

**APOLLO VREDESTEIN OPONY
POLSKA sp. z o.o.
Tax identification number
(NIP) 522-284-28-77**

**Financial Statements
for the year from 01 April 2017
to 31 March 2018**

**Financial statements for the financial year
from 01 April 2017 to 31 March 2018**

For the shareholders of Apollo Vredestein Opony Polska Sp. z o.o.

In accordance with the provisions of the Accounting Act of 29 September 1994 as amended, the Management Board is required to ensure the preparation of the annual financial statements that give a true and fair view of the Company's financial position at the end of the reporting period and of its financial performance for that period.

The elements of the financial statements are presented in this document in the following order:

- Introduction to the financial statements
- Balance sheet as at 31 March 2018, showing total assets as well as total equity and liabilities of **PLN 25,832,681.17**,
- Profit and loss account for the financial period from 1 April 2017 to 31 March 2018 (by nature of expenses), showing net profit of **PLN 204,116.80**,
- Statement of changes in equity for the financial year from 1 April 2017 to 31 March 2018, showing an increase of **PLN 204,116.80** in equity
- Cash flow statement for the financial period from 1 April 2017 to 31 March 2018, showing a decrease of **PLN 1,824,492.27** in cash
- Explanatory notes.

President of the Management Board

Person responsible for keeping the books of accounts

Tomasz Tarach

Apollo Vredestein Opony Polska Sp. z o.o.
ul. Prosta 32, 00-838 Warszawa
NIP 522-284-28-77
REGON 140867029

Warsaw, 30 May 2018

Agnieszka Kwaśniak

Podpis z upoważnienia

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1. Information on the Company

- a) Apollo Vredestein Opony Polska Sp. z o.o. was established on the basis of the Company's Articles of Association executed on 13 February 2007 in the form of a notarial deed, Register No A 1600/2007.
- b) On 21 May 2013, the Company changed its name to Apollo Vredestein Opony Polska Sp. z o.o., which was confirmed by a notarial deed, Register A No. 4491/2013. The previous name was Vredestein Polska Sp. z o.o.
- c) Pursuant to the Articles of Association, the Company was established for an indefinite period.
- d) The Company has been assigned the tax identification number (NIP) 5222842877 and the REGON number 140867029.
- e) The entity operates on the basis of the provisions of the Code of Commercial Companies and Partnerships and the Articles of Association.
- f) The Company's registered office is located in Warsaw at ul. Prosta 32, 00-838 Warszawa.
- g) By the decision of the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register, on 01 March 2007 the Company was entered into the Register of Entrepreneurs of the National Court Register under the number KRS 0000275526.
- h) The Company's objects include:
- Wholesale of parts and accessories for motor vehicles
 - Production of tires for means of transport
 - Maintenance and repair of means of transport
 - Breakdown service and other services related to motor vehicles
 - Retail sale of parts and accessories for motor vehicles
 - Other wholesale
 - Research and development works in the field of technology
 - Advertising

The Entity's share capital as at 31 December 2018 amounted to PLN 50,000.00 and consisted of 1,000 shares with a nominal value of PLN 50.00 each.

The Company's shareholding structure as at 31 December 2018:

Shareholder	Number of shares held	Nominal value of shares (PLN)	Percentage of share capital (%)	Number of votes held	Share in votes (%)
APOLLO VREDESTEIN B.V.	999	50.00	99.90%	999	99.90%
VREDESTEIN GmbH	1	50.00	0.10%	1	0.10%
Total	1 000	50.00	100.00%	1 000	100.00%

Pursuant to the Articles of Association, the Entity's bodies include the General Meeting of Shareholders, the Supervisory Board and the Management Board.

As at the date of the opinion, the composition of the Company's Management Board was as follows:

- Tomasz Tarach – President of the Management Board.

During the audited period and until the date of this opinion, no changes in the composition of the Company's Management Board took place.

As at the date of the opinion, the composition of the Company's Supervisory Board was as follows:

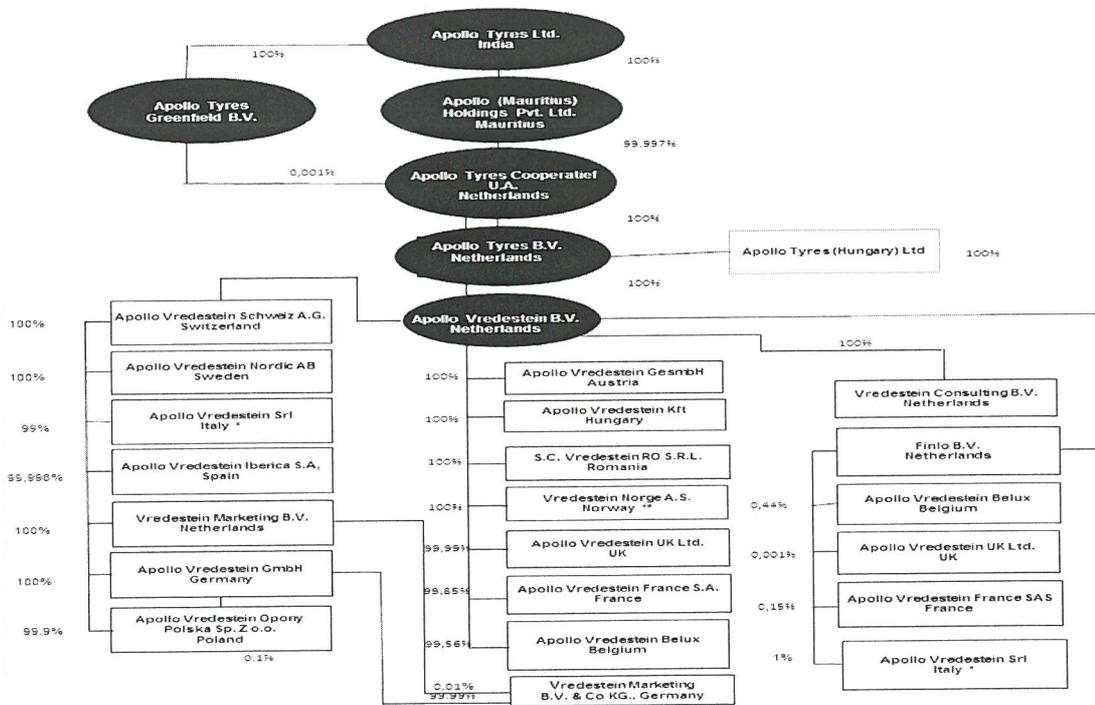
- Matthias Urban – Member of the Supervisory Board,
– Caspar Mathias Heimann – Member of the Supervisory Board,
– Rakesh Dewan – Member of the Supervisory Board.

During the audited period and until the date of this opinion, no changes in the composition of the Company's Supervisory Board took place.

1.1. The companies of the group to which the Entity belongs, as well as jointly controlled and associated entities

The Company's related parties are entities belonging to the Group in which Apollo Vredestein B.V. is the parent.

The Group's structure is presented below:



The relations among the Group entities are as follows: the Company sells goods manufactured by other group companies.

1.2. Entity's branches and establishments

The Entity has no branches or establishments. Therefore, it does not prepare combined financial statements within the meaning of the Accounting Act.

1.3. Business combinations

During the period from 01 April 2017 to 31 March 2018, the Company did not merge with another entity.

2. Policies adopted for the preparation of the financial statements

- a) These financial statements cover the period from 01 April 2017 to 31 March 2018 and have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future and that it does not intend to nor is under obligation to discontinue its operations or materially curtail their scope. To the Management Board's knowledge, there are no circumstances indicating a threat to the Company's ability to continue as a going concern.
- b) The reporting currency is PLN.

