20
20

ANNUAL FINANCIAL REPORT PRECIA S.A.

MESSAGE FROM THE CHAIRMAN
of the Supervisory Board

I wrote to you last year that we could not know what would be the effects of the pandemic on our Group. Today, my thoughts go out first of all to Adnane Walid, Technical Sales Manager of our Moroccan subsidiary, who died from Covid-19. We join his family and colleagues in their grief. Other employees were less severely affected, but nevertheless suffered as a result of the disease.

Once again, I commend the responsiveness of our teams, who were able to adapt and invent new ways of working, thus enabling us to continue our activities throughout the world.

I am pleased to acknowledge that thanks to our joint efforts, our cohesion, our adaptability, and the commitment of each and every one of you, we were able to come through this period as well as possible. The results are proving to be very satisfactory.

The contribution of the Lithuanian company Milviteka, acquired in December 2019, was decisive, enabling us to maintain the level of consolidated revenue.

In addition to the remarkable resilience of PRECIA MOLEN Service, reporting a 12% increase in earnings compared to 2019, there were strong results out of the Netherlands, Belgium, the Czech Republic, Kaspo Lab in Poland, as well as from our subsidiaries in West Africa, Morocco, and New Zealand. Our Brazilian subsidiary also posted positive operating results thanks to the successful completion of major projects. These factors helped to offset the decline in business, particularly in India, which, despite the serious impact of the health crisis on the country, maintained a solid level of operating income.

Our profitability also improved at the Group level resulting in an operating profit of 9.3%.

Work on the 2025 business plan was initiated a few months ago. This involves the participation of the members of the management committee together with the heads of the subsidiaries, which will enable us to better focus our efforts on our strategic areas of activity. It is vital that we provide ourselves with the resources to match our ambitions. In particular, developing our activities in the digital sector remains crucial. This process has already begun and is being accelerated through the acquisition in May 2021 of the French company CREATIVE IT. This software company specialises in the development of solutions for managing industrial processes and monitoring production operations.

A return to growth is therefore expected in 2021, the extent of which will depend on the gradual end of the health crisis.

With the strength of its organisation and skills, our Group is progressing with confidence on the eve of our 70th year of existence.

Many thanks to the men and women of PRECIA MOLEN, as well as to our partners, our shareholders, and to all our clients.

Anne-Marie ESCHARAVIL
Chairman of the Supervisory Board

20
20

TABLE OF CONTENTS

A N N U A L
F I N A N C I A L
R E P O R T

PRECIA MOLEN GROUP CONSOLIDATED FINANCIAL STATEMENTS

OTHER INFORMATION

MANAGEMENT BOARD'S REPORT
to the General Meeting of 17 June 2021

1 | GROUP FINANCIAL SITUATION IN 2020

The global economy was severely impacted by the Covid-19 pandemic starting in March 2020. It will continue to be so well into 2021.

PRECIA proved its adaptability and resilience reporting 2020 proforma revenue down by only 4.9%. This was offset by the strong performance of Milviteka, Lithuania, a company joining the Group in December 2019. We closed 2020 with revenue very close to that of 2019, off by approximately -€0.2M.

Business in France fell by 2.7% despite the fact that service revenue held steady. Revenue in Europe (excluding France) increased by 19% thanks to Milviteka and the solid performance of the Dutch and Belgian subsidiaries. For its part, the UK subsidiary improved its results despite the prevailing health situation and the Brexit implementation.

Our subsidiaries in North Africa (Morocco) and West Africa (Ivory Coast and Burkina Faso) also turned in fine performances, slightly improving their revenue by 2%. Brazil significantly improved its results, while the USA also showed positive growth. These decent levels of business activity offset a sharp fall in Asia Pacific of -30% / -26% at constant exchange rates. India was particularly hard hit with several successive lockdowns resulting in a 28% drop in revenue, or 23% at constant exchange rates, while maintaining its very healthy level of operating income. Malaysia suffered a delay in certain deliveries following the numerous constraints caused by the health situation and experienced a significant drop in its activity level. As for Australia, it had a very bad year due to organisational problems and a lack of control in managing certain projects.

The overall continuation of business activity, the sound level of operating income of some of our subsidiaries, the drop in expenses due to the cancellation of numerous trade shows, and the reduction in travel generated a very solid operating income of 9.3% of revenue in 2020.

Since the turn of the year 2021, international tensions eased significantly following the change of leadership in the US. The Biden administration reversed a number of protectionist measures and reinstated many international bodies. The gradual winding down of the pandemic and the many stimulus programmes in place across most countries should provide a strong boost to demand in 2021. The IMF forecasts global growth of 6% in 2021 after a decline of 3.3% in 2020.

The PRECIA MOLEN Group was able to maintain its investments during the pandemic period. It is therefore now well-positioned to meet this increased demand. The Group is now poised to resume its forward momentum, expecting a return to growth in 2021.

Postclosing events:

On 31 March 2021, PRECIA S.A. signed a bilateral transfer agreement with the shareholders of CREATIVE IT, subject to conditions precedent, with a view toward acquiring 100% of the shares in this company. These conditions precedent are expected to be lifted by the end of May at the latest.

Founded in 1998 and based in Lyon (69), CREATIVE IT specialises in designing innovative software solutions that improve industrial processes and monitor production operations. It employs a staff of approximately forty people with a revenue of €3.2M in 2020. The company remains profitable and is experiencing sustained growth.

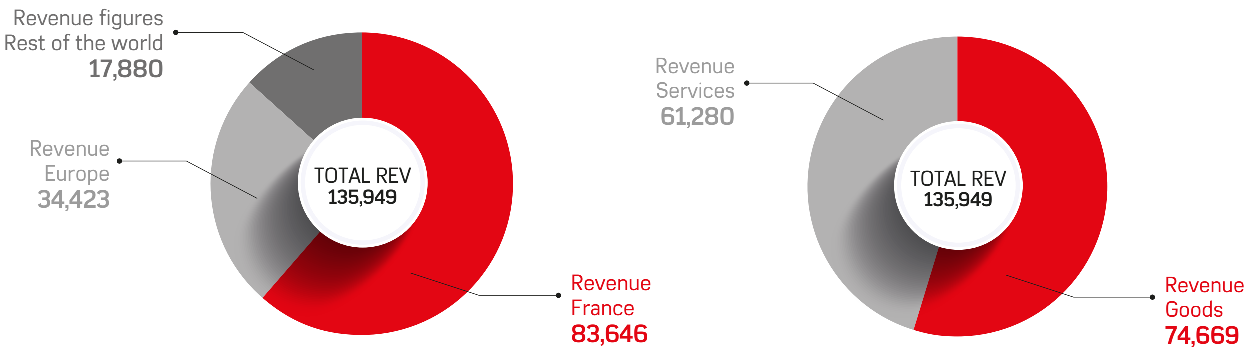
This acquisition will enable the PRECIA MOLEN Group to position itself within the fast-growing MES (Manufacturing Execution System) software publishing and integration market. It will allow the Group to complete its recurring product and service offering with a third activity of data enhancement for its industrial customers in France and abroad.

2 | THE COMPANY'S OPERATIONS IN 2020

2.1 THE PRECIA MOLEN GROUP

In 2020, the PRECIA MOLEN Group's consolidated revenue amounted to €135.9M compared to €136.1M in 2019, representing a year-on-year decline of 0.1%. On a like-for-like basis, the difference was -4.9%, mainly due to the inclusion of Milviteka, as well as an unfavourable exchange rate effect, particularly in terms of the Indian rupee.
The Group generated 62% of its revenue in France, 25% in other European countries, and 13% in the rest of the world.

Revenue breakdown



2.2 PRECIA S.A., PARENT COMPANY

In 2020, PRECIA S.A.'s revenue came to €53.7M, compared with €57.0M in 2019, a decrease of 5.9%.

3 | RESULTS

3.1 THE PRECIA MOLEN GROUP

PRECIA MOLEN's consolidated net income, Group share, amounted to €7,061K compared to €6,303K in 2019.
This result can be broken down as follows:

In K€	2020	2019
EBITDA[1]	**19,135**	**18,498**
Operating income	12,692	11,732
Financial result	(427)	138
Income tax expense	(4,728)	(4,949)
Minority interests	475	619
Group's share of CONSOLIDATED INCOME	**7,061**	**6,303**
EARNINGS PER SHARE in euros	**13.1**	**11.7**

(1) See &4 Accounting policies

Operating profit was €12,692K compared to €11,732K in 2019, on a like-for-like basis. It therefore increased by 8.2% compared to the previous year, representing 9.3% of revenue, against 8.6% in 2019.
The Group's share of consolidated profit was €7,061K compared to €6,303K in 2019, on a consistent basis. It was up 12.0% over the previous year representing 5.2% of revenue versus 4.6% in 2019.
Earnings per share rose from €11.7 to €13.1 in 2020.
Long-term debt stood at €16.8M, up from €13.8M at the end of 2019. This includes the capitalisation of lease costs of €6.4M. In the short term, the cash position net of overdraft on 31 December 2020 was €31.2M compared with €24.6M at the end of 2019.
Cash and equivalents net of debt amounted to €6.3M, an increase of €3.0M compared to the same period last year. This enabled the company to finance significant investments of €6.3M and dividend distributions of €0.9M.

3.2 PRECIA S.A.

In 2020, PRECIA S.A. recorded the following results:

In K€	2020	2019
Operating Income	**1,813**	**2,356**
Financial result	1,316	380
Exceptional result	(296)	(687)
Income taxes	158	511
NET INCOME	**2,674**	**1,537**

PRECIA S.A.'s operating profit was down compared to the previous year by (-23.1%). This represents 3.4% of revenue, compared to 4.1% the year before.
Net income was €2,674k compared to €1,537k in 2019, representing an increase of 74%. This accounts for 5.0% of revenue compared to 2.7% last year. This net income figure again includes a high level of dividends distributed by PRECIA MOLEN Service, PRECIA MOLEN Netherlands, CAPI SA, PRECIA MOLEN Morocco, and PRECIA MOLEN India. It also reflects the impairment of shares.
Medium-term debt stood at €12.2M, up from €9.5M at the end of 2019. The debt/equity ratio was 23.1% compared to 18.9% at the end of 2019. A loan of €5,000K was taken out in 2020.

3.3 ALLOCATION OF THE RESULTS

We propose allocating the net book profits towards the distribution of a dividend of €2.70 per share, with the balance being transferred to the optional reserve.
In accordance with the statutory provisions, we would like to draw your attention to the dividends paid for the last three financial years: (40% allowance).

in respect of 2019:	€1.20 per share	€649K
in respect of 2018:	€2.40 per share	€1,298K
in respect of 2017:	€2.40 per share	€1,321K

4 | ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated EBITDA stated in paragraph 3.1 above and in the Group's financial communications corresponds to the following definition: EBITDA is equal to the operating profit less provisions and depreciation. Namely:

- Allocations and reversals to provisions for depreciation of inventories;
- Allocations and reversals to provisions for depreciation of accounts receivable;
- Allocations and reversals to provisions for depreciation of retirement benefits;
- Allocations and reversals to provisions for depreciation of goodwill, tangible and intangible assets;
- Allocations and reversals to provisions for risks and charges; and
- Depreciation charges.

5 | SUBSIDIARIES

5.1 CHANGES IN THE GROUP'S CONSOLIDATION SCOPE

Through its subsidiary PRECIA MOLEN Australia, the PRECIA MOLEN Group acquired the remaining 25% minority interest in PRECIA MOLEN South Australia, which is now wholly owned by the Group.

5.2 EQUITY INVESTMENTS AS OF 31 DECEMBER 2020

On 31 December 2020, PRECIA S.A. held direct and indirect equity interests in the following companies:

5.2.1 Subsidiaries

In France:	
PRECIA MOLEN Service	99.99 %
International:	
MOLEN NL	100 %
PRECIA MOLEN UK	100 %
MOLEN Belgium	100 %
PRECIA Polska	100 %
PRECIA MOLEN CZ	100 %
PRECIA MOLEN India	73.94 %
PRECIA MOLEN Morocco	60 %
PRECIA MOLEN Scandinavia	98 %
PRECIA MOLEN Australia	100 %
PRECIA MOLEN South Australia	100 %
PRECIA MOLEN Brazil	100 %
PRECIA MOLEN Ireland	40 %
PRECIA MOLEN Asia Pacific	100 %
PRECIA MOLEN New Zealand	90 %
PRECIA MOLEN Ningbo	90 %
Kaspo Lab	100 %
PRECIA MOLEN Inc	100 %
J&S Weighing Solutions	85 %
CAPI	80 %
CAPI-BF	80 %
Milviteka UAB	100 %

5.2.2 Equity investments

BACSA SA	5.9 %

PRECIA MOLEN NEDERLAND BV is indirectly 100% owned via MOLEN NL BV.

The Group is structured as follows:

1) The PRECIA France industrial and commercial division, dedicated to designing, manufacturing, and marketing weighing equipment and solutions, includes the two factories located in PRIVAS and VEYRAS in ARDECHE, as well as an IT design site in WOIPPY, near Metz in Moselle.

2) The service division with PRECIA MOLEN Service dedicated to:
a. Installing new material on behalf of PRECIA S.A.;
b. Maintenance, maintenance contracts, and repair of all brands of weighing equipment; and
c. Mandatory periodic verification of equipment used for regulated purposes.

PRECIA MOLEN SERVICE generated revenue of €51.0M in 2020 compared to €51.2M in 2019, representing a decrease of 0.5%. During the year, the company did not make any acquisitions. PRECIA MOLEN Service's net profit was €4,067K, equivalent to 8.0% of revenue.

3) The international division corresponds to the Group's commercial establishments throughout the European Union in the Netherlands, the United Kingdom, Belgium, Poland, the Czech Republic, and Lithuania, and in the rest of the world in Brazil, China, Australia, New Zealand, Scandinavia, Morocco, India, Malaysia, the United States, Côte d'Ivoire, and Burkina Faso. In 2020, the cumulative consolidated revenue of all these entities was €52.3M, an increase of 4.3% compared to the previous year. These entities contributed 38.5% of consolidated revenue, compared to 36.8% in 2019.

6 | INVESTMENTS AND RESEARCH AND DEVELOPMENT

6.1 INVESTMENTS

The PRECIA MOLEN Group made the following investments in 2020:

Acquisitions	in K€
Intangible assets	536
Tangible assets	5,573
Financial assets	173
TOTAL	**6,282**

PRECIA S.A. carried out the following investments:

Acquisitions	in K€
Intangible assets	516
Tangible assets	1,580
Financial assets	11
TOTAL	**2,106**

6.2 RESEARCH-DEVELOPMENT

Research and development represents 0.9% of consolidated revenue and 2.2% of PRECIA S.A. revenue.

The R&D programmes were mainly devoted to:
- Creating new connected sensors and indicators that are autonomous in terms of consumption;
- Integrating mechanical, electronic, or software innovations into various products; and
- Developing and improving business solutions.

In 2020, no expenses were capitalised.

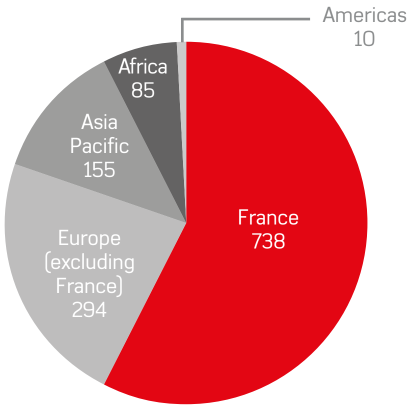
7 | HUMAN RESOURCES AND LABOUR INFORMATION

7.1 EMPLOYMENT

The PRECIA MOLEN Group's employees are mainly based in Europe for 80.5% and more particularly in France at 57.6%. Employees based outside Europe account for 19.5% of the workforce.

The PRECIA MOLEN Group is made up of 17.6% women and 82.4% men. The percentage of women has therefore increased over the last three years from 16.8% in 2019 and 16.5% in 2018.

