction in costs, thus meeting all criteria required by the OCP community, and the fundamental principles of openness and efficiency, scalability and impact.

Ulys24, the 2CRSi Group's storage solution, selected by CERN

On 17 July 2019, the 2CRSi Group announced that they had won the call for tenders launched by CERN, the European Organization for Nuclear Research. The Ulys24 solution was chosen for its large storage capacities, up to 27.5 PB (equivalent to 27.5 million GB) and its differentiating technology.

With this contract, the 2CRSi Group has strengthened their position as a privileged partner of research institutions.

2CRSi appoints Marie de Lauzon Deputy Chief Executive Officer to support their strong development

On 2 September 2019, 2CRSi announced the appointment of Marie de Lauzon, director of the Company, as Deputy Chief Executive Officer, in order to support the rapid growth of the Group and to increase their development potential in France and internationally.

2CRSi wins a contract for very high-performance servers with Airbus and Submer Technologies, for a European anti-crime agency

On 26 September 2019, 2CRSi announced that they had been chosen by Airbus for the supply of very high-performance computing servers, which will be used by a European anti-crime agency.

The contract was for the deployment of OCtoPus 1.8B servers for a total of 3,744 Intel® Xeon® CPU cores and over 7.45 Million NVIDIA® CUDA® cores. These servers, in OCP (Open Compute Project) format, have been specially designed to operate by immersion in cooling tanks and have been developed by Submer Technologies.

As part of this AIRBUS project, the association of 2CRSi servers and SUBMER TECHNOLOGIES cooling tanks offers an even greater reduction in energy consumption, by eliminating air conditioning: the servers are immersed in a dielectric coolant, itself cooled by a water circuit.

2CRSi and Submer Technologies have been able to make a difference due to the unique technical characteristics of their immersed servers. Other decisive factors of choice were the simplification and speed of installation and the development of the data centre, thanks to the integration of their products: with this solution, 3 months will be sufficient for the installation of the data centre against 1 year and a half and up to 2 years, for a classic datacentre. This technological efficiency was decisive in obtaining this contract.

In addition, long-term cost control has been decisive for future equipment renewals: IT components (CPU and GPU cards, memory, etc.), whose technological development is very rapid, and which could be replaced. The power modules and cooling modules will be retained.

In total and beyond the relatively limited investment budget, the operating costs associated with the servers installed at the end customer will be reduced by more than 60%. This is feature that is both economic and ecological.

The reaction of the 2CRSi management team to the fall in the price: solid business prospects, a perfectly controlled financial situation (cash flow of EUR 13.5 million at the end of September)

On 17 October 2019, faced with the sharp drop in the share price recorded over the past weeks, the management of 2CRSi wanted to reassure their shareholders and, more broadly, all their investors about their financial situation and business prospects.

2CRSi confirmed their solid commercial momentum with the gain of new customers.

In addition, they stated that the company's financial situation remained perfectly under control, with a cash flow of EUR 13.5 million at the end of September 2019 (compared to EUR 5.5 million at the end of June 2019). In this context, no capital increase was envisaged for the coming months, the company having all the necessary means to calmly finance their organic growth and carry out a new external growth operation.

Acquisition of a stake in the capital of BLADE: strengthening of the partnership and of the position of 2CRSi in the Cloud Computing sector

On 29 October 2019, 2CRSi announced that they had acquired a stake of EUR 2 million in Blade, a specialist in Cloud Computing and a member of Next40.

This equity investment was carried out as part of Blade’s capital increase, in order to finance their rapid development. During this transaction concluded on 28 October 2019, EUR 33.5 million was raised from former shareholders and new investors. 2CRSi's investment was made by converting receivables.

Main customer of 2CRSi in 2018, Blade has developed a high-end online gaming service, Shadow, which already has 70,000 subscribers around the world. The acquisition of a stake by 2CRSi thus constitutes a new milestone in the privileged partnership between the two companies and illustrates 2CRSi's confidence in the prospects of Blade and in their new management.

Acquisition of Boston Limited: 2CRSi accelerates their commercial deployment and change in dimension to the international level

On 14 November 2019, 2CRSi announced the acquisition of 70% of Boston Limited, a world leader in the integration, marketing, and sale of IT equipment, benefiting from the most advanced technologies on the market.

With this transaction, 2CRSi is taking a key step in their development by considerably expanding their international positions. Beyond geographic complementarities, the new group will benefit from strong commercial synergies and significant economies of scale. Finally, this merger builds on the long-standing relationship between the two groups and their leaders. Beyond this common knowledge, the complementarity of the expertise of 2CRSi (designer and manufacturer) and Boston Limited (integrator and value-added distributor) was at the heart of this operation.

A turnover of GBP 90 million and recurring profits

A family group created in the United Kingdom in 1992, Boston Limited has 170 employees and generated consolidated sales of GBP 89.3 million over the 2018-2019 financial year (1 March 2018 - 28 February 2019), for an EBITDA of GBP 1.9 million.

Extension of international coverage

Offering a wide range of high-end IT equipment, the Boston Limited group has a sales force of nearly 60 sales representatives, operating in more than 40 countries, including the United Kingdom, Germany, Australia, South Africa, India and Russia. In the financial year 2018-2019, Boston Limited achieved 53% of their turnover in the United Kingdom, 32% in the rest of Europe (mainly Germany), and 15% in the rest of the world.

With Boston Limited, 2CRSi will now have nearly 70 sales representatives, deployed on all continents, and will benefit from an extensive distribution network, allowing them to strengthen their geographic coverage.

Strengthened activity on strategic markets, customer diversification

Boston Limited has developed a portfolio of more than 1,500 clients in various sectors: high-performance computer servers (HPC), television and streaming (“Broadcast”), special effects (VFX), Artificial Intelligence (AI), “Gaming”, augmented reality (VR), etc. Lately, the company has successfully embarked on diversification into new growth markets and strong contributors to profitability such as genome analysis ("Genomics"), smart cities ("Smart Cities"), and telecommunications. This acquisition thus allows 2CRSi to expand their growth potential on new markets, and to take an important step in their strategy of diversifying their customer base.

An enrichment of the product portfolio, a step forward in improving margins

Boston Limited, whose brand and commercial activity will continue, will benefit from the expansion of their catalogue to include the most innovative products of 2CRSi, such as Octopus, Atlantis, as well as Embedded Solutions and Edge Computers "TranquilPC". This favourable change in the product mix towards more profitable equipment will be a step forward for appreciating margins, which will benefit the new group.

Multiple cost synergies

The integration of Boston Limited creates a major player in the sector, with increased capacity in terms of sales and marketing, in terms of supply and technical innovation.

This will allow both groups to improve their margins by pooling these resources.

Founders committed to the success of the project

To successfully integrate, 2CRSi will benefit from the commitment of the leaders and teams that have made Boston Limited successful around the world. Manoj Nayee and Dev Tyagi, co-founders of Boston Limited, will continue to provide operational management of the company, holding respectively the roles of Director of Operations and Director of Sales and Marketing.

The long-standing relationship between the two groups and their leaders will be a decisive asset in the success of the joint project.

Operation terms and funding of the acquisition

2CRSi has become a 70% shareholder of Boston Limited and has full financial control of the company under IFRS standards. To the base price of the transaction, price supplements may be added for the benefit of former shareholders, conditional on the achievement of EBITDA targets for financial years 2020 to 2023.

The contract provides for an option to purchase the remaining 30% minority stake in Boston Limited; this option can be exercised until November 2029.

The acquisition was financed through a medium-term loan, forming part of structured funding, syndicated by BNP Paribas in a banking pool, and for a marginal part from own equity.

At the Extraordinary General Meeting of 19 December 2019, the shareholders decided to change the balance sheet date of the financial year, from 31 December to 28 February. Consequently, the financial year has an exceptional duration of fourteen months, from 1 January 2019 to 29 February 2020. This change in balance sheet date made it possible to align the closing of accounts with those of Boston Limited and to present a situation more in line with the seasonality of the activity, traditionally strong in the last months of the year.

2CRSi chosen for the launch of "Game Cloud", Sunrise's gaming offer

On 18 November 2019, 2CRSi announced that they had been chosen to supply the servers that will be used for the launch of the 5G cloud gaming offer of the Swiss operator Sunrise.

Sunrise was the first operator in the world to launch a 5G cloud gaming service with 4K resolution. In collaboration with the partner platform Gamestream, in which 2CRSi holds 12.45% of the capital, Sunrise launched this “Sunrise Game Cloud” application in November 2019.

The 2CRSi products installed for this new project are ultra-high performance “multiGPU” computer servers, with several graphic cards. As such, they bring the computing power essential to Sunrise to offer players maximum synchronization on high-resolution games.

The contribution of this order to 2019-20 revenues was marginal. But this success offers significant additional order potential, starting in 2020.

2CRSi share purchases: leaders reaffirm their confidence

On 20 November 2019 the managers of 2CRSi announced that they had strengthened their stake in 2CRSi.

The total stake (direct and indirect) of Alain Wilmouth, Founder and Chief Executive Officer of 2CRSi, now stands at 7,736,340 securities, or 43.60% of the group's capital.

Marie de Lauzon, Deputy Chief Executive Officer of 2CRSi, also declared that, between 15 and 19 November, she acquired 16,991 2CRSi shares, which brings her stake in 2CRSi to 18,567 securities.

These purchases were a strong sign of the confidence of the two leaders in the prospects of the Group, a few days after the acquisition of Boston Limited.

2CRSi chosen by Blade for an investment of EUR 25 million

On 24 January 2020, the Group announced that they had been chosen by Blade, a cloud PC specialist aimed at video gamers, to supply servers, for a minimum amount of EUR 25 million, in order to increase their capacities to serve new Shadow customers.

At the time of the order, Blade no longer had any trade debt to 2CRSi; 2CRSi's total financial receivables on Blade amounts, as of 29 February 2020, is of EUR 22.7 million, of which EUR 10.2 million due in 2020. Blade remains a major customer of 2CRSi, although their contribution to total turnover has declined very significantly in the financial year 2020/2021.

Expected impacts of the closure of many Asian factories due to COVID-19

On 26 February 2020, 2CRSi reported on the impact of COVID-19 in the short and medium-term on their production capacities and business prospects.

The main consequence of the health crisis was the difficulty of supplying components due to (i) the closure or very sharp reduction in activities of many factories of electronic components, or of subassemblies of computer servers, as well as (ii) the sharp reduction in the freight supply, linked to the cancellation of almost all international flights to China. These difficulties led to long delivery times and an increase in the price of certain components.

6.2. ANNUAL CONSOLIDATED INCOME STATEMENT

The considered period begins on 01/01/2019 and ends on 29/02/2020, namely a period of 14 months. The duration of the previous financial year, ending on 31/12/18, was of 12 months.

In thousands of euro	Notes	2019/2020 Financial year (14 months)	2018 Financial year (12 months)
Turnover	6.6.4.1	76,972	65,177
Other income from the activity	6.6.4.2	1,676	54
Consumables purchased	6.6.4.3	-57,105	-49,706
Margin rate on turnover		*25.8%*	*23.7%*
External costs	6.6.4.3	-8,215	-4,195
Staff costs	6.6.4.4	-12,405	-4,823
Taxes and duties		-555	-364
Other operating income and expenses		0	49
EBITDA*	**6.6.4.5**	**368**	**6,192**
EBITDA margin rate over turnover		*0.5%*	*9.5%*
Other current operating income and costs*		-605	-139
Depreciation allowance and provisions	6.6.4.5	-5,111	-1,710
Current operating income		**-5,348**	**4,344**
Other non-current operating income and costs		-195	-664
Operating income		**-5,543**	**3,680**
Cost of gross financial debt		-2,029	-1,264
Other net financial income		2,676	754
Financial income	**6.6.4.6**	**647**	**-510**
Income before tax		**-4,896**	**3,170**
Taxes	6.6.4.7	352	519
Net income		**-4,543**	**3,689**
Group share		-4,314	3,705
Minority shareholders		-229	-16

** The acquisition costs of 2CRSi UK (Tranquil PC) securities for the 2018 financial year have been reclassified for EUR 139,000 as “Other current operating income and costs”. In the financial statements published on 31/12/2018, they were presented under the heading “Other operating income and costs”.*

6.3. OVERALL CONSOLIDATED INCOME STATEMENT

In thousands of euro	29/02/2020	31/12/2018
Net income	**-4,543**	**3,689**
Conversion differences	51	0
Items recyclable to profit or loss	**51**	**0**
Actuarial gains and losses on net retirement commitments of deferred taxes	41	17
Items non-recyclable to profit or loss	**41**	**17**
Comprehensive income for the period	**-4,451**	**3,706**
Group share	-4,256	3,721
Share of non-controlling interests	-195	-15

6.4. ANNUAL CONSOLIDATED BALANCE SHEET

Statement of Financial Situation			
In thousands of euro	**Notes**	**29/02/2020**	**31/12/2018**
ASSETS			
Goodwill	6.6.5.1	7,062	1,960
Intangible fixed assets	6.6.5.1	15,750	1,074
Tangible fixed assets	6.6.5.2	23,637	6,428
Financial receivables (non-current)	6.6.5.4	10,925	6,033
Other non-current financial assets	6.6.5.7	3,000	1,248
Deferred tax assets		1,035	639
Non-current assets		**61,409**	**17,382**
Inventories	6.6.5.5	34,520	20,503
Clients	6.6.5.6	21,820	37,482
Other current assets	6.6.5.7	17,770	3,773
Financial receivables (current)	6.6.5.4	11,796	5,707
Cash flow and cash equivalents		10,175	14,511
Current assets		**96,081**	**81,975**
Total assets		**157,490**	**99,357**

In thousands of euro		29/02/2020	31/12/2018
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital	6.4	1,282	1,282
Issuance premiums	6.4	46,084	46,084
Reserves	6.4	4,155	-84
Profit for the year attributable to the owners of the company	6.4	-4,314	3,705
Shareholders' equity attributable to owners of the company		**47,207**	**50,986**
Non-controlling equity reserves		120	97
Income from non-controlling equity		-229	-15
Non-controlling equity		**-109**	**82**
Total shareholders' equity	**6.4**	**47,098**	**51,069**
Loans and financial debts	6.6.5.9	37,425	15,943
Non-current rental debts	6.6.5.9	15,525	3,637
Employee benefits	6.6.5.13	386	208
Deferred tax liabilities		3,115	95
Non-current liabilities		**56,451**	**19,884**
Current financial debts	6.6.5.9	14,460	8,236
Current rental debts	6.6.5.9	2,137	541
Other current provisions	6.6.6.4.	265	35
Payables	6.6.5.11	20,336	17,214
Other current liabilities	6.6.5.12	16,742	2,378
Current liabilities		**53,941**	**28,405**
Total shareholders' equity and liabilities		**157,490**	**99,357**

6.5. VARIATION IN ANNUAL CONSOLIDATED SHAREHOLDERS' EQUITY

Variation in shareholders' equity								
(Amounts in EUR k)	**Capital**	**Premiums linked to capital**	**Reserves**	**Actuarial difference**	**The income of the financial year**	**Group share of shareholders' equity**	**Non-group interests**	**Total shareholders' equity**
Situation at the end of thefinancial year 2018.12	**1,282**	**46,084**	**(67)**	**(17)**	**3,705**	**50,986**	**82**	**51,069**
Appropriation of income offinancial year 2018.12			3,705	-	(3,705)	-	-	-
Variation in exchange rates				33		33	18	51
Non-recyclable OCI [Other Comprehensive Income]				25		25	16	41
Income					(4,314)	(4,314)	(229)	(4,543)
Global income	-	-	-	58	(4,314)	(4,256)	(195)	(4,451)
Change in scope								
Liquidity contract								
Other transactions			477			477	5	482
Situation at the end of the financial year 2020.02	**1,282**	**46,084**	**4,115**	**41**	**(4,314)**	**47,207**	**(108)**	**47,098**

Other transactions for EUR 477k include in particular EUR 271k in free share allocations.

6.6. ANNUAL CONSOLIDATED CASH FLOW STATEMENT

The “Variation in financial receivable” heading corresponds to the amount received from our customer, Blade (see note in 6.7.1.2).

The impact on cash flow related to the entry of Boston into the scope appears on the line "Impact of variation in scope".

The “Loan issuance” section is detailed in Note 6.7.5.10. The “Financial interests received” line is detailed in note 6.7.4.6.

In thousands of euro	29/02/2020	31/12/2018
Net income	(4,544)	3,690
Elimination of depreciation allowance and provisions	4,450	1,780
Capital gain or loss on disposal	229	
Neutralization of the financial performance	1,045	510
Other income and expenses with no impact on cash flow	329	(44)
Elimination of tax expense/income	(352)	(641)
Self-financing capacity	**1,158**	**5,295**
Tax paid	(1,362)	
Variation in financial receivable	8,364	1,039
Variation in needs regarding the working capital	4,079	(38,718)
Net cash flow from operational activities	**12,239**	**(32,384)**
Acquisition of intangible and tangible fixed assets	3,514	2,534
Equity interests	-	(1,000)
Impact of variation in scope	(13,845)	(2,480)
Sale of tangible and intangible assets	17	
Variation in agreed loans and advances	(914)	
Net cash flow related to (used in) investing activities	**(18,256)**	**(6,014)**
Dividends paid by the consolidating company	(175)	(175)
Capital increases (reductions)		46,250
Loan issuance	25,191	15,511
Loan repayments	(17,533)	(10,687)
Interest paid	(3,575)	(1,261)
Financial interest received	-	667
Factoring	(2,621)	(1,092)
Net cash flow from (used in) funding activities	**1,265**	**49,213**
Impact of exchange rate variation	8	21
Cash flow change	**(4,722)**	**10,836**
Cash flow and cash equivalents at opening up of share capital	*14,501*	*3,666*
Cash flow and cash equivalents at balance sheet date	*9,779*	*14,501*

As of 29 February 2020, the Group has the following lines of credit:

- EUR 3.3 million in authorised overdrafts,
- EUR 6.4 million discount on customer invoices (USD 7 million),
- EUR 4.1 million import line (USD 4.5 million).

On this date, the Group has drawn the amounts below:

- EUR 4 million import line (GBP 3.4 million),
- EUR 1.9 million discount on customer invoices (GBP 1.6 million).

Notes to the consolidated financial statements

6.7.1. Presentation of the activity and important events

6.7.1.1. Information relating to the Company and their activity

2CRSI is a public limited company incorporated under French law, listed on Euronext Paris, compartment C. The Company and their subsidiaries are hereinafter referred to as "the Group" or "the 2CRSI group". The registered office of the Company is located at 32, rue Jacobi Netter, 67200 Strasbourg, (France).

The consolidated financial statements on 29 February 2020 reflect the accounting situation of the Company and their subsidiaries.

On 31 August 2020, the Board of Directors approved the annual consolidated financial statements and the management report of 2CRSi.

The financial year ending on 29 February 2020 is a transitional financial year and also reflects a change of dimension, following the acquisition of Boston Limited. The group is organized and structured (with the recruitment of a team of operational directors and the strengthening of the sales and marketing teams), in order to accelerate their commercial transformation and internationalization.

The integration of Boston Limited into the Group's consolidated financial statements was carried out from 18 November 2019 (i.e. less than 3.5 months out of the 14 months of the financial year).

This acquisition of Boston Limited is a key step for the Group. Building on the long-standing relationship between the two companies and their leaders, the new group now benefits from the former recognized technological expertise of 2CRSi, and the solid commercial positions of Boston Limited, a leading integrator and distributor internationally.

At the end of February 2020, the Group had 355 employees, including 70 sales representatives. This acquisition significantly increases the Group's global geographic coverage, through strengthened sales forces and an expanded international distribution network. With 22 offices and more than 50 distribution and resale partnerships, the Group directly or indirectly covers more than 50 countries.

The acquisition of Boston Limited enables the Group to respond to the three priority challenges set in 2018: acceleration of commercial transformation, diversification of the customer portfolio and extension of outreach outside France.

The 2019-20 financial year (1 January 2019 - 29 February 2020) shows a consolidated Group turnover of EUR 77 million over 14 months, including a contribution from Boston Limited of EUR 32.5 million from 18 November 2019 to 29 February 2020.

Over the 2019-20 financial year, 2CRSi considerably strengthens their international positions, with more than 86% of their business carried out outside France. Over the same period, excluding the contribution of Boston Limited, turnover outside France would have represented less than 57% of total activity.

The Group posted a gross margin rate of 25.8%, up two points from 2018. External charges amounted to EUR (8.2) M, up 29% compared to the previous year over 12 months and excluding the integration of Boston.

Staff costs amount to EUR (12.4) million; they represent 16% of the Group's turnover over 14 months, compared to 7% in 2018. This increase reflects the strengthening of the 2CRSi teams with more experienced profiles, in particular in marketing, sales and R&D.

Thus, the 14-month EBITDA stands at EUR 0.4 million and the pro forma estimated EBITDA stands at EUR 3.8 million. Depreciation allowance and provisions are of EUR (5.1) million, a sharp increase which is linked to the amortization of rights to use property leases, particularly in Nanterre and Strasbourg.

Operating profit for the year came to EUR (5.5) million. After taking into account the financial income, and the income tax, the consolidated net income, group share is of EUR (4.5) million for the year.

PRO FORMA ACCOUNTS AS OF 29 FEBRUARY 2020

The pro forma financial information has been prepared to illustrate the impact of the acquisition of Boston Limited, if it had been completed at a date prior to 1 March 2019; the performance of the acquired group would then have been consolidated over 12 months.

The hypothetical performance included in the pro forma financial information is therefore theoretical and may differ from the actual financial position, or from the actual accounting performance (which does not include the performance of Boston Limited until 18 November 2019).

The pro forma 12-month income statement, from 1 March 2019 to 29 February 2020 was drawn up:

- Based on the consolidated financial statements of the former 2CRSi group over the 14-month period, from which were deducted the consolidated financial statements drawn up over the period from 1 January 2019 to 28 February 2019, on the same scope.
- By adding the consolidated income statement of the Boston Ltd group for the period from 1 March 2019 to 29 February 2020, considering that the fair value adjustments determined on 18/11/2019 would have been identical to those of 1 March 2019. (Without taking into account, over 12 months, the amortization of the customer relationship and the financial expense of the accretion of the debt related to the put).

The Group's pro forma income statement is drawn up in EUR, the presentation currency of the Group's consolidated financial statements and the Company's functional currency.

The financial statements of foreign companies, whose operating currency is not the EUR, are converted into EUR at the exchange rate in force on the date of the transaction for income and expenses, or at the average exchange rate during the period, if this exchange rate is close to the exchange rates in force on the date of the transaction.

The rates used for the conversion of foreign currencies are presented below:

The exchange rate for drawing up the Pro forma Income Statement	**EUR 1 is equivalent to**	**Average rate on 29/02/2020**
US Dollar	USD	1.1132
Pound sterling	GBP	0.8716
United Arab Emirates Dirham	AED	4.0859
Australian dollar	AUD	1.6162

Source: Bank of France

Thus, with the integration of Boston Limited over 12 months, the Group's pro forma sales amounted to EUR 141.1 million compared to EUR 65.2 million in sales for the financial year 2018, by the former 2CRSi group (1 January 2018 - 31 December 2018).

Pro forma income statement at 29/02/2020	
In thousands of euro	**Proforma 2019/2020 (12 months)**
Turnover	141,081
Other income from the activity	943
Consumables purchased	109,013
Margin rate on turnover	*22.7%*
External costs	11,748
Staff costs	-16,804
Taxes and duties	-631
Other operating income and expenses	0
EBITDA	**3,829**
EBITDA margin rate over turnover	2.7%
Other current operating incomes and costs	-606
Depreciation allowance and provisions	-4,847
Current operating income	**-1,624**
Other non-current operating income and costs	-91
Operating income	**-1,715**
Financial income	**917**
Income before tax	**-798**
Taxes	184
Net income	**-614**
Group share	-827
Minority shareholders	213

6.7.1.2. Important events

CREATION OF THE GREEN DATA SUBSIDIARY

On 28 February 2019, the Board of Directors authorised the creation of a company owned by the Company in a proportion of 55%, while 45% of it is owned by the company Azur Datacenter, in order to lease a set of property called “Le Capitole”, located at Parc des Fontaines, 55 avenue des Champs Pierreux in Nanterre.

Green Data SAS, a company created on 15 March 2019, leased the premises in Nanterre on 15 April 2019. Their purpose is to:

- develop and operate data centres, market a Housing service
- deploy on-demand service platforms for 3D rendering of film studios, risk calculations for banks and insurance companies, scientific calculations for industry, *cloud gaming* etc...

The rights of use corresponding to this lease were registered in the amount of EUR 8,509 K in tangible fixed assets and depreciated for EUR 841 K during the year. Financial lease debts amounted to EUR 8,255k as of 29/02/2020.

ACQUISITION OF A STAKE IN BLADE

On 28 October 2019, 2CRSi announced that they had acquired a stake of EUR 2 million in the company Blade, a specialist in *Cloud Computing* and member of Next40. The company’s stake in Blade is not significant and is less than 1%.

Main client of 2CRSi in 2018, Blade has developed a high-end online gaming service, Shadow, and has raised more than EUR 30 million from their former shareholders and new investors, in order to continue their international development, and speed up the number of subscribers.

The acquisition of a stake by 2CRSi, carried out by offsetting receivables, thus constitutes a new milestone in the privileged partnership between the two companies and illustrates 2CRSi's confidence in the prospects of Blade and in their new management.

Blade securities are presented on the line “Other non-current financial assets”.

In addition, Blade's debt, recorded on the group's balance sheet as of 1 December 2019, was subject to a rescheduling of the due dates for paying until 15/05/2023.

This receivable recorded in the “Customers” item was transferred to the “Financial receivables” item. As of 29/02/2020, it amounts to EUR 16.1 million and includes principal and interest. Prepaid income was also registered for EUR 1.5 million for outstanding interest.

During the financial year, Blade paid a total amount of EUR 15.3 million, including:
- EUR 7 million for the trade receivable which was due at 31.12.2018,
- EUR 2 million for the trade receivable which was rescheduled and reclassified as a financial receivable on 1 December 2019,

- EUR 6.3 million for the financial receivable related to financial leases concluded in 2017 and 2018.

ACQUISITION OF BOSTON LIMITED

On 18 November 2019, 2CRSi, through their subsidiary under English law “2CRSi London Ltd”, wholly-owned, specially created for this operation on 6 November 2019, acquired 70% of the securities of Boston Limited, located in St. Albans in the United Kingdom.

The Boston Group Ltd achieved during the financial year ending on 28 February 2019 a turnover of GBP 89.3 million, for an EBITDA of GBP 1.9 million and a net income of GBP 1.5 million.

The base price of the transaction is confidential and was financed by a medium-term loan of EUR 15 million, part of a structured funding syndicated by BNP Paribas, with a banking pool and for a marginal part from equity.

In addition to this base price, price supplements may be added for the benefit of former shareholders conditioned on the achievement of EBITDA targets for financial years 2020 to 2023. The contract also provides for an option to purchase the remaining 30% minority stake in Boston Limited; this option can be exercised until November 2029.

Boston Limited, a world reference in the integration, marketing and sale of computer equipment, benefiting from the most advanced technologies on the market, has developed a portfolio of more than 1,500 customers in various sectors: high performance computer servers (HPC), television and streaming (“Broadcast”), special effects (VFX), Artificial Intelligence (AI), “Gaming”, augmented reality (VR), genome analysis (“Genomics”), smart cities (“Smart Cities”) and telecommunications.

With this transaction, 2CRSi is taking a key step in their development, and considerably broadening their international positions and growth potential in new markets, with a diversification of their customer base. Beyond geographical complementarities, the new group will benefit from strong commercial synergies and significant economies of scale, in particular in terms of supplies. Finally, this merger builds on the long-standing relationship between the two groups and their leaders. Beyond this common knowledge, the complementarity of the expertise of 2CRSi (designer and manufacturer) and Boston Limited (integrator and value-added distributor) was at the heart of this operation.

CHANGE IN THE BALANCE SHEET DATE OF THE FINANCIAL YEAR

The shareholders of 2CRSi have decided to modify the balance sheet date of their financial year at the Extraordinary General Meeting of 19 December 2019, to bring it from 31 December to the last day of February. This change will align the financial statements with that of Boston Limited, and present a situation more in line with the seasonality of the business, which has traditionally been strong in the last months of the year.

6.7.1.3. Post-closing events

FREE SHARE ALLOCATION PLAN FOR THE BENEFIT OF CERTAIN GROUP EMPLOYEES OF BOSTON LTD

On 18 March 2020, the Board of Directors decided to grant 142,722 shares for the benefit of staff members (key persons) of companies in the Boston Limited group (within the meaning of Article L. 225-197-2 of the French Commercial Code), namely 142,722 shares at a price of EUR 4.11 per share in accordance with the decision of the Combined General Meeting of 13 June 2019 (fifteenth resolution).

COVID-19

The Group's turnover was impacted by the first effects of COVID from January and February 2020. In fact, from the beginning of January, many component factories were closed, and the transport options greatly reduced.

