

Parx Materials N.V.

Statutory seat: Rotterdam

Consolidated annual accounts 2019

Chamber of Commerce file:	55993753
Date:	15 May 2020
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, 15 May 2020

Dear Mr Van der Jagt

Hereby we report on the annual accounts 2019 of your company.

Introduction

Enclosed we offer you: the consolidated annual accounts 2019 of Parx Materials N.V., seated in Rotterdam, Goudsesingel 96Unit 1.7.

The financial statements 2019 consists of the company annual accounts 2019 of Parx Materials N.V., and the consolidated annual accounts 2019 of the group companies, ie:

Parx Materials N.V.; Parx Plastics Europe B.V.; Parx Plastics Asia B.V.; Silarity N.V..

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 was founded as a public limited company on 4 September 2012, 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 2018, 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 and company balance sheet as at 31 December 2019 and the consolidated and company profit and loss account for the year 2019 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, 15 May 2020

Van Driel Finance

Dennis van Driel
NOAB lid

Assistant: Suzanne Kalkema-Rademakers

Parx Materials N.V.
Statutory seat: Rotterdam

Annual report

Financial position

(EUR)

	<u>12/31/2019</u>	<u>12/31/2018</u>
The movements in the financial year are as follows:		
Available at short term		
Cash and cash equivalents	37,323	106,647
Receivables	438,137	205,166
Inventories	102,598	22,455
Current liabilities	(586,506)	(510,328)
Working capital	(8,448)	(176,060)
Long-term		
Intangible fixed assets	7,036,615	8,021,673
Property, plant and equipment	6,951	1,768
Financial fixed assets	50,802	-
Financed with long-term items	<u>7,085,920</u>	<u>7,847,381</u>
This investment was financed with:		
Equity	<u>7,085,920</u>	<u>7,847,381</u>
	<u>7,085,920</u>	<u>7,847,381</u>

During 2019 the working capital has increased by € 167,612 compared to 2018, which is specified as follows:

	<u>2019</u>
Increase current liabilities	(76,178)
Increase inventories	80,143
Increase receivables	232,971
Decrease cash and cash equivalents	(69,324)
	<u>167,612</u>