Workforce by geographical area

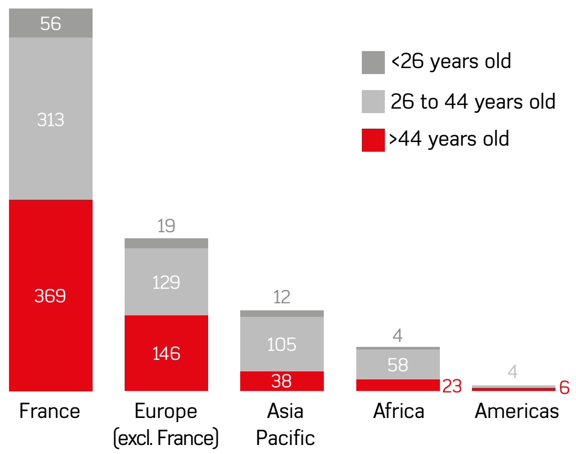


ENTITY	WOMEN	MEN	TOTAL AS 31/12/2020
PRECIA S.A.	74	258	332
PRECIA MOLEN SERVICE	70	336	406
PRECIA MOLEN India	3	97	100
MILVITEKA	7	66	73
PRECIA MOLEN Nederland BV	8	48	56
PRECIA MOLEN UK	12	33	45
CAPI CI	6	36	42
PRECIA MOLEN Morocco	2	34	36
PRECIA MOLEN Belgium	5	26	31
PRECIA MOLEN Ireland	5	24	29
KASPO LAB	10	15	25
PRECIA Polska	8	15	23
PRECIA MOLEN South Australia	2	16	18
PRECIA MOLEN New Zealand	3	10	13
PRECIA MOLEN Asia Pacific	3	10	13
PRECIA MOLEN Australia	2	7	9
PRECIA MOLEN CZ	1	7	8
CAPI BF	1	6	7
PRECIA MOLEN Brazil	1	4	5
J&S WEIGHING SOLUTIONS	1	4	5
PRECIA MOLEN Scandinavia	1	3	4
PRECIA MOLEN Ningbo	0	2	2
TOTAL	**225**	**1,057**	**1,282**

The breakdown by age group is as follows:

ENTITY	<26 years old	26 à 44 years old	>44 years old
PRECIA S.A.	28	142	162
PRECIA MOLEN SERVICE	28	171	207
PRECIA MOLEN India	6	82	12
MILVITEKA	3	34	36
PRECIA MOLEN Nederland BV	1	19	36
PRECIA MOLEN UK	4	14	27
CAPI CI	-	23	19
PRECIA MOLEN Morocco	4	29	3
PRECIA MOLEN Belgium	2	12	17
PRECIA MOLEN Ireland	4	13	12
KASPO LAB	1	17	7
PRECIA Polska	4	13	6
PRECIA MOLEN South Australia	4	3	11
PRECIA MOLEN New Zealand	1	5	7
PRECIA MOLEN Asia Pacific	-	10	3
PRECIA MOLEN Australia	1	3	5
PRECIA CZ	-	4	4
CAPI BF	-	6	1
PRECIA MOLEN Brazil	-	4	1
J&S WEIGHING SOLUTIONS	-	-	5
PRECIA MOLEN Scandinavia	-	3	1
PRECIA MOLEN Ningbo	-	2	-
TOTAL	**91**	**611**	**580**

Breakdown by age group and geographical area



At the PRECIA MOLEN Group level, 181 people were hired during the period, mainly in France with 88 out of 181. 42 dismissals were made during the year at Group level.

7.2 ORGANISATION OF WORKING HOURS

The working time organisation in the PRECIA MOLEN Group aims to provide an efficient, competitive, and reactive industrial and commercial operation while respecting staff expectations and the regulations in force.

Under normal circumstances, the working time organisation can therefore be modified according to production and market constraints, as well as adapted to local regulatory requirements.

Owing to the Covid-19 pandemic, 2020 was marked by the implementation of a specific work organisation to both safeguard the health of the company's employees and to ensure the continuity of the business.

Absenteeism remains a critical issue for the PRECIA MOLEN Group in that it can lead to the disruption of production and service schedules and thus the quality of service provided to our clients.

Absenteeism at the PRECIA MOLEN Group level stands at 8.8 days per person per year.

7.3 LABOUR RELATIONS

PRECIA MOLEN Group companies are committed to maintaining relations with employees and their representative bodies, where they exist, in accordance with local requirements. They also undertake to comply with all mandatory procedures for informing staff and their representatives.

The various areas of reflection and negotiation carried out over the past year were focused on collective and individual remuneration, a draft teleworking charter, and also on the forward planning of jobs and skills (GPEC).

Collective agreements or action plans may be reached locally. The currently accepted collective agreements or action plans relate to the length of working hours, gender equality, profit-sharing, incentive schemes, company savings plans (PEE PERCO), the mileage allowance for employees commuting to work by bicycle, and the health insurance plan.

7.4 HEALTH AND SAFETY

In terms of workplace health and safety, the PRECIA MOLEN Group implements the necessary organisation and resources enabling it to offer its employees suitable working and safety conditions. Special organisations and resources are available at sites where the risks are most significant, such as production sites and client sites requiring the company safety improvement manual (MASE) certification.

In this respect, high-risk situations are identified, then the means enabling them to be mitigated are implemented, including material resources, training, and work instructions.

With regard to measures to prevent the spread of Covid-19, protective resources and a specific plan were implemented and reviewed during the year.

As was the case last year, a seasonal flu vaccination campaign was offered to employees based in Privas. A large proportion of the workforce voluntarily participated in the campaign.

The PRECIA MOLEN Group also has a significant number of employees who regularly travel to its clients' sites. In this respect, these people can benefit from safety training within the framework of these technical interventions.

There is currently no collective agreement supplementing this organisation in terms of workplace health and safety.

The frequency and severity rates of occupational accidents resulting in time off work are calculated at the PRECIA MOLEN Group level. These concern almost exclusively companies conducting production and service activities in France.

The organisation put in place in terms of workplace safety does not distinguish between the various types of agreements between people. Temporary workers are therefore treated in exactly the same way as the company's direct employees (reception, training, etc.) The statistics below therefore include elements relating to the employment of temporary workers.

Severity rate	0.83
Frequency rate	10.06
Number of occupational illnesses	4

7.5 TRAINING

The training initiatives implemented mainly concern knowledge of PRECIA MOLEN products, mastery of English, use of the Enterprise Resource Planning (ERP) system, industrial production techniques, as well as health and safety at work.

At the Group level, 12,029.5 training hours were provided in 2020, 40% of which were devoted to safety and environmental issues.

NB: PM NL's training data could not be verified, so it was not consolidated.

7.6 GENDER EQUALITY

As a result of negotiations with employee representatives, particularly on the subject of gender equality, various concrete measures were introduced. They relate to:

- Recruitment;
- Equal pay and internal promotion; and
- The balance between work and family responsibilities.

In addition, a portion of the manufacturing of the new Ci5 and Ci20 products was outsourced to a structure enabling disabled workers to continue their professional careers.

The company is equally committed to accommodating people with disabilities or those who have been recognised as disabled workers in its operations. In this respect, an agreement was signed with an establishment and service for assistance through work (ESAT) to regularly host a disabled worker within the production teams.

In this way, the PRECIA MOLEN Group endeavours to contribute to improving awareness of disability in society by supporting values such as trust, cohesion, and solidarity.

7.7 PROMOTION OF AND RESPECT FOR THE PROVISIONS OF THE CORE INTERNATIONAL LABOUR ORGANISATION AGREEMENTS

Key aspects of workers' rights are based on the most demanding international standards such as those of the International Labour Organisation (ILO) that serve as a basis for local human resource management policies.

Each PRECIA MOLEN Group entity conducts its business autonomously on these issues.

Nevertheless, a common Ethics Charter for the PRECIA MOLEN Group entities was adopted in 2019. It includes an Anti-Corruption Code, a Gift Policy, and an Internal Alert System.

8 | ENVIRONMENTAL INFORMATION

8.1 GENERAL ENVIRONMENTAL POLICY

Production sites are the main source of environmental pollution. PRECIA S.A., the parent company, encompasses the largest production facilities of the PRECIA MOLEN Group. PRECIA S.A. adopted a voluntary approach towards environmental protection. Implementing the necessary resources enables us to meet the legal requirements and applicable standards. Setting up control procedures and improving performance through targeted actions are part of the measures taken to reduce the company's environmental impact.

Measures enabling the prevention of environmental risks and pollution have been implemented. These measures are technical in nature, through the use of safety equipment, integrating risk control measures into the design of equipment and facilities, managing a collection area, and securing waste. They are organisational by means of field visits, audits, and improvement actions. These measures are also of a human nature through safety and environmental training, waste sorting awareness, and communication of best practices.

The environmental risks arising from the PRECIA MOLEN Group's operations are concentrated in its production activities. To cover the cost of these risks, the PRECIA S.A. production site, which is the Group's main facility, has specific insurance coverage for all its operations.

8.2 POLLUTION AND WASTE MANAGEMENT

In order to prevent and reduce emissions into the air, water, and soil, particular attention is paid to pollutant collection systems through the choice of equipment, maintenance planning, machine tool maintenance, and the implementation of more environmentally friendly equipment.

Waste emissions are mainly produced by PRECIA S.A.'s activities, where product manufacturing operations are carried out. PRECIA S.A. is the source of almost all the waste emitted by the companies whose waste output is consolidated. The quantities of waste generated by the other environmentally consolidated entities could not be consolidated due to the lack of reliable data.

For PRECIA S.A., waste emissions and the proportion recovered by weight are measured annually. Significant efforts were undertaken in recent years to achieve a high and stable level of recovery of all waste from PRECIA S.A.'s activities. The waste recovery rate in 2020 for this entity was consistent with that of the previous year.

The waste recovery rate for the PRECIA S.A.'s operations was thus 83% for the year 2020. The quantity of ordinary industrial waste (OIW), which is the type of waste that is currently least recovered, was 58.84 tonnes. This is for a total quantity of waste of 328,196 tonnes representing 311,311 tonnes of non-hazardous waste and 16,89 tonnes of hazardous waste.

In order to limit the environmental impact of the materials consumed and the waste generated by its business, PRECIA S.A. focuses its efforts on the best practices to be implemented for storing and using chemical products, as well as for sorting and recovering waste.

Waste is collected in specific containers at the various production points. Depending on its nature, the waste is grouped together and directed towards appropriate treatment channels in accordance with the applicable regulations.

PRECIA S.A. pays particular attention to the choice of waste treatment channels in order to ensure a high level of recovery.

PRECIA S.A. also seeks to use local service providers for collecting, treating, and recovering certain types of waste in order to reduce the environmental impact associated with transport.

The main environmental nuisances, such as noise and visual pollution, are encountered at PRECIA S.A.'s production sites. In this respect, particular attention is paid to limiting the impact of the industrial operations on the local population and stakeholders around the company's premises. Technical soundproofing solutions and organisational measures, such as operating hours, are in place to achieve this objective.

The PRECIA MOLEN Group does not provide a company cafeteria service. It is therefore not directly concerned by the fight against food waste. Nevertheless, a product was developed enabling its clients to fight against food waste by carrying out a selective weighing of waste from collective catering.

8.3 SUSTAINABLE USE OF RESOURCES

Implementing programmes designed to enable the sustainable use of resources is one of the PRECIA MOLEN Group's main priorities. It enables reconciling a range of varied and important objectives such as respect for the environment, both globally and locally, cost reduction, and the rallying of teams around structuring projects that may involve raw material and energy.

At the production sites, particular attention is given, for example, to reducing the amount of scrap material and the quantity of waste recycled.

Resource consumption 2020		Consolidated entities
Water (m^3)	4,957	PRECIA S.A., PRECIA MOLEN Service, PRECIA MOLEN Morocco, PRECIA MOLEN NL, PRECIA MOLEN UK
Electricity (Kwh)	2,623,679	PRECIA S.A., PRECIA MOLEN Service, PRECIA MOLEN India, PRECIA MOLEN Lithuania, PRECIA MOLEN Morocco, PRECIA MOLEN NL, PRECIA MOLEN UK
Fuel and heating oil (litres)	2,182,698	PRECIA S.A., PRECIA MOLEN Service, PRECIA MOLEN India, PRECIA MOLEN Lithuania, PRECIA MOLEN NL, PRECIA MOLEN UK, PRECIA MOLEN South Australia
Combustible gas (kWh PCI)	1,480,329	PRECIA S.A., PRECIA MOLEN Service, PRECIA MOLEN NL, PRECIA MOLEN UK

NB: In the above table, only the environmental data of the listed consolidated entities were taken into account. Data from other entities was either not available or not sufficiently reliable.

For the PRECIA MOLEN SERVICE entity, water consumption is consolidated for the branches for which data is available through invoices, representing 30 branches out of 49. Electricity consumption is consolidated for all branches. The consolidated invoices are those received during the consolidated period.

Energy consumption was mainly generated by the operations of PRECIA S.A. and PRECIA MOLEN Service. They account for 73% of consolidated electricity consumption, 78% of consolidated fuel oil consumption, and 59% of consolidated fuel gas consumption. These two entities also represent 80% of consolidated water consumption.

The PRECIA MOLEN Group's operations do not involve the use of land, except for those areas necessary for establishing administrative or production buildings. In this case, urban planning and environmental protection rules are part of the constitution and framework of the construction projects.

Some of the products designed within the PRECIA MOLEN Group have applications that enable them to reduce the client's environmental impact. One example is the Electro-Generator for belt scales that is able to create its own source of electrical energy by using the energy generated by the running of the conveyor belt on which it is installed.

8.4 CLIMATE CHANGE

The immediate activities of the PRECIA MOLEN Group are not directly exposed to the consequences of climate change, nor do they have a significant impact on biodiversity.

Nevertheless, the PRECIA MOLEN Group is mindful of its greenhouse gas emissions. These are mainly related to temperature control in the buildings through heating, air conditioning, and ventilation, through the operation of industrial equipment, and the use of the PRECIA S.A. and PRECIA MOLEN Service car fleet. Emission sources are maintained and periodically checked.

A CO^2 emissions balance sheet was drawn up for the PRECIA MOLEN Group's activities consolidated at the environmental level only (see chapter 2). This concerns the operations carried out in France, the Netherlands, the United Kingdom, India, Australia, Morocco, and Lithuania. The energy sources concerned by this balance sheet are the electricity consumed by the process, lighting, heating, and air-conditioning, by the fuel for vehicles and machinery, and by the gas for heating and the process.

2020 resource consumption	
CO^2 emissions (tonnes)	7,086

Calculated according to the Bilan Carbone® v8.1 method

8.5 OTHER ISSUES

The Group's activities, the energy and materials used in its processes and its products have no impact on animal welfare. No specific action is taken in this respect.

In terms of protecting biodiversity, no specific action has been taken on this issue.

9 | INFORMATION ON CORPORATE COMMITMENTS TOWARDS SUSTAINABLE DEVELOPMENT

9.1 TERRITORIAL, ECONOMIC, AND SOCIAL IMPACT OF THE BUSINESS: THE GROUP AND ITS SOCIAL FABRIC

Within the PRECIA MOLEN Group, PRECIA S.A. promotes the values of sport such as team spirit and solidarity as well as effort and reward.

This support is exemplified by its active involvement in sporting events such as the Tour de France and local clubs such as HB07 Women's Handball. Local sporting events in which employees participate could not take place in 2020. They were therefore not eligible for the company's involvement as is usually the case.

PRECIA S.A. also supports the Privas Theatre and shares the common values that exist between the company and the theatre: creativity, proximity, and openness to the world. A specific initiative was also carried out with La Monnaie de Paris in the context of an exhibition. Finally, the company supports the association Emerveillés par l'Ardèche, which promotes the attractiveness and appeal of the department.

Education in the field of weighing is very important for PRECIA S.A., which is one of the world leaders in this industry and the leading French manufacturer of weighing instruments. PRECIA S.A. therefore supports numerous technical high schools and post-baccalaureate schools through the payment of the apprenticeship tax and through sponsorship actions.

PRECIA S.A. also opens its doors to trainees and apprentices thus enabling them to integrate into the professional world and to carry out projects in line with their school curriculum. Hence, in 2020, 10 work-study students and 15 trainees were able to join our teams.

PRECIA S.A. also opted to favour short supply circuits for its subcontractors as well as for its raw material and supplies. As a result, since the 2012 fiscal year, the company internalised the production of certain electronic weighing indicators previously manufactured in Asia. This internalisation was made possible by streamlining the product range and a thorough value analysis.

PRECIA S.A. continued to invest with the aim of strengthening the company's capacity to meet the needs of its clients, as well as providing better working conditions for its employees.

The wood waste from PRECIA S.A.'s operations is collected by a company that transforms this material into wood chips for use in wood-fired heating systems. Employees also have the possibility of disposing of their own used batteries and printer cartridges in the company's collection bins.

PRECIA S.A. is a major player in its original economic area, to which it is deeply attached, and intends to remain so in the long term, particularly by investing in production resources.

9.2 SUBCONTRACTORS AND SUPPLIERS

PRECIA S.A. occasionally calls upon subcontractors for partial or complete mechanical parts, or for certain machine installations. In the majority of cases, it is a question of specialty and sometimes capacity subcontracting aimed at completing the available means of production or the locations where the services are performed. This mainly applies to the production sites.

The relative size of PRECIA S.A. among these subcontractors remains limited. Well-balanced business partner relationships have been established with the subcontractors.

Most subcontractors are sourced locally where possible, ensuring that the social and environmental requirements they must meet are at least equivalent to those of the French-based production sites.

9.3 FAIR PRACTICES

The PRECIA MOLEN Group intends to act in strict compliance with the law and regulations. In this respect, the fight against corruption, compliance with trade embargoes and action against tax havens are invariably integrated into its commercial policy, in particular with regard to its international markets.

A system relating to business ethics, anti-discrimination, and anti-harassment is in place.

When designing its products, the PRECIA MOLEN Group takes into account the regulatory requirements related to the health and safety of end users in order to offer its clients high-performance and safe products.

9.4 OTHER ACTIONS UNDERTAKEN ON BEHALF OF HUMAN RIGHTS

The PRECIA MOLEN Group has not undertaken any additional actions on behalf of Human Rights.

10 | RISK FACTORS

10.1 MARKET RISKS

Our business operates in a highly competitive sector. The company's market position relies on a number of factors, including its innovative capacity, its commercial offering of complete solutions, its product quality, its supply management, and its sales and service network organisation.

A specificity of our business is its regulatory constraint, whether it be Legal Metrology or the regulations relating to products installed in explosive atmospheres (ATEX), to which we comply by implementing our Quality System. This is subject to regular audits and certification by authorised bodies.

The operational importance of IT data management prompted the company to be particularly vigilant with regard to the security of its systems.

10.2 RISKS RELATED TO FINANCIAL ISSUES

The Group is exposed to credit, liquidity, and market risks, albeit in limited proportions. The Group therefore makes little use of financial instruments to reduce this exposure.