During lockdown, the on-site presence was limited to the production and logistics team (France, United Kingdom and Germany), and other functions continued by teleworking. Boston's integration process was slowed down by the constraints of displacement. However, the sales teams continued with distance training sessions, and negotiations with 8 key suppliers were finalized in order to benefit from the best possible conditions for the companies of the Group.

The impacts on activity are very contrasted, because sectors such as Automotive, Oil, Audio-visual Production, and Advertising have suffered a decrease and, conversely, the sectors of Cloud, Internet, Gaming, and Telecom were growing strongly.

Group companies have benefited from the support measures put in place by the various Governments, namely:

- for France, the delay in the payment of employers' social security contributions for 2 months (namely EUR 240,000), the postponement of part of the leasing instalments for 6 months (up to EUR 3.1 million), and benefits linked to the partial activity scheme for the months of March, April and May 2020;
- for Germany, a deferred payment of VAT (EUR 163 k);
- for the United Kingdom, a deferred payment of VAT (total of GBP 1,306 k).

At the end of June, the group's gross cash flow amounted to EUR 8.6 million, additional to the lines of financing worth EUR 9.3 million (bank overdraft, undrawn short-term lines of credit).

In addition, the company also obtained, at the beginning of July 2020, funding by leasing amounting to EUR 3.5 million for the purchase of components that will be integrated into servers intended to be leased to their customers.

As of the date of this document, a request for a State Guaranteed Loan (PGE) is under consideration, for an amount between EUR 8 and EUR 10 million.

6.7.1.4. General principles

The financial statements are presented in thousands of euros (k euros) unless otherwise indicated. Rounding is done for the calculation of certain financial data and other information contained in these accounts. As a result, figures shown as totals in some tables may not be the exact sum of the figures preceding them.

6.7.1.4.1. Baseline

DECLARATION OF COMPLIANCE

These consolidated financial statements have been drawn up in accordance with the International Financial Reporting Standard (IFRS), as adopted in the European Union on 29 February 2020.

This baseline, available on the European Commission website (https://ec.europa.eu/info/index_fr), integrates international accounting standards (IAS and IFRS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Interpretations Committee (IFRIC).

The general principles, accounting methods, and options used by the Group are described below.

PRINCIPLE OF PREPARATION OF FINANCIAL STATEMENTS

The Group's consolidated financial statements have been drawn up according to the former cost principle, with the exception of certain categories of assets and liabilities, in accordance with the provisions laid down by IFRS: employee benefits valued using the projected credit method, borrowings, and financial debts, valued using the amortized cost method, and derivative financial instruments, valued at fair value.

CONTINUITY OF OPERATION

The principle of continuity of operation has been adopted by the shareholders on the basis of the cash flow available on 29 February 2020, and the funding to be obtained, which should make it possible to cover the Group's forecast cash flow requirements.

Regarding the covenants existing in the group (see part 7.3.3.11), the former 2CRSi group scope undertakes to maintain a Gross cash level (increased by the confirmed part, not drawn from any short-term debt) greater than EUR 10 million, on the balance sheet date of each accounting quarter, until the date of repayment of all sums due. This commitment, applicable for the first time on 31/05/2020, has not been respected. Informed of the noncompliance with this commitment, the bank confirmed that they were waiving the early repayment of the debt.

ACCOUNTING METHODS

The accounting principles used for the preparation of the annual consolidated financial statements as of 29 February 2020 are identical to those applied for the annual consolidated financial statements for the financial year ending on 31 December 2018.

Following the decision of the Board of Directors of 12 December 2018, on 20 January 2019, the Company allocated free shares to their officers and employees under certain conditions. The total costs corresponding to these allocations is estimated at EUR 1.2 million. In accordance with IFRS2, it is registered as a personnel expense over the purchasing period, or linearly over 5 years. In the annual consolidated financial statements on 29 February 2020, the expense registered in this regard amounts to EUR 271,000.

In addition, the amendments to standards that are mandatory as of 1 January 2019, and not applied in advance, are as follows:

- IFRIC 23 - Uncertainty over tax treatments (published in June 2017). This interpretation adopted by Europe on 23 October 2018 clarifies the application of the provisions of IAS 12 "Income taxes", concerning the registration and measurement, when there is uncertainty on the treatment of income tax.
- Amendments to IAS 28 - Long-term interests in associates companies and joint ventures. These amendments were approved by the European Union regulation of 8 February 2019;
- Amendments under the annual improvements to IFRS 2015-2017 cycle (published in December 2017). These amendments were adopted by the EU, under the regulation of 14 March 2019;
- Amendments to IAS 19 entitled Modification, reduction or liquidation of a plan (published in February 2018). These amendments were approved by the EU on 13 March 2019;
- Amendments to IFRS 9 - early repayment characteristics with negative compensation (published in October 2017). These amendments were approved by the EU on 22 March 2018.

With regard to the texts mentioned above, they have no significant impact on the Group's consolidated financial statements.

In addition, the Groupe does not apply the following texts, which are not mandatory in 2019:

- Amendments to the IFRS conceptual framework (published in March 2018). These amendments should be mandatory from 1 January 2020, subject to their adoption by Europe;
- Amendments to IFRS 3 - Business combinations, the definition of a "business" (published in October 2018). These amendments aim to clarify the application guide, in order to help stakeholders differentiate between a company and a group of assets. They should be mandatory on 1 January 2020, subject to their adoption by Europe;

- Amendments to IAS 1 and IAS 8: definition of materiality (published on 10 December 2019) applicable on 1 January 2020.
- Amendments to IFRS 9, IAS 39, and IFRS 7 as part of the reform of the reference interest rate.

6.7.1.4.2. Use of judgments and estimates

In order to prepare the financial statements in accordance with IFRS, management uses estimates and judgments in the application of IFRS accounting policies. These judgments and/or estimates have an impact on the amounts of assets and liabilities, contingent liabilities at the date of preparation of the financial statements, and the amounts presented under income and expenses for the year.

These estimates are based on the assumption of continuity of operation and are established on the basis of the information available at the time of their establishment. They are evaluated on an ongoing basis, based on past experience, as well as various other factors considered reasonable, which form the basis when assessing the book value of assets and liabilities. Estimates may be revised if the circumstances on which they were based change, or as a result of new information. Actual performance could differ materially from these estimates, depending on different assumptions or conditions. The impact of these changes in the estimate is accounted during the period, or over the subsequent periods affected.

The judgments, estimates, and assumptions made based on the information available at the date of closing the accounts relate in particular to:

- Accounting treatment of development costs (6.6.5.1);
- Allocation of share subscription warrants (6.6.5.8).
- Repayable advances (note 6.6.5.9);
- Discount rate and duration of leases (note 6.6.6.1),
- Highly advantageous nature of the purchase option granted to Blade, under the contract, relating to the financial lease of servers (note 6.6.4.1 Blade operations);
- Measurement at fair value of assets and liabilities registered in the context of business combinations.

These assumptions, which underlie the main estimates and judgments, are described in the accompanying notes to these financial statements.

The Group considers that Brexit should not have a material impact on their accounts.

6.7.2. Scope of consolidation

6.7.2.1. Accounting principles related to the scope

CONSOLIDATION PRINCIPLES

The Group applies the following standards: IFRS 10, “Consolidated financial statements”, IFRS 11, “Joint arrangements” and IFRS 12, “Disclosure of interests held in other entities”.

IFRS 10, which deals with the registration of consolidated financial statements, presents a single consolidation model, which identifies control as the criterion to be met in order to consolidate an entity. An investor exercises control over an investee if they have power over that entity, if they are exposed to the entity's variable returns, or they have rights to those variable returns, by virtue of their involvement in the entity, and whether they have the ability to use their power over the entity to influence the amount of those returns.

Subsidiaries are entities over which the Group exercises control. They are fully consolidated, from the date on which the Group obtains control, and are deconsolidated from the date on which they cease to be controlled by the Group. Intra-group balances and transactions are eliminated.

The parent company 2CRSI SA exercises control over the companies 2CRSI Corporation, Boston France (Adimes), 2CRSI Limited, 2CRSi UK, 2CRSI ME FZE, Green Data, 2CRSi London Ltd, Boston Ltd, Boston Server & Storage Solutions GmbH, Escape Technology Ltd., Boston IT Solutions Australia Pty Ltd, Escape Technology GmbH and Boston SàRL.

OPERATIONS FROM 1 JANUARY 2019 TO 29 FEBRUARY 2020

BOSTON Ltd

As indicated in section 6.6.1.2, the Group has held exclusive control of Boston Limited since 18 November 2019 following the acquisition of 70% of the securities of this company. Consequently, Boston Limited has been fully consolidated since their takeover date, which leads to the registration of Boston's assets and liabilities at 100% on the basis of their fair value as of 18 November 2019.

The operation includes price revision clauses and cross-options to buy and sell the remaining securities, namely 30% valid for 5 years.

The put on minority shareholding, discounted according to the IRR of the transaction, was registered in financial debt. A charge of EUR 325,000 was registered in financial income for the accretion of the debt.

In addition, since minority shareholders do not have access to dividends, Boston Ltd's income is recorded at 100% Group share.

The acquisition costs of Boston Ltd securities amounted to EUR 0.6 million and are entered under "Other current operating income and expenses".

In accordance with IFRS 3, fair value adjustments of assets acquired, and liabilities are registered against goodwill adjustments, on the basis of information obtained during the allocation period, namely within the twelve months following the acquisition. The 2CRSI Group has identified and evaluated the identifiable assets and liabilities of the Boston Ltd group, in order to allocate the fair value of the acquired consideration (EUR 26.1 million) between these different elements. On the basis of this work, provisional goodwill amounts to EUR 4.8 million.

The revaluations of the opening balance sheet mainly relate to:

- intangible assets, in connection with contractual relationships with certain customers and with brands,
- tangible assets, including land, and one construction in the United Kingdom,
- deferred taxes related to these revaluations.

Provisional determination of the assets and liabilities acquired on the date of the takeover of Boston Ltd	
(In millions of EURO) **Assets and liabilities acquired at 100%**	
Intangible fixed assets	14.4
Tangible fixed assets	2.8
Total non-current assets	**17.2**
Inventories and work in progress	11.8
Trade receivables and other operating receivables	20.5
Other current assets	11.4
Liquid assets and cash equivalents	1.1
Total current assets	**44.8**
Loans and financial debts	5.1
Deferred tax due	2.7
Total non-current liabilities	**7.9**
Current financial debts	5.6
Trade payables and other current liabilities	27.2
Total current liabilities	**32.8**
Net assets acquired, Group share at 100%	**21.3**
Fair value on the acquisition date of the transferred consideration	**26.1**
Provisional goodwill	**4.8**

If the transaction had taken place on 1 March 2019, Boston Limited's contribution to turnover and EBITDA (*pro forma*) would amount to EUR 101 million, and EUR 3.5 million (data unaudited).

The twelve-month contribution corresponds to the sum:

- of the contribution to the Group's consolidated financial statements since the acquisition date (from 18 November 2020 to 29 February 2020);
- and the estimated contribution from 1 March to 18 November 2019 (the amounts were determined considering that the fair value adjustments determined on 18 November 2019 would have been identical to those of 1 March 2019).

As an indication, Boston Ltd's contribution to the Group's consolidated financial statements since 18 November 2019 is presented below:

(In millions of EURO)	2019-20
Turnover	**32.5**
EBITDA	**0.4**
Depreciation allowance	-1.2
Current operating income	**-0.8**
Operating income	**-0.9**
Financial income	**-0.1**
Income before taxes	**-1.0**
Income taxes	-0.2
Net income	**-1.2**
Net income, Group share	**-1.2**

CONVERSION OF SUBSIDIARY FINANCIAL STATEMENTS

Items included in the financial statements of each of the Group's entities are valued using the currency of the main economic environment in which the entity operates ("functional currency").

The Group's financial statements are drawn up in EUR, the presentation currency of the Group's consolidated financial statements and the Company's functional currency.

The financial statements of foreign companies, whose functional currency is not the EUR, are converted into EUR as follows:

- At the closing market price in effect at the end of the period for assets and liabilities;
- At the average exchange rate for the period of the income statement.

The conversion differences resulting from the application of this method are registered in consolidated shareholders' equity under "Other comprehensive income".

The rates used for the conversion of foreign currencies are presented below:

	EUR 1 is equivalent to	29/02/2020		31/12/2018	
		Average rate	Rate on the balance sheet date	Average rate	Rate on the balance sheet date
US Dollar	USD	1.1168	1.0977	1.1793	1.1450
Pound sterling	GBP	0.8773	0.8532	0.8881	0.8945
United Arab Emirates Dirham	AED	4.1012	4.0503	4.2236	4.2174
Australian dollar	AUD	1.6220	1.6875	N.A.	N.A.
Pound sterling (Boston entry)	GBP	0.8488	0.8532	N.A.	N.A.

Source: Bank of France
N.A : Not applicable

CONVERSION OF TRANSACTIONS IN FOREIGN CURRENCY

Transactions carried out by consolidated companies and denominated in a currency other than their functional currency are converted at the exchange rate in force on the date of the various transactions.

Trade receivables, trade payables and payables denominated in a currency other than the functional currency of the entities are converted at the exchange rate in effect on the balance sheet date. Unrealized gains and losses resulting from this conversion are registered in operating income.

Exchange gains and losses resulting from the conversion of intragroup transactions or receivables and debts denominated in a currency other than the functional currency of the entities are registered in profit or loss.

6.7.2.2. Scope of consolidation

As of 29 February 2020, the Group was made up of 14 entities, all fully consolidated:

Companies	Country	% holding	Group control (in %)	% interest
2CRSi SA	France		Parent company	
2CRSi Corporation	United States	100 %	Subsidiary company 100%	100 %
Boston France (Adimes)	France	100 %	Subsidiary company 100%	100 %
2CRSi Ltd	United Kingdom	100 %	Subsidiary company 100%	100 %
2CRSi UK	United Kingdom	80 %	Subsidiary company 100%	100 %
2CRSi ME FZE	Dubai	100 %	Subsidiary company 100%	100 %
Green Data SAS	France	55 %	Subsidiary company 100%	100 %
2CRSi London Ltd	United Kingdom	100 %	Subsidiary company 100%	100 %
Boston Ltd	United Kingdom	70 %	Subsidiary company 100%	100 %

Boston Server & Storage Solutions Gmbh	Germany	70 %	Subsidiary company 100%	100 %
Escape Technology Ltd	United Kingdom	70 %	Subsidiary company 100%	100 %
Escape Technology Gmbh	Germany	70 %	Subsidiary company 100%	100 %
Boston IT Solutions Australia Pty Ltd	Australia	70 %	Subsidiary company 100%	100 %
Boston SARL	France	35 %	Subsidiary company 50%	50 %

6.7.3. Sectorial information

The IFRS 8 "Operating sectors" regulation has led the Group to present only one activity "sale of components and/or finished products". The breakdown of turnover by geographic area is presented in section 6.6.4.1.

The breakdown by geographic area of non-current assets is as follows:

Non-current assets (excluding deferred taxes)	29/02/2020 EUR k			31/12/2018 EUR k		
	Outside France	France	Total	Outside France	France	Total
Goodwill	6,862	200	7,062	1,960	-	1,960
Intangible fixed assets	14,120	1,630	15,750	-	1,074	1,074
Tangible fixed assets	4,521	19,116	23,637	994	5,434	6,428
Financial receivables	249	10,676	10,925	785	5,248	6,033
Other financial assets excluding deferred taxes	-	3,000	3,000	15	1,233	1,248
Total non-current assets (excluding deferred taxes)	**25,752**	**34,622**	**60,374**	**3,754**	**12,989**	**16,7 43**

6.7.4. Notes to the Income Statement

6.7.4.1. Income from ordinary activities

Except for their financial lease activity, the Group applies IFRS 15 for the registration of their income from ordinary activities. As such, the income is registered when the Group fulfils a performance obligation, by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of the asset.

Income from ordinary activities is registered when the Group fulfils a performance obligation by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of the asset.

The Group derives their income from the main sources below:

- server sales
- component sales
- server financial lease
- sales of services for which the duration of the contracts is less than twelve months.

Regarding their server financial lease activity, the Group applies IFRS 16 and, in particular, the rules relating to manufacturer distributors and therefore, presents the rental income as revenue, and the production cost as an expense, at the start date of the lease.

OPERATIONS OF BLADE

During the second half of 2017, 2CRSi signed a contract with Blade for the financial lease of 184 server racks delivered in 2017 and 2018, mainly in France and the United States. These contracts provide for the payment by Blade of down payments, premium rents, and fixed rents.

The balance of the financial receivable related to these operations amounted to EUR 5,428k as of 29 February 2020 (vs. EUR 11,740 k as of 31 December 2018), discounted at the average rate of 4.70%, corresponding to the average rate implicit in the contract.

In order to finance the production of these servers, 2CRSi has also signed funding contracts with several banking organizations.

This funding received from the banks is recorded in financial debts. The balance stood at EUR 6,856k as of 29 February 2020, against EUR 14,440k as of 31 December 2018. The funding rate granted by the banks is between 3 and 6%.

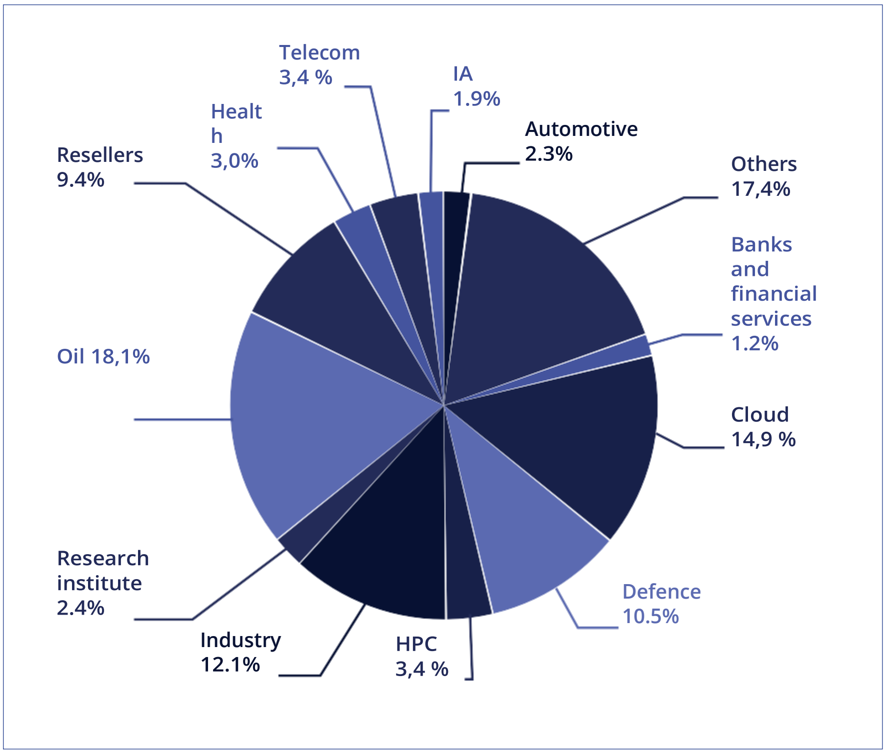
The net financial expense relating to the financial lease amounted to EUR 314k for the 2019/2020 financial year (EUR 713k in expenses and EUR 399k in income) and was registered in the financial income.

BREAKDOWN OF TURNOVER

As of 29 February 2020, the Group achieved a turnover of EUR 77 million, including EUR 74.5 million in sales of finished products and goods (deliveries of equipment).

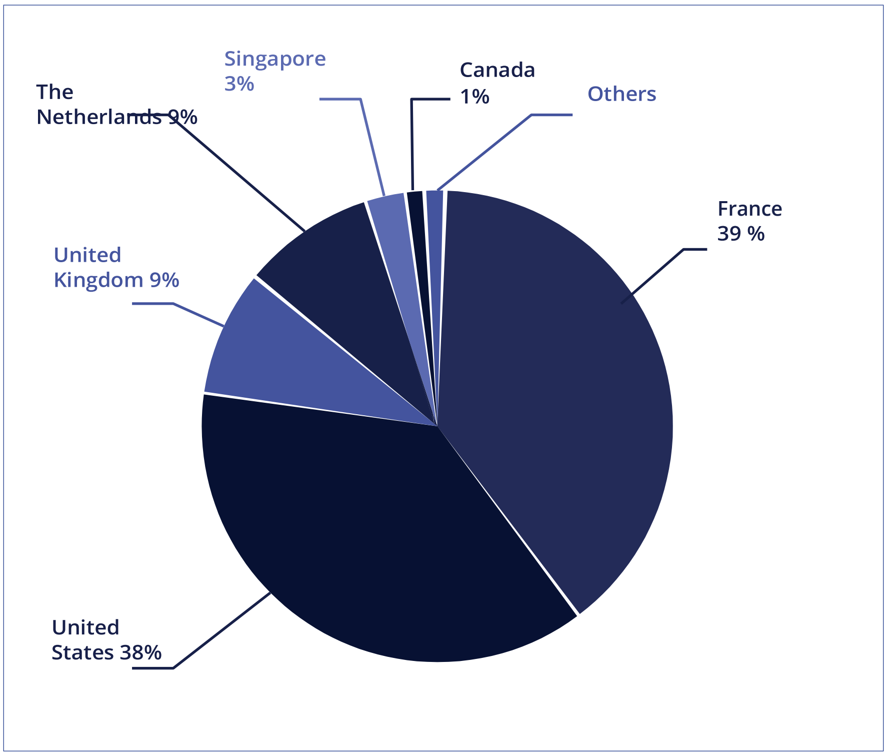
The breakdown of turnover by type of activity and by geographical area, and their period of registration in the related income statement, is as follows:

Breakdown of turnover over 14 months, 2CRSi 2019-2020 *

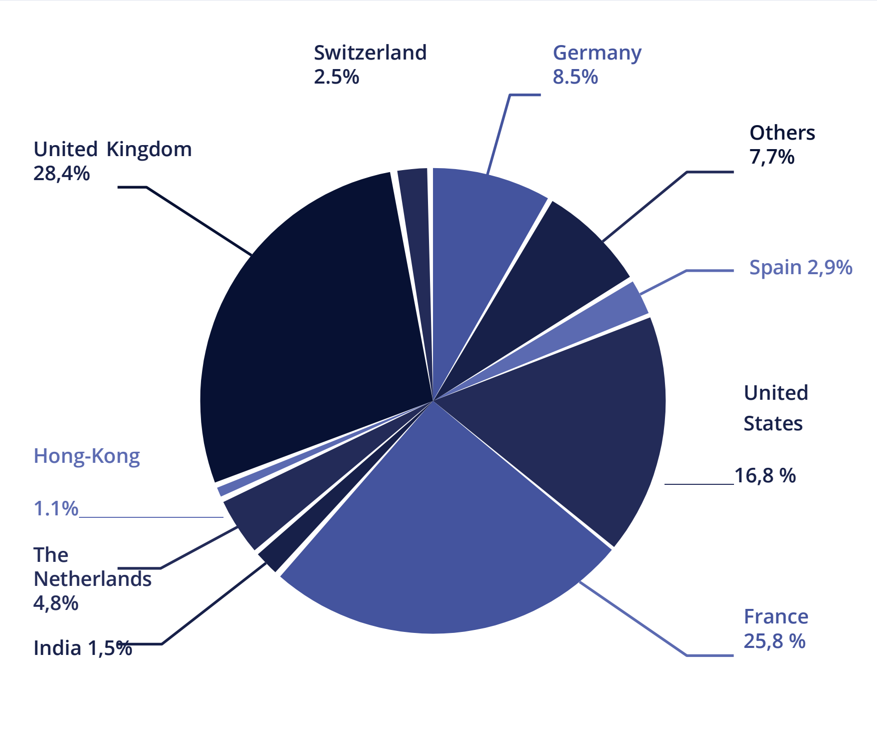


** Data (1 March 2019 - 29 February 2020)*

Breakdown of 2CRSi 2018 turnover (place of delivery)



Breakdown of turnover over 14 months of 2CRSi 2019-2020 *



** Data (1 March 2019 - 29 February 2020)*

6.7.4.2. Other current operating income

Other income from the activity (Amounts in EUR k)	29/02/2020 (14 months)	31/12/2018
Research tax credit proceeds	786	114
Production transferred to inventory	805	-251
Others	85	191
Total	**1,676**	**54**

The variation in production transferred to inventory is mainly due to high work in progress in France on 29/02/2020 compared to 31/12/2018.

6.7.4.3. Purchases consumed and external charges

Purchases consumed (Amounts in EUR k)	29/02/2020 (14 months)	31/12/2018
Variation in inventory of goods	1,795	10,104
Purchases of goods and raw materials	(58,980)	(59,405)
Exchange gains and losses	80	(126)
Others	-	(279)
Total	**(57,105)**	**(49,706)**

External charges (Amounts in EUR k)	29/02/2020 (14 months)	31/12/2018
External services	(6,187)	(4,067)
Others	(2,028)	(128)
Total	**(8,215)**	**(4,195)**

The increase in external services in 2019/2020 is linked to the increase in the workforce (increased recruitment and travel costs) and the increase in marketing and trade fair costs.

6.7.4.4. Workforce and payroll

Payroll (Amounts in EUR k)	29/02/2020 (14 months)	31/12/2018
Gross compensation	(9,384)	(3,949)
Social security contributions	(3,306)	(1,462)
Other personnel costs (including capitalized production)	285	588
Total	**(12,405)**	**(4,823)**

The workforce by function and by country breaks down as follows:

WORKFORCE	29/02/2020	31/12/2018
Operations	95	44
Relations clients, sales & marketing	176	41
R&D	27	15
Support functions	57	16
Total	**355**	**116**

WORKFORCE	29/02/2020	31/12/2018
France	126	91
United States	13	7
United Kingdom	165	11
Dubai	8	7
Germany	40	-
Australia	3	-
Total	**355**	**116**

The workforce of the former 2CRSi group stood at 173 employees as of 29/02/2020 and the average workforce of the Group has evolved as follows:

AVERAGE WORKFORCE	29/02/2020	31/12/2018
The former 2CRSi Group	136	92
Boston Group	172	
Total	**308**	**92**

6.7.4.5. Operational performance

The Group has chosen to present an EBITDA ("Earnings Before Interests, Taxes, Depreciation, and Amortization") to facilitate the reader's analysis. EBITDA is not a standardized indicator under IFRS and is not an accounting measure of the Group's financial performance. It must be considered as additional information, not substitutable for any other operational and financial performance measure of a strictly accounting nature, as presented in the Group's consolidated financial statements and their accompanying notes.

EBITDA is defined as operating income before depreciation allowance and provisions and other current and non-current operating expenses and income. Non-current operating income and expenses include, in particular, depreciation of intangible assets, the profit produced by the sale of fixed assets, restructuring costs, costs relating to staff adjustment measures and fees relating to the proposed introduction into the stock exchange. Other current operating income and expenses include acquisition costs incurred during business combinations.

The evolution of the EBITDA over the periods is as follows:

EBITDA (Amounts in EUR k)	29/02/2020 (14 months)	31/12/2018
Operating income	**(5,543)**	**3,680**
Net depreciation allowance and provisions	5,111	1,710
Other current income and expenses	605	139
Other non-current income and expenses	195	664
EBITDA	**368**	**6,192**
EBITDA margin rate on turnover	0,5 %	9,5 %

The line “Other current income and expenses” corresponds to the acquisition costs of 2CRSi UK securities in 2018 and Boston Ltd in 2019/2020 for EUR 605k.

Net depreciation allowance and provisions break down as follows:

Net depreciation allowance and provisions (Amounts in EUR k)	ON 29/02/2020		
	The former 2CRSi Group	Boston	Total
Net provisions allowances	-154	-641	-796
Net depreciation allowances	-1,564	-311	-1,875
Allowances to IFRS16 restatements and credit lease	-2,318	-122	-2,440
Total	**-4,037**	**-1,074**	**-5,111**

6.7.4.6. Financial income

The financial income includes:

- The cost of debt
- Financial income related to the financial lease of Blade servers and financial income related to the Blade debt rescheduling contract (concluded on 23/01/2020).

Financial income and expenses (Amounts in EUR k)	29/02/2020	31/12/2018
Cost of gross financial debt	**(2,029)**	**(1,264)**
Other net financial income	2,676	754
Financial income	**647**	**(510)**

Financial income related to the Blade debt rescheduling contract amounted to EUR 1.7 million for the financial year ending on 29/02/2020.

6.7.4.7. Income tax

Income tax corresponds to the cumulative tax payable by the various companies in the Group, adjusted for deferred taxation. Tax is registered in profit or loss, except if it relates to items that are registered in other comprehensive income, or directly in shareholders' equity. It is then also registered in other comprehensive income or in shareholders' equity.

Deferred taxes are measured using the balance sheet approach at the amount that the entity expects to pay or recover from tax administrations. Where applicable, the deferred taxes thus determined are influenced by any change in the tax rate, adopted or almost adopted, at the balance sheet date of the financial statements.

A deferred tax asset is registered if the following conditions are met:

- The entity has sufficient taxable temporary differences with the same tax authority and the same taxable entity or the same tax group that will generate taxable amounts, against which tax losses and unused tax credits can be charged before they do not expire;
- It is probable that the entity will generate taxable profits before the expiration of tax losses or unused tax credits;
- Unused tax losses result from identifiable causes which are unlikely to recur;
- Opportunities related to the entity's tax management will generate taxable profit during the year in which tax losses or unused tax credits can be charged.

