

Parx Materials N.V.

Statutory seat: Rotterdam

Consolidated annual accounts 2020

Chamber of Commerce file:	55993753
Date:	6 May 2021
Compiled by:	Suzanne Kalkema-Rademakers
Number of copies:	1

Parx Materials N.V.
Statutory seat: Rotterdam

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Parx Materials N.V.
Attn. Mr M. van der Jagt
Goudsesingel 96Unit 1.7
3011 KD ROTTERDAM

Rhoon, 6 May 2021

Dear Mr Van der Jagt

Hereby we report on the annual accounts 2020 of your company.

Introduction

Enclosed we offer you: the consolidated annual accounts 2020 of Parx Materials N.V., seated in Rotterdam, Goudsesingel 96Unit 1.7.

The financial statements 2020 consists of the consolidated annual accounts 2020 of the group companies, ie:

Parx Plastics Asia BV, Parx Plastics Europe BV, Parx Materials NV and Silarity NV

After adoption and signing of the annual accounts, the necessary publications are to be deposited at the register of the Chamber of Commerce within 8 days.

General

The organization is a public limited company, in particular, with the object of:

Manufacture of plastic, financial holding company and patent offices.

The public limited company has been registered at the Chamber of Commerce for Rotterdam under file 55993753 and is statutory seated in Rotterdam.

With regard to the taxes the public limited company is covered by the unit Belastinginspectie Rijnmond/kantoor Rotterdam and registered by fiscal number 851936064.

The VAT return is compiled by our office.

During the reporting period there were no employees.

The Board of Directors consists of:

Mr M. van der Jagt
Mr M. Fiori

The general meeting has adopted the annual accounts 2019, including the appropriation of result, on 10 May 2019 and therefore a discharge has been issued for the Board of Directors' policy.

Yours sincerely,
Van Driel Finance

Dennis van Driel
NOAB lid

Assistant: Suzanne Kalkema-Rademakers

Parx Materials N.V.

Statutory seat: Rotterdam

Annual report**Compilation report**

The financial statements of Parx Materials N.V. have been compiled by us using the information provided by you. The financial statements comprise the consolidated balance sheet as at 31 December 2020 and the consolidated profit and loss account for the year 2020 with the accompanying explanatory notes. These notes include a summary of accounting policies which have been applied.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility.

We have performed this compilation engagement in accordance with Dutch law and in accordance with guidelines and work schedules that are based on the quality system NKS of the Netherlands Association of Administration and Tax Experts (NOAB). This means, among other things, that we have complied to the for us applicable regulations to the orders of the NOAB. You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Title 9 Book 2 of the Dutch Civil Code (BW). To this end we have applied our professional expertise in accounting and financial reporting.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information for the financial statements. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

Rhoon, 6 May 2021

Van Driel FinanceDennis van Driel
NOAB lid

Assistant: Suzanne Kalkema-Rademakers

Parx Materials N.V.
Statutory seat: Rotterdam

Annual report

Financial position

(EUR)

	<u>12/31/2020</u>	<u>12/31/2019</u>
The movements in the financial year are as follows:		
Available at short term		
Cash and cash equivalents	270,562	37,323
Receivables	547,220	438,137
Inventories	83,659	102,598
Current liabilities	(430,922)	(586,506)
Working capital	470,519	(8,448)
Long-term		
Intangible fixed assets	6,029,415	7,036,615
Property, plant and equipment	8,365	6,951
Financial fixed assets	50,802	50,802
Financed with long-term items	6,559,101	7,085,920
This investment was financed with:		
Equity	6,559,101	7,085,920
	6,559,101	7,085,920

During 2020 the working capital has increased by € 478,967 compared to 2019, which is specified as follows:

	<u>2020</u>
Decrease current liabilities	155,584
Decrease inventories	(18,939)
Increase receivables	109,083
Increase cash and cash equivalents	233,239
	478,967