Like any commercial company, the Group is confronted with client risks that mainly relate to the ever-present risk of non-payment, and to a more cyclical risk of client concentration. The company has a base of large accounts for which the risk of non-payment is low. The largest client accounted for 2.7% of revenue in 2020 as well as 2.7% in 2019. The top ten clients accounted for approximately 8.8% of sales in 2020 compared to 8.4% in 2019. In addition, sales of material are subject to retention of title clauses. The history of losses on trade receivables does not indicate any significant impact.

With regard to interest rates, the Group's policy generally favours fixed-rate borrowings. 98% of the Group's borrowings are at fixed or swapped variable rates.

The Group also has a relatively low exposure to foreign exchange risks and uses forward contracts in the event of significant risks. On 31 December 2020, the fair value of forward currency contracts (PLN) with a total nominal value of €1,142K was +€4K.

10.3 LIQUIDITY AND CASH MANAGEMENT RISKS

Liquidity risk refers to the Group's financial ability to cover its liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, to the extent possible, that it will always hold sufficient liquidity to settle its liabilities when due, under normal or stressed conditions, without incurring unacceptable losses or causing reputational damage to the Group. Market risk corresponds to fluctuations in interest rates and currency exchange rates.

The risk of the company defaulting on its financial commitments is low. In fact, it is periodically assessed by the Banque de France that gives us a probability of default within three years of 0.2%, compared to the overall industry score: 3.6%.

10.4 FINANCIAL RISKS RELATING TO CLIMATE CHANGE

The exposure to financial risks from the effects of climate change in the short to medium term is negligible.

10.5 INSURANCE

The company insures its activities, with the assistance of a specialised insurance broker, in accordance with industry standards.

11 | MISCELLANEOUS INFORMATION

11.1 EXTRAORDINARY EXPENSES

In 2020, they amounted to €151K.

11.2 MAIN SHAREHOLDERS

The main shareholders of PRECIA S.A. are:

	Shareholding	Voting rights
ESCHARAVIL Group S.A.	for 33.33 to 50%	for 50 to 66.67%
ESCHARAVIL Family	for 0 to 5%	for 0 to 5%
Escharavil MC	for 5 to 10%	for 5 to 10%
Lazard Frères Gestion SAS	for 5 to 10%	for 5 to 10%
Invesco Advisers,Inc.	for 5 to 10%	for 0 to 5%
TOTAL NUMBER OF VOTING RIGHTS		824,356

There were no significant changes in share ownership during the year.

11.3 OWNERSHIP OF PRECIA S.A. TREASURY SHARES

As of 31/12/2020, PRECIA S.A. held 32,663 treasury shares, or 5.7% of the capital. The acquisition cost of these shares was €3,154K. The market value at the end of the year was €6.9M.

11.4 INVENTORY OF MARKETABLE SECURITIES

As of 31/12/2020, PRECIA and PRECIA MOLEN Service did not hold any marketable securities. Short-term liquidity is held in the form of Term Deposits and Term Accounts with major French banking institutions and also in the form of interest-bearing current accounts.

11.5 CLIENT PAYMENT TERMS

On 31 December 2020, the breakdown of PRECIA S.A.'s client balance by due date was as follows: (In €K)

TOTAL	20,397
Due in 91 days or more	-
Due in 61 to 90 days	1,007
Due in 31 to 60 days	3,981
Due in 1 to 30 days	4,303
0 to 30 days overdue	2,278
31 to 60 days overdue	1,197
61 to 89 days overdue	331
> 90 days overdue	7,299

Total overdue invoices amounted to €11,105,000 incl. tax, i.e. 20.7% of pretax revenue, representing a total of 4,180 invoices, including:

- 1,277 invoices corresponding to delays of between 0 and 30 days;
- 573 invoices corresponding to delays of between 31 and 60 days;
- 206 invoices corresponding to delays of between 61 and 89 days;
- 2,124 invoices corresponding to delays of over 90 days;

The payment deadline used is the one indicated on the invoices.

11.6 SUPPLIER PAYMENT TERMS

On 31 December 2020, the breakdown of PRECIA S.A.'s trade payables by due date was as follows: (In €K)

TOTAL	8,048
Due for 91 days or more	538
Due for between 61 to 90 days	28
Due for between 31 to 60 days	362
Due for between 1 to 30 days	556
Due on 31/12/2019	182
Due in 1 to 30 days	2,800
Due in 31 to 60 days	3,411
Due in 61 to 90 days	128
Due in 91 days or more	43

Total due dates amount to €1,666K incl. tax, i.e. 4.45% of purchases incl. tax, and represent a total of 564 invoices, including:

- 268 invoices corresponding to due dates of 91 days or more;
- 33 invoices corresponding to due dates of between 61 and 90 days;
- 92 invoices corresponding to due dates of between 31 and 60 days;
- 171 invoices corresponding to due dates of between 1 and 30 days;
- 82 invoices corresponding to due dates of between 61 and 90 days;

The payment deadline used is the one indicated on the invoices.

11.7 EMPLOYEE SHAREHOLDING

As of 31/12/2020, the percentage of capital held by employees in the form of collective management was 3.0%.

11.8 INFORMATION ON COMPANY SHARE TRANSACTIONS CARRIED OUT BY SENIOR MANAGERS AND THEIR RELATIVES DURING THE PAST YEAR

During the past financial year, senior managers and their relatives did not carry out any of the following transactions on the company's securities: acquisitions, disposals, subscriptions, exchanges of securities, or transactions in securities by means of forward financial instruments.

11.9 INFORMATION ON INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Internal control is a process initiated by management designed to provide reasonable assurance regarding the achievement of the following objectives:
- Compliance with applicable laws and regulations;
- Implementation of Management Board decisions; and
- The reliability of financial information.

In accordance with Article L.225-100-3, the capital structure is provided in the Management Report.

The internal control organisation within our Group is based on:
- A clear definition of objectives;
- Documentary control;
- A coherent organisation; and
- A monitoring and improvement process.

We also supplemented this system with an analysis of the risks associated with our business. Thus, we determined six main types of risks:
- Industrial risk
- Technological risk
- Supplier risk
- Raw material risk
- Client risk
- IT risk

11.9.1 Industrial risk

The Director and the Quality, Safety, and Environment Manager are responsible for analysing these risks along with defining and implementing the most appropriate prevention measures.

Our prevention approach, reflected in a controlled documentary system, involves all staff members.

Fire risk

The nature of our activities and the specifications of the premises are not such as to constitute a risk of fire. To begin with, our commercial agencies are small structures, and the industrial sites in Privas and Veyras are made up of several widely spread out buildings. By its very nature, this dispersal has fire protection value.

Preventive measures are nevertheless taken.

For the industrial sites of Veyras and Privas:

- The storage of flammable products is carried out on the Veyras site in an independent, adapted building. This building is equipped with a ventilation system, a temperature control unit, a large-capacity retention tank, and a locking system.
- Special Industrial Waste, including flammable waste, is stored in a covered area reserved for this purpose, with a protected retention system.
- Sensitive premises are equipped with an automatic detection and warning system. An on-call service is organised to respond to the triggering of this system.
- The quantity of flammable products present in the workshops is kept to the minimum level consistent with production requirements.
- The fire extinguishing system is certified Q4 on 29 March 2012 by the French Association of Damage Insurance Companies (APSAD). The fire extinguishers comprising this installation are checked periodically by internal means and annually by an approved body.
- A fire permit is required for all relevant work.
- Training in the use of fire extinguishers is provided.

For all sites:

- The fire extinguisher installations are in compliance with the Labour Code and are periodically checked by an approved body.
- The electrical installations are subject to an annual check. Actions that may arise from these checks are programmed and monitored.

Environmental risks and effects

In terms of the environment, PRECIA is subject to the reporting regime. The environmental impact of our industrial operations remains minimal.

Hazardous products and waste are stored in a specially designed area. It is equipped with retention equipment. Waste is evacuated by a service provider meeting the regulatory requirements for its transport and disposal.

PRECIA takes steps to limit its energy consumption, in particular hydrocarbon consumption. The Veyras industrial site is equipped with a centralised management system for its heating and air conditioning. The system's use enables reducing the consumption of electricity and heating oil.

The development of manufacturing processes takes into account environmental issues, in particular the equipment's energy consumption. The consumption of natural resources, in particular water, is also a focus of attention. Technical measures to reduce water consumption were taken in recent years.

Employee health and safety risks

Our policy on health and safety at work leads us to:

- Analyse the risks:
  Risk analysis, recorded in a single document for each establishment, is carried out at least once a year or whenever there is a significant change in working and safety conditions.

- Raising awareness and training:
  Awareness-raising initiatives are carried out according to changes in regulations, implementing new working methods, situations encountered in the workshops, and on the basis of the annual risk prevention programme. Mandatory safety training is conducted. Thus, forklift drivers, mobile elevating platform users, and personnel working on electrical installations receive appropriate training. We also provide training in the use of fire extinguishers and internal technical safety checks. We have trained first aiders at work. Additional training can be provided as needed.

- Give priority to the principle of collective protection:
  Atmospheric pollutant extraction systems are checked on a regular basis. These cover welding and painting activities in particular.

- Substituting hazardous products with less risky ones:
  Although our company uses very few hazardous products, we nevertheless analyse the chemical risk. As a result of this analysis, we substituted products in order to reduce employee exposure.

- Providing the most appropriate Personal Protective Equipment:
  Some workplaces require the use of personal protective equipment, such as work clothes, safety shoes, gloves, helmets, face and respiratory equipment, and hearing protection.

- Ensuring that work equipment is appropriate and maintained:
  On our Privas and Veyras sites, preventive maintenance is carried out on equipment and installations. Electrical installations, lifting and handling equipment and accessories are checked periodically.

- Communicating rules and regulations:
  Our production sites display internal regulations, instructions concerning work accidents, smoking bans, and the use of personal protective equipment, etc.

11.9.2 Technological risk

"Regulatory" risk is inherent to our activity:
PRECIA's products are subject to two specific regulations: those relating to Legal Metrology (LM) and those concerning products installed in explosive areas (ATEX).

In order to prevent the risks covered by these regulations, PRECIA has taken the following measures:

- Implementation of the Quality Management System, certified by an accredited body, as well as by the two organisms designated by the State, namely the LNE for Legal Metrology and the LCIE for Explosive Atmospheres (ATEX).

- Appointment of two Experts, one in each field, whose mission is to maintain the required level of knowledge in these fields in order to design, manufacture, sell, check, or repair, as the case may be, products that comply with these regulations.

- The qualification of specialised personnel, as well as the monitoring of their qualification, in certain tasks related to these regulations. These qualifications are the subject of formalised procedures:
    - Authorised verifiers (ML);
    - Authorised repairers (ML) via PRECIA MOLEN Service; and
    - ATEX operators.

- The verification or calibration of measuring, control, and testing equipment concerned by the regulations is ensured. Thus, test weights, electrical measuring instruments, length measuring instruments, etc. are periodically calibrated in laboratories accredited by the COFRAC.

- Documents relating to products subject to these regulations are backed up.

11.9.3 Supplier risk

Supplier risk is under control.
We have a sufficient number of suppliers handled by the purchasing department. Our arrangements enable us to quickly replace a defaulting supplier.
All suppliers are assessed twice a year in terms of their ability to provide the requested service or product. This evaluation is formalised within a procedure.
Some items are developed by suppliers according to our specifications. We have a complete file on these items. This enables us to switch suppliers quickly, should it become necessary.

11.9.4 Raw material risk

The weighing instruments we manufacture and sell are constructed of steel, plastic, and electronic components. These various components are subject to cost fluctuations.
In order to control raw material risk, cost monitoring and availability are carried out under the responsibility of the Production and Purchasing Manager. The latter may decide to take preventive stockpiling action.

11.9.5 Client risk

Client risk is also fairly low, given the wide dispersion of our clients, none of whom account for more than 5% of our revenue.

11.9.6 IT risk

Computer equipment risk is reduced by two factors:

- The computer equipment is selected from among certified professional equipment;
- The computer equipment is covered by appropriate maintenance contracts.

Software risk is controlled by the fact that only the IT Department is authorised to purchase, test, put into service, and upgrade software.
The "sources" of the software and their operating licences are kept securely by the IT Department.

Data risk:
- All IT resources are networked.
- Data is centralised and secured. Backups are made in line with our "computer data control procedure".
- The organisation and technical means deployed ensure a high level of security for our IT system.
- Identifying our main risks is complemented by an analysis of the potential consequences and actions taken to reduce our exposure.
- Risk management and monitoring are built into our Quality Management System.
- Awareness-raising, training, and even qualification actions, as well as regulatory monitoring are carried out on a regular basis.

However, we are mindful that internal control does not provide an absolute guarantee against all malfunctions.

12 | INTERNAL CONTROL PROCEDURES FOR PREPARING AND PROCESSING ACCOUNTING AND FINANCIAL INFORMATION:

Financial information is released under the supervision of the Chairman of the Management Board, whether it is press releases, the management report, the annual and interim financial statements, or the annual financial report.

12.1 THE GROUP'S ACCOUNTING STRUCTURE

The Administrative and Financial Department is responsible for preparing and controlling the Group's accounting and financial data.

- It ensures the preparation of the Group's consolidated financial statements and PRECIA S.A.'s parent company financial statements within the deadlines required by law.
- It steers the budgetary and forecasting process.
- It generates the monthly management reporting, ensuring the coordination of the various entities; and
- It is in charge of the accounting processes and information systems.

Each subsidiary has its own accounting structure, adapted to its organisation. The main subsidiaries use an integrated information system. The consolidated accounts are drawn up internally using dedicated software under the supervision of the Finance Department.

12.2 ACCOUNTING REPORTS

All Group entities are engaged in the annual budget process. The reporting frequency is on a monthly basis. All subsidiaries are subject to regular operational reviews.

The company accounts of the main subsidiaries and the information notes presented in the interim and annual consolidations are certified by the local external auditors. In addition, the heads of each subsidiary sign a semi-annual declaration to the auditors, if any, committing them to full transparency.

12.3 THE GROUP'S ACCOUNTING STANDARDS AND POLICIES

The Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

Any change in accounting principles is pre-approved by the statutory auditors.

12.4 PLANNING OF INTERIM CLOSING PROCEDURES

In order to coordinate the interim financial statements as well as possible, the Group issues audit instructions. These include the Group consolidation procedure and the schedule for escalating the required information.

Within the framework of their legal mandate, the statutory auditors carry out a limited review every six months at the end of June and a full audit of the accounts at year-end. In this way, they provide an external evaluation reference complementing the internal control process. The implementation of their recommendations is monitored by the Administrative and Finance Department.

13 | FUTURE OUTLOOK

The year 2021 should see an expected return to growth as the health crisis gradually recedes and the various government stimulus packages are rolled out.

The first quarter order book is above both the March 2020 pre-Covid level and our 2021 budget projection. Overall, business activity has picked up, particularly in Europe, India, and China. All our factories are up and running.

For fiscal year 2021, the PRECIA MOLEN Group aims to achieve revenue of between €140 and €145 million, excluding acquisitions, with operating profit on the increase.

The forthcoming acquisition of CREATIVE IT, whose recurring business represents 80% of its revenue, will further boost these results thanks to an operating profit rate that is much higher than that of the Group.

The service activities in France and abroad will continue to expand, particularly with large national and international accounts.

However, increases in the cost of steel and procurement constraints for certain electronic components could disrupt the business.

15 | STATEMENT OF CERTIFICATION

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position and results of the company, and of all the companies included in the consolidation. I certify that the attached management report presents a true and fair view of the development of the business, the results, the financial situation of the company, and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

Done in Privas, on 30 April 2021

The Chairman of the Management Board
René COLOMBEL

EXECUTIVE OFFICERS' MANDATE

ADMINISTRATION – MANAGEMENT

Mrs Anne-Marie ESCHARAVIL Member and Chairman of the Supervisory Board	Chairman of S.A.S BERGEROUX and LA FINANCIERE DE BENAT Chairman and member of the Management Board of S.A. Group ESCHARAVIL Director of the S.A. ESCHARAVIL Group LUC ESCHARAVIL
Mrs Alice ESCHARAVIL Member of the Supervisory Board	Member and Chairman of the Supervisory Board of S.A. Group ESCHARAVIL Director of the S.A. LUC ESCHARAVIL
Mrs Marie-Christine ESCHARAVIL Member of the Supervisory Board	
Mr Luc ESCHARAVIL Member and Vice-Chairman of the Supervisory Board	Director - Chairman and Managing Director of the S.A. LUC ESCHARAVIL Chairman of the S.A.S RAFFIN Member of the Management Board and Managing Director of S.A. Group ESCHARAVIL
Mr Frédéric HAFFNER Member of the Supervisory Board	Head of the Audit Committee Independent Director
Mr François THINARD Member of the Supervisory Board	
Mr René COLOMBEL Member and Chairman of the Management Board	Chairman of the S.A.S. PRECIA MOLEN Service Member of the Board of Directors of MOLEN BV, PRECIA MOLEN UK Ltd, PRECIA MOLEN SCANDINAVIA AS, PRECIA MOLEN (IRL) Ltd and PRECIA MOLEN INDIA Ltd Director of MOLEN BELGIUM BV Co-manager of PRECIA MOLEN MAROC SARL Director of PRECIA MOLEN AUSTRALIA Pty Ltd, PRECIA MOLEN SOUTH AUSTRALIA Pty Ltd, PRECIA MOLEN NEW ZEALAND Ltd, and PRECIA MOLEN Servicos de Pesagem Ltda Administrateur de CAPI SA Chairman of the Board of MILVITEKA UAB

REGULATED AGREEMENTS

Pursuant to the statutory provisions, we hereby inform you of the agreements entered into, directly or through an intermediary, between a corporate officer or a significant shareholder of the company and a subsidiary (C. com. Art. L.225-37-4, 2 issued by ord. 2017- 1162 of 12-7-2017 and Art. L.225-68, al. 6 amended by ord. 2017-1162), between:

- On the one hand, one of the members of the Management Board or Supervisory Board, the Managing Director, one of the Deputy Managing Directors, one of the directors, or one of the shareholders holding more than 10% of the voting rights of a public limited company;
- And on the other hand, another company in which PRECIA owns, directly or indirectly, more than half of the share capital.

