



61, rue Henri Regnault
92400 COURBEVOIE
France

M.A.J.

Statutory Auditor's report on the annual financial statements

For the year ended December 31,2020

MAZARS SA
Public Limited Company
Head office : Tour Exaltis 61 rue Henri Regnault
92400 COURBEVOIE
Share capital of € 8 320 000 – Nanterre trade and companies
registrar NO. 784 824 153

M.A.J.

Public Limited Company (*Société anonyme*) with share capital of €142,515,408

Registered office: 31, chemin Latéral au Chemin de fer 93500 Pantin

Trade & Companies Register: Bobigny 775 733 835

This is a translation into English of the Statutory Auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditor or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditor's report on the annual financial statements

For the year ended December 31, 2020

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the annual financial statements of M.A.J. for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for opinion

Audit framework

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

Our responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (*code de commerce*) and the French Code of ethics (*code de déontologie*) for statutory auditors for the period from January 1, 2020 to the date of our report.

Justification of assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of that the most important assessments that we have made, in our professional judgment, relate to the appropriateness of the accounting principles applied, in particular with regard to:

- As indicated in Note “3.3. Non-current assets” of the Notes to the annual financial statements, the estimated value in use of equity investments is determined for a given investment on the basis of its contribution to consolidated net assets, profitability and future prospects. Depreciation is recorded when the value in use is lower than the net book value. We have verified the relevance of the approaches used by the company based on the information available to date, as well as the reasonable nature of the assumptions used and the resulting valuations.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the aforementioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents concerning the financial position and the annual financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Board's management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in article D.441-6 of the French Commercial Code (*code de commerce*).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (*code de commerce*).

Other information

In accordance with French law, we have verified that the required information concerning purchase of equity interests and controlling interests in the company have been properly disclosed in the management report.

Responsibilities of management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditor's responsibilities for the audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control,
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements,
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein,
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Signed in Courbevoie, April 12,2021

The Statutory Auditor

Mazars

Isabelle MASSA

Partner

2020

ANNUAL FINANCIAL STATEMENTS

SA M.A.J.

31 Chemin Latéral au Chemin de fer
93500 Pantin, France

FINANCIAL YEAR ENDED 31-Dec-20

I. BALANCE SHEET and INCOME STATEMENT as at 31/12/2020

A – Statement of financial position – Assets

Figures expressed in euros	Gross amount	Accum. amort. / depr.	Net 31-Dec-20	Net 31-Dec-19
Subscribed capital uncalled				
INTANGIBLE ASSETS				
Start-up costs	350	350	0	0
Development costs	2,917	2,917	0	0
Concessions, patents and other rights	5,088,906	4,343,538	745,368	1,066,846
Goodwill	43,435,421	13,818,932	29,616,488	29,616,488
Other intangible assets	33,488,418	0	33,488,418	33,431,598
Advances and prepayments on intangible assets	0	0	0	21,377
PROPERTY, PLANT AND EQUIPMENT				
Land	7,078,066	0	7,078,066	6,703,649
Buildings	137,802,701	84,430,321	53,372,380	44,617,447
Fittings, machinery and equipment	286,732,372	190,413,321	96,319,051	94,847,140
Other property, plant and equipment	354,703,867	208,638,761	146,065,106	166,811,391
Property, plant and equipment in progress	14,573,703	0	14,573,703	15,761,623
Advances and prepayments	401,113	0	401,113	29,201
FINANCIAL ASSETS				
Equity-accounted companies	0	0	0	0
Other equity investments	1,498,296,489	276,799,268	1,221,497,222	1,307,155,332
Receivables related to investments	0	0	0	0
Other investments	5,397	1,244	4,153	4,153
Loans	56,131	0	56,131	69,243
Other financial assets	1,639,344	0	1,639,344	1,645,193
FIXED ASSETS	2,383,305,194	778,448,652	1,604,856,543	1,701,780,682
INVENTORIES AND WORK-IN-PROGRESS				
Raw materials, supplies	10,513,605	0	10,513,605	10,560,187
Goods in progress	0	0	0	0
Services in progress	0	0	0	0
Finished and semi-finished goods	255,000	0	255,000	255,000
Goods purchased for resale	103,077	0	103,077	54,126
Advances and prepayments on orders	47,601	0	47,601	35,087
RECEIVABLES				
Trade receivables and related accounts	147,110,637	13,907,229	133,203,409	162,827,192
Other receivables	104,574,095	0	104,574,095	93,906,937
Subscribed capital called but not paid	0		0	0
OTHER				
Marketable securities	72,745	0	72,745	116,453
(o/w treasury shares):	0	0	0	0
Cash and cash equivalents	8,278,654	0	8,278,654	5,592,237
ADJUSTMENT ACCOUNTS				
Prepaid expenses	3,532,092	0	3,532,092	4,089,354
CURRENT ASSETS	274,487,507	13,907,229	260,580,278	277,436,572
Deferred debt issuance costs	0		0	0
Bond redemption premiums	0		0	0
Exchange adjustments on assets	260,372		260,372	189,719
GRAND TOTAL	2,658,053,074	792,355,880	1,865,697,193	1,979,406,973

B – Statement of financial position – Equity and liabilities

Figures expressed in euros	Financial year 2020	Financial year 2019
Issued capital (o/w paid-up: 142,515,408)	142,515,408	142,515,408
Additional paid-in capital	161,052,624	161,052,624
Revaluation adjustments (including equity accounting reserve:)	11,159	11,159
Legal reserve	14,251,541	14,251,541
Regulatory or contractual reserves	0	0
Regulated reserves (o/w provision for exchange rate fluctuations:)	0	0
Other reserves (o/w purchases of original works of art:)	223,787,736	170,245,174
Retained earnings	0	-86,957,263
NET PROFIT (LOSS) FOR THE FINANCIAL YEAR	-56,561,190	140,499,824
Investment grants	107,287	141,699
Regulated provisions	175,370,201	184,902,037
EQUITY	660,534,765	726,662,204
Proceeds from issuance of equity securities	0	0
Conditional advances	0	0
OTHER EQUITY	0	0
Provisions for risks	15,434,404	15,519,445
Provisions for expenses	19,484,288	19,423,664
PROVISIONS	34,918,692	34,943,109
FINANCIAL LIABILITIES		
Convertible bond loans	0	0
Other bonds	0	0
Bank loans	3,212,708	2,600,708
Sundry loans & other borrowings (o/w profit-sharing:)	995,732,046	1,018,694,516
Advances and prepayments on orders in progress	0	0
OPERATING LIABILITIES		
Trade payables and related accounts	49,951,357	65,348,331
Tax and employee-related liabilities	76,387,582	92,200,916
SUNDRY LIABILITIES		
Amounts due on fixed assets and related accounts	9,957,128	8,373,771
Other liabilities	6,605,512	2,507,476
ADJUSTMENT ACCOUNTS		
Deferred income	28,264,119	28,075,834
LIABILITIES	1,170,110,453	1,217,801,551
Exchange adjustments on liabilities	133,284	109
GRAND TOTAL	1,865,697,193	1,979,406,973

