SGm Magnetics UK Ltd
7451344

CONSOLIDATED ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE DEPOSITED IN ACCORDANCE WITH THE COMPANY CODE

NAME OF THE CONSOLIDATING ENTERPRISE: REWEST HOLDING

legal form: Société anonyme

Address: Avenue Jules Mathieu, 19
Postal code: 1400 City: Nivelles
Country: Belgium

Register of legal persons (RPM) - Commercial Court at Nivelles

Adresse Internet:

Company number BE 0825.347.264

CONSOLIDATED ANNUAL ACCOUNTS				
Financial year covering the period	from	*01/01/2019*	to	*31/12/2019*
Previous Period	from	*01/01/2018*	to	*31/12/2018*

COMPLETE list with name, first name, profession, residence address (address, number, postal code, municipality) of Directors or Managers of the consolidating company and auditors having controlled the accounts:

HAEGELSTEEN Didier
Avenue de l'écuyer 8
1640 Rhode St Genèse, Belgique
Managing Director
Mandat du 16/06/2015 au 15/06/2021

HAEGELSTEEN Philippe
Rue de Percke 112
1180 Bruxelles, Belgique
PRESIDENT OF THE BOARD
Mandat du 16/06/2015 au 15/06/2021

KD MANAGEMENT SPRL
BE 0889.396.859
Rue du Happart 4
1400 Nivelles
DIRECTOR
Mandat du 16/06/2015 au 15/06/2021

Represented by:
DEWÈRE Karin

SATURDAY
A9HBV9HU
A19 07/11/2020 #211
COMPANIES HOUSE

SAT
A9BYQ8ØP
A13 22/08/2020 #316

WED
A99UGPJK
A07 22/07/2020 #11
COMPANIES HOUSE

WED
A98D6203
A11 01/07/2020 #337
COMPANIES HOUSE

Suite page 1B

Are joined to the accounts:	Audit report Board of Directors report

Total number of pages deposited 27

COMPLETE list with name, first name, profession, residence address (address, number, postal code, municipality) of Directors or Managers of the consolidating company and auditors having controlled the accounts:

HAMER Philippe
Chemin de Bas Ransbeck 4
1380 Lasne
DIRECTOR
Mandat du 16/06/2015 au 15/06/2021

SFONDRINI Carlo
Via Boccaccio 4
20123 Milan
ITALIE
ADMINISTRATEUR
Mandat du 19/06/2018 au 15/06/2021

PwC REVISEURS D'ENTREPRISES SCCRL (B00009)
BE 0429.501.944
Woluwe Garden-Woluwedal 18
1932 Sint-Stevens-Woluwe, Belgique
AUDITOR
Représenté par:
Isabelle Rasmont (A1800)
Reviseur d'entreprises
Mandat du 20/06/2017 au 16/06/2020

1. CONSOLIDATED BALANCE SHEET

ASSETS

		December	2019	December	2018	Variation Montants
FIXED ASSETS	**20/28**		**19.944.763**		**23.475.085**	**-3.530.322**
I. Formation expenses	**20**		**951**		**1.268**	**-317**
II. Intangible assets	**21**		**2.161.049**		**2.189.691**	**-28.642**
III. Goodwill	**9920**		**8.291.907**		**9.642.073**	**-1.350.166**
IV. Tangible assets	**22/27**		**9.335.848**		**11.497.629**	**-2.161.781**
A. Land and buildings	22	7.412.456		7.824.913		-412.457
B. Plant, machinery and equipment	23	1.566.663		3.181.989		-1.615.326
C. Furniture and vehicles	24	318.836		453.406		-134.570
D. Leasing and other similar rights	25	37.894		37.322		572
E. Other tangible assets	26	0		0		0
F. Fixed assets in progress	27	0		0		0
V. Financial assets	**28**		**155.009**		**144.424**	**10.585**
A. Co. consolidated by the equity method	9921	0		0		0
1. Participating interest	99211	0		0		0
2. Amounts receivable	99212	0		0		0
B. Other companies	284/8	155.009		144.424		10.585
1. Shares	284	0		0		0
2. Amounts receivable	285/8	155.009		144.424		10.585
CURRENT ASSETS	**29/58**		**37.867.290**		**29.832.786**	**8.034.504**
VI. Amounts receivable after 1 year	29		**2.289.856**		**2.066.968**	**222.887**
A. Trade debtors	290	0		0		0
B. Other amounts receivable	291	0		0		0
C. Deffered tax	292	2.289.856		2.066.968		222.887
VII. Stocks and contracts in progress	**3**		**10.349.855**		**10.227.334**	**122.521**
A. Stocks	30/36	10.349.855		10.227.334		122.521
1. raw materials and consumabes	30/31	3.498.312		3.192.123		306.188
2. goods in progress	32	1.014.737		1.293.351		-278.614
3. Finished goods	33	3.857.603		3.499.222		358.381
4. Goods purchased for resale	34	1.979.203		2.242.637		-263.434
5. Real property for resale	35	0		0		0
6. Advanced payment	36	0		0		0
B. Contracts in progress	37		0	0		0
VIII. Amounts receivable within one year	**40/41**		**22.754.087**		**15.104.257**	**7.649.830**
A. Trade debtors	40	21.117.863		13.027.589		8.090.275
B. Other amounts receivable	41	1.636.224		2.076.668		-440.445
IX. Investments	**50/53**		**0**		**0**	**0**
A. Owned shares	50	0		0		0
B. Other investments	51/53	0		0		0
X. Cash at hte bank and in hand	**54/58**		**2.162.145**		**2.073.848**	**88.297**
XI. Deferred charges and accrued income	**490/1**		**311.347**		**360.378**	**-49.031**
TOTAL ASSETS	**20/58**		**57.812.053**		**53.307.871**	**4.504.183**

1. CONSOLIDATED BALANCE SHEET

LIABILITIES

		Décembre	2019	Décembre	2018	Variation montants
GROUP EQUITIES	10/15		5.065.478		5.237.686	-172.208
I. Capital	10		28.239.109		28.239.109	0
A. Called up capital	100	28.239.109		28.239.109		0
B.	101					0
II. Share premium account	11					0
III. Revaluation reserves	12		0		0	0
IV. Reserves	9910		-22.949.340		-23.127.317	177.977
V. Badwill	9911		33.371		33.371	0
VI. Cumulative translation adjustments	9912		-257.662		92.523	-350.185
VII. Grants	15					0
TOTAL EQUITIES GROUP & THIRD PARTIES			5.514.309		5.608.924	-94.614
VIII. Third parties interests	9913		448.831		371.237	77.594
IX. Provisions and deferred taxes	160/8		767.314		1.259.294	-491.979
A. Provisions for liabilities and charges	160	518.693		514.300		4.393
B. Tax provision	161	0		113.261		-113.261
C. Important repairs and important maintenance	162	0		0		0
D. Other risks and charges	163/5	0		436.681		-436.681
E. Deferred tax	168	248.621		195.051		53.570
DEBTS	17/49		51.530.429		46.439.653	5.090.776
X. Amounts payable after one year	17		17.477.664		18.150.245	-672.580
A. Financial debts	170/4		17.477.664		18.150.245	-672.580
1. Subordinated loans	170	14.055.551		13.572.520		483.031
2. Unsubordinated debentures	171	0		0		0
3. Leasing and other similar obligations	172	0		0		0
4. Credit institution	173	2.830.169		4.010.376		-1.180.206
5. Other loans	174	591.944		567.350		24.594
B. Trade debts	175					0
1. Suppliers	1750					0
2. Other trade debts	1751					0
C. Amounts received for orders	176					0
D. Other amounts payable	178/9					0
XI. Amounts payable within 1 year	42/48		32.643.991		27.455.451	5.188.540
A. Current portion of amounts payable after one	42	760.563		2.119.840		-1.359.276
B. Financial debts	43	8.807.246		8.812.754		-5.509
1. Credit institution	430/43	8.692.841		8.698.349		-5.509
2. Other loans	439	114.405		114.405		0
C. Trade debts	44	19.806.455		12.553.429		7.253.026
1. Suppliers	440/4	19.806.455		12.553.429		7.253.026
2. Other trade debts	441	0		0		0
D. Advanced received on contracts in progress	46	945.562		1.589.945		-644.383
E. Taxes, remuneration and social security	45	2.132.298		2.155.874		-23.575
1. Taxes	450/3	691.727		778.237		-86.510
2. Remuneration and social security	454/9	1.440.572		1.377.637		62.934
F. Other amounts payable	47/48	191.866		223.608		-31.742
XIII. Accrued charges and deferred income	492/3		1.408.774		833.957	574.817
TOTAL LIABILITIES	10/49		57.812.053		53.307.871	4.504.183