However, agreements relating to current operations, concluded under normal conditions, are excluded.
This obligation applies to agreements entered into between either a director or a significant shareholder of the parent company with a subsidiary. Such agreements are not regulated agreements subject to prior authorisation by the board of directors or supervisory board, since the parent company is not a party to the agreement..

LIST OF AGREEMENTS CONCLUDED DURING THE FISCAL YEAR

None

LIST OF REGULATED AGREEMENTS IN EFFECT

- Financial and technical support provided within the framework of a contract consisting of a guarantee of €800K in favour of PRECIA MOLEN Morocco SARL.
- Loan of €222K to PRECIA MOLEN (IRL) Ltd.
- Animation and management agreement with Groupe Escharavil SA resulting in €438K in services.
- Remuneration of the Chairman of the Supervisory Board: the Chairman waives her right to any remuneration in respect of her corporate office.
- Remuneration of the Vice-Chairman of the Supervisory Board: The mandate of Vice-Chairman of the Supervisory Board is not remunerated.

ANSA believes that the report should only mention agreements entered into during the fiscal year in question and not those entered into during previous fiscal years (Communication Ansa, Legal Committee No. 14-063 of 3-12-2014).

COMMENTS ON THE MANAGEMENT REPORT AND THE ANNUAL FINANCIAL STATEMENTS

We would like to remind you that, in accordance with Article L.225-68 of the French Commercial Code, the Supervisory Board must submit its observations on the Management Board's management report and the financial statements for the year to the Annual General Meeting.

We hereby inform you that the Management Board provided the Supervisory Board with the annual financial statements, the consolidated financial statements, and the management report within three months of the end of the fiscal year.

The financial statements for the fiscal year ended 31 December 2020 disclose the following main items:

Total balance sheet:	€84,928,828.10
Revenue:	€53,653,008.67
Profit or loss for the fiscal year:	€2,673,559.23

PRECIA's revenue fell by 5.9% from one year to the next. This slowdown was observed in most of the Company's markets, both in France and internationally, and was due to the COVID-19 pandemic. Despite this unfavourable context, the decline was limited thanks to the significant commercial resilience built up and the growing awareness of our products.

Furthermore, the Supervisory Board acknowledges having been informed of the consolidated accounts.

In view of the above, we have no particular comments to make with regard to the Management Board's report and the financial statements for the fiscal year ended 31 December 2020.

REMUNERATION OF CORPORATE OFFICERS

In accordance with the provisions of Article L.22-10-9 of the French Commercial Code, we report to you on the following information:

Total remuneration and benefits in kind:

It is hereby specified that:

- The office of Chairman of the Supervisory Board has not been remunerated since 1 January 2017.
- The office of Vice Chairman of the Supervisory Board is not remunerated.

In respect of her corporate office held in the ESCHARAVIL Group, Anne-Marie ESCHARAVIL received gross annual compensation of €76,153.

In respect of his corporate office held in PRECIA, Mr René COLOMBEL received gross annual compensation of €16,800. It is also specified that the mandates held by Mr René COLOMBEL in the subsidiaries are not subject to remuneration.

In respect of his work carried out in the context of his corporate mandate in PRECIA, Mr Frédéric Haffner invoices for services amounting to €8,000 per year.

This remuneration was adopted by the competent bodies at the time of the appointment and renewal of each corporate officer concerned. This is done with regard to the mandate entrusted within the company and consistency with the company's position within the Group.

FACTORS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

In order to ensure greater transparency about measures likely to have an influence on the price or outcome of bids, our report must set out and, where applicable, explain the factors liable to have an impact in the event of a public takeover bid (Article L.22-10-11 of the Commercial Code).

To the best of the knowledge of the members of the Supervisory Board, apart from the provisions of the Company's articles of association and all the regulations and laws relating to the Company in its current form, taking into account the structure of the shareholding and voting rights, there are currently no factors that are likely to have an impact in the event of a public offer.

BOARD MEMBERSHIP / GENDER BALANCE

It should be recalled here that the Action Plan for the Growth and Transformation of Companies (PACTE) includes several measures aimed at reinforcing gender equality and promoting the advancement of women in senior positions. Among the main themes addressed by the PACTE is gender parity within corporate governance bodies.

PRECIA S.A.'s Executive Management is committed to respecting professional equality between men and women and has always worked to ensure that actions are taken to combat prejudice and differences in treatment based on gender, and that corrective action is taken in the event of any inequalities being observed.

It should be noted, however, that there is a slight structural imbalance between women and men, linked to the Metallurgy sector, more specifically to our industrial weighing activity.

Thus, the Company's policy on professional and salary equality between women and men continued during the past fiscal year. This was particularly the case in the significant areas of recruitment, promotion, and the balance between professional activity and personal and family life.

EXECUTIVE OFFICERS' MANDATE

PROCEEDINGS OF THE SUPERVISORY BOARD

The Supervisory Board met four times during the year under review and discussed the following agenda:

- Distribution of attendance fees,
- Miscellaneous matters.

31 March 2020	- Refinancing of the acquisition of Milviteka UAB through a loan of €5,000,000; - Miscellaneous matters.
15 May 2020	- Review of the annual accounts for the fiscal year ended 31 December 2019; - Review of the Management Board's report; - Deliberation on the Company's policy on professional and salary equality; - Review of the regulated agreements; - Preparation of the Corporate Governance Report containing the Board's observations on the Management Board's report and on the financial statements for the fiscal year; - Borrowings and other investments, presentations and authorisations to be issued; - Update on current acquisitions; - Miscellaneous matters.
22 July 2020	
28 September 2020	- Review of the interim financial statements for the period 1 January to 30 June 2020 and the interim management report prepared by the Management Board; - Update on current acquisitions; - Authorisations to be issued; - Miscellaneous matters.

PROCEDURES FOR SHAREHOLDER PARTICIPATION IN THE GENERAL MEETING

The procedures for shareholder participation in General Meetings are specified in the PRECIA S.A. articles of association, available on request from the Company's registered office.

REFERENCE TO A CORPORATE GOVERNANCE CODE PRINCIPLE

The Company refers to the MIDDLENEXT Code on Corporate Governance. This code can be viewed at the Company's registered office.

To date, the Supervisory Board did not decide to disregard any of the provisions of this code, which it felt was more in line with the size of the company and the way in which its governance operates.

DESCRIPTION OF THE PROCEDURE ENABLING THE REGULAR ASSESSMENT OF AGREEMENTS

The procedures enabling a periodic assessment of whether agreements relating to current transactions entered into under normal conditions actually meet these criteria are at the Audit Committee's discretion.

PUBLIC STATEMENT

In accordance with the provisions of Article L.621-18-3 of the Monetary and Financial Code (amended by Ord. 2017-1162 of 12-7-2017 and AMF Gen. AMF Art. 222-9 amended on 3-1-2018), this report on corporate governance is made available to the public.

STATUTORY AUDITORS' SPECIAL REPORT
on regulated agreements

for the fiscal year ended 31 December 2020

To the General Meeting of PRECIA S.A.:

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

On the basis of the information provided to us, it is our responsibility to inform you of the characteristics, the essential terms and conditions, as well as the reasons justifying the interest for the company of the agreements brought to our attention or that we may have discovered during our assignment, without being required to express an opinion on their usefulness and appropriateness, or to seek the existence of other agreements. Under the terms of Article R.225-58 of the French Commercial Code, it is your responsibility to assess the interest in concluding these agreements with a view towards their approval.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in Article R.225-58 of the French Commercial Code relating to the execution, during the past fiscal year, of agreements already approved by the General Meeting.

We performed those procedures that we deemed necessary in accordance with professional guidance issued by the French national auditing body relating to this assignment. These procedures consisted in verifying whether the information provided to us was consistent with the source documents from which it was extracted.

1 | AGREEMENTS AND COMMITMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

We hereby inform you that we were not notified of any agreements authorised and entered into during the past fiscal year to be submitted to the approval of the General Meeting pursuant to the provisions of Article L.225-86 of the Commercial Code.

2 | AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Pursuant to Article R.225-57 of the French Commercial Code, we were informed that the following agreements, already approved by the General Meeting in previous fiscal years, continued to be executed during the past fiscal year.

FACILITATION AND MANAGEMENT SERVICES - SAS GROUPE ESCHARAVIL
Person concerned:
Mrs Anne Marie Escharavil, President of the Supervisory Board of SA PRECIA and President of the Management Board of SA Groupe Escharavil.

Procedures:
SA Groupe ESCHARAVIL invoices facilitation and management fees.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
In respect of the 2020 fiscal year, SA PRECIA recorded an expense of €437,500 pretax.

REMUNERATION OF THE SUPERVISORY BOARD CHAIRMAN
Person concerned:
Mrs Anne Marie ESCHARAVIL, Chairman of the Supervisory Board of SA PRECIA.

Procedures:
Your Chairman waives the right to receive remuneration for her corporate office.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
For fiscal year 2020, in accordance with the Supervisory Board meeting of 28 September 2016, the Chairman waived any remuneration for this mandate.

STATUTORY AUDITORS' SPECIAL REPORT
on regulated agreements

REMUNERATION OF THE SUPERVISORY BOARD VICE-CHAIRMAN
Person concerned:
Mr Luc ESCHARAVIL, Vice-Chairman of the Supervisory Board of SA PRECIA.

Procedures:
The office of Vice-Chairman of the Supervisory Board is not remunerated.

Authorisation:
The agreement was authorised at the Supervisory Board meeting on 13/04/2017 and reviewed at the meeting of 15/05/2020.

Application:
No remuneration was paid during the fiscal year 2020.

GUARANTOR - PRECIA MOLEN MAROC
Person concerned:
Mr Rene COLOMBEL, Chairman of the Management Board of SA PRECIA and co-manager of PRECIA MOLEN MAROC SARL, a 60% subsidiary of SA PRECIA.

Procedures:
Your company committed to provide PRECIA MOLEN MAROC with financial and technical support in the context of a contract.

Application:
Your company acted as guarantor for PRECIA MOLEN MAROC for an amount of €800,000 with Société Générale, guaranteeing the contract. The guarantee was not called in during the 2020 fiscal year.

LOAN ADVANCE - PRECIA MOLEN IRELAND
Person concerned:
Mr Rene COLOMBEL, Chairman of the Management Board of SA PRECIA and Board member of PRECIA MOLEN IRELAND, a 40%-owned subsidiary of SA PRECIA.

Procedures:
Your company granted PRECIA MOLEN IRELAND a loan with an outstanding balance of €222,400 as of 31/12/2020, bearing interest at the 3-month Euribor rate + 1.5% per year.

Application:
The income recorded for the fiscal year 2020 was €3,072.01 pretax.

The statutory auditors

Paris, 30 April 2021

BM&A
Alexis THURA
Partner

Lyon, 30 April 2021

implid Audit
Bruno GUILLEMOIS
Partner

PRECIA S.A.'S RESULTS
over the last five years

In euro thousands

	Fiscal year 2020	Fiscal year 2019	Fiscal year 2018	Fiscal year 2017	Fiscal year 2016
CAPITAL AT YEAR END					
Share capital	2,200	2,200	2,200	2,200	2,200
Number of outstanding common shares	573,304	573,304	573,304	573,304	573,304
OPERATIONS AND RESULTS FOR THE FISCAL YEAR					
Pretax Revenue	53,653	57,022	53,951	49,672	45,545
Profit before tax and calculated expenses (depreciation and provisions) (1)	5,472	7,747	6,563	6,329	6,192
Income taxes	158	511	42	245	249
Employee profit-sharing payable for the fiscal year	-	-	-	-	-
Profit after tax and calculated expenses (depreciation and provisions)	2,674	1,537	5,771	5,676	5,327
Distributed earnings	1,460	649	1,298	1,321	1,210
EARNINGS PER SHARE (in euros)					
Profit after tax, profit-sharing but before calculated expenses (depreciation and provisions) (1)	9.27 €	12.62 €	11.38 €	10.61 €	10.37 €
Profit after tax, profit-sharing, and before calculated expenses (depreciation and provisions)	4.66 €	2.68 €	10.07 €	9.90 €	9.29 €
Dividend allocated per share	2.70 €	1.20 €	2.40 €	2.40 €	2.20 €
STAFF					
Average workforce employed during the fiscal year	322	307	288	271	264
Amount of the payroll	1,466	13,365	12,742	11,525	10,329
Amount paid in employee benefits	5,275	5,111	4,877	4,308	4,170

(1)) Excluding financial and exceptional provisions.

SUPERVISORY BOARD'S REPORT
to the Ordinary General Meeting of 17 June 2021

Ladies and Gentlemen,

The Management Board of our company convened an Ordinary General Meeting in accordance with the law and our articles of association in order to:

- On the one hand, present you the company's activity during the fiscal year ended 31 December 2020, the company's results and those of its subsidiaries, the future outlook, and provide you with the other statutory disclosures;
- On the other hand, to submit for your approval the accounts for this fiscal year and to decide on the allocation of the results.

The Management Board's report was read to you by Mr René COLOMBEL, its Chairman.

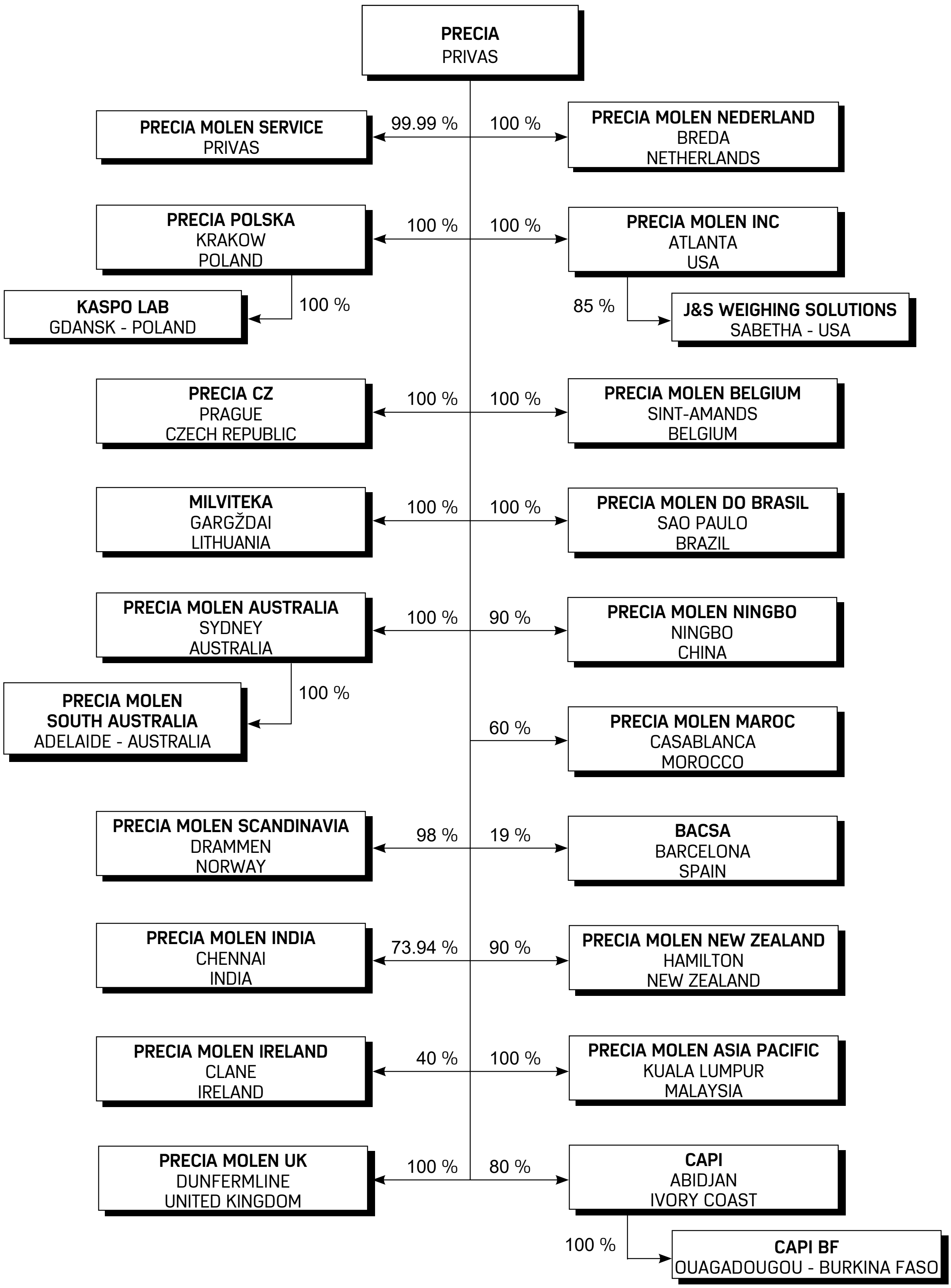
You will also be read the reports of the statutory auditors on the execution of their audit and control assignment as well as on the agreements referred to in Article L.225-86 of the Commercial Code.