C - Income Statement

Figures expressed in euros	Financial year 2020			Total	Financial year 2019
	France	Exports			
Sales of goods held for resale	2,411,734	219,345		2,631,079	2,312,395
Sales of goods	0	0		0	0
Sales of services	551,431,928	126,438		551,558,366	695,437,260
REVENUE	553,843,662	345,783		554,189,445	697,749,654
Production inventoried				0	0
Production capitalized				0	0
Operating grants				0	7,781
Reinvoiced expenses, reversals of prov. & accum. depr./amort. & impairm.				20,199,267	18,104,621
Other income				32,949,723	38,967,930
RECURRING OPERATING INCOME				607,338,435	754,829,986
Purchases of goods for resale (including customs duties)				2,647,140	3,008,416
Change in inventories – goods purchased for resale				-48,952	-23,370
Purchases of raw materials and other supplies				50,142,694	60,290,560
Change in inventories (raw materials and supplies)				39,769	-792,456
Other purchases and external expenses				140,362,176	165,552,379
Taxes and duties				25,628,672	28,742,833
Salaries and wages				149,535,232	187,692,595
Social security contributions				39,965,703	51,354,805
Depreciation, amortization, impairment and provisions:					
Non-current assets: depreciation and amortization expense				109,381,087	112,583,406
Non-current assets: impairment losses				0	0
Current assets: impairment losses				11,939,162	9,475,961
Additions to provisions				622,221	1,032,184
Other expenses				5,440,655	6,132,217
RECURRING OPERATING EXPENSES				535,655,560	625,049,528
				OPERATING INCOME	129,780,458
JOINT OPERATIONS					
Net income transferred in or net loss transferred out				0	0
Net loss transferred in or net income transferred out				0	0
Financial income from equity investments				856,113	2,134,698
Income from other securities and non-current assets loans				0	0
Other interest income				1,133,755	4,351,713
Reinvoiced expenses and reversals of provisions				9,949,909	74,224,799
Foreign currency translation gains				1,678,233	478,711
Net income on disposals of marketable securities				0	0
FINANCIAL INCOME				13,618,011	81,189,921
Amortization and provisions on financial assets				107,289,454	5,894,482
Interest expense				18,784,078	18,779,732
Foreign currency translation losses				1,690,636	466,092
Net loss on disposals of marketable securities				0	0
FINANCIAL EXPENSES				127,764,167	25,140,305
				FINANCIAL PROFIT/LOSS	56,049,615
				CURRENT PROFIT/LOSS BEFORE TAX	185,830,073
Non-recurring income from management activities				1,979,825	2,070,082
Non-recurring income from capital transactions				619,987	7,674,853
Reinvoiced expenses and reversals of provisions				57,138,368	59,817,760
NON-RECURRING INCOME				59,738,181	69,562,694
Non-recurring expenses on management activities				6,618,039	1,418,175
Non-recurring expenses on capital transactions				356,062	7,557,133
Non-recurring depreciation, amortization and provisions				47,496,954	64,709,501
NON-RECURRING EXPENSES				54,471,055	73,684,808
				NON-RECURRING PROFIT/LOSS	-4,122,114
Employee profit-sharing				2,425,363	6,705,234
Income tax expense				16,939,673	34,502,901
TOTAL INCOME				680,694,627	905,582,601
TOTAL EXPENSES				737,255,818	765,082,776
PROFIT OR LOSS				-56,561,190	140,499,824

II. NOTES TO THE FINANCIAL STATEMENTS

A - BILAN ACTIF	2	4.7. DÉPRÉCIATION DES STOCKS	19
B - BILAN PASSIF	3	4.8. ETAT DES ÉCHÉANCES DES CRÉANCES	20
C - COMPTE DE RÉSULTAT	4	4.9. CRÉANCES CLIENTS ET COMPTES RATTACHÉS	20
1. ACTIVITE DE LA SOCIETE ET FAITS CARACTERISTIQUES DE L'EXERCICE..	6	4.10. DÉPRÉCIATION DES CRÉANCES	21
1.1. ACTIVITÉ DE LA SOCIÉTÉ	6	4.11. CRÉANCES REPRÉSENTÉES PAR DES EFFETS DE COMMERCE	21
1.2. FAITS CARACTÉRISTIQUES DE L'EXERCICE	6	4.12. PRODUITS À RECEVOIR	21
• <i>Crise liée au coronavirus</i>	6	4.13. COMPTES DE RÉGULARISATION	22
• <i>Participations financières : nouvelles acquisitions et souscription à augmentation de capital</i>	7	• <i>Charges constatées d'avance</i>	22
• <i>Cession d'élément d'actif :</i>	7	• <i>Ecart de conversion</i>	22
2. EVENEMENTS SIGNIFICATIFS SURVENUS DEPUIS LA CLOTURE DE L'EXERCICE	8	5. INFORMATIONS RELATIVES AU BILAN PASSIF	23
3. REGLES ET METHODES COMPTABLES	9	5.1. CAPITAUX PROPRES	23
3.1. CHANGEMENT DE METHODE COMPTABLE	9	5.2. IDENTITÉ DE LA SOCIÉTÉ MÈRE CONSOLIDANTE	23
3.2. CHANGEMENT D'ESTIMATIONS OU DE MODALITÉS D'APPLICATION	9	5.3. PROVISIONS RÉGLEMENTÉES	23
3.3. IMMOBILISATIONS	9	5.4. ETAT DES PROVISIONS	24
• <i>Immobilisations incorporelles et corporelles</i>	9	• <i>Provisions pour risques</i>	24
• <i>Immobilisations financières</i>	10	• <i>Provisions pour charges</i>	24
3.4. EVALUATION DES STOCKS	11	5.5. ETATS DES ÉCHÉANCES DES DETTES	25
• <i>Matières premières et marchandises</i>	11	5.6. DETTES FOURNISSEURS ET COMPTES RATTACHÉS	26
• <i>En-cours de production et produits finis</i>	11	5.7. CHARGES À PAYER	26
• <i>Dépréciation des stocks</i>	11	5.8. COMPTES DE RÉGULARISATION	27
3.5. CRÉANCES ET DETTES	11	• <i>Produits constatés d'avance</i>	27
3.6. VALEURS MOBILIÈRES DE PLACEMENT	11	• <i>Ecart de conversion</i>	27
3.7. OPÉRATIONS EN DEVICES	12	6. INFORMATIONS RELATIVES AU COMPTE DE RESULTAT	28
3.8. PROVISIONS RÉGLEMENTÉES	12	6.1. VENTILATION DU MONTANT NET DU CHIFFRE D'AFFAIRES	28
3.9. AUTRES PROVISIONS POUR RISQUES ET CHARGES	12	6.2. TRANSFERTS DE CHARGES	28
3.10. ENGAGEMENTS ENVERS LE PERSONNEL	12	6.3. EFFECTIF MOYEN DU PERSONNEL	28
3.11. INSTRUMENTS FINANCIERS ET OPÉRATIONS DE COUVERTURE	13	6.4. RÉMUNÉRATION DES ORGANES D'ADMINISTRATION	29
4. INFORMATIONS RELATIVES AU BILAN - ACTIF	14	6.5. MONTANT DES HONORAIRES DU (DES) COMMISSAIRES AUX COMPTES	29
4.1. IMMOBILISATIONS CORPORELLES ET INCORPORELLES	14	6.6. RÉSULTAT FINANCIER	29
• <i>Tableau des acquisitions et des cessions de l'exercice</i>	14	6.7. RÉSULTAT EXCEPTIONNEL	30
• <i>Commentaires relatifs à l'actif immobilisé</i>	15	6.8. IMPÔT SUR LES BÉNÉFICES	31
• <i>Tableau des amortissements</i>	17	• <i>Ventilation de l'impôt sur les bénéfices lié à l'activité</i>	31
4.2. IMMOBILISATIONS FINANCIÈRES	18	• <i>Fiscalité différée</i>	31
4.3. DÉPRÉCIATION DES IMMOBILISATIONS	18	• <i>Incidence sur le résultat de l'application des dispositions fiscales</i>	33
4.4. TABLEAU-LISTE DES FILIALES ET DES PARTICIPATIONS	18	7. INFORMATIONS DIVERSES	34
4.5. INFORMATION CONCERNANT LES PARTIES LIÉES	19	7.1. ENGAGEMENTS FINANCIERS	34
4.6. COMPTES DE STOCKS DE MARCHANDISES ET DE TRAVAUX EN COURS	19	• <i>Engagements donnés</i>	34
		• <i>Engagements reçus</i>	34
		• <i>Instruments financiers</i>	35
		7.2. ENGAGEMENTS ENVERS LE PERSONNEL	35
		• <i>Droit individuel à la formation</i>	35

1. COMPANY BUSINESS AND SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

1.1. Company's business

Rental and leasing of other personal and household goods.

1.2. Significant events of the financial year

The financial statements for the financial year cover the 12-month period from January 1 to December 31, 2020, and show a net loss of €56,561,190.