2. CONSOLIDATED PROFIT AND LOSS ACCOUNT

		2019	2018	Variation
OPERATING INCOME	**70/76**	**55.585.173**	**46.998.594**	**8.586.579**
A. Turnover	70	53.974.999	45.193.002	8.781.997
1. Belgique	001	80.178	31.322	48.856
2. Etranger	002	53.894.821	45.161.680	8.733.141
B. Variations in stocks of finished goods, work and contracts in progress	71	0	0	0
C. Capitalised production	72	993.007	764.840	228.167
D. Other operating income	74	600.774	1.040.752	-439.978
E. Non recurring operating income	76 A	16.393	39.891	
Operating expenses	**60/66A**	**53.813.282**	**53.981.232**	**-167.949**
A. Raw materials, consumables and goods for resale	60	27.870.621	25.056.045	2.814.576
1. Purchases	600/8	27.865.004	24.646.832	3.218.172
2. Increase, decrease in stocks	609	5.618	409.213	-403.596
B. Services and other goods	61	12.357.363	11.167.308	1.190.055
C. Remunerations, social security costs and pensions	62	10.842.141	9.529.155	1.312.986
D. Depreciation of and other amounts written off establishment costs, intangible and tangible fixed assets	630	1.633.100	2.140.172	-507.072
E. Increase, decrease in amounts written off stocks, contracts in progress and trade debtors	631/4	113.522	762.488	-648.966
F. Increase, decrease in provisions for liabilities and c	635/8	-446.708	455.695	-902.403
G. Other operating expenses	640/8	166.461	416.064	-249.603
H. Capitalised charges corresponding to formation expenses	649	0	0	0
Non recurring operating expenses	66A	1.276.781	4.454.303	-3.177.522
OPERATING RESULT	**9901**	**1.771.890**	**-6.982.638**	**8.754.528**

2. CONSOLIDATED PROFIT AND LOSS ACCOUNT
(continued)

		2019	2018	Variation
FINANCIAL INCOME	**75/76B**	**710.243**	**1.191.601**	**-481.358**
Recurring financial income	75	708.834	1.191.601	-482.767
A. Income from financial fixed assets	750	3.336	0	3.336
B. Income from current assets	751	28.795	35.891	-7.096
C. Other financial income	752/9	676.702	1.155.710	-479.008
Non recurring financial income	76B	1.409	39.891	-38.482
FINANCIAL EXPENSES	**65/66B**	**2.225.233**	**2.719.741**	**-494.508**
Recurring financial expenses	**65**	**2.225.233**	**2.719.741**	**-494.508**
A. Interests	650	472.353	747.827	-275.474
B. Increase, decrease in amounts written off current assets	651	0	0	0
C. Other financial expenses	652/9	402.713	556.203	-153.490
D. Depreciation of goodwill	**9961**	1.350.166	1.415.710	-65.544
Non recurring financial expenses	**66B**	0	0	0
CURRENT RESULT OF THE CONSOLIDATED COMPANIES BEFORE INCOME TAX	**9903**	**256.900**	**-8.510.779**	**8.767.679**
TRANSFERS TO AND FROM DEFERRED TAX		**-137.040**	**-1.453.273**	**1.316.233**
A.Transfers to deferred tax	**680**	184.692	-1.416.018	1.600.710
B. Transfers from deferred tax	**780**	321.732	37.255	284.477
INCOME TAXES	**67/77**	**149.103**	**220.607**	**-71.504**
A. Taxes	670/3	352.823	431.548	-78.725
B. Adjustment of taxes and release of tax provisions	77	203.719	210.940	-7.221
CONSOLIDATED RESULT AFTER TAX	**9904**	**244.837**	**-7.278.113**	**7.522.950**
RESULT OF COMPANIES CONSOLIDATED BY EQUITY METHOD	**9975**	**0**	**0**	**0**
CONSOLIDATED RESULT	**9976**	**244.837**	**-7.278.113**	**7.522.950**
RESULT OF THIRD PARTIES	**99761**	**66.861**	**162.999**	**-96.138**
RESULT OF THE GROUP	**99762**	**177.977**	**-7.441.112**	**7.619.089**

3. EXPLANATORY DISCLOSURES CONSOLIDATED ANNUAL ACCOUNTS

I. LIST OF CONSOLIDATED SUBSIDIARIY COMPANIES AND COMPANIES INCLUDED USING THE EQUITY METHOD

NAME, full address of the REGISTERED OFFICE, and COMPANY NUMBER	Method used	Proportion of capitial held	Change of Percentage of capital held (as compared to the previous period)
REWEST Holding SA Chaussée de Nivelles, 167 -7181 Arquennes NN : 0825.347.264 Belgique	G	100,00%	
DPM Holding SA Chaussée de Nivelles, 167 -7181 Arquennes NN : 0806.292.110 Belgique	G	100,00%	
SGM Magnetics SA Chaussée de Nivelles, 167 -7181 Arquennes N° TVA : 0408.406.721 Belgique	G	99,9923%	
SGM Magnetics Spa Via Leno, 2/D, 25025 Manerbio (Brescia) Italie	G	99,9923%	
IRIS Ambiente srl Viale dell'industria,20 - Conselve (PD) 35026 Italie	G	75,0000%	
DAM srl Via delle Schiavane, 4 25080 Muscoline (BS) Italie	G	75,0000%	
SGM Magnetics GmbH Zedenweg 9, 52076 Aachen Allemagne	G	99,9923%	
SGM Magnetics UK Ltd Unit 2 Mercian Park Felspar Road Tamworth, BP77 4D, Royaume Uni	G	99,9923%	
SGM MAGNETICS Corporation 1024 Route 519, suite 200, PA 15330 Eighty Four U.S.A.	G	99,9923%	
SGM India PVT Ltd 3-5-823, Hyderabad Business Centre, 4th Floor, F-9 Hyderguda, Hyderabad-500 059 Inde	G	99,9923%	
MICRO FINES RECYCLING OWEGO One recycle Drive Tioga industrial Park OWEGO, NY 13827-3213 U.S.A.	G	99,9923%	
SGM (CHINA) TECHNOLOGY Co, Ltd E1-1001 Yuan Chenxin Office Building N°12, Yumin Road, Chaoyang District Beijing, 10029 China	G	99,9923%	

