

REPORT OF THE BOARD OF DIRECTORS

Ladies and Gentlemen,

We are herewith reporting on the operations of our company during the 2020/21 year under review, providing you with information on the companies in which we participate, and submitting the financial statements for the financial year ended 30 April 2021 for your approval.

YEAR UNDER REVIEW

It has been one and half years since the sale of the investments in Infranor Holding S.A., its subsidiaries and Bleu-Indim S.A. to the Chinese company Guangzhou Hao Zhi Industrial Co., Ltd., whose shares are listed on the Shenzhen stock exchange. The net sale totalled 33.7 million CHF and was finalised in January 2020.

Since then, your Board of Directors redefined its growth strategy and analysed potential acquisition opportunities. In concrete terms, Perrot Duval intends to :

- continue to diversify in additional market niches, make acquisitions, create strategic business units and, if appropriate, to support such development by strengthening its equity base,
- to diversify its industrial portfolio in market niches allowing for leadership and dynamic business development.

The search for acquisition targets, their analysis – whether successful or not – and the preparation of all the administrative and legal procedures for acquisitions resulted in

numerous costs during the financial year, both from external partners hired for this purpose (CHF 0.5 million) but also internal ones.

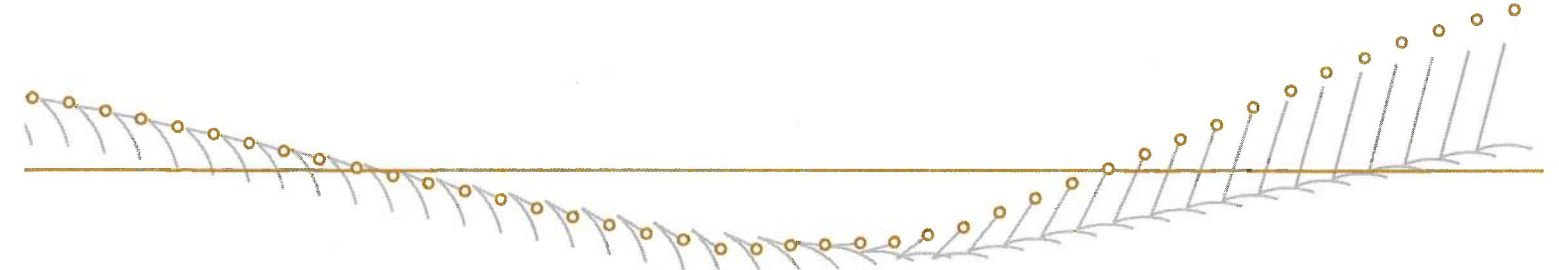
This quest has allowed a first acquisition of the business and personnel of the Lab Systems-EAS unit from Syntegon Technology GmbH (Germany), formerly Bosch Packaging Technology, by Füll Process S.A. on 1 March, 2021.

From an investment operational point of view, it also had to deal with a general slowdown in business and the rate of transactions notably due to the effects of the COVID-19 pandemic.

From the outset of the first quarter, some of the customers of the Füll participation were asking for deliveries to be postponed to the second quarter or even beyond. In general, forecasting remained difficult, with everyone arguing that any planning, even in the short term, was complex.

On the other hand, service and sales support activities were maintained due to increasing customer demand, which resulted in several employees remaining in their positions and little recourse to short-time working compensation.

The Perrot Duval Group's consolidated sales fell by 25.4 million CHF (-77.6 per cent) to 7.0 million CHF (32.4 million CHF was generated in the previous financial year). It should be noted that the previous year included sales of the Infranor participation and its subsidiaries between 1 May 2019 and 6 January 2020 (CHF 23.0 million).



The gross margin (i.e. sales after deduction of the costs of materials and inventory differences) contracted to 4.1 million CHF (18.2 million CHF in 2019/20), although this actually represented an increase from 56.2 per cent to 57.6 per cent in relative terms.

Overheads, including depreciation and amortisation, dropped from 14.6 million CHF to 5.6 million CHF, a reduction of 9.0 million CHF. This item benefited from the absence of similar costs incurred by Infranor, its subsidiaries and Bleu-Indim. S.A., which were consolidated during 8 months in the fiscal year 2019/20. Finally, net loss after tax (including minority interests) amounted to 1.9 million CHF (2.4 million CHF profit was generated the previous year).

The results and trends described above have simplified certain balance sheet items. Short and long-term interest-bearing financial liabilities have been virtually fully repaid (-2.6 million CHF) and the accruals have been shortened by 1.4 million CHF. The acquisition of the business and personnel of the Lab Systems-EAS unit from Syntegon Technology GmbH (Germany) strengthened the non-current assets by 1.0 million CHF. Corollary: the cash and short-term financial assets positions decreased (4.4 million CHF as at 30 April 2021 compared with 17.1 million CHF as at 30 April 2020), as well as equity, which was down from 21.5 million CHF (an equity ratio of 75.1 per cent as at 30 April 2020) to 17.8 million CHF (an equity ratio of 77.1 per cent one year later).