- **COVID-19 crisis**

In Europe, the COVID-19 pandemic which began in the first quarter of 2020 and has continued into 2021, as well as the various containment measures or restrictions on activities imposed on populations and businesses have had a significant impact on the business activity of the company as well as that of many of its subsidiaries and holdings. Depending on their business sectors, certain clients of the company or its subsidiaries and holdings see their activities suspended temporarily, severely affected or strongly supported. Thus, the activity of the Hospitality sector is in sharp decline, that of the Industry sector is more resilient, particularly because of the clients in the pharmaceutical and food industries, while business was buoyant with customers in the Health sector. The company has taken measures since March 2020 to protect first and foremost the health of its employees and the people they come into contact with, as well as its cash position and profitability. These measures include the temporary, partial or total closure, as appropriate, of some of the company's sites.

The company reasonably expects to have adequate resources to continue operating for at least the next 12 months and has concluded that the going concern basis of accounting remains appropriate.

The company has reviewed the impact of the COVID-19 event on the recognition and measurement of assets, liabilities, expenses and income in the financial statements for the financial year ended.

The main impacts on the income statement are:

- a. A decrease in sales of services, with COVID-19 accounting for most of the change compared to financial year 2019; thus, revenue is down from €697,749,654 in 2019 to €554,189,445 in 2020;
- b. A fall in operating income of €58,097,583, despite the operational measures implemented rapidly to deal with the exceptional situation as described above and the public support measures (notably compensation for short-time working);

c. Additional costs such as:

- safety and protection costs
- special bonuses for employees who worked during this period
- additional remuneration not covered by the government measures.

These costs are directly linked to the event and would not have been incurred or recorded if the event had not taken place, as mentioned in Note 6.7 Non-recurring income.

- ***Financial interests: new acquisitions and subscriptions to capital increase***

- ⇒ Subscription to a capital increase of the company Le Jacquard Français for €8,748,000
- ⇒ Subscription to capital increases of the Colombian subsidiary Elis Colombia for a total of €1,929,000
- ⇒ Subscription to a capital increase of the Chilean subsidiary Elis Chile for €1,000,000

- ***Asset disposal:***

None

2. SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

As of the date of presentation of the financial statements, there were no events after 12/31/2020 that could have a significant impact on the company's financial position, despite the unfolding crisis linked to COVID-19.

3. ACCOUNTING METHODS AND RULES

Generally accepted accounting principles have been applied, including the principle of prudence, in accordance with the following basic assumptions: going concern, consistency of accounting methods from one financial year to the next, independence of financial years, in accordance with the general rules governing the preparation and presentation of annual financial statements defined by ANC Regulation 2019-09 of December 18, 2019 amending ANC Regulation 2014-03 on the French general chart of accounts.

The basic method used to measure the items recognized in the financial statements is the historical cost method.

3.1. Change in accounting policies

None

3.2. Change in estimates or application

Impairment of equity securities: see paragraph 3.3 on the valuation of equity securities in the context of economic uncertainty.

The main accounting policies applied are as follows:

3.3. Non-current assets

- *Property, plant and equipment and intangible assets*

Property, plant and equipment are valued at their acquisition cost, comprising ancillary costs incurred for their preparation for use, except for certain ancillary costs (transfer taxes, fees and commissions, and cost of deeds) which are recorded as charges for the financial year.

Some property, plant and equipment items were revalued (those acquired before December 31, 1976) or recognized at their contribution value when they came from certain absorbed companies.

The depreciable basis for property, plant and equipment is calculated as the acquisition cost less its residual value at the end of its useful life, which is usually zero.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful life of the item or its component parts. Component parts and their depreciation over time periods that are different from those of the structure itself are identified and implemented for buildings. The conditions of use of the other non-current asset types do not require the prior identification of component parts, except in the event of accidental failure leading to the replacement of significant items essential to the operation of the relevant non-current asset. The depreciation periods applied by the company prior to the first financial year of application of French CRC Regulation no. 2002-10 were retained for the calculation of accelerated depreciation and amortization allowances, according to the rules outlined below.

Depreciation is calculated according to the expected life of the asset.

The most commonly used rates are as follows (SL = straight line, D = declining balance):

Intangible assets	Depreciation and amortization	Deprec. used for tax purposes
Goodwill		None (1)
Drawings		3 years SL
ERP		15 years SL
Software	5 years SL	12 months SL or expenses
Production software	10 years SL	5 years SL

- (1) Goodwill acquired up to January 31, 1997 was amortized on a straight-line basis over five years. Those assets acquired after this date were recognized in the statement of financial position at their acquisition cost and no longer amortized, but may be depreciated.

The groups of assets to which non-amortized goodwill is allocated are tested at least once a year using the same valuation method as that used for equity securities: if the current value of the group of assets is lower than its net carrying amount, an impairment loss is recorded.

Property, plant and equipment	Depreciation and amortization	Deprec. used for tax purposes
Buildings		
Envelope (structure, facade, roofing)		50 years SL
Building (internal walls, partitions, painting and floor coverings)		10 years SL
Equipment and tooling		
Production equipment	10, 15 or 30 years SL	5 or 10 years D
Transportation equipment	4, 6 or 8 years SL	4 years SL
Office equipment and furniture		5 or 10 years SL
Computer equipment		5 years SL
Textile items		
Flat linen	3 years (average) SL	1.5 years D
Workwear	3.25 years (average) SL	1.5 years D
Hand towel rolls	4 years SL	1.5 years D
Carpeting	4 years SL	2 years SL
Appliances and other rented items		
Hygiene, air purification, drinks dispensers, etc.	2, 4 or 5 years SL	1 or 2 years SL

- **Financial assets**

Equity investments and other securities:

Their gross amount is comprised of the acquisition cost, including any ancillary costs, since the first application of Opinion no. 2007-C issued on June 15, 2007 by the Urgent Issues Committee of the French National Accounting Board (CNC). Prior to this Opinion, transfer taxes, fees and commissions, and cost of deeds were recognized in expenses for the financial year. A five-year accelerated depreciation of these costs is then applied.

At the end of the financial year, an impairment loss is recognized when the value in use is less than the net carrying amount. The value in use for a given investment is determined on the basis of its contribution to the consolidated net assets, its profitability and its future prospects. When the carrying amount of an investment is greater than its contribution to consolidated net assets, the carrying amount of the investment is compared to the recoverable amount, usually based on multiple economic indicators (EBITDA and EBIT) less the net debt for the investment concerned.

As the multiple valuation technique is difficult to implement due to the COVID-19 crisis, as at December 31, 2020 the company opted for valuation by the discounted cash flow method, as calculated under IFRS for the purpose of the Elis Group's consolidated financial statements. The main assumption used in the latest business plan for future cash flows is a return to the Group's 2019 business and earnings levels by the end of 2022/early 2023 following a cautious recovery with no further general lockdown, but taking into account the upcoming economic crisis.

3.4. Valuation of inventories

Inventories are valued using the weighted average unit cost method. The gross value of goods and supplies includes the purchase price and ancillary costs, with the exception of any added value.

- *Raw materials and goods for resale*

Inventories of raw materials, consumables, and spare parts are recorded at acquisition cost and have high turnover.

- *Work-in-progress and finished products*

None

- *Impairment of inventories*

An impairment of inventories is recorded if the net realizable value becomes lower than the cost of the inventoried items.

3.5. Receivables and liabilities

Receivables are recorded at their face value.

An impairment is recognized when the recoverable amount of the inventory is less than the carrying amount.

3.6. Marketable securities

Marketable securities are stated in the statement of financial position at their purchase price. If their expected trading value at the end of the financial year is less than their purchase price, an impairment is recognized for the difference.

3.7. Translation of transactions in foreign currencies

Income and expenses denominated in foreign currencies are recorded at their equivalent amount on the transaction date.

Where applicable, liabilities, receivables, cash and cash equivalents denominated in foreign currencies are converted and accounted for in the statement of financial position based on the latest known quoted price on the reporting date.