In accordance with Article L.225-68 of the French Commercial Code, we would like to inform you that we have no comments to make on either the Management Board's report or the financial statements for the fiscal year 2020.

Anne-Marie ESCHARAVIL
Chairman of the Supervisory Board

FUNCTIONAL ORGANISATIONAL CHART
of the PRECIA MOLEN GROUP

on 31/12/2020



2020

CONSOLIDATED FINANCIAL STATEMENTS

ANNUAL FINANCIAL REPORT

PRECIA MOLEN GROUP CONSOLIDATED FINANCIAL STATEMENTS

STATUTORY AUDITORS REPORT
on the consolidated financial statements

for the fiscal year ended 31 December 2020

In accordance with the assignment entrusted to us by your General Meeting, we audited the accompanying consolidated financial statements of PRECIA S.A. for the year ended 31 December 2020.

We certify that, according to International Financial Reporting Standards (IFRS) criteria as adopted in the European Union, the consolidated financial statements consisting of all entities included in the consolidation are sincerely and fairly presented, providing a true and faithful view of the results of the company's operations over the past financial year as well as its financial position and assets at the end of the year.

The opinion expressed above is consistent with our report to the Audit Committee.

1 | BASIS OF OUR OPINION

Audit standards

We carried out our audit in accordance with the professional standards applicable in France. We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Auditors' Responsibilities for Auditing the Consolidated Financial Statements" section of this report.

Independence

In accordance with the rules of independence set out in the French Commercial Code and the Code of Ethics for Statutory Auditors we conducted our audit for the period from 1 January 2020 to the issuance date of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) no. 537/2014.

2 | JUSTIFICATION OF OUR ASSESSMENTS - KEY POINTS OF THE AUDIT

The global crisis resulting from the COVID-19 pandemic created special conditions for preparing and auditing the accounts for this fiscal year. Indeed, this crisis and the exceptional protective measures taken within the framework of the health emergency led to multiple consequences for companies, particularly concerning their business activity and their financing, as well as heightened uncertainties regarding their future prospects. A number of these measures, such as travel restrictions and teleworking, also impacted the internal organisation of companies and the way audits were actually carried out.

It is in this complex and evolving context that, pursuant to the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement. In our professional opinion, these were the points the most significant for the audit of the consolidated financial statements for the year, as well as the responses we provided to these risks.

The assessments thus made fall within the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on any elements of these consolidated financial statements taken in isolation.

We determined that there were no key audit issues to report.

3 | SPECIFIC VERIFICATIONS

In accordance with the professional standards applicable in France, we also carried out the specific verifications provided for in the legal and regulatory texts of the information relating to the Group provided in the Chairman's management report. With regard to events occurring and information known subsequent to the closing date of the financial statements relating to the effects of the COVID -19 crisis, Management has informed us that they will be the subject of a communication to the General Meeting called to approve the accounts.

We have no comments to make as to their fairness and consistency with the consolidated financial statements.

We certify that the consolidated non-financial performance declaration provided for in Article L.225 -102-1 of the French Commercial Code is included in the management report. In accordance with the provisions of Article L.823-10 of this Code, it is specified that the information contained in this declaration was not subjected to our verifications of fairness or compliance with the consolidated financial statements. They must be verified by an independent third party.

Other verifications or information required by law and the regulations

Presentation format of the consolidated financial statements to be included in the annual financial report
In accordance with III of Article 222-3 of the AMF General Regulation, the management of your company advised us of its decision to postpone the application of the single electronic reporting format as defined by the European Delegated Regulation no. 2019/815 of 17 December 2018 to the fiscal years beginning on or after 1 January 2021. Consequently, this report does not include any conclusions on the compliance with this format in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L.451-1-2 of the Monetary and Financial Code.

Appointment of the statutory auditors
The firms implid audit and BM&A were appointed as statutory auditors of PRECIA S.A. by the General Meeting of 22 July 2020.

On 31 December 2020, implid audit and BM&A were in the first year of their uninterrupted assignment.

4 | RESPONSIBILITIES OF MANAGEMENT AND CORPORATE GOVERNANCE OFFICERS VIS-À-VIS THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of management to prepare consolidated accounts that present a true and fair view in accordance with IFRS as adopted by the European Union. Management must implement the internal controls it deems necessary for preparing consolidated accounts that do not contain any material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, Management must evaluate the company's ability to continue as a going concern. Management shall present in these accounts, as the case may be, the necessary information relating to the continuity of operations, and apply the going concern accounting policy unless it intends to wind up the company or cease its activity.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems. If necessary, the audit committee must monitor the internal audit, as regards the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were prepared by Management.

5 | AUDITORS' RESPONSIBILITIES IN RELATION TO THE AUDIT OF THE CONSOLIDATED ACCOUNTS

The audit's objective and approach
It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that, taken as a whole, the consolidated financial statements do not contain any material misstatements. Although reasonable assurance is a high level of assurance, it does not guarantee that an audit performed in accordance with professional standards will systematically detect all material misstatements. The anomalies may stem from fraud or be due to errors. They are considered significant if it can be reasonably expected that, individually or cumulatively, they can influence the economic decisions account users make based on them.

As specified by Article L.823-10-1 of the French Commercial Code, our account certification mission is not to guarantee the viability or the quality of your company's management.

As part of an audit conducted in accordance with the professional standards applied in France, the statutory auditor exercises their professional judgement throughout the audit.

In addition:

- They identify and assess the risks that the consolidated financial statements contain material misstatements, whether due to fraud or error. They define and implement audit procedures to confront these risks. They collect elements they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a significant anomaly due to fraud is higher than missing a significant misstatement resulting from an error. This is because fraud can involve collusion, falsification, wilful omission, misrepresentation, or the circumvention of internal controls.

- They take note of the internal control relevant to the audit in order to define appropriate audit procedures, and not for the purpose of expressing an opinion on the effectiveness of the internal control.

- They assess the appropriateness of the accounting policies used and the suitability of management's estimates, as well as the information related thereto provided in the consolidated accounts;

- They assess the appropriateness of management's application of the going concern accounting policy. According to the information collected, they determine the existence or not of a significant uncertainty related to events or circumstances that could jeopardize the company's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report. However, it is recalled that subsequent circumstances or events could jeopardize the continuity of operations. If they conclude there is significant uncertainty, they draw the attention of the readers of the report to the information provided in the annual financial statements related to this uncertainty. If this information is not provided or is not relevant, they formulate a qualified certification or a refusal to certify.

- They assess the overall presentation of the financial statements, determining whether the annual accounts reflect the underlying transactions and events, thereby providing a true and fair picture;

- With regard to the financial information of the individuals or entities included in the scope of consolidation, they collect information deemed sufficient and appropriate to express an opinion on the consolidated financial statements. They are in charge of managing, supervising, and auditing the consolidated financial statements as well as the opinion expressed on these accounts.

Report to the Audit Committee

We submit to the Audit Committee a report that outlines, among other things, the scope of the audit, program implemented, and the conclusions arising from our work. We also inform on, where appropriate, any significant internal control weaknesses identified with respect to the procedures relating to the preparation and processing of the accounting and financial information.

Among the items disclosed in the report to the Audit Committee are the risks of material misstatement that we consider the most significant for the audit of the consolidated financial statements for the year. As such, they constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration under Article 6 of EU Regulation no. 537- 2014 confirming our independence within the meaning of the rules applicable in France pursuant to Articles L.822 -10 to L.822-14 of the Commercial Code and the code of ethics of the statutory auditor profession. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguard measures applied.

The statutory auditors

Paris, 30 April 2021

BM&A
Alexis THURA
Partner

Lyon, 30 April 2021

implid Audit
Bruno GUILLEMOIS
Partner

2020 CONSOLIDATED
income statement

In euro thousands

	Notes	2020	2019
REVENUE	3.1	**135,949**	**136,120**
Cost of goods sold		(30,428)	(30,545)
Staff costs	3.2.1	(59,932)	(60,777)
External expenses	3.2.2	(23,919)	(26,444)
Operational taxes		(1,964)	(1,582)
Depreciation	3.2.2	(7,069)	(6,374)
Changes in work in progress and finished goods		(318)	847
Other operating income		481	613
Other operating expenses		(107)	(126)
CURRENT OPERATING INCOME		**12,692**	**11,732**
Income from cash and cash equivalents		201	292
Cost of gross financial debt		(282)	(264)
COST OF NET FINANCIAL DEBT	3.3	(81)	28
Currency exchange gains and losses		(347)	111
Income tax expense	3.4	(4,728)	(4,949)
NET INCOME OF THE CONSOLIDATED GROUP		**7,536**	**6,922**
Non-controlling interests		475	619
Group share		7,061	6,303
BASIC AND DILUTED EARNINGS PER SHARE (IN EUROS)	2.10	**13.1**	**11.7**

CONSOLIDATED
comprehensive income statement

In euro thousands

	31/12/2020	31/12/2019
Net income of the consolidated group	7,536	6,922
Foreign currency conversion difference	(623)[1]	44
Actuarial differences	(345)	(772)
Assets available for sale	-	-
Derivative instruments used for hedging	-	-
Gains and losses recognised directly in recyclable equity, Group share, excluding equity method entities	(969)	(728)
Share of gains and losses recognised directly in equity excluding equity method entities	-	-
Total gains and losses recorded directly in Group share of equity	(969)	(728)
Net income and gains and losses recorded directly in equity with non-controlling interests	(187)	5
Net income and gains and losses recorded directly in equity	(1,156)	(723)
TOTAL INCOME AND EXPENSES FOR THE PERIOD	**6,380**	**6,199**

[1] Includes €419K of currency conversion differences on current accounts between the parent company and its subsidiaries, the settlement of which is neither planned nor likely in the foreseeable future, and which are therefore considered as quasi-equity in accordance with IAS21. The impact on foreign exchange gains and losses is €565K; the effect on deferred tax is €164K; the net amount is therefore €402K.

CONSOLIDATED BALANCE SHEET
as of 31 December 2020

In euro thousands

ASSETS	Notes	31/12/2020	31/12/2019
Goodwill	2.1	21,395	21,630
Other intangible assets	2.2 and 2.3	1,028	775
Rights of use	2.2 and 2.3	8,556	6,788
Other tangible assets	2.2 and 2.3	22,537	21,613
Financial assets	2.4	1,122	1,012
Deferred tax assets	2.9	1,429	1,770
NON-CURRENT ASSETS		**56,068**	**53,588**
Inventory and work in progress	2.5	20,341	18,729
Trade and other receivables	2.6	32,416	33,108
Current tax receivables		722	38
Other receivables	2.7	2,439	2,994
Cash and cash equivalents	2.8	31,314	24,724
CURRENT ASSETS		**87,233**	**79,593**
TOTAL		**143,300**	**133,181**

LIABILITIES	Notes	31/12/2020	31/12/2019
Capital	2.10	2,200	2,200
Premiums from share issues, mergers, and contributions		4,487	4,487
Consolidated reserves		61,340	56,608
Treasury shares	2.10	(3,154)	(3,154)
Group's share of consolidated income		7,061	6,303
SUB-TOTAL EQUITY GROUP SHARE	2.11	**71,933**	**66,443**
Non-controlling interests in reserves		3,276	3,282
Non-controlling interests in the results		475	619
TOTAL EQUITY		**75,685**	**70,344**
Long-term provisions	2.13	4,843	4,831
Long-term financial liabilities	2.12	10,371	9,102
Long-term lease liabilities	2.12	6,396	4,715
Other non-current liabilities		-	-
NON-CURRENT LIABILITIES		**21,611**	**18,648**
Short-term financial liabilities excluding financial leases	2.12	5,867	5,261
Short-term lease liabilities	2.12	2,390	2,361
Trade and other payables		11,253	10,843
Current tax liability		466	847
Other current liabilities	2.14	26,027	24,877
CURRENT LIABILITIES		**46,005**	**44,189**
TOTAL		**143,300**	**133,181**

CONSOLIDATED STATEMENT
of changes in equity

In euro thousands

	Share capital	Issue premiums	Treasury shares	Consolidated reserves	Results for the period	Non-controlling interests	TOTAL
EQUITY AS OF 31/12/2018	**2,200**	**4,487**	**(3,154)**	**52,582**	**6,091**	**3,493**	**65,699**
Dividends paid out					(1,298)	(318)	(1,616)
Allocation of prior profit				4,794	(4,794)		
Treasury shares							
Actuarial differences				(772)		-	(772)
Foreign currency conversion difference				44		5	49
Change in scope				(38)		100	63
Other changes				(1)		1	-
Results for the period					6,303	619	6,922
EQUITY AS OF 31/12/2019	**2,200**	**4,487**	**(3,154)**	**56,608**	**6,303**	**3,901**	**70,344**
Dividends paid out					(649)	(255)	(904)
Allocation of prior profit				5,654	(5,654)		
Treasury shares							
Actuarial differences				(345)		-	(345)
Foreign currency conversion difference				(623)		(187)	(810)
Change in scope				(73)		(63)	(136)
Other changes				120		(120)	-
Results for the period					7,061	475	7,536
EQUITY AS OF 31/12/2020	**2,200**	**4,487**	**(3,154)**	**61,340**	**7,061**	**3,752**	**75,685**

CONSOLIDATED
cash flow statement

In euros thousands

	2020	2019
Operating activities		
Earnings before taxes, dividends, interest, depreciation, amortisation, impairment, and disposal of assets(*)	19,594	18,840
Change in working capital requirements – inventories	(1,933)	(1,516)
Change in working capital requirements - receivables	777	190
Change in working capital requirements - operating liabilities	1,658	543
Interest paid	(113)	(220)
Income tax paid	(5,194)	(3,668)
NET CASH FLOW FROM OPERATING ACTIVITIES	**14,790**	**14,169**
Investment transactions		
Acquisitions of intangible assets	(536)	(402)
Acquisitions of tangible assets	(5,573)	(5,153)
Acquisitions of financial assets	(173)	(131)
Proceeds from disposals of intangible assets	-	-
Proceeds from disposals of tangible assets	482	179
Proceeds from disposals of financial assets	-	43
Proceeds from the disposal of equity securities	-	-
Acquisition of subsidiaries, net of cash acquired (1)	(1)	(4,319)
NET CASH FLOW FROM INVESTING ACTIVITIES	**(5,801)**	**(9,782)**
Financing transactions		
Capital increase in subsidiaries	-	73
Repurchase and resale of treasury shares	-	-
Cash receipts from new loans	5,317	4,478
Repayment of lease liabilities	(3,093)	(2,944)
Repayment of loans	(3,427)	(3,982)
Dividends paid out	(904)	(1,612)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(2,107)**	**(3,987)**
Impact of currency exchange rate fluctuations	(282)	15
TOTAL INCREASE (DECREASE) IN THE CASH POSITION	**6,600**	**416**
Cash and equivalents at the beginning of the fiscal year	24,628	24,213
Cash and equivalents at the close of the fiscal year	31,229	24,628
TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**6,600**	**416**

(*) Details are presented in note §4 on page 49

(1) Of which €500K earn out in 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
of 31 December 2020

In euro thousands

The financial statements were approved by the Management Board and presented to the Supervisory Board on 8 April 2021.

KEY EVENTS OF THE PERIOD

As was the case throughout the world, the COVID-19 health crisis impacted the vast majority of PRECIA S.A. and Group activities in all regions of the world during the first half of the year.

PRECIA MOLEN was negatively affected in several respects, leading to a sharp slowdown in business as of the second half of March. Protecting employee health and complying with government regulations around the world was the Group's priority throughout the year.

PRECIA MOLEN demonstrated its adaptability and resilience with proforma 2020 revenue down by only 4.9%. This was offset by the strong performance of Milviteka in Lithuania, a company that joined the Group in December 2019. The overall continuation of business activity, the sound level of operating income of some of our subsidiaries, the drop in expenses due to the cancellation of numerous trade shows, and the reduction in travel generated a very solid operating income of 9.3% of revenue in 2020.

Without reducing its investments in its production facilities or calling into question the continuity of strategic projects, the Group implemented several measures to preserve its cash and reduce its costs. The Group introduced better control of its working capital requirements, a reduction in dividends, and the full financing of the acquisition of Milviteka. In addition, the repayment of loans taken out in France was suspended for six months without any additional costs for the Group.

The health crisis had no further impact on the Group as of 31 December 2020. In particular:

- The Group did not identify any major default risk among its customers. As such, it did not record any significant additional impairment for expected losses on its receivables;
- The value of its inventories was not called into question on 31 December 2020;
- This crisis did not result in any substantial modifications or renegotiation of the contracts entered into by the Group that could have had a significant impact on the consolidated financial statements;
- The Group did not encounter any factors or circumstances that significantly affected the value of its intangible assets or the recoverability of its deferred tax assets;
- The Group made use of certain secured financing facilities and support measures for some of its subsidiaries.

Finally, the Group considers that the Covid-19 crisis did not significantly affect its exposure to and management of financial risks related to its operational and financing activities.

POSTCLOSING EVENTS:

On 31 March 2021, PRECIA S.A. signed a bilateral transfer agreement with the shareholders of CREATIVE IT, subject to conditions precedent, with a view toward acquiring 100% of the shares in this company. These conditions precedent are expected to be lifted by the end of May at the latest.

Founded in 1998 and based in Lyon (69), CREATIVE IT specialises in designing innovative software solutions that improve industrial processes and monitor production operations. It employs a staff of approximately forty people with a revenue of €3.2M in 2020. The company remains profitable and is experiencing sustained growth.

