

INOXCVA EUROPE BV
IN ALBLASSERDAM
Annual Accounts Report 2020/2021

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FINANCIAL REPORT

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

Papendrecht, May 14, 2021

Dear management,

We hereby report on the 2020/2021 financial year with regard to your private company.

1 ORDER

As a result of your instruction, we have prepared the 2020/2021 annual accounts of your private limited company, which include the balance sheet with counts of 490,235 and the profit and loss account concluding with a result after tax of 14,641.

2 COMPOSITION STATEMENT

The annual accounts of Inoxcva Europe BV have been compiled by us on the basis of the information obtained from you. The financial statements consist of the balance sheet as at 31 March 2021 and the profit and loss account for 2020/2021 with the accompanying notes. These notes include an overview of the accounting policies used for financial reporting.

In the case of a compilation assignment, you are responsible for ensuring that the information is correct and that you provide us with all relevant information. We have therefore performed our work on the assumption that you have fulfilled this responsibility.

We have carried out 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 Association of Administration and Tax Experts (NOAB). You can therefore assume that we have carried out the assignment professionally, competently and carefully, with integrity and objectively and that we treat the information you provide confidentially.

Based on the above, we are expected to prepare the financial statements in accordance with Part 9, Book 2 of the Dutch Civil Code (BW). We have applied our expertise in the field of administrative processing and financial reporting.

The activities performed in this context mainly consisted of collecting, processing, classifying, comparing, reconciling and summarizing financial data for the purpose of the annual accounts and/or credit reporting. We have not performed any audit or review procedures that would enable us to express an opinion or conclude on the fairness of the financial statements.

We expect to have been of service to you with the work.

2.1 Destination of the profit 2019/2020

The appropriation of the profit for the year 2019/2020 was determined by the general meeting on 8 July 2020, in accordance with the board proposal. The profit for 2019/2020 of 13,270 has been added to the other reserves.

Inoxcva Europe BV in Alblasserdam

3 RESULT

3.1 comparative overview

The result after tax for 2020/2021 amounts to NLG 14,641 compared to NLG 13,270 for 2019/2020. The results for both years can be summarized as follows:

	2020/2021		2019/2020		Vershil
	€	%	€	%	€
Net sales	638.760	100,0	668.832	100,0	-30.072
Cost of sales	523.680	82,0	564.364	84,4	-40.684
Gross revenue result	115.080	18,0	104.468	15,6	10.612
costs					
Personnel costs	-	-	13.666	2,0	-13.666
Housing costs	9.942	1,6	16.062	2,4	-6.120
Office costs	1.139	0,2	803	0,1	336
car costs	9.529	1,5	4.295	0,6	5.234
Cost of sales	13.620	2,1	13.949	2,1	-329
Overheads	65.368	10,2	40.885	6,2	24.483
	99.598	15,6	89.660	13,4	9.938
Operating result	15.482	2,4	14.808	2,2	674
Financial income and expenses					
Interest income and similar revenue	4	-	10	-	-6
Interest and similar expenses	-845	-0,1	-1.548	-0,2	703
	-841	-0,1	-1.538	-0,2	697
Taxresult	14.641	2,3	13.270	2,0	1.371
Taxes	-	-	-	-	-
Result after taxes	14.641	2,3	13.270	2,0	1.371

4 FINANCIAL POSITION

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

	<u>31-3-2021</u>	<u>31-3-2020</u>
	€	€
Available long term: Equity		
	293.219	278.577
	<u><u>293.219</u></u>	<u><u>278.577</u></u>

This amount has been used as follows:

Stocks	1.346	46.892
Progress	447.718	313.568
Liquid assets	41.171	40.204
	<u>490.235</u>	<u>400.664</u>
Less: current liabilities	197.016	122.087
	<u>293.219</u>	<u>278.577</u>
Working capital	<u><u>293.219</u></u>	<u><u>278.577</u></u>

5 TAX STATUS

5.1 Calculation of taxable amount 2020/2021

The taxable amount for corporate income tax for 2020/2021 is calculated as follows:

