

**INOXCVA EUROPE BV  
IN ALBLASSERDAM**

Annual report 2019/2020

Concept

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**FINANCIAL REPORT**

Concept

To the shareholders and board of  
Inoxcva Europe BV  
Nieuwland Parc 101  
2952 DB Alblasserdam

Papendrecht, May 10, 2020

Dear management,

We hereby report on the 2019/2020 financial year for your private limited company.

## 1 ORDER

Pursuant to your assignment, we have compiled the 2019/2020 annual accounts of your private company, including the balance sheet with counts of € 400,664 and the profit and loss account with a profit after tax of € 13,270.

## 2 COMPOSITION STATEMENT

The financial statements of Inoxcva Europe BV have been compiled by us on the basis of the information obtained from you. The financial statements comprise the balance sheet as at March 31, 2020 and the profit and loss account for 2019/2020 with the accompanying notes. These notes include an overview of the accounting policies used.

With a compilation order, you are responsible for ensuring that the information is correct and that you provide us with all relevant information. We have therefore carried out our work on the assumption that you have fulfilled this responsibility.

We have executed this compilation assignment in accordance with Dutch law and according to guidelines and work schedules, which are based on the NOAB quality system (NKS). This means, among other things, that we have complied with the regulations that apply to us in the regulations of the Dutch Order of Administration and Tax Experts (NOAB). As a result, you can assume that we have executed the assignment professionally, professionally and carefully, with integrity and objectivity, and that we treat the information you have provided confidentially.

We have executed this compilation assignment in accordance with Dutch law and according to guidelines and work schedules, which are based on the NOAB quality system (NKS). This means, among other things, that we have complied with the regulations that apply to us in the regulations of the Dutch Order of Administration and Tax Experts (NOAB). As a result, you can assume that we have executed the assignment professionally, professionally and carefully, with integrity and objectivity, and that we treat the information you have provided confidentially....

The activities performed in this context mainly consisted of collecting, processing, classifying, comparing, interconnecting and summarizing financial data for the annual accounts and or credit reporting. We have not conducted any audit or review procedures that enable us to express an opinion or draw a conclusion regarding the fairness of the financial statements.

We expect to have been of service to you.

### 3 RESULT

#### 3.1 Comparative overview

The result after tax for 2019/2020 amounts to € 13,270 compared to negative € 14,112 for 2018/2019. The results for both years can be summarized as follows:

	2019/2020		2018/2019		Difference
	€	%	€	%	€
Net sales	668.832	100,0	1.266.486	100,0	-597.654
Cost of sales	564.364	84,4	1.130.966	89,3	-566.602
<b>Gross sales result</b>	<b>104.468</b>	<b>15,6</b>	<b>135.520</b>	<b>10,7</b>	<b>-31.052</b>
<b>Cost</b>					
Personnel costs	13.666	2,0	44.513	3,5	-30.847
Housing costs	16.062	2,4	24.570	1,9	-8.508
Office expenses	803	0,1	1.236	0,1	-433
Car costs	4.295	0,6	9.199	0,7	-4.904
Cost of sales	13.949	2,1	13.372	1,1	577
Overheads	40.885	6,2	8.695	0,7	32.190
	<b>89.660</b>	<b>13,4</b>	<b>101.585</b>	<b>8,0</b>	<b>-11.925</b>
<b>Operating result</b>	<b>14.808</b>	<b>2,2</b>	<b>33.935</b>	<b>2,7</b>	<b>-19.127</b>
Financial income and expense					
Interest income and the like yields	10	-	15	-	-5
Interest and similar expenses	-1.548	-0,2	-48.062	-3,8	46.514
	<b>-1.538</b>	<b>-0,2</b>	<b>-48.047</b>	<b>-3,8</b>	<b>46.509</b>
<b>Taxresult</b>	<b>13.270</b>	<b>2,0</b>	<b>-14.112</b>	<b>-1,1</b>	<b>27.382</b>
<b>Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Result after taxes</b>	<b>13.270</b>	<b>2,0</b>	<b>-14.112</b>	<b>-1,1</b>	<b>27.382</b>

#### 4 FINANCIAL POSITION

The following financing structure can be derived from the balance sheet:

	31-3-2020	31-3-2019
	€	€
Available in the long term:		
Equity	278.577	-505.293
Long-term debt	-	770.600
	<u>278.577</u>	<u>265.307</u>
	<u><u>278.577</u></u>	<u><u>265.307</u></u>
This amount has been used as follows:		
Stocks	46.892	347.045
Progress	313.568	115.376
Liquid assets	40.204	55.948
	<u>400.664</u>	<u>518.369</u>
Less: short-term debts	122.087	253.062
	<u>278.577</u>	<u>265.307</u>
Working capital	<u><u>278.577</u></u>	<u><u>265.307</u></u>

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## 5 TAX STATUS

### 5.1 Calculation taxable amount 2019/2020

The taxable amount for corporation tax for 2019/2020 is calculated as follows:

	<u>2019/2020</u>
	€
Taxresult	13.270
Tax differences:	
Non-deductible expenses	87
Fiscal result 2019/2020	<u>13.357</u>
Compensable losses	<u>-13.357</u>
<b>Taxable amount 2019/2020</b>	<b><u><u>-</u></u></b>

#### 5.1.1 Amounts to be compensated

	<u>Taxable amount for settlement</u>	<u>Verrekening</u>	<u>Remains</u>
	€	€	€
Result 2019/2020: Taxable amount 2018/2019	-	-13.557	-13.557
	<u>-551.605</u>	<u>13.557</u>	<u>-538.048</u>
	<b><u><u>-551.605</u></u></b>	<b><u><u>-</u></u></b>	<b><u><u>-551.605</u></u></b>

#### 5.1.2 Offsettable losses

	<u>Compensable entitlement as of 1 April 2019</u>	<u>Can be deducted up to and including</u>
	€	
2014/2015	275.521	2024
2015/2016	203.487	2025
2016/2017	47.391	2026
2017/2018	11.437	2027
2018/2019	13.769	2025
	<u>551.605</u>	

**Inoxcva Europe BV te Alblasterdam**

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We are happy to provide further information.

Yours sincerely,  
Van Heeswijk Administrations  
V.O.F.

A.T.M. van Stee  
FA Tax advisor

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## **FINANCIAL STATEMENTS**

**Balance as at March 31, 2020**

**Profit and loss account for 2019/2020 Cash flow  
statement 2019/2020**

**Principles for valuation and determination of results**

**Explanation of the balance sheet as at 31 March 2020**

**Notes to the profit and loss account for 2019/2020**





2 PROFIT AND LOSS ACCOUNT FOR 2019/2020

		2019/2020		2018/2019	
		€	€	€	€
Net turnover	(7)	668.832		1.266.486	
Cost of turnover	(8)	564.364		1.130.966	
<b>Gross sales result</b>			104.468		135.520
<b>Cost</b>					
Personnel costs	(9)	13.666		44.513	
Housing costs	(10)	16.062		24.570	
Office expenses	(11)	803		1.236	
Car costs	(12)	4.295		9.199	
Cost of sales	(13)	13.949		13.372	
Overheads	(14)	40.885		8.695	
			89.660		101.585
<b>Bedrijfsresultaat</b>			14.808		33.935
Interest income and the like yields	(15)	10		15	
Interest and similar expenses	(16)	-1.548		-48.062	
<b>Financial income and expenses</b>			-1.538		-48.047
Result before taxes			13.270		-14.112
Taxes			-		-
<b>Result after taxes</b>			13.270		-14.112

### 3 CASH FLOW STATEMENT 2019/2020

The cash flow statement has been prepared using the indirect method.

	2019/2020	
	€	€
<b>cashflow from operational activities</b>		
Operating result	14.808	
Adjustments for:		
Changes in working capital:		
Change in inventories	300.153	
Change in receivables	-198.192	
Movement in short-term debt (excluding short-term portion of long-term debt)	-130.975	
Cash flow from operations		-14.206
Ontvangen interest	10	
Betaalde interest	-1.548	
		-1.538
cashflow from operational activities		-15.744
<b>Cash flow from financing activities</b>		
Change in share capital	770.600	
Repayment of bond and private loans	-770.600	
Conversion of loan into share capital	-770.600	
Cash flow from financing activities		-770.600
		-786.344
<i>Cash flow control</i>		
<i>Change in cash and cash flow</i>		-15.744
		786.344
		770.600

### Cash composition

	2019/2020	
	€	€
Cash as of April 1		55.948
Change in cash and cash equivalents		-15.744
Cash as of March 31		40.204

## 4 G R O NDSLAGEN VOOR WAARDERING EN RESULTAATBEPALING

### GENERAL

**The financial statements have been prepared on**

**tax bases. Business address**

Inoxcva Europe BV (registered under Chamber of Commerce number 59643102) is actually located at Nieuwlandparc 101 in Alblasserdam.