This acquisition will enable the PRECIA MOLEN Group to position itself within the fast-growing MES (Manufacturing Execution System) software publishing and integration market. It will allow the Group to complete its recurring product and service offering with a third activity of data enhancement for its industrial customers in France and abroad.

1 | CONSOLIDATION PRINCIPLES AND ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements are presented in accordance with IAS.

1.1 CONSOLIDATION SCOPE

1.1.1 Consolidation scope

Identification	SIREN	% held
PRECIA S.A. 07000 Privas	386 620 165	Parent company
PRECIA MOLEN Service S.A.S 07000 Privas	349 743 179	99.99
MOLEN BV Breda	NETHERLANDS	100.00
PRECIA MOLEN NEDERLAND BV Breda	NETHERLANDS	100.00
MOLEN BELGIUM NV Puurs	BELGIUM	100.00
PRECIA MOLEN UK Ltd Dunfermline	UNITED KINGDOM	100.00
PRECIA POLSKA Sp.z.o.o. Krakow	POLAND	100.00
Kaspo Lab Gdansk	POLAND	100.00
PRECIA MOLEN CZ S.r.o. Prague	CZ	100.00
PRECIA MOLEN MAROC S.A.R.L. Casablanca	MOROCCO	60.00
PRECIA MOLEN SCANDINAVIA A.S. Drammen	NORWAY	98.00
PRECIA MOLEN INDIA Ltd Chennai	INDIA	73.94
MILVITEKA UAB Gargždai	LITHUANIA	100.00
PRECIA MOLEN Asia Pacific Kuala Lumpur	MALAYSIA	100.00
PRECIA MOLEN Australia Pty Ltd. Sydney	AUSTRALIA	100.00
PRECIA MOLEN South Australia Pty Ltd. Adelaide	AUSTRALIA	100.00
PRECIA MOLEN New Zealand Hamilton	NEW ZEALAND	90.00
PRECIA MOLEN Ningbo Ningbo	CHINA	90.00
PRECIA MOLEN Serviços De Pesagem Ltda. Sao Paolo	BRAZIL	100.00
PRECIA MOLEN Inc Atlanta	UNITED STATES	100.00
J&S Weighing Solutions Sabetha	UNITED STATES	85.00
CAPI SA Abidjan	IVORY COAST	80.00
CAPI-BF SA Ouagadougou	BURKINA FASO	80.00
PRECIA MOLEN (IRL) Ldt Clane	IRELAND	40.00

All these companies are fully consolidated. They closed their accounts on 31 December 2020.
PRECIA S.A. is fully consolidated in the consolidated accounts of the PRECIA Group as parent company, and in the consolidated accounts of the Escharavil Group.

1.1.2 Changes in the consolidation scope

Through its subsidiary PRECIA MOLEN Australia, the PRECIA MOLEN Group acquired the remaining 25% minority interest in PRECIA MOLEN South Australia, which is now wholly owned by the Group.

1.2 COMPARABILITY OF ACCOUNTS

The consolidated financial statements for the year ended 31 December 2020 are presented in euros, which is the Group's reporting currency in accordance with IFRS 1. The statements are presented in euro thousands. At the end of the fiscal year, there were no differences impacting the Group between the standards used and those adopted by the IASB whose application is mandatory for the fiscal year presented. The accounting principles applied remain unchanged from the previous fiscal year, with the exception of adopting the following standards that have been applied since 1 January 2020.

1.2.1 New standards, amendments, and interpretations adopted by the European Union to be applied from 1 January 2020

The following standards were adopted by the European Union. They are effective as of 1 January 2020 but have no impact on the Group's accounts:
Amendment to IFRS 3 - Definition of a company: this new standard has no influence on the Group's accounts. **Amendments to IFRS 9, IAS 39, and IFRS 7 - Reform of reference interest rates**: this new standard has no impact on the Group's accounts.
Amendments to IAS 1 and IAS 8 - Definition of materiality: this new standard has no influence on the Group's accounts.
Amendment to IFRS3 - reference to the conceptual framework: this new standard has no influence on the Group's accounts.

These standards, amendments, and interpretations do not have any significant material impact on the consolidated financial statements for the fiscal year ended 31 December 2020. In particular, with regard to IFRS 16 "Lease contracts" and its amendment that deals with rent relief related to Covid 19, its application, as of 1 June 2020, did not have a significant impact on the consolidated financial statements insofar as no contract in the Group is affected by such relief. Finally, the Group verified during the 2020 fiscal year whether the December 2019 IFRS IC interpretation on the definition of the enforceable term of leases was correctly applied. The Group's analysis concluded that this interpretation had no significant impact. Consequently, the reassessment of the lease duration under this interpretation did not result in any additional recognition of a right of use and a lease obligation..

1.2.2 Standards and interpretations issued by the European Union that apply in advance of 1 January 2020

The PRECIA MOLEN Group did not apply in advance any of the following standards as of 1 January 2020:
Amendments to IAS 1 "Classification of liabilities as current or non-current" and "Classification of liabilities as current or non-current": Deferral of the effective date.
Amendments to IAS 16: "Tangible assets - revenue before intended use": as things stand, this new standard is not expected to have an impact on the Group's accounts.

In euro thousands

Amendments to IAS 37 "Onerous contracts - cost of performance": as things stand, this new standard is not expected to have an impact on the Group's accounts.
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16: "Reform of reference interest rates, phase 2": as things stand, this new standard is not expected to have an impact on the Group's accounts.
Annual improvements to IFRS 2018 - 2020: as things stand, these improvements are not expected to have an impact on the Group's accounts.

1.2.3 The Group has not anticipated, and does not at this stage expect to anticipate, the other new legislation applicable in advance according to the IASB's decisions that had not yet been adopted by the European Union as of the date of the annual accounts.

1.2.4 Finally, the following standards, already announced by the IASB, are expected to be promulgated by the European Union in the near future. They will have no impact on the Group's accounts.

Amendment to IFRS3: "Reference to the conceptual framework".

1.3 CONSOLIDATION ACCOUNTING POLICIES

1.3.1 Business combinations and goodwill

Business combinations are recorded using the acquisition method, in accordance with IFRS 3 (Business Combinations). The identifiable assets, liabilities, and contingent liabilities of the acquired entity are recorded at their fair value on the acquisition date, after an assessment period of up to 12 months from the acquisition date. For business combinations completed on or after 1 January 2010, the revised IFRS 3 applies. Under this standard, goodwill is now calculated as the difference between the fair value of the consideration paid and the sum of the acquiree's existing assets and liabilities, if any, measured individually at fair value. Costs directly attributable to the takeover are recorded as an expense. On the date of the takeover and for each business combination, the Group has the option to elect either partial goodwill limited to the Group's share of the acquisition or full goodwill. Where the full goodwill method is elected, non-controlling interests are measured at fair value and the Group recognises goodwill on all identifiable assets and liabilities. Business combinations prior to 1 January 2010 were accounted for under the partial goodwill method, which was the only applicable method. For business combinations prior to 1 January 2010, goodwill on the acquisition date represents the excess of the cost of the acquisition over the acquirer's interest in the fair value of the identifiable assets, liabilities, and contingent liabilities.

For acquisitions prior to 1 January 2004, goodwill was maintained at its deemed cost representing the amount recorded under the previous GAAP. The classification and accounting treatment of business combinations occurring prior to 1 January 2004 was not changed for the preparation of the Group's opening IFRS balance sheet on 1 January 2004.

In all instances, negative goodwill from an acquisition is recognised immediately in profit or loss.

As of the acquisition date, goodwill is allocated to each of the cash-generating units (CGUs) likely to benefit from the business combination. Subsequently, goodwill is valued at its cost less any accumulated depreciation representing impairment losses. Goodwill is not amortised however it is tested for impairment at each year-end. This is done more frequently if there are any indications of impairment. Any depreciation of goodwill is irreversible. In the event of a write-down, the impairment is recorded under "Other current management expenses" or under "Restructuring expenses" if the depreciation is the result of a restructuring.

The cumulative amount of goodwill impairment recorded as of 31 December 2020 is €564K compared to €574K in 2019.

1.3.2 Converting the accounts of foreign subsidiaries

The closing rate method is used.
Monetary and non-monetary assets and liabilities were converted at the market rates prevailing on 31 December 2020. The conversion of income and expenses was carried out, except for significant fluctuations, by applying the average rates recorded during the period. The difference was recorded in a reserve account. The result was a positive change in equity of €49K over the period. The consolidated financial statements are expressed in euros, the functional and presentation currency of PRECIA MOLEN SA.

1.3.3 Treatment of foreign currency transactions

The recognition and valuation of foreign currency transactions are defined by IAS 21 "The Effects of Changes in Foreign Currency Exchange Rates". Transactions in currencies other than the euro are recorded at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in such other currencies are converted at the rates prevailing on the balance sheet date. Gains and losses arising from currency conversions are recorded in the income statement for the period. However, for financial assets and liabilities that are not monetary items, any changes in their fair value, including movements in exchange rates, are accounted for in accordance with the principles applying to the categories of financial assets to which they relate.

To account for foreign exchange gains and losses, monetary financial assets are recorded at their amortised cost in their original currency. Currency exchange differences arising from changes in amortised cost are recognised in the income statement, other changes are recognised directly to equity.
Goodwill and fair value adjustments resulting from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity.
As of 31 December 2020, none of the Group's subsidiaries are considered to be operating in a hyperinflationary economy as defined in IAS 29.

1.3.4 Intercompany transactions

Adjustments are made to all intra-group transactions. Intercompany transactions are cancelled as well as intercompany payables and receivables.
Any mark-up included in inventories relating to intra-group purchases and gains on intra-group disposals of fixed assets are eliminated.

1.3.5 Transactions with affiliated parties

Related party transactions are identified by direct enquiry and validated by direct confirmation. These transactions are recorded at market value.

1.3.6 Lease contracts

Upon entering into an agreement, the Group assesses whether the agreement is or contains a lease. The Group recognises an asset for its right of use and a corresponding lease obligation for all leases in which it is the lessee. This is the case except for short-term leases, defined as leases having a duration of 12 months or less, and leases in which the underlying asset has a low value of less than €5000. For these types of leases, the Group recognises lease payments as operating expenses on a straight-line basis over the life of the lease. The lease obligation is initially measured at the present value of the outstanding lease payments at the inception of the lease. They are calculated using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group applies its incremental borrowing rate that stands at 2.10%.

The cost of the rights of use assets includes the initial amount of the related lease obligation, the lease payments made on or before the commencement date, as well as the initial direct costs, if any. Right of use assets are subsequently valued at cost less accumulated depreciation and accumulated impairment losses.

In respect of precarious commercial leases that the lessor may terminate at any time, the Group estimated that the remaining duration of the precarious leases outstanding at the balance sheet date was six months in respect of the penalties taken as a whole.

If the Group incurs a liability for the costs of dismantling and removing a leased asset, restoring the site on which it is located, or returning the underlying asset to the condition required under the lease terms, a provision is recorded and valued in accordance with IAS 37. These costs are included in the cost of the asset as part of the related right of use, unless they are incurred to produce inventory.

Rights of use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If the lease agreement transfers ownership of the underlying asset or if the cost of the rights of use asset takes into account the expected exercise of a purchase option by the Group, the related rights of use asset should be depreciated over the useful life of the underlying asset. Depreciation begins at the start of the lease. Rights of use assets are reported as a separate line item in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a rights of use asset is depreciated. It recognises any impairment loss as described in the method for tangible assets not included in this note.

Variable rents, that are not based on an index or rate, are not included in the assessment of the lease obligation and the rights of use asset. The related payments are recorded as expenses for the period in which the event or circumstance giving rise to the payments occurs. They are included in "External expenses" in the income statement (see note 3.2.2).

By way of simplification, IFRS 16 provides the lessee with the option of not separating the lease components from the non-lease components, instead accounting for each lease component and the related non-lease components as a single lease component. The Group elected not to apply this simplification measure.

The Group followed the recommendations of the French Accounting Standards Authority (ANC) for the restatement of the 3,6,9 leases.

1.3.7 Income taxes

Income tax expense corresponds to the current tax of each consolidated tax entity, adjusted for deferred taxes. The liability method is used on all existing differences between the book value and the tax value of assets and liabilities reported in the balance sheet.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will allow their allocation. Tax is reported in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also accounted for in equity.

Deferred tax assets and liabilities are assessed at the tax rate that is expected to apply in the year in which the asset is realised or the liability is settled, based on tax rates that were adopted or virtually adopted by the balance sheet date.

In euro thousands

1.4 USE OF ESTIMATES

Preparing the financial information in accordance with generally accepted accounting principles requires management to make estimates and assumptions affecting the reported amounts of assets and liabilities as well as disclosures of contingent assets and liabilities as of the date of the financial information and the reported amounts of income and expenses during the reporting period.

Management reviews its estimates and assessments on an ongoing basis, taking into account past experience and various other factors that are considered reasonable. These form the basis for its assessments of the book value of assets and liabilities. The main estimates made by the Group when preparing the financial statements relate in particular to the assumptions used to calculate provisions. This concerns in particular pension commitments as well as the valuation of non-current assets, notably goodwill. If the estimates and assumptions involve significant amounts or if there is a high probability that the amounts will be revised, information is provided in the notes to the financial statements. The main methods used are described below.

1.5 VALUATION PRINCIPLES AND METHODS APPLIED

1.5.1 Fixed assets

Tangible and intangible assets are valued at their cost, less any accumulated depreciation and any recognised impairment losses.

Depreciation is calculated on a straight-line basis, according to the effective useful service life. The main useful service lives used are as follows:

Type	Service life
Software	3 to 5 years
Industrial buildings	30 years
Fixtures and facilities	15 years
Technical installations	10 to 15 years
Material and tools	6 years
Transport equipment	5 years
Computer hardware	3 years
Furniture, office equipment	10 to 15 years

If events or changes in the market place or internal indicators suggest that intangible and tangible assets may be impaired, they are subject to a detailed review. This is undertaken to determine whether their net carrying amount is less than their recoverable amount, which is defined as the higher of fair value less costs to sell and value in use. The value in use is calculated by discounting the future cash flows expected from the use of the asset and its disposal. During the reporting period, no indications of impairment were noted.

1.5.2 Goodwill and intangible assets with indefinite useful life

Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each year-end. This is also applied whenever there is any indication that they may be impaired. Other non-current assets are also tested for impairment whenever events or changes in circumstances indicate that their book value may not be recoverable.

The impairment test consists of comparing the net book value of the asset with its recoverable amount. This is the higher of its fair value less costs to sell and its value in use.

The recoverable amount is determined for each asset unless the asset does not generate any cash inflows that are largely independent of the cash inflows generated by other assets. In this case, particularly for goodwill, the recoverable amount is determined at the level of the cash-generating units (CGUs).

The methods for testing goodwill were changed in 2018. Goodwill is now tested at the level of two corresponding CGU groups:
- One to all subsidiaries marketing and operating on the same products, under the same brand, monitored by the Group and benefiting from the Group's services.
- And the other to an independent CGU operating on products that are not of the Group.

The CGU groups were defined in accordance with the Group's senior management's view of its internal reporting. A CGU group was formed whenever synergies from the business combination are expected at the level of that CGU group.

The applied approach consists essentially in collecting realistic key assumptions on the future operating conditions of the CGU groups and determining the future cash generation on the following basis:
- Determining a 5-year business plan;
- Determining the normative free cash flow, the sum of net income excluding depreciation and financial income, the change in working capital requirements and renewal investments;
- Average perpetual growth rate of 2.0% for the PRECIA brand CGU group and 3% for the second CGU group.

Value in use is calculated by totalling the present value of the expected cash flow from the use of the asset or group of CGUs. The projected cash flows used are consistent with the most recent budget and business plans approved by Group management. The pre-tax discount rate used reflects current market assessments of the time value of money and the risks specific to the asset or CGU group.

If the recoverable amount is less than the net book value of the CGU Group, the impairment loss is recorded in the income statement and is primarily allocated to goodwill.

An impairment loss recognised in respect of goodwill cannot be reversed. An impairment loss recognised for another asset is reversed if there is any indication that the impairment loss no longer exists or has decreased and if there has been a change in the estimates used to determine the recoverable amount. The book value of an asset, increased following the reversal of an impairment loss, shall not be higher than the book value that would have been determined, net of depreciation, if no impairment loss had been recognised.

As of 31 December 2020, the tests performed on the various groups of CGUs concerned by goodwill to confirm the value of goodwill showed that there was no need for impairment. These tests were conducted with a weighted average cost of capital (WACC) of 8.9%, corresponding to that of the group, calculated as the weighted average of the cost of equity, set at 11.5%, and the cost of debt, established at 0.9%. Each of the tests, carried out using a WACC that is 0.5 points higher and a slightly lower long-term growth rate (-0.5 points), also shows an average decline in recoverable value of 6% and 5% respectively, and no need for an impairment loss.

As regards the goodwill of the independent CGU that amounts to €861K, the impairment test, based on a WACC assumption of 8.5% and a long-term growth forecast of 1.2%, concludes that the recoverable amount is €1,819K, higher than the economic assets of €1,676K, and therefore that no impairment is required. If the WACC were to increase by 0.5%, or the long-term growth rate were to decrease by 0.5%, the recoverable amount would fall by 6.1% in one case, and by 4.6% in the other. This would still be higher than the economic assets in both cases, so no impairment of goodwill would result.