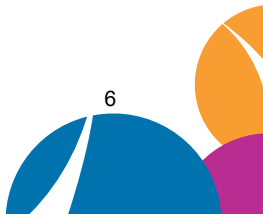
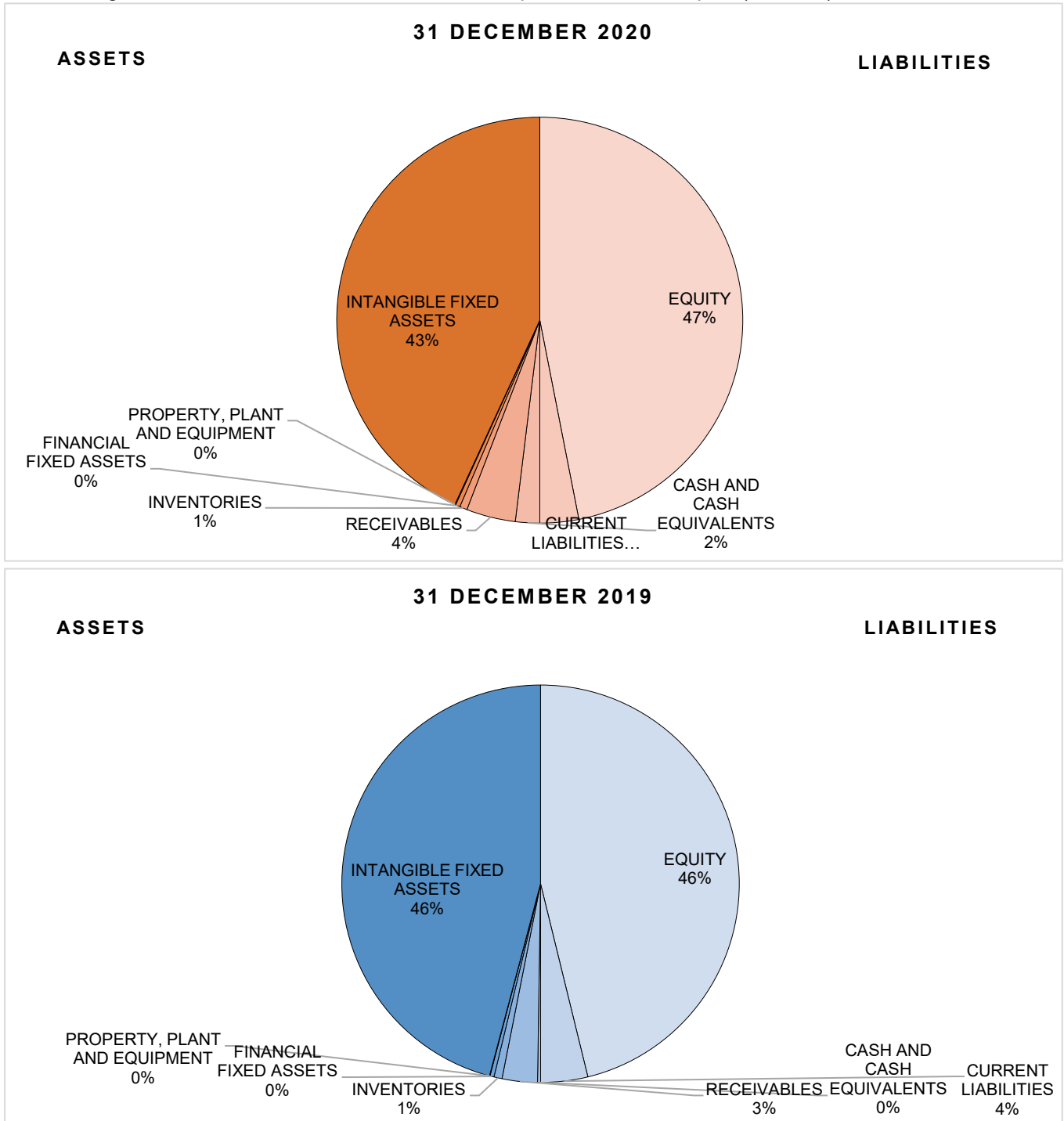
During 2020 the cash and cash equivalents increased by € 233,239 compared to 2019.

Parx Materials N.V.
 Statutory seat: Rotterdam

Annual report

Graphical presentation balance sheet positions

The graph below shows the relationship between the components of both assets and liabilities. It also gives understanding in how the assets are funded with different parts of the total capital (liabilities).