3. Accounting policies and methods applied

The accounting principles adopted in the preparation of the financial statements are in accordance with the Accounting Act of 29 September 1994, as amended, hereinafter referred to as the Act. Individual items of assets, liabilities and equity are measured at the actual prices paid for their acquisition, taking into account the prudence principle.

• Intangible assets

Intangible assets are recognized if it is probable that economic benefits that can be directly associated with those assets will flow to the Company in the future. Intangible assets are initially recognised at cost of acquisition or manufacture. Following the initial recognition, intangible assets are measured at cost of acquisition or manufacture, less accumulated amortization and permanent impairment losses. Intangible assets are amortised on a straight-line basis over the estimated period of their economic useful life

The expected economic useful lives are as follows:
Costs of completed development projects 36 months
Goodwill 60 months
Other intangible assets 24-60 months

- **Fixed assets** are measured at cost of acquisition or manufacture or at revalued amount less accumulated depreciation and impairment losses. For perpetual usufruct of land, the cost of acquisition means the price of acquiring the right from a third party or the excess of the payment over the annual fee if the right is received from a municipality. Land is measured at cost less accumulated permanent impairment losses

Revaluation is carried out on the basis of separate regulations. The result of revaluation is transferred to the revaluation reserve. After the sale of the item of property, plant and equipment, the amount remaining in the revaluation reserve is transferred to statutory reserve.

Costs incurred after commissioning an item of property, plant and equipment for use, such as costs of repairs, overhauls or maintenance charges, are recognised in profit or loss of the reporting period in which they were incurred. If it can be demonstrated that such costs resulted in an increase in the future economic benefits arising from the possession of such item of property, plant and equipment above the initially recognised benefits, they increase the initial value of the item of property, plant and equipment.

Fixed assets with low initial individual value, i.e. of less than PLN 3500.00 are recognized as costs on a one-off basis.

Fixed assets, except for land, are depreciated on a straight-line basis over the estimated period of their economic useful lives, which are as follows:

Buildings, premises, land and water engineering objects	1.5%-4.5%
Mechanical equipment and machinery	20%-60%
Vehicles	17%-20%
Other fixed assets	14%-20%

- **Fixed assets under construction**

Fixed assets under construction are measured at total costs directly attributable to their acquisition or manufacture, including finance costs, less accumulated permanent impairment losses. Investment materials are also recognised as property, plant and equipment under construction. Fixed assets under construction are not depreciated until they are completed and commissioned for use.

- **Long-term investments**

Investments include assets acquired to derive economic benefits resulting from an increase in the value of such assets, generation of income in the form of interest, dividends (participation in profits) or other rewards, including rewards from a commercial transaction, in particular financial assets and those properties and intangible assets that are not used by the entity but which were acquired to derive such benefits.

property – at fair value (market value),

intangible assets – at the cost of acquisition, shares – at the cost of acquisition,

other securities – at the cost of acquisition,

loans granted - at amounts due,

other non-current financial assets - at nominal value,

Other long-term investments - at the cost of acquisition.

Long-term investments are recognized in the books of accounts taking into account accumulated impairment losses. The effects of changes in the fair value of investment property are recognized in the revaluation reserve, unless such effects reduce the amount below the cost of acquisition or manufacture. If this is the case, the effects of reduction are recognized in profit or loss.

- **Short-term investments**

- shares - at the cost of acquisition;
- other securities – at the cost of acquisition,
- loans granted - at amounts due,
- other current financial assets - at nominal value,

- **Inventories**

Inventories are materials acquired for the entity's own use, finished goods (products and services) manufactured or processed by an entity which are ready for sale or work in progress, semi-finished goods, and goods acquired for resale in an unprocessed form. Inventories include, among other things, property held for sale as part of the company's statutory activities or under construction, or adjustments intended for sale.

Inventories are measured at the lower of the cost of acquisition or the cost of manufacture.

The outflow of inventories is recorded:

according to the first in - first out (FIFO) method. For deliveries to the warehouse

according to the method of detailed identification at the time of direct deliveries

The net selling price of an asset is its selling price realisable as at the balance sheet date, net of value added taxes and excise duty, less any rebates, discounts and similar items, and the costs related to preparing such asset for sale and making the sale, plus a related subsidy due. Write-downs of inventories are recognised on an annual basis. Inventory is considered obsolete after three years from the time of manufacture. Inventories are revalued periodically, at the time when transfer prices determined by the head offices are changed. The revaluation difference is recognized in deviations from the standard prices of tangible current assets and determined at the date of their receipt by the entity.

There are two kinds of deviations:

- credit deviations - when the adopted standard price is higher than the actual purchase price (cost of acquisition),
- debit deviations - when the adopted standard price is lower than the actual purchase price (cost of acquisition).

The deviations from standard prices are recorded in control accounts Deviations from standard prices.

An account may have a debit balance or a credit balance, indicating the value of debit or credit deviations from standard prices of inventories. It will correct the value of inventories, as recognized in assets in the balance sheet.

- **Current and non-current receivables**

Trade receivables are recognised at amounts due less any impairment losses. The value of receivables is written down depending on the probability of their collection. The write-downs of receivables are recognised as other operating costs or financial costs respectively, depending on the type of receivables to which a write-down relates.

Forgiven, expired or uncollectible receivables decrease the related, previously-made write-downs.

Forgiven, expired or uncollectible receivables for which no write-downs were previously recognised, or for which the recognised write-downs did not cover their full amount, are recognised as other operating costs or finance costs respectively.

- **Transactions in foreign currencies**

Receivables and liabilities (including loans and borrowings) in PLN are recognised at amounts due. Receivables and liabilities denominated in foreign currencies are recognized at their creation date at the average exchange rate set by the President of the National Bank of Poland. Foreign exchange gains or losses at the payment date resulting from the difference between the exchange rate at that date and the exchange rate at the date of receivables' or liabilities' creation are recognized in finance income or finance costs respectively.

Receivables and liabilities denominated in foreign currencies, not settled at the balance-sheet date, are measured at the average exchange rate as at that date set for a given currency by the President of the National Bank of Poland.

The value of receivables is written down depending on the probability of their collection.

- **Cash and cash equivalents**

Cash at bank and in hand and short-term investments held to maturity are measured at nominal value.

Business transactions denominated in foreign currencies shall be recognised in the books of account as at the transaction dates at the following exchange rates:

- at the average exchange rate announced for a given currency by the National Bank of Poland on the day preceding that date - for payment of receivables or liabilities, if the application of the rate referred to below is not justified and also for other operations;
- at the rate actually applied at that date, as resulting from the nature of the transaction - for sale or purchase of currencies and payment of receivables or liabilities (a transfer of funds between the bank accounts of the Company etc.)

At the balance-sheet date cash denominated in foreign currencies is measured at the average exchange rate as at that date set for a given currency by the President of the National Bank of Poland. Foreign exchange differences determined at the end of the financial year influence the financial result by being recognized in finance income or finance costs respectively.

- **Accruals**

The Company recognises prepaid expenses if they relate to future reporting periods. Accrued expenses are recognised at amounts of probable liabilities relating to the current reporting period.

- **Authorised share capital**

Share capital is recognised at the amount stated in the Articles of Association and entered in the court register. If shares are redeemed, the amount paid for the shares is charged to equity and recognized in the balance sheet as treasury shares

- **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is certain or highly probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

- **Bank loans and borrowings and financial liabilities held for trading**

Bank loans and borrowings are initially recognized at cost, being the value of received cash and including the costs of obtaining the loan or borrowing (transaction costs).