	2020/2021
	€
Taxresult	14.641
<i>Tax differences:</i>	
Non-deductible expenses	115
Tax result 2020/2021	14.756
Compensatable losses	-14.756
Taxable amount 2020/2021	-

5.1.1 Compensable losses

	Compensable claim as of April 1 2020	Compensatio n in 2020/2021	compensable claim as of 31 March 2021	Verekenbaar t/m
	€	€	€	
2014/2015	262.164	-14.756	247.408	2023
2015/2016	203.487	-	203.487	2024
2016/2017	47.391	-	47.391	2025
2017/2018	11.437	-	11.437	2026
2018/2019	13.769	-	13.769	2027
	<u>538.248</u>	<u>-14.756</u>	<u>523.492</u>	

We are happy to provide further explanations.

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

A.T.M. van Stee
FA Tax advisor



FINANCIAL STATEMENTS

Balance sheet as at 31 March 2021

Profit and loss account for 2020/2021

Cash flow statement 2020/2021

Principles for valuation and determination of the result

Notes to the balance sheet as at 31 March 2021

Notes to the profit and loss account for 2020/2021

Inoxcva Europe BV in Alblasserdam

1 BALANCE SHEET AS AT 31 MARCH 2021 (outcome destination)

	31 March 2021		31 March 2020	
	€	€	€	€
ACTIVE				
Current assets				
Stocks	(1)	1.346		46.892
Progress	(2)			
Trade debtors		93.512		190.182
Receivables on group companies		352.320		121.220
Sales tax		1.031		1.129
Other receivables		56		177
Accruals		799		860
		<u>447.718</u>		<u>313.568</u>
Liquid assets	(3)	41.171		40.204
		<u>490.235</u>		<u>400.664</u>

	31 March 2021		31 March 2020	
	€	€	€	€
PASSIVE				
Equity	(4)			
Issued capital	820.600		820.600	
Other reserves	<u>-527.381</u>		<u>-542.023</u>	
		293.219		278.577
Current liabilities	(5)			
Debts to suppliers and trade credits	507		1.878	
Remaining debts	176.770		108.350	
Accruals and deferred income	<u>19.739</u>		<u>11.859</u>	
		197.016		122.087
		<u>490.235</u>		<u>400.664</u>

2 PROFIT AND LOSS ACCOUNT FOR 2020/2021

		2020/2021		2019/2020	
		€	€	€	€
Net sales	(6)	638.760		668.832	
Cost of sales	(7)	523.680		564.364	
Gross revenue result			115.080		104.468
costs					
Personnel costs	(8)	-		13.666	
Housing costs	(9)	9.942		16.062	
Office costs	(10)	1.139		803	
Car costs	(11)	9.529		4.295	
Cost of sales	(12)	13.620		13.949	
Overheads	(13)	65.368		40.885	
			99.598		89.660
Operating result			15.482		14.808
Interest income and similar revenue	(14)	4		10	
Interest charges and similar costs	(15)	-845		-1.548	
Financial income and expenses			-841		-1.538
Taxresult			14.641		13.270
Taxes			-		-
Result after taxes			14.641		13.270

3 CASH FLOW STATEMENT 2020/2021

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

	2020/2021	
	€	€
WUg\ Zck 'Zca 'cdYfUj]cbU'UWj]]h]Yg		
U] ^\ aaā * Ā^•~ c	15.482	
Ōāb•q ^} • Ā :		
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T ~ caā } Ā q &•	45.546	
T [c^ { ^ } q \ -&āā •	-134.150	
Ō@ * ^•/ā & ; ; ^ } āāāāā • (excluding current portion of long-term debt)	74.929	
Cash flow from operations		1.807
Interest received	4	
Interest paid	-845	
		-841
cashflow from operational activities		966
		966

Composition of funds

	2020/2021	
	€	€
Cash as at 1 April		40.204
Change in cash		967
Cash as of March 31		41.171

4 GROUNDS FOR VALUATION AND DETERMINATION OF RESULT

GENERAL

The annual accounts have been prepared on tax principles.

Business address, legal form and trade register registration number

Inoxcva Europe BV has its actual and statutory seat at Nieuwland Parc 101 in Alblasserdam and is registered with the trade register under number 59643102.