Parx Materials N.V.
Statutory seat: Rotterdam

Annual report

Ratios

(EUR)

	<u>2020</u>	<u>2019</u>
Current ratio		
The liquidity of a company is expressed in terms of a ratio, where the current assets are divided by the short-term debts. This ratio indicates to what extent the current liabilities can be fulfilled in the short term, without endangering the continuity of the organisation. In general a standard of 1.5 is considered sufficient. However, there are other factors, which have to be taken into account. For instance profitability, kind of business activities, the quality of the current assets and their term compared to the term of short-term debts and seasonal influences.		
$\frac{\text{current assets}}{\text{short-term debts}}$	2.1	1.0

Solvency

The solvency indicates to which extent a company is able to fulfill liabilities to third parties in the long term.

If the equity is expressed in proportion to the total capital, a standard of at least 33.33% applies. If the equity is expressed in proportion to the debt capital, a standard of at least 50% applies.

$\frac{\text{equity}}{\text{total capital}}$	x 100%	93.8%	92.4%
$\frac{\text{equity}}{\text{debt capital}}$	x 100%	1,522.1%	1,208.2%

Parx Materials N.V.

Statutory seat: Rotterdam

Consolidated balance sheet at 31 December 2020
(before appropriation of result)

ASSETS

(EUR)

	Note	31 December 2020	31 December 2019
NON-CURRENT ASSETS			
Intangible fixed assets	1		
Research and development costs		37,232	42,456
Patents, trademarks and other rights		5,992,183	6,994,159
		6,029,415	7,036,615
Property, plant and equipment	2		
Fixtures and fittings		8,365	6,951
		8,365	6,951
Financial fixed assets	3		
Investments in other participating interests		50,802	50,802
		50,802	50,802
CURRENT ASSETS			
Inventories	4		
Trade goods		83,659	102,598
		83,659	102,598
Receivables	5		
Trade receivables		10,919	408,916
Group companies		496	496
Taxes and social charges		31,765	28,490
Accrued income		504,040	235
		547,220	438,137
Cash and cash equivalents	6	270,562	37,323
		6,990,023	7,672,426

(Compilation report issued)

LIABILITIES

(EUR)

	Note	31 December 2020	31 December 2019
Equity	7		
Group equity		6,573,868	7,087,579
Non-controlling interest		<u>(14,767)</u>	<u>(1,659)</u>
		6,559,101	7,085,920
Current liabilities	8		
Group companies		31,550	31,550
Trade payables		21,385	176,981
Payables other		172,000	172,000
Accruals		<u>205,987</u>	<u>205,975</u>
		<u>430,922</u>	<u>586,506</u>
		<u>6,990,023</u>	<u>7,672,426</u>

Compiled by the Board of Directors on 6 May 2021 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori

Parx Materials N.V.

Statutory seat: Rotterdam

**Consolidated profit and loss account
2020**

(EUR)

	Note	2020	2019
Net revenue	9	124,489	737,577
Cost of sales	10	<u>(78,825)</u>	<u>(12,914)</u>
Gross margin		45,664	724,663
Depreciation	11	15,624	14,474
Other operating expenses:	12		
Other personnel related expenses		6,900	92
Accommodation costs		14,607	11,865
Administration costs and advisory fees		99,937	130,391
Office related expenses		17,557	8,357
Car and transport costs		356	1,862
Selling expenses		34,339	41,673
General expenses		27,692	14,309
Management fee		<u>360,000</u>	<u>370,000</u>
Operating expenses		<u>577,012</u>	<u>593,023</u>
Operating result		<u>(531,348)</u>	131,640
Interest income and related income		<u>(263)</u>	<u>(305)</u>
Financial result	13	<u>(263)</u>	<u>(305)</u>
Result before tax		<u>(531,611)</u>	131,335
Income tax expense		<u>-</u>	<u>-</u>
Result after tax		<u>(531,611)</u>	131,335
Result attributable to non-controlling interest	14	<u>13,105</u>	<u>1,350</u>
Net result after tax		<u><u>(518,506)</u></u>	<u><u>132,685</u></u>

(Compilation report issued)

Compiled by the Board of Directors on 6 May 2021 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori

Parx Materials N.V.

Statutory seat: Rotterdam

Notes and accounting policies for the consolidated financial statements**Entity information**Name

Parx Materials N.V.