Resulting differences are recognized in the statement of financial position under "Exchange adjustments".

The amount of unrealized foreign currency translation losses not offset by a foreign exchange hedge is recorded as a provision for risks.

3.8. Regulated provisions

Regulated provisions are reported under "Equity" in the statement of financial position and are detailed in the "Statement of provisions". They are tax items corresponding to the provision for special depreciation calculated in accordance with French tax regulations, equal to the difference between:

- depreciation calculated over the useful lives in effect until the date of the initial application of CRC Regulation no. 2002-10, using the declining balance method for eligible assets or, alternatively, the straight-line method;
- economic depreciation recognized as assets in accordance with the principles described above.

The additions to or reversals of accumulated accelerated depreciation and amortization are recognized in non-recurring income for the financial year.

3.9. Other provisions for risks and expenses

They primarily comprise environmental provisions that are assessed based on an expert report and the company's experience in this area. They correspond to the gross, undiscounted cost of studies or work that must be carried out and borne to meet its environmental obligations. They relate to sites or categories of work which are to be dealt with in the foreseeable future.

3.10. Employee benefit liabilities

Retirement benefits for employees and additional retirement benefit commitments made to a category of senior management outlined at the Ordinary General Shareholders' Meeting of December 10, 1981 are subject to provisions calculated and recorded in accordance with Method 2 of ANC recommendation no. 2013-02 dated 11/7/2013.

Changes in retirement benefit obligations resulting from changes in actuarial assumptions or retirement plans occurring during the financial year are recognized directly in non-recurring

income: the provisions recorded as at the reporting date are thus equal to the actuarial obligation determined in accordance with the revised IAS 19.

Additional provisions are recorded for long-service award obligations, calculated in accordance with the Company's internal procedures on the basis of statistical and discounting assumptions. Changes in these provisions during the financial year are immediately and collectively recognized in the income statement.

3.11. Financial instruments and hedging transactions

As at December 31, 2020, the company does not hold any derivative instruments not designated as hedged (no separate open positions).

4. NOTES TO THE STATEMENT OF FINANCIAL POSITION – ASSETS

4.1. Property, plant and equipment and intangible assets

- *Table of acquisitions and disposals for the financial year*

Figures expressed in euros	As at		Item-to-item reclassifications and corrections +/-	Disposals	As at	
	31-Dec-19	Acquisitions			31-Dec-20	
Set-up and development costs	3,267	0			3,267	
Other intangible assets	82,028,783	123,696	-70,785	68,950	82,012,744	
Total intangible assets	82,032,050	123,696	-70,785	68,950	82,016,011	
Land	6,703,649	360,216	14,200		7,078,066	
Buildings on own land	36,874,631	3,124,053	4,072,215		44,070,899	
Buildings on leased land	36,263,729	743,944	277,787	80,528	37,204,932	
Plant construction, fittings.....	50,243,896	2,294,119	4,017,651	28,796	56,526,870	
General installations and fittings						
Technical installations, machinery and equipment	273,002,555	13,198,334	3,452,494	2,921,010	286,732,372	
Transportation equipment	59,757,634	-183,945	274,748	3,741,869	56,106,569	
Office and computer equipment, and furniture	24,157,257	910,803	182,374	3,556,342	21,694,093	
Recyclable and other packaging	293,838,440	66,077,892	390,088	83,403,214	276,903,205	
Total property, plant and equipment	780,841,791	86,525,417	12,681,556	93,731,758	786,317,007	
Property, plant and equipment in progress (1)	15,761,623	11,820,875	-12,610,771	398,024	14,573,703	
Total PP&E in progress	15,761,623	11,820,875	-12,610,771	398,024	14,573,703	
Prepayments	29,201	431,735		59,823	401,113	
TOTAL	878,664,665	98,901,723	0	94,258,555	883,307,833	

- (1) Changes in property, plant and equipment items and intangible asset items from one financial year to the next are due to acquisitions and disposals of assets made by the Company in respect of its business.

- Remarks on fixed assets

The company holds the following goodwill:

Figures expressed in euros	Tax value	Gross amount	Impairment loss	Balance as at 31-Dec-20
1953 8 rue du GI Compans PANTIN	1,524	1,829	1,829	0
1957 17 av. E. Vaillant PANTIN	9,147	11,434	11,434	0
1961 5 rue du Débarcadère PANTIN	5,946	5,946	5,946	0
1978 21 rue de Baconnes BEZANNES	1,220	1,220	1,220	0
1986 Z.I. Est -A. Engachies AUCH	76,225	76,225	76,225	0
1987 49 bd. Jean Jaurès NIMES	0	0	0	0
1987 7 rte de Morières AVIGNON	126,533	126,533	126,533	0
1987 15 av. du GI Delambre BEZONS	249,021	249,021	249,021	0
1987 20 rue des Cosmonautes CHOISY	40,856	40,856	40,856	0
1991 Leasehold COIGNIERES	47,735	45,735	45,735	0
1992 Impasse Faye BORDEAUX	934,406	934,406	934,406	0
1992 133 bd. de la Madeleine NICE	3,722,455	3,722,455	3,722,455	0
1994 BLEU DE FRANCE NICE	749,439	749,439	749,439	0
1995 ZI 33 4ème avenue VITROLLES	1,981,837	1,981,837	1,981,837	0
1996 3 rue de la Petite Chartreuse ROUEN	583,041	583,041	583,042	0
1987 TRAPPES	65,153	65,153	65,153	0
1987 PUTEAUX	137,204	137,204	137,204	0
1987 RIORGES	53,357	53,357	53,357	0
1988 SAULX	103,924	103,924	103,924	0
1988 GRENOBLE	42,686	42,686	42,686	0
1997 SAINT-ETIENNE (Tartary)	1,234,837	1,234,837	0	1,234,837
2000 NOISY-LE-GRAND	1,829,388	1,829,388	0	1,829,388
2000 NICE CARROS (Prisme)	56,193	56,193	0	56,193
2000 NICE CARROS (Aquadis)	27,441	27,441	0	27,441
2001 CERGY-PONTOISE (San'look)	335,388	335,388	0	335,388
2002 LOURDES (Bie des Pyrénées)	516,800	516,800	0	516,800
2002 RHEIMS (Arden tapis)	45,683	45,683	0	45,683
2002 CAPDENAC	128,000	128,000	0	128,000
2002 CARCASSONNE (Bie de l'Arnouze)	1,128,449	1,128,449	0	1,128,449
2002 REIMS (Tisserand)	3,354	3,354	0	3,354
2003 Goodwill EX- SNDI	23,439	23,439	0	23,439
2004 REIMS (Tisserand)	76,156	76,156	0	76,156
2004 BONDOUFLE (SANIGIENE)	1	1	0	1
2006 MAJ LE CANNET (BTL)	1,380,000	1,380,000	0	1,380,000
2006 MAJ LE CANNET (BELISA)	448,786	448,786	0	448,786
2006 MAJ LE CANNET (BAM)	1,180,160	1,180,160	0	1,180,160
2006 MAJ MENTON (BDR)	830,000	830,000	0	830,000
2007 PAU (BERROGAIN)	37,320	37,320	0	37,320
2008 NICE CARROS (BBB)	992,000	992,000	0	992,000
2009 BONDOUFLE (RDM)	12,196	12,196	0	12,196