GENERAL PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the provisions of Part 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 in the relevant accounting policy for the specific balance sheet item, the assets and liabilities are valued according to the cost 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 originating before the end of the reporting year are taken into account if they became known before the annual accounts were drawn up.

PRINCIPLES FOR VALUATION OF ASSETS AND LIABILITIES

Stocks

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

Progress

Receivables are valued at the fair value of the consideration upon initial recognition, including transaction costs if material. Receivables are valued at amortized cost after initial recognition. Bad debt provisions are deducted from the book value of the receivable.

Liquid assets

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

Long-term debt

Long-term debts are valued at fair value upon initial recognition. Transaction costs that are directly attributable to the acquisition of the long-term debts are included in the valuation upon initial recognition. After initial recognition, long-term debts are valued at amortized cost, being the amount received, taking into account premiums or discounts and less transaction costs.

The difference between the determined book value and the final redemption value is recognized in the profit and loss account as an interest expense on the basis of the effective interest during the estimated term of the long-term debt.

Current liabilities

Short-term debts are stated at fair value on initial recognition. Short-term liabilities are valued at amortized cost after initial recognition. Where there are no premiums, discounts or 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 realizable value of the delivered services and the costs and other expenses for the year. The proceeds from transactions are recognized in the year in which they are realized.

costs

The costs are determined on a historical basis and allocated to the reporting year to which they relate.

Financial income and expenses

Interest income and interest expense

Interest income and interest expense are recognized in proportion to time, taking into account the effective interest rate of the relevant assets and liabilities. When processing the interest expense, account is taken of the recognized transaction costs on the loans received.

Taxes

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

PRINCIPLES FOR PREPARING THE CASH FLOW STATEMENT

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

Inoxcva Europe BV in Alblasserdam

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

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

Interest income and expenses, 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 NOTES TO THE BALANCE SHEET AS OF MARCH 31, 2021

ACTIVE

CURRENT ASSETS

1. Stocks

	31-3-2021	31-3-2020
	€	€
Finished product and trade goods		
merchandise	1.346	46.892

2. Progress

Trade debtors

Debtors	93.512	190.182
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In the amount of accounts receivable, 93,511.94 is attributable to group company INOX India Pvt Ltd.

Receivables from group companies

Prepayment on order from Inox India Pvt Ltd.	352.320	121.220
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Other taxes and social security contributions

Sales tax	1.031	1.129
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Other receivables

VAT Germany	-	2
VAT United Kingdom	-	14
VAT France	56	145
VAT Spain	-	16
	56	177

Accruals

Insurances	799	860
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Inoxcva Europe BV in Alblasserdam

	<u>31-3-2021</u>	<u>31-3-2020</u>
	€	€
3. Liquid assets		
ABN Amro, current account	21.117	20.154
ABN Amro, deposit	10.000	10.000
ICS, credit card	10.054	10.050
	<u>41.171</u>	<u>40.204</u>

Inoxcva Europe BV in Alblasserdam

PASSIVE

4. Equity

	<u>31-3-2021</u>	<u>31-3-2020</u>
	€	€
Issued capital		
820,600 ordinary shares with a nominal value of 1.00 . are issued and fully paid up	<u>820.600</u>	<u>820.600</u>
		Normale aandelen
		€
Stand per 1 april 2020		<u>820.600</u>
Stand as of		<u>820.600</u>
31March2021		
	<u>2020/2021</u>	<u>2019/2020</u>
	€	€
Other reserves		
Stand per 1 april	-542.022	-555.293
Result destination financial	14.641	13.270
year Stand as of 31 March	<u>-527.381</u>	<u>-542.023</u>
 <i>Lening Inox India Private Limited dd 08-10-2014</i>		
Stand as of April 1	-	65.000
Loan repayment, converted to share capital Long-term	-	-65.000
portion as of March 31	<u>-</u>	<u>-</u>
 <i>Lening Inox India Private Limited dd 10-03-2015</i>		
Stand as of April 1	-	100.000
Loan repayment, converted to share capital Long-term	-	-100.000
portion as of March 31	<u>-</u>	<u>-</u>

Inoxcva Europe BV in Alblasserdam

	2020/2021	2019/2020
	€	€
<i>Lening Inox India Private Limited dd 19-04-2017</i>		
Stand as of April 1	-	305.600
Loan repayment, converted to share capital Long-term portion as of March 31	-	-305.600
	<u>-</u>	<u>-</u>

<i>Lening Inox India Private Limited dd 05-06-2017</i>		
Stand as of April 1	-	300.000
Loan repayment, converted to share capital Long-term portion as of March 31	-	-300.000
	<u>-</u>	<u>-</u>

5. Current liabilities

	31-3-2021	31-3-2020
	€	€
Debts to suppliers and trade credits		
creditors	<u>507</u>	<u>1.878</u>
Remaining debts		
Advance receipts debtors	<u>176.770</u>	<u>108.350</u>

Inoxcva Europe BV in Alblasserdam

	31-3-2021	31-3-2020
	€	€
Accruals and deferred income		
Accountant fees	1.177	941
Interest and bank charges	-	25
Commission still to be paid.	18.500	6.500
Invoices to be received	62	4.393
	<u>19.739</u>	<u>11.859</u>

OFF-BALANCE SHEET ASSETS AND LIABILITIES

Contingent liabilities

Multi-year financial obligations

Rental obligations immovable property

The company has entered into a multi-year financial obligation with regard to the lease of industrial space (603.88 per month).

6 NOTES TO THE PROFIT AND LOSS ACCOUNT FOR 2020/2021

	2020/2021	2019/2020
	€	€
6. Net sales		
Net sales	545.248	603.202
Net sales service	93.512	65.630
	<u>638.760</u>	<u>668.832</u>
7. Cost of sales		
Cost of sales	511.870	553.233
Installation costs	1.070	3.421
Freight turnover	10.740	7.710
	<u>523.680</u>	<u>564.364</u>
8. Personnel costs		
Other personnel costs	-	13.666
<i>Other personnel costs</i>		
Recruitment costs	-	13.666
Staff members		
During the year 2020/2021, there were no full-time employees.		
Other operating expenses		
9. Housing costs		
Rent real estate	9.680	15.896
Other housing costs	262	166
	<u>9.942</u>	<u>16.062</u>
10. Office costs		
stationery	40	-
Phone	233	93
Ports	173	22
Fees and subscriptions	693	688
	<u>1.139</u>	<u>803</u>
11. Car costs		
Fuel	803	679
Maintenance	340	217
transport	1.143	896

Inoxcva Europe BV in Alblasserdam

	2020/2021	2019/2020
	€	€
Transport	1.143	896
Leasing costs	6.891	2.841
Insurance	1.323	508
Other car costs	172	50
	<u>9.529</u>	<u>4.295</u>
12. Cost of sales		
Advertising and advertising costs	8	-
Represent at bite	169	214
Promotional gifts	269	116
Travel and subsistence	1.647	5.456
expenses Commissions	12.000	6.500
Royalties	-473	1.663
	<u>13.620</u>	<u>13.949</u>
13. Overheads		
Administration costs	3.040	3.581
Consultancy fees	60.000	32.500
Notary fees	-	1.294
Insurance Payment Differences	2.164	3.158
Non-recoverable sales tax EU	5	-
Other general costs	125	352
	34	-
	<u>65.368</u>	<u>40.885</u>

Inoxcva Europe BV in Alblasserdam

Financial income and expenses

	<u>2020/2021</u>	<u>2019/2020</u>
	€	€
14. Interest income and similar income		
Bank interest received	4	10
	<u>4</u>	<u>10</u>
15. Interest and similar expenses		
Bank charges paid	845	832
Interest Loans Inox India Private Limited	-	232
Interest for late payment Inox India Private Ltd	-	484
	<u>845</u>	<u>1.548</u>

OTHER INFORMATION

OTHER INFORMATION

1 auditing

Since the private limited company falls within the limits set by law, in Section 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 annual accounts.

2 Statutory profit appropriation scheme

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