### GENERAL PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the provisions of Title 9 Book 2 of the Dutch Civil Code.

The valuation of assets and liabilities and the determination of the result are based on historical costs. Unless stated otherwise for the relevant basis for the specific balance sheet item, the assets and liabilities are valued according to the cost price model.

Income and expenses are allocated to the year to which they relate. Profits are only recognized insofar as they have been realized on the balance sheet date. Obligations and possible losses that originate before the end of the year under review are taken into account if they have become known before the preparation of the financial statements.

#### **Bijzondere posten**

Exceptional items are income or expenses that arise from events or transactions that are part of the result from normal, non-incidentally business activities, but that are explained separately for reasons of comparability on the basis of the nature, size or incidental nature of the item.

### PRINCIPLES FOR THE VALUATION OF ASSETS AND LIABILITIES

#### **Stocks**

Stocks of raw materials, consumables and goods for resale are valued at purchase price or lower net realizable value. This lower net realizable value is determined by individual assessment of inventories.

#### **Receivables and prepayments**

De vorderingen worden bij eerste verwerking opgenomen tegen de reële waarde en vervolgens gewaardeerd tegen de geamortiseerde kostprijs. De reële waarde en geamortiseerde kostprijs zijn gelijk aan de nominale waarde. Noodzakelijk geachte voorzieningen voor het risico van oninbaarheid worden in mindering gebracht. Deze voorzieningen worden bepaald op basis van individuele beoordeling van de vorderingen.

### **Liquid assets**

Cash and cash equivalents consist of cash, bank balances and deposits with a term of less than twelve months. Current account debts with banks are included under debts to credit institutions under short-term debts. Liquid assets are valued at nominal value.

### **Long-term debt**

Long-term liabilities are valued at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of the long-term debts are included in the valuation at first processing. Long-term debts are valued at first amortized cost at amortized cost, being the amount received taking into account the premium or discount and less transaction costs. The difference between the determined book value and the final redemption value is recognized as interest expense on the basis of the effective interest during the estimated term of the long-term debts in the profit and loss account.

### **Short-term debt**

Short-term debts are stated at fair value on initial recognition. Short-term debts are valued at amortized cost price after initial recognition. Where there is no (dis) premium and transaction costs, the amortized cost is equal to the nominal value.

## **PRINCIPLES FOR DETERMINING THE RESULT**

### **General**

The result is determined as the difference between the net realizable value of the services rendered and services rendered on the one hand, and the costs and other expenses of the year, valued at historical cost prices, on the other.

### **Determination of results**

The result is determined as the difference between net turnover and the costs and other expenses of the year under review, taking into account the aforementioned accounting policies. Profits are recognized in the year in which the goods were delivered or the services provided. Losses originating in the financial year are taken into account as soon as they are foreseeable.

### **Net sales**

Net turnover is understood to mean the proceeds of the goods and services rendered in the year under review, less discounts and taxes levied on turnover.

Income from the sale of goods is recognized when all significant rights to economic benefits as well as all significant risks are transferred to the buyer. The cost of these goods is allocated to the same period.

**Kostprijs van de omzet**

Cost of sales includes the cost of goods sold and delivered, consisting of direct material consumption, direct labor and machine costs, and other direct and indirect costs attributable to manufacturing.

**Financial income and expenses**

**Interest income and expense relates to the interest income and expense of loans issued and received that relate to the reporting period.**

**Taxes**

Corporate tax is calculated at the applicable rate for the result for the financial year, taking into account permanent differences between the profit calculation according to the annual accounts and the tax profit calculation, and where deferred tax assets (if applicable) are only valued insofar as the realization thereof is likely.

**GRONDSLAGEN VOOR DE OPSTELLING VAN HET KASSTROOMOVERZICHT**

Het kasstroomoverzicht is opgesteld volgens de indirecte methode.

The cash in the cash flow statement consists of the liquid assets and the current securities. The securities can be considered as very liquid investments.

Cash flows in foreign currency have been converted at an estimated average exchange rate. Exchange differences on cash are shown separately in the cash flow statement.

Receipts and expenses related to interest, dividends received and income taxes are included in the cash flow from operating activities. Dividends paid are included in the cash flow from financing activities.



5 T O E L I C H T I N G O P D E B A L A N S P E R 3 1 M A A R T 2 0 2 0

**ASSETS**

**CURRENT ASSETS**

**1. Stocks**

	<u>31-3-2020</u>	<u>31-3-2019</u>
	€	€
Finished product and trade goods		
Trade goods	46.892	347.045

**2. Progress**

Trade debtors		
Debtors	190.182	109.064

In het bedrag van debiteuren is € 65.629,59 toe te rekenen aan groepsmaatschappij INOX India Pvt Ltd.

Receivables from group companies		
Prepayment on order from Inox India Pvt Ltd.	121.220	-

Other taxes and social security contributions	1.129	2.022
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**Other receivables**

VAT Belgium	-	381
VAT Germany	2	127
VAT United Kingdom	14	220
VAT Italy	-	339
VAT France	145	143
VAT Spain	16	-
	<u>177</u>	<u>1.210</u>

## Inoxcva Europe BV te Alblasserdam

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	<u>31-3-2020</u>	<u>31-3-2019</u>
	€	€
Accrued assets		
Insurance	860	3.080
	<u>860</u>	<u>3.080</u>
<b>3. Liquid assets</b>		
ABN Amro, current account	20.154	35.908
ABN Amro, deposit	10.000	10.000
ICS, credit card	10.050	10.040
	<u>40.204</u>	<u>55.948</u>

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**LIABILITIES**

**4. Eigen vermogen**

	<u>31-3-2020</u>	<u>31-3-2019</u>
	€	€
Geplaatst kapitaal		
Geplaatst en volgestort zijn 820.600 gewone aandelen nominaal€ 1,00	<u>820.600</u>	<u>50.000</u>
		Normale aandelen
		€
Balance as at April 1, 2019 Issue of shares		50.000 770.600
Balance as at March 31, 2020		<u>820.600</u>

	<u>2019/2020</u>	<u>2018/2019</u>
	€	€
<b>Other reserves</b>		
Balance as at 1 April Profit appropriation for the financial year Balance as at 31 March	-555.293 13.270 <u>-542.023</u>	-541.181 -14.112 <u>-555.293</u>

	<u>31-3-2020</u>	<u>31-3-2019</u>
	€	€

**5. Langlopende schulden**

Other bonds and private loans	<u>-</u>	<u>770.600</u>
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**Other bonds and private loans**

Loan Inox India Private Limited dated 08-10-2014	-	65.000 100.000
Loan Inox India Private Limited dated 10-03-2015	-	305.600 300.000
Loan Inox India Private Limited dated 19-04-2017	<u>-</u>	<u>770.600</u>
Loan Inox India Private Limited dated 05-06-2017	<u>-</u>	<u>770.600</u>

## Inoxcva Europe BV te Alblisserdam

	2019/2020	2018/2019
	€	€
<i>Loan Inox India Private Limited dated 03-03-2014</i>		
Stand per 1 april	-	25.000
Aflossing	-	-25.000
Langlopend deel per 31 maart	-	-
<i>Loan Inox India Private Limited dated 08-10-2014 As of April 1</i>		
Loan repayment, converted to share capital Long-term portion as at 31 March	65.000	100.000
	-65.000	-35.000
	-	65.000
<i>Lening Inox India Private Limited dd 10-03-2015 Stand per 1 april</i>		
Aflossing lening, geconverteerd naar aandelenkapitaal	100.000	100.000
Langlopend deel per 31 maart	-100.000	-
	-	100.000
<i>Loan Inox India Private Limited dated 19-04-2017</i>		
Balance as at 1 April	305.600	305.600
Loan repayment, converted to share capital Long-term portion as at 31 March	-305.600	-
	-	305.600
<i>Loan Inox India Private Limited dated 05-06-2017</i>		
Balance as at 1 April	300.000	300.000
Loan repayment, converted to share capital	-300.000	-
Langlopend deel per 31 maart	-	300.000

### 6. Short-term debt

	31-3-2020	31-3-2019
	€	€
Schulden aan leveranciers en handelskredieten		
Crediteuren	1.878	248.043

**Inoxcva Europe BV te Alblasserdam**

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	<u>31-3-2020</u>	<u>31-3-2019</u>
	€	€
Other debts Advance receivables	<u>108.350</u>	<u>-</u>

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## Inoxcva Europe BV te Alblasterdam

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	31-3-2020	31-3-2019
	€	€
<b>Overlopende passiva</b>		
Accountantskosten Rente- en bankkosten Nog te betalen commissie Nog te ontvangen facturen	941 25 6.500 4.393	999 - - 4.020
	<u>11.859</u>	<u>5.019</u>

## ASSETS AND LIABILITIES NOT INCLUDED IN THE BALANCE

### SHEET Contingent liabilities

#### Meerjarige financiële verplichtingen

Rental obligations for immovable property

The company has entered into a long-term financial obligation with regard to the lease of business space (€ 597.25 per month).

6 NOTES TO THE PROFIT AND LOSS ACCOUNT FOR 2019/2020

	2019/2020	2018/2019
	€	€
<b>7. Netto-omzet</b>		
Net sales	603.202	1.188.619
Net sales service	65.630	77.867
	<u>668.832</u>	<u>1.266.486</u>
<b>8. Cost of sales</b>		
Cost of sales	553.233	1.098.887
Installation costs	3.421	1.650
Freight costs turnover	7.710	30.429
	<u>564.364</u>	<u>1.130.966</u>
<b>9. Personnel costs</b>		
Wages and salaries	-	39.551
Social security contributions	-	4.962
Other personnel costs	13.666	-
	<u>13.666</u>	<u>44.513</u>
Lonen en salarissen		
Bruto lonen	-	39.551
	<u>-</u>	<u>39.551</u>
Social Security		
Social insurance laws premiums	-	4.962
	<u>-</u>	<u>4.962</u>
Other personnel costs		
Recruitment costs	13.666	-
	<u>13.666</u>	<u>-</u>
Personeelsleden		
Gedurende het jaar 2019/2020 was - werknemer in dienst op basis van een volledig dienstverband (2018/2019: 1).		
<b>Further operating expenses</b>		
<b>10. Housing costs</b>		
Rent real estate Other housing costs	15.896	24.368
	166	202
	<u>16.062</u>	<u>24.570</u>

## Inoxcva Europe BV te Alblasserdam

	2019/2020	2018/2019
	€	€
<b>11. Office expenses</b>		
Kantoorbehoeften	-	46
Telefoon	93	301
Porti	22	188
Contributies en abonnementen	688	700
Kleine aanschaffingen	-	1
	<u>803</u>	<u>1.236</u>
<b>12. Autokosten</b>		
Fuels	679	708
Maintenance	217	1.607
Lease costs	2.841	6.434
Insurance	508	113
Other car costs	50	337
	<u>4.295</u>	<u>9.199</u>
<b>13. Cost of sales</b>		
Representation costs	214	1.260
Business gifts	116	400
Travel and accommodation	5.456	10.809
Commissions	6.500	-
Royalties	1.663	903
	<u>13.949</u>	<u>13.372</u>
<b>14. Overheads</b>		
Administration costs	3.581	3.944
Consultancy costs	32.500	-
Notary fees	1.294	-
Insurance Salary Administration Belgium	3.158	2.425
Non-recoverable EU sales tax	-	1.511
Other general costs	352	793
	<u>-</u>	<u>22</u>
	<u>40.885</u>	<u>8.695</u>



**Financial income and expenses**

	<u>2019/2020</u>	<u>2018/2019</u>
	€	€
<b>15. <i>Rentebaten en soortgelijke opbrengsten</i></b>		
Bank interest received	10	15
	<u>10</u>	<u>15</u>
<b>16. <i>Interest and similar expenses</i></b>		
Betaalde bankkosten	832	959
Koersverschillen	-	55
Rente leningen Inox India Private Limited	232	42.894
Interest for late payment Inox India Private Ltd	484	4.154
	<u>1.548</u>	<u>48.062</u>

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**OTHER INFORMATION**

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**OTHER DATA OTHER DATA**

**1 Auditing**

Since the private company falls within the limits set by law in Article 2: 396 paragraph 1 of the Dutch Civil Code, the company is exempt from auditing. For this reason, no auditor's report has been added to the financial statements.

**2 Statutory scheme for profit appropriation**

Pursuant to article 18 of the articles of association, the profit is available to the general meeting.

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