2009	CHAMPS-SUR-MARNE (CANNON HYGIENE)	1,184,282	1,184,282	0	1,184,282
2010	Rés'O	602,627	602,627	0	602,627
2010	MAJ EX ANAPURNA	21,150	21,150	0	21,150
2010	MAJ EX CGB	385,263	385,263	0	385,263
2010	AVIGNON EX-SNDI	160,000	160,000	0	160,000
2010	AVIGNON EX-SNDI	205,000	205,000	0	205,000
2013	TOULON SANARY	448,600	448,600	0	448,600
2014	BMC	643,271	643,271	0	643,271
2014	LOCALIANCE (POULARD)	452,774	452,774	0	452,774
2014	SARL SYNEX (POULARD)	22,867	22,867	0	22,867
2014	CCE LOCALIANCE MARS 1998 (Poul)	76,225	76,225	0	76,225
2014	MAISON DE BLANC BERROGAIN (Poul)	21,124	21,124	0	21,124
2014	MHD (POLE SERV)	169,561	169,561	0	169,561
2014	O SERVICES (POLE SERV)	150,780	150,780	0	150,780
2014	NESTLE (POLE SERV)	179,507	179,507	0	179,507
2014	NESTLE TOULOUSE (POLE SERV)	129,351	129,351	0	129,351
2014	PUREFLOW PLAN WATE (POLE SERV)	4,040	4,040	0	4,040
2015	DISTRICLEAN (UTA)	103,000	103,000	0	103,000
2015	H+2 (UTA DISTRICLEAN)	90,000	90,000	0	90,000
2015	HYTOP	1,840,380	1,840,380	0	1,840,380
2015	TRAITEMENT SERVICES PLUS	465,832	465,832	0	465,832
2015	GRAND BLANC	117,700	117,700	0	117,700
1995	SAINT OUEN L'AUMONE (STE BATAILLE ET MILLET)	121,959	121,959	121,959	0
2017	BLANCHISSERIE DES GAVES	580,949	580,949	0	580,949
1993	Leasehold COLLEGIEN	7,622	7,622	0	7,622
1993	Sale agreement COLLEGIEN	150,925	150,925	0	150,925
Following the merger by absorption of GRENELLE SERVICE and LOVETRA:					
1987	Grenelle service	1,372,041	1,372,041	1,372,041	0
1993	Persan (Blanchisserie-Teinturerie Services)	142,921	1,209,165	1,209,165	0
1993	01/01/1993 Orgenoy (Druhen Location-Services)	131,106	491,938	491,938	0
1993	01/01/1993 Sens (Senonaise de Location-Services)	134,548	517,671	517,671	0
1994	01/01/1994 Persan (Sonil)	0	586,929	586,929	0
1994	01/01/1994 Le Perreux (Grande Blanchisserie du Perreux)	0	586,929	586,929	0
1998	01/02/1998 Brétigny (Blanchisserie Simon)	0	2,340,321	0	2,340,321
2000	01/02/2000 Brétigny (Simon Métropole)	0	2,825,764	0	2,825,764
2004	01/03/2004 Bondoufle (Localinge Paris Sud)	0	3,485,875	0	3,485,875
2006	01/09/2006 Villiers le Bel (Blanchisserie Méa)	0	1,100,000	0	1,100,000
2018	Big Bang Nice	0	325,415	0	325,415
2018	Big Bang	0	176,397	0	176,397
2018	Big Bang Decines	0	72,754	0	72,754
Following merger by absorption of the companies Berrogain and Blanchisserie Prof. d'Aquitaine:					
2015	Blanchisserie Le Grand Blanc (La Brède)	0	671,542	0	671,542

2012	Berrogain clients	86,000	86,000	0	86,000
Following the complete transfer of assets of the company Blanchisserie Sud Aquitaine:					
2011	BDO client buyout	0	13,697	0	13,697
2012	Blanchisserie Océan	0	20,303	0	20,303
TOTAL		29,418,705	43,435,421	13,818,934	29,616,488

- Accumulated depreciation/amortization*

Figures expressed in euros	As at 31-Dec-19	Contri- butions	Additions	Decreases or reversals	As at 31-Dec-20
Set-up and development costs	3,267		0		3,267
Other intangible assets	17,892,473		322,619	52,622	18,162,470
Total depreciation/amortization – intangible assets	17,895,740	0	322,619	52,622	18,165,737
Land					
Buildings	78,764,809		5,774,836	109,323	84,430,321
General installations and fittings			0		
Technical installations, machinery and equipment	178,155,415		15,173,280	2,915,374	190,413,321
Transportation equipment	48,748,457		3,386,336	3,454,975	48,679,818
Office and computer equipment, and furniture	17,939,426		1,827,201	3,556,342	16,210,286
Recyclable and other packaging	144,254,056		82,896,815	83,402,214	143,748,657
Total depreciation/amortization – PP&E	467,862,164	0	109,058,469	93,438,229	483,482,404
TOTAL	485,757,904	0	109,381,087	93,490,851	501,648,140

4.2. Financial assets

Movements for the financial year:

Figures expressed in euros	Gross value		Disposals and Item-to-item reclassifications	Gross value		Net Asset Value as at 31-Dec-20
	as at 31-Dec-19	Item-to-item acquisitions and reclassi- fications		as at 31-Dec-20	Impairment loss	
Equity-accounted companies	0	0		0		0
Other equity investments	1,486,667,380	11,653,188	24,078	1,498,296,489	276,799,268	1,221,497,222
Other investments	5,397	0		5,397	1,244	4,153
Loans and other financial assets	1,714,436	49,261	68,222	1,695,475		1,695,475
TOTAL	1,488,387,212	11,702,449	92,300	1,499,997,361	276,800,512	1,223,196,850

4.3. Accumulated impairment losses of non-current assets

Figures expressed in euros	As at 31-Dec-19	Contribu- tions	Additions	Reversals	As at 31-Dec-20
Accumulated impairment losses – intan- gible assets	0		0		0
Accumulated impairment losses – PP&E			0		
Accumulated impairment losses – eq- uity-accounted companies	0		0		0
Accumulated impairment losses – equity investments	179,512,048		107,237,129	9,949,909	276,799,268
Accumulated impairment losses – other financial assets	1,244		0		1,244
TOTAL	179,513,292	0	107,237,129	9,949,909	276,800,512

4.4. List of subsidiaries and other equity investments

See attached document.

4.5. Transactions with related parties

Significant transactions between the company and related parties during the financial year are:

Name of related party	Description of the transaction	Amount €	Amount €
		(receivable or income) 31-Dec-20	(liability or expense) 31-Dec-20
ELIS S.A.	Current account agreement:		
	Advance granted to M.A.J.		362,386,873
	Interest paid by M.A.J.		4,645,123
	Loan agreement:		
	Loans granted to M.A.J.		473,422,342
	Interest to be paid by M.A.J.		12,579,637

4.6. Inventory accounts for goods and work-in-progress

The amount of inventories is broken down as follows:

Figures expressed in euros	Gross amount	Impairment loss	Balance as at 31-Dec-20
Raw materials	10,513,605	0	10,513,605
Goods purchased for resale	103,077	0	103,077
Finished products	255,000	0	255,000
Goods in progress	0	0	0
Services in progress	0	0	0
TOTAL	10,871,682	0	10,871,682

4.7. Impairment of inventories

Figures expressed in euros	As at 31-Dec-19	Additions	Reversals	As at 31-Dec-20
Raw materials	0	0		0
Finished products	0	0		0
Goods in progress	0	0		0
Services in progress	0	0		0
Goods purchased for resale	0	0		0
TOTAL	0	0	0	0

4.8. Statement of maturities of receivables

The receivables held by the company stood at €256,912,300, in gross value terms, as at 12/31/2020 and are broken down as follows:

Figures expressed in euros	Gross amount	≤ 1 year	> 1 year
FIXED ASSETS:	1,695,475	1,662,691	32,784
Receivables related to investments	0	0	
Loans	56,131	23,347	32,784
Other financial assets	1,639,344	1,639,344	
CURRENT ASSETS:	255,216,825	255,216,825	0
Trade	132,352,736	132,352,736	
Impaired trade	14,757,902	14,757,902	
Employees	59,042	59,042	
Social security	237,815	237,815	
Taxes and duties	14,418,658	14,418,658	
Group and associates	86,848,573	86,848,573	
Sundry receivables	3,010,006	3,010,006	
Prepaid expenses	3,532,092	3,532,092	
TOTAL	256,912,300	256,879,516	32,784
Loans granted during the financial year	35,300		
Repayments received during the financial year	48,412		
Loans and advances granted to partners (individuals)			