SGM Magnetics UK Limited is claiming exemption from audit under section 479a of the Companies Act 2006

II. List of subsidiaries non consolidated as per provision 107 of Royal Decree dated January 30th 2001

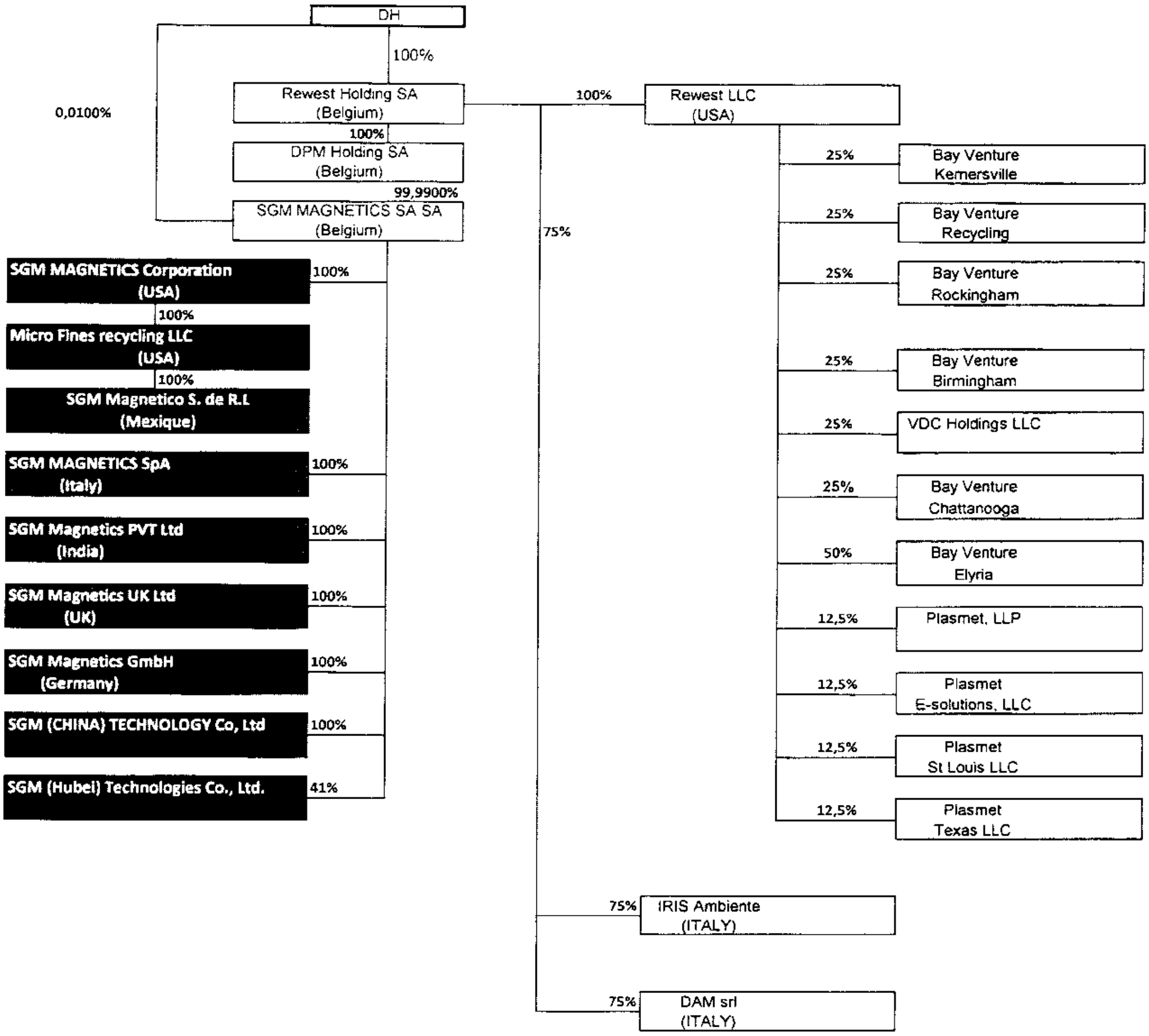
NAME, full address of the REGISTERED OFFICE, and COMPANY NUMBER	Reason of exclusion	Proportion of capital held	Change of Percentage of capital held (as compared to the previous period)
SGM (Hubei) Technologies Co., Ltd. No.2-6, Longxi Road, Xiling District Yichang City	P	41,00%	41,00%
Rewest LLC 1024 Route 519 - Suite 200 Eighty Four, PA 15330 - USA	C	100,00%	0,00%
Bay Venture Kernersville 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture Recycling 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture Birmingham 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture Rockingham 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture VDC Holding LLC 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture Chattanooga 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	25,00%	0,00%
Bay Venture Elyria 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	50,00%	0,00%
Plasmet LLP 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	12,50%	0,00%
Plasmet e-solutions, LLC 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	12,50%	0,00%
Plasmet St Louis, LLC 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	12,50%	0,00%
Plasmet Texas, LLC 3465 Hamilton Boulevard SW Atlanta, GA 30354 - USA	C	12,50%	0,00%
SGM Magnetico S. de R.L. Rio Lerma 1850-1 Col.Mitras Centro, CP64460 Monterrey, Nuevo Leon, Mexico	C	99,9923%	0,0000%

C= Information necessary for the inclusion of the subsidiary in the consolidation impossible to obtain without disproportionated costs or delay

III. Other companies

NAME, full address of the REGISTERED OFFICE, and COMPANY NUMBER	Proportion of capitlal held	
NIHIL		

SGM GROUP December 2018



V. CONSOLIDATED CRITERIA AND CHANGES IN THE CONSOLIDATION SCOPE

A. Information and the criteria governing the application of full consolidation, proportional consolidation and the equity method as well as those cases in which those criteria are departed from and justification of such departures (persuant to Article 135 I de the Royal Decree of 30 January 2001 in implementation of the Company Code

The consolidation method used by the Board of Directors is the global integration

SGM (Hubei) Technologies Co. Ltd, incorporated in january 2019 and held by 41% by SGM Magnetics SA is consolidated proportionally as Rewest Holding SA is controling this subsidiray jointly with a Chinese partner Yichang Lidi (Hubei) Environmental protection Technology Co.,Ltd.

Rewest Holding is controling directly DAM srl and IRIS Ambiente srl, two italian companies held by 75 %

Rewest Holding controls SGM Magnetics SA and its subsidiaries through its subsidiary DPM Holding SA, that is holding détient 99,923% in SGM magnetics SA
As at December 31st 2019, SGM Magnetics SA holds directly or indirectly the following participations :

	% Intérêt
SGM Magnetics SPA	100,00%
SGM Magnetics GmbH	100,00%
X SGM Magnetics UK Ltd	100,00%
SGM MAGNETICS CORPORATION	100,00%
MICRO FINES RECYCLING OWEGO	100,00%
SGM Magnetics Pvt, Ltd (India)	100,00%
SGM (CHINA) TECHNOLOGY Co, Ltd	100,00%
SGM (Hubei) Technologies Co., Ltd.	41,00%

B. Information which makes a comparison meaningfull with the consolidated annual accounts of the previous financial period in case the composition of the consolidated aggregate in the course of the current financial period has changed significantly (persuant to Article 112 of aforementioned Royal Decree)
Nihil

Following entities have been sold during the current period
Nihil

Subsidiaries non consolidated persuant to Article 107 of Royal Decree Janaury 30th 2001
During the last periods, Rewest Holding LLC has not been in a position to collect the necessary financial information in order to prepare its financial statements
Indeed, its financial statement should have shown, by equity method, the participations it has in all its subsidiaries
Facing this situation, the Board of Directors has not been able to include Rewest LLC and its subsidiaries in the perimeter of consolidation

X SGM Magnetics UK Limited is claiming exemption from audit under section 479a of the Companies Act 2006

VI. Valuation Rules

Assets, Liabilities and rights and off-balance sheet commitments are recognized according to belgian GAAP.