- **Deferred income tax**

The entity recognizes deferred tax liabilities and determines deferred tax assets in respect of temporary differences between the book values of assets or liabilities and their tax values, and tax loss carry forwards.

Deferred tax assets are determined at the amount of income tax recoverable in the future in respect of deductible temporary differences, which will result in a future decrease of the tax base and the carry forward of tax losses, taking into account the prudence principle.

Deferred tax liabilities are recognised at the amount of income tax payable in the future in respect of taxable temporary differences, i.e. differences which result in an increase of the tax base in the future.

Deferred tax liabilities and deferred tax assets are determined by taking into account tax rates applicable in the year in which the related tax obligation arises.

- **Impairment of assets**

At each balance-sheet date, the Company assesses whether there is objective evidence of impairment of assets or groups of assets. If such evidence exists, the Company determines the estimated recoverable amount of the asset and recognises an impairment loss in the amount equal to the difference between the recoverable amount and the carrying amount. The impairment loss is recognized in profit or loss for the current period. If assets were previously revalued, the loss reduces the revaluation reserve and then is recognized in profit or loss for the current period.

- **Recognition of revenue**

Revenue is recognized to the extent that it is probable that economic benefits that can be measured reliably will flow to the Company.

- **Sale of goods for resale and products**

Revenue is recognised when the significant risks and rewards of ownership of the goods and products have passed to the buyer.

Revenue includes amounts due or received from the sale, net of tax on goods and services (VAT).

- **Interest**

Interest income is recognized as it accrues, if its receipt is not doubtful.

President of the Management Board

Person responsible for keeping the books of accounts

Tomasz Tarach

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REGON 140867029

Agnieszka Kwaśniak

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Warsaw, 30 May 2018

Description	Note	31.03.2018	31.03.2017
A. NON-CURRENT ASSETS	3	993 015.28	1 244 489.45
I. Intangible assets	1, 5		
1. Costs of completed development projects		-	-
2. Goodwill		-	-
3. Other intangible assets		-	-
4. Advances for intangible assets		-	-
II. Property, plant and equipment		27 979.18	42 440.35
1. Fixed assets	2, 6, 7	27 979.18	42 440.35
a) Land (including rights to perpetual usufruct of land)	4	-	-
b) Buildings, premises, rights to premises, land and water engineering objects		10 736.19	12 681.15
c) Technical equipment and machinery		14 806.85	25 699.10
d) Vehicles		-	-
e) Other		2 436.14	4 060.10
2. Fixed assets under construction	8	-	-
3. Advances for fixed assets under construction		-	-
III. Non-current receivables		57 053.10	57 053.10
1. From related parties		-	-
2. From other entities in which the Company holds equity interests		-	-
3. From other entities		57 053.10	57 053.10
IV. Long-term investments	9, 10		
1. Properties		-	-
2. Intangible assets		-	-
3. Non-current financial assets		-	-
a) in related parties		-	-
- shares		-	-
- other securities		-	-
- loans granted		-	-
- other non-current financial assets		-	-
b) in other entities in which the Company holds equity interests		-	-
- shares		-	-
- other securities		-	-
- loans granted		-	-
- other non-current financial assets		-	-
c) in other entities		-	-
- shares		-	-
- other securities		-	-
- loans granted		-	-
- other non-current financial assets		-	-
4. Other long-term investments		-	-
V. Non-current prepaid expenses	13	907 983.00	1 144 996.00
1. Deferred tax assets	13	907 983.00	1 144 996.00
2. Other prepaid expenses and accrued income	13	-	-
B. CURRENT ASSETS		24 839 665.89	29 458 662.83
I. Inventories	8, 12	1 719 801.32	1 639 773.10
1. Materials		59 226.90	68 205.46
2. Semi-finished products and work in progress		-	-
3. Finished products		-	-
4. Goods		1 660 574.42	1 571 567.64
5. Prepayments for deliveries and services		-	-
II. Current receivables	11	19 128 436.49	22 007 098.32
1. Receivables from related parties		127 909.04	32 850.19
a) Trade receivables maturing within a period of:		127 909.04	32 850.19
- up to 12 months		127 909.04	32 850.19
- over 12 months		-	-
b) other		-	-
2. Receivables from other entities in which the Company holds equity interests		-	-
a) Trade receivables maturing within a period of:		-	-
- up to 12 months		-	-
- over 12 months		-	-
b) other		-	-
3. Receivables from other entities		19 000 527.45	21 974 248.13
a) Trade receivables maturing within a period of:		17 839 370.94	20 730 948.76
- up to 12 months		17 839 370.94	20 730 948.76
- over 12 months		-	-
b) arising from taxes, grants, customs duties, social security and health insurance, and other public-law titles		1 153 656.51	1 243 299.37
c) other		7 500.00	-
d) claimed in court		-	-
III. Short-term investments		3 979 177.95	5 803 670.22
1. Current financial assets		3 979 177.95	5 803 670.22
a) in related parties		-	-
- shares		-	-
- other securities		-	-
- loans granted		-	-
- other current financial assets		-	-
b) in other entities		-	-
- shares		-	-
- other securities		-	-
- loans granted		-	-
- other current financial assets		-	-
c) Cash and other monetary assets		3 979 177.95	5 803 670.22
- cash on hand and in bank accounts		3 979 177.95	5 803 670.22
- other cash		-	-
- other monetary assets		-	-
2. Other current investments		-	-
IV. Current prepaid expenses and accrued income	13	12 250.13	8 121.19
C. CALLED-UP SHARE CAPITAL			
D. TREASURY SHARES			
TOTAL ASSETS		25 832 681.17	30 703 152.28

Warsaw, 30 May 2018

Agnieszka Kwaśniak

Person entrusted with keeping the books of account

Agnieszka Kwaśniak
Biuro Rachunkowe
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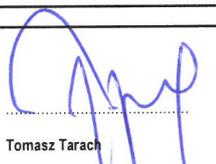
Tomasz Tarach
President of the Management
Board