4.9. Trade receivables and related accounts

RECEIVABLES (expressed in euros)	Gross amount	Impairment loss	Net 31-Dec-20	Net 31-Dec-19
Trade receivables and related accounts	147,110,637	13,907,229	133,203,409	162,827,192
Other receivables	104,574,095	0	104,574,095	93,906,937
Subscribed capital called but not paid	0		0	0
TOTAL	251,684,732	13,907,229	237,777,503	256,734,129

4.10. Accumulated impairment losses of receivables

Figures expressed in euros	As at 31-Dec-19	Contri- butions	Additions	Reversals	As at 31-Dec-20
Item: Impaired trade	13,201,979		11,939,162	11,233,912	13,907,229
Item: Other receivables	0				0
TOTAL	13,201,979	0	11,939,162	11,233,912	13,907,229

4.11. Receivables represented by commercial bills

Commercial bills are entered under “Accounts receivable and related accounts”:

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Commercial bills	233,004	321,505
TOTAL	233,004	321,505

4.12. Accrued income

The amounts of accrued income included in the following balance sheet items were as follows:

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Reductions, discounts, rebates to be obtained	0	0
Accrued income	2,627,198	2,746,871
Accrued trade receivables	122,748	128,726
Taxes and duties - CFE (Levy on Property Rental Value)	1,428,139	18,512
Accrued interest on current account	0	0
TOTAL	4,178,085	2,894,109

4.13. Other accruals

- *Prepaid expenses*

Prepaid expenses amounted to €3,532,092.

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Recurring operating expenses	3,532,092	4,089,354
Financial expenses		
Non-recurring expenses		
TOTAL	3,532,092	4,089,354

- *Translation adjustments*

ADJUSTMENT – ASSETS		ADJUSTMENT – LIABILITIES	
	Euros		Euros
Decrease in receivables		Decrease in liabilities	133,284
Increase in liabilities	260,372	Increase in receivables	
TOTAL	260,372	TOTAL	133,284

5. NOTES TO THE STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

5.1. Equity

Share capital was divided into 8,907,213 fully paid-up common shares/units with a par value of €16 each.

Changes in equity during the financial year:

	Figures expressed in euros
31-Dec-19	726,662,204
Dividends paid	0
Capital increase	0
Issue premium	0
Net income (loss) for the financial year	-56,561,190
Change in investment grants	-5,597
Portion of income from investment grants	-34,412
Change in regulated provisions (accelerated depr./amort., etc.)	-9,531,836
31-Dec-20	660,534,765

5.2. Identity of the consolidating parent company

The financial statements of the company are consolidated using the full consolidation method into the consolidated financial statements of Elis SA.

Name and registered office of the company that prepared the consolidated financial statements for the largest group	Elis SA, Saint Cloud (92210) (SI-RET 499668440 00039)
Name and registered office of the company that prepared the consolidated financial statements for the smallest group	Elis SA, Saint Cloud (92210) (SI-RET 499668440 00039)
Place where copies of these consolidated financial statements may be obtained	5 boulevard Louis Loucheur, 92210 Saint Cloud, France

5.3. Regulated provisions

Figures expressed in euros	As at 31-Dec-19	Contributions	Additions	Reversals	As at 31-Dec-20
Accelerated depreciation and amortization	184,902,037		46,509,809	56,041,646	175,370,201

Capital gains reinvested	0				0
TOTAL	184,902,037	0	46,509,809	56,041,646	175,370,201

5.4. Statement of provisions

Breakdown by type:

- Provisions for risks*

Figures expressed in euros	As at 31-Dec-19	Contributions	Additions	Reversals	As at 31-Dec-20
Provision for legal proceedings	1,365,866		449,436	466,634	1,348,668
Provision for warranty claims	0				0
Provisions for losses on futures markets	0				0
Provisions for fines and penalties	0				0
Provision for unrealized foreign currency translation losses	124,697		52,325		177,022
Other provisions for risks and expenses	14,028,882		976,554	1,096,722	13,908,714
TOTAL	15,519,445	0	1,478,315	1,563,356	15,434,404

- Provisions for expenses*

Figures expressed in euros	As at 31-Dec-19	Contributions	Additions	Reversals	As at 31-Dec-20
Provisions for taxes					
Provisions for renewal of non-current assets					
Provisions for large-scale maintenance					
Provisions for tax and social security charges on leave to be paid					
Provisions for post-employment benefits	19,423,664		183,376	122,752	19,484,288
Other provisions for expenses					
TOTAL	19,423,664	0	183,376	122,752	19,484,288

5.5. Statement of maturities of liabilities

LIABILITIES (expressed in euros)	Gross amount at year-end	< 1 year	1–5 years	> 5 years
Convertible bond loans	0	0		
Other bonds	0	0		
Bank loans:				
initially within 1 year	3,212,708	3,212,708		
initially beyond 1 year	0	0		
Sundry loans and other borrowings	488,912,660	6,528,557	146,714,405	335,669,699
Trade payables	49,951,357	49,951,357		
Employees	26,031,730	26,031,730		
Social security and similar	11,792,078	11,792,078		
Government and other public authorities:				
Income tax expense	427	427		
Value added tax	24,076,203	24,076,203		
Guaranteed bonds				
Other taxes	14,487,570	14,487,570		
Amounts due on fixed assets and related accounts	9,957,128	9,957,128		
Group and associates	506,819,386	506,819,386		
Other liabilities	6,605,512	6,605,512		
Liabilities representing securities borrowed or pledged as a guarantee				
Deferred income	28,264,119	28,264,119		
TOTAL	1,170,110,880	687,726,777	146,714,405	335,669,699
Loans taken during the financial year	0			
Loans repaid over the financial year	0			

The other financial liabilities consist mainly of 3 loans from Elis SA for a total amount of €474,422,000 and corresponding interest of €1,000,000.

5.6. Trade payables and related accounts

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Group suppliers	24,384,897	29,750,713
Suppliers	1,514,893	13,886,576
Suppliers of non-current assets	9,957,128	8,373,771
Notes payable	0	0
Invoices not received – Group	395,141	373,380
Accruals	23,656,426	21,337,662
Carrying amount	59,908,486	73,722,101

5.7. Accrued expenses

The amounts of accrued expenses included in the following balance sheet items were as follows:

Categories expressed in euros	Financial year 2020	Financial year 2019
OPERATING LIABILITIES		
Trade payables and related accounts	24,051,567	21,711,041
Tax and employee-related liabilities	36,166,647	43,560,652
FINANCIAL LIABILITIES		
Convertible bond loans		
Other bonds		
Bank loans	0	0
Sundry loans & other borrowings (o/w profit-sharing:)	0	0
Advances and prepayments on orders in progress	0	0

SUNDRY LIABILITIES		
Amounts due on fixed assets and related accounts	1,845,883	1,616,758
Other liabilities	6,510,171	2,339,739
ADJUSTMENT ACCOUNTS		
Deferred income		
LIABILITIES	68,574,269	69,228,190

5.8. Other accruals

- *Deferred income*

Deferred income breaks down as follows:

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Services billed in advance	28,265,219	28,076,934
Other operating income	-1,100	-1,100
Financial income	0	0
TOTAL	28,264,119	28,075,834

- *Translation adjustments*

ADJUSTMENT – ASSETS		ADJUSTMENT – LIABILITIES	
	Euros		Euros
Decrease in receivables		Decrease in liabilities	133,284
Increase in liabilities	260,372	Increase in receivables	
TOTAL	260,372	TOTAL	133,284

6. INFORMATION RELATING TO INCOME STATEMENT

6.1. Breakdown of revenue

Financial year 2020 revenue by business segment and region breaks down as follows:

Figures expressed in euros	Financial year 2020			Financial year 2019 Total
	France	EEC + Export	Total	
Sales of goods held for resale	2,411,734	219,345	2,631,079	2,312,395
Sales of goods	0	0	0	0
Sales of services	551,431,928	126,438	551,558,366	695,437,260
Revenue	553,843,662	345,783	554,189,445	697,749,654
as a %	99.94%	0.06%	100.00%	