Intangible and tangible fixed assets are recorded at costs and depreciated utilizing primarily the straight-line method of depreciation. Depreciation is calculated utilizing the following useful lives :

Intangible fixed assets	20%
Research before January 1st 2016 and development	20%
Research costs incurred after January 1st 2016	100%
Goodwill - consolidation difference	10%
Buildings	4%
Production machinery	20%
Office equipment	10%
Computers - hardware	33%
Vehicles	20%

The Board of Directors decides to depreciate the aquisition goodwill over a period of 10 years for the following reasons :

1. Permanent nature of the investments made by the Group in the acquired subsidiaries

2. Industrial sectors in which the Group operates (heavy industry, metal fabrications)

3. Nature of the products marketed by the Group and their lifespan.

Receivables and debts are recorded at their nominal value.

The balance sheets of foreign companies are translated into EUR at year-end exchange rates. Income statements are translated at the average rate for the year.
Corresponding translation adjustments have been incorporated in equity.

Assets and liabilities denominated in currencies other than those used for the preparation of the consolidated financial statements are translated at the year-end exchange rate.

Inventories are recorded at their cost price.
Appropriate write-downs are recognized in the event of obsolescence.

Deferred taxes are calculated on:
- revaluation gains on properties
- consolidation restatements relating to differences in valuation rules relating to depreciation;
- provisions for obsolescence of stock or for additional charges;
- elimination of margins on inventories from group companies.

B. Future taxation and deferred taxes

	Codes	Montants	
- Analysis of Heading 168 of the liabilities	*168*		**248.621**
. Future taxation (persuant to article 76 of Royal Decree)	*1681*	248.621	
. Deferred Taxes (persuant to article 129 of Royal Decree)	*1682*		

VII. STATEMENT OF FORMATION EXPENSES

		FORMATION EXPENSES
Net book value at the end of the period	8001	1.268
Movements during the period		
Nex expenses incurred	8002	0
Depreciation	8003	-317
Variation of Perimeter	9980	0
Translation differences	8004	0
other movements	8004	0
Net book value at the end of the period		951
of which : incorporation or capital increase expenses	200	
Frais d'émission d'emprunts	201	
rimboursment premium	202	
Other formation expenses	203	
restructuring costs	204	

VIII. CONCESSIONS, PATENTS, LICENCES, KNOWHOW, BRANDS, AND SIMILAR RIGHTS

		RESEARCH AND DEVELOPMENT	CONCESSIONS PATENTS LICENCES	GOODWILL	DOWNPAYMENT	TOTAL
Net book value		**210000**	**211000**	**212000**	**213000**	
At the end of previous period	801	3.902.081	2.271.515	283.352	0	6.456.947
Acquisitions including produced fixed assets	802	993.007	67.049	0	0	1.060.056
Sales and disposals	803	0	-64.929	0	0	-64.929
Transfers from one heading to another	804	0	0	0	0	0
Variation of Perimeter	9982	0	0	0	0	0
Translation differences	9981	8	0	0	0	8
other movements	9982	0	0	0	0	0
Acquisition value at the end of the period	**805**	**4.895.096**	**2.273.634**	**283.352**	**0**	**7.452.082**
Depreciation and amounts written down		**210900**	**211900**	**212900**	**213900**	
At the end of previous period	806	2.035.894	2.045.872	185.490	0	4.267.256
Recorded	807	966.950	65.212	13.980	0	1.046.142
Written back	808	0	0	0	0	0
Cancelled	810	0	-22.366	0	0	-22.366
Acquired from third parties	809	0	0	0	0	0
Transferred from one heading to another	811	0	0	0	0	0
Variation of Perimeter	9984	0	0	0	0	0
Translation differences	9983	1	0	0	0	1
other movements	9983	0	0	0	0	0
Depreciation and amounts written down at the end of the period	**812**	**3.002.846**	**2.088.718**	**199.470**	**0**	**5.291.033**
NET BOOK VALUE AT THE END OF THE PERIOD	**813**	**1.892.251**	**184.916**	**83.882**	**0**	**2.161.049**

IX. STATEMENT OF TANGIBLE FIXED ASSETS

		Terrains et Constructions	Machines et Outillages	Mobilier et Matériel Roulant
Net book value		220000 221000	230000	240000 246000
At the end of previous period	815	5.419.786	11.260.079	1.786.189
Acquisitions including produced fixed assets	816	264.356	429.168	77.900
Sales and disposals	817	-116.335	-6.868.721	-94.486
Transfers from one heading to another	818	-749.729	798.532	-48.803
Variation of Perimeter	9986	0	0	5.866
Translation differences	9985	16.658	152.877	5.647
other movements	9986	0	0	0
Acquisition value at the end of the period	**819**	**4.834.736**	**5.771.934**	**1.732.313**
Reevaluation surpluses		220800 221800	230800	240800 246800
At the end of previous period	820	7.191.235	0	0
Recorded	821	0	0	0
Cancelled	823	0	0	0
Acquired from third parties	822	0	0	0
Transferred from one heading to another	824	0	0	0
Variation of Perimeter	9988	0	0	0
Translation differences	9987	0	0	0
other movements	9988	0	0	0
Reevaluation surpluses at the end of the period	**825**	**7.191.235**	**0**	**0**
Depreciation and amounts written down		220900 221900	230900	240900 246900
At the end of previous period	826	4.786.108	8.078.090	1.332.783
Recorded	827	-158.538	1.075.053	138.745
Written back	828	0	0	0
Cancelled	830	0	-5.095.321	-53.714
Acquired from third parties	829	0	0	0
Transferred from one heading to another	831	-27.747	35.068	-7.320
Variation of Perimeter	9990	0	0	0
Translation differences	9989	13.693	112.382	2.983
other movements	9990	0	0	0
Depreciation and amounts written down at the end of the period	**833**	**4.613.516**	**4.205.271**	**1.413.477**
NET BOOK VALUE AT THE END OF THE PERIOD		**7.412.456**	**1.566.663**	**318.836**

IX. STATEMENT OF TANGIBLE FIXED ASSETS

		Location-Financement et Droits Similaires	Autres Immobilisations Corporelles	Immobil. en Cours et Acomptes Versés
Net book value		**250000**	**260000**	**270000**
At the end of previous period	815	66.939	0	0
Acquisitions including produced fixed assets	816	4.914	0	0
Sales and disposals	817	0	0	0
Transfers from one heading to another	818	0	0	0
Variation of Perimeter	9986	0	0	0
Translation differences	9985	0	0	0
other movements	9986	0	0	0
Acquisition value at the end of the period	**819**	**71.853**	**0**	**0**
Reevaluation surpluses		**250800**	**260800**	**270800**
At the end of previous period	820	0	0	0
Recorded	821	0	0	0
Cancelled	823	0	0	0
Acquired from third parties	822	0	0	0
Transferred from one heading to another	824	0	0	0
Variation of Perimeter	9988	0	0	0
Translation differences	9987	0	0	0
other movements	9988	0	0	0
Reevaluation surpluses at the end of the period	**825**	**0**	**0**	**0**
Depreciation and amounts written down		**250900**	**260900**	**270900**
At the end of previous period	826	29.617	0	0
Recorded	827	4.342	0	0
Written back	828	0	0	0
Cancelled	830	0	0	0
Acquired from third parties	829	0	0	0
Transferred from one heading to another	831	0	0	0
Variation of Perimeter	9990	0	0	0
Translation differences	9989	0	0	0
other movements	9990	0	0	0
Depreciation and amounts written down at the end of th	**833**	**33.959**	**0**	**0**
NET BOOK VALUE AT THE END OF THE PERIOD		**37.894**	**0**	**0**