The ultimate value of this goodwill was determined on the basis of a long-term growth rate as defined above, cash flow generation in line with the profitability of the Group's industrial and commercial entities, and a stable profitability rate between year 4 and the ultimate value.

1.5.3 Development costs

According to IAS 38, development costs must be capitalised if the technical and commercial feasibility of the product can be demonstrated.
However, due to the time required for regulatory metrology approval, the marketing phase of new products can be significantly extended. This increases the difficulty in forecasting future economic returns, as well as the cannibalisation effect between sales of new and existing products.
In the event of uncertainties arising from these approval times, the Group records the development costs incurred as an expense amounting to €1,201K for 2020.

1.5.4 Financial instruments

<u>Hedging instruments</u>
In accordance with its corporate policies, the Group does not hold or use financial instruments for speculative purposes. º
Nevertheless, due to the lack of documentation and the absence of monitoring of fair value revaluation at each usage date of the hedging instruments, these instruments do not qualify for hedge accounting and changes in fair value are recorded directly in the income statement.

1.5.5 Inventory

Inventories of raw material and supplies are valued at their weighted average cost.
The gross value of goods and supplies includes the purchase price and incidental costs. Work in progress and finished goods are valued at their production cost. Including:

- Consumption of raw material and supplies;
- Direct labour costs;
- Depreciation of assets involved in production; and
- Indirect production costs.

Financial expenses are always omitted from the valuation of inventories.
Inventories are valued at the lower of cost and net realisable value. The latter corresponds to the estimated selling price in the normal course of business, less foreseeable costs incurred to complete or make the sale, taking into account stock rotation, as well as obsolescence and technical developments.

1.5.6 Current receivables and payables

Current receivables and payables are initially measured at their historical value.
Depreciation is recorded to cover the risk of expected credit losses upon revenue recognition. Expected credit losses represent a probability weighted estimate of credit losses. These losses were not material within the Group. Consequently, the application of IFRS 9 has no impact on the valuation of trade receivables.
Current receivables and payables denominated in foreign currencies are valued at the year-end exchange rate.

In euro thousands

1.5.7 Interest-bearing debt

Interest-bearing borrowings are initially accounted for at fair value less attributable transaction costs. Subsequent to initial recognition, they are measured at their depreciated cost. The difference between cost and redemption value is recorded in the income statement over the term of the borrowings using the effective interest method.

1.5.8 Treasury shares

Treasury shares are deducted from equity based on their acquisition value. Gains and losses arising on the sale of treasury shares are recognised in equity.
As of 31 December 2020, the company had treasury shares at a total cost of €3,154K.

1.5.9 Provisions

A provision is recorded on the balance sheet if the Group has a present legal or constructive liability as a result of a past event and it is probable that an outflow of economic resources will be required to settle the liability. If the effect of time value is material, the amount of the provision should be determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.5.10 Employee benefits

The Group carried out an inventory of the long-term benefits granted to employees. In France, the Group has retirement benefit commitments defined by collective agreements. The Group uses the projected unit credit method to determine the present value of its defined benefit obligations.

1.5.11 Revenue recognition

Under this standard, revenue recognition henceforth reflects the transfer of control over goods and services to customers in an amount corresponding to the consideration that the entity expects to receive in exchange for those goods and services. IFRS 15 thus introduces a new general approach to revenue recognition in five steps:
-Identifying contracts with clients;

- Identifying distinct performance obligations or elements to be accounted for separately from each other;
- Determining the price of the transaction as a whole;
- Allocating the transaction price to the various separate performance obligations;
- Recognising revenue if the performance obligations are met.

The latter identified by the Group are:

- The delivery of manufactured products;
- Maintenance services.

Revenue is recognised when products are put into service and when maintenance is performed for the second revenue stream. It should be noted that the revenue components are only at fixed and not variable prices.

2 | DESCRIPTION OF THE BALANCE SHEET ITEMS

2.1 GOODWILL

	Beginning of year	Increases	Foreign currency conversion difference	Year-end
Goodwill	21,630		(235)	21,395

	31/12/2020	31/12/2019
CGU group corresponding to all subsidiaries marketing and operating on the same products, under the same brand, monitored by the Group and benefiting from the Group's services	20,534	20,707
Independent CGU operating on products that are not of the Group	861	922
PRODUCTION AND MARKETING UNITS	**21,395**	**21,630**

2.1.1 Business combinations

The Group did not complete any new acquisitions in 2020.
The buyout of the 25% minority interest in PRECIA MOLEN South Australia had no impact on goodwill.

2.2 FIXED ASSETS

	Beginning of year	Increases	Decreases	Exchange difference and others	Year-end
Other intangible assets	3,380	536	(4)	(20)	3,893
Rights of use on real estate	20,062	4,083	(879)	(140)	23,127
Rights of use on vehicles	2,608	751	(627)	(81)	2,651
Rights of use on other movable assets	74	72	(53)	(1)	92
Tangible assets	50,724	5,573	(1,314)	(620)	54,362
Financial assets	1,141	174	(56)	(6)	1,253
TOTAL	**77,990**	**11,189**	**(2,932)**	**(868)**	**85,378**

The main acquisitions during the year were related to PRECIA S.A. (storage hall, car park, SAP migration), PRECIA MOLEN Service (rolling stock), and PRECIA MOLEN India (land extension in Chennai).
The increases and decreases in rights of use on real estate are mainly attributable to PRECIA S.A., extension of the lease of our agency in the Paris regional area, PM Nederlands, extension of the building leases, and PMS, extension of the precarious leases. º
The increase in vehicle rights of use is mainly due to PRECIA S.A. and PM UK, for fleet renewal.

2.3 STATEMENT OF DEPRECIATION AND AMORTISATION

	Beginning of year	Increases	Decreases	Exchange difference and others	Year-end
Other intangible assets	2,605	275	(4)	(11)	2,865
Rights of use on real estate	14,626	2,209	(879)	(77)	15,879
Rights of use on vehicles	1,288	806	(627)	(49)	1,418
Rights of use on other movable assets	42	27	(53)	-	16
Tangible assets	29,111	3,753	(875)	(164)	31,825
Financial assets	130	1	-	-	131
TOTAL	**47,801**	**7,070**	**(2,437)**	**(301)**	**52,134**

2.4 FINANCIAL ASSETS

	31/12/2020	31/12/2019
Non-consolidated companies	298	298
Other financial assets	825	714
TOTAL	**1,122**	**1,012**

2.4.1 Non-consolidated companiess

BACSA S.A.	5.9% stake in the capital	98
Banque Populaire		250
Miscellaneous holdings		76

The fair value of these holdings corresponds to their acquisition price, with the exception of BACSA, which is depreciated by €98K, and other holdings that are written down by €29K.

2.4.2 Other financial assets

Other financial assets consist mainly of advances, long-term deposits, and guarantees.

2.5 CHANGES IN INVENTORIES

DETAIL OF INVENTORIES	31/12/2020	31/12/2019
Raw material and supplies	8,887	7,098
Currently in production	3,097	2,789
Intermediate and finished products	3,761	4,494
Goods	4,596	4,347
INVENTORY	**20,341**	**18,729**

In euro thousands

2.6 TRADE RECEIVABLES

Trade receivables amounted to €32,416K versus €33,108K at the end of 2019.

	31/12/2020	31/12/2019
Overdue trade receivables	11,201	12,916
Due in 1-30 days	11,814	12,512
Due in 31-60 days	6,985	5,625
Due in 61-90 days	1,782	1,048
Due in 90 days or more	634	1,007
TOTAL TRADE RECEIVABLES	**32,416**	**33,108**

	31/12/2020	31/12/2019
Gross trade receivables	33,070	33,827
Depreciated trade receivables	(654)	(718)
TOTAL TRADE RECEIVABLES	**32,416**	**33,108**

2.7 DETAILS OF SUNDRY DEBTORS

	Total	Within 1 year	More than 1 year
Sales taxes (VAT)	562	562	-
Supplier advances and deposits	373	373	-
Prepaid expenses	824	824	-
Miscellaneous debtors	680	680	-
SUNDRY DEBTORS	**2,439**	**2,439**	**-**

2.8 CASH AND CASH EQUIVALENTS

	31/12/2020	31/12/2019
Certificates of deposit (1)	11,641	11,841
Cash and equivalents	19,673	12,882
TOTAL	**31,314**	**24,724**

(1) Certificates of deposit are remunerated at prevailing market conditions, with the possibility of withdrawal at any time.

2.9 DEFERRED TAXES

	31/12/2020	31/12/2019
Deferred tax on margin in stock	531	545
Deferred taxes on retirement benefits	990	1,011
Deferred taxes on employee profit-sharing	194	235
Deferred tax on losses carried forward (1)	125	250
Deferred tax on accelerated depreciation	(331)	(315)
Other deferred taxes	(80)	44
NET DEFERRED TAX ASSETS	**1,429**	**1,770**

(1) Losses carried forward are activated when the company is sustainably profitable.

Deferred tax assets are mainly recognised on PRECIA S.A., PRECIA MOLEN Service, and PRECIA MOLEN Nederlands, which are all profitable companies.

2.10 SHAREHOLDERS' EQUITY

The capital of €2,200,000 is made up of 573,304 shares.
Treasury shares: 32,663 shares, i.e. 5.7% of the capital with an acquisition value of €3,154K.
Earnings per share is calculated by dividing the earnings by the average number of shares in circulation during the year, i.e. 540,641, excluding treasury shares.
The main shareholder of PRECIA S.A. is Groupe Escharavil SA, the holding company of the PRECIA Group.

2.11 NON-CONTROLLING INTERESTS

Non-controlling interests include the following:

- 60% of PRECIA MOLEN Irl Ltd,
- 26.06% of PRECIA MOLEN India Ltd,
- 40% of PRECIA MOLEN Maroc SARL,
- 2% of PRECIA MOLEN Scandinavia AS,
- 0.01% of PRECIA MOLEN Service.
- 10% of PRECIA MOLEN New Zealand;
- 10% of PRECIA MOLEN Ningbo;
- 15% of J&S Weighing Solutions;
- 20% of CAPI-SA and CAPI-BF;

Non-controlling interests represent 5.0% of equity.

2.12 LOANS AND FINANCIAL DEBTS

	Total	Within 1 year	From 1 to 5 years	More than 5 years
Credit institutions [1]	10,371	-	10,318	52
Lease debts	6,396	-	3,874	2,522
Subtotal of long-term financial liabilities	16,767	-	14,193	2,575
Credit institutions, short-term	5,867	5,867	-	-
Short-term lease liabilities	2,390	2,390	-	-
Subtotal of short-term financial liabilities	8,258	8,258	-	-
TOTAL	25,025	8,258	14,193	2,575

(1) of which 100% at fixed rates. The vast majority of bank debt is made up of loans taken out for five years, repayable by equal instalments, from French banks, at an average rate of between 0.2% and 1.0%.

COMPARISON TO FISCAL 2019	Total	Within 1 year	From 1 to 5 years	More than 5 years
Credit institutions [2]	9,102	-	9,077	25
Lease debts	4,715	-	3,185	1,530
Subtotal of long-term financial liabilities	13,817	-	12,262	1,555
Credit institutions, short-term	5,261	5,261	-	-
Short-term lease liabilities	2,361	2,361	-	-
Subtotal of short-term financial liabilities	7,622	7,622	-	-
TOTAL	21,439	7,622	12,262	1,555

(2) of which 100% at fixed rates. The vast majority of bank debt is made up of loans taken out for five years, repayable by equal instalments, from French banks, at an average rate of between 0.2% and 1.0%.

			Non-cash movements			
	Opening	Cash flow	New lease liability	Change in scope	Exchange rate effects	Close
Credit institutions	9,102	1,272	-	-	(3)	10,371
Lease debts	4,715	-	1,750	-	(68)	6,396
Subtotal of long-term financial liabilities	13,817	1,272	1,750	-	(71)	16,767
Short-term financial liabilities	5,261	608 [3]	-	-	(1)	5,867
Short-term lease liabilities	2,361	(3,093)	3,156	-	(33)	2,390
Subtotal of short-term financial liabilities	7,622	(2,486)	3,156	-	(35)	8,258
TOTAL	21,439	(1,214)	4,906	-	(106)	25,025

(3) Of which €10K in bank overdrafts.

2.13 BREAKDOWN OF PROVISIONS

	Beginning of the period	Increases	Allocated reversals	Unallocated reversals	Exchange differences	End of period
Risks and charges	815	175	(80)	(23)	3	891
Retirement benefits [1]	4,016	936	(964)	(35)	-	3,953
Long-term provisions	4,831	1,111	(1,043)	(58)	3	4,843

Comparative information year 2019	Start of period	Increases	Usage	Reversal without purpose	Exchange differences	End of period
Long-term provisions	3,291	2,838	(357)	(942)	1	4,841

(1) In France, upon retirement, Group employees receive a retirement package, the amount of which varies according to seniority and other elements of the applicable collective agreement. The Group evaluates its commitments using an actuarial method based on projected credit units. The calculation is based on the following assumptions: discount rate: 0.35%, revaluation rate: 2.5%, Retirement age: 60/67 years, employer's contribution rate: 42 %

The value of the asset plans subtracted from the total commitment is €3,855K (2019: €3,301K). º

Sensitivity analyses were carried out on the discount rate. If this rate were to be reduced by 0.35%, the Group's total commitment, before taking into account the fair value of external funds, would increase by approximately 5.1%.

The probable average time frame for paying retirement benefits is 13.8 years.

The increase for the period of €936K corresponds to expenses for the period, consisting of annual service costs of €524K, actuarial differences of €466K, and financial losses of €1K, offset by financial gains of €55K.

In euro thousands

In the normal course of its business, the Group is exposed to various types of litigation. Provisions for litigation are calculated on a case-by-case basis at the end of the fiscal year. Their amounts represent the best estimate of the financial risk involved, weighted by the most probable factor of occurrence.
As of 31 December 2020, no litigation provision was considered individually material.
If the Group is involved in legal proceedings with claims from opposing parties that are considered unfounded, the risk is not proven, then the Group does not consider it necessary to record a provision.
Future retirement costs are partly externalised through specific insurance contracts. The fair value of the funds as of 31 December 2020 was €3,855K (2019: €3,301K). The amount of the residual commitment, after taking into account the coverage, was €3,953K.
The Group is without any contingent liabilities.

2.14 DETAILS OF OTHER CURRENT LIABILITIES

	31/12/2020	31/12/2019
Tax and social security liabilities	17,393	17,591
Advances and deposits received on orders	3,013	2,599
Other liabilities	828	489
Deferred income	4,793	4,197
TOTAL OTHER CURRENT LIABILITIES	**26,027**	**24,877**

2.15 OFF BALANCE SHEET COMMITMENTS

2.15.1 Export bank guarantees

The Group benefits from commitments received by its banks in connection with export commercial contracts. These are mainly in favour of its customers as part of advance payment guarantees or performance guarantees.
On 31 December 2020, these commitments amounted to €2,164K.

2.16 FINANCIAL RISK MANAGEMENT

The Group is exposed to credit, liquidity, and market risks, albeit in limited proportions. The Group therefore makes little use of financial instruments to reduce this exposure.
Like any commercial company, the Group is confronted with client risks that mainly relate to the ever-present risk of non-payment, and to a more cyclical risk of client concentration. The company has a base of large accounts for which the risk of non-payment is low. The largest client accounted for 2.7% of revenue in 2020 as well as 2.7% in 2019. The top ten clients accounted for approximately 8.8% of sales in 2020 compared to 8.4% in 2019. In addition, sales of material are subject to retention of title clauses. The history of losses on trade receivables does not indicate any significant impact.
Liquidity risk refers to the Group's financial ability to cover its liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, to the extent possible, that it will always hold sufficient liquidity to settle its liabilities when due, under normal or stressed conditions, without incurring unacceptable losses or causing reputational damage to the Group.
Market risk corresponds to fluctuations in interest rates and currency exchange rates.
With regard to interest rates, the Group's policy generally favours fixed-rate borrowings. 98% of the Group's borrowings are at fixed or swapped variable rates.
The Group also has a relatively low exposure to foreign exchange risks and uses forward contracts in the event of significant risks. On 31 December 2020, the fair value of forward currency contracts (PLN) with a total nominal value of €1,142K was +€4K.

Liquidity and cash management risks
The risk of the company defaulting on its financial commitments is low. In fact, it is periodically assessed by the Banque de France that gives us a probability of default within three years of 0.2%, compared to the overall industry score: 3.6%.

Capital management
The Group's policy is to maintain a strong capital structure in order to preserve investor, creditor, and market confidence as well as to support the business's future development. The Management Board pays attention to the return on equity defined as operating income divided by total equity. It also monitors the amount of dividends paid to shareholders.

3 | ANALYSIS OF INCOME STATEMENT ITEMS AND BREAKDOWN OF ACTIVITIES

3.1 GEOGRAPHICAL BREAKDOWN OF ACTIVITIES

The Group's organisation and financial reporting is single business in nature, based on a geographical organisation, with no level of disaggregation.