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Description	Note	31.03.2018	31.03.2017
A. EQUITY (OWN FUNDS)		7 676 456.37	7 472 339.57
I. Share capital	15	50 000.00	50 000.00
II. Statutory reserve, including:	16	7 422 339.57	7 050 354.89
- share premium		-	-
III. Revaluation reserve, including:	16	-	-
- on account of revaluation		-	-
IV. Other reserves, including:	16	-	-
- recognised under the Articles of Association		-	-
- for treasury shares		-	-
V. Profit (loss) of previous years		-	-
VI. Profit (loss) for the period	17	204 116.80	371 984.68
VII. Appropriation of profit after tax during the year (negative amount)		-	-
B. LIABILITIES AND PROVISIONS FOR LIABILITIES		18 156 224.80	23 230 812.71
I. Provisions for liabilities	18	1 077 029.50	1 704 090.42
1. Deferred tax liability		-	-
2. Provisions for pension and similar benefits		-	-
- non-current		-	-
- current		-	-
3. Other provisions		1 077 029.50	1 704 090.42
- non-current		-	-
- current		1 077 029.50	1 704 090.42
II. Non-current liabilities	19, 21, 22	-	-
1. To related parties		-	-
2. To other entities in which the Company holds equity interests		-	-
3. To other entities		-	-
a) Loans and borrowings		-	-
b) From issue of debt securities		-	-
c) Other financial liabilities		-	-
d) Notes payable		-	-
e) other		-	-
III. Current liabilities	21, 22	17 079 195.30	21 526 722.29
1. Liabilities to related parties		15 468 295.37	18 966 948.84
a) Trade payables maturing within a period of:		15 468 295.37	18 966 948.84
- up to 12 months		15 468 295.37	18 966 948.84
- over 12 months		-	-
b) other		-	-
2. Liabilities to other entities in which the Company holds equity interests		-	-
a) Trade payables maturing within a period of:		-	-
- up to 12 months		-	-
- over 12 months		-	-
b) other	20	-	-
3. Liabilities to other entities		1 610 899.93	2 559 773.45
a) Loans and borrowings		-	-
b) From issue of debt securities		-	-
c) Other financial liabilities		-	-
d) Trade payables maturing within a period of:		186 469.44	256 020.96
- up to 12 months		186 469.44	256 020.96
- over 12 months		-	-
e) Advances received on deliveries and services		-	-
f) Notes payable		-	-
g) arising from taxes, customs duties, social security and health insurance, and other public-law titles		1 424 430.49	2 303 499.56
h) Payroll liabilities		-	-
i) Other	20	-	252.93
4. Special funds		-	-
IV. Accruals	23	-	-
1. Negative goodwill		-	-
2. Other accruals		-	-
- non-current		-	-
- current		-	-
TOTAL EQUITY AND LIABILITIES		25 832 681.17	30 703 152.28

Warsaw, 30 May 2018

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Tomasz Tarach
President of the Management Board

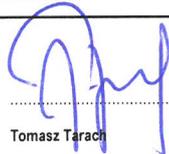
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Description	Note	01.04.2017	01.04.2016
		31.03.2018	31.03.2017
A. NET SALES REVENUE AND EQUIVALENTS, including:	25, 27, 28	38 700 911.21	43 671 724.36
- from related parties		239 583.99	207 706.81
I. Net revenue from selling products		239 583.99	207 706.81
II. Change in products (increase – positive value, decrease – negative value)		-	-
III. Cost of products manufactured for internal purposes		-	-
IV. Net revenue from selling goods and materials		38 461 327.22	43 464 017.55
B. OPERATING EXPENSES	26, 27, 28	38 496 042.03	42 542 135.18
I. Amortisation and depreciation		21 100.66	33 953.74
II. Consumption of materials and energy		196 389.74	206 028.31
III. Third-party services		6 173 069.63	5 062 353.76
IV. Taxes and charges, including:		79 989.56	49 565.92
- excise duty		-	-
V. Wages and salaries		1 578 559.88	1 454 230.24
VI. Social security and other benefits, including:		189 615.29	199 274.31
- pension benefits		84 324.17	78 643.07
VII. Other costs by nature		1 896 417.36	2 545 800.24
VIII. Cost of goods for resale and materials sold		28 360 899.91	32 990 928.66
C. PROFIT (LOSS) ON SALES (A-B)		204 869.18	1 129 589.18
D. OTHER OPERATING INCOME		420 958.85	315 199.47
I. Gain on disposal of non-financial non-current assets		-	146.34
II. Subsidies		-	-
III. Revaluation of non-financial assets		-	-
IV. Other operating income		420 958.85	315 053.13
E. OTHER OPERATING EXPENSES		18 798.38	378 579.42
I. Loss on disposal of non-financial non-current assets		2 493.25	-
II. Revaluation of non-financial assets		16 288.63	346 095.97
III. Other operating expenses		16.50	32 483.45
F. PROFIT (LOSS) FROM OPERATING ACTIVITIES (C+D-E)		607 029.65	1 066 209.23
G. FINANCE INCOME		-	-
I. Dividends and share in profits, including:		-	-
a) from related parties, including:		-	-
- those in which the Company holds equity interests		-	-
b) from other entities, including:		-	-
- those in which the Company holds equity interests		-	-
II. Interest, including:		-	-
- from related parties		-	-
III. Gain on disposal of financial assets, including:		-	-
- in related parties		-	-
IV. Revaluation of financial assets		-	-
V. Other		-	-
H. FINANCE COSTS		165 899.85	229 782.55
I. Interest, including:		158 256.85	222 612.11
- to related parties		157 199.00	219 374.00
II. Loss on disposal of financial assets, including:		-	-
- in related parties		-	-
III. Revaluation of financial assets		-	-
IV. Other		7 643.00	7 170.44
I. PROFIT (LOSS) BEFORE TAX (F+G-H)		441 129.80	836 426.68
J. INCOME TAX	29	237 013.00	464 442.00
K. OTHER MANDATORY REDUCTIONS IN PROFIT (INCREASES IN LOSS)		-	-
L. PROFIT (LOSS) AFTER TAX (I-J-K)		204 116.80	371 984.68

Warsaw, 30 May 2018

.....
 Agnieszka Kwaśniak

Person entrusted with keeping the books of account



Tomasz Tarach

President of the Management Board

Podpis z upoważnienia

Agnieszka Kwaśniak

Biurowisko Rachunkowe

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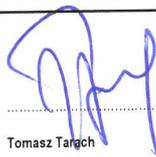
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Apollo Vredestein Opony Polska Sp. z o.o.
 ul. Prosta 32, 00-838 Warszawa
 NIP 522-284-28-77
 REGON 140867029

Description	01.04.2017	01.04.2016
	31.03.2018	31.03.2017
I. Opening balance of equity	7 472 339.57	7 100 354.89
- changes in accounting principles (policy)	-	-
- corrections of errors	-	-
I.a. Equity at the beginning of the period, after adjustments	7 472 339.57	7 100 354.89
1. Opening balance of issued capital	50 000.00	50 000.00
1.1. Changes in share capital	-	-
a) Increase (due to)	-	-
- issuance of shares	-	-
-	-	-
b) Decrease due to	-	-
- redemption of shares	-	-
-	-	-
1.2. Closing balance of issued capital	50 000.00	50 000.00
2. Opening balance of statutory reserve	7 050 354.89	9 357 919.55
2.1. Changes in statutory reserve	371 984.68	-2 307 564.66
a) Increase (due to)	371 984.68	-
- share premium	-	-
- appropriation of profit (statutory)	-	-
- distribution of profit (in excess of the statutory minimum amount)	371 984.68	-
-	-	-
b) Decrease due to	-	2 307 564.66
- coverage of losses	-	2 307 564.66
-	-	-
2.2. Closing balance of statutory reserve	7 422 339.57	7 050 354.89
3. Opening balance of revaluation reserve	-	-
3.1. Changes in revaluation reserve	-	-
a) Increase (due to)	-	-
-	-	-
b) Decrease due to	-	-
- disposal of fixed assets	-	-
-	-	-
3.2. Closing balance of revaluation reserve	-	-
4. Opening balance of other capital reserves	-	-
4.1. Changes in other capital reserves	-	-
a) Increase (due to)	-	-
-	-	-
b) Decrease due to	-	-
-	-	-
4.2. Closing balance of other capital reserves	-	-
5. Opening balance of profit/ (loss) of previous years	371 984.68	-2 307 564.66
5.1. Opening balance of profit of previous years	371 984.68	-
- changes in accounting principles (policy)	-	-
- corrections of errors	-	-
5.2. Opening balance of profit of previous years after adjustments	371 984.68	-
a) Increase (due to)	-	-
- appropriation of profit of previous years	-	-
-	-	-
b) Decrease due to	371 984.68	-
- Appropriation of profit	371 984.68	-
-	-	-
5.3. Closing balance of profit of previous years	-	-
5.4. Opening balance of loss of previous years	-	-2 307 564.66
- changes in accounting principles (policy)	-	-
- corrections of errors	-	-
5.5. Opening balance of loss of previous years after adjustments	-	-2 307 564.66
a) Increase (due to)	-	-
- losses brought forward from previous years	-	-
-	-	-
b) Decrease due to	-	2 307 564.66
- financing of loss	-	2 307 564.66
-	-	-
5.6. Closing balance of loss of previous years	-	-
5.7. Closing balance of profit/ (loss) of previous years	-	-
6. Profit (loss) for the period	204 116.80	371 984.68
a) profit after tax	204 116.80	371 984.68
b) loss after tax	-	-
c) appropriations of profit	-	-
II. Equity at the end of the period (CB)	7 676 456.37	7 472 339.57
III. Equity after accounting for the proposed appropriation of profit (loss offset)	7 676 456.37	7 472 339.57

Podpis z upoważnienia
Warsaw, 30 May 2018

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Tomasz Tarach
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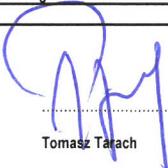
Apollo Vredestein Opony Polska Sp. z o.o.
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REGON 140867029

Description	01.04.2017	01.04.2016
	31.03.2018	31.03.2017
A. OPERATING ACTIVITIES		
I. Profit (loss) after tax	204 116.80	371 984.68
II. Total adjustments	-2 019 276.33	-726 953.69
1. Depreciation and amortisation	21 100.66	33 953.74
2. Foreign exchange gains (losses)	-	-
3. Interest and profit-sharing (dividends)	-	-
4. Profit (loss) on investing activities	2 693.25	-
5. Changes in provisions	-627 060.92	1 138 185.40
6. Change in inventories	-80 028.22	-371 571.50
7. Change in receivables	2 878 661.83	-4 425 869.75
8. Change in short-term payables, excluding loans	-4 447 526.99	2 415 571.72
9. Change in prepaid expenses and accruals	232 884.06	482 776.70
10. Other adjustments	-	-
III. Net cash flows from operating activities (I+II)	-1 815 159.53	-354 969.01
B. INVESTING ACTIVITIES		
I. Proceeds	-	-
1. Disposal of intangible assets and property, plant and equipment	-	-
2. Sale of investment property and intangible assets	-	-
3. from disposal of financial assets, including:	-	-
a) in related parties	-	-
b) in other entities	-	-
- disposal of financial assets	-	-
- dividends and share of profit	-	-
- repayment of long-term loans granted	-	-
- interest	-	-
- other proceeds from financial assets	-	-
4. Other investment proceeds	-	-
II. Expenditure	9 332.74	36 748.00
1. Acquisition of intangible assets and property, plant and equipment	9 332.74	36 748.00
2. Investments in immovable property and intangible assets	-	-
3. On financial assets, including:	-	-
a) in related parties	-	-
b) in other entities	-	-
- acquisition of financial assets	-	-
- long-term loans granted	-	-
4. Other investment expenditure	-	-
III. Net cash flows from/(used in) investing activities (I-II)	-9 332.74	-36 748.00
C. FINANCING ACTIVITIES		
I. Proceeds	-	-
1. Net proceeds from issue of shares and other capital instruments and capital contributions	-	-
2. Loans	-	-
3. Issuance of debt securities	-	-
4. Other financial proceeds	-	-
II. Expenditure	-	-
1. Acquisition of treasury shares	-	-
2. Dividends and other distributions to shareholders	-	-
3. Profit-distribution related expenses other than payments to owners	-	-
4. Repayment of loans	-	-
5. Redemption of debt securities	-	-
6. Arising from other financial liabilities	-	-
7. Payment of finance lease liabilities	-	-
8. Interest	-	-
9. Other financial expenditure	-	-
III. Net cash flows from/(used in) financing activities (I-II)	-	-
D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)	-1 824 492.27	-391 717.01
E. BALANCE-SHEET CHANGE IN CASH, including:	-1 824 492.27	-391 717.01
- change in cash on account of foreign exchange differences	-	-
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5 803 670.22	6 195 387.23
G. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (F+/-D), including:	3 979 177.95	5 803 670.22
- restricted cash	-	-

Warsaw, 30 May 2018

.....
 Agnieszka Kwaśniak

Person entrusted with keeping the books of account


 Tomasz Tarach

President of the Management Board

Podpis z upoważnienia

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Note No. 1

Changes in intangible assets

Item	Description	Costs of completed development projects	Goodwill	Other intangible assets	Advances for intangible assets	Total
1.	Gross carrying amount at the beginning of the period	-	-	680.00	-	680.00
a)	Additions, including:	-	-	540.00	-	540.00
	- purchases	-	-	540.00	-	540.00
	- Internal transfers	-	-	-	-	-
	- other	-	-	-	-	-
b)	Reductions, including:	-	-	-	-	-
	- liquidation	-	-	-	-	-
	- revaluation	-	-	-	-	-
	- sale	-	-	-	-	-
	- Internal transfers	-	-	-	-	-
	- other	-	-	-	-	-
2.	Gross carrying amount at the end of the period	-	-	1 220.00	-	1 220.00
3.	Accumulated amortisation at the beginning of the period	-	-	680.00	-	680.00
a)	Additions	-	-	540.00	-	540.00
b)	Reductions, including:	-	-	-	-	-
	- liquidation	-	-	-	-	-
	- sale	-	-	-	-	-
	- Internal transfers	-	-	-	-	-
	- other	-	-	-	-	-
4.	Closing balance of accumulated amortisation	-	-	1 220.00	-	1 220.00
5.	Net carrying amount at the beginning of the period	-	-	-	-	-
6.	Closing balance of net book value	-	-	-	-	-

Note No. 2

Changes in the amounts of fixed assets

Item	Description	Freehold land	Buildings and structures	Machinery and production equipment	Company cars	Other fixed assets	Total
1.	Gross carrying amount at the beginning of the period	-	19 449.75	144 247.13	-	50 820.42	214 517.30
a)	Additions, including:	-	-	8 792.74	-	-	8 792.74
	- purchases	-	-	8 792.74	-	-	8 792.74
	- Internal transfers	-	-	-	-	-	-
	- other	-	-	-	-	-	-
	Reductions, including:	-	-	26 705.79	-	-	26 705.79
	- liquidation	-	-	26 705.79	-	-	26 705.79
	- revaluation	-	-	-	-	-	-
	- sale	-	-	-	-	-	-
	- Internal transfers	-	-	-	-	-	-
	- other	-	-	-	-	-	-
2.	Gross carrying amount at the end of the period	-	19 449.75	126 334.08	-	50 820.42	196 604.25
3.	Accumulated depreciation at the beginning of the period	-	6 768.60	118 548.03	-	46 760.32	172 076.95
	Additions	-	1 944.96	16 991.74	-	1 623.96	20 560.66
	Reductions, including:	-	-	24 012.54	-	-	24 012.54
	- liquidation	-	-	24 012.54	-	-	24 012.54
	- sale	-	-	-	-	-	-
	- Internal transfers	-	-	-	-	-	-
	- other	-	-	-	-	-	-
4.	Closing balance of accumulated depreciation	-	8 713.56	111 527.23	-	48 384.28	168 625.07
5.	Net carrying amount at the beginning of the period	-	12 681.15	25 699.10	-	4 060.10	42 440.35
6.	Closing balance of net book value	-	10 736.19	14 806.85	-	2 436.14	27 979.18

Note No. 3

The amount of write-downs of non-current assets, as recognised during the financial year

Not applicable

Note No. 4

Value of land under perpetual usufruct

Not applicable.

Note No. 5

Costs of completed development work and the amount of goodwill and an explanation of the period of amortisation

Not applicable



EXPLANATORY NOTES (in PLN)

Note No. 6

Amount of fixed assets not depreciated by the Entity but used under a rent, lease or similar agreement

Item	Description	Reporting year	Previous year
1.	Amount of fixed assets not depreciated but used under a rental agreement	-	-
2.	Amount of fixed assets not depreciated but used under a tenancy agreement	-	-
3.	Amount of fixed assets not depreciated but used under a lease agreement	698 060.99	673 589.44
4.	Amount of fixed assets not depreciated but used under other agreements	-	-
	Total	698 060.99	673 589.44

Note No. 7

Amount and explanation of reasons for write-downs of property, plant and equipment

Not applicable

Note No. 8

The cost of manufacture of fixed assets under construction; including interest and capitalised foreign exchange differences on liabilities incurred to finance them and including interest and foreign exchange differences which increased the cost of acquisition of goods and cost of manufacture of products during the financial year

Not applicable.

Note No. 9

Changes in long-term investments

Not applicable.

Note No. 10

The number and value of securities or rights held, including convertible debt securities, warrants and options, with an indication of the rights they confer.

Not applicable.

Note No. 11

Write-downs of receivables

Item	Description	Amount at the beginning of the period	Additions	Utilization	Reductions	Amount at the end of the period
1.	Write-downs of receivables from related parties	-	-	-	-	-
a.	non-current receivables	-	-	-	-	-
b.	trade receivables	-	-	-	-	-
c.	other receivables	-	-	-	-	-
d.	claims asserted in court	-	-	-	-	-
	Write-downs of receivables from other entities,					
2.	those in which the Company holds equity interests	-	-	-	-	-
a.	non-current receivables	-	-	-	-	-
b.	trade receivables	-	-	-	-	-
c.	other receivables	-	-	-	-	-
d.	claims asserted in court	-	-	-	-	-
3.	Write-downs of receivables from other entities	226 583.55	-	-	95 853.98	130 729.57
a.	non-current receivables	-	-	-	-	-
b.	trade receivables	226 583.55	-	-	95 853.98	130 729.57
c.	other receivables	-	-	-	-	-
d.	claims asserted in court	-	-	-	-	-
4.	Total	226 583.55	-	-	95 853.98	130 729.57

Note No. 12

Amount and explanation of reasons for write-downs of inventories

Not applicable.

Note No. 13

Prepaid expenses and accrued income', including the amount of 'Prepaid expenses and accrued income' that represents the difference between the amount of the financial assets received and the obligation to pay for them;

Item	Description	Amount at the beginning of the period	Additions	Reductions	Amount at the end of the period
1.	Non-current	1 144 996.00	-	237 013.00	907 983.00
-	Deferred tax assets	1 144 996.00	-	237 013.00	907 983.00
2.	Current	8 121.19	79 132.79	75 003.85	12 250.13
-	Insurance	176.45	35 507.75	35 493.64	190.56
-	Subscriptions	1 187.83	1 963.86	1 711.89	1 439.80
-	Other	6 756.91	41 661.18	37 798.32	10 619.77
3.	Total	1 153 117.19	79 132.79	312 016.85	920 233.13

EXPLANATORY NOTES (in PLN)

Note No. 14

Measurement of assets at fair value other than financial assets

Not applicable.

Note No. 15

Share capital ownership structure

Item	Description	Number of shares held	Nominal value	Share capital at the end of the period	Share in share capital at the end of the period	Number of subscribed shares in total/ including preferred shares	Nominal value of subscribed shares in total/ including preferred shares
1.	Apollo Vredestein B.V.	999	50.00	49 950.00	99.90%	-	-
2.	Vredestein GmbH	1	50.00	50.00	0.10%	-	-
	Total	1 000	-	50 000.00	100.00%	-	-

Note No. 16

The balance at the beginning of the financial year, additions and utilisation and the closing balance of statutory reserve, other reserves and revaluation reserve, if the entity does not prepare the statement of changes in equity.

The Company prepares the statement of changes in equity.

Note No. 17

Proposal concerning the distribution of profit or offset of loss for the financial year

The Management Board proposes to appropriate the profit for the year from 1/04/2017 to 31/03/2018 to statutory reserve.

Note No. 18

Change in provisions

Item	Description	Amount at the beginning of the period	Additions	Utilization	Reversal	Amount at the end of the period
1.	Deferred tax liability	-	-	-	-	-
2.	Provisions for pension and similar benefits	-	-	-	-	-
a)	non-current	-	-	-	-	-
b)	current	-	-	-	-	-
3.	Other provisions	1 704 090.42	2 202 883.06	-	2 829 943.98	1 077 029.50
a)	non-current	-	-	-	-	-
b)	current	1 704 090.42	2 202 883.06	-	2 829 943.98	1 077 029.50
-	Provisions for customer discounts	1 425 401.24	1 946 044.56	-	2 551 254.80	820 191.00
-	Provision for Holiday pay	125 112.59	120 397.91	-	125 112.59	120 397.91
-	Provisions for other costs	153 576.59	136 440.59	-	153 576.59	136 440.59
4.	Total provisions for liabilities	1 704 090.42	2 202 883.06	-	2 829 943.98	1 077 029.50

Note No. 19

Non-current liabilities – by maturity

Not applicable.

Note No. 20

Liabilities to the Treasury or local government's budgets on account of obtaining ownership of buildings and structures

Not applicable.

Note No. 21

Liabilities secured on the Entity's assets (with an indication of the nature and form of security)

Not applicable.

Note No. 22

The total amount of contingent liabilities, including guarantees and sureties issued by the Entity, including bills of exchange, not disclosed in the balance sheet, with an indication of liabilities secured on the Entity's assets and the nature and form of such security; separately - information on contingent liabilities on account of pensions and similar benefits and contingent liabilities to related entities or associates;

Not applicable.

Note No. 23

Accruals

Not applicable.

Note No. 24

Where an asset or a liability is recognized in more than one balance sheet item, the relationship between such asset or liability and such items; this concerns, in particular, the breakdown of receivables and liabilities into non-current and current portion;

Not applicable.

EXPLANATORY NOTES (in PLN)

Note No. 25

Itemized and territorial structure of revenue from selling products, goods for resale and materials (by type and by market) to the extent that such types and markets differ significantly from one another, taking into account the rules governing the organization of the sale of product sales and the rendering of services

Item	Description	Reporting year		Previous year	
		in Poland	abroad	in Poland	abroad
1.	Net revenue from selling products	-	-	-	-
2.	Net revenue from rendering services	-	239 583.99	-	207 706.81
-	- selling services	-	239 583.99	-	207 706.81
3.	Revenue from selling goods for resale	38 461 327.22	-	43 464 017.55	-
-	- Sales of tyres	38 461 327.22	-	43 464 017.55	-
4.	Revenue from selling materials	-	-	-	-
5.	Total net sales revenue	38 461 327.22	239 583.99	43 464 017.55	207 706.81

Note No. 26

Costs by nature and cost of manufacture of products for internal purposes

The Company prepares the profit and loss account by nature of expenses.

Note No. 27

Income, costs and profit or loss from activities discontinued in the reporting year or to be discontinued in the following year

Not applicable.