6.2. Reinvoiced expenses

Figures expressed in euros	As at 31-Dec-20	As at 31-Dec-19
Employee expenses	4,756,079	1,394,512
Other expenses	3,619,890	5,407,728
TOTAL	8,375,969	6,802,240

6.3. Average number of employees

The average number of employees during 2020 breaks down as follows:

Financial year 2020	Number of employees
Managers	568
Supervisors and technicians	614
Other staff	564
Delivery drivers	1,514
Other employees	3,440
TOTAL	6,700

6.4. Compensation of management bodies

- Board of Directors: attendance fees 0
- Management: 0

This information is not provided in these notes as it would indirectly lead to the disclosure of individual compensation

6.5. Fees for Auditor(s)

- Statutory audit: €87,700
- Provision of services for due diligence directly related to statutory audit: €0

6.6. Net financial income

Net financial income for the financial year amounted to -€114,146,156, broken down as follows:

Categories expressed in euros	Financial year 2020	Financial year 2019
Financial income from equity investments	856,113	2,134,698
Income from other securities and receivables related to fixed assets	0	0
Other interest income	1,133,755	4,351,713
Reinvoiced expenses and reversals of provisions	9,949,909	74,224,799
Foreign currency translation gains	1,678,233	478,711
Net income on disposals of marketable securities	0	0
FINANCIAL INCOME	13,618,011	81,189,921
Amortization and provisions on financial assets	107,289,454	5,894,482
Interest expense	18,784,078	18,779,732
Foreign currency translation losses	1,690,636	466,092
Net loss on disposals of marketable securities	0	0
FINANCIAL EXPENSES	127,764,167	25,140,305
FINANCIAL PROFIT/LOSS	-114,146,156	56,049,615

6.7. Net non-recurring income

Net non-recurring income of €5,267,126 for the financial year is broken down as follows:

Categories expressed in euros	Financial year	Financial year
	2020	2019
Non-recurring income from management activities	1,979,825	2,070,082
Non-recurring income from capital transactions	619,987	7,674,853
Reinvoiced expenses and reversals of provisions	57,138,368	59,817,760
NON-RECURRING INCOME	59,738,181	69,562,694
Non-recurring expenses on management activities	6,618,039	1,418,175
Non-recurring expenses on capital transactions	356,062	7,557,133
Non-recurring depreciation, amortization and provisions	47,496,954	64,709,501
NON-RECURRING EXPENSES	54,471,055	73,684,808
NON-RECURRING PROFIT/LOSS	5,267,126	-4,122,114

Regarding non-recurring profit/(loss) on management transactions:

- Income mainly corresponds to invoicing clients for penalties for delay and the associated costs
- Expenses include €4,999,000 in additional costs linked to COVID-19

Income and expenses from the sale of asset items is broken down as follows:

Figures expressed in euros	Gross value	Carrying amount	Sale price	Income from disposals
Sale of property, plant and equipment	1,407,436	287,748	323,736	35,988
Sale of intangible assets				
Sale of financial assets				
Disposal of intangible assets	47,573			
Disposal of property, plant and equipment	92,324,323	732		-732
TOTAL	93,779,332	288,480	323,736	35,256

6.8. Income tax

The company is a member of a tax consolidation group whose parent company is Elis SA incorporated in St Cloud (92210). Under the terms of the tax consolidation agreement, the tax expense borne by the company is identical to the amount it would have paid if it had been taxed separately.

- Breakdown of tax on profits linked to the business*

Results	Accounting profits before tax	Reinstatements and deductions	Taxable income	Amount of theoretical tax	Carry-forward tax credit or tax charge to be allocated to corporation tax	Due	Net profit after tax
Income (loss) from ordinary operations	-€42,463,000	€96,828,000	€54,364,000	€17,367,000	€1000	€17,368,000	-€59,832,000
Net non-recurring income	€5,267,000	€33,000	€5,300,000	€1,693,000	€0	€1,693,000	€3,574,000
Employee profit-sharing	-€2,425,000	-€4,217,000	-€6,642,000	-€2,122,000	€0	-€2,122,000	-€303,000
TOTAL	-€39,622,000	€92,644,000	€53,023,000	€16,939,000	€1000	€16,940,000	-€56,561,000

Theoretical tax relating to results from ordinary and non-recurring operations was determined by multiplying the accounting results for ordinary and non-recurring operations by the tax rate of 31.95%, adjusted for tax reinstatements and deductions of ordinary and non-recurring expenses.

- Deferred tax*

BASES	At beginning of the financial year (€)	Change in net income (loss) for the financial year (€)	At end of financial year (€)
Tax-accelerated amounts aimed at obtaining tax relief:			
Regulated provisions: Accelerated depreciation and amortization	-184,902,037	9,531,836	-
Differences between accounting and tax bases of certain income and expense items:			
Investment grants	-141,699	34,412	-107,287
Provision for retirement benefits	-23,080,532	108,032	-22,972,500
Equity investment	-6,705,234	4,279,871	-2,425,363

Corporate social solidarity contribution	-1,182,000	247,968	-934,032
Construction efforts (if not commitments)	0	0	0
Provision for impairment losses on trade receivables	-1,663,587	-764,491	-2,428,078
Provision for site restoration	-12,367,209	153,148	-12,214,061
Tax-imposed income or charges deducted, not yet recognized			
- Share of tax result – GIE EUROCALL	193,760	207,399	401,159
- Share of tax result – SCI DES 2 SAPINS	198,917	3,440	202,357
- Share of tax result – SCI Château de Janville	11	0	11
- Share of taxable income – SCI de la forge	122,924	2,157	125,081
- Share of taxable income – SCI Les Gailletrous	331,568	7,388	338,956
Ordinary losses subject to indefinite carryforward	0	0	0
Potential taxation items (Capital gain on non-depreciable assets subject to tax deferral)			
Goodwill	44,803,816		44,803,816
Land and real estate rights	612,017		612,017
Securities	9,340,184		9,340,184
TOTAL	-174,439,102	13,811,162	-160,627,940

TAXES	At beginning of the financial year (€)	Change in net income (loss) for the financial year (€)	At end of financial year (€)
Tax-accelerated amounts aimed at obtaining tax relief:			
Regulated provisions: Accelerated depreciation and amortization	-63,661,771	7,637,500	-56,024,271
Differences between accounting and tax bases of certain income and expense items:			
Investment grants	-48,787	14,513	-34,274
Provision for retirement benefits	7,946,628	-607,767	7,338,861
Equity investment	2,308,612	-1,533,799	774,813
Corporate social solidarity contribution	406,963	-108,574	298,389
Construction efforts (if not commitments)	0	0	0
Provision for impairment losses on trade receivables	572,774	202,907	775,681
Provision for site restoration	4,258,030	-356,091	3,901,939

Tax-imposed income or charges deducted, not yet recognized			
- Share of tax result – GIE EUROCALL	-66,712	-61,443	-128,155
- Share of tax result – SCI DES 2 SAPINS	-68,487	3,841	-64,646
- Share of tax result – SCI Château de Janville	-4	0	-4
- Share of taxable income – SCI de la forge	-42,323	2,364	-39,959
- Share of taxable income – SCI Les Gailletrous	-114,159	5,875	-108,284
Ordinary losses subject to indefinite carryforward	0	0	0
Potential taxation items (Capital gain on non-depreciable assets subject to tax deferral)			
Goodwill	-15,425,954	1,112,797	-14,313,157
Land and real estate rights	-210,717	15,200	-195,517
Securities	-3,215,825	231,983	-2,983,842
TOTAL	-67,361,732	6,559,306	-60,802,426

- Impact on net income (loss) of the application of tax provisions**

Impact on net income (loss) for the financial year in euros	2020
Net income (loss) for the financial year	-56,561,190
- Income tax	16,939,673
- Tax credits:	
CICE	0
Other charges (Macron Law on deductions for investment)	1,389,812
Pre-tax income (or tax credit)	-41,011,329
+ Allowances during the financial year to regulated provisions	46,509,809
- Reversals for the financial year on regulated provisions	56,041,646
Change in regulated provisions: - Accelerated depreciation and amortization	-9,531,836
Income (loss) excluding tax provisions	-50,543,166