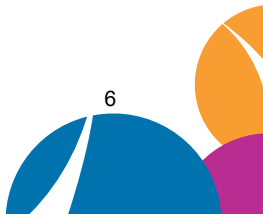
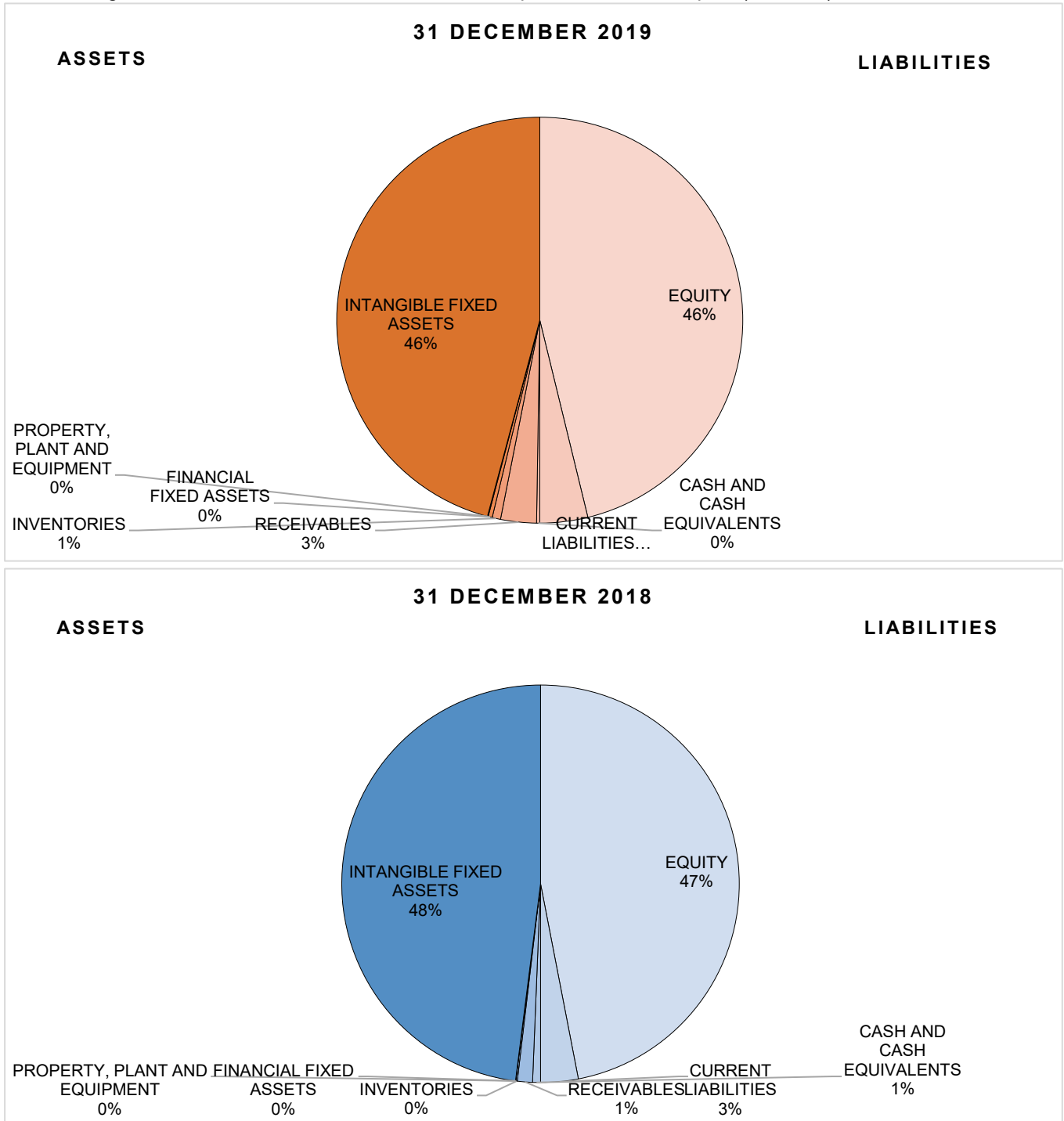
During 2019 the cash and cash equivalents decreased by € 69,324 compared to 2018.

Parx Materials N.V.
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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>2019</u>	<u>2018</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.		
$\frac{\text{current assets}}{\text{short-term debts}}$	1.0	0.7

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%	92.4%	93.9%
$\frac{\text{equity}}{\text{debt capital}}$	x 100%	1,208.2%	1,537.7%

Parx Materials N.V.

Statutory seat: Rotterdam

**Consolidated balance sheet at 31 December 2019
(before appropriation of result)**
ASSETS

(EUR)

	Note	31 December 2019	31 December 2018
NON-CURRENT ASSETS			
Intangible fixed assets	1		
Research and development costs		42,456	28,811
Patents, trademarks and other rights		<u>6,994,159</u>	<u>7,992,862</u>
		7,036,615	8,021,673
Property, plant and equipment	2		
Fixtures and fittings		<u>6,951</u>	<u>1,768</u>
		6,951	1,768
Financial fixed assets	3		
Investments in other participating interests		<u>50,802</u>	<u>-</u>
		50,802	-
CURRENT ASSETS			
Inventories	4		
Trade goods		<u>102,598</u>	<u>22,455</u>
		102,598	22,455
Receivables	5		
Trade receivables		408,916	124,930
Group companies		496	-
Taxes and social charges		28,490	28,717
Accrued income		<u>235</u>	<u>51,519</u>
		438,137	205,166
Cash and cash equivalents	6	<u>37,323</u>	<u>106,647</u>
		<u>7,672,426</u>	<u>8,357,709</u>

(Compilation report issued)

LIABILITIES

(EUR)

	Note	31 December 2019	31 December 2018
Equity	7		
Group equity		7,087,579	7,847,381
Non-controlling interest		<u>(1,659)</u>	-
		7,085,920	7,847,381
Current liabilities	8		
Group companies		31,550	-
Trade payables		176,981	105,932
Payables other		172,000	174,000
Accruals		<u>205,975</u>	<u>230,396</u>
		<u>586,506</u>	<u>510,328</u>
		<u>7,672,426</u>	<u>8,357,709</u>