DEFERRED TAX ASSETS AND LIABILITIES

The tax rate applicable to the Company is the rate in force in France, namely 28% up to EUR 500,000 and 31% for the excess.

2CRSi ME FZE is tax-exempt, being located in a free zone of Dubai.

For other companies, the applicable rates are:

- 29.84% for the United States (federal rate),
- 19% for subsidiaries in the United Kingdom
- 15,83 % for Boston GmbH
- 32,05 % for Escape Technology GmbH
- 27,5 % for Australia.

Tax proof (Amounts in EUR k)	**29/02/2020**	**31/12/2018**
Net income	(4,543)	3,689
Consolidated tax	352	519
Income before taxes	**(4,895)**	**3,170**
The current tax rate in France	28 %	33 %
Theoretical tax charge at the current rate in France	**1,371**	**(1,057)**
Implications for theoretical tax:		
Permanent differences	(248)	1,068
Rate incidence	(605)	
Impact of unallocated deficits	(669)	
Consumption registrations without tax impact	(223)	
Incidence of foreign corporation tax rate		45
Tax credit	143	

Others	583	463
Actual income tax charge (income if positive)	**352**	**519**

The "Others" line corresponds to tax income without base (including EUR 197k at 2CRSi SA).

6.7.4.8. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to holders of Group shares by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are determined by adjusting the income attributable to holders of ordinary shares, and the weighted average number of ordinary shares, outstanding for the effects of all dilutive potential ordinary shares. For the calculation of diluted earnings per share, the 2017 preference shares have not been taken into account because there is no automatic conversion mechanism, and this cannot be done by simple decision of the holders of converting these preference shares into shares.

The table below shows the calculation of consolidated net earnings per share:

Basic earnings per share	29/02/2020 (14 months)	31/12/2018
Group share income (in EUR k)	(4,314)	3,705
Weighted average number of ordinary shares outstanding	14,243,430	14,243,430
Basic earnings per share (EUR/share)	**(0,30)**	**0.26**
Weighted average number of shares outstanding	14,386,832	
Diluted earnings per share (EUR/share)	**(0,30)**	

The weighted average number of shares in circulation includes 143,402 free shares.

6.7.5. Notes on the balance sheet

6.7.5.1. Intangible assets and goodwill

The acquisition in 2018 of the company Tranquil PC Ltd (2CRSi UK to date) generated the registration of goodwill, which became definitive during the year with a value of EUR 2,055,000, as of 29 February 2020 (against EUR 1,960 k as of 31 December 2018).

The group acquired a 70% stake in Boston Ltd on 18 November 2019. The provisional goodwill registered amounts to EUR 4,807,000 (see Part 6.6.2.1 paragraph "Transactions from 1 January 2019 to 29 February 2020 - Boston Ltd").

Intangible assets include:

- Development costs
- Software licenses

In accordance with the IAS 38 standard, development costs incurred by the Group must be capitalized when the following criteria are met:

- The Group has the intention and the technical capacity to bring the development project to fruition;
- There is a high probability that the future economic benefits attributable to the development expenditure will flow to the company, which is generally supported by the existence of orders or contracts;
- Costs can be measured reliably;
- The Group has the ability to use or sell the intangible asset;
- The Group has the necessary resources to complete the project.

Development costs that do not meet the above criteria and research costs are recorded in the income statement as an expense for the year in which they are incurred.

The cost of acquiring software licenses is capitalized on the basis of the cost of acquisition and the cost of installation. These costs are amortized over the estimated life of the software.

Intangible assets are amortized using the straight-line method over their estimated useful life and are presented below:

- Development costs: 3 years
- Software licenses: 1 to 6 years
- Customer base: 7 years

The tables below illustrate the transactions that occurred during the financial year:

Gross values (Amounts in EUR k)	31/12/2018	Variation in scope	Acquisitions	Sales	Reclassifications	29/02/2020
Development costs	1,272	-	153	-	1,523	2,948
Concessions, patents & similar rights	232	63	1	-	-	296
Software	-	154	112	-	-	266
Brand	-	10,214	-	-	2	10,215
Customer base	-	3,952	-	-	1	3,952
Other intangible fixed assets	42	-	7	(0)	(42)	7
Intangible fixed assets in progress	589	-	650	-	(1,239)	-
Total non-current assets	**2,135**	**14,382**	**923**	**(0)**	**244**	**17,685**

Amortization and depreciation (Amounts in EUR k)	31/12/2018	Variation in scope	Allowances	Sales	Reclassifications	29/02/2020
Amortization/Depreciation of development costs	(906)	-	(622)	2	(2)	(1,528)
Amortizations/Depreciation concessions, patents & similar rights	(155)	-	(43)		-	(198)
Software amortizations/depreciation	-	-	(51)		-	(51)
Amortizations/depreciation customer base	-	-	(159)		1	(158)
Amortization / Depreciation of other intangible assets	-	-	(0)		-	(0)
Total non-current assets	**(1,061)**	**-**	**(875)**	**2**	**(1)**	**(1,935)**
Net book value	**1,074**	**14,382**	**48**	**2**	**243**	**15,750**

6.7.5.2. Tangible fixed assets

Tangible fixed assets are valued at their acquisition cost, less accumulated depreciation and any impairment losses. Subsequent expenses are included in the book value of the asset or, where applicable, registered as a separate asset, whether it is probable that the future economic benefits associated with the asset will flow to the Group, and that the cost of the asset can be measured reliably. All repair and maintenance costs are expensed.

Depreciation is calculated using the straight-line method, over the following estimated useful lives:

- General installations, fixtures and fittings: 8 to 10 years
- Technological installations: 9 to 20 years
- Industrial equipment and tools: 5 to 10 years
- Transport equipment: 5 years
- Office and IT equipment: 3 to 5 years
- Equipment: 8 to 10 years

The residual values, useful life, and depreciation methods of assets are reviewed at each annual closing and modified, if necessary, on a prospective basis.

The costs of acquiring fixed assets are expensed.

The table below shows the transactions of tangible fixed assets during the financial year:

Tangible fixed assets

Gross values (Amounts in EUR k)	31/12/2018	Variation in scope	Acquisitions	Sales	Reclassifications	Other transactions	29/02/2020
Land and land improvements		572		-	-	301	873
Buildings	-	660	268	-	431	369	1,728
Tech installations, equipment & tools	-	-	-	-	-	-	-
Tech installations, equipment & tools in credit lease/Rental							
Other tangible fixed assets	1,668	129	2,163	(81)	2,108	-	5,986
Office supplies	1,207	198	124	(197)	(297)	-	1,035
Transport equipment	33	36	280	(57)	128		420
Credit lease / Rental of transport equipment							
Hardware	-	-	-	-	-	-	-
Computer equipment in credit lease/rental							
Right of use	5,872	1,260	11,819	-	-	20	18,972
Intangible assets in progress	44	-	367	-	(53)	-	357
Total non-current assets	**8,823**	**2,855**	**15,021**	**(335)**	**2,317**	**690**	**29,372**

Amortization and depreciation (Amounts in EUR k)	31/12/2018	Variation in scope	Allowances	Sales	Reclassifications	Other transactions	29/02/2020
Amortization/Depreciation of land and land improvements	-	-	(1)	-	-	-	(1)
Amortization/ Depreciation of buildings		-	(112)	-			(112)
Amortization/Depreciation of technical installation, equipment, and tools	-	-	-				-
Amortization/Depreciation of technical installations, equipment, and tools in credit lease/rental		-	-	-			-
Amortization / Depreciation of other tangible assets	(484)		(478)	22	11		(929)
Amortization/ Depreciation of office supplies	(272)	-	(530)	176	(343)		(969)
Amortization/ Depreciation of transport equipment	(8)	-	(131)	8	65		(65)
Amortization/Depreciation of transport equipment in credit lease/rental	-	-					-
Amortization/Depreciation of hardware	-	-					-
Amortization/Depreciation of computer equipment in credit lease/rental	-	-					-
Amortization/Depreciation of right of use	(1,631)	-	(2,188)	-	161		(3,658)
Total non-current assets	**(2,395)**	**-**	**(3,440)**	**206**	**(106)**		**(5,735)**
Net book value	**6,428**	**2,855**	**11,581**	**(128)**	**2,211**	**690**	**23,637**

Acquisitions during the period include the recognition of the right of use linked to the signing of a lease for the "Le Capitole" real estate complex for EUR 8.5 million.

Within tangible fixed assets, the user rights registered amounted to EUR 15.3 million in net value at the end of February 2020 (vs. EUR 4.2 million at the end of December 2018). In addition to the leasing of the "Le Capitole" real estate complex, the group signed several lease contracts over the period, notably for administrative premises.

6.7.5.3. Impairment of intangible and tangible fixed assets

As of 29 February 2020, no indication of impairment has been identified. No impairment of assets is registered.

6.7.5.4. Current and non-current financial receivables

Current and non-current financial assets consist of the financial receivable relating to the customer contract for the financial lease of servers in France and the United States, which took effect in 2017 with Blade, and their rescheduled commercial receivable (see significant events note 6.6.1.2). (see note 6.1 “Income from ordinary activities”), and also loans, deposits, and guarantees, and restricted cash (EUR 885,000 as of 29 February 2020).

Financial receivables (Amounts in EUR k)	29/02/2020	31/12/2018
Non-current financial receivables	10,925	6,033
Depreciations	-	-
Non-current financial receivables, net	**10,925**	**6,033**
Current financial receivables	11,796	5,707
Depreciations	-	-
Current financial receivables, net	**11,796**	**5,707**
Total	**22,721**	**11,740**

Financial receivables related to the server financial lease with Blade amounted to EUR 5,428k as of 29/02/2020 (fully current).

In the cash flow statement, Blade's payments appear on the “change in financial receivables” line for EUR 8,330k, including EUR 6,312k for the financial lease.

The difference between the total mentioned on the “Variation in financial receivables” line of EUR 8,364k and the variation in the Blade receivable for EUR 8,330k corresponds to the variation in loans and guarantee deposits.

These flows are to be compared with the financing flows under funding debts. The Group had obtained funding twice in 2017 and 2018 for a total of EUR 22,581k and the balance of this debt amounted to EUR 6,856k as of 29 February 2020.

6.7.5.5. Inventories

Inventories are valued using the last purchase price method.

Finished products are valued at their production cost with the exception of those which, during the product launch phase, have a cost price higher than their selling price, as well as obsolete or surplus products.

A provision for depreciation reduces the inventory of goods and raw materials to its realizable value, after deduction of proportional selling costs.

Works in progress were assessed according to the same principles, depending on their progress in manufacturing.

The inventories break down as follows:

Inventories (Amounts in EUR k)	**29/02/2020**	**31/12/2018**
Inventories of finished products, and products in progress	2,276	1,116
Inventories of goods and raw materials	34,535	19,614
Gross total inventory	**36,810**	**20,731**
Depreciation of finished product inventories		(23)
Depreciation of inventories of goods and raw materials	(2,290)	(205)
Total inventory depreciation	**(2,290)**	**(228)**
Net total inventory	**34,520**	**20,503**

The total inventory of goods and raw materials includes EUR 4.5 million of components financed by leasing.

Inventories at the end of the period increased (EUR 34.5 million compared to EUR 20.5 million at the end of 2018), mainly following the consolidation of Boston Limited's inventories (EUR 13.5 million). This level of inventories represents less than 3 months of Group turnover.

Boston Limited's share of the inventory depreciation amounts to EUR 1,869 k.

6.7.5.6. Clients

The Group's exposure to credit risk is influenced mainly by the individual characteristics of different customers.

As of 29/02/2020, Blade's receivable is null and void as trade receivables (excluding financial lease receivables). The entire receivable has been recorded as a financial receivable.

Trade receivables, whose maturities vary according to the nature of the contracts, are generally between 30 and 90 days. Trade receivables and related accounts are initially registered at fair value. Subsequent assessments take into account the probability of recovering receivables, which may lead to the registration of a specific impairment loss for doubtful debts, determined as follows:

- receivables in litigation are fully depreciated when certain and precise probative elements demonstrate the impossibility of recovery;
- for other doubtful receivables, impairment losses are recorded to adjust the recoverable amounts, estimated on the basis of information available during the preparation of the financial statements.

Uncollectible receivables are registered in profit or loss, and existing provisions are reversed.

Customers (Amounts in EUR k)	29/02/2020	31/12/2018
Clients and related accounts	21,404	37,296
Unbilled revenue from customers	889	193
Total gross accounts receivable	**22,293**	**37,489**
Depreciation of trade receivables and related accounts	(473)	(7)
Total net customers	**21,820**	**37,482**

The level of trade receivables experienced three significant transactions during the year:

- Better management of customer receivables: net decrease of EUR 17.6 million;
- A transformation of the trade receivable on Blade into a financial receivable: decrease of EUR 15.4 million;
- Consolidation of Boston Limited financial statements: + EUR 17.3 million in trade receivables.

As of 29 February 2020, receivables thus amounted to EUR 21.8 million (compared to EUR 37.5 million at the end of 2018), which represents less than 2 months of Group turnover.

6.7.5.7. Other current and non-current assets

Other current assets (Amounts in EUR k)	29/02/2020	31/12/2018
Advances and deposits paid	4,506	259
Receivables from staff and corporate organizations	234	-
Tax receivables	5,902	1,560
Company taxes	1,233	23
Prepaid expenses	1,809	1,344
Miscellaneous	4,086	188
Current loans and guarantees	-	395
Other current financial assets	-	4
Total other current assets	**17,770**	**3,773**

Prepaid expenses consist of goods invoiced but not received on 29 February 2020.

The “Advances and payments on account” item increased sharply due to the deterioration in outstanding payments made by credit insurance companies already at the start of 2020 when the Covid19 crisis arose in Asia. The group must now pay some component suppliers in advance.

The “Miscellaneous” line corresponds to the balance of open receivables with related companies (mainly Boston IT Solutions Pvt. Limited India).

6.7.5.8. Shareholders’ equity

SHARE CAPITAL

The share capital of the company 2CRSI amounts to EUR 1,282,000. It is divided into 14,243,430 ordinary shares of EUR 0.09 each, fully paid up.

DIVIDENDS PAID

Dividends paid in 2019/2020 amounted to EUR 175 k for preference shares. They have been recorded under Financial debt costs, net. A dividend of EUR 175,000 was paid in 2017 and 2018 in respect of the same preference shares (see note 6.6.5.9).

SHARE SUBSCRIPTION WARRANTS

In 2017, the Company proceeded with the allocation of share subscription warrants for the benefit of Audacia principals, resulting in the issue of 350,000 2017 preference shares for the benefit of these principals. The preference shares (the "2017 preference shares") will not be the subject of an application for admission to trading on the regulated market of Euronext in Paris. Holding Alain Wilmouth benefits from a redemption option for the 2017 preference shares in 2023. The 2017 preference shares redemption price is equal to 110% of the 2017 preference shares par value (110% x 10 euros) increased, where applicable, by the accrued and unpaid dividend.

The 2017 preference shares are not entitled to the payment of the ordinary dividend of the Company. On the other hand, each 2017 preference share is entitled to a priority and accrued but unpaid annual dividend, paid in preference to all the other shares of the Company, deducted from the distributable sums and paid no later than 10 July of each year.

The Priority Dividend is equal to the Priority Dividend rate multiplied by EUR 10. For all the financial years ending before 1 January 2023, the Priority Dividend rate is equal to 5%.

For the financial years ending after this date, the Priority Dividend rate is equal to 12-month Euribor + 1.5%. In the event of an extension of the duration of a financial year beyond twelve months, the amount of Priority Dividends will be increased *pro rata temporis.*

Since the BSAs made it possible to subscribe to the 2017 preference shares, which are themselves not shareholders' equity instruments within the meaning of IAS 39, the BSAs are analysed as debt instruments. Consequently, in accordance with IAS 32, when they are issued, these warrants are treated as derivatives, measured at fair value, with subsequent variations in fair value in profit or loss. No variation in fair value was recorded for this financial year given that the BSAs were issued and subscribed in 2017.

LIQUIDITY CONTRACT

On 3 July 2018, the Company entered into a liquidity contract with Portzamparc, making EUR 300,000 available. At the balance sheet date, treasury shares are restated as a reduction in shareholders' equity.

The profit achieved from the purchase and resale of treasury shares are reclassified from profit as shareholders' equity, net of tax.

6.7.5.9. Current and non-current financial debts

Financial and non-current debts (Amounts in EUR k)	29/02/2020	31/12/2018
Repayable advances	340	341
Preference shares	3,421	3,325
Loans from credit institutions	18,143	4,595
Other financial debts	11,536	
Rental debts	15,525	3,636
Blade funding debts	1,047	7,683
Other funding debts	2,938	-
Non-current financial debts	**52,950**	**19,580**
Repayable advances	113	
Other loans	131	
Loans from credit institutions	4,828	1,471
Current bank overdrafts and accrued interest	2,717	9
Rental debts	2,137	541
Blade funding debts	5,809	6,757
Other funding debts	863	
Current financial debts	**16,597**	**8,778**
Total financial debts	**69,547**	**28,358**

REPAYABLE ADVANCES AND SUBSIDIES

In accordance with IAS 20, the benefit of a public loan at an interest rate below that of the market is treated as a public subsidy.

Thus, conditional advances granted at low-interest rates are restated according to the following rules:

- The “loan” granted by the government was registered and valued in accordance with the provisions of IAS 39. Consequently, the Group records the debt corresponding to their fair value, that is to say with a discount (corresponding to the interest rate differential, discounted at the market rate), so as to reduce their effective interest rate (EIR) to that of a normal debt.
- The benefit from the lower than market interest rate (corresponding to the “discount”) was measured as the difference between the initial carrying amount of the loan, determined in accordance with IAS 39 and the income received. The identified benefit is treated as a public subsidy. This subsidy is registered in profit or loss at the rate of the expenses incurred by the Group, and which are the subject of this subsidy.

2017 PREFERENCE SHARES

In order to finance their activity, 2CRSI SA carried out a capital increase voted at the GM of 24 April 2017. As such, 350,000 BSAs (each giving the right to a 2017 preference share) were subscribed and exercised by the holding companies managed by the management company Audacia.

The 2017 preference shares have a par value of EUR 10, including a share premium of EUR 910. They are perpetual and do not include a contractual mechanism for reimbursement or conversion. On the other hand, they give a right to a priority dividend, which 2CRSI must pay in the event of distributable profits. In the event that there have been no distributable profits for more than 6 consecutive years, the 2017 preference shares entitles the holder to the payment of a cumulative priority dividend, equal to the priority dividends not paid after the 7th financial year (7th financial year included) capitalized annually at 15%.

In accordance with IAS 32, 2CRSI has registered a debt on their balance sheet for the entire subscription price of the preference shares, taking into account the payment of the dividend for perpetuity.

Thus, when the preference shares were allocated, the amount of EUR 3,500 k (before issuance costs) was registered as a debt, after deduction of issuance costs of EUR 341,000. These issuance costs are spread over a period of 6 years, corresponding to the period during which the preference shares carried a priority dividend, and the estimated period of holding by the current holders.

The table below has been produced on the basis of the following assumptions:

- Payment of dividends over each period
- 5% rate

Accounting for 2017 preference shares (Amounts in EUR k)	31/12/2017	31/12/2018	29/02/2020	28/02/2021	28/02/2022	28/02/2023	28/02/2024
Financial expenses	258	175	205	175	175	175	175
Financial expenses amortization of issuance costs	27	57	66	57	57	57	20
Financial debts	**3,268**	**3,325**	**3,421**	**3,449**	**3,506**	**3,564**	**3,556**

DEBTS TO CREDIT INSTITUTIONS

Below is the list of loans not due at the end of the financial year (including those repaid early, for reasons of bank account closure - data from corporate accounts):

Bank	Purpose	Par value in thousands	Currency	Date of issuance	Deadline	Rate	Nature of rate	Balance sheet value at 29/02/2020 in thousands of euros	The fair value at 29/02/2020 in thousands of euros
CIC	Premises development loan	70	EUR	05/06/2012	05/07/2019	4,00 %	fixed	-	-
CIC	Computer stations and CAD software	165	EUR	05/04/2015	05/03/2020	2,00 %	fixed	3	3
BPI	Export loan	194	EUR	30/04/2015	31/01/2022	4,20 %	fixed	78	78
HSBC	Material	150	EUR	01/08/2012	01/08/2019	3,52 %	fixed	-	-
CIC	Works loan	50	EUR	05/08/2015	05/07/2020	2,00 %	fixed	4	4
BPI	Export loan	150	EUR	31/08/2015	31/08/2022	4,54 %	fixed	83	83
Caisse d'Epargne	Premises development loan	75	EUR	22/10/2015	01/02/2021	1,00 %	fixed	15	15
HSBC	Computer licenses and modules	48	EUR	01/02/2016	01/02/2021	1,38 %	fixed	-	-
HSBC	Maintenance equipment	20	EUR	14/03/2016	01/04/2021	1,38 %	fixed		
SG	Premises development loan	50	EUR	01/04/2016	01/03/2021	0,90 %	fixed	11	11
BNP	R&D Project	450	EUR	23/05/2016	23/05/2019	1,50 %	fixed	-	-
Caisse d'Epargne	R&D Project	250	EUR	19/09/2016	05/10/2021	1,60 %	fixed	106	106
BNP	Investments	500	EUR	07/03/2018	16/02/2021	1,50 %	fixed	169	169
BNP	Investments	5,000	EUR	06/12/2018	06/12/2023	1,00 %	fixed	4,020	4,020
BNP	External growth	15,000	EUR	04/12/2019	04/11/2024	2,25 %	variable Euribor index 1 month (0% currently)	15,000	15,000
HSBC	Material	665	GBP	27/08/2015	27/08/2022	1,40 %	variable + Bank of England base rate (0.1% currently)	328	328
								19,817	**19,817**

The line “Other financial debts” corresponds to debts to minority shareholders, registered in the context of business combinations.

RENTAL DEBTS

The increase in rental debts of EUR 13.5 million is linked in particular to the signing of a lease for the "Le Capitole" building complex for EUR 8.5 million. The share of the Boston Ltd sub-group represents EUR 1,168k (including EUR 820k non-current) in rental debts as of 29 February 2020.

FUNDING DEBTS

In order to ensure the funding of the contract with Blade, the Group has set up sales and lease-back contracts with banking organizations, relating to the servers received by the customer Blade. The operation is as follows:

- Each delivery of servers to Blade is backed by a sale transaction by sale-leaseback transaction with a banking organization. As part of this, this organization finances the servers delivered to Blade and this funding is reimbursed over 36 to 48 months.
- In accordance with IFRS 15, the legal transaction of transfer to banking organizations is not classified as a sale and therefore no turnover is recorded by the Group. The funding received is registered as debt.

There is no guarantee or real security on the funded goods.

These contracts were treated as funding obtained by the Group and the amounts received from banking organizations were treated as financial debts. The main characteristics are as follows:

Banks	Amount financed excl. VAT [Amount received]	Lease duration	1st rent increased	Quarterly rent	Term	Start date	End date	Purchase option	Rate
NCM	1,314,582	36 months		118,273	Due	01/10/2017	01/10/2020	13,148	5,34 %
LIXXBAIL ETICA	4,000,000	48 months	600,000	237,604	Due	15/10/2017	15/10/2021	None	4,61 %
CM CIC	2,095,600	36 months		182,315	Due	16/10/2017	16/10/2020	20,956	3,68 %
NCM	2,629,164	36 months		236,645	Due	31/10/2017	31/10/2020	26,292	5,32 %
NCM	1,450,800	36 months		130,485	Due	30/11/2017	30/11/2020	14,508	5,32 %
NCM	624,000	36 months		56,141	Due	01/01/2018	31/12/2020	6,240	5,34 %
LIXXBAIL ETICA	2,500,562	36 months	375,084	193,891	Due	15/01/2018	15/12/2020	None	4,20 %
LIXXBAIL ETICA	3,003,763	36 months	450,564	235,648	Due	01/06/2018	01/05/2021	None	5,00 %
LEASE EXPANSION	1,999,979	36 months		175,539	Due	01/06/2018	01/05/2021	None	3,60 %
LEASE EXPANSION	2,958,027	36 months		250,830	Due	01/12/2017	01/12/2020	150	1,20 %
NCM	1,600,408	60 months		87,718	Due	12/11/2019	13/11/2024	8,002	3,67 %
NCM	1,515,556	60 months		83,719	Due	01/11/2019	01/11/2024	7,578	3,99 %
NCM	-981,431	54 months		-55,500	Due	01/11/2019	01/11/2024	-10,049	0,78 %
NCM	2,372,203	60 months		131,017	Due	29/03/2019	29/03/2024	11,861	3,99 %

Regarding funding debts, the main variations during the period concern:

- Under the Blade contract, reimbursements on all contracts for the period, which amounted to EUR 7,675,000;
- A new funding contract, by leasing of EUR 4.5 million was signed with Arius (BNP subsidiary) for a period of 60 months and is entered on the line "Other funding debts" (detail of the operation in 7.3.4.5).

The maturities of financial debts break down as follows:

Terms and repayment schedule of financial debts (Amounts in EUR k)	29/02/2020			
	Total	< 1 year	From 1 to 5 years	> 5 years
Repayable advances	**453**	113	340	
Preference shares	**3,421**			3,421
Bank overdrafts	**2,717**	2,717		
Rental debts	**17,662**	2,137	15,525	
Funding debts	**22,193**	6,672	15,521	
Loans from credit institutions	**22,971**	4,828	18,143	
Other loans	**131**	131		
The situation at the end of the 2020.02 financial year	**69,547**	**16,597**	**49,529**	**3,421**

The table below shows the transactions entered in financial debts during the year:

(Amounts in EUR k)	31/12/2018	Cash received	Cash disbursed	Others	29/02/2020
Loans from credit institutions	6,066	20,106	(3,201)		22,971
Bank overdrafts and accrued interest	9	2,708			2,717
Repayable advances	341			112	453
Blade funding debts	14,440		(7,675)	91	6,856
Funding debts Others		4,507	(706)		3,801
Preference shares	3,325			96	3,421
Rental debts	4,177		(1,834)	15,319	17,662
Other financial debts	-			11,536	11,536
Other current loans	-	115		16	131
Total	**28,358**	**27,436**	**(13,416)**	**27,170**	**69,547**

The increase in loans from credit institutions comes mainly from the loan taken out for the acquisition of Boston for EUR 15 million.

The "Other" transactions mainly relate to variations in accrued interest not yet due, and the increase in rental debts, following the signing of new contracts, mainly in France (Green Data and 2CRSi real estate contracts).

“Other financial debts” are debts vis-à-vis minority shareholders, registered in the context of business combinations.

6.7.5.10. Fair value of financial instruments

With regard to the fair value of financial assets and liabilities, no significant event occurred during the financial year ending on 29 February 2020. With the exception of the modification of the titles of the various categories of assets and the discounting of the debt linked to the put, the implementation of IFRS 9 did not result in any significant modification with regard to the valuation methods of book values, as well as fair value levels presented as of 29 February 2019.

The EUR 15 million loan contracted on 4 December 2019 is subject to compliance with certain covenants.

Indeed, the financial ratios (R1, R2, and R4) below must be maintained, at each test date for the test period considered, at a level lower than those indicated in the table below:

- R1 = Net Financial Debt / EBITDA for the Boston Ltd Group Scope calculated semi-annually and for the first time on 29/02/2020
- R2 = Net Financial Debt / EBITDA for the Group's Consolidated Scope calculated semi-annually and for the first time on 28/02/2021
- R4 = Net Financial Debt / Equity, for the Scope of the former 2CRSi calculated semi-annually and for the first time on 29/02/2020

Date of test	R1 ratio less than	R2 ratio less than	R4 ratio less than
29/02/2020 and 30/08/2020	3 x	N/A	60 %
from 28/02/21 to 30/08/2024	2,5 x	2,5 x	60 %

The R1 and R4 ratios are respected on 29/02/2020.

The company also undertakes to maintain a gross cash level (increased by the confirmed portion not drawn from any short-term debt) greater than EUR 10 million, within the scope of the former 2CRSi group, at the balance sheet date of each accounting quarter, and for the first time on 31/05/2020, until the date of reimbursement of all amounts due.

6.7.5.11. Payables

Trade payables (Amounts in EUR k)	29/02/2020	31/12/2018
Payables	16,986	16,544
Invoices not received	3,350	670
Total trade payables	**20,336**	**17,214**

The share of trade debts of the former 2CRSi group amounted to EUR 6,378k on 29/02/20, and the decrease is due to the strong activity in November and December 2018 (deliveries to Blade mainly), compared to lower activity at the end of the year, due to the pandemic and supply difficulties encountered since January 2020.

6.7.5.12. Other current liabilities

Other current liabilities (Amounts in EUR k)	29/02/2020	31/12/2018
Advances and advance deposits on customer orders	1,662	484
Customer credit notes and trade creditors discounts, remissions, and concessions	1,194	-
Liabilities on non-monetary contracts	3,560	1,085
Corporate debts	2,488	885
Fiscal debts	5,778	(75)
Dividends payable	755	
Income tax payable	75	
Other payables	1,230	-
Total other current liabilities	**16,742**	**2,378**

6.7.5.13. Employee benefits

SHORT-TERM BENEFITS, AND POST-EMPLOYMENT BENEFIT SCHEMES, WITH DEFINED CONTRIBUTIONS

The Group registered in “Staff costs” the amount of short-term benefits, as well as the contributions payable under general and mandatory retirement schemes. Not being committed beyond these contributions, the Group does not record any provision for these schemes.

POST-EMPLOYMENT BENEFIT SCHEMES WITH DEFINED CONTRIBUTIONS

Pension schemes, similar allowances, and other social benefits, which are analysed as defined benefit schemes (a scheme in which the Company undertakes to guarantee a defined amount, or level of benefit) are registered in the balance sheet on the basis of an actuarial valuation of commitments at the balance sheet date.

This assessment is based on the use of the projected unit credit method, taking into account staff turnover and mortality probabilities. Any actuarial differences are registered in shareholders' equity, under "other comprehensive income".

Employee benefit obligations are made up of the provision for end-of-career allowances, assessed on the basis of the provisions provided for by the applicable collective agreement, namely, for employees of the 2CRSI company, the National collective agreement for technical design offices, consulting engineering firms, and consulting firms and, for employees of Boston France (e.g. Adimes), the National Collective Agreement for Wholesale Trade.

This obligation only concerns employees subject to French law and amounted to EUR 386k as of 29 February 2019, compared to EUR 208k as of 31 December 2018. It takes into account past service costs of EUR 117k, financial costs, of EUR 4k, and actuarial costs, of EUR 56k.

6.7.6. Further information

6.7.6.1. Rental contracts as lessee

MANAGEMENT ESTIMATES AND PRACTICAL EXPEDIENT

As permitted by IFRS 16, the Group has chosen not to apply the provisions of the standard to their short-term leases, and to their contracts where the underlying assets are of low value.

The rental periods used by the Group reflect the non-cancellable terms of each contract, to which have been added any extension option, or any option to terminate contracts, which the Group is reasonably certain to exercise or not to exercise. Thus, for real estate leases, the maximum duration of which is of 9 years, with a possible exit at 3 and 6 years, the period retained is of 6 years, with the exception of a commercial lease, for which the last three-year period is committed, and for which the period retained is thus of 9 years. Indeed, the management is not reasonably certain of keeping their premises beyond this period, given (i) the lack of strategic nature of the location and (ii) the prices which do not present any incentive advantage, compared to market prices. For rental contracts for vehicles and servers used internally, as part of research and development activities, the period used is that of the contracts.

Finally, the discount rate used for valuing the rental obligation is the loan rate, which the Lessee would have obtained if they had used their bank to finance the acquisition of the leased property.

VARIATION OF RIGHTS OF USE BY CATEGORY

User rights (Amounts in EUR k)	Real estate leases	Transport equipment	Others	Total
Gross value on 31 December 2018	2,902	315	2,656	5,873
Cumulative amortization and depreciation	-810	-224	-600	1,634
Net value on 31 December 2018	**2,092**	**91**	**2,056**	**4,239**
Investments	11,313			11,313
Entry into scope of consolidation	1,786			1,786
Gross value on 29 February 2019	16,001	315	2,656	18,972
Amortization and depreciation	1,575	-72	-377	-
Net value on 29 February 2020	**13,616**	**19**	**1,679**	**15,314**

6.7.6.2. Related parties

RELATED PARTY TRANSACTIONS

According to IAS 24, “Information relating to related parties”, a related party is a natural or legal person that is related to the entity that presents their financial statements.

These can be any of the following:

- A person or company that exercises control over the Group;
- An associated company of the Group;
- An important member of the Company's management team (or a member of their family).

A transaction with a related party involves a transfer of goods, services or obligations between the Group and the related party.

Transactions with related parties identified as of 29 February 2019 are as follows:

Related parties (Amounts in EUR k)	HAW		ALISPALU		GAMESTREAM		BLADE		Boston IT Solutions (India)	
	29/02/2020	31/12/2018	29/02/2020	31/12/2018	29/02/2020	31/12/2018	29/02/2020	31/12/2018	29/02/2020	31/12/2018
Other revenue	2	2	102	127	1	-				-
External costs		-80	-	-	-	-	-		-	-
Sales of products & merchandise		-	-	-	160	-	1260		999	-
Consumables purchased		-	-	-101	-	-	-		-	-
Financial revenue	1	-	-	-	1	-	1,664			-
Total	**3**	**-78**	**102**	**26**	**162**	**0**	**2,924**	**0**	**999**	**0**

During the 2019/2020 financial year, there was no significant variation in the nature of transactions with related parties compared to 31 December 2018.

REMUNERATION OF OFFICERS

The gross compensation of corporate officers amounted to EUR 451,795 for the year, including EUR 13,800 in benefits in kind.

The gross compensation of the members of the Board of Directors amounts to EUR 41,000 for the year (including EUR 10,000 of compensation provisioned for January and February 2020). The sum of EUR 31,000 corresponds to the gross amount of attendance fees allocated to directors for the calendar year 2019, to which is added the compensation granted to the censor of EUR 10,500.

6.7.6.3. Financial risk management and assessment

The 2CRSI group may be exposed to different types of financial risk: market risk, credit risk and liquidity risk. The group implements simple measures proportionate to their size to minimize the potentially unfavourable effects of these risks on financial performance. The group's policy is not to subscribe to financial instruments for speculative purposes.

CREDIT RISK

Credit risk represents the risk of financial loss for the Group in the event that a customer or counterparty to a financial instrument fails to meet their contractual obligations.

The Group assesses the solvency risk of their customers. This solvency takes into account both elements purely internal to the Group, but also contextual elements, such as their geographical location, the global economic situation, and the prospects for sector development.

The Group is not exposed to any significant credit risk, which is mainly concentrated on trade receivables. The net book value of receivables registered reflects the fair value of net cash flows to be received, estimated by management, based on information at the balance sheet date. The Group has not taken into account any guarantees or any compensation agreements with liabilities of the same maturity to perform impairment tests on financial assets.

There are no significant non-impaired mature financial assets.

The banks with which the Group has closed relations have all met the requirements of the solvency tests provided for by EU regulations.

Credit risk exists when a possible loss can occur if a customer cannot honour their obligations on time. The Group requires their customers to pay down payments on each first order, or if the authorized customer outstanding is exceeded.

INTEREST RATE RISK

The Group is exposed to the risk of exchange rate fluctuations on commercial and financial transactions that are carried out in a currency other than the functional currency of the Group entity that records them.

Because of their international presence, the Group is naturally exposed to fluctuations in foreign currencies (excluding the Euro, their functional and reporting currency), in which their operations are carried out (profit transaction and conversion risks), and in which their assets and liabilities are denominated. The Group makes nearly 80% of their supplies in USD and invoices nearly 55% in USD.

Intra-group transactions are mainly carried out in the currencies of the company issuing the invoice. This helps ensure self-coverage

At the end of 2018, the Group had no forward currency purchase commitments.

As the group’s debt is mainly fixed rate, the group does not face much interest rate risk.

The list of loans and their characteristics is given in note 6.6.5.9.

LIQUIDITY RISK

Liquidity risk corresponds to the Group's ability to have financial resources in order to meet their commitments, namely the risk for the Group of not being able to repay their debts.

The Group uses diversified sources of funding, in particular:

- loans from banking institutions;
- funding and guarantees from the BPI;
- repayable advances and subsidies; and
- sale-leaseback contracts.

Net financial debt stood at EUR 59.4 million as of 29 February 2020 and includes EUR 17.7 million in rental debts (IFRS 16) and EUR 15 million in financial debts related to earn-out clauses and put options granted to minority shareholders in Boston Ltd, as well as to Preference Shares.

The EUR 15 million loan, which made it possible to finance the acquisition of the Boston Ltd securities in December 2019, is subject to covenants relating to the Group's cash flow, as well as to debt ratios (see section 6.5.5.10). In addition, the former group 2CRSi did not respect, on 31/05/2020, the cash flow agreed in the senior loan contract concluded on 05/12/2019. Warned of the non-respect of this commitment, the bank confirmed that they were waiving the early repayment of the debt.

Thus, the Group has entered into a cash flow agreement with all of their subsidiaries enabling them, where applicable, to optimize the management of their resources.

At the end of June, the group's gross cash flow amounted to EUR 8.6 million, additional to the lines of financing worth EUR 9.3 million (bank overdraft, undrawn short-term lines of credit).

The principle of continuity of operation has been adopted by the shareholders on the basis of the cash flow available on 29 February 2020, and the funding to be obtained, which should make it possible to cover the Group's forecast cash flow requirements.

6.7.6.4. Contingent liabilities

No contingent liability is known at the closing date of these consolidated financial statements.

Two labour disputes arose during the financial year ending on 29 February 2020. The first is provisioned for EUR 21,000 and the company considers that the claims on the second, the total of which is of EUR 321,000, are unfounded. Consequently, no provision has been recorded on the second. The other provisions correspond to provisions for guarantees at Boston.

6.7.6.5. Off-balance sheet commitments

Off-balance sheet commitments in EUR k (excluding rental and credit leases)	Outstanding commitments	Commitments received
Business collaterals	3	
Green Data Security Collaterals	6	
Boston Security Collaterals	15,000	
2CRSi joint surety (Green Data lease)	1,452	
Caution BPI		64
Loan insurance delegation		5,000
BPI guarantee on overdraft authorisation		2,025
Personal surety natural person		11
Guarantee to CERN (USD 181,275)	165	
Guarantee on import line (GBP 3,395,048)	3,979	
Guarantee on customer discount line (GBP 1,601,111)	1,877	
Loan Guarantee (GBP 279,599)	328	

6.7.6.6. Statutory auditors' fees

Statutory auditors' fees (Amounts in EUR k)	ON 29/02/2020		ON 31/12/2018	
	EY	SFR	EY	KPMG
Statutory audit, certification, limited review of individual and consolidated financial statements	**196**	**105**	**148**	**130**
Parent company	187	105	130	130
Fully consolidated subsidiaries	9	-	18	-
Services other than statutory audit	**123**	**6**	**227**	**181**
Parent company	123	6	227	181
Total	**319**	**111**	**375**	**311**

Services other than the certification of accounts mainly concern:

- the services provided by Ernst & Young Audit and their network in the context of accounting and financial due diligence carried out with a view to the acquisition of Boston Ltd;
- the services provided by SFR and their network within the framework of a certificate relating to the expenditure relating to the OpenBlade project, within the framework of the award of two innovation grants.

6.8. REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

SOCIETE FIDUCIAIRE DE REVISION S.A.

ERNST & YOUNG Audit

2CRSI

Fourteen-month financial year ended on 29 February 2020

Statutory auditors' report on the consolidated financial statements

SOCIETE FIDUCIAIRE DE REVISION S.A.

2, avenue de Bruxelles

68350 Didenheim

S.A. with a capital of EUR 76,225

339 304 230 R.C.S. Mulhouse

ERNST & YOUNG Audit

Tour Europe

20, place des Halles

P.O. BOX 80004

67081 Strasbourg cedex

S.A.S. with variable capital

344 366 315 R.C.S. [Trade and Companies Register] Nanterre

Statutory Auditor

Regional company member

of Colmar

Statutory Auditor

Regional company member

of Versailles

2CRSI

Fourteen-month financial year ended on 29 February 2020

Statutory auditors' report on the consolidated financial statements

At the General Meeting of 2CRSI,

Opinion

Performing the mission entrusted to us by your general meeting and by decisions of the partners, we have audited the consolidated accounts of the company 2CRSI relating to the fourteen-month financial year ended on 29 February 2020, such as they are attached to this report. These accounts were closed by the Board of Directors on 31 August 2020 on the basis of the information available on that date in an evolving context of the health crisis linked to Covid-19.

We certify that the consolidated financial statements are, with regard to the IFRS standards as adopted in the European Union, regular and sincere and give a faithful image of the results of operations for the past financial year as well as of the financial situation and assets, at the end of the year, of the group made up of the persons and entities included in the consolidation.

The opinion expressed above is consistent with the content of our report to the audit committee.

Basis of opinion

Audit framework

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

The responsibilities incumbent upon us under these standards are indicated in the section "Responsibilities of the statutory auditors relating to the audit of the consolidated financial statements" of this report.

Independence

We carried out our audit mission in compliance with the independence rules applicable to us, over the period from 1 January 2019 to the date of issuance of our report, and in particular, we did not provide services prohibited by Article 5, paragraph 1, of Regulation (EU) No 537/2014 or by the Code of ethics of the profession of auditor.

Justification of our assessments - Key points of the audit

In application of the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the consolidated financial statements for the year, as well as the responses we have provided to these risks.

The assessments thus made fall within the context of the audit of the consolidated financial statements taken as a whole, drawn up under the conditions recalled above, and the formation of our opinion expressed above. We do not express an opinion on elements of these consolidated financial statements taken in isolation.

Takeover of Boston Ltd and allocation of the purchase price

Risk identified	Our response
As indicated in note 6.1.5 to the consolidated financial statements, your group has acquired a 70% stake in the capital of Boston Ltd (an international company in the integration, marketing, and sale of IT equipment) on 18 November 2019. The operation includes price revision clauses and cross-options to buy and sell the remaining securities, namely 30% valid for five years. The fair value of the acquired payment has been estimated by your group at EUR M 26.1, including the debt registered in "Other financial debts" for the fair value of the earn-outs and the put option, of which benefit minority shareholders. In addition, since minority shareholders do not have access to dividends, the income of Boston Ltd is recorded at 100% in your group share. This transaction resulted in the accounting at fair value of the assets acquired and liabilities assumed from Boston Ltd and provisional goodwill of EUR 4.8 million. Your group has twelve months from the date of acquisition to adjust the value of the assets acquired and the liabilities assumed. We considered this transaction to be a key point of the audit due to (i) the importance of the assets acquired and the liabilities assumed and the significant contribution of Boston Ltd and (ii) the use of estimates, to register the assets acquired and liabilities assumed at their fair value.	The work we carried out mainly consisted of: ▶ studying the clauses of the shareholders' agreement, in order to examine the control analysis carried out by your group with regard to the criteria of IFRS 10, concluding that your group has control; ▶ examining the relevance of the methodology applied to identify the assets acquired and the liabilities assumed, and their valuation at fair value, by including our valuation experts in our audit team, and in particular assess the assumptions used to assess the customer relationship and brand; ▶ examining the information given in the appendix to the consolidated financial statements.

- **Assessment of the right to use the Nanterre premises**

Risk identified	Our response
As indicated in note 6.1.5 of the appendix to the consolidated financial statements, your group leased the premises in Nanterre on 15 April 2019. Their objective is to: ▶ *develop and operate data centres, market a Housing service;* ▶ *deploy on-demand service platforms for 3D rendering of film studios, risk calculations for banks and insurance companies, scientific calculations for industry, cloud gaming.* This operation resulted in the registration under this lease of a right of use presented in the balance sheet under "Construction" within tangible fixed assets, in return for a rental debt. The rights of use corresponding to this lease were registered in the amount of EUR 8.5 million and amortized for EUR 0.8 million during the year We considered the assessment of the right to use the Nanterre premises as a key point of the audit due to (I) its significant value in your group's accounts and (II) the necessary judgment of management to assess its duration.	The work we carried out mainly consisted of: ▶ studying the clauses of the lease contract, in order to examine the analysis of the lease term carried out by your group with regard to the criteria of IFRS 16; ▶ examining the relevance of the methodology applied and the assumptions made for the assessment of the right of use; ▶ examining the information given in the appendix to the consolidated financial statements.

- **Existence and completeness of recorded inventories**

Risk identified	Our response
Inventories of raw materials and merchandise represented a gross amount of EUR 34.5 million and finished products and work in progress represented a gross value of EUR 2.3 million at the end of the financial year. As indicated in note 6.7.5.5 to the appendix to the consolidated financial statements, inventories of raw materials and goods, mainly consisting of electronic components, are valued at their acquisition cost (purchase price and incidental costs). The finished products are valued at their production cost and the work in progress has been valued according to the same principles, depending on their progress in manufacturing. Given the importance of these assets in the balance sheet and in view of the significant number of references stored by your company, we consider that there is a risk on the existence and exhaustiveness of inventories (references counted at zero or not counted) which we considered a key point of the audit.	The work we carried out mainly consisted of: ▶ assisting with the physical inventories of the main companies within the scope of the consolidated financial statements (2CRSI, 2CRSI Corp., Boston France, and Boston Ltd.) and carry out sample counts from the listing of inventories (tests on existence) and physical inventories (completeness tests); ▶ reconciling our counts of the accounting quantities in inventories at the end of the year; ▶ carrying out detailed tests, by sampling, on the correct connection to the financial year of the last deliveries and shipments.

- **Correct connection to the financial year of the turnover of equipment delivery**

Risk identified	Our response
As of 29 February 2020, your group achieved a turnover of EUR 77 million, of which EUR 74.5 million correspond to sales of finished products and merchandise (deliveries of equipment). Note 6.7.4.1 of the appendix to the consolidated financial statements describes the methods for recording turnover relating to equipment deliveries. Delivery of hardware is defined as the delivery of assembled components and servers. We considered the correct connection of turnover relating to equipment deliveries to the financial year as a key point of the audit, due to the seasonality of the activity (high activity at the end of the year), and the sensitivity of the achievement of the objectives communicated to the market.	The work we carried out mainly consisted of: ▶ familiarizing with the internal control procedures for registering turnover; ▶ examining the methods for recording sales related to contracts containing specific clauses likely to impact the registration of turnover, particularly at the end of the year; ▶ obtaining external confirmations for a sample of invoices not yet paid by 29 February 2020; ▶ Using end-of-year sales journals and post-balance sheet date sales journals, carry out detailed tests on the correct connection, and the reality of sales for the year, by matching them with supporting documents (delivery slips and acceptance reports signed by the customer and invoices).

Specific verifications

We have also carried out, in accordance with professional standards applicable in France, the specific verifications required by legal and regulatory texts of information relating to the group, given in the management report of the Board of Directors approved on 31 August 2020. Regarding the events that have occurred, and the elements that became known, after the balance sheet date, relating to the effects of the crisis linked to Covid-19, management has informed us that they will be the subject of communication at the general meeting called to rule on the accounts.

We have no comments to make on their sincerity and their consistency with the consolidated financial statements.

Information resulting from other legal and regulatory obligations

Appointment of Statutory auditors

We were appointed as statutory auditors of the company 2CRSI, by your general meeting of 13 June 2019, in case of the firm FIDUCIAIRE DE REVISION S.A. and of 25 September 2017, in the case of the firm ERNST & YOUNG Audit.

As of 29 February 2020, the firm FIDUCIAIRE DE REVISION SA was in the first year of their mission, and the firm ERNST & YOUNG Audit, in the third year (including two years since the securities of the company were admitted to trading on a regulated market).

Responsibilities of management and those charged with governance relating to the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements presenting a true and fair view in accordance with IFRS standards, as adopted in the European Union, as well as to put in place the internal control that they deem necessary for the establishment of consolidated financial statements that do not contain any significant anomalies, whether these result from fraud or result from errors.

When preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue operating, to present in these financial statements, where applicable, the necessary information relating to the continuity of operation, and apply the accounting convention to the continuation of operation unless it is planned to liquidate the company or cease their activity.

It is the responsibility of the audit committee to monitor the process of preparing financial information, and to monitor the effectiveness of the internal control and risk management systems, as well as, where applicable, of the internal audit, with regard to procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were closed by the board of directors.

Responsibilities of the statutory auditors relating to the audit of the consolidated financial statements

Audit objective and approach

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements, taken as a whole, do not contain any material anomalies. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit carried out in accordance with professional standards will systematically detect any material anomalies. Anomalies may arise from fraud or result from errors and are considered material when it can reasonably be expected that they could, taken individually or in aggregate, influence the economic decisions that the users of the accounts make, in particular, based on these.

As specified by article L. 823-10-1 of the French Commercial Code, our mission of certifying the accounts does not consist in guaranteeing the viability or the quality of the management of your company.

As part of an audit carried out in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout this audit. Additional considerations:

- they identify and assess the risks that the consolidated financial statements contain material anomalies, whether these result from fraud or result from errors, define and implement audit procedures in the face of these risks, and collect the elements that they consider sufficient and appropriate to provide a basis for their opinion. The risk of non-detection of a material anomaly resulting from fraud is higher than that of a material anomaly resulting from an error, because fraud can involve collusion, falsification, intentional omissions, false declarations or bypassing internal control;

- they acknowledge the internal control relevant to the audit in order to define the appropriate audit procedures in the circumstances, and not with the aim of expressing an opinion on the effectiveness of the internal control;

- they assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information concerning them provided in the consolidated financial statements;

- they assess the appropriateness of management's application of continuity of operation accounting policy and, depending on the information collected, the existence or not of a significant uncertainty related to events, or to circumstances likely to in question the ability of the company to continue operating. This assessment is based on the information collected up to the date of its report, it is however recalled that subsequent circumstances or events could call into question the continuity of operation. If they conclude that there is a material uncertainty, they draw the attention of readers of their report to the information provided in the consolidated financial statements about this uncertainty or, if this information is not provided or is not relevant, they formulate a certification with reservation or a refusal to certify;

- they assess the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements reflect the underlying transactions and events so as to give a true and fair view;

- concerning the financial information of the people or entities included in the scope of consolidation, they collect information that they consider sufficient and appropriate to express an opinion on the consolidated financial statements. They are responsible for directing, supervising, and performing the audit of the consolidated financial statements, as well as the opinion expressed on these accounts.

Report to the audit committee

We provide the audit committee with a report that presents, among other things, the scope of the audit work, and the work program implemented, as well as the conclusions arising from our work. We also bring to their attention, where applicable, the significant weaknesses in internal control that we have identified, with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements communicated in the report to the audit committee are the risks of material misstatement, which we consider to have been the most important for the audit of the consolidated financial statements for the year, and which therefore constitute the key points of the audit, that is our responsibility to describe in this report.

We also provide the audit committee with the declaration provided for in Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France as laid down in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Code of ethics of the profession of auditor. Where applicable, we discuss with the audit committee the risks to our independence and the safeguards applied.

Didenheim and Strasbourg, 31 August 2020

Statutory Auditors

SOCIETE FIDUCIAIRE DE REVISION S.A.

ERNST & YOUNG Audit

Thierry Liesenfeld

Véronique Habé

Alban de Claverie

7. CORPORATE ACCOUNTS OF 2CRSi SA

7.1. 2CRSi SA INCOME STATEMENT

Headings	France	Export	Net amount (14 months)	Amounts N-1 (12 months)
Sales of goods and finished products	20,080,368	24,533,866	44,614,234	62,120,861
Sold production of services	7,331,283	2,771,131	10,102,414	8,070,913
Net turnover	**27,411,651**	**27,304,997**	**54,716,648**	**70,191,774**
Production transferred to inventory			825,883	(251,265)
Fixed asset production			726,054	588,645
Operating subsidies				
Reversal of depreciation and provisions, transfer of charges			1,022,844	167,896
Other revenue			1,155,987	489,377
Operating revenue			**58,447416**	**71,186,427**
Purchases of goods, raw materials and other supplies (including customs duties)			29,112,805	61,499,455
Inventory changes (raw materials, goods and supplies)			4,716,919	(13,200,575)
Other purchases and external expenses			16,763,572	11,139,010
Duties, taxes and similar levies			447,535	317,895
Salaries and wages			5,126,112	2,716,066
Social security contributions			2,082,976	1,091,946
Depreciation allowance for fixed assets			1,155,685	669,705
Fixed assets allowances				
Allocations to provisions on working capital			870,955	751,788
Allocations to provisions for risks and liabilities			100,720	111,882
Other expenses			361,971	619,490
Operating Expenses			60,739,250	65,716,662
Operating revenue			**(2,291,834)**	**5,469,765**
Profit attributed or loss transferred				
Loss incurred or profit transferred				
Financial participation income				
Income from other securities and receivables from fixed assets				1,104
Other interests and similar revenue			2,028,760	88,868
Reversals of provisions and expense transfers			16,209	
Exchange rate gains			149,850	392,851
Net revenue from sale of marketable securities				
Financial revenue			**2,194,819**	**482,823**
Financial allowances to depreciation and provisions			1,758	204,609
Interest and related charges			177,003	99,438
Exchange rate losses			61,426	627,445
Net expense from the sale of marketable securities				
Financial expenses			**240,187**	**931,492**
Financial income			**1,954,632**	**(448,669)**
Current income before tax			**(337,202)**	**5,021,096**

Income statement (continued)		
Headings	**Amount N (14 months)**	**Amount N-1 (12 months)**
Exceptional income on management operations	20,796	38,571
Exceptional income on capital transactions	37,843	12,710
Reversals of provisions and expense transfers		
Non-recurring revenue	**58,639**	**51,281**
Exceptional charges on management operations	17,452	54,998
Exceptional charges on capital transactions	170,937	693,385
Exceptional depreciation allowances and provisions		
Non-recurring expenses	**188,389**	**748,383**
Exceptional income	**(129,750)**	**(697,102)**
Employee participation in the company's income		
Income tax	**(645,708)**	**(417,908)**
Total income	**60,700,874**	**71,720,531**
Total expenses	**60,522,118**	**66,978,629**
Profit or loss	**178,756**	**4,741,902**

7.2. BALANCE SHEET OF 2CRSi SA

Headings	Gross amount	Depreciation	Net amount N (14 months)	Net amount N-1 (12 months)
Uncalled subscribed capital				
Start-up expenses				
Development costs	2,597,099	1,228,603	1,368,496	476,740
Concessions, patents and similar rights	251,172	177,122	74,050	76,829
Goodwill				
Other intangible fixed assets	7,023		7,023	588,645
Advances and deposits related to intangible assets				
Land				
Buildings	533,400	140,318	393,082	224,508
Plant, industrial equipment and tools	631,896	416,958	214,938	425,466
Other tangible fixed assets	1,964,401	649,514	1,314,887	1,196,864
Capital assets in progress				43,501
Advances and prepayments				
Investments valued using the equity method				
Other equity interests	3,196,980	188,400	3,008,580	1,003,179
Receivables related to equity investments	16,123,389		16,123,389	
Other fixed assets				
Loans				
Other long-term financial investments	437,556	1,758	435,798	461,244
Fixed assets	**25,742,916**	**2,802,673**	**22,940,243**	**4,496,976**
Inventories of raw materials, supplies	3,038		3,038	6,434
Inventories of goods in progress	102,665		102,665	218,003
Production of services inventories in progress				
Inventories of goods and finished products	14,810,863	421,400	14,389,463	18,355,736
Advances, advance deposits paid on orders	113,197		113,197	400
Trade receivables and related accounts	7,439,519	449,554	6,989,965	41,173,679
Other receivables	37,073,885		37,073,885	7,830,709
Subscribed and called capital, unpaid				
Transferrable securities of which own shares:				
Liquid assets	3,781,061		3,781,061	12,809,920
Prepaid expenses	2,221,188		2,221,188	2,862,085
Working Capital	**65,545,416**	**870,954**	**64,674,462**	**83,256,966**
Loan issuance expenses to be amortised				
Bond redemption premiums				
Asset conversion differences	**7,303**		**7,303**	**76,882**
TOTAL	**91,295,635**	**3,673,627**	**87,622,008**	**87,830,824**

Balance sheet Liabilities

Headings	Net amount (14 months)	Net amount N-1 (12 months)
Share or individual capital (of which paid: 1,596,909)	1,596,909	1,596,909
Share issue, merger and contribution premiums,...	48,576,864	48,576,864
Revaluation differences (including difference in equivalence:)		
Statutory reserve	160,051	75,209
Statutory or contractual reserves		
Regulated reserves (Including special reserve for provisions for price fluctuations:)	16,036	16,036
s reserves (of which reserve relating to the purchase of original works by living artists :)	1,040,006	1,040,006
Carried forward	4,482,060	
INCOME OF THE FINANCIAL YEAR	**178,756**	**4,741,902**
Investment subsidies		
Regulated provisions		
Shareholders' equity	**56,050,682**	**56,046,926**
Proceeds from the issuance of participating securities		
Conditional advances	452,722	350,000
Other Equity	**452,722**	**350,000**
Provision for contingencies	7,303	111,882
Provision for liabilities		
Provisions for risks and liabilities	**7,303**	**111,882**
Convertible bonds		
Other bonds		
Borrowings and debt with credit institutions	19,532,6136	016,378
Miscellaneous loans and financial debts (Including participation bonds:)	4,670	7,780
Advances and advance payments for orders in progress	466,822	
Trade payables and related	5,633,822	20,530,759
Tax and social security payables	1,524,603	878,886
Payables on fixed assets and related accounts	6,370	179,747
Other payables	327,937	482,809
Prepaid income	3,356,908	2,970,500
Debts	**30,853,745**	**31,066,859**
Liability conversion differences	**257,556**	**255,157**
TOTAL	**87,622,008**	**87,830,824**

7.3. APPENDIX TO CORPORATE ACCOUNTS OF 2CRSi SA

7.3.1. Significant events - Events subsequent to balance sheet date

SIGNIFICANT EVENTS:

MIDDLE EAST PARTNERSHIPS

The Company and IT distributor "SNB Middle East" announced the signing of a distribution agreement in the Middle East. This strengthened partnership is an important step for the growth of the Group's activities in the region. “SNB Middle East” is a value-added software and hardware distributor that supports information and communications technology (ICT) resellers and integrators. This new agreement extends the partnership to the entire product portfolio of the Group.

CREATION OF THE GREEN DATA SUBSIDIARY

On 28 February 2019, the Board of Directors authorised the creation of a company owned by the Company in a proportion of 55%, while 45% of them is owned by the company Azur Datacenter, in order to lease the set of property called “Le Capitole”, located in Parc des Fontaines, 55 avenue des Champs Pierreux in Nanterre.

Green Data SAS, a company created on 15 March 2019, leased the premises in Nanterre on 15 April 2019. Their purpose is to:

- develop and operate data centres, market a Housing service
- deploy on-demand service platforms for 3D rendering of film studios, risk calculations for banks and insurance companies, scientific calculations for industry, *cloud gaming* etc...

COMPANY AND GROUP STRUCTURING

The year 2019 is a pivotal year for the 2CRSi Group with one priority: changing dimensions, in order to prepare for the acceleration of growth, which should make it possible to achieve the objectives set during the IPO. This transformation, requiring significant investments, was at the heart of the first half.

In order to achieve this transformation, the company continued their investments and some recruitments at the operational level, in particular in Great Britain (2CRSi UK), in order to put in place the necessary structure for the future growth of the activity of the TranquilPC brand.

The sales team has been reorganized and strengthened in Europe, the objective being to set up a dedicated customer experience team to follow up on major projects. The recruitments of senior executives, which began in the last quarter of 2018, continued in order to constitute a full operational committee with the arrival of a financial director, a research and development manager and a human resources director.

ACQUISITION OF A STAKE IN BLADE

On 28 October 2019, 2CRSi announced that they had acquired a stake of EUR 2 million in the company Blade, a specialist in Cloud Computing and member of Next40. The company's stake in Blade is not significant and less than 1%.

Main client of 2CRSi in 2018, Blade has developed a high-end online gaming service, Shadow, and has raised more than EUR 30 million from their former shareholders and new investors, in order to continue their international development, and speed up the number of subscribers.

The acquisition of a stake by 2CRSi, carried out by converting receivables, thus constitutes a new milestone in the privileged partnership between the two companies and illustrates 2CRSi's confidence in the prospects of Blade and in their new management.

ACQUISITION OF BOSTON LIMITED

On 18 November 2019, 2CRSi, through their subsidiary under English law "2CRSi London Ltd", wholly-owned, specially created for this operation on 6 November 2019, acquired 70% of the securities of the company Boston Limited, located in St. Albans in the United Kingdom.

The base price of the transaction is confidential and was financed by a medium-term loan of EUR 15 million, part of a structured funding syndicated by BNP Paribas, with a banking pool and for a marginal part from equity.

In addition to this base price, price supplements may be added for the benefit of former shareholders conditioned on the achievement of EBITDA targets for financial years 2020 to 2023. The contract provides for an option to purchase the remaining 30% minority stake in Boston Limited; this option can be exercised until November 2029.

Boston Limited, a world reference in the integration, marketing and sale of computer equipment, benefiting from the most advanced technologies on the market, has developed a portfolio of more than 1,500 customers in various sectors: high performance computer servers (HPC), television and streaming ("Broadcast"), special effects (VFX), Artificial Intelligence (AI), "Gaming", augmented reality (VR), genome analysis ("Genomics"), smart cities ("Smart Cities") and telecommunications.

With this transaction, 2CRSi is taking a key step in their development, and considerably broadening their international positions and growth potential in new markets, with a diversification of their customer base. Beyond geographical complementarities, the new group will benefit from strong commercial synergies and significant economies of scale, in particular in terms of supplies. Finally, this merger builds on the long-standing relationship between the two groups and their leaders. Beyond this common knowledge, the complementarity of the expertise of 2CRSi (designer and manufacturer) and Boston Limited (integrator and value-added distributor) was at the heart of this operation.

As of 29 February 2020, the debit current account with 2CRSi London Ltd amounts to EUR 14,912K (interest included).

CHANGE IN THE BALANCE SHEET DATE OF THE FINANCIAL YEAR

The shareholders of 2CRSi have decided to modify the balance sheet date of their financial year at the Extraordinary General Meeting of 19 December 2019, to bring it from 31 December to the last day of February. This change will align the financial statements with that of Boston Limited, and present a situation more in line with the seasonality of the business, which has traditionally been strong in the last months of the year.

CREATION OF A SUBSIDIARY IN SINGAPORE

2CRSi Singapore Pte Ltd was created on 10 February 2020 in order to continue the development of the 2CRSi group in Asia. Indeed, the company is already working with certain clients in Singapore, and they target their activity on the "oil & gas", banks, data centres and hosting providers, and Cloud technologies sectors.

The capital of the company was paid in full for SGD 50,000 on 18 March 2020.

EVENTS SUBSEQUENT TO BALANCE SHEET DATE :

COVID-19

The company was impacted due to:

- supply difficulties:
  - Suppliers in the Asian zone have ceased production, resulting in an almost complete shutdown of supplies;
  - Suppliers located in the United States were no longer able to deliver due to the suspension of flights, which had a very strong impact on the transport of components;
  - Local suppliers who, in some cases, have stopped their production.

- ordering difficulties:
  - Prospective customers and many of our customers have closed;

- Prospective, but also regular customers have postponed or suspended their purchases or investment projects given the context.

- difficulties in accessing customer sites, with several closed data centres, which made it impossible for after-sales teams to intervene.

The production and logistics activities were impacted from 16 March 2020, with a greatly reduced team that was maintained to ensure all orders that could still be carried out.

The company benefited from the support measures put in place by the Government, namely the postponement of the payment of employer social security contributions for 2 months (i.e. EUR 240,000), the postponement of part of the leasing deadlines for 6 months (up to EUR 3.1 million), and benefited from the partial activity scheme during the months of March, April and May 2020.

As of the date of this document, a request for a State Guaranteed Loan (PGE) is under consideration, for an amount between EUR 8 and EUR 10 million.

CREATION OF A SUBSIDIARY IN NETHERLANDS

2CRSi BV was created on 23 June 2020 in order to develop sales in the geographic areas of the Nordic countries. The company has hired commercial profiles who have worked in the industry in the Netherlands for many years.

FURTHER INFORMATION

The only litigation in progress is a labour dispute that arose during the financial year ending on 29 February 2020. The company believes that the claims, which total EUR 321,000, are unfounded. Consequently, no provision has been recorded to this day.

As of 31/05/2020, the company does not respect the level of cash agreed in the senior loan agreement concluded on 05/12/2019 (see last paragraph 3.11 Financial debts below). Informed of the noncompliance with this commitment, the bank confirmed that they were waiving the early repayment of the debt.

7.3.2. Accounting rules and methods

The annual accounts for the period have been drawn up and presented in accordance with the general rules applicable in this area and in compliance with the principle of prudence.

The annual accounts have been drawn up in accordance with the provisions of the French Commercial Code and the general chart of accounts in ANC Regulation no. 2014-03.

The balance sheet for the period shows a total of EUR 87,622,008.

The income statement, presented in the form of a list, shows a total of income of EUR 60,700,874 and a total of expenses of EUR 60,522,118, thus generating an income of EUR 178,756.

The considered period begins on 01/01/2019 and ends on 29/02/2020.

It had a duration of 14 months.

The duration of the previous financial year, ending on 31/12/18, was of 12 months.

The general accounting conventions have been applied in accordance with the basic assumptions:

- Continuity of operation
- Consistency of accounting methods from one year to the next
- Independence of financial years.

The basic method used for valuing items recorded in the accounts is the historical cost method.

The main methods used are:

INTANGIBLE FIXED ASSETS

Intangible assets are valued at their acquisition cost, after deduction of rebates, discounts, and cash discounts or at their production cost.

Depreciation is registered when the present value or probable sale price of an asset is less than the net book value.

Development costs are capitalized when the following criteria are met:

- The company has the intention and the technical capacity to bring the development project to fruition;
- There is a high probability that the future economic benefits attributable to the development expenditure will flow to the company, which is generally supported by the existence of orders or contracts;
- Costs can be measured reliably;
- The company has the ability to use or sell the intangible asset;
- The company has the necessary resources to complete the project.

Development costs that do not meet the above criteria and research costs are recorded in the income statement as an expense for the year in which they are incurred.

Development costs are amortized over 3 years, corresponding to the average duration of operation and sale of a solution at 2CRSi.

Depreciation is calculated based on the normal period of use of the goods. The depreciation periods are indicated below:

Types of fixed assets	Mode	Term
Development costs	Linear	3 years
Software	Linear	1 to 6 years
Patents	Linear	3 to 5 years

TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at their acquisition cost, after deduction of rebates, discounts, and cash discounts or at their production cost.

Depreciation is registered when the present value of an asset is less than the net book value.

Depreciation is calculated based on the normal period of use of the goods. The depreciation periods are indicated below:

Types of fixed assets	Mode	Term
Buildings	Linear	6 years
Technological installations	Linear	9 to 20 years
Industrial tools	Linear	5 to 10 years
General installations fittings	Linear	8 to 10 years
Transport equipment	Linear	5 years
Office and IT equipment	Linear	3 to 5 years
Equipment	Linear	8 to 10 years

Non-depreciable items of fixed assets are recorded at their gross value consisting of the purchase cost excluding incidental costs. When the inventory value is less than the gross value, a provision for depreciation is made for the amount of the difference.

LONG-TERM FINANCIAL INVESTMENTS

They consist of equity interests in companies and security deposits.

Equity interests are entered in the balance sheet at their acquisition cost, excluding acquisition fee. Their value is reviewed at the end of each period, with reference to value in use. This is estimated on the basis of the share of shareholders' equity represented by the securities, converted at the closing exchange rate for foreign companies, adjusted if necessary, to take account of the intrinsic value of the companies.

If the value in use of these securities falls below their book value, depreciation is recorded for the difference.

INVENTORY AND WORKS IN PROGRESS

Materials and merchandise were valued at their acquisition cost (last purchase price and incidental costs, rebate or discount deducted).

Products in production were valued at their cost of production.

A provision for depreciation reduces the inventory of goods and raw materials to its realizable value, after deduction of proportional selling costs. A provision for component depreciation is registered when their market price is lower than their acquisition cost.

OPERATING RECEIVABLES

Receivables and payables have been valued at their par value.

The receivables have, where applicable, been depreciated by means of a provision, to take account of the collection difficulties to which they were likely to give rise.

Trade receivables presented in the funding table have been retained at their gross value, in accordance with accounting principles.

BPI ADVANCE CONTRACT

As part of their short-term funding, the company entered into an Advance Plus contract with BPI. Under this contract:

- the assigned receivables are maintained in trade receivables to the extent that the risk of collection is not transferred;
- the drawing rights used at the end of the financial year are shown in other debts;
- holdbacks are presented in other receivables;
- the interest inherent in these contracts is classified as financial expenses, while the commissions are classified as external charges.

LIQUID ASSETS

The cash available at the bank or in the cash register was assessed at its par value.

PROVISIONS FOR RISKS AND LIABILITIES

Provisions for risks and charges aim to cover the risks identified at the balance sheet date, which may give rise to quantifiable charges. They are assessed individually.

Retirement allowances are recorded as expenses when they are paid in the corporate accounts. They are not subject to provisions.

PROCUREMENT

The ancillary purchase costs paid to third parties have not been incorporated into the purchase accounts, but have been recorded in the various expense accounts, corresponding to their nature.

FOREIGN CURRENCY TRANSACTIONS

Expenses and income in foreign currencies are recorded at their equivalent on the date of the transaction. Debts, receivables, and availability in foreign currencies appear in the balance sheet at their equivalent value at the end of the financial year. The difference resulting from the discounting of debts and receivables in foreign currencies at the latter rate is entered in the balance sheet under "translation difference". Unrealized exchange losses, which are not compensated, are the subject of a provision for risks.

The degree of exposure to market risks is relatively low. Only the exchange rate can have an impact, which is controlled with the solutions put in place by the company (one-off exchange hedging).

7.3.3. Notes to the balance sheet

7.3.3.1. Fixed assets

Headings	Gross value at the start of the year	Increases by revaluation	Acquisitions, contributions, creation, transfers	Diminutions	Gross value
Start-up and development costs	**1,205,753**		**1,393,320**	**1,974**	**2,597,099**
Other intangible fixed assets	**795,518**		**703,437**	**1,240,760**	**258,195**
Land					
Buildings on own property					
Buildings on third party property	204,690		257,037		461,727
General installations construction	71,673				71,673
Technical installations and industrial tool	628,369		6,527	3,000	631,896
General installations, fittings and miscellaneous	366,519		72,249		438,768
Transport equipment	27,605		277,834	24,273	281,166
Office equipment, computers, and furniture	1,149,366		96,982	1,881	1,244,467
Recoverable and miscellaneous packaging					
Intangible assets in progress	43,501		9,309	52,810	0
Advances and prepayments					
Total tangible fixed assets	**2,491,723**		**719,938**	**81,964**	**3,129,697**
Equity-accounted investments					
Other equity interests	1,191,579		2,005,401		3,196,980
Receivables related to equity investments			16,123,389		16,123,389
Other fixed assets					
Loans and other long-term financial investments	477,453		2,465,989	2,505,886	437,556
Total of long-term financial investments	**1,669,032**		**20,594,779**	**2,505,886**	**19,757,925**
TOTAL fixed assets	**6,162,026**		**23,411,474**	**3,830,584**	**25,742,916**

Tangible fixed assets include equipment leased to a customer. The net value of this equipment stands at EUR 135,894 as of 29 February 2020.

As of 29/02/2020, 371,833 treasury shares have been purchased and 366,108 have been sold. Treasury shares amount to 36,482 for a value of EUR 146,596. The company globally recorded a capital loss on the redemption of the shares, with a net value of EUR 123,056 over the 2019-2020 financial year.

The company 2CRSi acquired securities in Blade for EUR 2 million on 28 October 2019 through offsetting receivables. Blade's receivable recorded on the company's balance sheet as of 1 December 2019, plus the amount of late interest, was of USD 4,952,062 and 13,698,132 respectively. A payment instalment contract was signed on 23/01/2020 between the two companies, setting the number of instalments to be paid over the period from 15/12/2019 to 15/09/2022.

This receivable initially recorded under “Trade receivables and related accounts” was transferred to “Receivables related to financial participations”.

7.3.3.2. Depreciation and amortisation

Headings	Amount at the beginning of the financial year	Allowance increases	Decreases and write-backs	Amount at the end of the financial year
Start-up and development costs	**729,013**	**501,564**	**1,974**	**1,228,603**
Other intangible fixed assets	**130,044**	**47,078**		**177,122**
Land				
Buildings on own property				
Buildings on third party property	7,543	80,104		87,647
General installations construction	44,312	8,360		52,672
Technical installations and industrial tools	202,903	214,744	689	416,958
General installations, fittings and miscellaneous	73,252	68,011		141,263
Transport equipment	2,668	42,929	175	45,422
Office equipment, computers, and furniture	270,706	192,894	771	462,829
Recoverable and miscellaneous packaging				
Total depreciation and amortization on tangible fixed assets	**601,384**	**607,042**	**1,635**	**1,206,791**
General Total	**1,460,441**	**1,155,684**	**3,609**	**2,612,516**

7.3.3.3. Breakdown of depreciation allowances for the financial year

All of the depreciation allowances applied during the financial year ending on 29 February 2020 are of an economic nature. The breakdown between linear and declining depreciation is as follows:

	Linear	Decreasing
Intangible fixed assets	548,642	
Tangible fixed assets	607,042	
Total	**1,155,684**	**0**

7.3.3.4. Inventories

	Gross amount	Depreciation	Net amount
Raw materials and other supplies	3,038		3,038
In production	102,665		102,665
Goods	14,810,863	421,400	14,389,463
Total	**14,916,566**	**421,400**	**14,495,166**

7.3.3.5. Conditional advances

On 1 March 2016, 2CRSi obtained two innovation grants from BPI France, each of EUR 250,000, for the development of a high-performance, low-cost computer server, a program that expired on 1 March 2019.

The first payment of EUR 175k in advance was received in 2016 and a balance of EUR 128k was paid in 2019, namely a total received of EUR 478k.

A minimum repayment of EUR 100k is mandatory for each advance, for a total of EUR 200k, the balance being required only in the event that the funded technology is successful. The company reimbursed EUR 25 k during the financial year and the last repayment deadline of EUR 200k will occur on 30/09/2021.

The balance of these two advances in redemption value amounts to EUR 453 k as of 29 February 2020.

7.3.3.6. Provisions

Provisions for risks and liabilities				
Headings	**Amount at the beginning of the financial year**	**Allowance increases**	**Decreases and write-backs**	**Amount at the end of the financial year**
Provisions for disputes	35,000		35,000	
Provisions for guarantees given to customers				
Provisions for losses on futures markets				
Provisions for fines and penalties				
Provisions for exchange losses	76,882	7,303	76,882	7,303
Provisions for pensions and similar obligations				
Provisions for taxes				
Provisions for the renewal of fixed assets				
Provisions for major maintenance and major overhauls				
Provisions for social and tax charges on paid leave				
Other provisions for risks and charges				
Total	**111,882**	**7,303**	**111,882**	**7,303**

Depreciation provision				
Headings	**Amount at the beginning of the financial year**	**Allowance increases**	**Decreases and write-backs**	**Amount at the end of the financial year**
Provisions on intangible assets				
Provisions on tangible assets				
Provisions on equity-accounted securities				
Provisions on equity interests	188,400			188,400
Provisions on other financial assets	16,209	1,758	16,209	1,758
Provisions on inventories and work in progress	227,429	421,400	227,429	421,400
Provisions on accounts receivable				
Other provisions for depreciation	524,359	449,554	524,359	449,554
Total	**956,397**	**872,712**	**767,997**	**1,061,112**
General Total	**1,068,279**	**880,015**	**879,879**	**1,068,415**

Provisions for risks and for depreciation of inventories reversed during the financial year were not used over this period.

The reversal of the provision for litigation was used for the amount of EUR 35,000.

7.3.3.7. Information on debts and receivables

Receivables			
Denominations	**Gross amount**	**Up to 1 year at most**	**Up to more than 1 year old**
Receivables related to equity investments	16,123,389	6,088,391	10,034,998
Loans			
Other long-term financial investments	437,556		437,556
Total fixed assets	**16,560,945**	**6,088,391**	**10,472,554**
Doubtful or disputed customers			
Other trade receivables	7,439,519	7,439,519	
Claim representing securities loaned or given as collateral			
Staff and related accounts	6,716	6,716	
Social security and other corporate organizations	63,803	63,803	
State - Income tax payable	1,131,364	645,708	485,656
State - Value added tax	773,597	773,597	
State - Duties, taxes and similar levies			
State - Miscellaneous	2,063	2,063	
Groups and associates	31,180,077	31,180,077	
Miscellaneous debtors	4,029,462	3,829,462	200,000
Total current assets	**44,626,601**	**43,940,445**	**685,656**
Prepaid expenses	**2,221,188**	**2,108,812**	**112,376**
Total	**63,408,734**	**52,138,148**	**11,270,586**

Debts				
Denominations	**Gross amount**	**Up to 1 year at most**	**Over 1 year and 5 years at most**	**Up to more than 5 years**
Convertible bonds				
Other bonds				
With credit organizations:				
- up to 1 year from the start				
- up to more than 1 year from the start	19,532,613	4,367,765	15,164,848	
Miscellaneous loans and payables				
Suppliers and accounts payable	5,633,822	5,633,822		
Staff and related accounts	736,250	736,250		
Social security and other corporate organizations	558,955	558,955		
Income tax				
Value-added tax	90,614	90,614		
Guaranteed bonds				
Other taxes, duties and similar expenses	138,784	138,784		
Payables on fixed assets and related accounts	6,370	6,370		
Group and associates	4,670		4,670	
Other payables (b)	794,760	786,619	8,141	
Debt representing securities borrowed or given as collateral				
Prepaid income	**3,356,908**	**3,356,908**		
Total	**30,853,746**	**15,676,087**	**15,177,659**	**0**

(a) Detail Miscellaneous debtors:
- Trade debtors: EUR 813 K
- Factor Guarantee Fund: EUR 200 K
- Accounts receivables and deposits from suppliers: EUR 3,017 K

(b) Detail other payables:
- Creditor customers: EUR 12 K
- Credit notes to be issued, and client deposit: EUR 728 K
- Other accrued charges: EUR 49 k (attendance fees)
- Employee benefits: EUR 6 K

7.3.3.8. Conversion differences

	Assets	Liabilities
Suppliers outside the group	1,412	24,628
In-group suppliers		
In-group customers	337	21,051
Customers outside the group	5,554	24,261
Other receivables outside the group		147
Other group receivables		187,469
Total	**7,303**	**257,556**

7.3.3.9. Accrual accounts

Prepaid expenses	Amount
Rent Lease Credit of Blade	1,184,539
Rent Lease Credit	433,180
Real estate rent and rental charges	302,466
Insurance	79,156
Various general costs	182,204
Raw material goods not delivered	39,643
Total	**2,221,188**

Prepaid income	Amount
Sale of goods	441,862
Blade Debt Financial Products	1,504,012
Equipment rents	1,408,367
Real estate rent and rental charges	2,667

Total	3,356,908

Accrued charges	Amount
Loans, interest payable	33,034
Payables	333,384
Tax and social security payables	811,878
trade creditors discounts, remissions, and concessions to grant	260,865
Other accrued charges (attendance fees included)	49,500
Total	**1,439,161**

Products to receive	Amount
Trade receivables and related accounts	1,587,491
Suppliers credit notes and trade creditors discounts, remissions, and concessions receivable	2,903,620
Corporate organizations reimbursements receivable	1,727
Current account Accrued interest receivable	167,980
Cash and cash equivalents Accrued interest receivable	1,349
Total	**4,662,167**

7.3.3.10. Shareholders' equity

The capital is made up of 17,743,430 shares with a par value of EUR 0.09 divided into two categories of shares in the following proportions:

- 14,243,430 ordinary shares and
- 3,500,000 preference shares also mentioned under "2017 preference shares".

Shareholders' equity developed as follows during the financial year:

	Capital	Emission premium	Legal reserves	Other reserves	Unavailable reserves	Carried forward	Income	Total owner's equity
Net financial position on 31/12/2018	**1,596,909**	**48,576,864**	**75,209**	**1,040,006**	**16,036**		**4741,902**	**56,046,926**
Appropriation of Income N-1			84,842			4,482,060	-4,741,902	-175,000
Income 2019/20							178,756	178,756
Net financial position on 29/02/2020	**1,596,909**	**48,576,864**	**160,051**	**1,040,006**	**16,036**	**4,482,060**	**178,756**	**56,050,682**

The 2017 preference shares have a par value of EUR 10, including an issue premium of EUR 9.10. They are perpetual and do not include a contractual mechanism for reimbursement or conversion. On the other hand, they give a right to a priority dividend, which 2CRSI must pay in the event of distributable profits. This priority dividend amounts to EUR 175,000 per year.

7.3.3.11. Financial debts

The company signed a senior credit agreement on 04/12/19, being syndicated with a banking pool, and the financial ratios (R1, R2 and R4) below must be maintained, on each test date for the test period considered, at a level lower than those indicated in the table below:

- R1 = Net Financial Debt / EBITDA for the Boston Ltd Group Scope calculated semi-annually and for the first time on 29/02/2020
- R2 = Net Financial Debt / EBITDA for the Group's Consolidated Scope calculated semi-annually and for the first time on 28/02/2021
- R4 = Net Financial Debt / Equity, for the Scope of the former 2CRSi calculated semi-annually and for the first time on 29/02/2020

Date of test	R1 ratio less than	R2 ratio less than	R4 ratio less than
29/02/2020 and 30/08/2020	3 x	N/A	60 %
from 28/02/21 to 30/08/2024	2,5 x	2,5 x	60 %

The R1 and R4 ratios are respected on 29/02/2020.

The company also undertakes to maintain a gross cash level (increased by the confirmed portion not drawn from any short-term debt) greater than EUR 10 million, within the scope of the former 2CRSi group, at the balance sheet date of each accounting quarter, and for the first time on 31/05/2020, until the date of reimbursement of all amounts due.

7.3.4. Notes to the income statement

7.3.4.1. Turnover

The turnover of 2CRSi SA is generated in France and abroad. Its breakdown is as follows:

	29/02/20	31/12/18
Sales France	20,080,368	34,674,784
Sales EU	7,110,851	4,362,057
Sales outside the EU	17,423,014	23,084,020
Rental services in France	7,063,057	5,865,893
Rental services outside the EU	1,228,029	987,714
Other services in France	268,226	332,950
Other services outside the EU	416,316	868,979
Other services in the EU	1,126,786	15,376
Total	**54,716,648**	**70,191,774**

7.3.4.2. Income tax

Fiscal income	Current	Exceptional	Total
Accounting income after tax	**308,506**	**(129,750)**	**178,756**
Reversals			
Deferred deductibility provisions	7,303		7,303
Donations and sponsorship	227,850		227,850
Excess depreciation and taxes on company cars	16,484		16,484
Attendance fees	25,207		25,207
Penalties, taxes, and fines	59,787		59,787
Conversion difference Asset N-1	76,882		76,882
Conversion difference Assets/Liabilities N	257,556		257,556
Deductions			
Deferred deductibility provisions	-76,882		-76,882
Macron Law accelerated capital cost allowance	-30,856		-30,856
Tax Credit Apprenticeship and Sponsorship	-135,390		-135,390
GAMESTREAM acquisition costs deduction	-4,200		-4,200
Research tax credit	-510,318		-510,318
Conversion difference Asset N	-7,303		-7,303
Conversion difference Assets/Liabilities N-1	-255,157		-255,157
Fiscal income	**(40,531)**	**(129,750)**	**(170,281)**

Deferred deductibility provisions	Deductions	Reinstatement
Foreign exchange loss provision	76,882	7,303
Total	**76,882**	**7,303**

RESEARCH TAX CREDIT

In 2019, our company made expenses eligible for the research tax credit, for 6 research projects. As of 31/12/19, the research tax credit totalled EUR 510,318 and is registered as a reduction in the amount of tax.

7.3.4.3. Other expenses and income

Nature of other expenses	29/02/2020	31/12/2018
Reproduction right	781	
Attendance fees	49,500	30,000
Exchange losses	310,246	576,146
Uncollectible receivables		3,868
Various expenses	1,444	9,476
Total	**361,971**	**619,490**

Nature of other products	29/02/2020	31/12/2018
Exchange gains	1,114,855	367,431
Participation in the R&D CEA project	40,000	120,000
Various projects	1,132	1,946
Total	**1,155,987**	**489,377**

7.3.4.4. Financial income

The financial income amounts to EUR 1,954,632. It breaks down as follows:

Nature of expenses	29/02/2020	31/12/2018
Provision for depreciation Financial fixed assets	1,758	204,609
Interest on loans	155,530	48,157
Exchange losses	61,426	627,445
Bank current account interest	21,155	42,493
Other financial expenses	318	8,788
Total	**240,187**	**931,492**

Nature of products	29/02/2020	31/12/2018
Reversal of depreciation provision Long-term financial investments	16,209	1,104
Interest on trade receivables	154,911	81,223
Exchange gains	149,850	392,851
Other financial income (Group accrued interest + Blade)	1,873,849	7,645
Total	**2,194,819**	**482,823**

7.3.4.5. Exceptional income

The exceptional income amounts to EUR (129,750). It breaks down as follows:

Nature of expenses	29/02/2020	31/12/2018
Penalties and fines	940	33,767
Expenses on previous financial years	16,513	21,231
Book values of assets sold	27,519	
Penalties on share redemption	143,418	29,550
Exceptional IPO fees		663,835
Total	**188,390**	**748,383**

Nature of products	29/02/2020	31/12/2018
Expenses on previous financial years	20,796	38,571
Proceeds from sale of assets items	17,481	
Bonus from share purchase	20,362	12,710
Total	**58,639**	**51,281**

7.3.4.6. Transfer of expenses

Nature of products	29/02/2020	31/12/2018
Insurance reimbursement	2,796	26,553
Apprenticeship contract	4,258	
Benefits in kind	58,702	22,386
Electric vehicle premium and training reimbursement		7,750
Total	**65,756**	**56,689**

7.3.5. Further information

7.3.5.1. Average workforce

	Total
Executive staff	54
Non-executive staff	25
Total	**79**

7.3.5.2. Transactions with affiliated companies

Companies	Trade receivables and related accounts	Debit current account	Credit current account	Trade payables and related accounts	Financial expenses	Financial revenue
Boston France (Adimes)	436,334	962,965		35,437		776
ALISPALU	119,881			40,588		
HAW		69,089				1,053
2CRSi Corp	971,594	3,414,597				36,452
2CRSi Middle East FZE	124,525	1,252,854				7,648
2CRSi Ltd		2,449,584				37,660
KU London Ltd	1,064,226	14,912,059				56,555
2CRSi UK (Tranquil PC Ltd)	63,626	252,322				1,229
BOSTON LIMITES		6,013,230				13,230
BOSTON SERVER & STORAGE SOLUTIONS	4,152			12,728		
GREEN DATA	7,384	1,552,255				12,255
GAMESTREAM	47,570	301,019				1,019
BLASE SAS	12,437,921					1,268,635
BLASE CORP	3,043,310					394,928
TOTAL	**18,320,523**	**31,179 974**	**0**	**88,753**	**0**	**1,831,440**

2CRSi, Boston France (formerly ADIMES), 2CRSi CORP, HAW, and ALISPALU have Alain Wilmouth as a common leader.

Boston France (Adimes), 2CRSi Ltd, 2CRSi Middle East FZE, and 2CRSi CORP are 100% subsidiaries of 2CRSi SA.

7.3.5.3. Retirement allowances

Under French social legislation, the company's employees will be entitled to a retirement allowance if they are among the workforce at the time of their retirement.

The company's commitment in this regard is estimated at EUR 373,482 as of 29 February 2020.

7.3.5.4. Off-balance sheet commitments

Type	Commitment given	Commitment received
End-of-career allowances	373,482	
Pledge Business assets on CIC loan	2,887	
Pledge Green Data Securities on BNP loan	5,500	
Pledge Boston Securities LTD on BNP loan	15,000,000	
BPI guarantee on the Caisse d'Epargne loan		63,668
2CRSi joint surety (Green Data lease)	1,451,697	
BNP loan insurance delegation of EUR 15 million		5,000,000
Surety natural person on CE loans		10,611

Lease commitment (outstanding royalties)	12,193,375	
90% BPI guarantee on BNP overdraft authorization (since 12/05/2020)		2,025,000

The company benefits from several overdraft authorization lines for a total amount of EUR 3,007,698, with all banking establishments.

7.3.4.5. New leasing contract with ARIUS

As of 31/12/2018, 2CRSi SA still had a financial lease funding budget of EUR 5 million. The ARIUS company financed component purchases for a total amount of EUR 4,506,736. This funding operation was broken down into several phases:

- the first in March 2019 for EUR 2,372,203,
- the second in April 2019 for EUR 1,515,556,
- then the third phase in October 2019 for EUR 1,600,408 invoiced to Arius by Boston France (e.g. Adimes) and a withdrawal additional clause was signed for EUR 981,431.

7.3.4.6. Leasing information table

Type of material	Value of property leased	Royalties paid		Depreciation allowance		Royalties remaining to be paid			Residual value
		of the financial year	Cumulative	of the financial year	Cumulative	To 1 year	From 1 to 5 years	Up to more than 5 years	
Material and equipment	6,956,716	1,437,331	2,224,910	1,086,022	1,598,520	1,447,656	4,146,284	0	37,392
Material and equipment Blade	22,555,520	8,437,214	17,478,228	8,332,069	16,052,324	5,497,459	965,595	0	81,293
Transport equipment	340,477	59,427	216,532	57,308	195,007	93,971	42,410	0	66,953
	29,852,714	**9,933,971**	**19,919,670**	**9,475,399**	**17,845,851**	**7,039,086**	**5,154,289**	**0**	**185,638**

7.3.5.7. Statutory auditors' fees

The fees of the Statutory Auditors charged to expenses during the year are:

Statutory auditors' fees (Amounts in EUR k)	**ON 29/02/2020**		**ON 31/12/2018**	
	EY	**SFR**	**EY**	**KPMG**
Statutory audit, certification, limited review of individual and consolidated financial statements	**187**	**105**	**148**	**130**
Services other than statutory audit	**123**	**6**	**227**	**181**
Total	**310**	**111**	**375**	**311**

7.3.5.8. Compensation of officers

The gross compensation of corporate officers amounted to EUR 451,795 for the year, including EUR 13,800 in benefits in kind.

The gross compensation of the members of the Board of Directors amounts to EUR 41,000 for the year (including EUR 10,000 of compensation provisioned for January and February 2020). The sum of EUR 31,000 corresponds to the gross amount of attendance fees allocated to directors for the calendar year 2019, to which is added the compensation granted to the censor of EUR 10,500.

7.3.5.9. Table of subsidiaries and shareholdings

Financial information / Subsidiaries and shareholdings	Capital	Shareholders' equity	Share of capital held (in %)	Book value of securities held – Gross	Book value of securities held – Net	Loans and advances granted not yet repaid	Amount of deposits and advances given	Net sales for the last financial year	Income of the last closed financial year	Dividends received by the company during the financial year	Observations
A. Detailed information											
Subsidiaries:											
- *French*											
Adimes	EUR 75,000	EUR 458,904	100 %	EUR 188,400	EUR 0	EUR 0	EUR 0	EUR 5,373,157	EUR 65,455	EUR 0	. . .
Green Data	EUR 10,000	EUR 32,745	55 %	EUR 5,500	EUR 5,500	EUR 1,552,255	EUR 1,451,697	EUR 1,211,662	EUR 22,745	EUR 0	
- *Foreign*											
2CRSi Corporation	USD 1,000	USD 1,472,166	100 %	EUR 839	EUR 839	EUR 2,665,148	EUR 0	EUR 2,424,822	EUR (2,153,950)	EUR 0	
2CRSi ME FZE	AED 10,000	AED (3,361,983)	100 %	EUR 2,340	EUR 2,340	EUR 908,336	EUR 0	EUR 758,221	EUR (620,054)	EUR 0	
2CRSi Ltd	GBP 1	GBP (129)	100 %	EUR 1	EUR 1	EUR 2,449,584	EUR 0	EUR 0	GBP 10,350	EUR 0	
2CRSi London Ltd	GBP 1	GBP (735,366)	100 %	EUR 1	EUR 1	EUR 14,912,059	EUR 0	EUR 0	GBP (735,367)	EUR 0	
Equity interests:											
Gamestream	EUR 127,568	EUR 1,119,565	12.45%	EUR 999,999	EUR 999,999	EUR 301,019	EUR 0	EUR 506,287	EUR (453,434)	EUR 0	
Global information											
French subsidiaries:				EUR 193,900	EUR 5,500	EUR 1,552,255	EUR 1,451,697				
Foreign subsidiaries:				EUR 3,181	EUR 3,181	EUR 20,935,127					
French participations:				EUR 999,999	EUR 999,999	EUR 301,019					
Foreign participations:											

7.4. OTHER ITEMS RELATING TO THE FINANCIAL STATEMENTS

Table showing invoices received and issued but not paid, at balance sheet date, whose term has expired

In accordance with the provisions of articles L. 441-6–1 and D. 441-4 I of the French Commercial Code, we will show you the breakdown of payment terms for the company's customers and suppliers (*expressed in EUR*):

- for suppliers, the number and total amount of invoices received but not paid at the balance sheet date, whose term has expired; this amount is broken down by period of delay and reported as a percentage of the total amount of purchases for the year;
- for customers, the number and total amount of unpaid invoices issued, at the balance sheet date, the term of which has expired; this amount is broken down by periods of delay and reported as a percentage of sales for the year.

	Article 0.441-41.1: Invoices received but not paid at the balance sheet date whose term has expired						Article D. 441-41. 2: Invoices issued but not paid on the balance sheet date whose term has expired					
	0 day (indicative)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**	**0 day (indicative)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**
A) Late payment instalments												
Number of invoices concerned	254					359	92					284
Total amount of the invoices concerned *(specify: excl. VAT or all tax inclusive)*	3,458,383 all tax inclusive	629,511 all tax inclusive	144,928 all tax inclusive	30,185 all tax inclusive	231,156 all tax inclusive	4,494,163 all tax inclusive	3,223,505 all tax inclusive	2,153,106 all tax inclusive	(222,920) all tax inclusive	634,386 all tax inclusive	52,027 all tax inclusive	5,840,104 all tax inclusive
Percentage of the total amount of purchases for the year *(specify: excl. VAT or all tax inclusive)*	5%	1%				6%						
Percentage of turnover for the year (*specify*: *excl. VAT or all tax inclusive)*							5%	3%		1%	0.1%	12%B
B) Invoices excluded from (A) relating to debts, and disputed or unrecorded debts												
Number of excluded invoices												
Total amount of excluded invoices (*specify*: *excl. VAT or all tax inclusive)*												
C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)												
Reference payment terms used for the calculation of late payments	30 days ☐ Contractual deadlines: (specify) ☐ Legal deadlines: (specify)						30 days ☐ Contractual deadlines: (specify) ☐ Legal deadlines: (specify)					

7.5. FINANCIAL PERFORMANCE FOR THE LAST FIVE FINANCIAL YEARS

Performance (and other characteristic elements) of the company over the last five financial years

Nature of indications	Financial year ended on 31/12/2015	Financial year ended on 31/12/2016	Financial year ended on 31/12/2017	Financial year ended on 31/12/2018	Financial year ended on 29/02/2020
I. Capital at year-end					
Share capital	765,005	765,000	1,080,000	1,596,909	1,596,909
Number of existing ordinary shares	76,550	850,000	850,000	14,243,430	14,243,430
Number of preference shares			350,000	3,500,000	3,500,000
Maximum number of future shares to be created:					
. By conversion of bonds					
. By exercise of subscription rights					
II.Operation and income of the year					
Pre-tax net turnover	8,412,426	11,874,191	32,709,865	70,191,773	54,716,648
Profit before taxes, employee profit-sharing, and depreciation allowances and provisions	40,076	664,458	1,397,859	5,950,772	685,259
Income tax	-222,454	-217,455	-186,120	-417,908	-645,708
Employee participation due for the financial year					
Profit after taxes, employee profit-sharing, and depreciation allowances and provisions	68,620	659,992	442,058	4,741,902	178,756
Distributed profit		175,000	175,000	175,000	175,000
III. Earnings per share					
Profit after taxes, employee profit-sharing, but before depreciation allowances and provisions	3.43	1.04	1.32	0.36	0.08
Profit after taxes, employee profit-sharing, and depreciation allowances and provisions	0.90	0.78	0.37	0.27	0.01
Dividend allocated to each share (a)		0.50	0.50	0.05	0.05
IV. Staff					
Average number of employees employed during the financial year	18	26	34	49	79
Amount of payroll for the year	636,328	1,112,285	1,411,064	2,716,066	5,126,112
Number of sums paid for social benefits for the year (social security, employee benefits, etc.)	177,936	337,053	489,284	1,091,946	2,082,976

(a) Specify, where applicable, by category, whether it is a gross or net dividend.

7.6. REPORT OF THE STATUTORY AUDITORS ON THE CORPORATE ACCOUNTS

SOCIETE FIDUCIAIRE DE REVISION S.A.

ERNST & YOUNG Audit

2CRSI

Fourteen-month financial year ended on 29 February 2020

Statutory auditors' report on the annual accounts

SOCIETE FIDUCIAIRE DE REVISION S.A.	ERNST & YOUNG Audit
2, avenue de Bruxelles	Tour Europe
68350 Didenheim	20, place des Halles
S.A. with a capital of EUR 76,225	P.O. BOX 80004
339 304 230 R.C.S. Mulhouse	67081 Strasbourg cedex
	S.A.S. with variable capital
	344 366 315 R.C.S. [Trade and Companies Register] Nanterre
Statutory Auditor	Statutory Auditor
Regional company member	Regional company member
of Colmar	of Versailles

2CRSI

Fourteen-month financial year ended on 29 February 2020:

Statutory auditors' report on the annual accounts

At the General Meeting of 2CRSI,

Opinion

Performing the mission entrusted to us by your general meeting and by decisions of the partners, we have audited the annual accounts of the company 2CRSI relating to the fourteen-month financial year ended on 29 February 2020, such as they are attached to this report. These accounts were closed by the Board of Directors on 29 July 2020 on the basis of the information available on that date in an evolving context of the health crisis linked to Covid-19.

We certify that the annual accounts are, in view of the French accounting rules and principles, regular and sincere, and give a true picture of the results of operations for the past financial year, as well as of the financial situation and of the company's assets at the end of this financial year.

The opinion expressed above is consistent with the content of our report to the audit committee.

Basis of opinion

Audit framework

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

The responsibilities incumbent upon us under these standards are indicated in the section "Responsibilities of the statutory auditors relating to the audit of the annual financial statements" of this report.

Independence

We carried out our audit mission in compliance with the independence rules applicable to us, over the period from 2019 January to the date of issuance of our report, and in particular, we did not provide services prohibited by Article 5, paragraph 1, of Regulation (EU) No 537/2014 or by the Code of ethics of the profession of auditor.

Justification of our assessments - Key points of the audit

In application of the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the annual financial statements for the financial year, as well as the responses we have provided to these risks.

The assessments thus made fall within the context of the audit of the annual financial statements taken as a whole, drawn up under the conditions recalled above, and the formation of our opinion expressed above. We do not express an opinion on elements of these annual financial statements taken in isolation.

Existence and completeness of recorded inventories

Risk identified	Our response
Inventories of raw materials and merchandise represented a gross amount of EUR 14.8 million and finished products and work in progress represented a gross value of EUR 0.1 million on the balance sheet date. As indicated in note 7.3.2 to the appendix to the annual financial statements, inventories of raw materials and goods, mainly consisting of electronic components, are valued at their acquisition cost (purchase price and incidental costs). The finished products are valued at their production cost and the work in progress has been valued according to the same principles, depending on their progress in manufacturing. Given the importance of these assets in the balance sheet and in view of the significant number of references stored by your company, we consider that there is a risk on the existence and exhaustiveness of inventories (references counted at zero or not counted) which we considered a key point of the audit.	The work we carried out mainly consisted of: ▶ assisting with the physical inventory and carry out sample counts, from the listing of stocks (tests on existence), and physical stocks (tests on exhaustiveness); ▶ reconcile our counts of the quantities with book stock balance on the balance sheet date; ▶ carrying out detailed tests, by sampling, on the correct connection to the financial year of the last deliveries and shipments.

Correct connection to the financial year of the turnover of equipment delivery

Risk identified	Our response

As of 29 February 2020, the company had a turnover of EUR M 54.7, of which EUR M 44.6 corresponded to sales of finished products and goods (deliveries of equipment).

Note 7.3.4.1 of the appendix to the annual financial statements describes the methods for recording turnover relating to equipment deliveries. Delivery of hardware is defined as the delivery of assembled components and servers.

We considered the correct connection to the financial year of turnover relating to equipment deliveries as a key point of the audit, due to the seasonality of the activity, and the sensitivity of the achievement of objectives communicated to the market.

The work we carried out mainly consisted of:

- familiarizing with the internal control procedures for registering turnover;
- examining the methods for recording sales related to contracts containing specific clauses likely to impact the registration of turnover, particularly at the end of the year;
- obtaining external confirmations for a sample of invoices not yet paid by 29 February 2020;
- Using end-of-year sales journals and post-balance sheet date sales journals, carry out detailed tests on the correct connection, and the reality of sales for the year, by matching them with supporting documents (delivery slips and acceptance reports signed by the customer and invoices).

Specific verifications

We have also carried out, in accordance with professional standards applicable in France, the specific verifications required by legal and regulatory texts.

- **Information given in the management report and in the other documents on the financial position and the annual financial statements sent to shareholders**

We have no comments to make as to the fair presentation and consistency with the annual financial statements of the information given in the management report of the board of directors closed on 31 August 2020 and in the other documents on the financial position and annual financial statements sent to shareholders. Regarding the events that have occurred, and the elements that became known, after the balance sheet date, relating to the effects of the crisis linked to Covid-19, management has informed us that they will be the subject of communication at the general meeting called to rule on the accounts.

We certify the fair presentation and consistency with the annual financial statements of the information relating to the payment deadlines mentioned in article D. 441-4 of the French Commercial Code.

- **Information relating to corporate governance**

We attest to the existence, in the section of the Board of Directors' management report devoted to corporate governance, of the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Regarding the information provided in application of the provisions of article L. 225-37-3 of the French Commercial Code, on the compensation and benefits paid or awarded to corporate officers, as well as on the commitments made in their favour, we have verified their consistency with the accounts, or with the data used for the establishment of these accounts and, where applicable, with the information collected by your company from companies controlled by it, which are included in the scope of consolidation. On the basis of this work, we certify the accuracy and fairness of this information.

Regarding the information relating to the elements that your company considers likely to have an impact in the event of a takeover bid or exchange offer, provided in application of the provisions of Article L. 225-37-5 of the French Commercial Code, we have verified their compliance with the documents from which they originate and which have been communicated to us. Based on this work, we have no comments to make on this information.

- **Further information**

In accordance with the law, we have ensured that the various information relating to the acquisition of holdings and control and to the identity of the holders of the capital or voting rights have been communicated to you in the management report.

Information resulting from other legal and regulatory obligations

- **Appointment of Statutory auditors**

We were appointed as statutory auditors of the company 2CRSI, by your general meeting of 13 June 2019, in case of the firm FIDUCIAIRE DE REVISION S.A. and of 25 September 2017, in the case of the firm ERNST & YOUNG Audit.

As of 29 February 2020, the firm FIDUCIAIRE DE REVISION SA was in the first year of their mission, and the firm ERNST & YOUNG Audit, in the third year (including two years since the securities of the company were admitted to trading on a regulated market).

Responsibilities of management and those charged with governance relating to the annual financial statements

It is the responsibility of management to prepare annual financial statements presenting a true and fair view, in accordance with French accounting rules and principles, as well as to put in place the internal control that they deem necessary for the establishment of annual accounts, which do not include material misstatements, whether they result from fraud or from errors.

When preparing the annual financial statements, it is the responsibility of management to assess the company's ability to continue operating, to present in these financial statements, where applicable, the necessary information relating to the continuity of operation, and apply the accounting convention to the continuation of operation unless it is planned to liquidate the company or cease their activity.

It is the responsibility of the audit committee to monitor the process of preparing financial information, and to monitor the effectiveness of the internal control and risk management systems, as well as, where applicable, of the internal audit, with regard to procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were closed by the board of directors.

Responsibilities of the statutory auditors relating to the audit of the annual financial statements

Audit objective and approach

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, taken as a whole, do not contain any material anomalies. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit carried out in accordance with professional standards will systematically detect any material anomalies. Anomalies may arise from fraud or result from errors and are considered material when it can reasonably be expected that they could, taken individually or in aggregate, influence the economic decisions that the users of the accounts make, in particular, based on these.

As specified by article L. 823-10-1 of the French Commercial Code, our mission of certifying the accounts does not consist in guaranteeing the viability or the quality of the management of your company.

As part of an audit carried out in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout this audit. Additional considerations:

- they identify and assess the risks that the annual financial statements contain material anomalies, whether these result from fraud or result from errors, define and implement audit procedures in the face of these risks, and collect the elements that they consider sufficient and appropriate to provide a basis for their opinion. The risk of non-detection of a material anomaly resulting from fraud is higher than that of a material anomaly resulting from an error, because fraud can involve collusion, falsification, intentional omissions, false declarations or bypassing internal control;

- they acknowledge the internal control relevant to the audit in order to define the appropriate audit procedures in the circumstances, and not with the aim of expressing an opinion on the effectiveness of the internal control;

- they assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information concerning them provided in the annual financial statements;

- they assess the appropriateness of management's application of continuity of operation accounting policy and, depending on the information collected, the existence or not of a significant uncertainty related to events, or to circumstances likely to in question the ability of the company to continue operating. This assessment is based on the information collected up to the date of its report, it is however recalled that subsequent circumstances or events could call into question the continuity of operation. If they conclude that there is a material uncertainty, they draw the attention of readers of their report to the information provided in the annual financial statements about this uncertainty or, if this information is not provided or is not relevant, they formulate a certification with reservation or a refusal to certify;

- they assess the overall presentation of the annual financial statements and assess whether the annual financial statements reflect the underlying transactions and events so as to give a true and fair view;

Report to the audit committee

We provide the audit committee with a report that presents, among other things, the scope of the audit work, and the work program implemented, as well as the conclusions arising from our work. We also bring to their attention, where applicable, the significant weaknesses in internal control that we have identified, with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements communicated in the report to the audit committee are the risks of material misstatement, which we consider to have been the most important for the audit of the annual financial statements for the year, and which therefore constitute the key points of the audit, that is our responsibility to describe in this report.

We also provide the audit committee with the declaration provided for in Article G of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as laid down in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Code of ethics of the profession of auditor. Where applicable, we discuss with the audit committee the risks to our independence and the safeguards applied.

Didenheim and Strasbourg, 31 August 2020

Statutory Auditors

SOCIETE FIDUCIAIRE DE REVISION S.A.	ERNST & YOUNG Audit	
Thierry Liesenfeld	Véronique Habé	Alban de Claverie

8. GENERAL MEETING

8.1. AGENDA OF THE MIXED GENERAL MEETING OF 25 SEPTEMBER 2020

8.1.1 Agenda within the remit of the Ordinary General Meeting:

1. Approval of the annual accounts for the financial year ending on 29 February 2020 - Approval of non-tax-deductible expenses and charges,
2. Approval of the consolidated financial statements for the financial year ending on 29 February 2020,
3. Allocation of the profit for the year and setting of the dividend for the preference shares,
4. Presentation of the special report of the statutory auditors on regulated agreements and commitments and approval of a new regulated agreement (article L. 225-38 of the French Commercial Code).
5. Appointment of Mr Dominique HENNERESSE as director,
6. Approval of the compensation policy for the Chief Executive Officer in accordance with Article L.225-37-2 of the French Commercial Code,
7. Approval of the compensation policy for the Deputy Chief Executive Officer in accordance with Article L.225-37-2 of the French Commercial Code,
8. Approval of the compensation policy for the members of the Board of Directors in accordance with Article L.225-37-2 of the French Commercial Code,
9. Approval of all compensation paid or awarded to corporate officers for the fiscal year ended on 29 February 2020 in accordance with Article L.225-100 II of the French Commercial Code,
10. Approval of the components of compensation paid or awarded for the financial year ending on 29 February 2020 to Mr Alain Wilmouth, Chief Executive Officer,
11. Approval of the components of compensation paid or awarded for the financial year ending on 29 February 2020 to Mr Emmanuel Ruffenach, Deputy Chief Executive Officer until 25 May 2019,
12. Approval of the components of compensation paid or awarded for the financial year ending on 29 February 2020 to Ms Marie de Lauzon, Deputy Chief Executive Officer from 1 September 2019,
13. Authorisation to be given to the Board of Directors for the purpose of having the company redeem their own shares under the provisions of Article L. 225-209 of the French Commercial Code, duration of the authorisation, purposes, methods, threshold.

8.1.2. Agenda within the remit of the General Meeting of an extraordinary nature:

14 Authorisation to be given to the Board of Directors with a view to cancelling the shares redeemed by the company under the provisions of Article L. 225-209 of the French Commercial Code, duration of the authorisation, threshold.

15 Delegation of authority to be given to the Board of Directors to increase the capital, by incorporation of reserves, profits and/or premiums, duration of the delegation, maximum nominal amount of the capital increase, issue of fractional shares,

16 Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities, giving access to other equity securities, or giving the right to the allocation of debt securities and/or transferrable securities, giving access to equity securities to be issued (of the company or of a group company) with the maintenance of the preferential subscription rights, duration of the delegation, maximum nominal amount of the capital increase, option to offer to the public unsubscribed securities,

17 Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities, or giving the right to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued (of the company or of a group company), with the cancellation of preferential subscription rights, by takeover bid to the exclusion of the offers referred to in paragraph 1 of article L.411 -2 of the French Monetary and Financial Code, and/or in compensation of securities within the framework of a public exchange offer, duration of the delegation, maximum nominal amount of the capital increase, issue price, option to limit the amount of the subscriptions or to distribute the unsubscribed securities,

18 Delegation of authority to be given to the Board of Directors to issue ordinary shares, and/or equity securities giving access to other equity securities, or giving the right to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued (of the company or of a group company), with the cancellation of preferential subscription rights through an offer referred to in paragraph 1 of article L.411-2 of the French Monetary and Financial Code, duration of the delegation, maximum nominal amount of the capital increase, issue price, option to limit the amount of subscriptions or to distribute unsubscribed securities,

19 Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities, or giving the right to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued (of the company or of a group company), with the cancellation of preferential subscription rights in favour of a category of beneficiaries, duration of the delegation, maximum nominal amount of the increase in capital, issue price, option to limit the issue to the amount of subscriptions received or to distribute unsubscribed securities,

20 Delegation to be given to the Board of Directors to increase the capital by issuing ordinary shares and/or transferrable securities giving access to the capital, within the limit of 10% of the capital in order to compensate contributions in kind of equity securities or of

transferrable securities giving access to the capital, duration of the delegation,

21 Authorisation, in the event of an issuance with the cancellation of the preferential subscription right, to set, within the limit of 10% of the capital per year, the issue price under the conditions determined by the meeting;

22 Authorisation to increase the number of issuances in the event of excess demand,

23 Delegation of authority to be given to the Board of Directors to increase the capital by issuing ordinary shares and/or transferable securities, giving access to the capital with cancellation of preferential subscription rights for the benefit of members of the company's savings plan, in application of articles L. 3332-18 and subsequent of the French Labour Code, duration of the delegation, maximum nominal amount of the capital increase, issue price, possibility of allocating free shares in accordance with Article L. 3332-21 of the French Labour Code,

24 Delegation to be granted to the board of directors with a view to issuing share subscription warrants (SSW), warrants to subscribe and/or acquire new and/or existing shares (BSAANE), and/or warrants for subscription and/or purchase of new and/or existing redeemable shares (BSAAR,) with the cancellation of preferential subscription rights in favour of a category of persons, maximum nominal amount of the capital increase, duration of the delegation, exercise price,

25 Delegation to be given to the Board of Directors with a view to harmonizing the articles of association of the company with legislative and regulatory provisions,

26 Amendment of article 7 of the Company's articles of association "SPECIAL BENEFITS - PREFERENCE SHARES" in order to bring it into line with the share split, in particular with regard to the rule for calculating the price of the 2017 preference shares, and in accordance with the change balance sheet date,

27 Alignment of the Company's Articles of Association with the provisions of Law No. 2019-486 of 22 May 2019, known as the Pacte Law,

28 Alignment of Article 16 paragraph 2 of the Company's Articles of Association "Shareholders' right of communication" with the provisions of Law No. 2019-744 of 19 July 2019, known as the Soilihi Law, relating to written questions from shareholders,

29 Alignment of Article 12.3 paragraph 2 of the Company's Articles of Association "Board of Directors" with the provisions of the Soilihi Law in order to provide for the possibility for the Board of Directors to adopt certain decisions by written consultation,

30 Powers to execute formalities.

8.2. PRESENTATION OF THE RESOLUTIONS OF THE MIXED GENERAL MEETING OF 25 SEPTEMBER 2020

8.2.1. Resolutions falling within the remit of the Ordinary General Meeting:

FIRST RESOLUTION -

APPROVAL OF THE ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDING ON 29 FEBRUARY 2020-

APPROVAL OF NON-TAX-DEDUCTIBLE EXPENSES AND CHARGES]

The General Meeting, after acknowledging having read the reports of the Board of Directors and the statutory auditors for the financial year ending on 29 February 2020, approves, as presented, the annual accounts closed on that date, resulting in a profit of EUR 178,756.

The General Assembly specifically approves the total amount, amounting to EUR 9,516, of the expenses and charges referred to in paragraph 4 of article 39 of the French General Tax Code, as well as the corresponding tax of EUR 2,264.

SECOND RESOLUTION –

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON 29 FEBRUARY 2020

The General Meeting, after acknowledging having read the reports of the Board of Directors and the statutory auditors on the consolidated financial statements as of 29 February 2020, approves these financial statements as they were presented, resulting in a loss (group share) of EUR 4,314,000.00.

THIRD RESOLUTION -

ALLOCATION OF THE PROFIT FOR THE YEAR AND SETTING OF THE DIVIDEND FOR THE PREFERENCE SHARES

The General Meeting, on a proposal from the Board of Directors, decides to allocate the income for the fiscal year ended on 29 February 2020 as follows:

Origin

- The financial years' profit	EUR 178 756

Affectation

- Dividends to shareholders holding preference shares 2017: EUR 175,000

- Carried forward: EUR 3,756

The General Meeting notes that the gross global dividend attributable to each 2017 preference share is set at EUR 0.05.

It is recalled that, for natural persons domiciled in France for tax purposes, this dividend is subject to single flat-rate taxation at the global rate of 30%, unless they opt to tax such income at the progressive scale of income tax. In the latter case, the entire amount thus distributed will be eligible for the 40% reduction, resulting from the provisions of Article 158 3-2 of the French General Tax Code.

In accordance with the provisions of article 243 bis of the French General Tax Code, the table below shows the amount of dividends and other income distributed for the three previous financial years, as well as their possible eligibility for the 40% reduction, resulting from the provisions of article 158 3-2 of the French General Tax Code benefiting, where applicable, individuals with tax domicile in France.

In respect of the financial year	Income eligible for the reduction resulting from article 158-3-2 of the French General Tax Code		Income ineligible for the reduction resulting from article 158-3-2 of the French General Tax Code	
	DIVIDENDS	**OTHER REVENUE**	**DIVIDENDS**	**OTHER REVENUE**
2017	EUR 175,000	-	-	-
2018	EUR 175,000	-	-	-
2019/2020	EUR 175,000	-	-	-

<u>FOURTH RESOLUTION -</u>

PRESENTATION OF THE SPECIAL REPORT OF THE STATUTORY AUDITORS ON REGULATED AGREEMENTS AND COMMITMENTS AND APPROVAL OF A NEW AGREEMENT

Ruling on the special report of the statutory auditors on regulated agreements and commitments presented to them, the General Meeting approves the agreement entered into during the financial year ended on 29 February 2020 which is mentioned therein in accordance with Articles L.225 -38 and subsequent of the French Commercial Code.

FIFTH RESOLUTION -

APPOINTMENT OF MR DOMINIQUE HENNERESSE AS DIRECTOR

The General Meeting decides to appoint Mr Dominique Henneresse in addition to the members currently in office, as director, for a period of three years, expiring at the end of the Meeting held in the year 2023 called to rule on the accounts for the past financial year.

SIXTH RESOLUTION -

APPROVAL OF THE COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER IN ACCORDANCE WITH ARTICLE L.225-37-2 II OF THE FRENCH COMMERCIAL CODE,

The general meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with Articles L.225-37-2 II and R.225-29-1 of the French Commercial Code, the compensation policy for the Chief Executive Officer, as described in this report and mentioned in paragraph 3.5.2.1 of the company's 2019-2020 universal registration document.

SEVENTH RESOLUTION -

APPROVAL OF THE COMPENSATION POLICY FOR THE DEPUTY CHIEF EXECUTIVE OFFICER IN ACCORDANCE WITH ARTICLE L.225-37-2 II OF THE FRENCH COMMERCIAL CODE,

The general meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with Articles L.225-37-2 II and R.225-29-1 of the French Commercial Code, the compensation policy for the Deputy Chief Executive Officer, as described in this report and mentioned in paragraph 3.5.2.2 of the company's 2019-2020 universal registration document.

EIGHTH RESOLUTION -

APPROVAL OF THE COMPENSATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE L.225-37-2 II OF THE FRENCH COMMERCIAL CODE,

The general meeting, after acknowledging having read the report of the Board of Directors on corporate governance, approves, in accordance with Articles L.225-37-2 II and R.225-29-1 of the French Commercial Code, the compensation policy for members of the Board of Directors as described in this report and mentioned in paragraph 3.5.2.3. of the company's 2019-2020 universal registration document.

NINTH RESOLUTION -

APPROVAL OF ALL COMPENSATION PAID OR AWARDED TO CORPORATE OFFICERS FOR THE FINANCIAL YEAR ENDED ON 29 FEBRUARY 2020 IN ACCORDANCE WITH ARTICLE L.225-100 II OF THE FRENCH COMMERCIAL CODE

The General Meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with the provisions of article L.225-100 II of the French Commercial Code, the information mentioned in article L.225-37-3 I of the French Commercial Code relating to compensation paid or awarded to corporate officers during the financial year ended on 29 February 2020, as described in the 2019-2020 universal registration document, paragraph 3.5. 3. and subsequent.

TENTH RESOLUTION -

APPROVAL OF THE COMPONENTS OF COMPENSATION PAID OR AWARDED FOR THE FINANCIAL YEAR ENDED ON 29 FEBRUARY 2020 TO MR ALAIN WILMOUTH, CHIEF EXECUTIVE OFFICER

The General Meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with the provisions of article L.225-100 III of the French Commercial Code, the components of fixed and variable compensation and exceptional items comprising the total compensation and benefits of any kind paid or awarded to Mr Alain Wilmouth in their capacity as Chief Executive Officer for the financial year ended on 29 February 2020, as described in the universal registration document 2019- 2020, paragraph 3.5.3. and subsequent.

ELEVENTH RESOLUTION –

APPROVAL OF THE COMPONENTS OF COMPENSATION PAID OR AWARDED FOR THE FINANCIAL YEAR ENDED ON 29 FEBRUARY 2020 TO MR EMMANUEL RUFFENACH, DEPUTY CHIEF EXECUTIVE OFFICER UNTIL 25 MAY 2019

The General Meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with the provisions of article L.225-100 III of the French Commercial Code, the elements of fixed and variable compensation, and exceptional items comprising the total compensation and benefits of any kind paid or awarded to Mr Emmanuel Ruffenach in their capacity as Deputy Chief Executive Officer until 25 May 2019 for the financial year ended on 29 February 2020, as described in the universal registration document 2019-2020, paragraph 3.5.3. and subsequent.

TWELFTH RESOLUTION -

APPROVAL OF THE COMPONENTS OF COMPENSATION PAID OR AWARDED FOR THE FINANCIAL YEAR ENDED ON 29 FEBRUARY 2020 TO MS MARIE DE LAUZON, DEPUTY CHIEF EXECUTIVE OFFICER FROM 1 SEPTEMBER 2019

The General Meeting, after acknowledging having read the Board of Directors' report on corporate governance, approves, in accordance with the provisions of article L.225-100 III of the French Commercial Code, the elements of fixed and variable compensation and exceptional items comprising the total compensation and benefits of any kind paid or awarded to Ms Marie de Lauzon in their capacity as Deputy Chief Executive Officer since 1 September 2019, for the financial year ended on 29 February 2020, as described in the universal registration document 2019-2020, paragraph 3.5.3. and subsequent.

THIRTEENTH RESOLUTION –

AUTHORISATION TO BE GIVEN TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF HAVING THE COMPANY REDEEM THEIR OWN SHARES UNDER THE PROVISIONS OF ARTICLE L. 225-209 OF THE FRENCH COMMERCIAL CODE

The General Meeting, having taken note of the report of the Board of Directors, authorises the latter, for a period of eighteen months, in accordance with Articles L. 225-209 and subsequent of the French Commercial Code, to proceed with the purchase, in one or more times, at the moment they will determine, of company shares within the limit of 10% of the number of shares comprising the share capital, if necessary adjusted to take account of any capital increase or reduction operations that may occur during the duration of the program.

This authorisation terminates the authorisation given to the Board of Directors by the General Meeting of 13 June 2019 in their 9th ordinary resolution.

Acquisitions may be made with a view to any allocation permitted by law, in particular:

- ensure the stimulation of the secondary market, or the liquidity of the 2CRSI share, through an investment service provider, through a liquidity contract, in accordance with the practice permitted by the regulations,
- keep the purchased shares and subsequently deliver them in exchange, or as payment, in the context of any external growth operations, being specified that the shares acquired for this purpose may not exceed 5% of the company's capital,
- ensure the coverage of share purchase option plans and/or free share plans (or similar plans) for the benefit of the employees and/or corporate officers of the group, as well as all share allocations, under a company or group savings plan (or similar plan), in respect of profit-sharing, and/or all other forms of allocation of shares to employees and/or corporate officers of the group,

- ensure the coverage of transferable securities giving the right to the allocation of company shares within the framework of the regulations in force,
- implement any market practice that may come to be accepted by the French Financial Market Authority, and more generally carry out any other transaction in accordance with the regulations in force,
- proceed with the possible cancellation of the shares acquired, subject to the authorisation to be granted by this General Meeting of shareholders in their fourteenth extraordinary resolution.

These share purchases may be carried out by any means, including through the acquisition of blocks of securities, and at times determined by the Board of Directors.

These operations cannot be carried out during a takeover bid

The company does not intend to use option mechanisms or derivative instruments.

The maximum purchase price is set at EUR 20 per share. In the event of a transaction on the capital, in particular a division or consolidation of shares or the allocation of free shares, the aforementioned amount will be adjusted in the same proportions (multiplying coefficient equal to the ratio between the number of shares comprising the capital before the operation and the number of shares after the operation).

The maximum amount of the transaction is thus set at EUR 35,486,860.

The General Meeting grants all powers to the Board of Directors, with the option of sub-delegation, to carry out these operations, to determine the conditions and procedures, to enter into all agreements and to carry out all formalities.

8.2.2. Resolutions falling within the remit of the Extraordinary General Meeting:

FOURTEENTH RESOLUTION -

AUTHORIZATION TO BE GIVEN TO THE BOARD OF DIRECTORS WITH A VIEW TO CANCELLING THE SHARES REDEEMED BY THE COMPANY UNDER THE PROVISIONS OF ARTICLE L.225-209 OF THE FRENCH COMMERCIAL CODE

The General Assembly, taking note of the report of the Board of Directors and the report of the auditors:

1. Gives the Board of Directors the authorisation to cancel, on their own decisions, on one or more occasions, within the limit of 10% of the capital calculated on the day of the cancellation decision, less any shares cancelled over the past 24 months, the shares that the company holds or may hold following repurchases carried out within the framework of article L. 225-209 of the French Commercial Code, as well as to reduce

the share capital by an amount in accordance with the legal and regulatory provisions in force,

2. Sets the period of validity of this authorisation at twenty-four months from the date of this Meeting,

3. Gives full powers to the Board of Directors, with the option of sub-delegation, to carry out the necessary operations, for such cancellations and the corresponding reductions in share capital, to amend the articles of association accordingly, and to complete all the required formalities.

FIFTEENTH RESOLUTION -

DELEGATION OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO INCREASE CAPITAL BY INCORPORATION OF RESERVES, PROFITS AND/OR PREMIUMS

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, acknowledges having read the Board of Directors' report, and in accordance with the provisions of Articles L. 225-129-2 and L. 225-130 of the French Commercial Code:

1. Delegates to the Board of Directors their competence, for the purpose of deciding to increase the share capital, in one or more instalments, at the times and according to the methods that they will determine, by incorporation into the capital of reserves, profits, premiums or other sums whose capitalization would be permitted, by the issue and allocation of free shares, or by increasing the par value of existing ordinary shares, or a combination of these two methods.

2. Decides that in the event of use by the Board of Directors of this delegation, in accordance with the provisions of Article L. 225-130 of the French Commercial Code, in the event of a capital increase in the form of free allocation of shares, fractional rights will not be negotiable or transferable, and the corresponding equity securities will be sold; the sums from the sale will be allocated to the rights holders, within the time limit provided for by the regulations.

3. Sets the period of validity of this delegation at twenty-six months, counted from the date of this Meeting.

4. Decides that the amount of the capital increase resulting from the issues carried out under this resolution must not exceed the nominal amount of EUR 810,000, not taking into account the amount necessary to preserve, in accordance with the law, the rights of holders of transferrable securities giving the right to shares.

5. This threshold is independent of all the thresholds provided for in the other resolutions of this Meeting.

6. Gives to the Board of Directors, with the option of sub-delegation, all powers to implement this resolution, and, generally, to take all measures, and carry out all the formalities required for the successful completion of each capital increase, record its realization, and proceed with the corresponding modification of the articles of association.

7. Acknowledges that this delegation cancels, as of this day, up to the unused portion, if applicable, any previous delegation having the same purpose.

SIXTEENTH RESOLUTION –

DELEGATION OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR EQUITY SECURITIES GIVING ACCESS TO OTHER EQUITY SECURITIES, OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES AND/OR TRANSFERRABLE SECURITIES GIVING ACCESS TO EQUITY SECURITIES TO BE ISSUED, WITH THE MAINTENANCE OF PREFERENTIAL SUBSCRIPTION RIGHTS

The General Meeting, acknowledging having read the Board of Directors' report and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code and, in particular, its Articles L. 225-129-2, L.225-129-4, L. 228-92 and L. 225-132 and subsequent:

1. Delegates to the Board of Directors their competence to proceed with the issue, on one or more occasions, in the proportions and at the times that they will consider appropriate, either in euros, or in foreign currencies, or in any other unit of account established by reference to a set of currencies,
   - of ordinary shares, and/or
   - equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or
   - transferrable securities giving access to equity securities to be issued,

In accordance with Article L. 228-93 of the French Commercial Code, the transferrable securities to be issued may give access to equity securities to be issued by the company, and/or by any company which owns, directly or indirectly, more than half of their capital or in which they directly or indirectly own more than half of the capital.

2. Sets the period of validity of this delegation at twenty-six months, counted from the date of this Meeting.

3. Decides to set, as follows, the limits of the amounts of authorised issuances in the event of the use by the Board of Directors of this delegation of authority:

The total nominal amount of the shares that may be issued under this delegation may not exceed EUR 1,080,000.

To this threshold will be added, where applicable, the par value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferrable securities giving access to the Company's capital.

This threshold is independent of all the thresholds provided for in the other resolutions of this Meeting.

The nominal amount of debt securities on the company, which may be issued by virtue of this delegation, may not exceed EUR 100,000,000.

This threshold is independent of all the thresholds provided for in the other resolutions of this Meeting.

4. In the event that the Board of Directors uses this delegation of authority in the context of the issuances referred to in point 1) above:

    a / decides that the issuances (s) of ordinary shares or transferrable securities giving access to the capital will be reserved by preference for shareholders who may apply for new shares; in addition, the board of directors may institute for the benefit of the shareholders a subscription right on a reducible basis which will be exercised in proportion to the subscription rights they have within the limit of their requests,

    b / decides that if new shares and, where applicable, shares on a reducible basis have not absorbed all of the issue referred to in point 1), the Board of Directors may use the following options:

    - limit the amount of the issuance to the amount of subscriptions, being specified that, in the event of an issuance of ordinary shares or transferrable securities whose primary security is a share, the amount of subscriptions must reach at least ¾ of the issuance decided for this limitation to be possible,
    - freely distribute all or part of the unsubscribed securities,
    - distribute all or part of the unsubscribed securities to the public,

5. Decides that the Board of Directors will have, within the limits set above, with the option of sub-delegation, the necessary powers to implement this delegation of authority and in particular to set the conditions of the issuance, and determine the issue price, if applicable, record the completion of the resulting capital increases, make the corresponding amendment to the articles of association, charge, at their sole initiative, the costs of the capital increases to the amount of the related premiums and deduct from this amount the

sums necessary to bring the legal reserve to one-tenth of the new capital after each increase and, more generally, do whatever is necessary in such a matter.

6. Take note that this delegation cancels any previous delegation having the same purpose.

SEVENTEENTH RESOLUTION –

DELEGATION OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR EQUITY SECURITIES GIVING ACCESS TO OTHER EQUITY SECURITIES OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES AND/OR TRANSFERRABLE SECURITIES GIVING ACCESS TO EQUITY SECURITIES TO BE ISSUED, WITH THE CANCELLATION OF THE PREFERENTIAL SUBSCRIPTION RIGHT BY PUBLIC OFFERING, WITH THE EXCLUSION OF THE OFFERS REFERRED TO IN PARAGRAPH 1 OF ARTICLE L.411-2 OF THE FRENCH MONETARY AND FINANCIAL CODE AND/OR IN REMUNERATION OF SECURITIES AS PART OF A PUBLIC EXCHANGE OFFER

The General Meeting, acknowledging having read the Board of Directors' report and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code and, in particular, its Articles L. 225-129-2, L.225-129-4, L 225-136, L. 225-148 and L. 228-92:

1. Delegates to the Board of Directors their competence to carry out the issuance, on one or more occasions, in the proportions and at the times that they will consider appropriate, on the French and/or international market, by a public offer, with the exception of the offers referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code, either in EUR or in foreign currencies or in any other unit of account established by reference to a set of currencies:

   - of ordinary shares, and/or
   - equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or
   - transferrable securities giving access to equity securities to be issued,

   These securities may be issued for the purpose of remunerating securities that would be contributed to the company as part of a public exchange offer on securities meeting the conditions set out in Article L. 225-148 of the French Commercial Code

   In accordance with Article L. 228-93 of the French Commercial Code, the transferrable securities to be issued may give access to equity securities to be issued by the company, and/or by any company which owns, directly or indirectly, more than half of their capital or in which they directly or indirectly own more than half of the capital.

2. Sets the period of validity of this delegation at twenty-six months, counted from the date of this Meeting.

3. The total nominal number of ordinary shares that may be issued by virtue of this delegation may not exceed EUR 1,080,000.

   To this threshold will be added, where applicable, the par value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferrable securities giving access to the Company's capital.

   This amount is deducted from the maximum amount of the capital increase set in the eighteenth and nineteenth resolutions.

   The nominal amount of debt securities on the company, which may be issued by virtue of this delegation, may not exceed EUR 100,000,000.

   This amount is deducted from the threshold of the nominal amount of debt securities provided for in the eighteenth and nineteenth resolutions.

4. Decides to cancel the preferential subscription right of shareholders of ordinary shares and transferrable securities giving access to the capital and/or debt securities covered by this resolution, and delegates to the Board of Directors the power to establish, should the occasion arise, under the conditions provided for in Article L225-135 of the Commercial Code, for all or part of an issuance, a priority subscription right for new shares or excess new shares in favour of the shareholders.

5. Decides that the amount due, or due to return, to the company for each of the ordinary shares issued within the framework of this delegation of authority, after taking into account, in the event of the issue of independent share subscription warrants, the issue price of said warrants, will be at least equal to the minimum required by the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation.

6. Decides, in the event of the issue of securities tendered to remunerate securities contributed as part of a public exchange offer, that the Board of Directors will dispose, under the conditions set out in Article L. 225-148 of the French Commercial Code and within the limits set above, the powers necessary to draw up the list of securities tendered to the exchange, set the conditions of issue, the exchange parity, as well as, if applicable,

the amount of the cash balance to be paid, and determine the terms of issuance.

7. Decides that, if the subscriptions have not absorbed all of an issue referred to in 1 /, the Board of Directors may use the following options:
   - limit the amount of the issuance to the amount of subscriptions, being specified that, in the event of an issuance of ordinary shares or transferrable securities whose primary security is a share, the amount of subscriptions must reach at least ¾ of the issuance decided for this limitation to be possible
   - freely distribute all or part of the unsubscribed securities.

8. Decides that the Board of Directors will have, within the limits set above, with the option of sub-delegation, the necessary powers to implement this delegation of authority and in particular to set the conditions of the issuance, if applicable record the completion of the resulting capital increases, make the corresponding amendment to the articles of association, charge, at their sole initiative, the costs of the capital increases to the amount of the related premiums and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase and, more generally, do whatever is necessary in such a matter.

9. Take note that this delegation cancels any previous delegation having the same purpose.

EIGHTEENTH RESOLUTION –

DELEGATION OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR EQUITY SECURITIES GIVING ACCESS TO OTHER EQUITY SECURITIES OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES AND/OR TRANSFERABLE SECURITIES GIVING ACCESS TO EQUITY SECURITIES TO BE ISSUED, WITH CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS BY AN OFFER REFERRED TO IN PARAGRAPH 1 OF ARTICLE L.411-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

The General Meeting, acknowledging having read the Board of Directors' report and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code and, in particular, its Articles L.225-129-2, L 225-136 et L. 228-92:

1. Delegates to the Board of Directors their competence to carry out the issuance, on one or more occasions, in the proportions and at the times that they will consider appropriate, on the French and/or international market, by an offer such as that referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code, either in EUR or in foreign currencies or in any other unit of account established by reference to a set of currencies:
   - of ordinary shares, and/or
   - equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or

- transferrable securities giving access to equity securities to be issued,

In accordance with Article 228-93 of the French Commercial Code, the transferrable securities to be issued may give access to equity securities to be issued by the company, and/or by any company which owns, directly or indirectly, more than half of their capital or in which they directly or indirectly own more than half of the capital.

2. Sets the period of validity of this delegation at twenty-six months, counted from the date of this Meeting.

3. The total nominal number of ordinary shares that may be issued by virtue of this delegation may not exceed EUR 1,080,000, being specified that it will also be limited to 20% of the capital per year.

   To this threshold will be added, where applicable, the par value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferrable securities giving access to the Company's capital.

   This amount is deducted from the maximum amount of the capital increase set in the seventeenth and nineteenth resolutions.

   The nominal amount of debt securities on the company that may be issued under this delegation may not exceed EUR 100,000,000.

   This amount is deducted from the maximum nominal amount of debt securities provided for in the seventeenth and nineteenth resolutions.

4. Decides to cancel the preferential subscription right of shareholders to ordinary shares and to transferable securities giving access to the capital and/or to debt securities covered by this resolution.

5. Decides that the amount due, or due to return, to the company for each of the ordinary shares issued within the framework of this delegation of authority, after taking into account, in the event of the issuance of independent share subscription warrants, the issue price of said warrants, will be at least equal to the minimum required by the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation.

6. Decides that, if the subscriptions have not absorbed all of an issue referred to in 1 /, the Board of Directors may use the following options:

   - limit the amount of the issuance to the amount of subscriptions, being specified that, in the event of an issuance of ordinary shares or transferrable securities whose primary security is a share, the amount of subscriptions must reach at least ¾ of the

issuance decided for this limitation to be possible
- freely distribute all or part of the unsubscribed securities.

7. Decides that the Board of Directors will have, within the limits set above, with the option of sub-delegation, the necessary powers to implement this delegation of authority and in particular to set the conditions of the issuance, if applicable record the completion of the resulting capital increases, make the corresponding amendment to the articles of association, charge, at their sole initiative, the costs of the capital increases to the amount of the related premiums and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase and, more generally, do whatever is necessary in such a matter.

8. Take note that this delegation cancels any previous delegation having the same purpose.

NINETEENTH RESOLUTION –

DELEGATION OF AUTHORITY TO BE GIVEN ON THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR EQUITY SECURITIES GIVING ACCESS TO OTHER EQUITY SECURITIES OR GIVING RIGHT TO THE ALLOCATION OF DEBT SECURITIES AND/OR TRANSFERRABLE SECURITIES GIVING ACCESS TO EQUITY SECURITIES TO BE ISSUED, WITH THE CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS FOR THE BENEFIT OF A CATEGORY OF BENEFICIARIES

The General Meeting, after having read the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of the French Commercial Code and in particular its articles L.225-129-2, L.225-129- 4, L.225-135, L.225-138 and L.228-92:

1) Delegate to the Board of Directors their competence to carry out the capital increase, on one or more occasions, in the proportions and at the times that they will consider appropriate, both in France and abroad, by issue either in EUR, or in foreign currencies or in any other unit of account established by reference to a set of currencies:

   - of ordinary shares, and/or

   - equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or

   - transferrable securities giving access to equity securities to be issued,

   In accordance with Article 228-93 of the French Commercial Code, the transferrable securities to be issued may give access to equity securities to be issued by the company, and/or by any company which owns, directly or indirectly, more than half of their capital or in which they directly or indirectly own more than half of the capital.

2) Sets the period of validity of this delegation at eighteen months, counted from the date of this meeting.

3) The maximum overall nominal amount of capital increases that may be carried out by virtue of this delegation may not exceed EUR 1,080,000.

   To this threshold will be added, where applicable, the par value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of transferrable securities giving access to the Company's capital.

   This amount is deducted from the maximum amount of the capital increase set in the seventeenth and eighteenth resolutions.

   The nominal amount of debt securities on the company that may be issued in this way may not exceed EUR 100,000,000.

   This amount is deducted from the threshold of the nominal amount of debt securities provided for in the seventeenth and eighteenth resolutions.

4) Decides to abolish the preferential subscription right of shareholders to the securities covered by this resolution in favour of the following category of beneficiaries: legal persons governed by French or foreign law (including holding companies, entities, investment companies, mutual funds investment funds or collective savings management funds) or natural persons, each presenting the status of qualified investor (within the meaning of Article L.411-2 1 of the French Monetary and Financial Code) and to invest on a regular basis in listed companies, operating in the IT sector and in particular that of the construction of computer servers, in computer systems and networks, the Internet, computer security, computer equipment manufacturers, and information systems, for a minimum individual subscription amount of EUR 100,000 per transaction, or the equivalent of this amount, and with the number of investors limited to 50; being specified that the Board of Directors will establish the precise list of beneficiaries within this category of beneficiaries, as well as the number of securities to be allocated to each of them.

5) Notes that this delegation entails the waiver by the shareholders of their preferential subscription right to the shares of the company that may be issued.

6) Decides that the issue price of the shares issued by virtue of this delegation will be determined by the Board of Directors and will be at least equal to the average of the average prices, weighted by the volumes of the last twenty trading sessions preceding the fixing of the issue price, possibly reduced by a maximum discount of 10%, taking into account, if applicable, their dividend date, and being specified that the issue price of the transferrable securities giving access to the capital, if applicable, issued under this resolution will be such as the sum, if applicable, received immediately by the Company, increased by that likely to be received by them during the exercise or conversion of said transferable securities, i.e., for each share issued as a result of the issuance of these transferrable securities, at least equal to the aforementioned minimum amount.

7) Decides that, if the subscriptions have not absorbed all of an issue referred to in 1, the Board of Directors may use the following options:

- limit the amount of the issuance to the amount of subscriptions, being specified that, in the event of an issuance of ordinary shares or transferrable securities whose primary security is a share, the amount of subscriptions must reach at least ¾ of the issuance decided for this limitation to be possible,
- freely distribute all or part of the unsubscribed securities.

8) Decides that the Board of Directors will have, within the limits set above, with the option of sub-delegation, the powers necessary to implement this delegation of authority and in particular for the purpose of:

- deciding the amount of the capital increase, the issue price as well as the amount of the premium that may, if applicable, be requested on the issuance,
- setting the dates, conditions, and terms of any issuance, as well as the form and characteristics of the shares or transferrable securities giving access to the capital to be issued,
- the dividend date, possibly retroactive, of the shares or transferrable securities giving access to the capital to be issued, their mode of payment,
- determining the list of beneficiaries within the above-mentioned category of persons and the number of securities to be allocated to each of them,
- at their sole initiative, and when they deem it appropriate, charging the costs, duties, and fees, determined by the capital increases carried out by virtue of the delegation referred to in this resolution, to the amount of the premiums relating to these transactions, and deducting, from the amount of these premiums, the sums necessary to bring the legal reserve to one-tenth of the new capital, after each transaction,
- noting the completion of each capital increase and making the corresponding modifications to the articles of association,
- in general, entering into any agreement, in particular, to achieve the successful completion of the planned issuances
- taking all measures and carrying out all necessary formalities for the issuance, listing, and financial service of the securities issued under this delegation, as well as for the exercise of the rights attached thereto,
- taking any decision with a view to the admission of the securities and transferrable securities thus issued on any market on which the Company's shares would be admitted to trading.

<u>TWENTIETH RESOLUTION -</u>

<u>DELEGATION TO BE GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING ORDINARY SHARES AND/OR TRANSFERRABLE SECURITIES GIVING ACCESS TO THE CAPITAL WITHIN THE LIMIT OF 10% OF THE CAPITAL WITH A VIEW TO REMUNERATING CONTRIBUTIONS IN KIND OF SECURITIES OR TRANSFERRABLE SECURITIES GIVING ACCESS TO CAPITAL</u>

The General Meeting, after acknowledging having read the reports of the Board of Directors and the statutory auditors and in accordance with Articles L.225-129-4, L. 225-147 and L. 228-92 of the French Commercial Code:

1. Authorises the Board of Directors to proceed, on the auditor's report, to the contributions, the issue of ordinary shares, or of transferrable securities giving access to ordinary shares, in order to remunerate contributions in kind granted to the company and made up of equity securities, or transferrable securities giving access to the capital when the provisions of Article L. 225-148 of the French Commercial Code are not applicable.

2. Sets the period of validity of this delegation at twenty-six months, counted from the date of this Meeting.

3. Decides that the total nominal amount of ordinary shares, which may be issued by virtue of this delegation, may not exceed 10% of the capital on the date of this Meeting, not taking into account the par value of ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of transferrable securities giving access to the Company's capital.
   This threshold is independent of all the thresholds provided for in the other resolutions of this Meeting.

   Decides that the total nominal amount of the transferrable securities representing debt securities or similar securities on the Company that may be issued under this delegation may not exceed EUR 100,000,000.

   This threshold is independent of all the thresholds provided for in the other resolutions of this Meeting.

4. Delegates all powers to the Board of Directors, with the option of sub-delegation, for the purposes of approving the valuation of contributions, deciding the resulting capital increase, acknowledging its completion, charging, where applicable, from the contribution premium all the costs and rights occasioned by the capital increase, deducting from the contribution premium the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and proceeding with the corresponding modification of the articles of association, and taking the necessary steps in such matters.

5. Take note that this delegation cancels any previous delegation having the same purpose.

TWENTY-FIRST RESOLUTION –

DETERMINATION OF THE METHODS FOR SETTING THE SUBSCRIPTION PRICE IN THE EVENT OF CANCELLATION OF THE PREFERENTIAL SUBSCRIPTION RIGHT WITHIN THE ANNUAL LIMIT OF 10% OF THE CAPITAL

1. The General Meeting, acknowledging having read the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of Article L. 225-136-1, paragraph 2, of the French Commercial Code, authorises the Board of Directors which decides on the issuance of ordinary shares or transferrable securities giving access to the capital, in application of the fifteenth and sixteenth resolutions, to be waived in the limit of 10% of the share capital per year, under the conditions for setting the price provided for in the aforementioned resolutions, and to set the issue price of the equity securities to be issued according to the following terms:

The issue price of equivalent equity securities to be issued immediately or deferred may not be lower, at the choice of the Board of Directors:

- *either than the weighted average price of the company's share on the day preceding the start of the public offer, possibly reduced by a maximum discount of 15%,*
- *or the average of 5 consecutive quoted prices of the share chosen from the last thirty trading sessions preceding the start of the public offer, possibly reduced by a maximum discount of 15%.*

TWENTY-SECOND RESOLUTION –

AUTHORISATION TO INCREASE THE NUMBER OF ISSUANCES IN THE EVENT OF EXCESS DEMAND

The General Meeting, after acknowledging having read the report of the Board of Directors and the special report of the statutory auditors:

1. Decides that, for each issuance of ordinary shares or transferrable securities giving access to the capital, decided in application of the sixteenth, seventeenth, eighteenth, and nineteenth resolutions, the number of securities to be issued may be increased in the conditions provided for in Articles L 225-135-1 and R 225-118 of the French Commercial Code, and within the limits of the thresholds set by the Meeting, when the Board of Directors finds excess demand.

2. Sets the period of validity of this authorisation at twenty-six months, counted from the date of this Meeting

TWENTY-THIRD RESOLUTION –

DELEGATION OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING ORDINARY SHARES AND/OR TRANSFERABLE SECURITIES,

GIVING ACCESS TO THE CAPITAL WITH CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS FOR THE BENEFIT OF MEMBERS OF THE COMPANY'S SAVINGS PLAN, IN APPLICATION OF ARTICLES L. 3332-18 AND SUBSEQUENT OF THE FRENCH LABOUR CODE

The General Meeting, after acknowledging having read the report of the Board of Directors and the special report of the statutory auditors, ruling in accordance with Articles L.225-129-4, L. 225-129-6, L. 225-138-1 and L. 228-92 of the French Commercial Code and L. 3332-18 and subsequent of the French Labour Code:

1. Delegates their authority to the Board of Directors for the purpose, if they deem it appropriate, on their sole decisions, to increase the share capital, one or more times, by issuing ordinary shares or transferrable securities giving access to equity securities to be issued by the Company, for the benefit of members of one or more company or group savings schemes established by the Company, and/or French or foreign companies linked to them, under the conditions of Article L.225-180 of the French Commercial Code and of Article L.3344-1 of the French Labour Code.

2. Removes, in favour of these persons, the preferential subscription right to the shares that may be issued by virtue of this delegation.

3. Sets the period of validity of this delegation at twenty-six months from the date of this Meeting.

4. Limits the maximum nominal amount of the increase(s) that can be carried out by virtue of this delegation to EUR 810,000, this amount being independent of any other threshold provided for in terms of the delegation for capital increase. To this amount will be added, where applicable, the additional amount of ordinary shares to be issued to preserve, in accordance with the law and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of transferrable securities giving the right to Company equity securities;

5. Decides that the price of the shares to be issued, in application of 1 / of this delegation, may not be less than 30%, or 40%, when the period of unavailability provided for by the plan, in application of articles L . 3332-25 and L. 3332-26 of the Labour Code is greater than or equal to ten years, the average of the first quoted prices of the share during the 20 trading sessions preceding the decision of the Board of Directors relating to the capital increase and the corresponding issue of shares, nor greater than this average.

6. Decides, in application of the provisions of Article L.3332-21 of the French Labour Code, that the Board of Directors may provide for the allocation, to the beneficiaries defined in the first paragraph above, free of charge, of shares to be issued or already issued, or other securities giving access to the Company's capital to be issued or already issued, in respect of (i) the contribution that may be paid in application of the regulations of company or group savings schemes, and/or (ii), where applicable, the discount;

7. Take note that this delegation cancels any previous delegation having the same purpose.

The Board of Directors may or may not implement this delegation, take all measures, and carry out all necessary formalities, with the option of sub-delegation.

TWENTY-FOURTH RESOLUTION –

DELEGATION TO BE GRANTED TO THE BOARD OF DIRECTORS WITH A VIEW TO ISSUING SHARE SUBSCRIPTION WARRANTS (SSW), NEW AND/OR EXISTING SHARE SUBSCRIPTION AND/OR PURCHASE WARRANTS (BSAANE) AND/OR NEW AND/OR EXISTING REDEEMABLE SHARE SUBSCRIPTION AND/OR PURCHASE WARRANTS (BSAAR) WITH CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS IN FAVOUR OF A CATEGORY OF PERSONS

The General Meeting after acknowledging having read the report of the Board of Directors and the special report of the statutory auditors and in accordance with the provisions of Articles L.225-129-2, L.225-138 and L.228-91 of the French Commercial Code:

1. Delegates to the Board of Directors their competence, in order to proceed, on one or more occasions, in the proportions and at the times that they will deed appropriate, both in France and abroad, with the issue of share subscription warrants (SSW), share purchase and/or acquisition warrants of new and/or existing shares (BSAANE) and/or redeemable share subscription and/or acquisition warrants (BSAAR), with the cancellation of preferential subscription rights for the benefit of a category of persons defined below.

2. Sets the period of validity of this delegation at eighteen months, from the date of this meeting.

3. Decides that the total nominal amount of the shares to which the warrants issued by virtue of this delegation may give right may not be greater than 10% of the existing share capital on the day of the decision of their allocation by the Board; this amount being independent of any other threshold provided for in terms of the delegation of capital increase. To this threshold will be added, where applicable, the par value of the ordinary shares to be issued in order to preserve, in accordance with the law and, where applicable, the contractual stipulations providing for other cases of adjustment, the rights of holders of SSW, BSAANE and/or BSAAR.

4. Decides that the subscription and/or acquisition price of the shares to which the warrants will give right, after taking into account the issue price of the warrants will be at least equal to the average of the closing market prices of the 2CRSI share during the 20 trading sessions preceding the day of the decision to issue the warrants.

5. Decides to cancel the preferential subscription rights of shareholders to BSA, BSAANE, BSAAR to be issued, in favour of the following category of persons:

i. employees and/or corporate officers of the Company or of a group company within the meaning of Article L.233-3 of the French Commercial Code; and or
ii. service providers or consultants who have signed a contract with the Company or a group company within the meaning of Article L.233-3 of the French Commercial Code.

6. Notes that this delegation entails the waiver by the shareholders of their preferential subscription rights to the shares of the company, which may be issued upon exercise of warrants for the benefit of holders of BSA, BSAANE, and/or BSAAR.

7. Decides that the Board of Directors will have all the necessary powers, under the conditions set by law and provided for above, to issue BSA, BSAANE, and/or BSAAR and in particular:

   - to set the precise list of beneficiaries within the category of persons defined above, the nature and number of warrants to be allocated to each of them, the number of shares to which each warrant will be entitled, the issue price of the warrants and the subscription and/or acquisition price of the shares to which the warrants will give right under the conditions provided above, it is specified that the issue price of the warrants will be established according to market conditions or according to expert opinion, the conditions and deadlines for the subscription and exercise of the warrants, their adjustment methods, and, more generally, all the terms and conditions of the issue;
   - to prepare an additional report describing the final conditions of the transaction;
   - where applicable, to acquire the shares required under the share redemption program and allocate them to the allocation plan;
   - to note the completion of the capital increase that may result from the exercise of the BSA, BSAANE, and/or BSAAR, and make the corresponding amendment to the articles of association;
   - at their sole initiative, charge the costs of the capital increases to the amount of the related premiums, and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase;
   - delegate themselves to the Chief Executive Officer the powers necessary for carrying out the capital increase, as well as the power to suspend it within the limits and according to the terms that the Board of Directors may set in advance;
   - and more generally to do whatever is necessary in such a matter.

<u>TWENTY-FIFTH RESOLUTION -</u>

<u>DELEGATION TO BE GIVEN TO THE BOARD OF DIRECTORS WITH A VIEW TO HARMONIZING THE ARTICLES OF ASSOCIATION OF THE COMPANY WITH LEGISLATIVE AND REGULATORY PROVISIONS</u>

The General Meeting, after having taken note of the report of the Board of Directors, gives full powers to the Board to bring the articles of association of the company into compliance with the legislative and regulatory provisions, subject to the ratification of these modifications by the next general extraordinary meeting.

TWENTY-SIXTH RESOLUTION -

AMENDMENT OF ARTICLE 7 OF THE COMPANY'S ARTICLES OF ASSOCIATION "SPECIAL BENEFITS - PREFERENCE SHARES" IN ORDER TO BRING IT INTO LINE WITH THE SHARE SPLIT, IN PARTICULAR WITH REGARD TO THE RULE FOR CALCULATING THE PRICE OF THE 2017 PREFERENCE SHARES, AND IN ACCORDANCE WITH THE CHANGED BALANCE SHEET DATE,

The General Meeting, after having taken note of the report of the Board of Directors, decides to modify article 7 of the articles of association of the Company "SPECIAL BENEFITS - PREFERENCE SHARES" as follows, in order to bring it into line with the share split, in particular with regard to the rule for calculating the price of the 2017 preference shares, and in accordance with the change in balance sheet date:

- paragraph 2 of the preamble to Article 7:
  "The share capital was increased by way of creation and issue of 350,000 2017 preference shares of EUR 0.90 par value each. ***Taking into account the share split value by ten decided by the Combined General Meeting of 24 May 2018, the 3,500,000 2017 preference shares now have a par value of EUR 0.09 each"***
- a - Priority dividends, paragraph 1:
  *"The 2017 preference shares are not entitled to the payment of the ordinary dividend of the Company. On the other hand, each 2017 preference share is entitled to a priority and accrued and unpaid annual dividend, paid in preference to all the other shares of the Company, deducted from the distributable sums and paid no later than **10 September** of each year (the "Priority Dividend") ".*

- a - Priority dividends, paragraph 2:
  *The Priority Dividend is equal to the Priority Dividend rate multiplied by **EUR 0.10.** For all the financial years ending before **1 March 2023,** the Priority Dividend rate is equal to five (5)%."*

- a - Priority dividends, paragraph 9:
  "Thus, by way of illustration, if the Company has not paid a Priority Dividend for the first two fully closed financial years since the balance sheet date of the sixth financial year following the subscription date of the 2017 preference shares, the amount of the Accrued and Unpaid Dividend payable for each 2017 preference share for this financial year, in addition to the Priority Dividend, will be equal to (12-month Euribor + 1,500 basis points) x ***EUR 0.10*** x (1.15 + 1.15 x 1, 15)".

- a - Priority dividends, paragraph 10:

*The payment of the Priority Dividend and of the Accrued and Unpaid Dividend no later than **10 September** of each year is an obligation of the Company up to the amount specified in the distributable sums appearing on their balance sheet, with the specification that the Priority Dividends and the Accrued and Unpaid Dividends will be charged with priority to the financial year's distributable profits, then to other distributable sums.*

- a - Priority dividends, paragraph 11:

  *„As of the financial year ending on 31 December 2016, the Company and the Executive thus undertake to hold the annual general meeting to approve the accounts within six months of the financial year-end, and during this meeting the Company and the Executive undertake to make provisions for the payment of the priority dividend, voted before **10 September** of each year. If the meeting does not vote this distribution, or if the Company does not pay the dividend voted by the meeting, then any 2017 preference shares Holder may force the payment of the dividend by means of legal action."*

- a - Priority dividends, paragraph 13:

  *„For all the financial years from and including the one ending on **28 February 2023**, in the event of non-exercise of the redemption option defined in article c below, if an Ordinary Dividend is paid on the other shares issued and to be issued by the Company, this Ordinary Dividend shall not exceed, at par value, the amount of the Priority Dividend, except when paying simultaneously to the Holders of the 2017 preference shares a supplementary dividend (the "**Supplementary Dividend**"), taken from the distributable profit for the financial year, the distributable reserves or retained earnings, and equal, in the event of a par value equivalence, to the difference between the Ordinary Dividend and the Priority Dividend. In the event that the par values between the 2017 preference shares and the other shares are unequal, the Supplementary Dividend will be adjusted accordingly."*

- *c – Redemption Option,* paragraph 1 :

  *"Each Holder of the 2017 preference shares irrevocably undertakes to transfer all of the 2017 preference shares they hold, in one go, to HAW (Strasbourg Trade and Companies Register no. 799 911 656) or to any other person replacing them, excluding the Company (the "Third Party Buyer"), if the latter(s) so request(s) (the "Redemption Option"), during the period from **1 March 2023 to 31 May 2023** (the "Option Period"), for an amount, per each 2017 preference share, of 110% x **EUR 0.10**, increased, if applicable, by the Accrued and Unpaid Dividend (the "Redemption Price")"*

<u>TWENTY-SEVENTH RESOLUTION -</u>

<u>ALIGNMENT OF THE COMPANY'S ARTICLES OF ASSOCIATION WITH THE PROVISIONS OF LAW NO. 2019-486 OF 22 MAY 2019, KNOWN AS THE PACTE LAW</u>

The General Meeting, after acknowledging having read the report of the Board of Directors, decides to ensure the compliance:

- of Article 8.2 paragraph 1 of the Company's articles of association "Form of equity securities and other transferrable securities - Identification of shareholders - Passing of shareholding thresholds" with the provisions of article L.228-2 of the French Commercial Code, in order to ensure its compliance with the provisions relating to the shareholder identification procedure and to amend it accordingly as follows, the rest of the article remaining unchanged:

"8.2 T*he Company is authorized to request at any time*, ***either*** *from the central financial instruments depository or* ***directly from one or more intermediaries mentioned in Article L.211-3 of the French Monetary and Financial Code,*** *the information required by law relating to the identification of holders of securities in bearer form, immediately or eventually conferring voting rights at shareholders' meetings. The Company is also entitled to ask, under the conditions set by law, the identity of the holders of securities, when they consider that certain holders whose identity has been revealed to them are holders of securities on behalf of third parties.* "

- article 12.4 “Board of Directors” of the Company's articles of association, with the provisions of article L.225-35 of the French Commercial Code, in order to specify the extent of the powers of the Board of Directors, and amend accordingly as follows, while the rest of the article remains unchanged:

  “The Board of Directors determines the orientations of the company's activity and oversees its implementation, ***in accordance with their corporate interests, taking into account the corporate and environmental issues concerning their activity.*** *Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, they deal with any matter affecting the smooth running of the Company and settle, through their deliberations, the matters which concern them. They carry out all the controls and verifications they deem appropriate.”*

TWENTY-EIGHTH RESOLUTION -

ALIGNMENT OF ARTICLE 16 PARAGRAPH 2 OF THE COMPANY'S ARTICLES OF ASSOCIATION "SHAREHOLDERS' RIGHT OF COMMUNICATION" WITH THE PROVISIONS OF LAW NO. 2019-744 OF 19 JULY 2019, KNOWN AS THE SOILIHI LAW, RELATING TO WRITTEN QUESTIONS FROM SHAREHOLDERS

The General Meeting, after acknowledging having read the Board of Directors' report, decides to bring article 16 paragraph 2 of the Company's articles of association “Right of communication of shareholders” into alignment with the provisions of Law no. 2019- 744 of 19 July 2019, known as the Soilihi law, relating to written questions from shareholders, and to amend it as follows, while the rest of the article remains unchanged:

“From the day on which they can exercise their right of prior communication to any general meeting, each shareholder has the right to ask questions, in writing, to which the board of directors, ***or with the latter's authorisation, to one of their members, the Chief Executive Officer or a Deputy Chief Executive Officer*** *is required to respond during the meeting. The answer to a written question is deemed to have been given when it appears on the Company's website ".*

TWENTY-NINTH RESOLUTION -

HARMONIZATION OF ARTICLE 12.3 PARAGRAPH 2 OF THE COMPANY'S ARTICLES OF ASSOCIATION "BOARD OF DIRECTORS" WITH THE PROVISIONS OF THE SOILIHI LAW IN ORDER TO PROVIDE FOR THE POSSIBILITY FOR THE BOARD OF DIRECTORS TO ADOPT CERTAIN DECISIONS BY WRITTEN CONSULTATION

The General Meeting, after acknowledging having read the report of the Board of Directors, decides to add a new paragraph to article 12.3 paragraph 2 of the articles of association of the Company “Board of Directors”, in order to bring it into line with the provisions of Article L.225-37 of the French Commercial Code, and to amend it accordingly as follows, while the rest of the article remains unchanged:

”Meetings are held at the registered office or at any other location designated in the summons.

However, the Board may adopt by written consultation the decisions provided for by the regulations in force”.

THIRTIETH RESOLUTION -

POWERS TO EXECUTE FORMALITIES

The General Meeting grants full powers to the bearer of a copy, a copy or an extract of these minutes to complete all filing and publication formalities required by law.

9. ADDITIONAL URD INFORMATION

9.1. RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Mister Alain Wilmouth
Chief Executive Officer

9.2. RESPONSIBLE FOR INFORMATION

Mrs Marie de Lauzon
Deputy Chief Executive Officer

9.3. RESPONSIBLE FOR FINANCIAL INFORMATION

Ms Valérie Bouleau
Financial Director

9.4. CERTIFICATE FROM THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I certify, after having taken all reasonable measures to this effect, that the information contained in this universal registration document is, to the best of my knowledge, true to reality, and does not contain any omission liable to alter its scope.

I certify to the best of my knowledge that the financial statements are drawn up in accordance with applicable accounting standards and give a true and fair view of the assets, the financial situation and the income of the Company, and of all the companies included in the consolidation, and that the management report contained in this universal registration document presents an accurate picture of the development of the business, performance and financial situation of the Company, and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

9.5. STATUTORY AUDITORS

PRINCIPAL STATUTORY AUDITORS

Ernst & Young Audit
1-2, place des Saisons
1 Paris La-Défense
92400 Courbevoie
Represented by Alban de Claverie

Ernst & Young Audit was appointed by the decision of the partners on 25 September 2017, for a period of six financial years, ending at the end of the general meeting which will rule on the accounts for the year ended on 28 February 2023.

Ernst & Young Audit is a member of the Regional Company of Auditors of Versailles.

Audit Trustee
2 avenue de Bruxelles
68350 Didenheim
Represented by Mr Thierry Liesenfeld

The Audit Trustee was appointed by a decision of the Combined General Meeting of 13 June 2019, for a period of six financial years, ending at the end of the general meeting which will rule on the accounts for the financial year ended on 28 February 2025.

The Audit trustee is a member of the Colmar Regional Company of Auditors.

9.6. DOCUMENTS ACCESSIBLE TO THE PUBLIC

Company press releases and annual reference documents, including in particular historical financial information on the Company filed with the AMF, as well as their updates, are available on the Company's website at the following address: www .2CRSi.com, and a copy can be obtained at the company's registered office, 32 Rue Jacobi-Netter 67200 Strasbourg.

All the information published and made public by the Company over the last twelve months in France is available on the Company's website, at the address indicated above, and on the AMF's website at the following address: www.amf-france.org

Finally, the Company's articles of association, as well as the minutes of general meetings, the reports of the statutory auditors, and all other corporate documents can be consulted at the Company's registered office.

9.7. CONCORDANCE TABLES

9.7.1 Table of concordance of the universal registration document

In order to facilitate the reading of this universal registration document, the concordance table presented below makes it possible to identify the main information required by Annex 1 and 2 of Commission Delegated Regulation No. 2019/980, supplementing the European regulation 2017/1129.

APPENDIX 1

INFORMATION	Paragraphs	Pages
1. RESPONSIBLE PERSONS, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS, AND APPROVAL OF THE COMPETENT AUTHORITY		
1.1. Persons responsible for the information	9.1	p. 298
1.2. Certificate of the person responsible for the registration document	9.4	p. 298
1.3. Expert statement	N/A	N/A
1.4. Other statements	N/A	N/A
1.5. Approval by the competent authority	Insert	p. 2
2. STATUTORY AUDITORS		
2.1. Contact information	9.5	p. 299
2.2. Changes	N/A	N/A
3. RISK FACTORS	5.2	p. 146 to 158
4. INFORMATION ABOUT THE ISSUER		
4.1. Company Name	2.1	p. 48
4.2. Registration and LEI code	2.1	p. 48
4.3. Date of incorporation and duration	2.1	p. 49
4.4. Registered office - legal form - applicable legislation - website	2.1	p. 49
5. OVERVIEW OF ACTIVITIES		
5.1. Primary activities		
5.1.1. Operations and primary activities	1	p. 9 to 45
5.1.2. New products	1.9	p. 41 to 44
5.2. Primary markets	1.8 / 6.7.4.1	p. 32 to 40/ p. 196 to 199

INFORMATION	Paragraphs	Pages
10. TREND INFORMATION		
10.1. Main trends and significant change in the group's financial performance	1.8	p. 32 to 40
10.2. Elements likely to have a significant influence on prospects	1.8	p. 32 to 40
11. PROFIT FORECASTS OR ESTIMATES	N/A	N/A
12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT		
12.1. Information concerning the members of the administrative and management bodies of the company	3.2 / 3.3 / 3.4	p. 84 / p. 85 to 89
12.2. Conflicts of interest at the level of administrative, management and general management bodies	3.4.4	p. 95 to 96
13. COMPENSATION AND BENEFITS		
13.1 Compensation paid	3.5.3	p. 108 to 115
13.2. Provisions for pensions, retirement or other	6.7.5.13	p. 218-219
14. FUNCTIONING OF ADMINISTRATIVE AND MANAGEMENT BODIES		
14.1. Term of office	3.4.1	p. 90
14.2. Service contracts	N/A	N/A
14.3. Committees	N/A	N/A
14.4. Compliance with corporate governance rules	3.1	p. 83
14.5. Potential significant impacts on corporate governance	N/A	N/A
15. EMPLOYEES		
15.1. Breakdown of workforce	4.2.3.1	p. 129 to 133
15.2. Participations and stock options	2.5	p.76
15.3. Capital participation agreement	N/A	N/A
16. MAIN SHAREHOLDERS		
16.1. Breakdown of capital	2.3.4.4	p. 62
16.2. Different voting rights	2.3.3	p. 52 and s.
16.3. Issuer control	2.3.4.11	p. 71
16.4. Shareholder agreement	2.3.4.12	p. 71
17. TRANSACTIONS WITH RELATED PARTIES	6.7.6.2	p. 220-221
18. FINANCIAL INFORMATION CONCERNING THE ASSETS AND LIABILITIES, THE FINANCIAL POSITION AND THE PERFORMANCE OF THE ISSUER		
18.1. Former financial information	6 and 7	p. 166 to 262
18.1.1. Audited former financial information and audit report	6	p.166
18.1.2. Change of accounting reference date	2.1	p. 49

APPENDIX 2

INFORMATION	Paragraphs	Pages
1. INFORMATION TO BE PROVIDED CONCERNING THE ISSUER		
1.1. Information obligations for equity securities	See annex 1, see table above	
1.2. Declaration on the use of the registration document for a market transaction	Insert (p.2)	

9.7.2 Cross-reference table for the annual financial report and the management report in accordance with the French Commercial Code

In order to facilitate the reading of the annual financial report and the management report as drafted in accordance with the French Commercial Code, the following thematic table identifies, in this universal registration document, the main information provided.

Headings	**Information for**	**Paragraphs**	**Pages**
1. CORPORATE ACCOUNTS	**RFA**	7	233 to 269
2. CONSOLIDATED FINANCIAL STATEMENTS	**RFA**	6	p. 166 to 232
3. THE MANAGEMENT REPORT			
3.1. Information on the company's activity			
• Description of the activity of the company and the activity of subsidiaries and holdings by business line Article L. 232-1 and/or L. 233-6, L. 233-26 of the French Commercial Code		1 / 6.7.1 / 7.3.1	p. 9 to 47 / p.183 to191 / p.237 to 240
• Analysis of the business development, performance, financial situation and in particular the indebtedness of the company and the group Article L. 225-100-1, I, 1 and paragraph 8 of the French Commercial Code	**RFA**	6.7.1 / 7.3.1	p.183 to 191 / p.237 to 240
• Foreseeable development of the company and/or the group Article L. 232-1 and/or L. 233-26 of the French Commercial Code		1.8	p. 32 to 40
• Key indicators of a financial and non-financial nature of the company and the group Art. L. 225-100-1, I, 2 and paragraph 8 of the French Commercial Code	**RFA**	4	p. 125 to 141
• Post-balance sheet date events of the company and the group Article L. 232-1 and/or L. 233-26 of the French Commercial Code		6.7.1.3 / 7.3.1	p. 188/ p. 237 to 240
• Guidance on the use of financial instruments, including financial risks and price, credit, liquidity, and cash flow risks of the company and the group Article L. 225-100-1, I, 6, of the French Commercial Code	**RFA**	5.2.4	p. 156 to 157
• Main risks and uncertainties of the company and the group Article L. 225-100-1, I, 3, of the French Commercial Code	**RFA**	5.2	p. 146 to 160
• Information on the R&D of the company and the group Article L. 232-1 and/or L. 233-26 of the French Commercial Code		1.9	p. 41 to 45
3.2. Legal, financial and tax information of the company			
• Breakdown and evolution of shareholders • Name of controlled companies participating in treasury share of the company, and share of the capital they hold Article L. 233-13 of the French Commercial Code		2.3.4.4 ; 2.3.4.5	p. 63 and 65-66
• Significant equity investments during the year in companies having their registered office in France Article L. 233-6 para. 1 of the French Commercial Code		6.7.1.2	p. 186-187
• Notice of holding of more than 10% of the capital of another joint-stock company; alienation of cross-shareholdings Article L 233-29, L 233-30 and R. 233-19 of the French Commercial Code		2.3.4.5 ; 2.3.4.6	p.65-66 ; p. 66
• Acquisition and sale by the company of their own shares (share redemption) Article L. 225-211 of the French Commercial Code	**RFA**	2.3.4.7	p. 67 and s.
• Statement of employee participation in share capital Article L. 225-102 para. 1, L. 225-180 of the French Commercial Code		2.3.4.8	p. 70

• Mention of any adjustments: -for securities giving access to capital and stock options in the event of share redemption -for securities giving access to capital in the event of financial transactions Article R. 228-90, R. 225-138 and R. 228-91 of the French Commercial Code		2.3.4.9	p. 70
• Amounts of dividends that have been distributed for the three previous financial years Article 243 bis of the French General Tax Code		8.2.1	p. 274
• Amount of expenses and charges not tax-deductible Art 223 the fourth of the French General Tax Code		8.2.1	p. 274
• Supplier and customer payment deadline Article L. 441-6-1, D. 441-4 of the French Commercial Code		7.4	p. 260-261
• Injunctions or financial penalties for anti-competitive practices Article L. 464-2 I paragraph 5 of the French Commercial Code		N/A	N/A
• Existing subsidiaries Article L. 232-1 of the French Commercial Code		N/A	N/A
• Inter-company loans and certification of the statutory auditors Article L. 511-6 and R511-2-1-3 of the French Monetary and Financial Code		N/A	N/A
• Table detailing the performance for the last five financial years Article R. 225-102 of the French Commercial Code		7.5	p. 262
• In the event of the allocation of stock options, mention of the information according to which the Board of Directors has taken the decision: -or prohibit the directors from exercising their options before the end of their functions; - or require them to keep in registered form until the termination of their functions all or part of the shares resulting from options already exercised (specifying the fraction thus fixed) Article L. 225-185, paragraph 4 of the French Commercial Code		N/A	N/A
• In the event of the allocation of free shares, mention of the information according to which the Board of Directors has taken the decision: -or prohibit the directors from selling the shares which have been allocated to them free of charge before the end of their functions; - or to fix the quantity of these shares that they are required to keep in registered form until the end of their functions (specifying the fraction thus fixed) Article L. 225-197-1-II, paragraph 4 of the French Commercial Code		3.5.2.	p. 104 to 107
• Summary statement of the operations of managers and related persons on the Company's securities Article L. 621-18-2, R. 621-43-1 of the French Monetary and Financial Code; Art. 223-22 A, 223-23, and 223-26 of the AMF General Regulations		2.3.4.19	p. 73
3.3. Information on the company's Declaration of Extra-Financial Performance [DPEF]			
• Declaration of extra-financial performance Article L. 225-102-1 and R. 225-105-1 of the French Commercial Code	N/A	N/A	N/A
• Information on hazardous activities Article L. 225-102-2 of the French Commercial Code	N/A	N/A	N/A
• Financial risks linked to climate change and presentation of the measures taken by the company to reduce them, by implementing a low-carbon strategy in all components of their activity Article L. 225-100-1, I, 4, of the French Commercial Code	**RFA**	4.3	p. 138 to 140
3.4. Information on internal control and risk management			
• Consolidated information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information Article L. 225-100-1, I, 5 and L. 225-100-1, II, paragraph 3 of the French Commercial Code	**RFA**	5.1	p. 142 to 145
3.5 Vigilance plan and its report Article L. 225-102-4 of the French Commercial Code	N/A	N/A	N/A

4. Declaration of the natural persons who assume responsibility for the annual financial report	**RFA**	9.4	p. 298
5. Statutory auditors' report on the corporate accounts	**RFA**	7.6	p. 263 to 269
6. Statutory auditors' report on the consolidated financial statements	**RFA**	6.8	p. 225 to 232
7. Board report on corporate governance	**RFA**	3	p. 82 to 124

Additional documents

The following thematic table makes it possible to identify, in this universal registration document, the information whose inclusion does not require separate distribution:

Headings	**Paragraphs**	**Pages**
Description of the share redemption program	2.3.4.7.3	p. 68 to 70
Board report on corporate governance	3	p. 82 to 124