ALLOCATIONS OF FIXED ASSETS:	31/12/2020		31/12/2019	
France	30,946	57%	29,163	56%
Outside of France	23,692	43%	22,655	44%
ALLOCATION OF DEPRECIATION:	**31/12/2020**		**31/12/2019**	
France	4,413	62%	4,007	63%
Outside of France	2,656	38%	2,368	37%
BREAKDOWN OF INVESTMENTS:	**31/12/2020**		**31/12/2019**	
France	3,741	60%	4,290	75%
Outside of France	2,541	40%	1,396	25%
BREAKDOWN OF NON-CURRENT LIABILITIES:	**31/12/2020**		**31/12/2019**	
France	18,674	86%	16,783	90%
Outside of France	2,936	14%	1,865	10%
BREAKDOWN OF REVENUE:	**31/12/2020**		**31/12/2019**	
France	83,646	62%	85,987	63%
Outside of France	52,304	38%	50,133	37%
BREAKDOWN OF OPERATING INCOME:	**31/12/2020**		**31/12/2019**	
France	7,435	59%	7,930	68%
Outside of France	5,256	41%	3,802	32%
AVERAGE WORKFORCE:	**31/12/2020**		**31/12/2019**	
France		755		745
Outside of France		571		488
Total		1,326 [2]		1,234 [3]

[2] Of which 37 temporary staff / [3] Of which 38 temporary staff

3.2 STAFF COSTS, EXTERNAL CHARGES, AND DEPRECIATION

3.2.1 Staff costs

	31/12/2020	31/12/2019
Wages and salaries	43,421	43,492
Net social charges	14,684	13,912
Profit-sharing and employee share ownership	798	856
Temporary staff	1,558	2,153
Retirement Allowance Provision (RAP) and Asset Plan	(528)	364
PERSONNEL EXPENSES	**59,932**	**60,777**

3.2.2 Impact on operating income resulting from IFRS 16

	31/12/2020	31/12/2019
Cancellation of rolling stock leases	889	826
Cancellation of industrial and commercial premise leases	2,373	2,321
IMPACT OF EXTERNAL COSTS	**3,262**	**3,146**
Depreciation of rolling stock	(790)	(749)
Depreciation of industrial and commercial premises	(2,236)	(2,110)
IMPACT ON DEPRECIATION	**(3,027)**	**(2,859)**
IMPACT ON OPERATING INCOME	**235**	**287**

3.3 COST OF NET FINANCIAL DEBT

	31/12/2020	31/12/2019
Interest	87	89
Provision reversals	11	-
Investment income	94	154
Miscellaneous financial income	10	48
INCOME FROM CASH AND EQUIVALENTS	**201**	**292**

In euro thousands

	31/12/2020	31/12/2019
Interest on lease liabilities	191	190
Other interest	60	66
Provisions	16	3
Miscellaneous financial expenses	16	5
COST OF GROSS FINANCIAL DEBT	**282**	**264**

3.4 INCOME TAXES

3.4.1 Income tax expense

Payable	4,128
Deferred	600
Net (expense)	4,728

3.4.2 Reconciliation between the recorded and the theoretical tax expense

Profit or loss	7,536	
Pretax Income	12,264	
Recorded tax expense	(4,728)	effective rate 38.55%
Theoretical tax charge	(3,547)	
Difference	(1,181)	
Tax on permanent differences	(64)	
Tax losses not previously capitalised	54	
Tax losses uncapitalised(*)	(577)	
Company value added contribution (CVAE) reclassified as tax	(596)	
Spread on the rates and other	2	
Total	(1,181)	

(*) The amount of uncapitalised losses due to the probability of non-recovery was €8,878K on 31 December 2020.

3.4.3 Tax consolidation (France)

PRECIA S.A. is the head company of the Group within the framework of the tax consolidation with PRECIA MOLEN Service S.A.S.

3.5 STATUTORY AUDITORS' FEES RECORDED

Audit fees	BM&A	Implid	AUDITORS OF SUBSIDIARIES
Auditing, certification, review of individual and consolidated accounts			
Issuer	26	26	-
Fully consolidated subsidiaries	10	10	42
Services other than certifying the accounts			
Other audit-related services	-	-	-
Other non-audit related services (1)	16	-	-
TOTAL	**51.5**	**35.5**	**42**

(1) Audit related to acquisitions and proposed acquisitions during the fiscal year.

4 | INFORMATION CONCERNING THE CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement is presented according to the indirect method, based on the net income of consolidated companies. It is calculated as follows:

	31/12/2020	31/12/2019
Net profit attributable to the consolidated group	7,536	6,922
Deduction of corporate tax	4,462	4,949
Deduction of dividend income	-	(4)
Deduction of interest income and expenses	163	168
Deduction of depreciation	7,069	6,374
Deduction of charges to and reversals of provisions for depreciation of current assets	(63)	(178)
Deduction of charges to and reversals of provisions for risks and charges	(274)	767
Deduction of gains and losses on disposal of assets	13	113
Deduction of foreign currency gains and losses on intra-group payables and receivables	687	(271)
Net result of the cash flow statement	**19,594**	**18,840**

Cash and equivalents consist of cash on hand less bank overdrafts.

	31/12/2020	31/12/2019
Cash and cash equivalents	31,314	24,724
Bank credit balances	(86)	(96)
CASH POSITION	**31,229**	**24,628**

5 | STATEMENT OF CERTIFICATION

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position and results of the company, and of all the companies included in the consolidation. I certify that the management report presents a true and fair view of the development of the business, the results, the financial situation of the company, and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

The Chairman of the Management Board
René COLOMBEL

2020

OTHER INFORMATION

ANNUAL FINANCIAL REPORT

OTHER INFORMATION

TEXT OF THE RESOLUTIONS
to be submitted to the Annual General Meeting on 17 June 2021

1 | FIRST RESOLUTION

Having reviewed the Management Board's report, the Supervisory Board's report provided for in Article L.225-68 of the French Commercial Code, and the Statutory Auditors' reports, the Shareholders' General Meeting approves the annual financial statements for the year ended 31 December 2020, as presented, as well as the transactions reflected in these financial statements and summarised in these reports.

Pursuant to Article 223 quatar of the General Tax Code, the GM approves the expenses and charges referred to in Article 39-4 of the said Code that amount to a total of €151,295.93 and gave rise to a tax of €42,362.86.

Consequently, the General Meeting gives the members of the Management Board discharge from their duties for the said fiscal year.

2 | SECOND RESOLUTION

Having reviewed the Group's management report and the statutory auditors' report, the General Meeting approves the consolidated financial statements as presented.

3 | THIRD RESOLUTION

The General Meeting approves the Management Board's proposal and decides to allocate the profit for the year ended 31 December 2020, amounting to €2,673,559.23, as follows:

- Profit for the year €2,673,559.23
- As dividends to the shareholders..................... €1,459,730.70
  i.e. €2.70 per share
- The balance of €1,213,828.53
  In full to the "other reserves" account

The dividend payment terms will be determined by the Management Board.

It is specified that this allocation takes into account the shares held by the Company on the date of the dividend payment that are not entitled to the dividend, the corresponding amounts being allocated to the "other reserves" account.

The General Meeting notes that the shareholders were informed that:

- Since 1 January 2018, distributed income has been subject to a single flat rate tax (PFU) of 30%, i.e. 12.8% for income tax and 17.2% for social security contributions;
- Individuals who belong to a tax household whose reference tax income for the penultimate year is less than €50,000 (single, divorced, or widowed taxpayers) or €75,000 (taxpayers subject to joint taxation) may apply for exemption from this levy. The request for exemption must be made, under the responsibility of the shareholder, no later than 30 November of the year preceding the dividend payment;
- It is still possible to opt for taxation of the dividend on the progressive scale. This is indicated on the tax return; in this case, the flat-rate deduction of 12.8% will be deducted from the tax owed. The 40% deduction will be maintained however social security contributions will be based on the amount prior to the deduction.

It is specified that the amount of income distributed in respect of the fiscal year ended 31 December 2020 eligible for the 40% deduction provided for in Article 158, 3-2 of the General Tax Code amounts to €1,459,730.70, i.e. all the dividends distributed.

Shareholders were also reminded that, in accordance with the provisions of Article L.136-7 of the Social Security Code, social security levies on dividends paid to individuals domiciled in France for tax purposes are subject to the same rules as the levy mentioned in Article 117 quatar of the General Tax Code. That is, they are withheld at source by the paying institution, if the latter is established in France, and paid to the Treasury within the first fifteen days of the month following the month of payment of the dividends.

In accordance with the law, the General Meeting notes that the dividends distributed in respect of the previous three fiscal years were as follows:

Year ended	Total distribution	Per share
31 December 2017	€1,320,856.80	€2.20
31 December 2018	€1,297,538.40	€2.40
31 December 2019	€648,938.40	€1.20

4 | FOURTH RESOLUTION

After having taken note of the statutory auditors' special report on the agreements referred to in Article L.225-86 of the French Commercial Code and ruling on this report, the General Meeting notes that the agreements concluded and authorised previously were continued and that no agreement referred to in Article L.225-86 of the said Code was concluded during the year.

5 | FIFTH RESOLUTION

The General Meeting, noting that the term of office of Mrs Alice Escharavil expires this day, decides to renew it for a period of six years, which will end at the close of the Ordinary General Meeting of shareholders to be held in 2027 to approve the financial statements for the year ending 31 December 2026.

6 | SIXTH RESOLUTION

The General Meeting sets the total annual amount of remuneration to be allocated to the members of the Supervisory Board at €8,000.
This decision shall apply for the current fiscal year and for subsequent fiscal years until a new decision is taken by the General Meeting.

7 | SEVENTH RESOLUTION

Pursuant to Article L.22-10-34 I of the French Commercial Code, after having reviewed the Supervisory Board's report on corporate governance that includes, in particular, the information relating to the compensation paid during the fiscal year 2020 or awarded during the same fiscal year to the Company's corporate officers in respect of their office, the Shareholders' General Meeting hereby approves the information referred to in I of Article L.22-10-9 of the French Commercial Code, as presented to the Shareholders' General Meeting in the above-mentioned report.

8 | EIGHTH RESOLUTION

The General Meeting, pursuant to Article L.22-10-34 II of the Commercial Code, having taken note of the Supervisory Board's report on corporate governance, approves the terms of the said report and approves the principles and criteria for determining, distributing, and allocating the fixed, variable, and exceptional components of the total remuneration and benefits of any kind that may be attributed to the directors by virtue of their corporate offices.

9 | NINTH RESOLUTION

On the proposal of the Management Board and in accordance with Articles L.225-10-62 et seq. and L.225-210 et seq. of the French Commercial Code, the General Meeting authorises the Management Board to acquire Company shares for a maximum amount of €10M within the limit of 10% of the share capital, i.e. 57,330 shares. This will be done under the following conditions:

Maximum purchase price per share: €250

These shares may be acquired on one or more occasions, by any means, including during a public offering, in compliance with the regulations in force in decreasing order of priority:

- Promotion of the share price by an investment service provider, subject to the implementation of a liquidity contract compliant with the AMAFI code of conduct, recognised by the French Financial Markets Authority;

- Their retention or transfer, by any means, in particular by exchange or sale of shares.

The implementation of this share buyback programme is subject to the prior distribution of the programme description in accordance with the regulations of the Financial Markets Authority.

If the shares are purchased to promote liquidity under the conditions defined by the general regulations of the Financial Markets Authority, the number of shares taken into account for calculating the 10% limit provided for above corresponds to the number of shares purchased, less the number of shares resold during the period of the authorisation.

This authorisation is granted for a period of eighteen (18) months as from this day. For the unexpired period, it cancels and replaces the authorisation granted by the General Meeting of 22 July 2020.

10 | TENTH RESOLUTION

The General Meeting gives full powers to the bearer of copies or extracts of these minutes to fulfil all legal formalities.

TEXT OF THE RESOLUTIONS

to be submitted to Extraordinary General Meeting on 17 June 2021

1 | FIRST RESOLUTION

The General Meeting, having heard the Management Board's report, decides to increase the share capital, currently amounting to €2,200,000, composed of 573,304 shares, by the sum of €666,520 to bring it to €2,866,520, by the direct incorporation into the capital of this sum, deducted in due proportion from the "other reserves" account.

This capital increase is realised by increasing the nominal value of the 573,304 shares, the number of shares of the Company remaining unchanged after the capital increase.

2 | SECOND RESOLUTION

The General Meeting, having heard the Management Board's report, decides to create a statutory par value for the Company's shares and to set it at €5 for the 573,304 shares in existence as of today's date.

The share capital is thus composed of 573,304 shares with a par value of €5.

3 | THIRD RESOLUTION

The General Meeting, having heard the Management Board's report and taking note of the preceding resolutions, decides to divide the nominal value of the shares by 10, from €5 to €0.50.

The share capital is thus composed of 5,733,040 shares with a par value of € 0.50.

The 5,159,736 shares created by the split of the par value of the 573,304 existing shares have the same nature and the same rights under the law and the articles of association as the shares from which they were created.

4 | FOURTH RESOLUTION

The General Assembly, as a consequence of adopting the previous resolutions, decides to amend Articles 6 and 7 of the articles of association as follows:

ARTICLE 6 - CONTRIBUTIONS
The following paragraph is added:
"Pursuant to a resolution of the Extraordinary General Meeting of 17 June 2021, the share capital was increased by the sum of €666,520 through the incorporation of reserves and an increase in the nominal value."

ARTICLE 7 - SHARE CAPITAL

"The share capital is set at TWO MILLION, EIGHT HUNDRED AND SIXTY THOUSAND, AND FIVE HUNDRED AND TWENTY EUROS (€2,866,520).

It is divided into 5,733,040 shares of €0.50 each, of the same class."

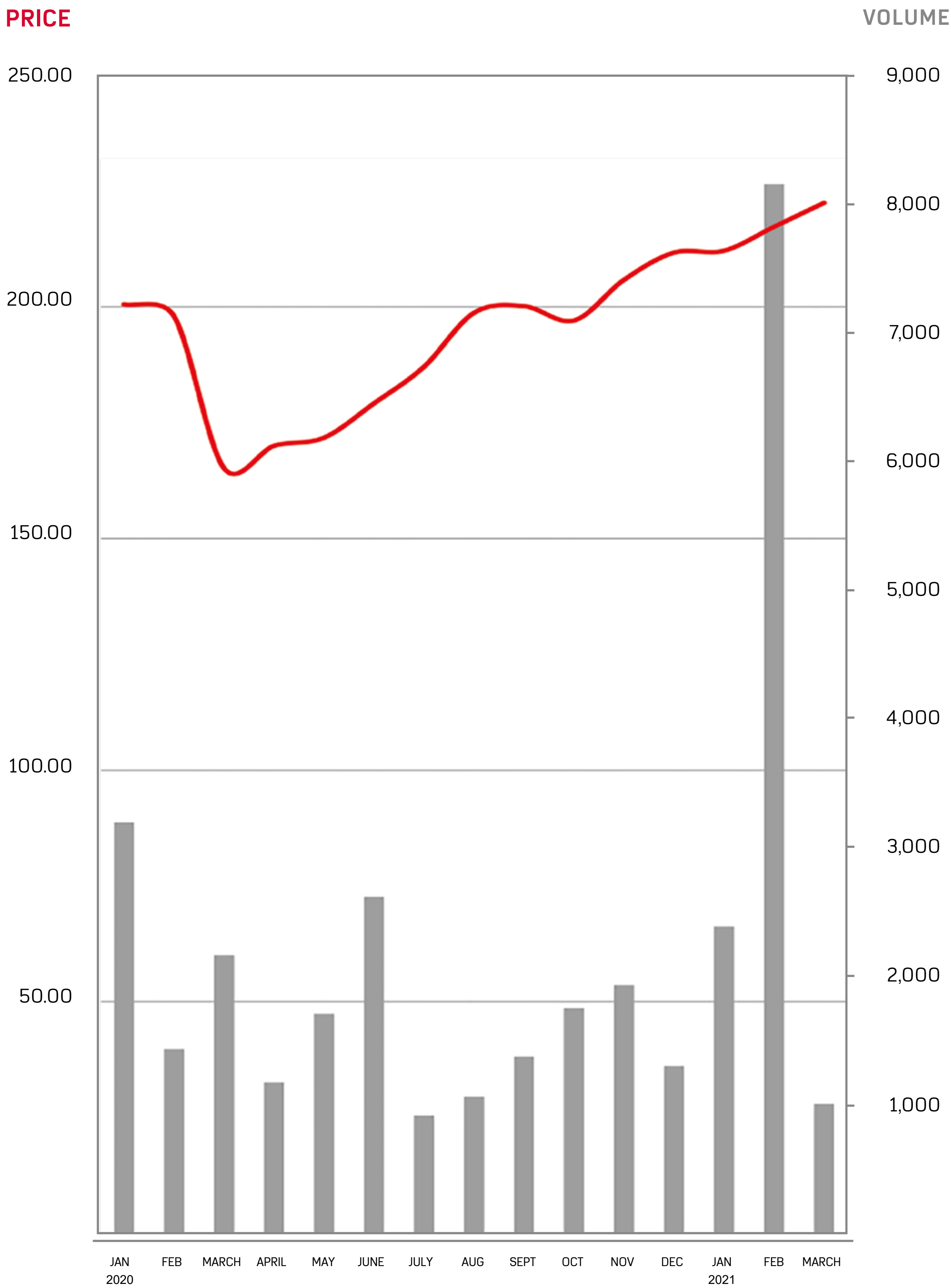
5 | FIFTH RESOLUTION

The General Meeting gives full powers to the bearer of copies or extracts of these minutes to fulfil all legal formalities.

SHARE PRICE
performance

AVERAGE CLOSING PRICE AND VOLUME (JANUARY 2020 - MARCH 2021)

In euros



	JAN 2020	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN 2021	FEB	MARCH
Average price (close)	201	198	165	170	172	179	187	199	200	197	206	212	212	217	222
Volume	3,195	1,434	2,162	1,173	1,707	2,616	916	1,064	1,374	1,752	1,929	1,301	2,385	8,154	1,007

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