Compiled by the Board of Directors on 15 May 2020 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
2019**

(EUR)

	Note	2019	2018
Net revenue	9	737,577	338,838
Cost of sales	10	(12,914)	(172,340)
Gross margin		724,663	166,498
Salaries and social charges	11	-	13,760
Depreciation	12	14,474	19,647
Other operating expenses:	13		
Other personnel related expenses		92	(360)
Accommodation costs		11,865	7,124
Administration costs and advisory fees		130,391	112,085
Office related expenses		8,357	8,025
Car and transport costs		1,862	1,170
Selling expenses		41,673	22,265
General expenses		14,309	19,594
Management fee		370,000	235,257
Operating expenses		593,023	438,567
Operating result		131,640	(272,069)
Interest income and related income		(305)	(188)
Interest expenses and related expenses		-	(50)
Financial result	14	(305)	(238)
Result before tax		131,335	(272,307)
Income tax expense		-	-
Result after tax		131,335	(272,307)
Result attributable to non-controlling interest	15	1,350	-
Net result after tax		132,685	(272,307)

(Compilation report issued)

Compiled by the Board of Directors on 15 May 2020 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

Small

Activities

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

Address

Goudsesingel 96Unit 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.; Parx Plastics Europe B.V.; Parx Plastics Asia B.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.

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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.
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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 2018</i>			
Purchase price	44,532	10,005,343	10,049,875
Depreciation	(15,721)	(2,012,481)	(2,028,202)
	28,811	7,992,862	8,021,673
<i>Movements 2019</i>			
31 December 2018	28,811	7,992,862	8,021,673
Additions	16,210	(988,562)	(972,352)
Depreciation	(2,565)	(10,141)	(12,706)
31 December 2019	42,456	6,994,159	7,036,615
<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
Depreciation rate	10%	10%	

2) Property, plant and equipment

	Fixtures and fittings
<i>Book value at 31 December 2018</i>	
Purchase price	3,288
Depreciation	(1,520)
	1,768
<i>Movements 2019</i>	
31 December 2018	1,768
Rounding difference	1
Additions	6,950
Depreciation	(1,768)
31 December 2019	6,951

Parx Materials N.V.

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Consolidated balance sheet disclosures

(EUR)

Book value at 31 December 2019

Purchase price	10,238
Depreciation	<u>(3,287)</u>
	<u>6,951</u>
Depreciation rate	20%

3) Financial fixed assets
Summary of the financial fixed assets

	<u>12/31/2019</u>	<u>12/31/2018</u>
Investments in other participating interests	<u>50,802</u>	<u>-</u>

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

	<u>1 January 2019</u>	<u>Movements</u>	<u>Dividends</u>	<u>Share in result</u>	<u>31 December 2019</u>
Zincln	-	802	-	-	802
Zinkh N.V.	-	50,000	-	-	50,000
	<u>-</u>	<u>50,802</u>	<u>-</u>	<u>-</u>	<u>50,802</u>

	<u>Interest in share capital</u>	<u>Location</u>
Zincln	15.00%	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>12/31/2019</u>	<u>12/31/2018</u>
Trade goods	<u>102,598</u>	<u>22,455</u>

Detailed breakdown of the inventories
Trade goods

Trade goods	<u>102,598</u>	<u>22,455</u>
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Parx Materials N.V.
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Consolidated balance sheet disclosures

(EUR)

5) Receivables

Summary of the receivables

	<u>12/31/2019</u>	<u>12/31/2018</u>
Trade receivables	408,916	124,930
Group companies	496	-
Taxes and social charges	28,490	28,717
Accrued income	235	51,519
	<u>438,137</u>	<u>205,166</u>

Detailed breakdown of the receivables

Trade receivables

Trade receivables nominal	<u>408,916</u>	<u>124,930</u>
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Group companies

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

VAT receivable	<u>28,490</u>	<u>28,717</u>
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Accrued income

Prepaid expenses / accrued income	-	496
Prepaid expenses / accrued income	235	51,023
	<u>235</u>	<u>51,519</u>

6) Cash and cash equivalents

Cash in hand	-	83
ABN-AMRO Bank N.V.	37,323	106,564
	<u>37,323</u>	<u>106,647</u>

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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>12/31/2019</u>	<u>12/31/2018</u>
Group companies	31,550	-
Trade payables	176,981	105,932
Payables other	172,000	174,000
Accruals	205,975	230,396
	<u>586,506</u>	<u>510,328</u>

Detailed breakdown of the current liabilities

Group companies

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

Trade payables	<u>176,981</u>	<u>105,932</u>
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Payables other

Advances received	<u>172,000</u>	<u>174,000</u>
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Accruals

Accrued operating expenses	3,000	6,605
Accrued expenses / deferred income	<u>202,975</u>	<u>223,791</u>
	<u>205,975</u>	<u>230,396</u>

(Compilation report issued)

Parx Materials N.V.

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Consolidated profit and loss account disclosures

(EUR)

	2019			2018		
	Net revenue	Cost of sales	Margin as a % of net revenue	Net revenue	Cost of sales	Margin as a % of net revenue
9) Net revenue						
Turnover group 0	<u>737,577</u>			<u>338,838</u>		
10) Cost of sales						
Cost of sales group 0		<u>12,914</u>		<u>172,340</u>		
Net revenue versus cost of sales						
Turnover group 0	<u>737,577</u>	<u>12,914</u>	<u>98.2</u>	<u>338,838</u>	<u>172,340</u>	<u>49.1</u>
11) Salaries and social charges						
Wages and salaries				-		11,203
Social security contributions				-		<u>2,557</u>
				<u>-</u>		<u>13,760</u>
<i>Detailed breakdown of the wages and salaries and social security contributions</i>						
Wages and salaries						
Wages				-		10,373
Holiday pay				-		<u>830</u>
				<u>-</u>		<u>11,203</u>
Social security contributions						
Social security contributions				<u>-</u>		<u>2,557</u>
Average number of employees						
<i>Explanatory note</i>						
During the reporting period there were no employees.						
12) Depreciation						
Amortization of intangible assets				12,706		19,005
Depreciation of tangible assets				<u>1,768</u>		<u>642</u>
				<u>14,474</u>		<u>19,647</u>

Parx Materials N.V.

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Consolidated profit and loss account disclosures

(EUR)

	<u>2019</u>	<u>2018</u>
<i>Detailed breakdown of the depreciation</i>		
Amortization of intangible assets		
Amortization expenses research and development costs	2,565	325
Amortization expenses patents, trademarks and other rights	<u>10,141</u>	<u>18,680</u>
	<u>12,706</u>	<u>19,005</u>
Depreciation of tangible assets		
Depreciation expenses fixtures and fittings	<u>1,768</u>	<u>642</u>
13) Other operating expenses		
Other personnel related expenses	92	(360)
Accommodation costs	11,865	7,124
Administration costs and advisory fees	130,391	112,085
Office related expenses	8,357	8,025
Car and transport costs	1,862	1,170
Selling expenses	41,673	22,265
General expenses	14,309	19,594
Management fee	<u>370,000</u>	<u>235,257</u>
	<u>578,549</u>	<u>405,160</u>
<i>Detailed breakdown of the other operating expenses</i>		
Other personnel related expenses		
Travelling-expenses	92	566
Other employee costs	<u>-</u>	<u>(926)</u>
	<u>92</u>	<u>(360)</u>
Accommodation costs		
Rental costs	<u>11,865</u>	<u>7,124</u>
Administration costs and advisory fees		
Audit fees	3,336	4,348
Attorney's fees	6,198	-
Notary fees	2,625	5,535
Other advisory fees	<u>118,232</u>	<u>102,202</u>
	<u>130,391</u>	<u>112,085</u>

Parx Materials N.V.

