

*JMS DANMARK ApS
Lindvedvej 71
5260 Odense S*

CVR-no: 27 23 50 42

ANNUAL REPORT
1. January - 31. December 2021

Approved at the annual General Meeting of the Company on the 30 June 2022

Eric Michael Jacquet
Chairman of the meeting

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MANAGEMENT'S STATEMENT

Today the Management has discussed and approved the Annual Report of JMS DANMARK ApS for the period 1. January - 31. December 2021.

The Annual Report has been prepared in conformity with the Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. December 2021 and of its financial performance for the period 1. January - 31. December 2021.

In our opinion the Management commentary includes a fair review of the matters described.

We recommend the Annual Report to be approved by the Annual General Meeting.

Lyon, the 30th of June 2022

Management

Eric Michel Jacquet

Thierry Robert Arthur Philippe

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW
OF THE FINANCIAL STATEMENTS

To the shareholders in JMS DANMARK ApS

Opinion

We have performed an extended review of the financial statements of JMS Danmark ApS for the financial year 1 January to 31 December 2021, which comprise a summary of significant accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position as of 31st of December 2021 and of the results of the company's activities for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorized Public Accountants applicable to extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the the financial statements, the management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW
OF THE FINANCIAL STATEMENTS

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Copenhagen, the 30th of June 2022

Grant Thornton

Company reg. no.: 34209936

Jacob Helly Juell-Hansen

State Authorised Public Accountant

mne36169

COMPANY INFORMATION

The Company

JMS DANMARK ApS
Lindvedvej 71
5260 Odense S

CVR-no.: 27 23 50 42
Founded: 1. July 2003
Home: Odense
Financial year: 1. January - 31. December

Executive board

Eric Michel Jacquet
Thierry Robert Arthur Philippe

Ownership

Jacquet Holding SARL, 7 rue Michel Jacquet, 69800 Saint-Priest

MANAGEMENT COMMENTARY

Main activities of the Company

As in previous years, the main activities of the Company were to purchase, sell, adjust and cut metal products.

Development in the activities and the financial situation of the Company

The Company has continued its operations. No significant one-off events occurred in the financial year that need to be included in the management commentary.

The performance and results for the year is in line with management expectations. The result for 2022 is expected to be in line with 2021.

The Company has lost more than half of the share capital, but expects to restore its capital through earnings.

Material events after the reporting date

Subsequent to the balance sheet date the sole shareholder of JMS DANMARK ApS, Jacquet Holding SARL, performed a capital increase by conversion of debt which restored the share capital.

ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of JMS DANMARK ApS for the financial year 2021 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises combined with a few rules on class C enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Certain financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate is recognised over the life of the individual asset or liability. Amortised cost is determined as original cost less any repayments and with the addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

INCOME STATEMENT

Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Cost of raw materials and consumables' and 'Other external costs'.

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end. Revenue is recognised exclusive of VAT and net of sales discounts.

ACCOUNTING POLICIES

Cost of raw materials and consumables

Cost of raw materials and consumables includes the cost of goods purchased less discounts and changes in inventories for the year.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of accounts payable and transactions in foreign currencies, and surcharges and allowances under the tax prepayment scheme.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

Any change in deferred tax as a result of changes in the tax rate, the share attributable to the profit is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of a composite asset is disaggregated into components, which are separately depreciated if the

ACCOUNTING POLICIES

useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<u>User time</u>	<u>Residual value</u>
Tools and equipment	3 years	0

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Deposits

Deposits are measured at cost.

Inventories

Inventories are measured at cost using weighted average prices. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The cost of goods for resale, raw materials and consumables is the landed cost.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Impairment of accounts receivable past due is established on individual assessment of receivables.

Prepayments

Prepayments recognised under assets include costs already defrayed but relating to the subsequent financial year.

Cash and cash equivalents

Cash and cash equivalents, which consists of deposits in a bank, are measured at nominal value.

Corporate income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

ACCOUNTING POLICIES

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

Deferred tax is measured based on the tax rules and tax rates applicable when the deferred tax is expected to crystallise as current tax according to the legislation in force at the reporting date. Any change in deferred tax as a result of changes in the tax rates is recognised in the income statement.

Payables

Other payables, comprising prepayments from debtors, trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.

Deferred income

Where income that relates to subsequent years is received, the income is treated as deferred income.

INCOME STATEMENT
1. JANUAR - 31. DECEMBER 2021

	2021	2020
GROSS PROFIT	2.698.217	1.558.822
2 Staff costs	2.356.320-	2.285.447-
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment.....	5.543-	3.550-
OPERATING PROFIT OR LOSS	336.354	730.175-
Other financial income	8.690	13.547
Financial expenses arising from Group enterprises.....	75.560-	49.928-
Other financial expenses	149.540-	80.255-
PROFIT OR LOSS BEFORE TAX	119.944	846.811-
PROFIT OR LOSS FOR THE YEAR	119.944	846.811-
 PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	119.944	846.811-
SETTLEMENT OF DISTRIBUTION TOTAL	119.944	846.811-

BALANCE SHEET AT 31. DECEMBER 2021

ASSETS

	2021	2020
Other plant, fixtures and operating equipment	13.556	5.124
Property, plant and equipment	13.556	5.124
Deposits	12.180	21.650
Investments	12.180	21.650
NON-CURRENT ASSETS	25.736	26.774
Finished goods and goods for resale	765.578	205.973
Inventories	765.578	205.973
Trade receivables	9.379.296	2.552.281
Other receivables	25.484	0
Accruals	693.126	57.073
Receivables	10.097.906	2.609.354
Cash	298.553	3.959.515
CURRENT ASSETS	11.162.037	6.774.842
ASSETS	11.187.773	6.801.616

BALANCE SHEET AT 31. DECEMBER 2021
EQUITY AND LIABILITIES

	2021	2020
Contributed capital	260.100	260.100
Share premium	1.190.000	1.190.000
Retained earnings	4.895.684-	5.015.627-
EQUITY	3.445.584-	3.565.527-
Prepayments received on account	261.274	0
Trade creditors.....	4.757.175	2.436.958
Amounts owed to group enterprises	4.455.232	2.521.945
Other accounts payable	5.159.676	5.408.240
Short-term payables	14.633.357	10.367.143
PAYABLES	14.633.357	10.367.143
EQUITY AND LIABILITIES	11.187.773	6.801.616

3 Contractual obligations and contingent items, etc.

STATEMENT OF CHANGES IN EQUITY

	2021	2020
Contributed capital opening	260.100	260.100
Contributed capital closing balance	260.100	260.100
Share premium opening	1.190.000	1.190.000
Share premium closing balance	1.190.000	1.190.000
Retained earnings at beginning of period.....	5.015.628-	4.168.816-
Profit or loss for the year	119.944	846.811-
Retained earnings closing balance	4.895.684-	5.015.627-
EQUITY	3.445.584-	3.565.527-

NOTES

1 Uncertainty regarding the going concern status

There is considerable uncertainty regarding the going concern assumption. It is the assessment of Management that conditions can be met, and the financial statements have accordingly been prepared using the going concern assumption.

Subsequent to the balance sheet date the sole shareholder of JMS DANMARK ApS, Jacquet Holding SARL, performed a capital increase by conversion of debt which restored the share capital.

	2021	2020
2 Staff costs		
Number of people employed	4	3
Wages and salaries	2.141.967	2.102.490
Pensions.....	186.822	162.839
Other social security costs.....	27.531	20.118
Staff costs total.....	<u>2.356.320</u>	<u>2.285.447</u>

3 Contractual obligations and contingent items, etc.

The company has a tax asset of DKK 1.242.256 in 2021.

As the tax asset no longer meets the requirements for recognition, as well as the justified uncertainty about future utilization, the tax asset has been written down to a total of DKK 0.

Rent obligation with a non-cancellation period until the 1st of December 2022 amounts to DKK 60.500.

The company has entered into two operational leasing agreements.

One of the agreements has a remaining term of 32 months. The annual payment is DKK 66.480.

The other agreement has a remaining term of 40 months. The annual payment is DKK 55.200.