SECTORIAL INFORMATION

FÜLL PROCESS GROUP (100 %)

As a preamble, it should be noted that in April 2021 Perrot Duval Holding S.A. took over the 34 per cent of the shares of Füll Process AG held by Mr Bruhin and his family. The same applied to the loan of 400,000 CHF granted by Mr Bruhin to the company.

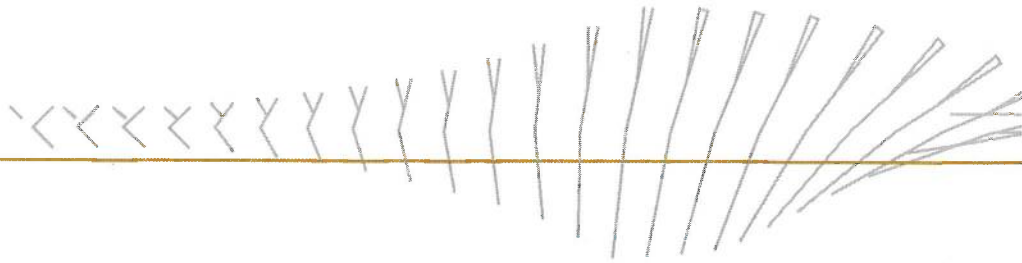
Activities and organisation

The Füll Group comprises five legal entities in Switzerland (one holding company and one operating company), Germany (two operating companies) and the Netherlands. The automation of processes used in obtaining chemical and pharmaceutical products forms its core activity.

The Füll Group is pursuing ambitious goals based on a conclusive strategy with a clear vision. It is globally active as a dispensing and automation expert for a wide range of liquids and powders, and offers a strong service and great process comprehension. The group is growing organically, as well as by acquisitions.

The companies of the group develop machinery and services for customers worldwide, which represent Dispensing and Quality Insurance Processes, from laboratory to production for customers worldwide.

The group supplies industries with dispensing systems, software solutions, and other products for active paint and varnishes, scents and aromas, fine chemicals, printing and packaging, glues and sealants, and solvents and binders.



REPORT OF THE BOARD OF DIRECTORS

Over the next three years, the Group aims to become one of the three main players in the dispensing sector in its main markets for paints, inks, adhesives, sealants, as well as in new applications in cosmetics and flavourings in Europe over the next three years.

Füll Systembau GmbH

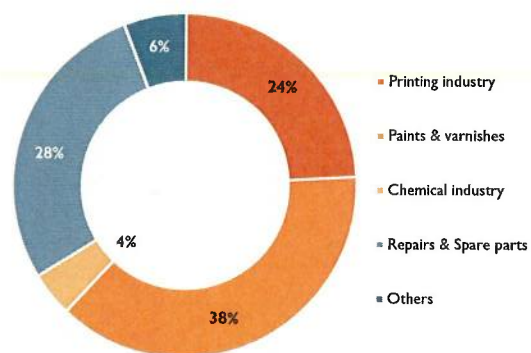
The German company, established in Idstein, is responsible for the production of gravimetric and volumetric dispensing systems, as well as agitators and other equipment, the development of gravimetric dispensing systems, and for customer-specific process automation. With more than 50 years of experience in development and construction of dosage, tank, and mixing systems for handling of liquid products and a high degree of quality, reliability, and flexibility, FÜLL Process Group is a leading provider in the areas of print and packaging, paints and varnish, cosmetics, chemicals, adhesives and sealants.

The German company essentially supplies customised fully automated systems, driven by expert software. With its core products (valves and control software) and the modular design of its systems, it offers an unrivalled range of technical expertise in the fields of mechanical, electrical and electronic engineering, and is developing specific capacities so as to meet the requirements of its customers in the above-mentioned fields.

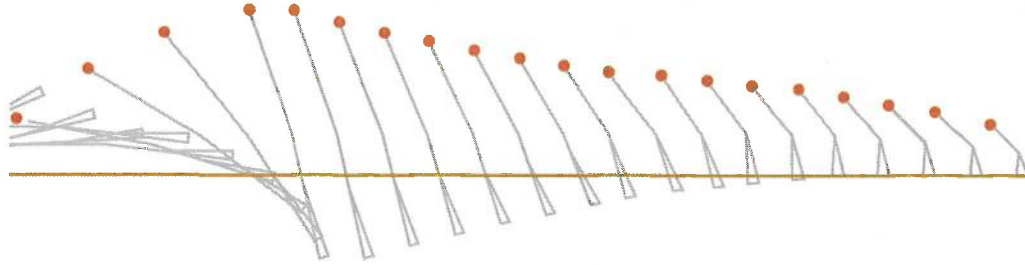
It regularly expands its range of services to include new applications (pre-production units, integrated within the production workflow,

for example) and covers an increasing number of functions (from the management of empty containers to the palletization of finished products).