X. STATEMENT OF FINANCIAL FIXED ASSETS

1. Participations

	Codes	EQUITY METHOD	OTHER	Total
ACQUISITION VALUE				
At the end of previous period	**835**	**0**	**0**	**0**
Acquisitions	836	0	0	0
Sales and disposals	837	0	0	0
Transfers from one heading to another	838	0	0	0
Resulsts of the year		0	0	0
Dividends paid		0	0	0
variation of perimeter		0	0	
Translation differences	9991	0	0	0
At the end of the period	**839**	**0**	**0**	**0**
Movement in capital and reserves of the enterprises accounted for using equity method	**9994**	0		0
Share in the result of the financial period	99941			0
Elimination of Dividends regarding those participating interests	99942			0
other movements in the capital and reserves	99943			0
NET BOOK VALUE AT THE END OF THE PERIOD	**856**	0	0	0

2. Amounts receivables

	Codes	EQUITY METHOD	OTHER	Total
NET BOOK VALUE AT THE END OF THE PERIOD	**857**		**144.424**	**144.424**
Additions	858			0
Repayments	859		10.585	10.585
Amounts written down	860			0
Amounts written back	861			0
Translation differences	9995			0
Other	863			0
NET BOOK VALUE AT THE END OF THE PERIOD	**864**	0	**155.009**	**155.009**
ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNT REVEIVABLE AT THE END OF THE PERIOD	**865**			

XI. STATEMENT OF CONSOLIDATED RESERVES

	Codes	Montants
CONSOLIDATED RESERVES AT THE END OF THE PERIOD	99001	-23.127.317
Movements during the period		
Shares of the group in the consolidated income	99002	177.977
Other Movements	99003	0
CONSOLIDATED RESERVES AT THE END OF THE PERIOD	99004	-22.949.340

XII. STATEMENT OF CONSOLIDATION DIFFERENCES AND DIFFERENCES RESULTING FROM THE APPLICATION OF THE EQUITY METHOD

	Codes	consolidation differences		Application of the equity method	
		1. Positive	2. Négative	3. Positive	4. Négative
NET BOOK VALUE AT THE END OF THE PERIOD	9901	9.642.073	33.371		
Movements during the period		0			
Arising from an increase of the percentage held	9902	0	0		
Arising from a decrease of the percentage held	9903	0			
Write-downs	9904	-1.350.166			
Differences transferred to the income statements	9905				
Other movements	9906		0		
NET BOOK VALUE AT THE END OF THE PERIOD	9907	8.291.907	33.371	0	

XIII. STATEMENT OF AMOUNTS PAYABLE

A. ANALYSIS OF THE AMOUNTS ORIGINALLY PAYABLE AFTER ONE YEAR ACCORDING TO THEIR RESIDUAL TERM

	Codes	Amounts payable		
		1. falling due within one year	**2. after more than one year, between one and five year**	**3. after more than one year, over five years**
		(code 42)	(code 17)	
FINANCIAL DEBTS	**880**	**760.563**	**3.422.113**	**14.055.551**
1. Subordinated loans	881	0	0	14.055.551
2. Unsubordinanted debentures	882	0	0	0
3. Leasing and other similar debts	883	0	0	0
4. Credit institutions	884	760.563	2.830.169	0
5. Other loans	885	0	591.944	0
TRADE DEBTS	**886**	**0**	0	**0**
1. Suppliers	887			
2. Bills of exchanges payable	888			
ADVANCE PAYMENTS RECEIVED ON CONTRACTS IN PROGRESS	**889**	0		
OTHER AMOUNTS PAYABLE	**890**			
	891	**760.563**	**3.422.113**	**14.055.551**

B. AMOUNTS PAYABLE,OR PORTION THEREOF,WHICH GUARENTEED BY REAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED ON THE ASSETS OF THE ENTERPRISES INCLUDED IN THE CONSOLIDATION

(included in codes 17 & 42/48 of liabilities)

	Codes	**Period**
FINANCIAL DEBTS	*8922*	**4.044.702**
1. Subordinated loans	*8932*	
2. Unsubordinanted debentures	*8942*	
3. Leasing and other similar debts	*8952*	
4. Credit institutions	*8962*	4.044.702
5. Other loans	*8972*	
TRADE DEBTS	*8982*	
1. Suppliers	*8992*	
2. Bills of exchanges payable	*9002*	
ADVANCE PAYMENTS RECEIVED ON CONTRACTS IN PROGRESS	*9012*	
Taxes, remuneration and social security payable	*9022*	
1. Taxes	*9032*	
2. Remuneration and social security	*9042*	
Othe amounts payable	*9052*	
TOTAL	*9062*	

XIV. RESULTS

		Codes	Period	Previous period
A.	**NET TURNOVER**		**53.974.999**	**45.193.002**
A1.	Aggregate turnover of the group out of Belgium		53.894.821	45.193.002
A2.	Aggregate turnover of the group in Belgium	*99083*	80.178	0
B.	**AVERAGE NUMBER OF PERSONS EMPLOYED (IN UNITS) AND PERSONNEL CHARGES**			
B1.	**Consolidated enterprises and fully consolidated enterprises**	*90901*	159	148
B11.	**Average number of persons employed**			
	Workers	*90911*	53	51
	Employees	*90921*	99	94
	Management personnel	*90931*	7	3
	Other	*90941*		
B12.	**Personnel costs**			
	Remuneration, social security costs	*99621*	10.842.141	9.529.155
	Pensions	*99622*		0
B13.	**Average number of persons employed in Belgium by the enterprises concerned**	*99081*	1,0	1,8
B2.	**Proportinnaly consolidated enterprises**			
B21.	**Average number of persons employed**	*90902*		
	Workers	*90912*		
	Employees	*90922*		
	Management personnel	*90932*		
	Other	*90942*		
B22.	**Personnel costs**			
	Remuneration, social security costs	*99623*		
	Pensions	*99624*		
B23.	**Average number of persons employed in Belgium by the enterprises concerned**	*99082*		

		Period	Previous period
NON-RECURRING INCOME			
Non-recurring operating income			
Write-back of depreciation and of amounts written off intangible and tangible fixed assets			
Write-back of amounts written off consolidation differences			
Write-back of provisions for extraordinary operating liabilities and charges		14.753	
Capital gains on disposal of intangible and tangible fixed assets		1.639	34.093
Other non-recurring operating income			
of which			
Non recurring financial income			
Write-back of amounts written off financial fixed assets		1.409	0
Write-back of provisions for extraordinary financial liabilities and charges		0	0
Capital gains on disposal of financial fixed assets		0	0
Other non-recurring financial income		0	0
of which			
NON-RECURRING EXPENSES			
Non recurring operating charges			
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets		408.791	4.278.095
Amounts written off positive consolidation differences			
Provisions for extraordinary operating liabilities and charges : Appropriations (uses)	(+)/(-)	5.456	0
Capital losses on disposal of intangible and tangible fixed assets		568.385	176.209
Other non-recurring operating expenses		294.149	0
of which			
Non-recurring operating charges carried to assets as restructuring costs	(-)		
Non recurring financial charges		0	0
Amounts written off financial fixed assets		0	0
Provisions for extraordinary financial liabilities and charges : Appropriations (uses)	(+)/(-)	0	0
Capital losses on disposal of financial fixed assets		0	0
Other non-recurring financial expenses			
of which			
Non-recurring financial charges carried to assets as restructuring costs	(-)		
Negative consolidation differences carried to results	(-)		