Legal form

Public limited company

Registered office

Rotterdam

Registration number at the Chamber of Commerce

55993753

Classification based on the legal size criteria

Micro

Activities

The organization's most important activities (SBI-code: 2229) are:
Manufacture of plastic, financial holding company and patent offices.

Address

Goudsesingel 96 Unit 1.7
3011 KD Rotterdam

ConsolidationConsolidation policy

In the consolidated financial statements all group companies are included according to uniform foundations, in accordance with the integral consolidation method. The non-controlling interest in group companies is presented separately, calculated in accordance with the policies of the group and according to their share in the group.

Consolidated interests

The consolidated financial statements include the following group companies:
Parx Materials N.V.; Silarity N.V.

Accounting policiesGeneral accounting policies

In the annual account the appropriation of result is not processed. The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Dutch Civil Code.

Parx Materials N.V.

Statutory seat: Rotterdam

Notes and accounting policies for the consolidated financial statements**Accounting policies for the valuation of assets and equity and liabilities**Assets and liabilities

Unless otherwise stated, all assets and liabilities are stated at face value.

Intangible fixed assets*Research and development costs*

Research and development costs concern directly incurred costs plus the hours spent at cost price for the development of new products, which are in production or have been added to the range. Research and development costs are borne proportional to income over a number of years.

Patents, trademarks and other rights

Granted and applied patents, trademarks and other rights are valued at historical purchase price. There is no depreciation on patents, trademarks and other rights.

Property, plant and equipment*Fixtures and fittings*

Fixtures and fittings are valued at historical purchase price reduced with linear calculated depreciation after introduction, based upon the economic lifetime (maximum 10 years).

Financial fixed assets*Investments in other participating interests*

Investments in other participating interests are valued at historical purchase price or lower value, if the net asset value is lower, dependent on the extent of participation.

Inventories*Trade goods*

Trade goods are valued at historical purchase price, or - if less - at market value. If necessary, a provision for obsolete inventories is deducted from the value.

Receivables

The receivables are stated at face value less any required provision for doubtful debts. Unless otherwise stated, the remaining term for receivables is less than one year.

Cash and cash equivalents

Cash and cash equivalents are at free disposal of the company and consist of directly collectable claims on credit facilities and cash facilities, unless stated otherwise.

Reserves

Parx Materials N.V.

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Notes and accounting policies for the consolidated financial statements*Share premium*

Share premium consists of that part of the issued and paid up capital, which is higher than the nominal value of the issued shares.

Revaluation reserve

The revaluation reserve is formed as a result of appreciations in value of the assets. Depreciations are deducted from this, as far as this concerns depreciations of the assets revaluated in the past. Impairment and reversals of impairment are stated in the profit and loss account.

Lost previous years

This item consists of the accumulated losses, which should be paid off from future profits.

Current liabilities

The current liabilities and accruals are loans with a term of less than one year and are stated at face value, unless otherwise stated.

Accounting policies for the profit and loss accountNet revenue

Net revenue means the amounts charged to third parties for delivered goods and services, excluding VAT.

Cost of sales

The cost of sales are the costs of raw materials used, directly chargeable to the net revenue as well as the manufacturing costs at purchase value, or the direct purchase value of trade goods. If applied, the depreciation of stocks to lower market value is also included, as well as provisions for obsolete inventories.

Depreciation

Depreciation on fixed assets are calculated by means of steady rates of the historical purchase price, respective spent costs, based on the expected economic lifetime, in accordance with the principles, stated under the accounting policies.

(Compilation report issued)

Parx Materials N.V.
Statutory seat: Rotterdam

Consolidated balance sheet disclosures

(EUR)

NON-CURRENT ASSETS

1) Intangible fixed assets

	Research and development costs	Patents, trademarks and other rights	Total
<i>Book value at 31 December 2019</i>			
Purchase price	66,604	10,005,343	10,071,947
Depreciation	(24,148)	(3,011,184)	(3,035,332)
	42,456	6,994,159	7,036,615
<i>Movements 2020</i>			
31 December 2019	42,456	6,994,159	7,036,615
Additions	(2,528)	(991,278)	(993,806)
Depreciation	(2,696)	(10,698)	(13,394)
31 December 2020	37,232	5,992,183	6,029,415
<i>Book value at 31 December 2020</i>			
Purchase price	67,678	10,005,343	10,073,021
Depreciation	(30,446)	(4,013,160)	(4,043,606)
	37,232	5,992,183	6,029,415
Depreciation rate	10%	10%	

2) Property, plant and equipment

	Fixtures and fittings
<i>Book value at 31 December 2019</i>	
Purchase price	10,238
Depreciation	(3,287)
	6,951
<i>Movements 2020</i>	
31 December 2019	6,951
Additions	3,644
Depreciation	(2,230)
31 December 2020	8,365

Parx Materials N.V.