Net sales by sector for Füll activities



Füll remains a leader in the printing inks market and is thus exposed to the turmoil of economic downturns or company restructuring that have been taking place over the past few years. It maintains a cutting edge in this field by regularly renewing its range of niche products and services, in particular by means of standardised products. Moreover, it continues to find new customers that are active in new sectors (paints, fine chemicals, biology, etc.).



Tecos Bruhin AG

Tecos Bruhin AG is the leading developer and manufacturer of gravimetric dispensing systems for pasty products and engineering services for industrial dispensing and automation applications.

Tecos dispensing systems stand out for their long-lived design, enormous performance, and simple operation. Tecos Bruhin sets itself high standards in innovation and sustainability.

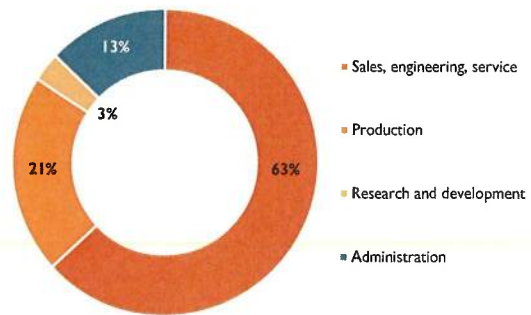
Considering their very similar clientele and presence in complementary segments, Füll and Tecos are notably planning above all to expand their commercial network (taking in Eastern Europe and North America) and to optimise their industrial capacity (fewer supply sources, higher margins, lower overheads and a wider range of systems and services). In addition this will increase their potential to develop original and exclusive equipment and to use their know-how to design both modular and standard systems. Finally, Tecos Bruhin AG focuses more and more on new developments for its own use or on behalf of its German sister company.

In 2016 an acquisition was made in the form of an exchange of shares between Füll Process S.A. and Mr Cornel Bruhin, owner and manager of Tecos Bruhin AG, who also became the Füll Group Executive Manager.

Füll Engineering B.V.

The Dutch company focuses on the development of software products and design of volumetric dispensing systems.

Number of employees by role for Füll activities



Füll Lab Automation GmbH

On 1 March, 2021, Füll acquired the business and personnel of the Lab Systems-EAS unit from Syntegon Technology GmbH (Germany), formerly Bosch Packaging Technology. The newly created company Füll Lab Automation GmbH for this business in the laboratory and quality control sector has been integrated into the Füll business area.

The unit was founded more than 10 years ago as a start-up in the Bosch Group and was fully acquired by Syntegon Technology GmbH (Germany) 3 years ago. Since then, it has been generating new sales with innovative automation solutions for laboratories as well as for replacement machines, spare parts and services. All five highly qualified employees of the unit have been transferred to the newly founded Füll Lab Automation GmbH.



REPORT OF THE BOARD OF DIRECTORS

The German company (previously "Bosch Lab Systems") develops and distributes innovative automation solutions for high-throughput research and development as well as quality control of liquids, powders and viscous materials.

In addition to standard modules, customised solutions are also developed. The systems are suitable for a wide range of applications and industries, including paint and lacquer, cosmetics, chemicals, adhesives and sealants, as well as crop protection. The patented "BLS-syringe" is the basis for highly flexible automation solutions.

Although Füll Lab Automation GmbH and the current Füll Group companies address an identical customer base in different markets, but operate in complementary processes in companies. In addition, Füll Lab Automation products open up the possibility for new applications in the pharmaceutical as well as in the chemical sector. Füll Lab Automation GmbH is able to offer automation solutions for liquids, viscose products, powders as well as adhesives. Their products offer customers the opportunity to enter into high throughput research.

Year under review

Development investments continued, which allowed to :

- achieve designing standards and modular installations (GX-6 and GX-9) that can be designed and assembled in shorter time scales and at lower costs. Initial offers have been placed on the market and customer responses are promising,
- take on design projects for special installations (laboratories, etc.),

- achieve developing customer friendly software, which is aimed at adhering digitalisation and increasing thinking of 4.0. industry in relation to statistics and after sales support,

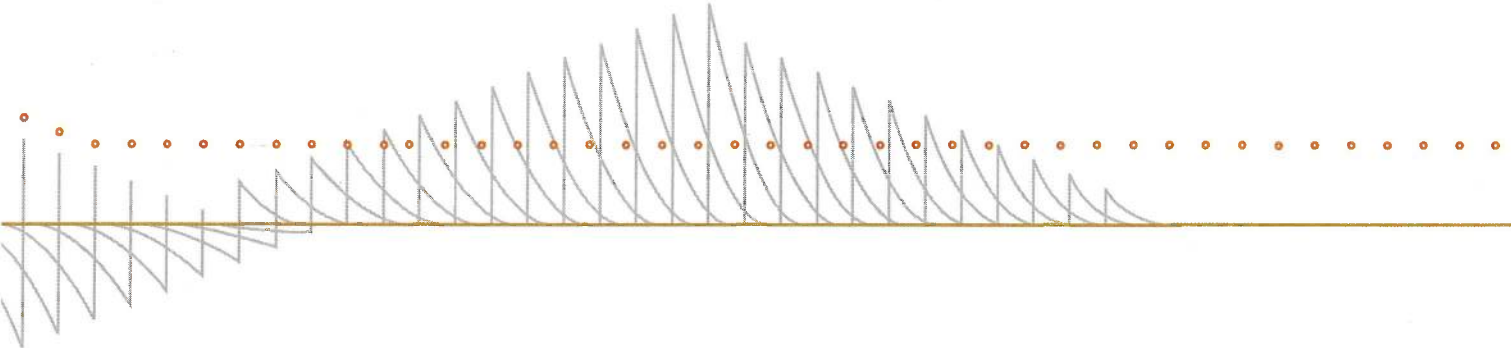
- concentrate efforts to standardise agitators, which were immediately and successfully accepted by the market. Füll also promoted worldwide sales activities in order to push forward its market penetration. In addition, it further increased its after sales and service activities in order to promote proximity to its customers.

CHF 1,000	20/21	19/20
Net sales	7,035	9,433
Change versus previous year	-25.4%	0.2%
EBITDA	-416	372
as % of net sales	-5.9%	3.9%
Depreciation and amortisation	-271	-228
EBIT	-687	144
as % of net sales	-9.8%	1.5%
Employees	38	35
EBIT/employee CHF 1,000	-18	4

Consolidated sales dropped to 7.0 million CHF due to the negative impact of the effects of the COVID-19 pandemic at this time (9.4 million CHF during the previous year).

The consolidated gross margin (57.3 per cent, 54.6 per cent in the previous year) slightly compensated for the drop in sales. This evolution is explained by the numerous delays in the delivery of installations, wished by the customers mainly due to uncertainties related to COVID-19.

Operating costs (4.9 million CHF) were reduced compared with the 2019/20 fiscal year (5.0 million CHF) as a result of strict monitoring.



Because of the lower sales, which were mainly transferred to the following year, EBIT dropped to – 0.7 million CHF (0.1 million CHF during the previous year).

Outlook

Orders on hand and achieved sales in June 2021 (7.3 million CHF) were significantly higher than those of the year before (4.0 million CHF).

Füll Division still expects to be in a position to reach over 11 million CHF in sales in the 2021/22. EBIT is expected to be positive as a consequence.

SERVICES (100%)

Our company has entire control over the service company Perrot Duval Management S.A., located in Coppet (Switzerland), and which is charge on the one hand of assisting each of the legal entities of the group in the administrative, financial, legal and fiscal areas, and on the other hand, of coordinating the complementary tasks in these spheres between the group companies throughout the world.

RENEWAL OF THE MANDATE OF THE AUDITORS

Your Board of Directors proposes to renew the mandate given to the auditors KPMG S.A. of Neuchâtel for the coming year.

PERROT DUVAL HOLDING S.A.

RENEWAL OF THE MANDATE OF THE BOARD OF DIRECTORS

Based on the Swiss Ordinance Against Excessive Remuneration (ERCO), the mandates of the members and Chairman of the Board of Direc-

tors are to be renewed each year. It is thus proposed that mandates be renewed for Mr Nicolas Eichenberger and Mr Luca Bozzo, and that Mr Nicolas Eichenberger be appointed Chairman of the Board of Directors.

It should be noted that after 10 years as a director, Mr Frédéric Potelle will not be seeking re-election.

RENEWAL OF THE MANDATE OF THE INDEPENDANT REPRESENTATIVE

For shareholders who are unable to attend the Annual Shareholders' meeting, your Board of Directors proposes to renew the mandate of the independent representative pursuant to Article 8 ERCO, which was granted in 2014 to Mr Pierre-Yves Cots of rue Ancienne 88, CH-1227 Carouge.

PROPOSED APPROPRIATION OF RETAINED EARNINGS FOR 2020/21

The financial statements of both Perrot Duval Holding S.A. and the eponymous group allow us to propose the distribution of reserves from capital contributions in the amount of 201,738 CHF, representing 1.50 CHF per bearer share, plus a dividend of 201,738 CHF taken from retained earnings.