7. GENERAL INFORMATION

7.1. Financial commitments

- *Commitments given*

Commitments given (in €k)	Total	< 1 year	1–5 years	> 5 years
Related to cash/indebtedness	385,669.7	0	0	385,669.7
Related to equity investments	6,122.5	322.5	0	5,800.00
Related to services rendered/suppliers	0	0	0	0
Related to property assets	0	0	0	0
TOTAL	391,792.2	322.5		391,469.7

Description of significant commitments given:

Indebtedness:

To guarantee the commitments made by ELIS SA in respect of a loan agreement entitled *Senior Facility Agreement* (€500,000,000) dated 01/17/2017, a loan agreement entitled *Senior Facility Agreement* (€400,000,000) dated 11/07/2017, and the *Océane* bond loans (€400,000,000) dated 10/06/2017 and EMTN (€2,350,000,000) dated 02/08/2018 and 04/03/2019, M.A.J. granted a joint and several guarantee for said commitments in respect of the financing pool represented by BNP Paribas for a total amount of €50,000,000 as at 12/31/2020.

As a guarantee for the commitments made by ELIS SA in respect of USPP bonds denominated in EUR (€300,000,000) and in US dollars (KUSD 40,000) on 04/24/2019, M.A.J. granted a joint and several guarantee of the said commitments in favor of the financial pool represented by BNP Paribas for a total amount of €335,669,700 as at 12/31/2020.

Equity investments:

Various letters of comfort granted by M.A.J. for the benefit of the subsidiaries Elis Manomatic, Elis Italia and Elis Holding GmbH.

- *Commitments received*

Commitments received (in €k)	Total	< 1 year	1–5 years	> 5 years
Related to indebtedness	0.0	0.0	0.0	0.0
Related to equity investments	3,900.0	700.0	3,200.0	0
Related to property assets	1,936.3	217.8	0.0	1,718.5
Sundry liabilities guaranteed	22.7	0	22.7	0
TOTAL	5,859.0	917.8	3,222.7	1,718.5

Description of significant commitments received:

Indebtedness: none

Equity investments:

Liability guarantee commitments granted by the sellers of company shares (HTPE, Blanchisserie Blésoise and SCI les Gailletrous, Big Bang, Blanchisserie Sud Aquitaine) with bank guarantees on first demand, for a total of €3,900,000.

Property Assets:

Joint and several guarantees and guarantees on first demand granted by the bank Société Générale to lessors of premises rented by M.A.J. as guarantee for the payment of rents for the term of the lease of said premises for a total amount of €1,936,300.

- *Financial instruments*

None

7.2. Employee benefit liabilities

- *Individual training rights*

Employees earned individual rights to training (DIF) under the professional training regime in effect until 12/31/2014 totaling 409,129 hours.

On January 1, 2015, these rights were transferred to personal training accounts. They can be used until 06/30/2021.

LIST OF SUBSIDIARIES AND OTHER EQUITY INVESTMENTS (in k€)

Subsidiaries and other equity investments		capital	Equity, excluding share capital and retained earnings	Percentage of ownership (%)	Carrying amount of shares held		Loans and advances granted by the Company outstanding	Deposits and endorsements avails donnés the Company	Revenue excl. tax for the last fiscal year	Results for the last fiscal year	Dividends received by the Company during the year
					Gross	Net					
		€K	€K		EUR	EUR	€K	€K	€K	€K	€K
A. Detailed information about equity investments whose carrying amount exceeds 1% of M.A.J.'s share capital											
1. Subsidiaries (> 50% of capital held by M.A.J.)											
ELIS SERVICES - Saint-Cloud (92) - 693 001 091	1	16,000	69,092	100.00	20,956,581.75	20,956,581.75		69	296,586	2,177	
LE JACQUARD FRANCAIS - Gérardmer (88) - 505 480 137	1	10,877	668	100.00	16,117,398.62	14,237,000.00			10,127	-833	
LES LAVANDIERES - Avrillé (49) - 062 201 009	1	449	129,102	100.00	7,021,068.73	7,021,068.73		163	157,320	12,247	
REGIONALE DE LOCATION ET SERVICES TEXTILES - Marcq en Baroeul (59) 885 581 033	1	243	33,036	100.00	3,801,022.23	3,801,022.23		63	55,933	3,973	
PIERRETTE-TBA- Malzeville (54) - 306 042 268	1	365	184,781	99.78	164,810,980.81	164,810,980.81	22,201		49,992	-12,820	
PRO SERVICES ENVIRONNEMENT - Rochetoirin (38) - 437 754 443	1	8	1,623	100.00	3,153,657.45	3,153,657.45			2,362	469	
ELIS PREVENTION NUISIBLES - Bobigny (93) - 389 530 643	1	9,110	-3,176	100.00	13,503,909.35	13,503,909.35	2,049		6,831	-4,257	
BLANCHISSERIE BLESOISE - La Chaussée St Victor (41) - 310 939 947	1	37	769	100.00	10,700,000.00	7,130,000.00	3,382		10,411	-1,167	
SCI LES GAILLETROUS - La Chaussée St Victor (41) - 343 888 186	1	15	1,367	99.90	2,597,400.00	2,597,400.00	1,311		0	339	
ELIS BELGIUM SA (Belgium)	1-2	8,496	9,090	99.99	9,028,086.43	9,028,086.43	4,705		23,591	1,688	
ELIS MANOMATIC SA (Spain)	1-2	263,935	39,403	100.00	305,066,349.91	305,066,349.91	12,988	4,622	71,880	-10,830	
S.P.A.S.T. Ltda (Portugal)	1-2	1,400	21,855	100.00	13,409,955.00	13,409,955.00		300	41,618	-3,411	
ELIS ITALIA S.p.A. (Italy)	1-2	22,000	3,683	99.38	62,212,186.46	48,944,000.00			30,712	2,262	
ELIS (SUISSE) S.A. (Switzerland)	3	KCHF 102,000	KCHF -32,582	100.00	100,454,502.11	100,454,502.11			KCHF 87,785	KCHF 3,747	
ATMOSFERA GESTAO Ltda (Brazil)	3	KBRL 2,191,044	None	99.99	694,140,024.77	437,128,000.00			None	None	
ELIS CHILE SpA (Chile)	3	KCLP 11,617,249	None	100.00	17,812,820.51	17,812,820.51			None	None	
ELIS COLOMBIA (Colombia)	1-2	KCOP 1,655,572	KCOP 93,881,000	100.00	30,502,129.27	29,435,000.00			KCOP 58,852,000	KCOP 176,000	
ELIS HUNGARY Kft (Hungary)	3	KHUF 3,000	KHUF 331,801	100.00	2,153,899.00	2,153,899.00			KHUF 758,908	KHUF 94,143	
ELIS TEXTIL SERVIS Sro (The Czech Republic)	1-2	KCZK 300	KCZK 256,730	100.00	17,875,000.00	17,875,000.00	507		KCZK 282,237	KCZK 49,516	
2. Investments (10 to 50% of capital held by M.A.J.)											
B. General information about other subsidiaries or investments											
As at 12/31/2020											
1. Subsidiaries (not included in Section A above)		1 EUR = 0,899 GBP									
a. French subsidiaries (total)		1 EUR = 1,0802 CHF									
b. Foreign subsidiaries (total)		1 EUR = 6,3735 BRL									
2. Investments (not included in section A above)		1 EUR = 868,889 CLP									
a. In French companies (total)		1 EUR = 4186,9998 COP									
b. In foreign companies (total)		1 EUR = 363,89 HUF									
		1 EUR = 26,242 CZK									
TOTAL EQUITY INVESTMENTS TO STATEMENT OF FINANCIAL POSITION					1,497,708,252.30	1,220,908,984.78					

1: Fiscal year ended 12/31/2020

2: Provisional accounts

3: Fiscal year ended 12/31/2019