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Consolidated balance sheet disclosures

(EUR)

Book value at 31 December 2020

Purchase price	12,482
Depreciation	<u>(4,117)</u>
	<u>8,365</u>
Depreciation rate	20%

3) Financial fixed assets
Summary of the financial fixed assets

	<u>12/31/2020</u>	<u>12/31/2019</u>
Investments in other participating interests	<u>50,802</u>	<u>50,802</u>

Specification of and changes in financial fixed assets
Investments in other participating interests

	<u>1 January 2020</u>	<u>Movements</u>	<u>Dividends</u>	<u>Share in result</u>	<u>31 December 2020</u>
Zincln	802	-	-	-	802
Zinkh N.V.	50,000	-	-	-	50,000
	<u>50,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,802</u>

	<u>Interest in share capital</u>	<u>Location</u>
Zincln	11.68%	Norway
Zinkh N.V.	10.00%	Belgium

Explanatory note

The investments in other participating interests are related parties by virtue of the fact that significant influence can be exerted on the business and financial policy.

CURRENT ASSETS
4) Inventories
Summary of the inventories

	<u>12/31/2020</u>	<u>12/31/2019</u>
Trade goods	<u>83,659</u>	<u>102,598</u>

Detailed breakdown of the inventories
Trade goods

Trade goods	<u>83,659</u>	<u>102,598</u>
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Parx Materials N.V.
Statutory seat: Rotterdam

Consolidated balance sheet disclosures

(EUR)

5) Receivables

Summary of the receivables

	<u>12/31/2020</u>	<u>12/31/2019</u>
Trade receivables	10,919	408,916
Group companies	496	496
Taxes and social charges	31,765	28,490
Accrued income	504,040	235
	<u>547,220</u>	<u>438,137</u>

Detailed breakdown of the receivables

Trade receivables

Trade receivables nominal	<u>10,919</u>	<u>408,916</u>
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Group companies

Group company Venor B.V.	<u>496</u>	<u>496</u>
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Taxes and social charges

VAT receivable	<u>31,765</u>	<u>28,490</u>
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Accrued income

Prepaid expenses / accrued income	<u>504,040</u>	<u>235</u>
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6) Cash and cash equivalents

ABN-AMRO Bank N.V.	269,745	37,323
Other finance companies	817	-
	<u>270,562</u>	<u>37,323</u>

Parx Materials N.V.
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Consolidated balance sheet disclosures

(EUR)

LIABILITIES

7) Equity

For the equity disclosures is referred to the the company balance sheet disclosures.

8) Current liabilities

Summary of the current liabilities

	<u>12/31/2020</u>	<u>12/31/2019</u>
Group companies	31,550	31,550
Trade payables	21,385	176,981
Payables other	172,000	172,000
Accruals	205,987	205,975
	<u>430,922</u>	<u>586,506</u>

Detailed breakdown of the current liabilities

Group companies

Group company Venor B.V.	<u>31,550</u>	<u>31,550</u>
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Trade payables

Trade payables	<u>21,385</u>	<u>176,981</u>
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Payables other

Advances received	<u>172,000</u>	<u>172,000</u>
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Accruals

Accrued operating expenses	3,000	3,000
Accrued expenses / deferred income	<u>202,987</u>	<u>202,975</u>
	<u>205,987</u>	<u>205,975</u>

(Compilation report issued)

Parx Materials N.V.