Note No. 28

The amount and nature of individual items of income or expenses of extraordinary value or which occurred incidentally

Not applicable.

Note No. 29

Reconciliation of the differences between the income tax base and the accounting profit (loss) before tax

Item	Description	Reporting year	Previous year
1.	Profit (loss) before tax	441 129.80	836 426.68
2.	Expenses that are not deductible for tax purposes, including:	3 299 201.84	3 388 524.91
-	- impairment loss	130 729.57	346 095.97
-	- interest on tax liabilities	1 039.19	2 918.81
-	- unrealised foreign exchange differences	2 098.08	3 065.88
-	- business travel expenses	622 513.00	975 945.99
-	- provisions	2 202 883.06	1 704 090.42
-	- other	182 739.94	137 033.84
-	- interest not deductible for tax purposes	157 199.00	219 374.00
3.	Additions to tax costs	3 049 752.98	3 125 475.83
-	- costs of the previous year	-	565 685.02
-	- interest paid	219 374.00	83 393.00
-	- paid invoices from previous years	435.00	2 476 397.81
-	- reversal of provisions	2 829 943.98	-
4.	Income not considered tax income	256 591.66	288 789.48
-	- unrealised foreign exchange differences	2 039.71	1 756.49
-	- reversal of impairment loss	226 583.55	258 202.71
-	- income of the previous year	27 968.40	28 830.28
5.	Additions to tax income	-	-
6.	Income/loss	433 987.00	810 686.28
7.	Amounts deducted from income	433 987.00	810 686.28
8.	Tax base	-	-
9.	Tax rate	19%	19%
10.	Tax at rate	-	-
11.	Tax deductions	-	-
12.	Tax due	-	-
13.	Changes in deferred tax assets	237 013.00	464 662.00
14.	Changes in deferred tax liabilities	-	220.00
15.	Total charges to profit or loss before tax	237 013.00	464 442.00

Note No. 30

The expenditure on non-current non-financial assets, incurred in the last year and planned for the following year; the expenditure incurred and planned for environmental protection should be disclosed separately

In the financial year 2017/2018 the Company purchased fixed assets for the amount of PLN 9,332.74. In the following year, the Company plans to incur expenditures in a similar amount. The Company does not incur any expenditures related to environmental protection.

EXPLANATORY NOTES (in PLN)

Note No. 31

For items of the balance sheet or profit and loss account are denominated in foreign currencies, the exchange rates adopted in their measurement

Item	Currency	Entity	Exchange rate at the end of the period:	
			Current	Previous
1.	EUR	EUR 1	4.2085	4.2198
2.	Swiss franc	1 CHF	3.5812	3.9040

Note No. 32

Average employment

Item	Professional group	Reporting year	Previous year
1.	White-collar workers	9.00	9.00
	Total	9.00	9.00

Note No. 33

Remuneration to members of the management and supervisory bodies

Item	Description	Reporting year	Previous year	Liabilities on account of pensions to former members of the bodies as at the balance sheet date
1.	Remuneration for the reporting year recognised as costs	481 185.27	474 488.12	-
-	members of managing bodies	481 185.27	474 488.12	-
-	members of supervisory bodies	-	-	-

Note No. 34

The nature and economic purpose of contracts concluded by the reporting entity but not included in the balance sheet, to the extent necessary to assess their impact on the reporting entity's financial position and financial result

Not applicable.

Note No. 35

An explanation of the structure of cash in the cash flow statement, and if the cash flow statement has been prepared using the direct method (...)

Cash on hand PLN 4,976.99, cash in bank accounts PLN 3,974,200.96

Note No. 36

Significant transactions entered into by the entity with related parties (as defined in IAS/IFRSs) not at arm's length (including transaction amount and nature), including the nature of such transactions

Not applicable.

Note No. 37

Loans and similar benefits granted to members of management, supervisory or administrative bodies of commercial entities, including main interest terms, the amount of guarantees and sureties granted on account of liabilities incurred by members of the bodies.

Not applicable.

Note No. 38

Information on the auditor's fee payable for the financial year.

Item	Description	Reporting year	Previous year
1.	The fee for the audit of the financial statements	10 000.00	8 900.00
-	Audit of the stand-alone financial statements	10 000.00	8 900.00
-	Audit of the consolidated financial statements	-	-
2.	Other certification services	-	-
3.	Tax consulting services	-	-
4.	Other services	-	-

Note No. 39

Information on income and expenses arising from errors of previous years which were recognized in equity in the financial year, with an indication of amounts and types of such income and expenses

Not applicable.

EXPLANATORY NOTES (in PLN)

Note No. 40

Significant events that occurred after the balance-sheet date but have not been included in the financial statements, including their impact on the financial position and financial performance of the Entity

Not applicable.

Note No. 41

Overview of the changes in the accounting policies, which were introduced in the financial year, including the measurement methods, and the changes in the preparation of financial statements, if they affect significantly the financial position and the financial performance of the entity, their causes and the resulting changes in the financial performance and equity and numerical information ensuring the comparability of the financial information in the financial statements for the previous year with the financial statements for the reporting year

Not applicable.

Note No. 42

Joint ventures not subject to consolidation, including:

- a) the business name, the scope of activity of the joint venture;
- b) percentage share,
- c) portions of jointly controlled items of property, plant and equipment and intangible assets for impairment
- d) liabilities incurred for the purpose of the joint venture or purchase of used items of property, plant and equipment,
- e) portion of the jointly incurred liabilities,
- f) revenue obtained from the joint venture and the associated costs,
- g) contingent liabilities and investment liabilities concerning the joint venture

Not applicable.

Note No. 43

Related party transactions

Apollo Vredestein Opony Polska Sp. z o.o. purchases merchandise from Apollo Vredestein B.V. In the financial year from 01/04/2017 to 31/03/2018 the purchases amounted to PLN 29,567,159.74.

In addition to merchandise, the Company also purchases services from its major shareholder. The import of these services in the financial year from 01/04/2017 to 31/03/2018 amounted to PLN 3,665,293.64.

Apollo Vredestein Opony Polska sell services to one related party, namely Apollo Tyres Global R&D B.V. In the financial year from 01/04/2017 to 31/03/2018, the sale of the services amounted to PLN 239,583.99.

Note No. 44

The list of companies (business name, registered office) in which the Entity holds at least a 20% equity interest or at least 20% of the total number of votes in the Company's governing body; the list should also contain information about the percentage of equity interest held and the degree of participation in management and about net profit or loss of these companies for the last financial year

Not applicable.

Note No. 45

The name, address of the head office or registered office of the entity, and the legal form of each entity of which the Entity is a partner with unlimited liability.

Not applicable.

Note No. 46

If the Entity does not prepare consolidated financial statements benefiting from exemptions, information on:

- a) the legal basis and data justifying refrainment from consolidation,
- b) the name and registered office of an entity preparing consolidated financial statements at the ultimate level of the group and the place of publication,
- c) basic economic and financial indicators describing the operations of the related entities in the current and previous financial year, such as - net revenue from selling products, goods and materials and finance income
 - profit (loss) after tax and equity, by group - the amount of non-current assets
 - average annual employment,
- d) the accounting standards (national or international) used by related parties.

Not applicable.

Note No. 47

The name and registered office of the entity that prepares the consolidated financial statements at the lowest level of the group in which the company is a subsidiary, and the place where such financial statements are available.

Apollo Tyres Ltd with its registered office in India
Apollo Vredestein B.V. with its registered office in the Netherlands

Note No. 48

Long-term contracts executed in accordance with the National Accounting Standard No 3 (KRS 3)

Not applicable.



Note No. 49

For financial statements prepared for the period during which a business combination took place:

1) If the business combination was accounted for using the purchase method:

- a) the business name and objects of the acquired company,
- b) the number, nominal value and type of shares issued for the purpose of the business combination,
- c) acquisition price, net asset value at fair value of the acquired company as at the business combination date, goodwill or negative goodwill and description of its amortisation policy;

2) If the business combination was accounted for using the pooling of interest method.

- a) the business name and objects of the companies which were deleted from the register as a result of the business combination,
- b) the number, nominal value and type of shares issued for the purpose of the business combination,
- c) revenues and expenses, profits and losses and changes in equity of the combined companies for the period from the beginning of the financial year during which the business combination took place, until the business combination date.

Not applicable.

Note No. 50

If there are uncertainties as to the entity's ability to continue as a going concern, a description of these uncertainties and a statement that such uncertainties exist, as well as information about whether the financial statements include associated adjustments; such information should also include a description of measures already taken or planned to be taken by the entity to eliminate such uncertainties.

Not applicable.

Note No. 51

Other information than the information presented above could materially affect the assessment of the entity's financial position and its financial performance

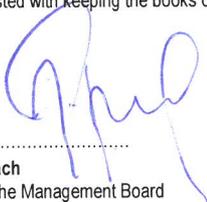
All information that is relevant to the evaluation of the Group's financial position and financial performance has been disclosed above.

Warsaw, 30 May 2018

Podpis z upoważnienia

Agnieszka Kwaśniak
Biuro Rachunkowe
TMF Poland Sp. z o.o.
Pl. Piłsudskiego 1, 00-078 Warszawa
tel. 22 456 45 00, fax 22 456 45 99

.....
Agnieszka Kwaśniak
Person entrusted with keeping the books of account



.....
Tomasz Tarach
President of the Management Board

Apollo Vredestein Opony Polska Sp. z o.o.
ul. Prosta 32, 00-838 Warszawa
NIP 522-284-28-77
REGON 140867029



PREMIUM AUDYT
— BASED ON QUALITY —

APOLLO VREDESTEIN OPONY POLSKA SP. Z O.O.

Independent auditor's report
on the audit of full-year financial statements
for the financial year ended 31 March 2018

for the General Meeting, Supervisory Board
and Management Board of the Company

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF FULL-YEAR FINANCIAL STATEMENTS

We have audited the attached full-year financial statements of APOLLO VREDESTEIN OPONY POLSKA sp. z o.o. (Tax Identification Number (NIP) 5222842877, the Company) with its registered office at Prosta Street 32, 00-838 Warsaw, for the financial year ended 31 March 2018 consisting of:

- a. balance sheet as at 31 March 2018, showing total assets and total equity and liabilities of **PLN 25 832 681,17**,
- b. profit and loss account for the financial year from 1 April 2017 to 31 March 2018 showing a net profit of **PLN 204 116,80**,
- c. statement of changes in equity for the financial year from 1 April 2017 to 31 March 2018,
- d. statement of cash flows for the financial year from 1 April 2017 to 31 March 2018,
- e. summary of significant accounting policies, notes and other explanatory information, (the financial statements).

Responsibility of the Company's Management and Supervision

The Company's Management Board is responsible for the preparation, on the basis of properly maintained accounting records, of the financial statements and their fair presentation in compliance with the with the Act of 29 September 1994 on accounting (consolidated text Dz. U. of 2018, item 395, as amended, Accounting Act) with the implementing regulations issued on the basis of the Act and with other legislation in force. In addition, the Company's Management Board is responsible for internal control it may consider necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

Under the Accounting Act, the Company's Management Board and Supervisory Board are responsible for ensuring, that the financial statements meet the requirements stipulated in the Act.

Auditor's responsibility

Our responsibility was to express an opinion on whether the financial statements give a fair and clear view of the Company's assets, financial position and performance in accordance with the applicable Accounting Act, as well as in accordance with the adopted accounting policies.

We audited the financial statements in accordance with:

1. the Act on Qualified Auditors, Auditing Firms and Public Supervision of 11 May 2017 (Dz. U. of 2017, item 1089, as amended, the Act on Qualified Auditors),
2. National Financial Auditing Standards compliant with the International Standards on Auditing (adopted under Resolution No. 2783/52/2015 of the National Council of Statutory Auditors (Krajowa Rada Biegłych Rewidentów) of 10 February 2015, as amended) in compliance with the Resolution No. 2041/37a/2018 of 5 March 2018 with the implementing national standards of practised profession,
3. the Act on Code of Commercial Companies (consolidated text Dz. U. of 2017, item 1577, as amended, Code of Commercial Companies).

These regulations require that auditors comply with ethical requirements and plan and perform their procedures to obtain reasonable assurance about whether financial statements are free from material misstatement.

The audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the entity's accounting policies used and the reasonableness of accounting estimates made by the entity's management board as well as evaluating the overall presentation of the financial statements.

The scope of the audit does not extend to providing assurance on the future profitability of the audited entity, or the effectiveness of management of its affairs by the entity's management board, whether at present or in the future.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the attached full-year financial statements:

- a. give a fair and clear view of the assets and financial position of the Company as at 31 March 2018, as well as its financial performance for the financial year from 1 April 2017 to 31 March 2018 in compliance with the Accounting Act, as well as in accordance with the adopted accounting policies,
- b. have been prepared on the basis of properly maintained accounting records (in compliance with the provisions of Chapter 2 of the Accounting Act),
- c. comply as to form and content with the applicable laws and the Company's Articles of Association.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the Directors' Report

Our opinion on the financial statements does not cover the Directors' Report.

The Company's Management Board and Supervisory Board are responsible for preparing the Directors' Report in accordance with the provisions of the law.

In accordance with the Act on Qualified Auditors, our duty was to express an opinion on whether the Directors' Report has been prepared in accordance with the law and whether it is consistent with the information disclosed in the financial statements. Our duty was also to make a statement, based on our knowledge about the Company and its environment obtained during the audit of the financial statements, on whether we identified any material misstatements in the Directors' Report and indicate the nature of each such material misstatement, if any.

In our opinion the Directors' Report has been prepared in compliance with the applicable laws and the information contained therein is consistent with the data presented in the financial statements. In addition, based on our knowledge about the Company and its environment obtained during the audit of the financial statements, we identified no material misstatements in the Directors' Report.

Statement of corporate governance

We inform, the Company doesn't have an obligation of making corporate governance statement according to the Article 49.2a of Accountancy Act.

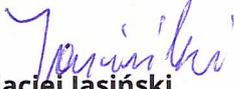
Statement of non-financial information

We inform, the Company doesn't have an obligation of making non-financial statement according to the Article 49b.1 of Accountancy Act.

Other information, e.g. obligation results from other law regulations

Financial statement for previous year was announced in appropriate court register.

PREMIUM AUDIT sp. z o.o. and the certified auditor received from the Company a written statement, in which the Company's Management stated that the Company complied with the laws in force.



Maciej Jasiński

Vice President of the Management Board
Certified Auditor Reg. No. 13336

Lead Auditor

conducting the audit on behalf of

PREMIUM AUDYT sp. z o.o.

Czartoria Street 1/1, 61-102 Poznań

Entity entered on the list of audit firms

maintained by the National Council of Statutory Auditors under Reg. No. 3992

The document has 4 pages.

Poznań, 30 May 2018



Grzegorz Skątecki

President of the Management Board