

PLM Group 3D Printing ApS

Langebjergvænget 4
4000 Roskilde
Denmark

CVR no. 35 83 00 65

Annual report 2019

The annual report was presented and approved at
the Company's annual general meeting on

22 June 2020

Jan Olov Lundström, Chairman

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PLM Group 3D Printing ApS
Annual report 2019
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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of PLM Group 3D Printing ApS for the financial year 1 January – 31 December 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's activities for the financial year 1 January – 31 December 2019.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the annual report be approved at the annual general meeting.

Roskilde, 22 June 2020
Executive Board:

Jan Olov Lundström

Independent auditor's report

To the shareholder of PLM Group 3D Printing ApS

Opinion

We have audited the financial statements of PLM Group 3D Printing ApS for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 in preparing the financial statements unless 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 audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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

Independent auditor's report

- 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 Company's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
 - conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 22 June 2020

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

David Olafsson
State Authorised
Public Accountant
mne19737

PLM Group 3D Printing ApS
Annual report 2019
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Management's review

Company details

PLM Group 3D Printing ApS
Langebjergvænget 4
4000 Roskilde
Denmark

CVR no.: 35 83 00 65
Financial year: 1 January – 31 December

Executive Board

Jan Olov Lundström

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Denmark

Management's review

Operating review

Principal activities

PLM Group 3D Printing ApS is a reseller of 3D printers from HP, 3D Systems and MarkForged operating in all Baltic and Nordic countries.

Development in activities and financial position

The result for the year is a profit of DKK 687 thousand and is below expectations stated in the annual report 2019.

Events after the balance sheet date

After the balance sheet date, the virus COVID-19 was declared a worldwide pandemic by the WHO, which affects large parts of the world and our society. The management expects the pandemic to have a negative affect on the result for the financial year of 2020. At the moment, it is not possible to quantify the affect, as no one knows how the pandemic will affect the society on the long run. Except for COVID-19, no significant events have occurred subsequent to the financial year-end.

Capital resources

Equity is negative. Hence the company is subject to the Capital Loss provisions in the Danish Companies Act §119 according to which Management is required to call a Shareholders meeting within 6 months after loss of more than 50% of the nominal capital.

At the annual shareholders meeting Management will elaborate on the financial position of the company and if considered necessary propose measures to safeguard the position of creditors.

LMT Group AB has issued a letter of support securing the financing for a period at least until end of 2020.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2019	2018
Gross profit/loss		1,460,335	-3,790,157
Staff costs	2	-9,775	-1,441,204
Depreciation, amortisation and impairment		-170,577	207,875
Operating profit/loss		1,279,983	-5,023,486
Financial income	3	75,876	174,308
Financial expenses	4	-236,162	-254,675
Profit/loss before tax		1,119,697	-5,103,853
Tax on profit/loss for the year	5	-433,012	1,286,745
Profit for the year		686,685	-3,817,108
Proposed profit appropriation/distribution of loss			
Retained earnings		686,685	-3,817,108
		686,685	-3,817,108

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2019	31/12 2018
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>0</u>	<u>2,708,805</u>
Investments			
Deposits		<u>0</u>	<u>12,500</u>
Total fixed assets		<u>0</u>	<u>2,721,305</u>
Current assets			
Inventories		0	5,192,122
Receivables			
Trade receivables		297,608	3,643,933
Receivables from group entities		211,771	3,376,717
Other receivables		24,490	799,695
Deferred tax asset		5,620	27,095
Corporation tax		0	1,103,884
Prepayments		<u>0</u>	<u>36,181</u>
		<u>539,489</u>	<u>8,987,505</u>
Cash at bank and in hand		<u>0</u>	<u>2,579,532</u>
Total current assets		<u>539,489</u>	<u>16,759,159</u>
TOTAL ASSETS		<u><u>539,489</u></u>	<u><u>19,480,464</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2019</u>	<u>31/12 2018</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,000	50,000
Retained earnings		<u>-7,747,590</u>	<u>-8,434,275</u>
Total equity		<u>-7,697,590</u>	<u>-8,384,275</u>
Liabilities			
Current liabilities			
Banks, current liabilities		1,511	0
Trade payables		0	4,367,841
Payables to group entities		8,001,700	22,649,899
Corporation tax		224,859	0
Other payables		9,009	266,752
Deferred income		<u>0</u>	<u>580,247</u>
		<u>8,237,079</u>	<u>27,864,739</u>
Total liabilities		<u>8,237,079</u>	<u>27,864,739</u>
TOTAL EQUITY AND LIABILITIES		<u>539,489</u>	<u>19,480,464</u>
Contractual obligations, contingencies, etc.	6		
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2019	50,000	-8,434,275	-8,384,275
Transferred over the profit appropriation	0	686,685	686,685
Equity at 31 December 2019	50,000	-7,747,590	-7,697,590

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of PLM Group 3D Printing ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue from the sale of printers and thereto related services is recognised in the income statement when payment is received and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for premises, travel expenses, audit expenses etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc., for Company staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group entities and transactions in foreign currencies.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit or loss for the year.

The Company is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Property, plant and machinery are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	5-10 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years. Prepayments are measured at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises received income related to support agreements for recognition in subsequent financial years. Deferred income is measured at cost.

DKK	<u>2019</u>	<u>2018</u>
2 Staff costs		
Wages and salaries	4,200	1,339,946
Pensions	0	78,567
Other social security costs	<u>5,575</u>	<u>22,691</u>
	<u>9,775</u>	<u>1,441,204</u>
Average number of full-time employees	<u>1</u>	<u>2</u>
3 Financial income		
Exchange adjustments	75,576	35,472
Exchange gains	<u>300</u>	<u>138,836</u>
	<u>75,876</u>	<u>174,308</u>

Financial statements 1 January – 31 December

Notes

DKK	<u>2019</u>	<u>2018</u>
4 Financial expenses		
Interest expense to group entities	228,230	240,089
Other financial costs	7,932	8,778
Exchange losses	<u>0</u>	<u>5,808</u>
	<u>236,162</u>	<u>254,675</u>
5 Tax on profit/loss for the year		
Current tax for the year	224,859	-1,103,884
Change in deferred tax	21,475	-38,814
Adjustment of tax concerning previous years	<u>186,678</u>	<u>-144,047</u>
	<u>433,012</u>	<u>-1,286,745</u>

6 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which PLM Group ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is, therefore, liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

The Company has given guarantee of payment to PLM Group ApS, for which reason 3D Printing ApS and PLM Group ApS will be equally liable to PLM Group ApS' bankers.

7 Related party disclosures

Consolidated financial statements

The Company is part of the consolidated financial statements of LMT Group AB, BOX 423, SE-331 24 Värnamo, Sweden.

The consolidated financial statements can be obtained by contacting LMT Group AB on the address mentioned above.

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"By my signature I confirm all dates and content in this document."

Jan Olov Lundström

Adm. direktør

On behalf of: PLM Group 3D Printing ApS

Serial number: 19630212xxxx

IP: 94.234.xxx.xxx

2020-06-22 11:18:42Z



David Olafsson

Statsautoriseret revisor

On behalf of: KPMG Statsautoriseret Revisionspartnerselskab

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2020-07-01 10:10:30Z

David Olafsson

Jan Olov Lundström

Dirigent

On behalf of: PLM Group 3D Printing ApS

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