INCOME TAXES	Codes	Period	Previous period
Difference between taxes and taxes paid on the consolidated income statement for the period and the previous period, provided that the difference is material for the purpose of paying future taxes	99084	-137.040	-1.453.273
Impact of non-recurring results on the income taxes for the period	99085		

XV. RIGHTS AND OFF BALANCE SHEET COMMITMENTS

	Codes	Exercice
A. 1. Personal guarantees given or irrevocably promised by the enterprises as security for debts and commitments of third parties	9149	0
2. Amounts od real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments:		
. of enterprises included in the consolidation - amount of the pledge in principal, acce accessories excluded	99086	11.475.000
. of third parties	99087	
3. Amounts of goods and values, held by third parties, in their own name but at risk to and for the benefitnof the enterprises included in the consolidation not reflected	9217	
4. a) Substantial commitment to acquire fixed assets	9218	
b) Substantiel commitment to dispose fixed assets	9219	
5. a) Rights from transactions:		
. To interest rates	99088	
. To exchange rates	99089	
. To prices of raw material or goods purchased for resale	99090	
. To other similar transactions	99091	
b) Commitments from transactions:		
. To interest rates	99092	
. To exchange rates	99093	
. To prices of raw material or goods purchased for resale	99094	
. To other similar transactions	99095	

B. Commitments relating to tecchical guarantees in respect of sales and services
NIHIL

C. AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS:

I. Bank performance bonds	6.526.493	EUR
II. Mortgage mandates or business assets mandates	1.690.000	EUR

Garanties données par SGM GantrySPA	549.379,37
Garanties données par SGM GmbH	163.913,85
Garanties données par DPM Holding en CNY	74.421,96
Garanties données par DPM Holding en USD	4.168.862,38
Garanties données par DAM srl	597142,97
Garanties données par Iris Ambiente	972772,64

XVI. RELATIONS WITH RELATED COMPANIES AND COMPANIES WITH WHICH THERE IS A LINK OF PARTICIPATION NOT INCLUDED IN CONSOLIDATION

	codes	Period	previous period
RELATED COMPANIES			
Financial fixed assets			
Participations	9261		
receivables	9291		
More than a year	9301	-	
A year or less	9311		
Investments	9321		
Shares	9331		
receivables	9341		
Liabilities	9351		
More than a year	9361		
A year or less	9371		
Personal and actual guarantees made or irrevocably promised by the company for security of debts or liabilities of related companies	9381		
Other significant commitments	9401		
Financial results			
Revenues on Financial fixed assets	9421		
Revenues on current assets	9431		
Other financial products	9441		
Debt charges	9461		
Other financial charges	9471		
COMPANIES WITH WHICH THERE IS A LINK OF PARTICIPATION			
Financial fixed assets			
Participations	9262		
receivables			
More than a year	9292		
A year or less	9302		
Investments	9352		
Shares	9362		
receivables	9372		

XVI. RELATIONS WITH RELATED COMPANIES AND COMPANIES WITH WHICH THERE IS A LINK OF PARTICIPATION NOT INCLUDED IN CONSOLIDATION

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XVII. A. FINANCIAL RELATIONSHIPS WITH DIRECTORS OR MANAGERS OF THE CONSOLIDATED ENTERPRISES

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XVII. B. FINANCIAL RELATIONSHIP WITH AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Exercice
1. 1 Auditors fees according to a mandate at the group level, led by the company publishing the information	*9507*	58.800
1.2. Fees for exceptional services or special missions executed in these group by auditor		
a. Other certification missions	*95061*	0
b. Tax consultancy	*95062*	
c. Other missions external to the audit	*95063*	
2. Fees to people auditors are linked to according to the mandate at the group level led by company publishing the		
2.1. Auditors fees	*9509*	21.000
2.1. Fees for exceptional services or special missions executed in these group by auditor		
a. Other certification missions	*95081*	
b. Tax consultancy	*95092*	
c. Other missions external to the audit	*95083*	

XVIII. DERIVATIVE FINANCIAL INSTRUMENTS NOT VALUED AT THE RIGHT VALUE

If applicable, estimate the fair value of each category of derivative financial instruments not measured at fair value in the accounts, with details of the nature and volume of the instruments

		Amounts
Interest rate swap		
notionel	3.300.000	-18.040
Interest rate swap		
notionel	382.500	-5.896
Interest rate swap		
notionel	1.147.500	-7.375

Sint-Stevens-Woluwe, le 16 juin 2020

Aux Actionnaires
de Rewest Holding SA
Nivelles

RAPPORT DU COMMISSAIRE A L'ASSEMBLEE GENERALE DES ACTIONNAIRES DE REWEST HOLDING SA SUR LES COMPTES CONSOLIDES POUR L'EXERCICE CLOS LE 31 DECEMBRE 2019

Dans le cadre du contrôle légal des comptes consolidés de Rewest Holding SA (la « Société ») et de ses filiales (conjointement « le Groupe »), nous vous présentons notre rapport du Commissaire. Celui-ci inclut notre rapport sur les comptes consolidés ainsi que les autres obligations légales et réglementaires. Ce tout constitue un ensemble et est inséparable.

Nous avons été nommés en tant que Commissaire par l'Assemblée Générale du 20 juin 2017, conformément à la proposition du Conseil d'administration. Notre mandat de Commissaire viendra à échéance à la date de l'Assemblée Générale délibérant sur les comptes annuels de l'exercice clos au 31 décembre 2019. Nous avons exercé le contrôle légal des comptes consolidés de la Société durant neuf exercices consécutifs.

Rapport sur les comptes consolidés

Opinion sans réserve

Nous avons procédé au contrôle légal des comptes consolidés du Groupe, comprenant le bilan consolidé au 31 décembre 2019, ainsi que le compte de résultats consolidé pour l'exercice clos à cette date et l'annexe. Ces comptes consolidés font état d'un total du bilan consolidé qui s'élève à EUR 57.812.053 et d'un compte de résultats consolidé qui se solde par un bénéfice consolidé de l'exercice, part du groupe de EUR 177.977.

A notre avis, ces comptes consolidés donnent une image fidèle du patrimoine et de la situation financière du Groupe au 31 décembre 2019, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique.

Fondement de l'opinion sans réserve

Nous avons effectué notre audit selon les Normes internationales d'audit (« ISA ») telles qu'applicables en Belgique. Par ailleurs, nous avons appliqué les normes internationales d'audit approuvées par l'IAASB et applicables à la date de clôture et non encore approuvées au niveau national. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section « *Responsabilités du Commissaire relatives à l'audit des comptes consolidés* » du présent rapport. Nous nous sommes conformés à toutes les exigences déontologiques qui s'appliquent à l'audit des comptes consolidés en Belgique, en ce compris celles concernant l'indépendance.

Nous avons obtenu du Conseil d'administration et des préposés de la Société, les explications et informations requises pour notre audit.

Nous estimons que les éléments probants que nous avons recueillis sont suffisants et appropriés pour fonder notre opinion.

Observation - Evénement postérieur à la date de clôture de l'exercice

En ce qui concerne la pandémie du COVID-19, nous attirons l'attention sur le point « Les perspectives 2020 du groupe REWEST » du rapport de gestion et sur l'annexe libre des comptes consolidés.
Le Conseil d'administration y émet son avis que, bien que les conséquences de cette pandémie pourraient avoir un impact sur les activités du Groupe en 2020, ces conséquences n'ont pas d'effet significatif sur la situation financière du Groupe pour l'exercice clos au 31 décembre 2019. Notre opinion ne comporte pas de réserve concernant ce point.

Responsabilités du Conseil d'administration relatives à l'établissement des comptes consolidés

Le Conseil d'administration est responsable de l'établissement des comptes consolidés donnant une image fidèle conformément au référentiel comptable applicable en Belgique, ainsi que du contrôle interne qu'il estime nécessaire à l'établissement de comptes consolidés ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes consolidés, il incombe au Conseil d'administration d'évaluer la capacité du Groupe à poursuivre son exploitation, de fournir, le cas échéant, des informations relatives à la continuité d'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si le Conseil d'administration a l'intention de mettre le Groupe en liquidation ou de cesser ses activités, ou s'il ne peut envisager une solution alternative réaliste.

Responsabilités du Commissaire relatives à l'audit des comptes consolidés

Nos objectifs sont d'obtenir l'assurance raisonnable que les comptes consolidés pris dans leur ensemble ne comportent pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, et d'émettre un rapport du Commissaire comprenant notre opinion. Une assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes « ISA » permette de toujours détecter toute anomalie significative existante. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes consolidés prennent en se fondant sur ceux-ci.

Lors de l'exécution de notre contrôle, nous respectons le cadre légal, réglementaire et normatif qui s'applique à l'audit des comptes consolidés en Belgique. L'étendue du contrôle légal des comptes ne comprend pas d'assurance quant à la viabilité future du Groupe ni quant à l'efficience ou l'efficacité avec laquelle le Conseil d'administration a mené ou mènera les affaires du Groupe.

Dans le cadre d'un audit réalisé conformément aux normes « ISA » et tout au long de celui-ci, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique. En outre:

- Nous identifions et évaluons les risques que les comptes consolidés comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs. Nous définissons et mettons en œuvre des procédures d'audit en réponse à ces risques, et recueillons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne.

- Nous prenons connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, mais non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne du Groupe.

- Nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par le Conseil d'administration, de même que des informations fournies par ce dernier le concernant.

- Nous concluons quant au caractère approprié de l'application par le Conseil d'administration du principe comptable de continuité d'exploitation et, selon les éléments probants recueillis, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité du Groupe à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport sur les informations fournies dans les comptes consolidés au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants recueillis jusqu'à la date de notre rapport. Cependant, des situations ou événements futurs pourraient conduire le Groupe à cesser son exploitation.

- Nous apprécions la présentation d'ensemble, la structure et le contenu des comptes consolidés et évaluons si ces derniers reflètent les opérations et événements sous-jacents d'une manière telle qu'ils en donnent une image fidèle.

- Nous recueillons des éléments probants suffisants et appropriés concernant les informations financières des entités ou activités du Groupe pour exprimer une opinion sur les comptes consolidés. Nous sommes responsables de la direction, de la supervision et de la réalisation de l'audit au niveau du Groupe. Nous assumons l'entière responsabilité de l'opinion d'audit.

Nous communiquons au Conseil d'administration notamment l'étendue des travaux d'audit et le calendrier de réalisation prévus, ainsi que les constatations importantes découlant de notre audit, y compris toute faiblesse significative dans le contrôle interne.

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Autres obligations légales et réglementaires

Responsabilités du Conseil d'administration

Le Conseil d'administration est responsable de la préparation et du contenu du rapport de gestion sur les comptes consolidés.

Responsabilités du Commissaire

Dans le cadre de notre mandat et conformément à la norme belge complémentaire aux normes internationales d'audit (« ISA ») applicables en Belgique, notre responsabilité est de vérifier, dans ses aspects significatifs, le rapport de gestion sur les comptes consolidés, ainsi que de faire rapport sur cet élément.

Aspects relatifs au rapport de gestion sur les comptes consolidés

A l'issue des vérifications spécifiques sur le rapport de gestion sur les comptes consolidés, nous sommes d'avis que celui-ci concorde avec les comptes consolidés pour le même exercice et a été établi conformément à l'article 3:32 du Code des sociétés et des associations.

Dans le cadre de notre audit des comptes consolidés, nous devons également apprécier, en particulier sur la base de notre connaissance acquise lors de l'audit, si le rapport de gestion sur les comptes consolidés comporte une anomalie significative, à savoir une information incorrectement formulée ou autrement trompeuse. Sur la base de ces travaux, nous n'avons pas d'anomalie significative à vous communiquer.

Mentions relatives à l'indépendance

- Notre cabinet de révision et notre réseau n'ont pas effectué de missions incompatibles avec le contrôle légal des comptes consolidés et notre cabinet de révision est resté indépendant vis-à-vis du Groupe au cours de notre mandat.
- Les honoraires relatifs aux missions complémentaires compatibles avec le contrôle légal des comptes consolidés visées à l'article 3:65 du Code des sociétés et des associations ont correctement été valorisés et ventilés dans l'annexe des comptes consolidés.

Le Commissaire
PwC Reviseurs d'Entreprises srl
Représentée par

Isabelle Rasmont
Réviseur d'Entreprises

REWEST HOLDING S.A.
RPM Nivelles :0825.347.264
Avenue Jules Mathieu, 19
1400 Nivelles

BOARD OF DIRECTORS REPORT ON CONSOLIDATED ACCOUNTS AS OF 31 DECEMBER 2019

We present to you the consolidated accounts of REWEST Holding SA as of December 31, 2019. They were drawn up in accordance with the Belgian accounting regulations in force and, in particular, in accordance with the provisions of the Royal Decree of January 30, 2001 implementing the Companies Code .

Through its subsidiary DPM Holding SA, the REWEST Group is active in the development and sale of industrial equipment for magnetic lifting in the steel industry and for separation in the metal recycling industry.

In addition, REWEST Holding itself operates, in the operating companies in which it has invested, the separation technologies that it has developed through its subsidiary DPM Holding.

The scope of the REWEST Group

REWEST Holding sells its lifting and separation equipment through 7 subsidiaries located in Belgium, Italy, the United States, Germany, England, China and India.

In addition, in 2017 and 2018, Rewest Holding SA acquired 75% of the shares of Italian companies, respectively Iris Ambiente srl in 2017 and DAM srl in 2018, which allows it to take part as an operator in the activity recycling and recovery of ferrous and non-ferrous metals present in the ash applications of household waste incinerators and in automotive shredder residues.

Since 2010, REWEST Holding has also been present in the United States through its subsidiary Rewest LLC in the field of recycling metals from car shredding. Although the partnerships in which Rewest LLC was engaged, as a minority were not crowned with success following serious differences with its majority partner, they nevertheless largely contributed to the capitalization of experiences by the whole. of the REWEST Group in the field of metal recycling from automotive shredding.

For several years now, REWEST Holding has decided, out of prudence, to completely reduce in value the participation it holds in Rewest LLC as well as the loans it had granted to it.

On the other hand, given that the dispute between Rewest LLC today and its majority partner prevents it from obtaining the necessary and sufficient information to prepare its financial statements, these are not included in the consolidation. of REWEST Holding, under article 107 of the Companies Code.

Litigation is pending in U.S. courts and tribunals

A favorable outcome should make it possible to recover, if not all, at least a significant part of the investments made since 2010.

The operating profit of the REWEST Group in 2019

In 2019, the Group's turnover increased by 19.43% from € 45,193,002 to € 53,974,999

Over the same financial year, the gross margin (defined as turnover less supplies, merchandise, goods and various services) stood at 25.47% compared to 19.85% the previous year.

As explained in our report on the 2018 accounts, the previous year was marked by specific, individualized orders taken at lower margins to meet our strategy of penetrating the turn-key project market in the United States. We expected in 2019 to no longer have to agree to order intake at reduced margins having been able to demonstrate our ability to manage such projects. This is what happened so that we were able to gain 6% margin.

The increase in remuneration and social charges for € 1,312,986 is explained on the one hand by the increase in the workforce of 11 people, and on the other hand by the fact that our DAM subsidiary is consolidated over a period of 12 months whereas in 2018, it was only over 6 months and finally by an appreciation of the average dollar rate.

As a result, the 2019 EBITDA of our Group stands at 4,348,586 euros, or 8.06% of its turnover, a sharp increase compared to 2018 EBITDA of 830,020 euros.

Following the decision taken at the beginning of 2019 to stop its activities of recovery of metals in "fine" waste from automotive shredding residues (Micro Fines Recycling Owego LLC), our group had to agree to additional value reductions compared to those already recorded in the 2018 consolidated accounts. This explains the recording of non-recurring operating expenses up to 1,276,781 euros. This charge, recorded in 2019, has no cash impact over the year and therefore does not affect our EBITDA.

After depreciation, provisions and value reductions for an amount of 2,576,695 euros, the operating result shows a profit of 1,771,891 euros.

The financial results of the REWEST Group in 2019

Excluding the amortization of the consolidation difference, the financial results are negative for an amount of 164,824 euros. They include in particular

- The debt charge for 472,353 euros.
- Bank fees and commissions for 269,034 euros
- Profitable foreign exchange results of 545,409 euros. Most of it is unrealized exchange gain. The Group's sub-holding, DPM Holding SA, is a financial backer in dollars to SGM Magnetics Corporation. As of December 31, 2019, this receivable amounts to USD 22,081,762. The dollar's rise of 1.9% between 01/01/2019 and 12/31/2019 (from 1,145 USD / € to 1.1234 USD / €) benefited the Group since, although these are interco receivables, the holding companies had to record this revaluation of the dollar in their corporate accounts.

The amortization charge for the consolidation difference amounts to EUR 1,350,166.

The income tax expense of the REWEST Group in 2019 is 149,103 euros, compared to 220,607 euros the previous year.

However, the Group records deferred tax income of up to 137,040 euros

The equity of the Rewest Group

At December 31, 2019, Group and third-party equity of the REWEST Group amounted to € 5,514,309. They consist of:

• The capital of REWEST Holding of 28,239,109 euros.

• Reserves at 01/01/2019 for a negative amount of 23,127,317 euros. These negative reserves are largely to be attributed to the various reductions in value to which REWEST Holding has had to agree since 2012 on the one hand following its investments, as minority shareholders, alongside a majority partner with which it will not ultimately could not come to an agreement and on the other hand, following the divestments in Micro Fines Recycling Owego.

• The increase in reserves for the 2019 financial year for an amount of 177,977 euros.

• A consolidation difference Group share of 33,371 euros.

• A conversion difference Group share of -257,662 euros.

• Third party interests for 448,831 euros.

Furthermore, it should be noted that the shareholders have decided to support the Group well beyond the capital they injected into it. This is how subordinated loans were granted to the various holding companies and sub-holdings of the Group for a total amount of 14,055,551 euros, ie an additional amount of 483,031 euros for the year under review.

Taking into account these shareholder loans, the Group's solvency ratio, defined as the ratio between the Group's equity capital adjusted for intangible assets and between the balance sheet total adjusted in the same way is 20.5%.

Balance sheet evolution

The total balance sheet increased by 4,504,183 euros. It goes from 53,307,871 euros to 57,812,053 euros.

On a turnover of 53,974,999 euros, almost 20,000,000 euros, were invoiced over the last two months of the year.

This resulted in a substantial increase at 12/31/2019 in the accounts receivable for 8,090,275 euros compared to the previous year and in the supplier item for 7,253,026 euros.

In addition, on the asset side, there is a decrease in fixed assets for 3,530,322 euros following the amortization of goodwill and additional divestments in Micro Fines Recycling Owego.

On the liabilities side, we note a decrease in bank debts for 2,544,991 euros as well as a decrease in advances received from customers for 644,383 euros.

The working capital requirement increased by 1,604,173 euros from 9,111,548 euros at 12/31/2018 to 10,715,701 euros at 12/31/2019.

The REWEST Group's 2020 outlook

We had initially forecast a consolidated turnover budget of 67,500,000, - euros with a consolidated EBITDA which should have largely exceeded the threshold of 5,000,000 euros.

It is increasingly likely that the current Covid-19 crisis will postpone these forecasts until 2021.

Indeed, the Covid-19 crisis, subsequent to the closing of the accounts on 12/31/2019 has no impact on them. On the other hand, it is a substantial element likely to have an impact on the accounts at 12/31/2020. It is not yet possible to measure its extent. It will depend on the length of the crisis and the duration of the related containment measures. Our operating subsidiaries have taken the necessary measures to protect the health of their employees and have done everything they can to ensure that teleworking allows the pursuit of a minimum of activities. So during the first months of 2020, we noticed a decent maintenance of activity with the recording of orders from South-East Asia, particularly Korea and China. Our Italian subsidiary was able to obtain the authorizations to resume its production activities on April 6, 2020 within the framework of compliance with the safety standards imposed by the authorities.

We were able to be delivered by our suppliers and subcontractors so that there was no noticeable slowdown in our production due to supply problems.

We are working to obtain state aid both in Italy and in the United States so as to moderate the impact that the containment measures could have on our group's cash flow.

In accordance with generally accepted accounting principles in Belgium, the COVID 19 pandemic is considered to be an event subsequent to the closing that does not require an adjustment of the accounts for the year ended December 31, 2019.

In this context, we believe that the application of going concern accounting rules remains adequate.

The strategy initiated by the Group of registering as an operator in the recycling of automotive shredder residues and the recovery of metals contained in the ashes of waste incinerators should, in the very medium term, enable the Group to guarantee more great stability of its income. In 2019, 10% of our turnover is the result of this major diversification.

Members of the Board of Directors remain confident in the future

In this context, we believe that the application of going concern accounting rules remains adequate.

Finally, we confirm that we have no knowledge to date of any significant events or major facts that have occurred after the end of the financial year and which would be likely to affect the accounts closed on December 31, 2019 in a significant way, to the except what we have mentioned below regarding the Covid-19 pandemic.

We confirm that intangible assets, in addition to concessions, patents, licenses, trademarks and other similar rights, only include development costs. Research costs are covered 100%.

The consolidated accounts of REWEST Holding and its subsidiaries have been audited by our auditor.

June 1, 2020

D. Haegelsteen

Managing Director

Ph. Haegelsteen

Administrator

KD Management

Administrator

Represented by K. Dewère

Ph. Hamer

Administrator

Carlo Sfondrini

Administrator