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Consolidated profit and loss account disclosures

(EUR)

	<u>2019</u>	<u>2018</u>
Office related expenses		
Telephone, fax and internet	221	640
Postage	346	571
Computer costs	3,805	3,261
Subscriptions and Chamber of Commerce costs	2,284	2,406
Other office costs	1,701	1,147
	<u>8,357</u>	<u>8,025</u>
Car and transport costs		
Leasing	1,393	434
Fuel	452	643
Other car and transport costs	17	93
	<u>1,862</u>	<u>1,170</u>
Selling expenses		
Representations	831	3,499
Traveling and hotel expenses	20,782	14,433
Advertisement	-	1,947
Other selling expenses	20,060	2,386
	<u>41,673</u>	<u>22,265</u>
General expenses		
Insurances	9,986	10,559
Bank costs and foreign currency exchange differences	(1,779)	(402)
Rounding differences	-	1
Other costs	6,102	9,436
	<u>14,309</u>	<u>19,594</u>
Management fee		
Fee charged	<u>370,000</u>	<u>235,257</u>
14) Financial result		
Interest income and related income	(305)	(188)
Interest expenses and related expenses	-	(50)
On balance an expense / expense	<u>(305)</u>	<u>(238)</u>
<i>Detailed breakdown of the financial result</i>		
Interest income and related income		
Other interest and related income	<u>(305)</u>	<u>(188)</u>

Parx Materials N.V.

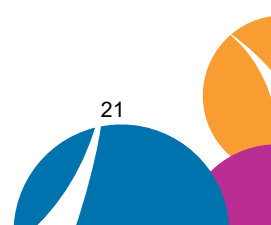
Statutory seat: Rotterdam

Consolidated profit and loss account disclosures

(EUR)

	<u>2019</u>	<u>2018</u>
Interest expenses and related expenses		
Other interest and related expenses	<u>-</u>	<u>50</u>
15) Result attributable to non-controlling interest		
Result attributable to non-controlling interest	<u>1,350</u>	<u>-</u>

(Compilation report issued)



Parx Materials N.V.

Statutory seat: Rotterdam

**Company balance sheet at 31 December
2019 (before appropriation of result)**
ASSETS

(EUR)

	Note	31 December 2019	31 December 2018
NON-CURRENT ASSETS			
Intangible fixed assets	1		
Research and development costs		22,023	25,949
Patents, trademarks and other rights		6,994,159	7,992,862
		7,016,182	8,018,811
Financial fixed assets	3		
Investments in group companies		322,365	(67,173)
Investments in other participating interests		50,802	-
		373,167	(67,173)
CURRENT ASSETS			
Receivables	5		
Trade receivables		550	-
Group companies		202,947	245,316
Taxes and social charges		14,528	7,826
Accrued income		-	50,000
		218,025	303,142
Cash and cash equivalents	6	649	59,981
		7,608,023	8,314,761

(Compilation report issued)

LIABILITIES

(EUR)

	Note	31 December 2019	31 December 2018
Equity	7		
Share capital		68,239	68,106
Legal and statutory reserves		22,023	25,949
Share premium		992,761	892,894
Revaluation reserve		6,947,094	7,935,656
Lost previous years		(1,075,223)	(802,917)
Result for the year		132,685	(272,306)
		7,087,579	7,847,382
Current liabilities	8		
Group companies		41,211	35,082
Trade payables		104,233	51,692
Payables other		172,000	174,000
Accruals		203,000	206,605
		520,444	467,379
		7,608,023	8,314,761

Compiled by the Board of Directors on 15 May 2020 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori

Parx Materials N.V.
Statutory seat: Rotterdam

Company profit and loss account 2019

(EUR)

	Note	2019	2018
Net revenue	9	51,352	-
Gross margin		51,352	-
Depreciation	12	10,141	19,202
Other operating expenses:	13		
Administration costs and advisory fees		121,770	110,660
Office related expenses		121	1,418
Car and transport costs		1,040	-
Selling expenses		-	1,600
General expenses		16,172	19,692
Management fee		250,000	114,861
Operating expenses		399,244	267,433
Operating result		(347,892)	(267,433)
Interest expenses and related expenses		-	(50)
Financial result	14	-	(50)
Result before tax		(347,892)	(267,483)
Income tax expense		91,038	-
Share in result of group companies		389,539	(4,823)
Net result after tax		132,685	(272,306)

(Compilation report issued)

Compiled by the Board of Directors on 15 May 2020 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori

Parx Materials N.V.

Statutory seat: Rotterdam

Company balance sheet and profit and loss account disclosures

(EUR)

General

Unless stated otherwise, the accounting policies for the financial statements, as stated in the consolidated annual accounts disclosures, are also applied for the company annual accounts.

Accounting policies
Financial fixed assets
Investments in group companies

The investments in group companies are valued at net equity value, depending on the extent of investment. Parx Materials N.V.'s share in the result of group companies, designated according to uniform accounting principles, is included in the value of the investments in group companies, less the distributed dividend.

Receivables from group companies

The receivables from group companies are valued at nominal value. If necessary, a lower value is used due to reduced solvability.

Share in result of group companies

This item represents the share in the result of group companies, valued at net equity.

Investments in group companies

	1 January 2019	Movements	Dividends	Share in result	31 December 2019
Parx Plastics Europe B.V.	(98,185)	-	-	393,079	294,894
Parx Plastics Asia B.V.	31,011	-	-	(454)	30,557
Silarity N.V.	-	-	-	(3,086)	(3,086)
	(67,174)	-	-	389,539	322,365

	Interest in share capital	Location
Parx Plastics Europe B.V.	100.00%	Rotterdam
Parx Plastics Asia B.V.	100.00%	Rotterdam
Silarity N.V.	65.00%	Rotterdam

Explanatory note

On this related parties policy-impact can be exercised by Parx Materials N.V..

Parx Materials N.V.

Statutory seat: Rotterdam

Company balance sheet and profit and loss account disclosures

(EUR)

Equity
Summary of the equity

	<u>12/31/2019</u>	<u>12/31/2018</u>
Share capital	68,239	68,106
Legal reserves	22,023	25,949
Share premium	992,761	892,894
Revaluation reserve	6,947,094	7,935,656
Lost previous years	(1,075,223)	(802,917)
Result for the year	132,685	(272,306)
	<u>7,087,579</u>	<u>7,847,382</u>

Specification of and changes in equity
Share capital

Balance at 1 January	68,239	68,106
Balance at 31 December	<u>68,239</u>	<u>68,106</u>

Specification of the share capital

	Share capital		Issued capital			
	Nominal share value by type	Number of shares by type	Issued and paid up shares at 12/31/2019	Issued and paid up shares at 12/31/2018	Issued and paid up shares during the period	Value of the issued and paid up shares
Ordinary shares	0.01	34,052,910	6,823,915	2,000,000	4,823,915	48,239
		<u>34,052,910</u>	<u>6,823,915</u>	<u>2,000,000</u>	<u>4,823,915</u>	<u>48,239</u>

Legal reserves

Balance at 1 January	22,023	25,949
Balance at 31 December	<u>22,023</u>	<u>25,949</u>

Share premium

Balance at 1 January	992,761	892,894
Balance at 31 December	<u>992,761</u>	<u>892,894</u>

Revaluation reserve

Balance at 1 January	6,947,094	7,935,656
Balance at 31 December	<u>6,947,094</u>	<u>7,935,656</u>

Parx Materials N.V.

Statutory seat: Rotterdam

**Company balance sheet and profit and loss
account disclosures**

(EUR)

Lost previous years

	<u>2019</u>	<u>2018</u>
Balance at 1 January	(802,917)	(802,917)
Movement due to the appropriation of result	(272,306)	-
Balance at 31 December	<u>(1,075,223)</u>	<u>(802,917)</u>

Result for the year

Balance at 1 January	(272,306)	-
Result for the year	132,685	(272,306)
Added to the lost previous years	272,306	-
Balance at 31 December	<u>132,685</u>	<u>(272,306)</u>

Appropriation of result
Proposal

The Board of Directors proposes to add the profit after tax, amounting to € 132,685, to the lost previous years. This proposal is subject to the adoption by the general meeting.

(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 15 May 2020 in Rotterdam and subject to the adoption by the general meeting,

M. van der Jagt

M. Fiori