

JMS Danmark ApS

Sverigesgade 16, 5000 Odense C

Company reg. no.: 27235042

**Annual report
1 January - 31 December 2019**

Approved at the annual General Meeting of the Company on the 29/5 2020

Chairman of the meeting
Eric Michel Jacquet

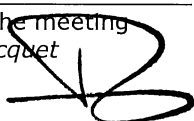
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MANAGEMENT'S STATEMENT

Today the Executive Board has discussed and approved the Annual Report of JMS Danmark ApS for the period 1. january - 31. december 2019.

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

The unaudited Annual Report has been prepared in conformity with the Financial Statements Act. The Executive Board considers the conditions for not performing an audit to have been met.

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 2019 and of its financial performance for the period 1. january - 31. december 2019.

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

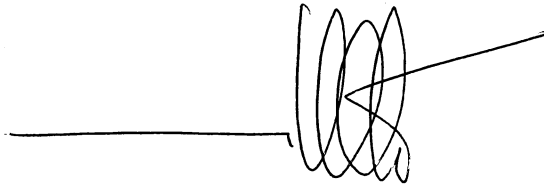
We recommend that the Annual Report be approved by the Annual General Meeting.

Odense C, the 29/5 2020

Management



Eric Michel Jacquet



Thierry Robert Arthur Philippe

INDEPENDENT AUDITOR'S REVIEW REPORT

To the shareholders in JMS Danmark ApS

Auditors' review report

We have reviewed the financial statements of JMS Danmark ApS for the period 1. january - 31. december 2019, including accounting policies, income statement, balance sheet, statement of changes in equity and notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of financial statements in conformity with the Danish Financial Statements Act. Management is also responsible for the internal control that it deems necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a review conclusion on the financial statements. We have performed the review in accordance with the international standard on engagements to review historical financial statements and additional requirements under Danish audit regulations. The standard and the regulations require that we express a conclusion whether, on the basis of the review, anything has come to our attention that causes us to believe that the financial statements in their entirety have not been prepared, in all material respects, in accordance with the applicable financial reporting framework. The standard and the regulations also require that we comply with ethical requirements.

A review of financial statements conducted in accordance with the international standard on engagements to review historical financial statements is a limited assurance engagement. The auditors perform procedures consisting mainly in inquiries to Management and, if appropriate, to others connected to the enterprise, as well as in the application of analytical procedures and an evaluation of the evidence obtained.

The procedures performed in a review are substantially less in scope than an audit performed in accordance with international auditing standards. Accordingly, we express no audit opinion on the financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. december 2019 and of its financial performance for the period 1. january - 31. december 2019 in conformity with the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REVIEW REPORT

Statement on the Management's review

Management is responsible for Management's Review.

Our opinion on the annual management accounts does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our review of the annual management accounts, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the annual management accounts or our knowledge obtained during the review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required in accordance with the basis of accounting described in the accounting policies.

Based on the work we have performed, we conclude that Management's Review is in accordance with the annual management accounts and has been prepared in accordance with the basis of accounting described in the accounting policies. We did not identify any material misstatement of Management's Review.

Copenhagen, the 29/5 2020

Grant Thornton

State Authorised Public Accountants

Company reg. no. 34 20 99 36



Jacob Helly Juell-Hansen

State Authorised Public Accountant

mne36169

COMPANY INFORMATION

The Company

JMS Danmark ApS
Sverigesgade 16
5000 Odense C

CVR-no.: 27 23 50 42
Founded: 1. juli 2003
Home: København
Financial year: 1. january - 31. december

Executive board

Eric Michel Jacquet
Thierry Robert Arthur Philippe

Ownership

Jacquet Holding, 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 are considered unsatisfactory.

The going concern is maintained because of the company's support by Jacquet Holding SARL (100%), subsidiary of JMS SA (100%), which is the shareholder. Reference is made to note 1 of the financial statements.

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

Given the uncertainty regarding Covid-19 and the uncertainty of the duration of Covid-19, it is not possible to make a reasonable estimate of how Covid-19 will affect the financial statements.

Based on that it is not possible to make a qualified estimate of the expected revenue and profit before tax for the fiscal year 2020. However, we expect that Covid-19 will not have a significant impact on the expected revenue or profit for the fiscal year 2020.

No other events have occurred after the reporting date that may materially affect the financial position of the company.

ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of JMS Danmark ApS for the financial year 2019 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.

The functional currency used is Danish kroner. All other currencies are considered foreign currencies.

INCOME STATEMENT

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

ACCOUNTING POLICIES

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.

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 finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

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

ACCOUNTING POLICIES

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 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	5 year	22 %

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

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.

ACCOUNTING POLICIES

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.

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 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.

INCOME STATEMENT 1. JANUARY - 31. DECEMBER 2019

	2019 kr.	2018 kr.
GROSS PROFIT	-49.474	-287.118
2 Staff costs	-1.261.056	-1.055.966
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment	-3.766	-3.770
OPERATING PROFIT OR LOSS	-1.314.296	-1.346.854
Other financial income	4.469	616
Financial expenses arising from Group enterprises	-31.861	-20.344
Other financial expenses	-36.260	-15.848
PROFIT OR LOSS FOR THE YEAR	<u>-1.377.948</u>	<u>-1.382.430</u>
PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	-1.377.948	-1.382.430
SETTLEMENT OF DISTRIBUTION TOTAL	<u>-1.377.948</u>	<u>-1.382.430</u>

BALANCE SHEET AT 31. DECEMBER 2019 ASSETS

	2019 kr.	2018 kr.
3 Other plant, fixtures and operating equipment	2.525	6.292
Property, plant and equipment	2.525	6.292
Deposits	21.650	29.350
Investments	21.650	29.350
NON-CURRENT ASSETS	24.175	35.642
Raw materials and consumables	28.350	0
Inventories	28.350	0
Trade receivables	734.757	165.719
Other receivables	130.568	0
Accruals	60.752	0
Receivables	926.077	165.719
Cash	830.462	316.817
CURRENT ASSETS	1.784.889	482.536
ASSETS	1.809.064	518.178

BALANCE SHEET AT 31. DECEMBER 2019 EQUITY AND LIABILITIES

	2019 kr.	2018 kr.
Contributed capital	260.100	260.100
Share premium	1.190.000	1.190.000
Retained earnings	-4.168.816	-2.790.868
EQUITY	-2.718.716	-1.340.768
Prepayments received on account	111.507	72.956
Trade creditors	706.402	359.921
Amounts owed to group enterprises	2.521.945	1.029.902
Other accounts payable	1.187.926	396.167
Short-term payables	4.527.780	1.858.946
PAYABLES	4.527.780	1.858.946
EQUITY AND LIABILITIES	1.809.064	518.178

- 4 Contractual obligations and contingent items, etc.
- 5 Charges and securities

STATEMENT OF CHANGES IN EQUITY

	2019	2018
	kr.	kr.
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	-2.790.868	-1.408.438
Profit for the year	-1.377.948	-1.382.430
Retained earnings closing balance	-4.168.816	-2.790.868
EQUITY	-2.718.716	-1.340.768

NOTES

	2019	2018
	kr.	kr.
1 Uncertainty regarding the going concern status		
The financial statements have accordingly been prepared using the going concern assumption. Management's assessment that conditions can be met and report accordingly the financial statements assuming its continued operation.		
It is the management's assessment, that the parent company is liable for the company's debts and that the necessary liquidity will be supported, so the company is able to continue its operations for the next 12 to 18 months.		
2 Staff costs		
Number of people employed	3	1
Wages and salaries	1.110.076	947.719
Pensions	138.197	101.605
Other social security costs	12.783	6.642
	1.261.056	1.055.966
3 Property, plant and equipment		
Cost at beginning of period		11.319
Cost 31. december 2019		11.319
Amortisation, depreciation and impairment losses at beginning of period		-5.026
Amortisation, depreciation and impairment losses for the year		-3.768
Amortisation, depreciation and impairment losses 31. december 2019		-8.794
Book value 31. december 2019		2.525

NOTES

2019	2018
kr.	kr.

4 Contractual obligations and contingent items, etc.

The company has from previous years a tax asset of DKK 797.257 and by year-end 2019 a total of DKK 1.092.984.

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.

5 Charges and securities

The company has not pawned its assets or put up any form of security.