Statutory seat: Rotterdam

Consolidated profit and loss account disclosures

(EUR)

	<u>2020</u>	<u>2019</u>
9) Net revenue		
Turnover group 0	<u>124,489</u>	<u>737,577</u>
10) Cost of sales		
Cost of sales group 0	<u>78,825</u>	<u>12,914</u>

Net revenue versus cost of sales

	<u>2020</u>			<u>2019</u>		
	Net revenue	Cost of sales	Margin as a % of net revenue	Net revenue	Cost of sales	Margin as a % of net revenue
Turnover group 0	<u>124,489</u>	<u>78,825</u>	36.7	<u>737,577</u>	<u>12,914</u>	98.2

Average number of employees
Explanatory note

During the reporting period there were no employees.

11) Depreciation

Amortization of intangible assets	13,394	12,706
Depreciation of tangible assets	<u>2,230</u>	<u>1,768</u>
	<u>15,624</u>	<u>14,474</u>

Detailed breakdown of the depreciation
Amortization of intangible assets

Amortization expenses research and development costs	2,696	2,565
Amortization expenses patents, trademarks and other rights	<u>10,698</u>	<u>10,141</u>
	<u>13,394</u>	<u>12,706</u>

Depreciation of tangible assets

Depreciation expenses fixtures and fittings	<u>2,230</u>	<u>1,768</u>
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Parx Materials N.V.

Statutory seat: Rotterdam

Consolidated profit and loss account disclosures

(EUR)

	2020	2019
12) Other operating expenses		
Other personnel related expenses	6,900	92
Accommodation costs	14,607	11,865
Administration costs and advisory fees	99,937	130,391
Office related expenses	17,557	8,357
Car and transport costs	356	1,862
Selling expenses	34,339	41,673
General expenses	27,692	14,309
Management fee	360,000	370,000
	561,388	578,549
<i>Detailed breakdown of the other operating expenses</i>		
Other personnel related expenses		
Travelling-expenses	-	92
Course fees	2,500	-
Other employee costs	4,400	-
	6,900	92
Accommodation costs		
Rental costs	14,607	11,865
Administration costs and advisory fees		
Audit fees	3,420	3,336
Attorney's fees	5,029	6,198
Notary fees	516	2,625
Other advisory fees	46,583	6,689
Other advisory fees	44,389	111,543
	99,937	130,391
Office related expenses		
Telephone, fax and internet	776	221
Postage	314	346
Computer costs	3,170	3,805
Subscriptions and Chamber of Commerce costs	8,764	2,284
Other office costs	4,533	1,701
	17,557	8,357

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Consolidated profit and loss account disclosures

(EUR)

	<u>2020</u>	<u>2019</u>
Car and transport costs		
Leasing	225	1,393
Fuel	103	452
Other car and transport costs	28	17
	<u>356</u>	<u>1,862</u>
Selling expenses		
Representations	2,849	831
Traveling and hotel expenses	13,842	20,782
Advertisement	400	-
Other selling expenses	17,248	20,060
	<u>34,339</u>	<u>41,673</u>
General expenses		
Insurances	9,985	9,986
Bank costs and foreign currency exchange differences	677	(1,779)
Other costs	17,030	6,102
	<u>27,692</u>	<u>14,309</u>
Management fee		
Fee charged	<u>360,000</u>	<u>370,000</u>
13) Financial result		
Interest income and related income	<u>(263)</u>	<u>(305)</u>
On balance an expense / expense	<u>(263)</u>	<u>(305)</u>
<i>Detailed breakdown of the financial result</i>		
Interest income and related income		
Other interest and related income	<u>(263)</u>	<u>(305)</u>
14) Result attributable to non-controlling interest		
Result attributable to non-controlling interest	<u>13,105</u>	<u>1,350</u>

(Compilation report issued)

Parx Materials N.V.
Statutory seat: Rotterdam

Other information

Management board's report

In accordance with Part 9 of Book 2 of the Dutch Civil Code (Section 2:396 sub 7) the company is exempt from the requirement to compose a management board's report. The Board of Directors has used this exemption and therefore lacks a management board's report.

Expert`s report

In accordance with Part 9 of Book 2 of the Dutch Civil Code (Section 2:396 sub 7) the company is exempt from the requirement to audit the financial statements by an accountant. On that basis, no assignment was provided for an audit and therefore lacks an auditor's report.

(Compilation report issued)

Compiled by the Board of Directors on 6 May 2021 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori