Financial statements 2020/2021

mazars

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Chairman's foreword

Dear reader,

For the fiscal year 2020-2021, as ever, we are proud to publish our consolidated Financial Statements, jointly audited and presented under the International Financial Reporting Standards.

This exercise demonstrates our ongoing commitment to transparency and accountability as we help build the economic foundations of a fairer and more prosperous world.

Despite the ongoing challenges posed by the Covid-19 crisis, I'm pleased to announce that this was an excellent fiscal year for Mazars in terms of our business and financial performance. We were able to achieve €2.1bn of fee income, representing a 12.3% increase (excluding forex impact of -1.6%) compared to the previous financial year.

We owe this double-digit growth first and foremost to the technical excellence of our people. Working as one team committed to doing what's right, Mazars secured a good progression of service lines and geographies and significant new business across large and listed companies, as well as privately owned businesses of all sizes. This robust performance is a testament to the strength and resilience of our unique, integrated model.

But this year, perhaps more than ever, it's important to look beyond financial performance. For over 75 years, our firm has been guided by founding principles to act responsibly, in the public interest and for future generations. As businesses around the globe face growing – and legitimate – pressure to operate more sustainably, our mission has never been more compelling. We're perfectly positioned to support the non-financial performance of our clients and help them transform and grow responsibly.

This past year, while our experts contributed to the European Corporate Sustainability Reporting Directive effort, our teams embarked on a sustainability training course to master the skills they'll need to deliver Environmental, Social and Governance (ESG) reporting services and support the sustainability journeys of our clients. At the same time, we accelerated our own sustainability journey by appointing leaders and teams to improve the diversity of our workforce, reduce our impact on the environment and create a positive impact in local communities across the countries in which we operate.

As we continue to invest where it matters – in our people and, in exceptional services for our clients, our society and our communities – I'm convinced an exciting year lies ahead for Mazars. We will continue to grow, with renewed purpose and confidence, and with the strength of our committed teams around the globe, ready to seize the opportunities that abound.

Hervé Hélias
CEO and Chairman of the Group Executive Board

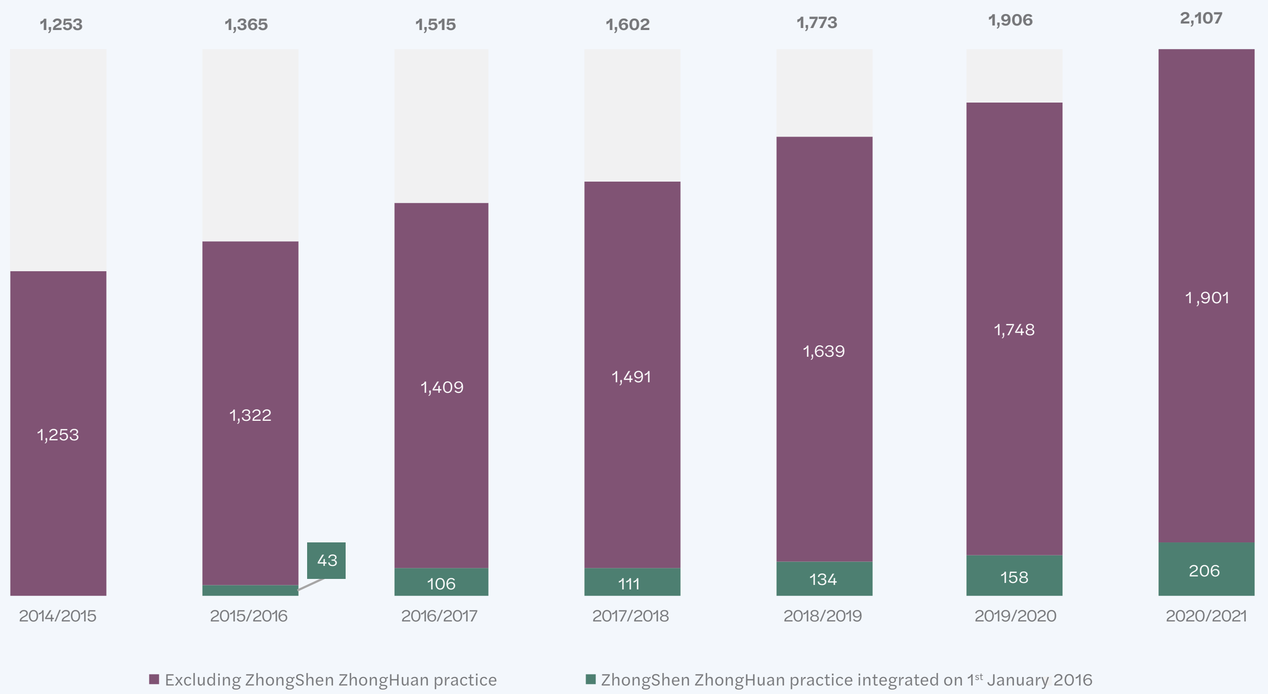
2020/2021, an excellent performance

Fee Income 2020-2021	Year on year growth*
€2.1bn	+10.5%

*including forex

Consolidated fee income

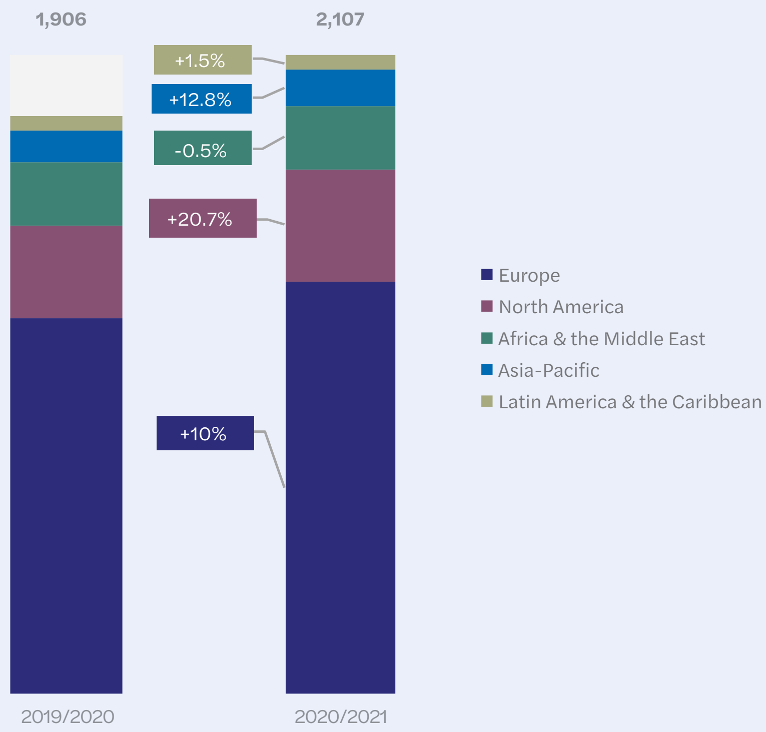
In millions of euros



Executive summary

International coverage

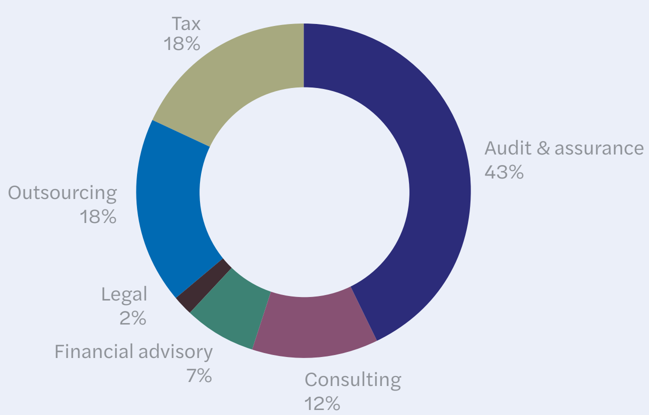
Fee income and year on year growth by region
In millions of euros



* Including -1.6% exchange rate impact

A balanced offering

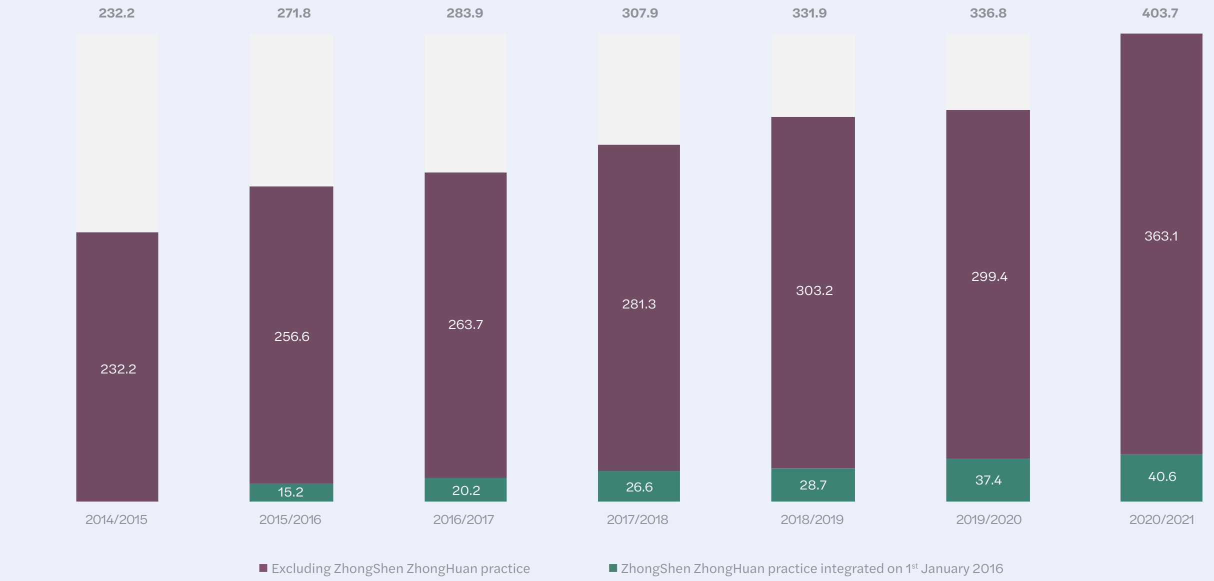
Fee income by service line, % of global fee income*
In millions of euros



* Without ZhongShen ZhongHuan practice

Robust performance of our integrated model

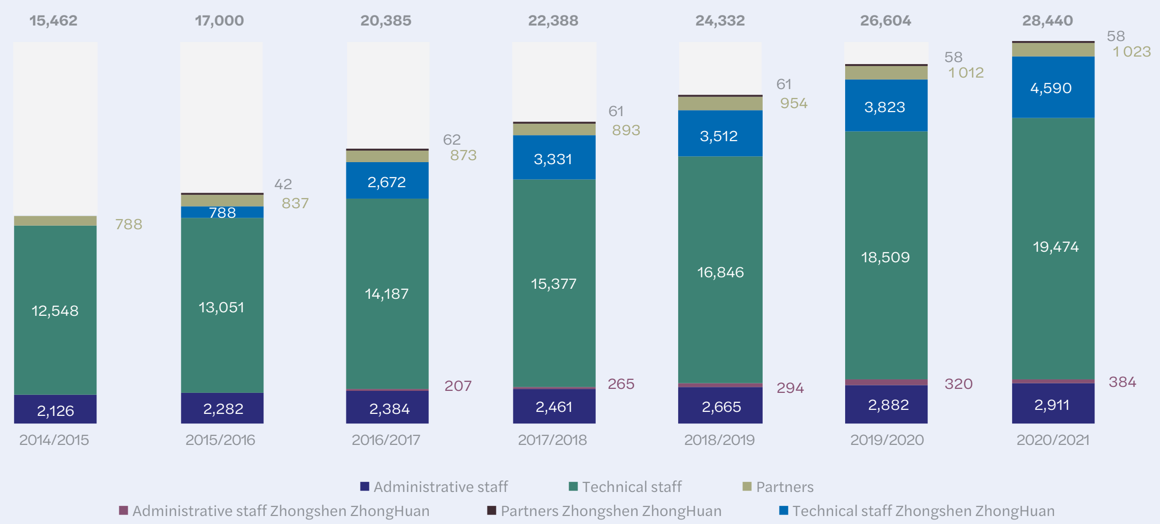
Surplus allocated to partners
In millions of euros



One integrated team

Professionals	In Mazars integrated partnership	Via the Mazars North America Alliance.
44,000+	28,000+	16,000+

Focus of our professionnals in Mazars integrated partnership



Governance

Governance
Our unique integrated model

Since 1945, Mazars has taken-on the challenge of being a truly integrated firm. Our organisation is modelled as a democratic partnership where every partner has the right to vote on strategic decisions that will shape the future of the organisation.

Integration for consistency and quality

Mazars is committed to quality. Our integrated partnership is designed to ensure the delivery of consistent, high-quality services to every client every single day. We do so by setting and maintaining global service standards while giving local auditors and advisors the freedom to remain agile and personal in their approach.

We preserve our ability to deliver consistent quality by only integrating partners around the globe who share our values, our commitment to quality, and our vision for the future of our industry.

We're determined to continue building a strong, international organisation made up of professionals who share the same values and ambitions and make strategic decisions together.

A set of strong guiding values and principles

Mazars has always remained true to our founder's values, deep ethical commitment, sense of responsibility and belief that technical excellence is the key to success.

We approach every piece of work with integrity, independence, accountability and a social conscience. Our values are set out in our code of conduct. They guide us in everything we do, including how we meet the needs of our clients, how we develop our people and the role we play in our communities.

Our values:

- Integrity
- Responsibility
- Diversity and respect
- Technical excellence
- Independence
- Stewardship

We have successfully grown our organisation around the world by letting our values guide everything we do and by merging with firms and recruiting professionals with the same values, vision and objectives.

These values not only underpin our decades-long story of growth but also illustrate our commitment to going above and beyond what is expected of us – today and tomorrow.

Our global code of conduct serves as a moral compass in all our daily activities. It clearly states who we are, what we expect from our people and how we expect everyone at Mazars to interact with clients, stakeholders and communities at large.

Acting as a practical guide, this code helps every Mazarian navigate dilemmas by drawing a clear line between acceptable behaviours and behaviours that would put our reputation and the trust of our stakeholders at risk.

Democracy and transparency

Our organisational model is democratic and transparent, both internally and externally. The Group Executive Board (GEB), whose members are elected every four years based on a clearly defined road map, is tasked with guiding Mazars along this set path.

Mazars has also created a Group Governance Council (GGC) whose members are elected every four years and who have the task of overseeing GEB decisions and ensuring that the Group's ethical rules are not infringed.

The Group Executive Board

The GEB oversees the management of our operational performance. As our primary executive management body, the GEB is responsible for the operational management and oversight of the partnership, under the supervision of the GGC, with regard to our collectively defined key strategic objectives.

The GEB is appointed for a four-year term as follows:

- The partners elect the chairman of the GEB during the general meeting.
- The partners then elect the other members of the GEB based on a proposal from the elected chairman.

The current members of the GEB are:

- Hervé Hélias : CEO and Chairman
- Pascal Jauffret
- Mark Kennedy
- Rudi Lang
- Julie Laulusa
- Taïbou M'Baye
- Christoph Regierer
- Véronique Ryckaert
- Ton Tuinier
- Phil Verity
- Victor Wahba

The Group Governance Council

Elected for the same term as the GEB, the GGC is the Group's impartial and independent supervisory body. Since December 2011, it has included independent, external members who are also elected by the partners at the general assembly. On top of its oversight function on GEB actions and management, the GGC has decision-making powers in three specific areas: the approval of partnership candidates and external growth operations, the compensation of GEB members and the approval of disciplinary action decided by the latter.

The current members of the GGC are:

- Tim Hudson: Chair
- Juliette Decoux: Vice-Chair
- Asa Andersson Eneberg
- Gertrud R. Bergmann
- Frank Bournois (***external member***)
- Kathryn Byrne
- Maria Cabodevilla
- Fabrice Demarigny
- Denise K. Fletcher (***external member***)
- Chris Fuggle
- Michelle Olckers
- Liwen Zhang

National governing bodies

Each Mazars country is led by an executive committee whose members are elected by the country's partners, following approval by the GEB. In addition, in some countries an oversight body is implemented. So far, this is the case in the Netherlands, the UK, Germany, France and South Africa.

Value creation throughout our organisation is supported by cooperation between the GEB and the GGC, as well as between the GEB and service lines, sectors and region/country-level entities.

Representative of our partnership's international scope and diversity, the GEB and GGC meet several times each year and maintain regular contact allowing them to work together and exchange opinions in accordance with the Group Charter.

All country-level managing partners are consulted at least twice each year during Mazars country forums. Held throughout our six regions (Europe, Central & Eastern Europe, North America, Latin America, Africa & Middle East and Asia Pacific), these forums allow the GEB and GGC to explain strategies and foster dialogue so that country-level partners can adequately apply global operational decisions and ensure their local actions are implemented in line with the Group's overarching strategy.

2020/2021: an exceptional year

With ZhongShen ZhongHuan

Fee income	Year-on-year growth (2020-2021)*	FTEs	Countries
€2.1bn	+10.5%	28,400	93

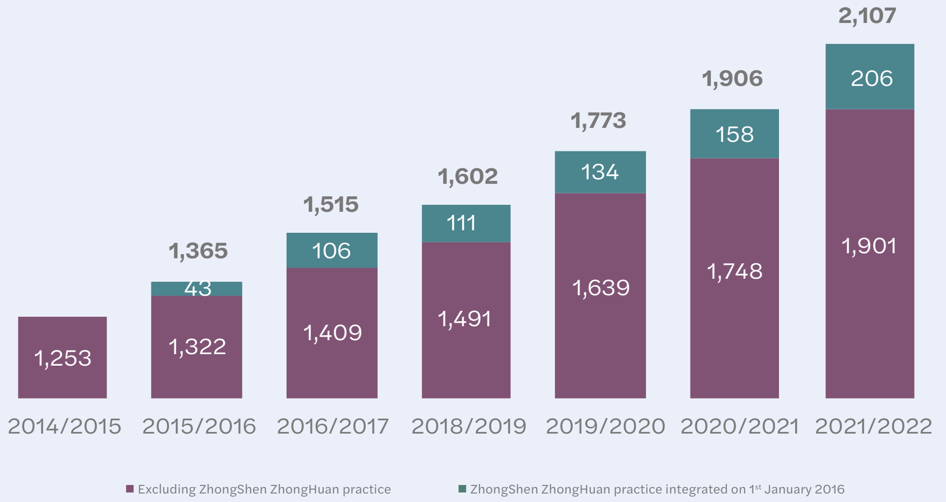
* including forex

Growth vs 2019/2020	Organic growth	External growth	Exchange rate impact
+10.5%	+9.4%	+2.7%	-1.6%

Despite the pandemic still being very present in most countries, we have managed to grow by a remarkable +10.5%. Our staff full time equivalent grew at a slower pace of +6.9% enabling an improvement in our gross margin from 46.4% in 2019/2020 to 47.2% in 2020/2021.

Fee income evolution

In millions of euros



The ZhongShen ZhongHuan practice has grown by +30.6% vs 2019/2020 of which +3.7% organic, +0.2% of forex impact, while the integration of Rui Hua has added an extra €42.1m of revenues representing +25.8% of external growth.

Without ZhongShen ZhongHuan

Fee income	Year-on-year growth (2020-2021)*	FTEs
€1.9bn	+8.7%	23,400

* including forex

Growth vs 2019/2020	Organic growth	External growth	Exchange rate impact
+8.7%	+9.9%	+0.7%	-1.8%

External growth amounts to +€14m and organic represents +€172m. The forex impact generates a decrease of -€34m.

All numbers presented onwards do not include data for the ZhongShen ZhongHuan practice.

Key figures

With a fee income of €1,901m, the 2020/2021 closing continues to show strong growth compared to last year:

- A +8.7% growth rate;
- Representing an increase of €153m.

In millions of euros	2019/2020	2020/2021 Achievement
Fee Income	1,748	1,901
Fee income growth	+6.7%	+8.7%
Gross margin	46,1%	46,9%
Overheads	29,0%	27,3%
Surplus	299	363

An increase in our Gross margin of +0.8pt and a decrease in our overheads percentage of -1.7pts has resulted in a +21.3% Surplus growth (+€64m yoy).

The €363m surplus reached this year is net of a €10m reserve for future business investments.

The aim of this investment allocation is to support business investments in strategic areas that need a transversal effort. Given the country centricity of our model, transversal investments are difficult to support. The targeted investments should be made to develop our services in one or several countries or regions.

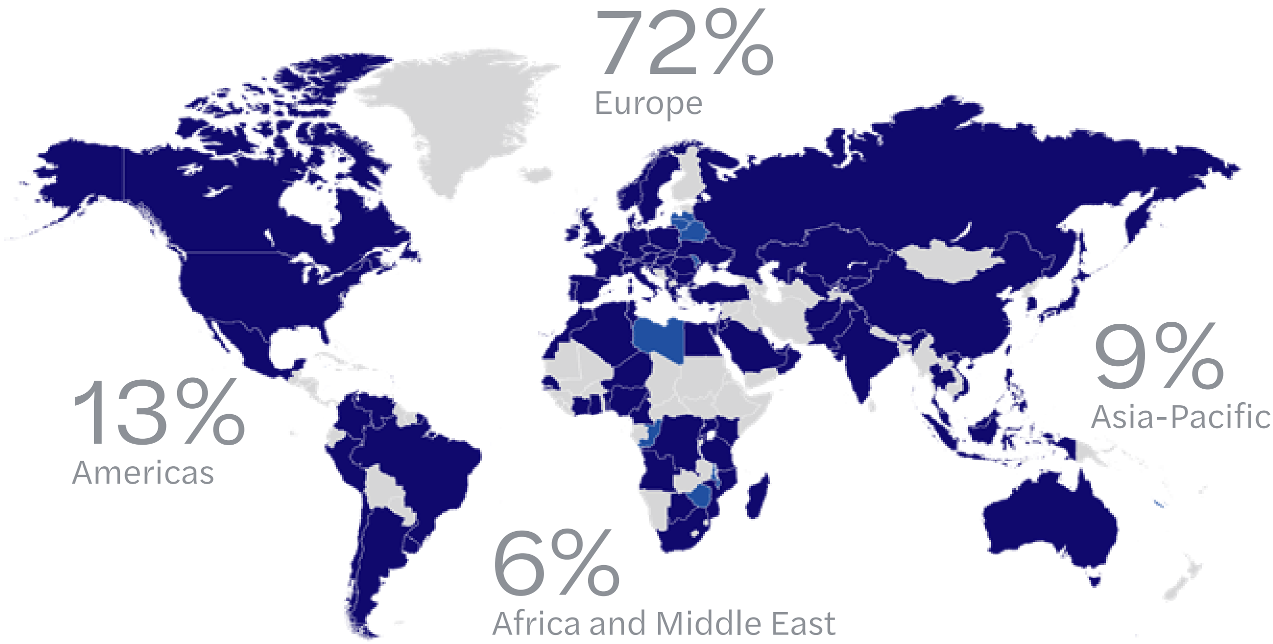
The attribution of this allocation will be closely monitored and approved by the GEB. The GGC will be informed twice a year of the utilisation of this allocation.

We have integrated 2 new countries this year, Jordan and Kazakhstan, but also exited from Djibouti and the Channel Islands. Our global footprint therefore remained at 93 integrated countries and territories in which we operate.

1. Operating segments

1.1 Ten main contributors

The ten main contributors are detailed on the map below with their percentage of contribution to the Group's total fee income:



■ Integrated countries and territories

■ Non-integrated countries and territories: Mazars correspondents and representative offices

Americas including

United States 10% - Mazars USA LLP

Africa and Middle East including

South Africa 2% - Mazars Accountants South Africa

Europe including

France 22% - Mazars SA
United Kingdom 13% - Mazars LLP
Germany 11% - Mazars GmbH & Co. KG
Netherlands 6% - Mazars Paardekooper Hoffman NV
Spain 2% - Mazars Auditores SLP
Ireland 2% - Mazars Ireland
Switzerland 2% - Mazars Holding
Sweden 2% - Mazars SET

1.2 Fee income by operating segments

In millions of euros	2019/2020	2020/2021	Variation	In value
France	398	417	4,9%	20
United Kingdom	219	253	15,4%	34
Germany	176	200	13,8%	24
Rest of Europe	448	495	10,5%	47
North America	210	209	-0,5%	-1
Latin America & the Caribbean	42	43	0,7%	0
Asia-Pacific	149	165	10,3%	15
Africa & Middle east	106	120	12,8%	14
Total	**1,748**	**1,901**	**8,7%**	**153**

Most segments show double digit growth. The North America negative growth is driven by a negative forex impact of -6.5%. The organic growth of North America is +6.4%. Latin America also has a high negative forex impact as organic growth is +13.6%.

1.3 Operating segment details

France

Full year fee income increased by +4.9% organically compared to last year and reached €417m.

Almost all businesses recorded positive growth this year, despite the continuation of the Covid-19 crisis, thanks to positive commercial developments.

The strongest performance comes from Channel 1 activity and Financial advisory, as well as from the Tax & Legal segment. In terms of client segments, the growth was particularly significant in Industry and Services.

Gross margin increased by circa +€18m versus last year and is back to pre Covid-19 level at 45.5%. All businesses recorded positive margin variations compared to last year, with notable effects in Channel 1 activity and expected Advisory margin catch-up after the difficult previous year due to Covid-19 negative effect on this business. Generally speaking, early adaptation measures taken in the 2nd half of previous year 2019/2020 and strict cost control throughout the year delivered positive impact in terms of margin management.

This good performance across all businesses is also visible from the geographical perspective, with all regions showing positive variations in fee income and margin compared to previous year.

Overheads were significantly contained. Excluding non-recurring items, the overheads decreased by (€1.8m) versus last year and now represent 24,9% of fee income ie a decrease of -1.5 points year on year.

As a result, surplus stands at €79m (+€12.4m versus last year) and represents 18.9% of fee income (+2.2 points versus last year).

United Kingdom

FY21 was a record year. Fee income rose above £200m for the first time at £222m, representing FY21 was a record year. Fee income rose above £200m for the first time at £222m, representing 16% growth (£12m above budget). Importantly, this revenue growth was achieved whilst maintaining high levels of investment and good direct cost control meaning Gross Margin grew by 14.4%.

Good overhead management also contributed to a surplus of £40m – another record – up from £25.8m in FY20. This represents a 55% surplus improvement and we are delighted and proud with how the firm has responded since the worst of the pandemic in FY20. However, there is more work to be done and we continue through a phase of significant transformation and investment. Furthermore, FY22 will see us move from our iconic Tower Bridge House London office to an equally impressive location near St Paul's Cathedral, and that will carry a sizeable cost. However, we are prepared for this and remain committed to delivering further growth in the year ahead.

Germany

Full year fee income of €200m has increased by €24m (+14%) compared to last year's performance of €176m.

Group Executive Board report

This double-digit growth-rate is spread between 11% organic growth and 3% external growth and underlines Germany's ambition to increase its visibility & positioning within a tight competition.

After the first general lockdown, Germany was able to accelerate the performance & activities over all service lines with an increased utilisation (+2% versus Y-1) and net hourly billing rate (+€7 versus Y-1).

These components were key to the increase in gross margin now reaching the 50% mark for the first time.

At the same time, this development can also be understood as a confirmation of the growth path in non-regulated activities in Consulting (+35 %), Tax (+18%) and Legal (+25%). But activities in the regulated business (Audit & Outsourcing) were also expanded.

Through the successful integration of new teams in Cologne, Stuttgart and Munich, Mazars has succeeded in expanding its footprint in the strategically important market of south-western Germany.

The strong development in gross margin enabled Germany to make necessary investments in digitization, innovation and professionalisation of the platform, while at the same time managing to reduce the overhead ratio by 1.3 percentage point.

With all trends & results pointing in the right direction, Germany was able to significantly exceed the initial planned surplus of €35.9m with a final surplus of €40.5m (+13%).

Other operating segments

Rest of Europe

In the other European countries, we would like to highlight five growth projects:

- A merger in Russia with a firm of over 60 talented people specializing in financial services, which places Mazars among the top 8 firms in Russia;
- The region improved its geographic coverage with a fully integrated Mazars office in Kazakhstan;
- Poland also recruited a talented M&A team to increase our service offering;
- We also now have a correspondent in Belarus with a promising development; and
- The integration of Austria now finalized has also clearly been a booster.

These other European countries have also been very active in working together as a region with working groups either on service lines, sectors or support functions. As a result, these countries take advantage of more and more synergies and make common investments for the benefit of everyone.

Many initiatives also kept on running during this year such as:

- Developing FS in the region, thanks to the development of a Polish team with a strong FS expertise and a lot of successful client wins;
- The development of an RPA and technology offer both from Slovakia and Russia along with a strong consulting development. The region also successfully completed the roll-out of the regional design sprint to implement new ways of innovation with 25 participants from 13 countrie;
- The region also kept on implementing a common and coordinated business development approach facilitated by a common CRM tool (Salesforce) in over 13 countries;
- FA has been growing with increasing exchanges between the countries and the recruitment of very experienced teams;
- Synergies are being implemented by other service lines, such as Outsourcing with for example the creation of a coordinated payroll working group; and
- Tax has experienced steady growth, increasing regional cooperation and numerous joint MarCom / BD activities.

The region continues to structure regional support functions as it has been the case in particular in HR with the help of Ukraine or in IT with the help of Czech Republic and Hungary.

All this enabled to demonstrate a very dynamic growth of the region with a lot of success stories.

North America

The North American region, in the aggregate, experienced a rebound in revenue growth achieving an overall 6.4% increase over the prior year, before any adjustment for local foreign currency exchange fluctuations. The US experienced a 6.0% increase, while Canada experienced a near 15.6% increase, in local currencies, driven solely by organic growth. Much of the rebound was driven by consulting and advisory services, as many projects and expectations for new assignments were delayed in the prior year, due the onset of the global pandemic.

Overall growth in this region continued to be inclusive of onboarding new Partners and teams, as there were no mergers or acquisitions during the year. The US greenfield approach in developing the Dallas, Texas continued to demonstrate very good market receptivity for Mazars, with strong growth in doubling the revenues over the prior year. Other offices also continued to demonstrate strong and consistent growth in locations such as California, Chicago in the US and Toronto in Canada, by reaching more International organizations.

The Mazars North American Alliance, which expands our global reach across all of North America with the addition of 16,000 professionals throughout the US and Canada, continued to show much progress in connectivity with team members across all the member firms and securing new global client wins. The Alliance serves to complement and further enhance the Mazars US and Canadian expansion and development plans.

While significant cost containment initiatives and programs implemented to maintain adequate liquidity levels and profitability to counter the financial impact of the pandemic were successful, the increased levels of business trending have created some near-term capacity constraints, driven mostly by higher rates of staff resignations. Measures focused on talent attraction and acquisition have been escalated with investments to expand such teams and related recruitment activities.

Latam

Regional economic recovery in 2021

Latin America should recover part of 2020's pandemic-induced output losses this year, thanks to easing restrictions, rebounding external demand and higher commodity prices. That said, the still-troubling Covid-19 situation and a slow vaccine rollout will limit the pace of recovery. Moreover, weak fiscal positions as well as social and political tensions cloud the outlook.

Inflation to rise in 2021

Regional inflation came in at 11.1% in September (August: 10.8%), as price pressures intensified in Brazil, Colombia, Mexico, Paraguay and Peru amid faster price increases for food and transport. After this year's spike, inflation should moderate in 2022 as monetary policy stances tighten, global supply disruptions ease and energy prices moderate.

In such a difficult environment, Mazars Latam has grown their revenues by 1% organically in euro versus last year, the Fee income volume was +2% more than our Estimations, with the highest progress being recorded in Argentina (55% even if inflation was more or less equivalent), Colombia (30%), Chile (27%) and Mexico (15%). All Mazars countries increased their revenues in local currencies including Brazil, which had an important forex impact again of -18%, resulting in a decrease of -14% of Fee income in Euro, despite a 4,5% growth in local currency. Congratulation to Mazars Chile that delivers an excellent year and definitely converts the investment project started 3 years ago into a great success. Last we continue to convey all our support and solidarity to our Venezuelan colleagues who faced a new collapse of the Venezuelan economy

Finally Latam recorded a Surplus increase of +10% versus our estimations and most important a +36% rise compared to last year in terms of Surplus.

APAC

The APAC region has shown considerable resilience despite the ongoing Covid-19 pandemic with revenues exceeding our original budget for FY 2020/2021 by 1.9%. Overall growth across the region is +10.3% (€15.3m) compared to FY 2019/2020, all of which is organic.

Australia contributed to this growth with +€3.7m (+13%) driven by growth in Business Advisory Services across all offices.

India's contribution reached +€2.8m (+20%) despite being one of the hardest hit countries by the Covid pandemic. SND acquired a new tax team in 2019/2020 and developed outsourcing work for Mazars USA.

China revenues increased by +€2.3m (+5%) with Mainland contributing +€1.6m (+6.7%) and HK +€0.7m (+9.1%). Mainland FA activity was limited in 2019/2020 due to the Covid situation and caught up this year, Outsourcing continued to grow by +11%. Listed audits continued to develop in HK, compensating a decrease in outsourcing fees (-8%).

Singapore saw a steep increase in fees of +€1.9m (+15%) despite lack of resources and lockdown, mainly driven by audit. The IPO market was very active thanks to a shift in listings from Hong Kong to the Singapore capital markets. The audit practice was further able to attract new clients from the competition.

Japan continues its growth trajectory adding another +€1.7m (+13%) this year. Audit contributed for a little more than 50%, driven by a large Chinese referral

Group Executive Board report

and the development of PIE audits in the later part of the year. Outsourcing remains the backbone of the activity with almost half of the revenues.

APAC has been actively pursuing its investment plan in Financial Services. FY20/21 is the first full year of the new team in HK. Further investments will be made in this strategic sector across China, Japan, Singapore and HK in the upcoming year.

Growth has been impressive across all countries in APAC. Several countries witnessed an increase in revenues in excess of 20%: Indonesia (+20%) largely due to teams joining from other local firms; Malaysia (+22%) with the opening of an office in Penang; Philippines (+31%) principally in Outsourcing.

In Taiwan we set up a grass roots operation providing outsourcing services with 7 Staff, with the investment being fully financed by countries across the region, and already generating €58k in the first few months.

All countries report a very tight talent market due to the closure of borders as well as the economies recovering from Covid. This significant talent shortage increases our technical staff costs and puts our gross margin under pressure.

A few countries have benefitted from Government subsidies which have contributed to helping maintain the surplus levels, but these have now tapered off and we do not expect them to continue significantly into the next financial year.

Africa & Middle East

The African & Middle East Region showed a very strong resilience during the Covid-19 and has been able to adjust to the situation and work efficiently on remote control, despite a difficult environment due to insufficient and poor connectivity. A strong organic growth of 13.1% for Africa and Middle East testifies for the huge effort made by the partnership and the dynamic and mindset to increase our positioning in most geographies. We have also won some significant PIE assignments with international reach. The African Banking Project is also on track and seems promising.

In line with our strategic plan confirmed last year, we have integrated our correspondent in Jordan and new teams reinforced our practices in both Kuwait and Algeria. The integration in Saudi Arabia is now done which gives a clear boost to the region. West Central Africa (WCA) is also progressing well, confirming the interest of such a regional approach.

Our regional business development platform is very active and regular meetings are being held to steer the implementation of our BD plans for our prospects, namely pan-African PIEs, Financial Services Groups and Development agencies. With our "One Team" approach, we have recently had successful engagements in the Region (A significant hotel chain and a major consumer entity for audit, and an African Airways Company for Tax service compliance in 21 countries) which also demonstrates our capacity to leverage on our brand.

Regional committees for FA and Tax are very active and several pan-regional assignments in Transaction services, Tax DD & Transfer Pricing engagements are in progress or completed.

In this context, it is important to highlight a significant due diligence engagement for the acquisition of a pan African company present in 20 countries for a total fee income of €0.6m, a great achievement which allowed 6 Mazars countries in Europe and Africa to work closely on a very strategic operation.

Also, sector strategy is progressing; a great achievement for the Region, we have been able to position Mazars as a key player in the Oil and Gas industry with significant wins to assist many countries in Cost Oil Audit assignments. We are also presently developing a tool (Oil and Gas insights) to monitor oil and gas data and allow customers to follow up their performances and key parameters of their oil industry.

South Africa, West and Central Africa, Morocco and Saudi Arabia, contribute for 91 % of total fee income increase for the Region which is around of €13.7m: €4.7m for South Africa, €3m for West and Central Africa (WCA), €2m for Morocco and €2.6m for Saudi Arabia. This evolution is mainly linked to:

- a change of professional regulation in South Africa opening new opportunities outside the big four and specifically a significant development of PIE assignments. Serious issues in service delivery in the market has led to Mazars being asked to quote more frequently;
- Development of FA activities and Consulting in West and Central Africa, following changes in banking regulation (basel 2 and 3); and
- A recovery in Morocco following a significant slowdown of activity in 2020 due to Covid for Consulting and FA services.

Other countries, Qatar, and Tunisia are also showing a good growth despite difficult and specific market conditions.

We expect to increase in the short term our geographical coverage in certain key countries and explore new markets such as Gabon and Burkina Faso with the help of the M&A team.

1.4 Full time equivalent employees by operating segment

Our full-time equivalent numbers grew at a slower pace than the fee income growth of +8.7% including forex. The highest growth in professional staff were in Financial Advisory with +5.4% and in Legal with +12.3%.

In millions of euros	2019/2020	2020/2021	Variation	In value
France	3,752	3,766	0.4%	13
United Kingdom	2,265	2,395	5.7%	129
Germany	1,485	1,568	5.6%	82
Rest of Europe	5,435	5,846	7.6%	410
North America	1,054	1,067	1.2%	13
Latin America & the Caribbean	1,596	1,650	3.4%	54
Asia-Pacific	3,509	3,662	4.3%	152
Africa & Middle East	3,307	3,455	4.5%	148
Total	**22,403**	**23,408**	**4.5%**	**1,005**

2. Service lines and sectors

2.1 Service lines

The 2020/2021 fee income breakdown per service line is as follows:

In millions of euros	2019/2020	2020/2021	Variation
Audit & assurance	754	817	8.5%
Consulting	208	224	7.9%
Financial advisory	118	137	15.7%
Legal	34	41	22.3%
Outsourcing	319	339	6.2%
Tax	316	343	8.3%
Total	**1 749**	**1 901**	**8.7%**

Governance

Group Executive Board report

All service lines are strongly progressing with double-digit growth rates in Financial advisory and Legal. The regulated business (Audit & assurance and Outsourcing) represents 61% of our total revenues.

Audit & assurance

This year the growth of our audit practice has accelerated with important developments and business wins in many countries such as La Poste and the merger of PSA and FCA for France, Bridgepoint Group plc in the United Kingdom, Alibaba and American Express in Spain, Iccrea Banca in Italy, etc. This participated in strengthening our position and reputation as a key player in the audit market, in a challenging context due to Covid-19 and an increasingly pressured and regulated environment.

This past year has also seen some important changes in terms of governance and leadership of our service line. A new Global Audit Board has been formed to set the vision, provide leadership and define a clear strategy to address strategic and operational issues affecting our audit business internationally (such as quality, efficiency and profitability) and enable and support sustainable growth. Yolandie Ferreira, Partner in South Africa, was appointed Co-Leader of Audit & Assurance alongside David Herbinet.

Our value proposition for audit, delivering an Augmented audit, has remained unchanged and we have pursued our efforts in driving and monitoring several critical projects among which:

- The acceleration of the deployment and development of Atlas with significant releases in the past year (DMS, SMEs template, etc.) and more than a dozen countries that have now fully transitioned to Atlas;
- The development of our training offer with a focus on technical skills (creation of a Global Audit Learning path to be applied seamlessly across the Group, production of e-learning modules to assist our team in delivering remote trainings, organisation of multiple webinars on sensitive topics, creation of new protocols to assist local teams to produce training materials, etc.);
- The successful launch of a number of Audit Communities to bring all Mazars auditors together and leverage expertise and technical knowledge; and
- The ongoing transformation of our audit practice with the international deployment of two IT solutions and the launch of our global Reinventing audit programme, capitalising on the initial successes of France and Germany.

In the meantime, the global debate around audit has grown more and more intense, fuelled by high profile corporate failures, such as Wirecard, which continue to highlight the need for increased competition and more rigorous auditing. In France, the United Kingdom, Germany, the Netherlands and many other countries, our teams are mobilised to influence the public debate and promote joint audit alongside better governance and supervision. Some key developments are expected in Europe in particular in the coming months.

Consulting

2021 has been remarkable for Consulting in several facets, despite the ongoing effects of Covid-19 running into this year.

In order to provide the global consulting practice with a strong foundation from which to guide our growth, the global consulting leadership structure was revised, and a governance framework established in alignment with the One24 Manifesto. This structure will provide Mazars with a great tool for collaboration and oversight as it includes clearly defined roles and responsibilities for each contingent – the executive sponsor, a global advisory board and the leadership team. Further, the wider combined leadership team's composition has also been expanded to include regional leaders. Each line of business now has a service line representative, and the groups all meet regularly allowing for enhanced understanding, collaboration and innovation in each area.

Growth is a key priority for consulting and our leadership team has developed a strategy to facilitate global growth built upon a strong foundation of core global consulting offerings which have now been specifically identified. This paves the way forward into 2022 planning and a roll-out to strengthen those core global consulting offerings using local, regional and global centres of excellence and ultimately provide globally consistent, high-quality services to our clients wherever their operations may reside.

This model of pursuing as one firm, across both geographies and offerings has already secured some significant client wins in 2021 including Deutsche bank, Rehau, Unilabs and Central bank of Tunisia.

We strengthened the marketing and BD resources available to Mazarians around the world to help them perform their jobs better and more efficiently, with a range of content for each service including proposals, methodologies, business presentations, brochures and more.

We released the Smarter, better, faster: RPA at work campaign which looked at seven key sectors affected by the pandemic to provide real examples of how RPA can be used in each sector, the benefits of implementing it and how to embrace RPA and get it right. A flagship study on data governance is also soon to be released that explores how data mature businesses really are, based on responses from over 1,000 senior data professionals across business sectors in 21 countries. The report is a first of its kind in consulting and includes the main report as well as a range of country and sector focuses and a range of spin off content which will keep the campaign live for nearly one year.

The consulting section on the GBH has been renewed making it more user-friendly, intuitive and consistent across all our line of business and service areas; outdated content has been removed and replaced with proposals, methodologies, templates, credentials and lots of other useful material for our consulting community.

A global training hub for consulting was launched in November 2020. This is an exceptionally useful tool, particularly for individuals in those countries without their own access to readily available training materials. The global consulting training hub is now used by consultants around the world to support training both as an individual as well as in teams on a local, regional and global basis, as most courses can be completed virtually.

The annual global consulting conference took place virtually in December 2020. For impact and to ensure that everyone around the world, regardless of the time, was able to join in, we created the concept of a 24-hour conference. Hosted on Mazars TV, we created a rich agenda of content with sessions available around the clock. We promoted this widely, with an engaging video and assets, to try and capture as big of an audience as possible which served to increase the profile of consulting services internally at Mazars.

Financial advisory

The last 12 months have been a very exciting period for the Financial Advisory Service Line which cumulated in our strongest financial results to date and several milestone events.

The One24 strategy exercise allowed our new leadership Board to reflect on the strategic objectives of the Service Line and we believe this exercise will give us the focus to become a stronger practice over the coming years, including the next 12 months, in which time we plan to:

- Work closely with the FA leadership and country executive of the largest FA practices, in particular United Kingdom, France, Germany and USA, which drive a material portion of our business and account for the largest element of forecast growth;
- Have a specific focus on development of Transaction Services around the globe. TS is by far our largest specific discipline and achieving critical mass in the practice is key; and
- Unleash the untapped potential of Forensic Investigation Services around the globe.

From a geographical expansion standpoint, we have made good progress in the past 12 months regarding our plan to strengthen regional platforms. As well as strengthening already well-established platforms in the CEE and AsiaPac region, we have launched regional platforms in AME and Latam which whilst in their infancy are already beginning to take shape and generate positive results. This will be a continued focus of the coming year.

We are proud of our continued focus on Quality, which is at the heart of our Service Line. We launched our first country self-assessment in the past 12 months and the FA service line had the highest response rate within the firm. We are soon to launch field reviews which is the final step of our FA QMC roadmap.

Another transversal topic on which we have made good progress is innovation. We have upgraded our UpSlide tool in the past 12 months and have additional developments in the pipeline. From a broader perspective, we have also established an innovation committee for the Service Line with clear objectives around Data Visualisation, CRM tool and working methods – the former being investigated very heavily as we look to find solutions to our biggest issue which is talent management.

Finally, we would like to take this opportunity to say a short thank you to Fabrice Demarigny who stepped down as Global head of FA in the past year and has been replaced by Firas Abou Merhi. Fabrice was instrumental in developing the Service Line some 10 years ago and his value will be remembered for years to come.

Group Executive Board report

Legal

With One24, the 2020-2024 manifesto, it was time to reflect on the strategy of the Legal Service Line and make decisions on how to move forward towards 2024.

As part of the One24 Group organisation, Jan Kochta (partner of Mazars in Germany) was appointed as the new leader of the Legal Service Line, while Véronique Ryckaert - as a member of the GEB - continues as the new GEB sponsor for the service line. In addition, a leadership team of six partners was established, representing the regions with the strongest legal services abilities currently.

As our anchor point, we confirmed our self-understanding to be a globally active, valued and trusted legal adviser, who provides high quality legal advisory services – embedded in a multidisciplinary approach – and brings added value to our clients while adding a high-profit-business to our global partnership.

To realise this vision, we identified key areas of focus and implemented them into our mission towards 2024:

- Service Offerings: Expanding the number of key countries we offer high quality legal services in and enhancing the services in existing countries;
- Growth: Expanding our services across different countries by introducing our service offerings to the country partners as well as attracting and supporting them to invest in a legal service line in their countries;
- Profitability: Growing our services in a way which delivers value and ensures we remain profitable based on an appropriate reporting & controlling system;
- Transformation: Using technology, innovation and modern working to develop our services and intensify our "working together";
- Quality & Risk: Embedding consistent high standards across our services and deliverables and consideration of local and global risk aspects in the Service Line; and
- Expert Groups: Providing centres of knowledge and expertise, to share skills, cross-selling and creating a vibrant community who works as one global team; currently: Corporate & Transaction Services, Employment, COSEC, Data Privacy Services.

Following this approach, we look at some notable developments of the Legal Service Line in 2020/2021:

- Despite the Covid-pandemic we again achieved significant growth of the service line by 22% in total, having enhanced our geographic coverage with new legal service lines in Jordan, in Norway and in Colombia, and are currently working on several projects to open/strengthen legal service lines in further countries. We have also invested in existing teams, such as in Germany with five new partners of the legal service line;
- A number of significant wins, both on national and international level (including notable cross-border projects), such as Boels Group, German Federation for Disruptive Innovation, Monitoring Trustee assignment with Sony, argenX Group for global COSEC services;
- Revived the global expert groups Corporate & Transaction Services, Employment, COSEC, Data Privacy Services as vibrant communities, also together with Marcalliance (our international alliance of independent law firms);
- Growing perception as legal advisor competing with high quality law firms, proven e.g. by being awarded "Law Firm of the Year 2020 (region East)" and also nominated as "Law Firm of the Year 2021 for Medium-Sized-Businesses" in Germany by JUVE (leading publication in the legal market);
- Launched a marketing and BD strategy & action plan for the service line (including website update, GBH materials, proposal templates); and
- Finalised our Global Directory of the Legal Service Line.

Outsourcing

Another good year for our Outsourcing business showing growth and resilience allowing us to continue the deployment of our strategy around:

- Global Compliance;
- International payroll; and
- Transformation and performance.

Global compliance activities recorded a significant growth with new major additions to our list of international clients. This growth confirms our strategy initiated last year on Global Compliance. Our centralised approach for this type of service was reinforced with the opening of a new centre of Excellence in Barcelona in June 2021 to complement the existing centre we already have in Bucharest.

International payroll solutions have shown a significant boost this year with the launch of our integrated solution to enable connection between client's systems and our local systems, minimizing manual input and bringing security to an extremely sensitive process.

We launched the Outsourcing Innovation Award this year to recognise some of the great projects that have been implemented in our countries across the world. We had 100+ high quality entries from more than 40 countries. A panel of international partners shortlisted 10 unique projects that presented the greatest business impact and the ability to scale to other countries. The winner for this year proposed a solution to ease and secure IFRS16 Lease accounting calculations and adjustments.

Service consistency to our clients has always been at the centre of our approach. As such, with the support of Mazars School of Excellence (MSE) we launched our first modules specifically dedicated to Outsourcing to align worldwide teams on service delivery and client experience.

Sustainability

Following the new GEB mandate, the Sustainability service line was established in the first few months of 2021. Chris Fuggle and Maud Gaudry were appointed as the service line leaders. The specific reporting will start in 2021/2022.

Sustainability creates market opportunities in Channel 1 and Channel 2. In the EU, the Corporate Sustainability Reporting Directive (CSRD) will create a €2 billion Sustainability audit market for the entire profession. The CSRD will become effective in 2024 for reporting on 2023. We already have strong teams in France and Spain performing sustainability audits and we recently won the global mandate for Danone. The need to audit has started with the EU but will undoubtedly expand to other regions. We have a Sustainability Audit and Quality subcommittee working hard to ensure we are ready to support the expected ramp-up in audit activity, notably through the design of standardised audit methodologies. Success will require close cooperation between countries and the central team. We encourage countries to lend support to the subcommittee.

In Channel 2, there are a plethora of opportunities to help clients prepare to report and comply with the rapidly evolving regulation – clients require support navigating the regulations and understanding how and where to change their processes, policies, data capture. The needs in the financial services sector, and those industrial and service sectors contributing most significantly to climate change, are huge. The United Kingdom, Ireland and France have already won several mandates with financial institutions ranging from stress-testing to regulatory compliance to development of sustainability KPIs to enable their customers to access preferential interest rates. Over and above compliance, clients also require support with their sustainability strategies, notably using an ESG (Environment, Social, Governance) approach. Sustainability is a journey, compliance and/or best practice requires companies to identify their most material issues and to work on improving these as a priority. Supporting companies with these diagnostics / prioritisations and the resulting projects e.g. Net Zero, Human Rights, Diversity & Inclusion, etc., is something we are busy scaling to do. The ability to perform the initial engagements / diagnostics is a service we are targeting to be able to roll out across a large number of countries, with the resulting projects supported by geographically dispersed centres of excellence. Again, we already have good credentials – for example the United Kingdom is working with Haribo on their Net Zero journey and has supported several large institutions on projects such as modern slavery. Our team in South Africa has also built up significant sustainability consulting expertise over the last few years. To enable us to scale these Channel 2 services, we have Sustainability Consulting and Sustainable Finance subcommittees.

The topic of Sustainability is broad and fast moving and therefore it is very important that we move as 'One'. This includes who we recruit, how we train, the sub-services we develop, how we leverage cross-border expertise, how we interact with other service lines, how we go to market, etc. Upon the establishment of the service line, a governance structure was rapidly created comprising service / sector expertise from sustainability, audit, tax, consulting, POB, PIE, financial services, energy and infrastructure, transport and logistics, as well as diverse geographic representation to facilitate alignment and speed of go-to market. The governance structure also includes strong participation from marketing, HR / training and quality functions.

Some of the key outputs from the first few months have included:

- The creation of the Accelerator led by Louis-Henri Devant (who works alongside Chris and Maud) – the Accelerator is firstly an online sustainability knowledge database to save countries learning / producing what others have already done, and secondly tailored support, per country, to help assess the local market and how best to start the sustainability services journey;

- The launch of the Sustainability Foundation Course, a training course open to all Mazarians around the world. The first module went live on 30th September and 5 more modules will follow in the coming months. We encourage you and your teams to follow the course so that you can feel confident speaking with clients on this critical topic; and
- A growing list of sustainability credentials – Danone, Haribo, Sabre Insurance, Unilever, Japan Tobacco, FIFA, Alpha Bank, JC Decaux, Biotest – to name but a few.

The Sustainability service brochure and tender toolkit are currently in the works and expected by November 2021.

If you plan to hire senior Sustainability talents, please do first liaise with Chris and Maud so that we continue to move as 'One' in this important area.

Tax

In the current business environment, the tax service line has managed to pursue a consistent growth and showed an outstanding attitude in the face of the uncertain times brought by the current pandemic, reacting quickly to clients' needs.

The new wins demonstrate that we have the right global tax expertise and capabilities to serve big clients and successfully compete against larger players with more experience in various engagements. Among the new clients we mention TCPI, GAP, National Instruments, Bureau Veritas, ACN, Attijariwafa Bank, Webasto and AIG Global Real Estate.

We continue to develop our high-expertise business communities and in the past year we have launched two additional groups, the Global R&D and incentives practice and tax controversy and disputes resolution group. Moreover, following United Kingdom's exit from the EU, we have launched the Brexit Radar, a tool that supports our clients in navigating the post-Brexit changes. Especially for VAT and Customs we see that clients are seeking advice as a result of these post-Brexit changes.

Our service line has also constantly communicated to clients, building its thought leadership presence via the tax blog and client events.

From a geographical perspective, we have strengthened our tax expertise in Qatar and enhanced our coverage with a new tax presence in Serbia and Kuwait.

Following the launch of the One24 strategy, one of the key focus for the tax service line is improving the overall quality of the services and staff by adapting a robust QMC framework. Adding to this, we are working closely with the Group BD team on tendering processes and procedures, having already launched the tender toolkit for Global Mobility Services in Summer 2021. More tender toolkits for specific services will follow in 2022.

From an innovation perspective, there is a general need to appoint powerful, scalable and innovative software solutions to efficiently manage the tax processes for larger clients. We have made great progress in evaluating and assigning an external provider for Global Mobility Services and we are continuing our efforts in digitalising the working practice. In 2022 we expect that this tool will be launched and implemented.

Concerning education, the tax service line continues to develop the Global Tax Training Pathway together with the business communities. We are also proud to have seen the first International LLM cohort graduating, and the 4th cohort have just started their journey in September 2021.

2.2 Sectors

The current context makes it more necessary than ever to have a dedicated sectorial approach. Each industry has its specifics and is facing its own challenges, which requires us to be able to answer in a dedicated way. This global trend is materialising in the reinforcement of sectorial public policies and sectorial professional organisations.

Along with our global growth, this market trend results in experts joining their efforts to develop, consolidate and leverage their sectorial experience to answer market demand. This should ultimately lead to the creation of new "Sectors".

Healthcare & life sciences and Agribusiness are two good examples of sectors in which Mazars has expertise in and could develop a strong client portfolio. These two industries have growing needs boosted by the current context and require global solutions. Their development can also strongly benefit our growing focus and expertise in ESG. Building global practices with a team of experts for these sectors will enable us to make the most of the opportunities arising from the market.

As a matter of fact, a group of life sciences experts from several countries are already working closely together to build solutions, raise our profile and win work. We won several significant assignments with renowned pharmaceutical companies such as GSK and AstraZeneca in the past year. The sector is now highlighted as one of our core focus areas on the website and we are starting to build some content to raise our visibility on the market.

Consumer

Our Consumer Cluster teams have had an extremely active year, with record numbers of tenders responded to in several countries. There have been several very significant new or renewed assignments achieved in both Audit and Channel 2. The teams have been focused on understanding how the lockdowns due to Covid-19 have affected Consumer Markets worldwide and have worked hard to tailor their offerings to assist our clients in these stressful times. Some key development projects include the development of specific Outsourcing, ESG-related consulting, smart data and business transformation offerings.

Several Thought Leadership publications have also been developed this year including our *"Chinese luxury brand consumers: A generational, gender and city-tier analysis"* and *"Conscious, Collaborative, Connected: Making over the Luxury Business"*. These campaigns have been featured in country events, newspaper articles, blogs, webinars, and conferences targeted towards business development contact building.

The teams have also built on several partnerships including with Arianee for the use of technology in the Consumer Sector. And of course, the conclusion for these actions led to key wins and continuing relationships, both in Audit and Channel 2 service lines, including with Danone, Tiffany, Nuxe, Kering, L'Oréal, Casino, Sanofi and Louboutin.

Energy, infrastructure & environment

We have established a global Energy, infrastructure & environment sector with representatives from all the Group's major countries and regions. We have also set up regional and country communities to create a community of sector champions engaging with the market on a cross service line basis. With the continued response to the climate emergency, the sector is recording a continued high level of activity in the Renewable Energy space and we are seeing significant growth across M&A, FDD, Tax, Infrastructure Finance and Valuations in all regions with particular growth in Latam. One trend we are involved in is supporting major Oil and Gas groups and energy players such as Total, Enel, EDF and Repsol build up their capacity in Renewable Energy production. An emerging theme across the sector is a focus on the energy transition and the increasing consideration of ESG impacts across the investing and development community.

Financial services

In the past year, the Financial Services teams have focused on the further integration of their four core sectors – Banking, Insurance, Asset Management and Real Estate. While each of these sectors is steadily growing and developing in its own path, the recently established FS advisory line is stretching across all of them, offering an overarching channel 2 approach in Financial Services. Following the need to work closer together across territories, FS Advisory aims at aligning core services and competencies in its efforts to set up cross-border solutions. The global efforts to address sustainability in an environment dense with regulatory changes and fast-evolving disruptive technologies, have paved the way for the development of global FS solutions in the areas of climate risk, regulatory advisory and banking supervision, and financial quantitative services.

The FS teams have enhanced their ongoing dialogue towards deeper integration and coordination of activities among separate countries and service lines. Moreover, our client centric approach has pushed the development of key account management at both global and local level in FS.

Asset Management

Over the year, we won the audit of Bridgepoint funds in the United Kingdom and developed the relationship with the funds administered by State Street, and significantly expanded the provision of financial reporting services in Ireland, Luxembourg and Singapore. Our value proposition of involving senior members of personnel in our audits is paying off by contributing to our continued commercial success whilst ensuring the quality of our work.

We are developing a mutual funds audit tool to improve our efficiency and make us more competitive in tenders. The opening of a Mazars office in Boston and the recruitment of experienced staff there will help our market penetration in the USA.

Group Executive Board report

Banking and capital markets

We won the audit for American Express Europe in Spain and la Banque Postale in France and our post Covid-19 services for the European Central Bank, Banco Santander, S.A. have been renewed.

We also expanded our services for global Outsourcing clients – State Street and Citibank and received a first-time invitation from JP Morgan to participate in their Global Consulting preferred supplier selection. FS in South Africa and Brazil both experienced rapid growth in the first 18 months after formally launching their practices, reaching the top 15 Mazars countries in FS revenue.

Insurance

Successful acquisition of audit clients in the United Kingdom continued in 2020/2021. Insurance teams added non-EU Groups like Cigna, as well as local insurance groups like LV= to their portfolio. We are actively preparing for the transition of AXA from C1 to C2 client and steadily developing the Generali and Allianz key accounts.

The merger between Mazars and Marillion took place in Russia and is expected to lead to substantial market expansion for us in the local market.

Real Estate

We increased the scope of services with Generali Real Estate in France and included consulting, FA, Tax and Outsourcing, as well as REIM experts' involvement. We gained work with Tishman Speyer in the USA, Brazil, and the U.K and expanded our engagements with AIG Global Real Estate in the US. We performed assignments in tax structuring, due diligence and audit REIM structures for Aroundtown SA in Germany, the Netherlands, the United Kingdom and France. Also, there are plans to establish sector expertise in Africa and South America and to build our own corporate finance capacity (FA) that includes business and property sales in Australia.

Finally, we are building our own RICS credentials in Europe and the USA, in response to clients' demand for Real Estate valuation services.

Automotive

In the Automotive sector, key initiatives and projects were launched. They included supporting the merger of PSA and FCA by auditing and signing all the relevant financial information which were filed with the SEC and AFM, and launching a thought leadership campaign *'Re-inventing the wheel'* with 16 articles featuring more than 30 Mazars experts in 13 countries translated into Dutch, German, French, Mandarin and Spanish followed by virtual sessions with 15 internal and external experts and 200+ attendees. The campaign achieved 450k total social media impressions and 6k social media engagements. We also pursued a global key accounts strategy with regular exchanges with the management and addressing a sustained flow of RFPs.

Privately Owned Business

As identified by the One24 manifesto, the Privately Owned Business (POB) market segment is a key pillar of our front office approach. Our survey of G20 countries during the summer presented a vibrant and healthy picture of Mazars' POB activities. It accounts for 49% of our total group fee income with many clients in the consumer, industrials, technology and logistic sectors worldwide. While accounting and outsourcing, audit and tax are the services we predominantly provide currently, there is good momentum and interest in enhancing and growing advisory.

We believe the POB segment presents a significant opportunity for growth and this year we clarified the attributes and value proposition for each major sub segment so that we can go to market with targeted offerings in a more focused way. Within the POB area, there are three key segments: emerging, medium and large enterprises. Each segment has developed a specific strategy for growth with a leadership team drawn from experienced POB partners across many countries.

The POB global marketing plan has identified campaigns to encompass all these client segments including the work on Brexit radar during the year – our first major group digital campaign. We will shortly see the re-launch of Business It's Personal with a focus on sustainability for the first quarter. Working with POB relevant sector leaders and marcomms team, we are developing focused campaigns to target and grow our large international enterprise (mid-market) client base. During this year we have had some fantastic wins with CPro, Calder Group, Culina and Viessmann within this segment.

In parallel to the external marketing activity and segment development, we continue to invest in learning and development for our POB partners and teams and in conjunction with global L&D, have developed an online training e-learning programme for the Optimize platform which will be available globally.

The POB Mazars community is organised, ambitious and dedicated to delivering One24 goals of growth and transformation.

Public & social sector

The Covid-19 pandemic has shown the value of the public & social sector to our society.

Not only has the medical sector shown its relevance, but also our governments have proven that a strong and healthy public sector is of value to a country and its citizens. And please do not forget our knowledge centres such as universities and bio-industry. Without them, we would not have vaccines against the virus for many years. Therefore, helping the Public Sector is very important for us as auditors and advisors.

In the United Kingdom we have launched a great campaign, focusing on Social Value (Rethinking Social Value). In the next year we will combine ESG and the public sector to commit to the future with purpose, to be inclusive and progressive, and to embed sustainability at the core of our public sector teams.

At group level, we have started our journey to internationally connect more and more within the Public & social sector. Due to the strong national focus, we are a little behind compared to our other international sectors. Three major countries have mature public sector groups, the United Kingdom, France and Netherlands. The good news is that we have made connections with the local public sector practices in Switzerland, the United States of America, Germany, Belgium and many more. We are seeing a big increase in the RFPs we are receiving for public sector clients that formerly only asked the Big 4 competitors to issue their proposals, such as the World Wildlife Foundation.

In the United Kingdom, we are the external auditor for some of the largest NHS hospital Trusts in the country including Oxford University Hospitals Foundation Trust, Leeds Teaching Hospitals, Manchester University Hospitals Foundation Trust, and Barts in London. As well as providing general acute and a range of specialist services for their local populations, the latter two also ran the Nightingale Hospitals set up in spring 2020 to provide additional capacity to support the front line during three waves of Covid infection that put pressure on services. Furthermore, we are now the external auditor for the Government of the State of Jersey – the audit was previously done by a Big 4 supplier.

In the Netherlands we have won some notable new engagements, such as the National Organisation for Testing on Covid-19, the shared service IT department for all universities and high schools in the Netherlands including their Supercomputer. We have won several new social housing organisations (the larger ones are considered PIE engagements in the Netherlands). In addition, we have also won a couple of new schools and universities.

In France the Public sector was very busy with consulting and auditing large state-owned organisations, such as RATP, La Poste, Pole emploi and other organisations such as hospitals and European funds. We have lost some consulting partners but with the current team of partners, we are very qualified to serve our clients' needs.

And finally, we also worked hard for the European Commission on many topics. We have framework agreements with EuropeAid and DG Budget, which result in a lot of tender requests and work for the whole Mazars group, many in still developing countries.

So, in general one could say that we can be proud on the Public Sector teams. But we are also ambitious and therefore next year we will spend time on the global marketing strategy for the Public sector, so we can focus on international targets such as international development organisations and charities.

Technology, media & telecommunications

There has been significant pick up of the sector since the last quarter of 2020 after the uncertainty brought by the pandemic in Q2 2020. Pick up related to confidence in the economy and lots of M&A transactions (capital raises and exits) due to existing liquidity in the market. Covid also resulted in a remote work environment and shortage of talents and companies in the sector hire from anywhere in the world. This trend led to increased opportunities in Channel 2 work: FA, IPO/SPAC readiness, outsourced accounting and financial advisory, and tax consulting.

3. Profitability and financing

3.1 Profitability

Profitability has greatly improved with a surplus ratio growing by 2 points.

This is mainly due to the fact that group gross margin has increased from 46.1% in 2019/2020 to 46.9% of Fee Income this year and represents €891m. An improvement of our utilization rate and a sound management of our pyramid have stopped the margin erosion.

Finally, thanks to our cost management efforts and a reduction in travels and meetings during Covid, overheads have decreased from 29.0% in 2019/2020 to 27.3% in 2020/2021 of our revenues.

In millions of euros	2019/2020		2020/2021		Variation in value	Variation
	Surplus	Surplus / FI	Surplus	Surplus / FI		
France	67	16.8%	79	18.9%	12	18.6%
United Kingdom	29	13.4%	46	18.0%	16	54.8%
Germany	32	18.0%	40	20.3%	9	28.2%
Rest of Europe	76	16.9%	96	19.5%	20	27.0%
North America	43	20.3%	44	21.2%	2	4.1%
Latin America & Caribbean	4	10.5%	6	14.2%	2	36.4%
Asia-Pacific	31	20.8%	39	23.4%	7	24.0%
Africa & Middle east	20	19.1%	24	20.2%	4	19.6%
Other	-2		-11		-9	
Total	**299**	**17.1%**	**363**	**19.1%**	**64**	**21.3%**

(*) Including for 20/21 the €-10m Surplus allocated to future business investments

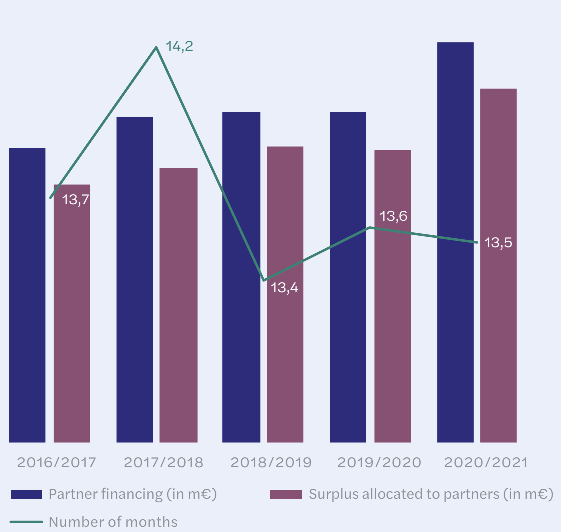
3.2 Financing

The financing of our activities is essentially provided by the partners. It may be in different forms (Equity shares, loans, current accounts, deferred compensation...).

In total this year financing by the partners is relatively stable, at 13.5 months of their total earnings.

Our work in progress and receivables ratio were reduced from 3.1 months of annual fee income last year to 2.9 months.

Financing analysis



4. Support functions

Audit/Atlas

Over the last year we have seen a significant uptake in the usage of the Atlas platform, with 90 countries now live and 8,000 auditors using the platform regularly across over more than 19,000 engagements, including 6,500 that have been completed in the platform.

With the current Atlas platform, 12 countries achieved a full rollout (100% of their engagements in Atlas) for the 2020 audit season. Thanks to the additional developments and features now delivered, c. 40 countries are aiming to achieve a full roll out for the 2021 audit season.

In the meantime the central Atlas Program team has started to build the Next Generation of Atlas with a significant enhancement of the user interface and user experience, and embedding a revision of our audit methodology in the context of the release of IAS315 Revised applicable from 2022 – using state of the art technological assets. This along with the release before the end of 2021 of Atlas Analytics NextGen, a more powerful Data Analytics tool with a new design and improved interface, will give the audit teams a first-hand experience of working towards Atlas NextGen in 2022.

Group Executive Board report

Quality management & compliance

2021 as the first stage of the One24 plan for Quality.

2021 marked the first stage of our strategic move to global quality as a backbone for all activities.

We maintained the high-quality standards and processes implemented in the past, with:

- An organisation and governance dedicated to Quality Management & Compliance, with the Board and its committees' remote active meetings during the year;
- The continuation of the roll-out of our Global Code of Conduct, in order to align the behaviour of all our people with our values;
- The oversight of rigorous acceptance procedures;
- A permanent global coordination of our Quality Control system; and
- A continuous dialogue with stakeholders, our partners and staff, our peers at Mazars and in the profession, national professional bodies; regulatory oversights, ministries and directorates.

So, in a nutshell, a Quality and Independence framework, now used in all countries, well recognized, and accepted as technical backbone, with proven value through clients' feedback and external inspections reports, carefully monitored more in detail, as well as associated action plans.

What has been done in addition in 2020-2021

The Quality Control system team has been reinforced during this quite difficult period of Covid crisis, with global and regional recruitment.

The global monitoring of all Countries' action plans every 1.5 years has been rolled-out, as well as the one of the Oversights' reports.

Our Mazars Audit Methodology (MAM) was updated every year since its introduction in 2012. The acceleration over the last 5 years took place to address findings from QC and gap analysis, benchmark with other firms, the new ISAs, and the requests from users to have more guidance and tools.

Looking ahead

We need to keep brightness and flexibility in the Audit Methodology and make sure it is embedded in a user-friendly and scalable way in the Tool, to embark expected new ISAs and other improvements, and anticipate the impacts of ISQM1&2 and associated ISA 220.With an estimated 2,400 PIE audit clients through the globe as of today, 1,200 based in Europe, and both an increased appetite of Mazars countries, and demand from stakeholders and/or regulators, increasing investment in Quality is strongly needed.

Brand, marketing & communication

2020/2021 has been a very intense and productive year for our Group marketing, communications and BD support team. Here is an overview of the main achievements and initiatives:

Brand, communications & Public Affairs

- Brand launch & implementation: new global brand positioning and visual identity rolled out on 21 October 2020 across 150 corporates websites, blogs, careers websites and as well as internal platforms;
- CSR & Diversity communications: CSR communication strategy and roll out with country toolkits; International Women's Day social media campaign & leaders' videos;
- Shaping the audit reform debate with the release of the 'Future of audit campaign' – leveraged by more than 30 countries, with international media and social media coverage;
- Flagship thought leadership campaigns: Launch of the C-suite barometer 2020, with over 35 countries using and amplifying this content and global campaign; and
- Public Affairs Communication strategy and support to the Global Audit reform Task Force & the EU Task force. Empowering and coordination of 24 PA strategies at Member States level. Contribution to CSRD consultation.

Marketing our services, sector expertise and POB offerings

- Launch of the *Brexit Radar*: an unprecedented global success with over 350 privately owned businesses using our tool resulting in several global/local enquiries. 28 Mazars countries engaged with the campaign, the promotional video reached 67K+ views (2nd most popular video ever on our YouTube channel) and enticed 2700+ unique visitors to our global website.
- Global marketing campaigns to raise visibility and awareness:
- *Finance for Good* (FS) which includes several reports, articles, interviews, podcasts, events and the launch of the *Sustainable Finance policy tracker* in partnership with OMFIF;
- *Reinventing the wheel: what's driving change in 21st century mobility* (mobility), with 30+ Partners from 13 countries and 10 different sectors and service lines contributing. 16 articles & country spin-offs, ~450k impressions on social media and 3 webinars with 200+ attendees;
- *Conscious, collaborative, connected: making over the luxury business model* (Consumer) with 1 global report, several spin-offs articles, press interviews and speeches at industry events. 20+ countries engaged, 50 000 promo video views on Youtube and 1800+ report downloads on global website alone;
- *Let's talk global tax!* In Dec 2020, we launched the Global tax blog, leveraging a team of 40 tax partners with different expertise from all over the world;
- *Smarter, better, faster: RPA at work* campaign which looked at seven key sectors affected by the pandemic to provide real examples of how RPA can be used in each sector and the benefits;
- The 3rd annual 'Investing in *CEE: Inbound M&A report 2020/2021* was released in March 2020;
- Two new reports in the 'Doing M&A in' series: one on the *CEE region* and one on *APAC*; and
- Launch of '*Private equity and the world of Covid-19*': garnered outstanding press attention. This report was accompanied by a new deal advisory brochure to highlight our services, credentials and contacts.

Corporate Social Responsibility

At Mazars we are committed to work in a way that is socially and environmentally responsible, with sustainability as an integral part of our business model. Last year, we reinforced our CSR strategy around 5 key pillars: Integrity & Responsibility, People, Environment & Climate, Community and Sustainability Services (Doing Business for Good), to guide our actions and impacts across our business operations as well as in the ecosystems and communities where we operate.

Over the last year, we have kicked off multiple initiatives across our CSR pillars:

- We appointed a group CSR manager reporting to a Group Executive Board member and a global Diversity & Inclusion leader reporting to our group CEO;
- We launched our global internal CSR campaign "Dare to care" and created our Global CSR Community by bringing together CSR Ambassadors from all Mazars countries to work on common initiatives and drive collective performance; and
- We launched our group-wide Diversity &Inclusion strategy, "All-in" and brought together a global community of managing partners and diversity / HR leaders to work together on achieving our targets.

As part of this strategy, we rolled out internally the Gender Diversity Self-Assessment Checklist to help countries understand if they are using the relevant actions to increase gender diversity at all levels of the talent pyramid, and set up country dialogs, mandatory for the top 20 countries.

Group Executive Board report

- Our Group Executive Board members adopted CSR commitments as individuals and as a team, demonstrating their dedication to the topic;
- We published our 2020 Group CSR Report called Mazars for Good;
- We shared group wide guidelines on business travel to encourage our employees to rethink the way they travel and work with teams, clients, etc;
- We supported more of our countries to organise a Mazars Community day to engage more employees around socially and environmentally responsible actions;
- We created a toolkit to inform on our CSR strategy and actions to help respond better to tenders and to engage conversations with potential clients;
- We continued to promote our Code of Conduct training to enable 100% of our employees to learn about our values and what doing business with integrity and responsibility means;
- We launched D&I training programs on LinkedIn, mandatory for all executive boards and managing partners - still in progress; and
- We launched our first *"Let's talk diversity & inclusion"* session with our top 150 leaders – 120 attended.

Going forward, we remain committed to our long-term vision to:

- Train 100% of our employees in our Code of Conduct;
- Increase the number of women in our workforce and in leadership positions, while supporting other forms of diversity;
- Reduce our carbon footprint, (we are currently defining a Science Based Targets approach to reduce our emissions and become Net Zero); and
- Amplify the positive impact we create through our societal initiatives in local communities.

We will therefore, establish the necessary KPIs with concrete targets, and drive focused actions to deliver against our short, mid and long-term ambitions for each of our CSR Pillars.

Innovation

This year, we capitalised on the first part of our transformation journey and operationally brought innovation and technology to a group level.

We gathered our seven tech hubs into one single League of Hubs with a rotating presidency, putting all seven hubs all on an equal footing, fostering discussions and transparency.

Audit was the first service line to dive into innovation and technology. Germany and France have made significant progress on this front since 2017. This year, we initiated a long-term collaboration between the two countries. They joined forces and started with a bilateral assessment of each country's own innovative solutions before launching the "Lokomotiv" to onboard the greater audit community on the Global Reinventing Audit program.

IT

In 2020/2021, we launched the construction of our Global IT platform, pillar of the One24 and of our operational integration. It aims at unleashing the power of our brand through the combination of key benefits:

- Fostering collaboration among all teams, across all countries and service lines
- While strengthening our cyber security, and
- Leveraging on our size through enhanced common procurement processes.

We have been strengthening our IT security with multiple countries becoming ISO27001 certified especially France. Our efforts to train our teams on cyber risks have been relentless and have been regularly monitored by both GEB and GGC.

Group Governance Council report

In December 2020, a new GGC was elected by the partnership and has been overseeing the implementation of Mazars' next four-year strategic plan during this fiscal year.

The GGC is Mazars' supervisory body. Under the chair of Tim Hudson, the current GGC team is made up of women and men from all around the globe.

The GGC would like to express its sincere thanks to all partners and staff for their hard work and commitment over the past fiscal year, which is evident in Mazars' excellent performance.

Topics worked by the GGC during this period

- Quality and risks

One of the key roles of the GGC is to provide oversight of the quality and risk management processes in the Group.

As the regulatory landscape continues to complexify, Mazars continues to invest in resources and training to help ensure quality and manage risks, in the audit service line and beyond.

The GGC oversaw and pushed forward the implementation of International Standard on Quality Management 1 (ISQM 1) and cyber security measures, as well as the enterprise risk management programme.

- IT security and cyber risks

Countering cyber risks remained a key priority for Mazars this fiscal year, and our IT teams made significant progress across the partnership.

The Group IT team continues to monitor security KPIs for all countries using an information security dashboard. Over the course of the past year, the number of vulnerabilities has been successfully reduced by over 20%.

Cyber security threats remain high and are dependent on our own individual actions. To limit these risks, the Metacompliance trainings developed by our IT department are mandatory for all staff. The GGC supports the GEB in its plans to implement sanctions on countries and/or individuals not adhering to the mandatory training programmes.

- Quality control

Quality control campaigns took place this year for three service lines: audit, tax and outsourcing. Due to the pandemic, these reviews took place remotely and resulted in action plans to be implemented. The GGC strongly encourages our other service lines to implement such quality control campaigns. The financial advisory service line is expected to launch such a programme in 2022.

As a major audit firm, Mazars is under a high level of scrutiny from regulators. Quality remains of paramount importance.

- ISQM1

ISQM1 implementation in 2022 is a major project requiring the rapid mobilisation of significant resources at country and group level. The GGC has supported strengthening a centralised approach and team to ensure its implementation is consistent across all countries.

- Significant transformation projects

In its supervisory role, the GGC had several major transformation projects on its agenda this fiscal year, including the implementation of Mazars' four-year strategic plan (One24), the transformation of Mazars' IT platform and the engagement of all countries on Atlas, Mazars' augmented audit solution.

- One24: Mazars' four-year strategic plan

The new GEB team was elected in December 2020 on the basis of the One24 strategy. The GGC received regular reports from the GEB, first on the organisation defined to lead the implementation and second on the follow-up of major projects and dimensions.

We note that the GEB and newly appointed global leaders established and approved plans to move forward on many of the core tenets of the One24 strategy. Already, the partnership shows a stronger connection between key countries, regions and business areas through the new 'core matrix' structure.

The GGC has challenged the GEB not to underestimate the transformational nature of this strategy and to allow adequate time and resources to achieve it..

- Atlas

The implementation of Atlas audit software remains a critical project for the success and development of Mazars' audit service line.

A number of new and improved functionalities were delivered during 2021, notably a new document management system and pack for SMEs. The roll-out of the software will be accelerated in 2022, as the use of Atlas is set to be mandatory for the 31 December 2022 year-end audits. To help ensure a successful transition, the GGC has recommended that country executives and audit leaders plan and implement the right measures and resources according to local needs and requirements.

- Global IT platform

The Global IT platform project aims to implement a global common IT platform of tools and services to support our business.

The GGC has been presented with the overall structure and project management plan for this complex transformation project and is satisfied with the way the project is set up and organised under project governance team.

A significant budget has been allocated to the successful implementation of this project, and GGC member Michelle Olckers is a member of the Global IT Transformation Strategic Oversight Committee to ensure the GGC is following the project in sufficient detail.

- Financial matters

The GGC oversaw the consolidation of Mazars' financial statements, including the review of partner remuneration.

- Financial performance

Despite the ongoing challenges posed by the pandemic, this was an excellent fiscal year for Mazars in terms of our business and financial performance. The partnership achieved €2.1bn of fee income, representing a 12.3% increase (excluding forex impact of -1.6%) compared to the previous financial year. The increase in fee income comprises strong organic growth (9.4%) complemented by external growth of 2.7%.

Mazars' audit practice grew by 8.5%. Today we audit 2,400 Public Interest Entities worldwide, 1,200 headquartered in Europe, 960 listed on a regulated market and more than 480 listed in Europe. Mazars is ranked fifth in the European audit market for large and listed European companies.

Beyond audit, Mazars also grew significantly in financial advisory (+15.7%) and in consulting (+7.9%). This is an impressive achievement that demonstrates the strength and resilience of our partnership model.

- Budget

The GGC reviewed and challenged the Group budget that is prepared bottom-up from each country submission and the CARL budget that is prepared by the GEB.

The 2021/2022 budgeted fee income of €2.1bn (excluding ZhongShen ZhongHuan practice). When compared to the better-than-expected landing for 2021/2022, budgeted growth looks modest at around 2%. We should thus be in a good position to deliver this budget, which the GGC expects to review.

We expect that both countries and the Group' to conduct meaningful reviews of their budgets that would reflect the landing for 2020/2021 as the starting point.

- Partner remuneration

The GGC has reviewed the in-depth process held this year relating to all partners' remuneration review. This review takes place every four years and is led by the GEB. The GGC has ensured the review process was properly followed and that partners were treated in full fairness.

Group Governance Council report

The GGC is in charge of defining the GEB members' remuneration, following a thorough process involving a yearly performance review of each GEB member and appraisal on achievement of defined short- and long-term objectives. The GGC has defined the GEB members' remuneration scheme for the next four years (2020-2024) and agreed upon the granting of long-term bonuses for GEB members, for the period 2016-2020, in accordance with their achievement of long-term objectives set for the GEB in the previous mandate.

Partnership development

- New partners

This year, 116 candidates were proposed for co-option, rising from 76 candidates last year and returning to pre-pandemic levels. The proposed candidates came from 38 countries, vs 29 last year, with 61% of the candidates in Europe. The GGC reviewed the process of co-option and approved all 116 candidates prior to them being proposed for co-option at the General Assembly. The GGC recommended that specific attention be given to lateral hires in 2022, relative to accelerating gender diversity within our partner population.

- Diversity

Diversity is an important topic and is followed closely by the GGC, notably but not exclusively through the co-option process.

We note that during the year:

- There were two women elected to the GEB in December 2020.
- The new global organisation was set up in April 2021, showing a Global Leadership team comprised of 40% women.
- A dedicated Diversity and Inclusion team was appointed, and a specific action plan was presented to GEB and will again be presented early next year.
- The GEB set some specific targets in terms of diversity that are embedded in the GEB objectives set by the GGC. The topic should be a priority not only for the GEB but also for all partners and countries. It is our collective responsibility to improve diversity and inclusion, with gender being only one aspect.

Other important matters

- Sustainability and Corporate Social Responsibility (CSR)

The sustainability service line was established in April 2021 and a governance structure was implemented shortly thereafter.

The GGC recommended that countries engage rapidly with the central sustainability teams to help them structure their development and go to market. The GEB has repeatedly expressed its commitment to developing these critical services. The GGC was pleased to see the launch of a global internal training programme on sustainability matters, made mandatory for all staff and partners, to enhance collective knowledge of these crucial topics.

Internally, a Group CSR Leader was appointed in August 2021. This was a welcome appointment and critical to ensuring the acceleration of our own internal sustainability journey. An initial plan has been communicated to country CSR ambassadors, and specific group targets are currently being considered, including a commitment to achieving net zero by 2030.

- European audit reform

Ms Mairead McGuinness, the EU commissioner in charge of the Capital Markets Union, announced in May 2021 that the EU will review the 2014 EU Audit Regulation by the end of 2022.

The GGC has considered the way the GEB is approaching such EU audit market structural evolutions.

GEB members are directly involved in the monitoring of the advocacy campaign towards national and EU policymakers and the GEB has allocated a dedicated budget to a specific Group Public Affairs management unit.

Liaising closely with the GEB, the GGC will continue to follow the EU policy discussions that could significantly open up the EU audit market. The GGC encourages EU partners to build their knowledge on the ongoing discussions and help raise awareness in their markets.

The year ahead

Despite the challenges of Covid-19, we can collectively be proud of many achievements in 2021.

Our firm, and our profession generally, faces many challenges not least in ensuring that we can continue to attract, retain and reward the people we need to deliver the range and quality of services that our clients demand.

There are a number of topics that we see as priorities for the year ahead, including:

- Training and development, which will be critical in the ongoing battle for talent;
- The transition to and full adoption of our audit platform, Atlas;
- ISQM1 and the deployment of new policies and processes in all countries;
- The ongoing deployment of the global IT platform project;
- The implementation of action plans to boost diversity and inclusion and our CSR engagements; and
- Geographical coverage – as travel restrictions ease, there will be opportunities to open new discussions.

Conclusion

All the hard work and perseverance this fiscal year are evident in the firm's impressive performance. Although the GGC has not yet been able to meet face to face due to the pandemic, a strong team spirit and shared sense of purpose have nonetheless developed between members. We're proud of what has been achieved to set the course for a successful implementation of the One24 strategy.

The GGC will continue to exercise its oversight function with a good spirit of cooperation and constructive dialogue with Hervé Hélias and the whole GEB.

Governance

Group Governance Council Interview with Tim Hudson

As Chairman of the GGC, Tim Hudson shares his thoughts on Mazars' 2020/2021 developments and performance. He also reflects on the upcoming new deal in the UK and European audit market, and on the added value of non-Mazars members in the GGC.

Q: What are the GGC's views on this year's performance?

Obviously, these are very positive results that signal a bounce-back from the initial impact of the Covid-19 crisis.

Our balanced growth between compliance-based and advisory-based activities, as well as across all regions, is very encouraging and a testament to the hard work of all our teams and partners around the globe.

Q: What opportunities lie ahead for our partnership?

Everything I see suggests that there are significant, maybe even unprecedented, opportunities ahead across all our service lines and geographies.

As regulatory changes take place, notably in the European region, with an increased focus on audit quality and competition in the audit market, Mazars will be in an excellent position to help provide that choice in the market and enable firms to respond to the new regulatory demands.

Our strong financial performance will allow us to continue to invest, as seen, for example, in our new sustainability services.

Q: What about challenges?

One of the key challenges remains our ability to attract and retain talent to support the market opportunities that lie ahead, particularly as we emerge into a new post-Covid-19 working environment. The recruitment rates we are seeing suggest Mazars is on track to meet this challenge. However, we will also need to continue and accelerate our investments in innovation and technology to ensure we are leveraging our talent in the most effective ways and providing learning and development opportunities to everyone.

Q: What is at the top of the GGC's agenda moving forward?

From a supervisory perspective, the GGC will need to make sure Mazars has the right structures in place across the globe to continue to meet the highest quality standards.

Our integrated partnership and unique governance structure help us keep quality at the top of every partner's agenda. Maintaining our culture of quality and independence will always be the GGC's first priority.

Financial statements

Consolidated financial statements prepared in accordance with IFRS 2020/2021 financial year ended on August 31, 2021 In thousands of euros

Consolidated income statement

2020/2021 financial year ended on 31 August 2021

In thousands of euros	Notes	2019/2020	2020/2021
Revenue	4.1	1,810,354	1,945,946
Rebillable costs	4.1	-61,898	-44,972
Fee income	4.1	**1,748,456**	**1,900,973**
Cost of technical staff		-941,794	-1,009,606
Gross margin	4.3	**806,662**	**891,368**
Cost of administrative staff	4.4	-134,509	-139,754
Other costs	4.4	-254,933	-261,676
Depreciation, amortisation and impairment	4.4, 6.2 and 6.3	-88,150	-87,253
Surplus of operations	4.4	**329,069**	**402,686**
Amort'n/imp't of client relationships and goodwill	6.1	-11,594	-15,140
Financing costs		-17,943	-14,404
Surplus allocated	4.5	**299,532**	**373,142**
Surplus allocated for future business investments			-10,000
Surplus allocated to partners		-299,446	-363,111
Pre-tax result		**86**	**31**
Corporate income tax	11		
Post-tax result		**86**	**31**

Consolidated statement of comprehensive income

2020/2021 financial year ended on 31 August 2021

In thousands of euros	Notes	2019/2020	2020/2021
Post-tax result	1.2.3	86	31
Other comprehensive income			
Remeasurement of defined benefit schemes		6,138	-2,011
Exchange rate adjustments		-16	21
Attribution of OCI to Partners		-6,122	1,990
Comprehensive income		**86**	**31**

Consolidated financial statements

Consolidated statement of financial position

2020/2021 financial year ended on 31 August 2021

In thousands of euros	Notes	31 August 2020	31 August 2021
Assets			
Intangible assets	6.1	187,087	193,083
Right of use - IFRS 16	6.2	250,586	318,487
Property, plant and equipment	6.2	64,855	399,022
Other non-current assets	7.4	15,125	13,043
Total non current assets		**517,654**	**605,147**
Trade accounts receivables and accrued income	4.2	446,744	454,579
Other current assets	10.1	78,694	89,108
Cash and cash equivalents	7.3	158,855	222,375
Total current assets		**684,293**	**766,061**
Total assets		**1,201,947**	**1,371,209**

In thousands of euros	Notes	31 August 2020	31 August 2021
Equity and liabilities			
Shareholders' equity	8.1	5,113	5,354
Partnership financing - non-current		211,299	240,166
Partnership financing - current		127,639	159,217
Reserves for future business investments			10,000
Total partnership financing	8.2	**338,938**	**409,383**
Long-term borrowings - non-current	7.3	69,804	76,406
Long-term borrowings - non-current IFRS 16	7.3	194,629	276,519
Long-term provisions	9.1	70,744	63,561
Total other non-current liabilities		**335,178**	**416,485**
Long-term borrowings - current	7.3	119,348	89,590
Current bank financing	7.3	17,782	17,156
Trade and other payables	10.2	361,033	402,618
Current provisions	9.1	24,555	30,622
Total other current liabilities		**522,719**	**539,985**
Total equity and liabilities		**1,201,947**	**1,371,209**

Consolidated statement of changes in equity

2020/2021 financial year ended on 31 August 2021

In thousands of euros	Capital	Reserves	Shareholders' equity
Shareholders' equity as at 1 September 2019	**478**	**4,471**	**4,949**
Movements in share capital	11	67	78
Other movements			
Transactions with Shareholders	**11**	**67**	**78**
Comprehensive income for the period		86	86
Comprehensive income		**86**	**86**
Shareholders' equity as at 31 August 2020	**488**	**4,624**	**5,113**
Movements in share capital	37	174	210
Other movements			
Transactions with Shareholders	**37**	**174**	**210**
Comprehensive income for the period		31	31
Comprehensive income		**31**	**31**
Shareholders' equity as at 31 August 2021	**525**	**4,829**	**5,354**

Consolidated statement of cash flows

2020/2021 financial year ended on 31 August 2021

In thousands of euros	Notes	2019/2020	2020/2021
Operating activities			
Net result		**86**	**31**
Depreciation and amortisation		92,206	105,483
Gains and losses on disposal		157	182
Self-Financing capacity		**92,449**	**105,697**
Changes in currents assets		29,726	-8,432
Changes in other current liabilities		11,750	55,103
Changes in working capital requirements		**41,476**	**46,671**
Net cash generated by operating activities	12.1	**133,926**	**152,368**
Investing activities			
Purchases of property, plant and equipment and intangible assets	6.1/6.2	-34,765	-46,996
Disposals of property, plant and equipment and intangible assets		897	6,475
Purchases of other non-current assets	7.4	-1,985	-1,881
Disposals of other non-current assets		2,287	4,842
Net cash flows from acquisition and disposal of subsidiaries		-764	-907
Net cash used in investing activities	12.2	**-34,330**	**-38,467**
Financing activities			
Capital increase		78	210
Changes in non-current partnership financing	8.2	18,094	-723
Changes in current partnership financing	8.2	-5,970	36,966
Issuance or subscription, of long-term debt	7.3	62,316	26,698
Repayment of long-term debt	7.3	-43,796	-53,339
Repayment of long-term debt IFRS 16	7.3	-49,533	-60,394
Net cash from financing activities	12.3	**-18,812**	**-50,582**
Net cash variation		**80,783**	**63,319**
Impact of exchange rate changes		-4,912	828
Technical variation of cash		**75,872**	**64,147**
Cash and cash equivalents at the beginning of the year		65,201	141,072
Cash and cash equivalents at the end of the year		**141,072**	**205,219**
Cash and cash equivalents		158,855	222,375
Current bank financing		-17,782	-17,156
Net cash and cash equivalents at the end of the year		**141,072**	**205,219**

1. Accounting policies

The consolidated financial statements were approved by the Group Executive Board on 17 November 2021 and submitted for review to the Group Governance Council. They will be submitted for approval of the General Assembly of Mazars SC on 15 December 2021.

1.1 Accounting framework

The consolidated financial statements together with the attached notes for the financial year ended 31 August 2021 have been prepared in accordance with IFRS as adopted by the European Union.

1.1.1 New or amended standards and interpretations mandatory for the 2020/2021 financial year

The Group has applied all the new or amended standards and interpretations mandatory for the 2020/2021 financial year. None of them led to a change in accounting policy with a more than insignificant impact.

The Group has not benefited from Covid-19 related rent concessions. Therefore, the corresponding amendments to IFRS 16 have not been applied.

1.1.2 New standards published by the IASB but not yet mandatory

The Group has not made early application of the standards, interpretations and amendments listed below the application of which as at September 1, 2020 was not mandatory. These are the following standards:

- Amendments to IFRS 16 on Covid-19-Related Rent Concessions beyond 30 June 2021;
- Amendments to IFRS 9 and IFRS 7 relating to the benchmark interest rates reform (IBOR);
- Amendments to IAS 1 on the classification of financial liabilities as current or non-current liabilities;
- Amendments to IAS 8 on the definition of accounting estimates;
- Amendments to IAS 12 on the accounting for deferred tax related to assets and liabilities arising from a single transaction;
- Amendments to IAS 37 relating to the identification of onerous contracts; and
- Annual improvements 2018/2020 cycle.

The Group has only listed here the standards and amendments that might apply to the Group's activities. Those amendments are not expected to have a significant impact on future financial statements.

1.1.3 Agenda decisions issued by the IFRS Interpretations Committee

The Group is aware of the agenda decision published in May 2021 as an addendum to IFRIC Update of April 2021, relating to IAS 19 – Attributing Benefit to Periods of Service. Considering the publication date of the agenda decision, the Group has not had sufficient time to complete its analyses and the calculation of the impact of applying the agenda decision for the 2020/2021 financial statements.

It is expected that the method for calculating the defined benefit obligation and the attribution of benefits to the periods of service would be changed in some countries leading to a decrease in the amount of the provision.

Those changes will be implemented in the 2021/2022 financial statements.

The Group is also aware of the agenda decision published in April 2021 as an addendum to IFRIC Update of March 2021, relating to IAS 38 – Configuration or Customisation Costs in a Cloud Computing Arrangement. The Group has not conducted and is not currently conducting any significant IT Project on a SaaS basis, and is therefore not impacted by this agenda decision.

1.1.4 Surplus allocated to future business investments

The profit for the year is allocated to partners except for €10m which has been retained by the group for future investment. This amount is shown as 'unallocated profit' within partner financing.

This is part of our strategic plan and constitutes a transparent mechanism for monitoring the allocation of these investments, put in place by the Mazars Governance.

1.2 Basis of preparation

1.2.1 Presentation currency for the consolidated financial statements

Mazars' consolidated financial statements have been prepared in euro and are presented in thousands of euros (except where otherwise stated).

1.2.2 Main uncertainties arising from the use of estimates and judgements by the Group Executive Board

In accordance with IFRS, the preparation of consolidated financial statements requires the Group Executive Board to make a certain number of estimates and assumptions which have an impact on the amount of the Group's assets, liabilities, shareholders' equity and items of profit and loss during the financial year.

These estimates are made on the assumption that entities will continue as a going concern and are based on information available at the time of their preparation. Estimates may be revised where the circumstances on which they were based change or where new information becomes available.

The main estimates and assumptions liable to have a significant impact on the Group's financial performance are as follows:

- Operating data relative to the firm's engagements: the amount of accrued income notes and the valuation of receivables and associated impairment losses;
- The valuation of intangible assets: costs at the date of recognition and impairment of goodwill; and
- The calculation of post-employment benefit obligations.

The main assets and liabilities as at 31 August 2021 subject to material potential adjustment, because of their basis of measurement, are as follows:

- Provisions for contingencies and future costs including €6,841th relating to professional exposures and €4,536th for other risks (see note 9.1); and
- Post-employment benefit obligations: the applicable actuarial assumptions and calculations for each country are set out in note 5.2.

The accounting policies and basis of measurement applicable to each item are set out in the corresponding notes.

1.2.3 Particular features of Mazars' partnership model

Structure of the Group

Mazars Group is an integrated and independent international partnership founded in the effective and democratic participation of each shareholder (the "partners") of Mazars SC, the consolidating entity.

All the partners share in the risks and rewards of the integrated partnership (see the basis of partnership financing set out in note 8.2). They all practise in the framework of Mazars entities (the "entities") which have a range of legal forms depending on national practices or legal constraints: general partnerships, limited liability partnerships or limited liability companies.

The articles of association and other institutional documents of Mazars SC (the "Mazars agreements") provide for the devolution of control over entities to Mazars SC to the extent compatible with national legislation and regulations.

As the Group's activity is performed within its entities, Mazars SC does not engage in any professional activities directly and has no employees. It invoices other entities in the Group for management and development services as well as brand royalties. It derives the necessary resources to carry out its tasks from entities' contributions or from external sources and, in accordance with the Mazars agreements, it is not intended to generate significant profits.

Consequences in terms of accounting policies:

In legal terms, the partners are shareholders or partners in the entities in which they practise. The Mazars agreements provide for:

- The prohibition for an outgoing partner to retain shares in an entity albeit no longer engaged in collaboration with Mazars Group; and
- The obligation for the entity to acquire the shares of the outgoing partner.

Entities' equity thus meets the definition (under IFRS) of a financial liability and is presented as partnership financing (by the partners), separately from other financing instruments such as borrowings, etc.

Partnership financing is detailed in note 8.2 summarising all forms of liabilities due to partners.

Remuneration of partners

Given the partnership nature of the Group's various entities, the consolidated income statement includes an intermediate balance entitled "Surplus allocated" (see note 4.5) which constitutes the source of partners' remuneration.

Partners' remuneration thus comprises all sums payable, whatever their form, to or by Mazars' partners at the level of entities or their subsidiaries:

- Due to differences in the partners' legal, tax and corporate status (mainly employees and shareholders in limited liability companies, profit-sharing partners in partnerships) under the various national legislations applicable, the sums which are payable to them for each financial year may take different forms: salaries, bonuses and social contributions (including to pension schemes), dividends, dividend-related tax, partnership profits, fees, non-commercial profits, etc.
- The same applies to corporate income tax payable by entities (see note 11).

Partnership financing

Mazars Group's operations are essentially financed by the partners in various forms: shares, loans, current account balances, deferred remuneration, etc...

The Group's partnership financing thus comprises the elements included in partners' remuneration plus their contributions in the form of shares or loans, other comprehensive income (in as much as it comprises elements due to or payable by the partners), bond issues and entities' deferred tax assets and liabilities.

Details of the above elements are provided in note 8.2.

Result of the Group

The Group's result is net of partners' remuneration. The pre and post-tax result presented in the Group's consolidated financial statements, and the corporate income tax charge, equate with the sole activity of Mazars SC.

Other comprehensive income

The components of comprehensive income are reclassified and presented either in the consolidated statement of comprehensive income, if related to the consolidating entity's equity, or as part of partnership financing if related to operating entities (see note 8.2).

Shareholders' equity

The shareholders' equity disclosed in the consolidated statement of financial position uniquely comprises the share capital, retained earnings, reserves and other comprehensive income items of the consolidating entity (OCI), Mazars SC.

Notes to the consolidated financial statements

1. Accounting policies

Group governance

To manage its activities and financial risks, the Group has implemented the following structure of governance:

- The Group Executive Board has responsibility for Mazars' development strategy, growth, operational performance and for preserving the unity of the Mazars partnership;
- The Group Governance Council provides overall supervision of the Group Executive Board; and
- The Country Executive Committees are responsible for directing member entities and their operations at national level, in accordance with the framework defined by the Group and including strategic and operational coordination with the Group.

The shareholders of Mazars SC elect the members of the Group Executive Board, the Group Governance Council and the Country Executive Committees of the countries in which they practise.

1.2.4 Significant events

Despite the Covid pandemic still very much affecting the business environment across the world, Mazars has continued to show resilience in its business model and capacity to adapt to the new ways of working.

With a growth rate of +10.7% excluding the forex impact our revenues have at €1.9bn increased by €153m year-on-year representing a significant performance. Organic growth is particularly strong at +9.9% while as expected, external growth is limited at +0.7%.

We have seen some excellent year-on-year growth rates in some of our large and mid-size markets such as UK +15.5%, Germany +13.8%, Italy +20.1%, Japan +20.4%, Canada +16.0%, Chile +26.9%, Colombia +30.1% and Nigeria +29.6%.

All our service lines are strongly progressing with double-digit growth rates in Financial advisory and,Legal.

The labour market is tensed creating some difficulties in recruiting especially experienced staff in most of our offices.

The Gross margin trend is up and at 46.9% is improving by 0.8pts vs previous year.

Our overheads are decreasing through the implementation of our Fit For 24 programme but also from the travel and physical meeting freeze, reaching 27.3% of fee income.

Venezuela has been subject to hyperinflation for several years. Mazars Venezuela continues to meet the criteria for consolidation but, given the impossibility of assessing the value in euro of the financial data reported, we have retained a nil value for the entity. Argentina has been considered as a hyperinflationary economy since July 2018.

Mazars Argentina's contribution to the consolidated financial statements has thus been restated in accordance with IAS 29 since 31 August 2018 and as a result, the entity's contribution to the consolidated income statement has been translated into euro at the applicable closing rate.

1.2.5 Event after the financial year closing

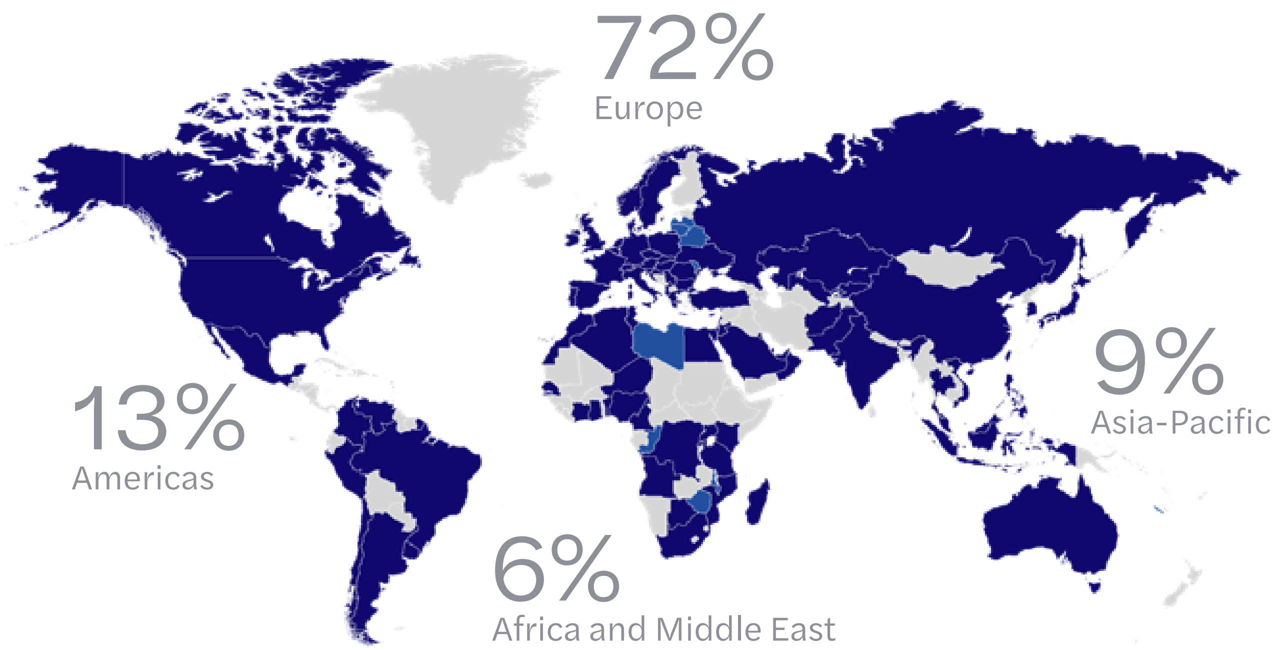
No significant event occurred after the year-end.

2.1 Accounting policies related to the scope of consolidation

2.1.1 Definition of the scope of consolidation

The consolidated financial statements comprise the financial statements of Mazars SC (the "consolidating entity"), those of the entities in which the partners carry out their professional activities and of companies that are majority owned (either directly or indirectly) by those entities. In addition to the consolidating entity, the Group's scope of consolidation comprises operating entities located in 93 countries and territories.

The ten main contributory entities are detailed on the map below with their percentage of contribution to the Group's total fee income:



■ Integrated countries and territories

■ Non-integrated countries and territories: Mazars correspondents and representative offices

Americas including

United States 10% - Mazars USA LLP

Africa and Middle East including

South Africa 2% - Mazars Accountants South Africa

Europe including

France 22% - Mazars SA
United Kingdom 13% - Mazars LLP
Germany 11% - RBS Mazars
Netherlands 6% - Mazars Paardekooper Hoffman NV
Spain 2% - Mazars Auditores SLP
Ireland 2% - Mazars Ireland
Switzerland 2% - Mazars Holding
Sweden 2% - Mazars SET

2. Scope of consolidation

2.1.2 Conversion of financial statements drawn up in currencies other than the euro

Accounting policies

The financial statements of entities located outside the Eurozone are drawn up in local currency, which is generally their functional currency, and converted into euro as follows:

- Assets and liabilities are converted at the applicable exchange rates prevailing at the financial year-end; and
- The consolidated income statement is converted at the applicable average exchange rates for the period.

The resulting conversion differences are included under "Other comprehensive income" (see note 1.2.3) in "Partnership financing" (see note 8.2).

2.1.3 Business combinations and goodwill

The requirements of IFRS for business combinations were applied retrospectively from 1 September 1995 when Mazars SC was created.

A retrospective review has been carried out at country level for mergers prior to 31 August 2003 which primarily related to France, the United Kingdom and the Netherlands.

Under the Mazars agreements, each business combination results in control with shareholdings approaching 100%.

Accounting policies

Business combinations are accounted for using the acquisition method under which:

- The cost of an acquisition is measured at the fair value of the consideration transferred, inclusive of any price adjustment, as at the date of control. Any subsequent fair value impact of a price adjustment is recognised in profit or loss or other comprehensive income in accordance with the applicable standards; and
- Any difference between the consideration transferred and the net fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed represents the goodwill attributable to the acquisition which is recognised as an asset in the consolidated statement of financial position.

Adjustments to the fair value of the identifiable assets acquired and the liabilities assumed, initially recognised on a provisional basis (pending the results of professional valuation or additional analysis), are treated as retrospective adjustments to goodwill if they arise within a year of the acquisition date and are attributable to facts and circumstances that were in existence at the acquisition date. Any impacts identified beyond that period of a year are recognised directly in profit or loss on the same basis as for any other change in estimate or correction of an error.

Acquisition costs are expensed as incurred.

2.2 Evolution of the scope of consolidation

The main evolution of the Group's scope of consolidation during the 2020/2021 financial year has included:

- The integration of new country (Jordan);
- The exit of Djibouti;
- The integration of new member firms in Algeria, Taiwan and Kuwait.

The contribution of the Group's Chinese firm ZhongShen ZhongHuan has not been included within the consolidated financial statements because the requirements of IFRS 10 have not yet been fully met, given:

- The effective implementation of the governance structure for the new Chinese entity which was still in progress on 31 August 2021; and
- The progressive implementation of the terms and conditions of the merger agreement.

Nevertheless, developing cooperation between ZhongShen ZhongHuan and other Group entities has been in place since 2016. The Chinese entity has thus contributed to the Group's performance during 2020/2021, and the converse is also true. For that reason, it has been deemed appropriate to make specific presentation of the global performance thus achieved (see note 15)

Notes to the consolidated financial statements
3. Segment reporting

Accounting policies

To evaluate its operating performance and allocate resources, the Group monitors its activity mainly based on geographical zones.

In accordance with IFRS 8, the following segment presentation is based on the Group's internal management reports prepared for review and used by the Group Executive Board, the Group's chief operating decision maker.

The accounting policies applied in preparing the internal management reports are the same as the ones applied to prepare the Group's consolidated financial statements.

3.1 Information on operating segments

The eight operating segments monitored by the Group Executive Board are as follows:

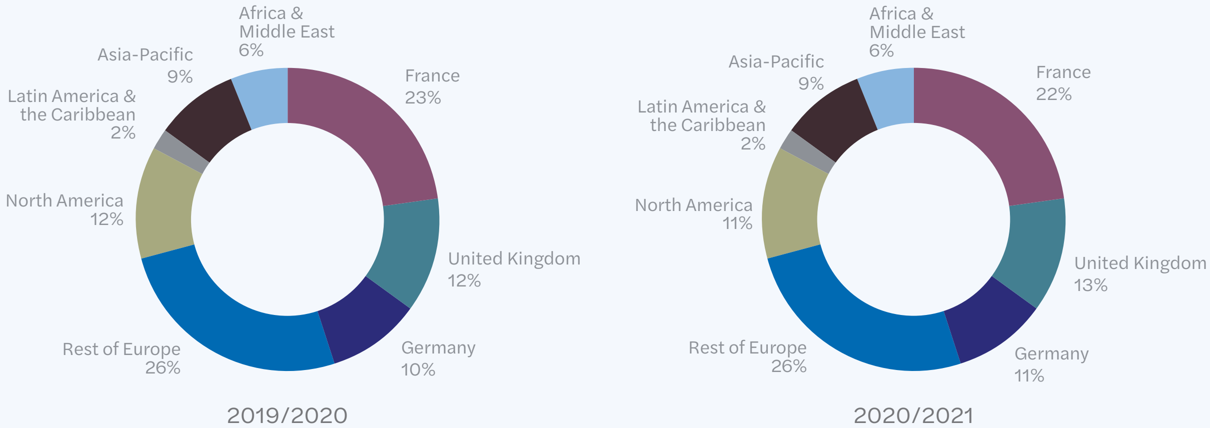
- France
- United Kingdom
- Germany
- Rest of Europe
- North America
- Latin America and the Caribbean
- Asia Pacific
- Africa and Middle East

The three indicators applicable to segment reporting are fee income, gross margin, employees.

Fee income by operating segment

In thousands of euros	2019/2020	2020/2021
France	397,754	417,319
United Kingdom	219,236	253,035
Germany	175,596	199,801
Rest of Europe	447,785	494,603
North America	210,030	208,905
Latin America & Caribbean	42,368	42,656
Asia-Pacific	149,359	164,693
Africa & Middle east	106,328	119,961
Total	**1,748,456**	**1,900,973**

Fee income by operating segment
% of global fee income



3. Segment reporting

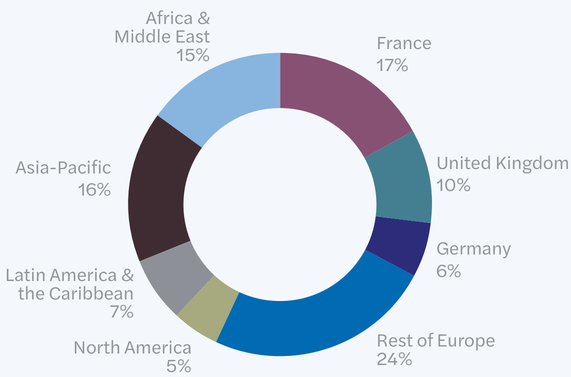
Gross margin by operating segment (% based on fee income)

In thousands of euros	2019/2020		2020/2021	
	Gross margin	Gross margin rate	Gross margin	Gross margin rate
France	172,273	43,3%	189,919	45.5%
United Kingdom	99,191	45,2%	113,377	44.8%
Germany	86,577	49,3%	100,351	50.2%
Rest of Europe	198,273	44,3%	224,967	45.5%
North America	104,299	49,7%	104,013	49.8%
Latin America & Caribbean	17,009	40,1%	17,998	42.2%
Asia-Pacific	74,098	49,6%	81,371	49.4%
Africa & Middle east	54,943	51,7%	59,372	49.5%
Total	**806,662**	**46,1%**	**891,368**	**46.9%**

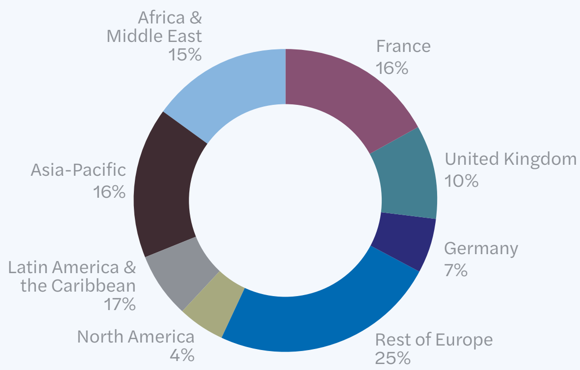
	2019/2020	2020/2021
France	3,752	3,766
United Kingdom	2,265	2,395
Germany	1,485	1,568
Rest of Europe	5,435	5,846
North America	1,054	1,067
Latin America & Caribbean	1,596	1,650
Asia-Pacific	3,509	3,662
Africa & Middle east	3,307	3,455
Total	**22,403**	**23,408**

Weighted average full-time equivalent employees by operating segment

% of global full-time equivalent



2019/2020



2020/2021

3.2 Information on service lines

The Group's operating teams are organised by service lines as follows:

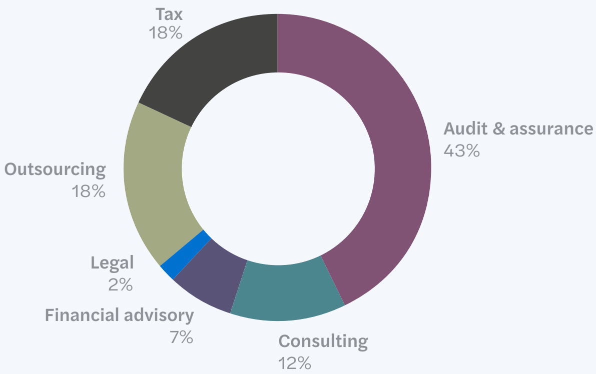
- **Audit & assurance**, i.e. those services designed to provide the assurance of reliable and relevant financial reporting;
- **Consulting**, designed to help organisations focus on their strategies and succeed in the transformation required to achieve improved overall performance;
- **Financial advisory**, consists of providing financial diagnosis for business operations, valuation and transmission, as well as support for the resolution of financial disputes;
- **Legal**, includes the provision of tailored responses to issues and related to commercial law, tax law and to the laws applicable to stock market transactions and capital markets;
- **Outsourcing**, providing financial and accounting management with a comprehensive response to their requirements ranging from day-to-day accounting to complex projects; and
- **Tax**, consists of the provision of tax advisory services and of legal and regulatory tax compliance services at both the national and international levels.

Fee income breakdown by service lines

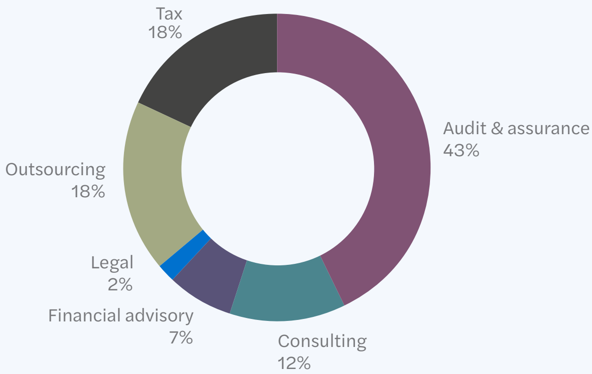
In thousands of euros	2019/2020	2020/2021
Audit & assurance	753,544	817,430
Consulting	207,645	224,005
Financial advisory	118,233	136,847
Legal	33,814	41,366
Outsourcing	319,290	339,182
Tax	316,123	342,509
Total	**1,748,456**	**1,900,973**

Fee income by service line

% of global fee income



2019/2020



2020/2021

3.3 Information on the Group's main clients

The Group acts for a very large number of clients, none of which represents more than 5% of its total fee income.

4. Operating data

4.1 Fee income

Accounting policies

Fee income represents the fair value of payments received or receivable for services rendered to clients over the course of the year, after considering changes in accrued income. To better assess the level of gross margin, rebillable costs related to the provision of services (notably travel and accommodation) are deducted from revenue to present fee income.

Fee income is recognised based on the percentage of completion (see note 4.2).

Fee income may be broken down as follows:

In thousands of euros	2019/2020	2020/2021
Fee notes rendered	1,811,613	1,955,398
Change in accrued income	-1,259	-9,452
Revenue	**1,810,354**	**1,945,946**
Rebillable costs	-61,898	-44,972
Fee income	**1,748,456**	**1,900,973**

Evolution of fee income

€1,901m | + 8.7 %

Breakdown of growth composition

Organic growth	External growth	Exchange rate impact
+9.9%	+0.7%	-1.8%

The exchange rate impact mainly comes from an increase against Euro of the Swedish Krona and a decrease against Euro of the US dollar, Turkish Lira, Rusian Ruble, Hong-Kong dollar and Brasilian real.

Backlog

Backlog as defined by IFRS 15 equates to the revenue firmly contracted with clients but in respect of which the applicable performance obligations were yet unfulfilled, or only partially fulfilled, at year-end.

The backlog provided by the main countries for budget 2020/2021 represents by service lines the following percentage of total target:

Audit & assurance	Consulting	Financial advisory	Legal	Outsourcing	Tax	**Total**
76%	40%	7%	24%	73%	53%	**62%**

4.2 Trade accounts receivable and accrued income

Accounting policies

Trade accounts receivable and accrued income are disclosed as a single line item in the consolidated statement of financial position.

Trade accounts receivable

Trade accounts receivable are recognised at amortised cost.

Impairment losses are recognised against trade accounts receivable and other receivables where there is a risk of non-recovery.

Trade accounts receivable are individually reviewed by the partners for the purpose of recognising any impairment.

100% impairment allowances are recognised against receivables past due by more than a year except for:

- Receivables settled within 30 days of the year-end;
- Receivables for long-term (public sector) contracts if it can be proven that the clients concerned have not been responsible for payment defaults over the last two accounting periods; and
- Receivables the ultimate recovery of which is guaranteed by contract.

When making provisions for current trade receivables and accrued income the Group has considered the expected credit loss model (ECL) applicable under IFRS 9. The assessment has been performed at a country level as the level of loss varies between countries.

Accrued income

Accrued income covers services provided that have not yet been invoiced. Calculation of accrued income, and thus of the income from services rendered, is based on a specific review of services performed, billed and to be billed, according to the stage of completion of engagements. Accrued income is valued at its probable sales value (net of taxes).

As at 31 August 2021, trade accounts receivable and accrued income were broken down as follows:

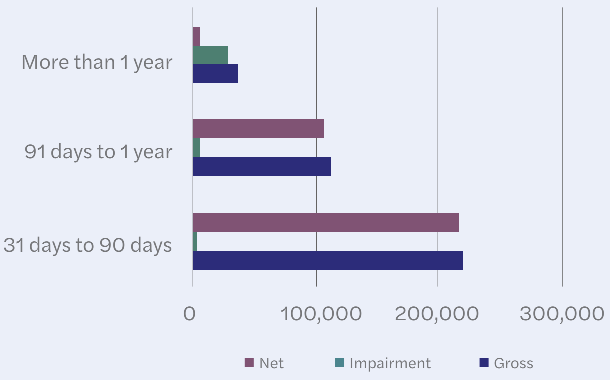
	31 August 2020	31 August 2021		
In thousands of euros	Net	Gross	Impairment	Net
Client debtors	339,374	400,319	-53,819	346,500
Accrued income	148,665	184,217	-42,165	142,052
Payments on account	-28,290	-16,557		-16,557
Contract liabilities	-13,005	-17,417		-17,417
Client debtors and accrued income	**446,744**	**550,563**	**-95,984**	**454,579**
Ratio of trade accounts receivable and not billed	**24,7%**			**23,4%**

The ageing of trade accounts receivable based on their invoicing dates may be analysed as follows:

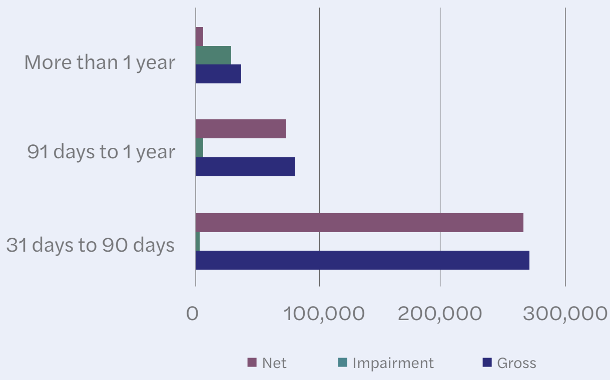
	31 August 2020			31 August 2021		
In thousands of euros	Gross	Impairment	Net	Gross	Impairment	Net
31 days to 90 days	226,349	-3,289	223,059	273,273	-5,152	268,121
91 days to 1 year	117,409	-8,775	108,634	79,696	-8,230	71,466
More than 1 year	46,689	-39,010	7,679	47,350	-40,437	6,913
Total	**390,448**	**-51,073**	**339,374**	**400,319**	**-53,819**	**346,500**

4. Operating data

Trade accounts receivable



31 August 2020



31 August 2021

As at 31 August 2021, there was no reason to doubt the creditworthiness of receivables due but not impaired. Half of the not impaired amount is composed by French VAT, because it is not due if not collected.

4.3 Gross margin and cost of technical staff

Accounting policies

Gross margin is derived from fee income less the cost of technical personnel alone (both employees of the Group and technical subcontractors).

Technical staff comprises the firm's operating personnel (except partners) working on engagements performed in the framework of the Group's various service lines. The cost of technical staff breaks down as to 97% of internal payroll costs and 3% of subcontracting expenses as follows:

In thousands of euros	20119/2020	Average FTE 2019/2020	2020/2021	Average FTE 2020/2021
Fee income	**1,748,456**		**1,900,973**	
Cost of technical staff	-906,783	18,509	-974,954	19,474
Cost of technical subcontracting	-35,011		-34,652	
Gross margin	**806,662**		**891,368**	
Gross margin rate	**46,1%**		**46,9%**	

The cost of technical staff increased by 7.5% in 2020/2021, slightly lower than the 8.7% fee income increase.

4.4 Surplus of operations

Accounting policies

Surplus of operations represents the result of the Group's activities realised through its operating resources. It includes depreciation, amortisation and/ or impairment of assets other than client relationships, impairment of goodwill, finance costs, income tax charges and partners' remuneration (see note 4.5).

The table below provides a breakdown of the costs deducted from the Group's gross margin to arrive at surplus of operations:

In thousands of euros	2019/2020	2020/2021
Gross margin	**806,662**	**891,368**
Cost of administrative staff	-134,509	-139,754
Other costs	-254,933	- 261,676
Depreciation, amortisation and impairment	-33,955	-24,344
Depreciation, amortisation and impairment IFRS 16	-54,195	-62,909
Surplus of operations	**329,069**	**402,686**
Ratio of surplus of operations to fee income	**18.8%**	**21.2%**

In thousands of euros	2019/2020	2020/2021
Property costs	32,253	24,027
Tax, Insurance and professional contributions	35,433	47,117
General services	68,861	72,427
Other	118,386	118,103
Other costs	**254,933**	**261,676**

The "Other" category is essentially composed by training, travel and entertaining.

The total of other costs increase by 2.6% when the fee income increase by 8.7%.

4.5 Surplus allocated

Accounting policies

In accordance with the Mazars agreements, the concept of surplus is the measure used to assess the performance of entities and partners and as a point of reference, after eliminating any exceptional items as defined by the Mazars agreements, for determining partners' remuneration. A sub-total is thus calculated which allows the Group's performance to be measured before any form of remuneration is paid to the partners.

Surplus equates with operating surplus net of the impact of amortisation and impairment of client relationships and goodwill as well as of financing costs.

The table below provides a breakdown of the costs deducted from surplus of operations to arrive at surplus allocated:

In thousands of euros	2019/2020	2020/2021
Surplus of operations	329,069	402,686
Amort'n/imp't of client relationships and goodwill	-11,594	-15,140
Financing costs	-11,006	-6,781
Financing costs IFRS 16	-6,937	-7,622
Surplus allocated	299,532	373,142
Ratio of total surplus to fee income	**17,1%**	**19.6%**

5. Employee benefits

Accounting policies

Employee benefits are measured in accordance with IAS 19 and comprise:

- The remuneration of partners, technical and administrative staff; and
- Short-term and long-term employee benefits.

The remuneration applicable to each category of employees is analysed over distinct line items in the consolidated income statement.

Accrued remuneration for the current and prior accounting periods is presented:

- For technical and administrative personnel, as part of payroll liabilities (current portion) or post-employment benefit liabilities (non-current portion) (see notes 10.2 and 9.1); and
- For partners, as part of current and non-current partnership financing (see note 8.2).

Short-term benefits

Group employees receive short-term benefits such as salaries, paid vacation and sick leave, bonuses, profit-sharing, dividends* and other benefits (other than termination benefits) payable during the period of performance of the corresponding services or within twelve months after the end of that period.

The benefits are charged to profit or loss at the time of performance of the corresponding services.

* In certain entities, dividends are paid to employees who are not partners: such dividends, along with the related tax, are considered as an element of the employees' remuneration.

Post-employment benefits

Post-employment benefits comprise lump-sum retirement benefits and complementary pensions (see note 5.2).

The various benefits offered to each partner or employee depend on local legislation as well as on the agreements in force within each Group entity.

5.1 Partners and employees

The Group distinguishes between the three following categories of personnel with a total movement from 22,403 for 2019/2020 to 23,408 for 2020/2021 (numbers are expressed on an average full-time equivalent basis):

The breakdown by operating segment is presented in note 3.1.

The costs of technical and administrative staff are detailed in note 4.3 and 4.4.

5.2 Post-employment benefits

Accounting policies

In certain countries, the Group's partners and employees are entitled to complementary pensions paid annually after retirement, or to lump-sum benefits paid at the time retirement is taken. The benefits may be covered by defined contribution or defined benefit plans.

In the case of defined contribution plans, the Group's obligation is limited to payment of the stipulated contributions which are charged to profit or loss in the period in which they are incurred.

In the case of defined benefit plans, the Group has an obligation to pay defined benefits to beneficiaries whatever the basis of financing of the obligation. Such plans thus give rise to the recognition of provisions calculated by means of the so-called projected unit credit method. In addition to partners' and employees' remuneration of reference, the calculation considers the following factors and assumptions:

- Status, age and past service periods for each beneficiary and category of beneficiary;
- Average staff turnover for each category of beneficiary;
- Anticipated rates of increase in remuneration;
- Applicable social contribution rates;
- Life expectancy based on mortality tables recognised in each applicable country; and
- A discount rate based on the yield for high quality private sector bonds and equating with the duration of the benefit obligation.

In accordance with IAS 19, actuarial gains and losses on post-employment benefits are immediately recognised in other comprehensive income of the applicable entities, but given the specific partnership features of those entities and of the Group, such gains and losses are simultaneously allocated to the non-current portion of partnership financing since they contribute to the Group's partnership financing requirements (see note 1.2.3).

The geographical zones within which material defined post-employment benefit plans exist are as follows:

	Lump-sum retirement benefits	Complementary pensions
Germany		X
United States		X
France	X	X
United Kingdom		X
Switzerland		X

The elements provided in the following tables are broken down over those geographical zones.

5.2.1 Evolution of benefit obligations, plan assets and net provisions

Benefit obligations, plan assets and net provisions have evolved as follows over the last two accounting periods:

						31 August 2021
In thousands of euros	United States	Euro Zone	United Kingdom	Switzerland	Other countries	Total
Present value of benefit obligations	60,821	22,742	39,953	46,647	2,403	172,567
Fair value of plan assets		-3,498	-41,404	-37,234	-738	-82,873
Asset ceiling			1,451			1,451
Opening liability (asset)	**60,821**	**19,245**		**9,413**	**1,666**	**91,144**
Costs of the period	2,891	607		1,692	290	5,480
Actuarial gains and losses recognized in OCI	-1,626	-51	814	-288	31	-1,119
Effect of Asset ceiling						
Benefits & Contributions paid	-5,759	-911	-814	-1,909	-264	-9,658
Change in consolidation scope						
Foreign exchange impact	614			-33	-162	420
Closing liability (asset)	**56,941**	**18,890**		**8,875**	**1,561**	**86,267**
of which - Partners	56,941	13,010		1,020	700	71,672
of which - staff		5,879		7,855	861	14,595
Present value of benefit obligations	56,941	22,348	41,972	51,649	2,547	175,456
Fair value of plan assets		-3,458	-45,683	-42,774	-986	-92,901
Asset ceiling			3,712			3,712
(*) in the partner compensation	**56,941**	**18,890**		**8,875**	**1,561**	**86,267**

						31 August 2020
In thousands of euros	United States	Euro Zone	United Kingdom	Switzerland	Other countries	Total
Present value of benefit obligations	61,862	23,402	34,581	36,862	2,407	159,113
Fair value of plan assets		-3,559	-39,425	-29,128	-202	-72,314
Asset ceiling			4,844			4,844
Opening liability (asset)	**61,862**	**19,843**		**7,734**	**2,205**	**91,644**
Costs of the period	3,036	421	2,047	1,541	337	7,382
Actuarial gains and losses recognized in OCI	4,285	-289	1,536	1,928	96	7,557
Effect of Asset ceiling			-3,583			-3,583
Benefits & Contributions paid	-3,188	-1,042		-1,871	-884	-6,984
Change in consolidation scope		312				312
Foreign exchange impact	-5,173			81	-89	-5,182
Closing liability (asset)	**60,821**	**19,245**		**9,413**	**1,666**	**91,144**
Present value of benefit obligations	60,821	22,742	39,953	46,647	2,403	172,567
Fair value of plan assets		-3,498	-41,404	-37,234	-738	-82,873
Asset ceiling			1,451			1,451
(*) in the partner compensation	**60,821**	**19,245**		**9,413**	**1,666**	**91,144**

The additional funding required for the coming financial year amounts to €2.9m for the United States and €1.7m for Switzerland. The major part of the actuarial gap incurred results from losses on US and Swiss schemes.

5.2.2 Expenses recognised

The net expense for the 2020/2021 financial year may be broken down as follows:

In thousands of euros	2020/2021					
	Euro zone	**United Kingdom**	**Switzerland**	**United States**	**Other countries**	**Total**
Cost of services rendered	434		1,677	1,311	162	3,584
Interest expense	208	652	89	1,579	176	2,705
Expected return on plan assets	-34	-652	-74		-48	-809
Change in consolidation scope						
Amortization of actuarial (gain) and losses						
Impact of curtailments and settlements						
Net expense for the period	**607**		**1,692**	**2,891**	**290**	**5,480**
Forex impact						

In thousands of euros	2019/2020					
	Euro zone	**United Kingdom**	**Switzerland**	**United States**	**Other countries**	**Total**
Cost of services rendered	416	2,047	1,522	1,297	157	5,440
Interest expense	116	569	113	1,738	181	2,717
Expected return on plan assets	-18	-569	-94		-14	-694
Change in consolidation scope						
Amortization of actuarial (gain) and losses					13	13
Impact of curtailments and settlements	-93					-93
Net expense for the period	**421**	**2,047**	**1,541**	**3,036**	**337**	**7,382**
Forex impact			**81**	**-5,173**	**-89**	**-5,182**

5.2.3 Actuarial gains and losses

Actuarial gains and losses for the 2020/2021 financial year amounted to a net gain of €1.1m and may be broken down as follows:

In thousands of euros	2020/2021					
	Euro zone	United Kingdom	Switzerland	United States	Other countries	Total
Actuarial gains & losses on the DBO	**2**	**826**	**3,594**	**-1,626**	**70**	**2,866**
Experience loss gain	475	1,291	5,187	-950	94	6,096
Actuarial loss & gain due to change in financial assumptions	-473	-373	419	-675	-24	-1,126
Actuarial loss & gain due to change in demographic assumptions		-92	-2,012			-2,104
Actuarial gains & losses on plan assets	**-53**	**-2,137**	**-3,881**		**-38**	**-6,110**
Actuarial gains & losses on defined benefit plans						
Remeasurements recognised in other comprehensive income	**-51**	**-1,311**	**-287**	**-1,626**	**31**	**-3,244**
Effect of asset ceiling		**2,125**				**2,125**
Total remeasurements included in OCI	**-51**	**814**	**-287**	**-1,626**	**31**	**-1,119**

The variation of the other comprehensive income come from experience losses on US and Swiss schemes.

5.2.4 Plan assets

The Group's post-employment benefit obligations are partially covered by dedicated funds allocated as follows for the main benefit plans financed:

	31 August 2020					31 August 2021				
	Equities	Bonds	Derivatives	Real Estate	Cash	Equities	Bonds	Derivatives	Real Estate	Cash
Euro zone	30%	70%				30%	70%			
United Kingdom	32%	61%			6%	32%	61%			6%
Switzerland	25%	41%	6%	28%		25%	41%	6%	28%	

5.2.5 Applicable assumptions and sensitivity analysis

As at 31 August 2021, the financial assumptions retained for the benefit plans applicable to each of the Group's geographical zones were as follows:

	Discount rates 2020	Discount rates 2021	Inflation rates 2020	Inflation rates 2021
United States	2.60%	2.75%	2.50%	2.50%
Euro zone	0.90%	0.75%	2.00%	1.50%
United Kingdom	1.60%	1.70%	3.30%	3.60%
Switzerland	0.20%	0.10%	1.00%	1.00%

Discount rates are determined by reference to market yields at the end of the reporting period on high quality corporate bonds.

The assumptions as to salary increases correspond, for each country, to the anticipated rates of inflation and individual salary increases.

The following table discloses the sensitivity to a 0.5% increase or decrease in the discount rates applied:

	31 August 2021					
In thousands of euros	United States	Euro Zone	United Kingdom	Switzerland	Other countries	Total
Obligation as at 31,August 2021	56,941	22,348	41,972	51,649	2,547	175,456
Impact of an increase of 0.50%	54,116	21,044	39,034	48,894	2,415	165,503
Impact of a decrease of 0.50%	58,568	23,759	45,329	54,403	2,687	184,747
Weighted duration (in,years)	10	12	14	11	10	57

6. Intangible assets and property, plant and equipment

6.1 Intangible assets

Accounting policies

Any difference between the consideration transferred and the net fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed represents the goodwill attributable to the acquisition which is recognised as an asset in the consolidated statement of financial position.

Given the Group's principles of solidarity, goodwill and other long-term assets are not subject to systematic annual impairment testing.

Intangible assets acquired through a business combination are recognised at their fair value at the date of acquisition and accounted for separately from any goodwill if the two following conditions are met:

- They are identifiable (i.e. they result from legal or contractual rights); and
- They can be separated from the acquired entity and can be measured.

Intangible assets which fall into this category are included under "Client relationships". They include audit appointments, contracts (for accounting services in particular) and portfolios of client relationships. The fair value of "Client relationships" is calculated by reference to the expected cash flows from contracts, appointments and portfolios over their respective durations, discounted at a rate determined by the expected rate of return on equity weighted according to the Group's financing structure. Client relationships are amortised on a straight-line basis over their estimated average lives.

Other intangible assets acquired separately are accounted for at the value of the consideration paid. They are subject to straight-line amortisation over their period of use which varies, depending on the country, between 7 and 20 years.

Intangible assets other than goodwill mainly comprise software amortised on a straight-line basis over periods of 1 to 5 years.

Intangible assets may be broken down as follows:

In thousands of euros	31 August 2020	Acquisitions		Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Gross values								
Client relationships	135,456	181		-1,403	1,071	11,902	851	148,057
Goodwill	102,520			-90		8,864	915	112,208
Other intangible assets	58,536	5,496		-1,028	2	37	345	63,388
Total	**296,511**	**5,677**		**-2,521**	**1,073**	**20,802**	**2,111**	**323,654**

In thousands of euros	31 August 2020		Amortisations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Amortisation and provisions								
Client relationships	-74,281		-11,849	851		-121	-720	-86,120
Goodwill	-1,268		-70			-486	-16	-1,841
Other intangible assets	-33,875		-8,970	542		-38	-269	-42,610
Total	**-109,424**		**-20,889**	**1,392**		**-645**	**-1,005**	**-130,571**

In thousands of euros	31 August 2020	Acquisitions	Amortisations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Net values								
Client relationships	61,175	181	-11,849	-552	1,071	11,780	130	61,936
Goodwill	101,252		-70	-90		8,378	899	110,368
Other intangible assets	24,661	5,496	-8,970	-486	1	-1	76	20,778
Intangible assets - net	**187,087**	**5,677**	**-20,889**	**-1,128**	**1,072**	**20,157**	**1,106**	**193,083**

Notes to the consolidated financial statements

6. Intangible assets and property, plant and equipment

Acquisitions of other intangible assets are essentially related to software for internal use, such as the new ERP system in the Netherlands and computer licences especially in France and Belgium with Atlas Blue.

The amount of €20,8m impact on the gross values is mainly related to the three merger deals in Australia since 2016. Each deal was negotiated on the basis of a goodwill pay-out to the founding partners and to the incoming CARL partners, which was financed in part, by bank loans and, in part by partner financing.

Under the terms of the Business Combination Agreements the goodwill amounts were however fully written off pre-deal thus creating a retained deficit in the Mazars opening balance sheets. This resulted in the partners potentially not being able to recover their original financing under the terms of the Mazars Charter and a negative net asset value that would prevent the practices from attracting new partners essential for the Mazars growth strategy.

This triggered a review of the accounting treatment of the original deal, resulting in a restatement to:

- Cancel the negative equity and reinstate goodwill and client relations; and
- To agree on a linear amortisation of client relations over a period of 10 years from the start of mutualisation.

The foreign exchange rates impact predominantly reflects the gain in value against the euro of the US dollar.

The following table provides a breakdown of the Group's main intangible assets:

In thousands of euros	31 August 2020		31 August 2021	
	Client relationships	Goodwill	Client relationships	Goodwill
France	25,646	34,158	20,657	34,158
United Kingdom	5,099	5,201	4,453	5,400
Germany	13,104	12	12,022	
Rest of Europe	5,343	4,322	4,582	3,583
North America	10,283	49,960	9,078	50,701
Latin America & Caribbean		2,668		2,821
Asia-Pacific	649	4,142	10,283	12,891
Africa & Middle east	1,051	789	861	814
Total	**61,175**	**101,252**	**61,936**	**110,368**

The main amounts disclosed in the consolidated statement of financial position relate to France and the United States. In France, they mainly originated in the 1 September 1995 business combination between Cabinet Robert Mazars and Guérard-Viala, and from acquisitions made in recent years in consulting. In North America, they arose in 2010 when Weiser was consolidated within the Mazars Group.

6.2 Property, plant and equipment

Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and any recognised impairment losses.

Where necessary, the total cost of an asset is divided into its component parts which are subject to different estimated useful lives. Each component is separately accounted for and depreciated over its applicable useful life.

Assets are subject to straight-line depreciation over their estimated useful lives. The most common depreciation periods are as follows:

- Fixtures and fittings: 7 to 10 years;
- Vehicles: 3 to 5 years; and
- Furniture and office equipment: 3 to 10 years.

IFRS 16

Group applied IFRS 16 – Leases at 1 September 2019. This standard replaces IAS 17 and the IFRIC 4, SIC 15 and SIC 27 interpretations.

For the lessees, recognition is now based on a single model, resulting from the elimination of the distinction between operating leases and finance leases.

IFRS 16 stipulates the recognition of any leases on the balance sheet of the lessees, with the recognition of an asset (representing the right-of-use of the leased asset for the term of the lease) and of a debt (for the obligation to pay rent).

The assumption used by Group from among the transition options provided by IFRS 16 are the following:

- Use of the prospective approach;
- Restatement only of a long-term property contracts (i.e with a term of more than 12 months);
- Depreciation is calculated on a straight-line basis over the term of the contract.

Notes to the consolidated financial statements
6. Intangible assets and property, plant and equipment

Property, plant and equipment may be broken down as follows:

In thousands of euros	31 August 2020	Accounting method change	Acquisitions	Depreciations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Gross values									
Right of use - IFRS16	303,711	133,060			-16,416		-844	5,281	424,793
Fixtures and fiftings	83,371		20,352		-3,951	-26	-5,898	728	94,576
Vehicles and other items	5,576		1,344		-1,009	-10	5	58	5,964
Furniture and office equipment	96,398		19,623		-7,018	-97	-991	1,630	109,545
Total	**489,057**	**133,060**	**41,318**		**-28,393**	**-133**	**-7,729**	**7,698**	**634,878**

In thousands of euros	31 August 2020	Accounting method change		Depreciations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Amortisations and provisions									
Right of use - IFRS16	-53,125			-62,909	11,034		-317	-988	-106,306
Fixtures and fiftings	-51,168			-6,692	3,901	13	1,698	-357	-52,605
Vehicles and other items	-3,565			-843	836	-6	20	-30	-3,588
Furniture and office equipment	-65,757			-14,217	7,496	168	41	-1,089	-73,358
Total	**-173,616**			**-84,661**	**23,267**	**176**	**1,441**	**-2,464**	**-235,857**

In thousands of euros	31 August 2020	Accounting method change	Acquisitions	Depreciations	Disposals and reversals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Net values									
Right of use - IFRS16	250,586	133,060		-62,909	-5,382		-1,162	4,293	318,487
Fixtures and fittings nets	32,202		20,352	-6,692	-49	-13	-4,200	371	41,971
Vehicles and other items	2,011		1,344	-843	-173	-16	25	28	2,376
Furniture and office equipment	30,642		19,623	-14,217	478	71	-951	541	36,187
Total	**315,441**	**133,060**	**41,318**	**-84,661**	**-5,126**	**43**	**-6,287**	**5,233**	**399,022**

The Right of use net of €318m as at 31 August 2021 is mainly composed by USA €93m, France €62m, Germany €33m, United Kingdom €21m and Netherlands €18m.

Acquisitions of property, plant and equipment amounting to €41m are essentially related to newly renovated New-York office space (€22m) and to the purchase of computer equipment and the partial renewal of existing computer infrastructure, as well as to the renovation and refurbishment of office premises..

6.3 Impairment of intangible assets and property, plant and equipment

Accounting policies

In accordance with IAS 36, intangible assets and property, plant and equipment are subject to impairment testing whenever there is an indication that the value of an asset has been impaired.

Assets subject to impairment tests are included in cash-generating units (CGUs) corresponding to linked groups of assets which generate identifiable cash flows. The smallest independent cash-generating unit is the country in which the applicable acquisition took place.

Impairment testing is performed by comparing the recoverable amounts and carrying amounts of the cash-generating units with which the goodwill is associated.

The recoverable amount of a cash-generating unit is the higher of fair value (usually the arm's length price that might be expected to apply to a sale, e.g. based on the multiples of earnings observed in recent transactions for similar assets) net of selling costs and value in use. Value in use is determined by discounting future cash flows to their present value.

The future cash flows discounted are those reflected in the annual budgets, and long-range plans, prepared for each CGU by each country's Executive Committee and approved by the Group Executive Board.

The calculation is based on the present value of an estimate of three years' future cash flows plus a terminal value reflecting a growth rate into perpetuity. The discount rate considers the current market expectations of the time value of money and the specific risks related to each cash-generating unit. The after-tax rate is applied to after-tax cash flows and corresponds to the weighted average cost of capital. This rate derives from the specific rates applied to each CGU.

When the carrying amount of a cash-generating unit exceeds its recoverable amount, considering the Group's principles of internal solidarity, the assets of the cash-generating unit are written down to their recoverable value. Any impairment is first recognised against goodwill and is accounted for in the consolidated income statement.

6.4 Leases

The lease payments under these contracts are recognised under "Other costs" in the consolidated income statement, on a straight-line basis over the duration of each contract.

The decrease of commitments under non-cancellable operating leases is related to IFRS 16 application (note 6.2).

In thousands of euros	31 August 2020	31 August 2021
Less than 1 year	9,781	8,610
1 to 5 years	5,490	11,121
More than 5 years		
Minimum rent	**15,271**	**19,730**

7. Financing and financial instruments

7.1 Accounting policies applicable to financial instruments

Accounting policies

Financial instruments are financial assets and financial liabilities held or issued for the purposes of financing the Group's activities. They mainly comprise the following items:

- Financial assets: other non-current assets (see note 7.4), trade accounts receivable (see note 4.2), cash and cash equivalents (see note 7.3) and derivative instruments with asset balances; and
- Financial liabilities: current portion of partnership financing (see note 8.2), bank borrowings (see note 7.3), current bank financing (see note 7.3), trade and other payables (see note 10.2) and derivative instruments with liability balances.

Financial assets are initially recognised at fair value. At the financial year-end, they are measured either at fair value (cash and cash equivalents and derivative instruments with asset balances) or at amortised cost (trade accounts receivable and related loans) less any applicable impairment losses.

Cash and cash equivalents include cash on hand and in bank as well as short-term investments (with original maturities not exceeding three months) that are immediately available as cash or are readily convertible into a known amount of cash and which are subject to an insignificant risk of change in their value.

Bank loans are accounted for at amortised cost using the effective interest rate.

Derivative financial instruments are measured and recognised at their market values as at the financial year-end. Whenever those instruments are identified in a hedging relationship, prospective and retrospective testing of its effectiveness is undertaken in line with market practices, based on market data provided by an independent supplier (Bloomberg). The effective portion of the change in fair value of derivative instruments is recognised under "Non-current portion of partnership financing".

7.2 Management of financial risks

The Group is financed by partners' partnership financing, by undistributed partners' remuneration (see note 8.2) and by entities' borrowings.

The management of financial risks is the primary responsibility of the Country Executive Committees (see note 1.2.3), for their respective scopes of intervention, and is the subject of discussion with the Group's other governance bodies depending on the magnitude and of the risk of the issues involved.

Group entities may be exposed to liquidity risk, foreign currency risk and counterparty risk. They make no use of speculative financial instruments and do not have any significant exposure to interest rate,risk.

7.2.1 Management of liquidity risk

The Country Executive Committees are responsible for the operational management of member entities in their countries and therefore organise their financing on a basis enabling them to continue to operate as going concerns.

That financing may take many forms: equity or current account contributions by partners, bank loans, current bank financing, etc.

7.2.2 Management of currency risk

Each Mazars Group entity undertakes almost all its transactions in the local currency of the environment in which it operates and accordingly, exposure to foreign exchange rate risk is negligible.

7.2.3 Management of counterparty risk

Counterparty risk is assessed by the responsible partners and by the Country Executive Committees in the case of significant transactions and decisions committing member entities. The Group's exposure is spread over a very large number of clients the failure of any one of which would not have material consequence for the Group.

Cash and cash equivalents are deposited or invested with first-class banking institutions subject to negligible counterparty risk.

7.3 Net debt

Net debt may be broken down as follows:

In thousands of euros	31 August 2020	31 August 2021
Long-term borrowings - current IFRS 16	62,204	56,630
Long-term borrowings - non-current IFRS 16	194,629	276,519
Long-term borrowings IFRS 16	**256,833**	**333,149**
Long-term borrowings - current	57,144	32,960
Long-term borrowings - non-current	69,804	76,406
Long-term borrowings	**126,948**	**109,366**
Financial debts	**383,781**	**442,515**
Cash and cash equivalents	-158,855	-222,375
Current bank financing	17,782	17,156
Net Cash	**-141,072**	**-205,219**
Net borrowings	**242,709**	**237,295**
Net debt excluding IFRS 16	**-14,124**	**-95,854**

Financial debts have increased by €59m (including €76m for IFRS 16) and net borrowings have decreased by €5m.

Last year, the cash asset was €14m, compared this year to an asset of €95m (excluding the impact of IFRS 16).

Net debt excluding IFRS 16 may be broken down as follows:

By type of instrument and currency

	Borrowing and other financial liabilities		Net cash position		Net borrowings	
In thousands of euros	31 August 2020	31 August 2021	31 August 2020	31 August 2021	31 August 2020	31 August 2021
EUR	94,943	69,021	-73,786	-97,475	21,157	-28,455
USD	5,710	12,851	-15,562	-23,348	-9,852	-10,496
GBP		2,645	1,225	-19,116	1,225	-16,471
SGD	806	1,331	-4,673	-4,781	-3,867	-3,450
ZAR	1,344	2,010	-1,194	-1,209	150	801
Other currencies	24,146	21,507	-47,083	-59,289	-22,937	-37,782
Total	**126,948**	**109,366**	**-141,072**	**-205,219**	**-14,124**	**-95,854**

7. Financing and financial instruments

By flow

In thousands of euros	31 August 2020	Accounting method change	Cash from loans	Debt redemption	Variations in cash	Change in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Long-term borrowings - current IFRS 16	62,204			-60,394			54,201	620	56,630
Long-term borrowings - non-current IFRS 16	194,629	133,060					-55,205	4,034	276,519
Long-term borrowings IFRS 16	**256,833**	**133,060**		**-60,394**			**-1,004**	**4,654**	**333,149**
Long-term borrowings - current	57,144		3,450	-39,040		48	11,150	208	32,960
Long-term borrowings - non-current	69,804		23,249	-14,299		7	-3,013	658	76,406
Long-term borrowings	**126,948**		**26,698**	**-53,339**		**55**	**8,137**	**866**	**109,366**
Financial debts	**383,781**	**133,060**	**26,698**	**-113,733**		**55**	**7,133**	**5,520**	**442,515**
Cash and cash equivalents	-158,855				-62,321	495	283	-1,978	-222,375
Current bank financing	17,782				-1,044			417	17,156
Net Cash	**-141,072**				**-63,365**	**495**	**283**	**-1,560**	**-205,219**
Net borrowings	**242,709**	**133,060**	**26,698**	**-113,733**	**-63,365**	**550**	**7,416**	**3,960**	**237,295**
Net debt excluding IFRS 16	**-14,124**		**26,698**	**-53,339**	**-63,365**	**550**	**8,420**	**-694**	**-95,854**

The €26m increase in bank loans mainly reflects:

- The subscription by Mazars Australia of a €10m loan for financial restructuring;
- The subscription by Mazars USA of a €8m loan from City National Bank for the renovation of the NY office;
- The subscription by Mazars France of a €1.6m loan from Credit Mutuel for equipment acquisition; and
- A renegotiation of Covid loan by Mazars Italy for €1m from Banco BPM.

The €53m reimbursement in bank loans mainly reflects:

- The reimbursement of €34m by Mazars SA mainly corresponding to loans guaranteed by the State (French PGE) : €12m from bank BRED and €8m from bank Palatine;
- The reimbursement of Mazars Australia for €12m for financial restructuring.
- The €8m of other flows mainly reflects:
- The reclassification from bonds issues related to Carl Partners financing to financial debt by Mazars SA for €5m; and
- The reclassification from IFRS 16 debt to financial debts by Mazars UK for €3m.

By operating segment

In thousands of euros	31 August 2020	31 August 2021
France	52,835	13,129
United Kingdom	1,225	-16,471
Germany	-4,562	-8,702
Rest of Europe	-39,262	-51,420
North America	-3,233	-2,933
Latin America & Caribbean	924	531
Asia-Pacific	-12,929	-22,999
Africa & Middle east	-9,123	-6,988
Net borrowings	**-14,124**	**-95,854**

7.4 Other non-current assets

Other non-current assets comprise of investments in non-consolidated entities, loans and guarantee deposits.

In thousands of euros	31 August 2020	Acquisitions	Amortisations	Disposals	Reimbursements	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Gross values									
Shares in non consolidated companies	1,311	412		-524		-365	-27		807
Loans							59	-59	
Deposits & guarantees	3,979	1,145			-239	2	-7	43	4,923
Other long-term investments	14,021	736		-89	-4,460	-3	3,008	101	13,314
Total	**19,310**	**2,293**		**-613**	**-4,699**	**-367**	**3,033**	**85**	**19,044**

In thousands of euros	31 August 2020		Amortisations	Reversals		Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Depreciations									
Shares in non consolidated companies	-16		-228			-1		-2	-247
Loans	-2,990						2,990		
Deposits & guarantees	-7								-8
Other long-term investments	-1,172		-1,617	20			-2,984	6	-5,746
Total	**-4,185**		**-1,845**	**20**		**-1**	**6**	**4**	**-6,001**

In thousands of euros	31 August 2020	Acquisitions	Amortisations	Disposals	Reimbursements	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2021
Net values									
Shares in non consolidated companies	1,295	412	-228	-524		-366	-27	-2	560
Loans	-2,990						3,049	-59	
Deposits & guarantees	3,971	1,145			-239	2	-7	43	4,916
Other long-term investments	12,849	736	-1,617	-68	-4,460	-3	24	107	7,567
Total	**15,125**	**2,293**	**-1,845**	**-593**	**-4,699**	**-368**	**3,040**	**89**	**13,043**

€1,145k of deposit and guarantees mainly comes from Qatar and Germany.

€736k in the other long-term investments acquisition mainly comes from Netherlands and Russia.

8. Shareholders' equity and partnership financing

8.1 Shareholders' equity

Accounting policies

The shareholders' equity disclosed in the consolidated statement of financial position uniquely comprises the equity of the consolidating entity, Mazars SC, since the equity of the other Mazars entities, which is entirely held by the partners (see note 1.2.3), is treated as debt under IFRS and, by virtue of the provisions of the partnership charter applicable to departing partners, is included in the consolidated statement of financial position within the non-current portion of total partnership financing.

8.2 Partnership financing

Accounting policies

Partners' contributions to the partnership financing of entities (see note 1.2.3) are included in the consolidated statement of financial position within the non-current portion of total partnership financing.

The portion of their remuneration deferred until after the financial year-end is included in the consolidated statement of financial position within the current portion of total partnership financing.

8. Shareholders' equity and partnership financing

Total partnership financing may be broken down as follows:

In thousands of euros	31 August 2020	Increases	Decreases	Amort-isations	Changes in consolidation scope	Recycling to profit and loss	Others	Foreign currency gains and losses	31 August 2021
Shareholder's equity of operating entities	67,536	5,912			-127		23,602	1,813	98,735
Blocked current account balances	108,898	-1,124			446		-650	3,516	111,084
Bond issues	35,751	1,474					-5,437	9	31,797
Other comprehensive income	-26,763	1				2,011	1,489	-71	-23,333
Currency translation adjustments	-887				-9	-12	-316	-1,686	-2,910
Partnership financing	**184,534**	**6,263**			**309**	**1,999**	**18,688**	**3,580**	**215,373**
Provisions for post-employment benefits	35,974	42		389		666	-1,089	253	36,234
Deferred tax (net)	-9,210			-3,306	175		1,086	-186	-11,441
Partnership financing - non-current	**211,298**	**6,304**		**-2,917**	**484**	**2,666**	**18,684**	**3,647**	**240,166**
Partnership financing - current	**127,639**	**84,046**	**-47,080**		**-313**	**-26**	**-5,948**	**899**	**159,217**
Reserves for future business investments		**10,000**							**10,000**
Total	**338,937**	**100,351**	**-47,080**	**-2,917**	**172**	**2,640**	**12,736**	**4,546**	**409,383**

The financing of each entity and any subsidiaries is provided, in accordance with the Mazars agreements, by the partners controlling them.

The impact of "Other comprehensive income" reflects the actuarial gains and losses for post-employment benefit obligations for both partners and staff recognised on application of IAS 19 (revised) during the 2013/2014 accounting period.

€1.8m of the change in "Other comprehensive income" (see note 9.1) relates to non-partners.

The contra-entry is included in "Provisions" and is attributable to the fall in the applicable discount rate (cf. note 5.2.5).

As at 31 August 2021 "Post-employment and similar obligations towards partners" includes €11m of retirement benefits for French partners payable when they retire.

9. Provisions and contingent liabilities

9.1 Provisions

Accounting policies

A provision is recognised when:

- The Group has a present obligation (legal or implied) resulting from a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The amount of the obligation can be reliably estimated.

Where the effect of the time value of money is significant, provisions are discounted. The increase in provisions relating to the passing of time is accounted for as a financial cost.

The Group's provisions may be broken down as follows:

In thousands of euros	31 August 2020	Additions	Reversals	Changes in consolidation scope	Revaluation OCI	Others	Foreign currency gains and losses	31 August 2021
Professional risks	4,026	3,552	-632			-166	61	6,841
Post-employment benefit liabilit. except partners	71,375	2,137	-7,988	-25	-1,755	901	326	64,971
Vacant properties	3,285	1,567	-89				106	4,869
Other risks	16,614	4,059	-2,968	-15		-346	158	17,503
Total	**95,300**	**11,315**	**-11,676**	**-40**	**-1,755**	**389**	**650**	**94,183**

Post-employment benefit liabilities (except for partners) include €65m of lump-sum benefits payable at the date of retirement.

The current and non-current portions of provisions are as follows:

In thousands of euros	31 August 2021	Current portion	Non-current portion
Professional risks	6,841	6,841	
Post-employment benefit liabilit. except partners	64,971	5,958	59,012
Vacant properties	4,869	3,066	1,803
Other risks	17,503	14,757	2,746
Total	**94,183**	**30,622**	**63,561**

9.2 Contingent liabilities

Group entities may be subject to a certain number of professional risks inherent in the exercise of audit, advisory and other financial services. For mitigating those risks, the entities subscribe insurance cover.

As at 31 August 2021, provisions have been recognised for the Group's uninsured professional risks meeting the criteria provided for by IAS 37.

Risks not meeting the criteria for recognition of a liability defined by IAS 37 may constitute contingent liabilities. As at 31 August 2021 any such risks have not been judged material.

10. Other current assets and trade and other payables

10.1 Other current assets

Accounting policies

Amounts recorded for other current assets are measured at their nominal value, given that the interest component is negligible.

The Group's other current assets may be broken down as follows:

In thousands of euros	31 August 2020	31 August 2021
Social security receivables	3,848	7,772
Tax receivables	27,094	26,861
Current accounts and other receivables	17,056	20,591
Prepaid expenses	30,668	33,691
Unrealised foreign exchange losses	28	192
Total	**78,694**	**89,108**

10.2 Trade and other payables

Accounting policies

The interest component being negligible, trade and other payables are recorded at their nominal amount.

Payroll liabilities consist of liabilities towards employees and social organisations.

Tax payable relates to operating taxes and levies.

Payroll liabilities and tax payable are recorded at the amount the Group expects to pay to the parties these are due to.

The Group's trade and other payables may be broken down as follows:

In thousands of euros	31 August 2020	31 August 2021
Trade and other payables	136,793	160,997
Payroll liabilities	128,331	151,406
Tax payable	95,910	90,214
Total	**361,033**	**402,618**

11. Corporate income tax

Accounting policies

Surpluses are taxed according to the requirements of the countries in which they are generated: i.e. either in the name of the entities (principally in the case of limited liability companies subject to corporate income tax and for the portion of the surplus which is not composed of tax-deductible costs) or in the name of their partners (principally in the case of partnerships).

Due to the specific functioning of Mazars' partnership model (see note 1.2.3), corporate income tax with respect to the Group's entities is included within "Surplus allocated to partners" for the portion considered as an element of partners' remuneration. This relates to corporate tax at the expense of partners.

The portion of corporate tax which is not considered as an element of partners' remuneration is at the expense of the Group. It is thus included under "Other costs".

Consequently, the tax disclosed in the consolidated income statement is limited to the tax payable by Mazars SC, and the deferred tax related to the surplus not allocated to the partners.

11.1 Current tax

Current tax payable by the Group's entities may be broken down as follows:

In thousands of euros	2019/2020	2020/2021
Tax payable by partners	12,115	15,059
Tax payable by the Group	2,490	5,932
Tax payable by Mazars SC		
Total	**14,605**	**20,991**

11.2 Deferred tax

Accounting policies

Deferred tax is recognised on temporary differences between the tax and book values of assets and liabilities in the consolidated statement of financial position and is measured using the balance sheet liability method based on the tax rates applicable at the financial year-end.

The carrying amount of deferred tax assets is reviewed at each financial year-end and reduced when it is no longer probable that sufficient taxable profits will be available to allow use of all or part of them.

The amount of the Group's deferred tax is as follows:

In thousands of euros	2019/2020	2020/2021
Deferred tax assets	13,974	17,879
Deferred tax liabilities	-4,764	-6,438
Total	**9,210**	**11,441**

The deferred tax assets are primarily generated by elements of partners' remuneration (provisions for post-employment benefit obligations).

The deferred tax liabilities relate to amortisable client relationships for which the requisite financing is provided by the partners, and the deferred tax related to the surplus not allocated to the partners.

Net deferred tax assets are thus treated as a deduction from "Non-current portion of partnership financing" (see note 8.2).

12. Consolidated statement of cash flows

12.1 Net cash generated by operating activities

Net cash generated by operating activities amounted to €152.4m (compared with €133.9m as at 31 August 2020) and is reflected by:

- €105.6m of self-financing capacity; and
- €46.7m of decreased working capital requirements.

12.2 Net cash used in investing activities

The main components of the net cash outflows of €38.5m (against €34.3m at 31 August 2020) for investment comprises:

- The acquisition of intangible assets mainly in the form of computer software purchased or developed internally and client relationships (see note 6.1);
- The acquisition of property, plant and equipment mainly in the form of computer equipment, partial renewal of computer infrastructure and the renovation and refurbishment of office premises (see note 6.2); and
- The acquisition of non-current financial assets in the form of deposits and guarantees (see note 7.4).

12.3 Net cash from financing activities

The main components of the net cash outflows of €50.6m (2020: net outflows of €18.8m) for financing activities comprises:

- €37m of increase of partnership financing in the form of deferred remuneration (see note 8.2);
- €27m of new borrowings financing both development and investment, €53m of repayment of bank loans (see note 7.3); and
- €60m of repayment of long-term debt IFRS 16.

Note 13: Surplus allocated to the members of the Group Executive Board and the Group Governance Council

The surplus allocated to the eleven members of Group Executive Board, the executive body of Mazars SC, and to the twelve members of the Group Governance Council amounted to €13m for the 2020/2021 financial year including €3.4m supported by the Group for their role in the Governance. It was either paid during the financial year or constituted a current liability at the end of the period presented in "Partners financing – current".

Those members are the only Mazars related parties as defined by IAS24.

Note 14: Off-balance sheet commitments relating to Group financing

At year end, the total amount of guarantees granted by the Group is the following:

In thousands of euros	31 August 2020	31 August 2021
Guarantees provided	9,010	7,350

15. Pro forma consolidated income statement and employee data including ZhongShen ZhongHuan

As mentioned in note 2.2 on evolution of the scope of consolidation, the pro forma consolidated income statement presented hereafter reflects the contribution of our Chinese member firm ZhongShen ZhongHuan which joined the partnership on 1 January 2016.

The revenue and costs of the Chinese firm represent 12 months of activity in 2020/2021.

Verification of the compliance of the Chinese firm's contribution with the Group's accounting policies and its review by external auditors have not been performed.

Pro forma consolidated income statement

2020/2021 financial year ended on 31 August 2021

In thousands of euros	2019/2020 Consolidated	ZhongShen ZhongHuan	2019/2020 Pro forma	2020/2021 Consolidated	ZhongShen ZhongHuan	2020/2021 Pro forma
Revenue	1,810,354	157,624	1,967,978	1,945,946	205,890	2,151,836
Rebillable costs	-61,898		-61,898	-44,972		-44,972
Fee income	**1,748,456**	**157,624**	**1,906,080**	**1,900,973**	**205,890**	**2,106,864**
Cost of technical staff	-941,794	-79,185	-1,020,979	-1,009,606	-102,992	-1,112,597
Gross margin	**806,662**	**78,439**	**885,101**	**891,368**	**102,899**	**994,266**
Cost of administrative staff	-134,509	-7,077	-141,586	-139,754	-7,983	-147,737
Other costs	-254,933	-32,635	-287,568	-261,676	-54,362	-316,037
Depreciation, amortisation and impairment	-88,150	-1,320	-89,471	-87,253		-87,253
Surplus of operations	**329,069**	**37,407**	**366,476**	**402,686**	**40,554**	**443,239**
Amort'n/imp't of client relationships and goodwill	-11,594		-11,594	-15,140		-15,140
Financing costs	-17,943	4	-17,939	-14,404		-14,404
Surplus allocated	**299,532**	**37,411**	**336,943**	**373,142**	**40,554**	**413,696**
Surplus allocated for future business investments				-10,000		-10,000
Surplus allocated to partners	**-299,446**	**-37,411**	**-336,857**	**-363,111**	**-40,554**	**-403,664**
Pre-tax result	**86**		**86**	**31**		**31**
Corporate income tax						
Post-tax result	**86**		**86**	**31**		**31**

Pro forma weighted average full-time equivalent employees

2020/2021 financial year ended on 31 August 2021

	2019/2020 Consolidated	ZhongShen ZhongHuan	2019/2020 Pro forma	2020/2021 Consolidated	ZhongShen ZhongHuan	2020/2021 Pro forma
CARL Partners	1,012	58	1,070	1,023	58	1,081
Technical and administrative staff	21,391	4,143	25,534	22,385	4,974	27,359
Total	**22,403**	**4,201**	**26,604**	**23,408**	**5,032**	**28,440**

Independent auditor's report

To the Partners of Mazars SC

In compliance with the terms of our non-statutory appointment, we have audited the consolidated financial statements of Mazars SC and the entities that form the Mazars organisation, which comprise the statement of financial position as at 31 August 2021, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information (notes 1 to 14).

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Mazars SC* and the entities that form the Mazars organisation as at 31 August 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the meaning of the IFAC Code of Ethics for Professional Accountants (IESBA) and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Group Executive Board's Responsibilities for the Consolidated Financial Statements

The Group Executive Board is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements.

Brussels and London, 3 December 2021

Crowe U.k. LLP

RSM InterAudit SC
Luis Laperal
Belgium

Crowe U.K. LLP
Matthew Stallabrass
United Kingdom

Glossary

AME	Africa Middle-East
AOC	Afrique occidentale et centrale (Western and Central Africa)
APAC	Asia Pacific
BD	Business Development
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
DD	Due Diligence
EU	European Union
FA	Financial Advisory
FS	Financial Services
FTEs	Full-Time Equivalents
FY	Financial Year
GEB	Group Executive Board
GGC	Group Governance Council
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
LLM	Master of Laws
M&A	Mergers & Acquisitions
Mazars Group	The member entities of Mazars SC
NHS	National Health Service (UK)
OMFIF	Official Monetary and Financial Institutions Forum
Partners	Partners and shareholders of Mazars entities in the Mazars Group
PIE	Public Interest Entity
POB	Privately Owned Business
QC	Quality Control
RPA	Robotic Process Automation
SME	Small and medium-sized enterprises

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of more than 44,000 professionals – 28,000+ in Mazars' integrated partnership and 16,000+ via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*where permitted under applicable country laws.

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