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Independent auditor's report

To: the shareholder and supervisory board of Apollo Tyres (NL) B.V.

Report on the audit of the financial statements for the year ended 31 March 2024 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 March 2024 of Apollo Tyres (NL) B.V. based in Enschede.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Apollo Tyres (NL) B.V. as at 31 March 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 March 2024
- The statement of income for the year then ended
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Apollo Tyres (NL) B.V. (the entity) in accordance with the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to section 'Risk Management' of the management report for management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in note 2.5 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties. When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We considered among other things the cut-off of revenue transactions responsive to this presumed risk. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk. Specifically for the risk related to sales discounts and related accruals, we performed procedures that accruals were recognized appropriately and in conformity with sales agreements and transactions occurred.

We considered available information and made enquiries of relevant executives, directors, human resources and the supervisory board.

The fraud risk we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

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Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in section Going concern assessment in Note 2.2 to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the entity's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

Report on other information included in the annual report
The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:
- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the entity's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the entity's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and Performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit 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

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 4 July 2024

EY Accountants B.V.

signed by J.H.M. van den Nouland

Apollo Tyres (NL) B.V.
Annual Accounts 2023-24

Report by the Management Board

In line with art. 2:394 lid 4 BW, the Management Board Report and Supervisory Board are available at the premises of the Company and are available upon request to the Company.

Company financial statements

Company statement of financial position

Before profit appropriation

(Euro x 1,000)	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	3	96.720	100.099
Right-of-use assets	4	1.395	8.236
Intangible assets	5	18.519	23.004
Security Deposits	6	16	58
Investment in subsidiaries	7	51.132	65.980
Total non-current assets		**167.782**	**197.377**
Current assets			
Inventories	8	18.656	82.529
Trade receivables	9	4.888	45.741
Receivables from group companies	10	34.898	39.438
Derivative financial assets	11	-	60
Other current assets	12	257	10.471
Cash and bank balances	13	650	-
Total current assets		**59.349**	**178.239**
Total assets		**227.131**	**375.616**

(Euro x 1,000)	Notes	As at 31 March 2024	As at 31 March 2023
Equity and liabilities			
Equity			
Issued Capital		42	42
Share Premium Reserves		20.226	20.226
Legal Reserves		14.818	18.176
Actuarial Gain/Loss on Pension Reserve		-682	-389
Translation of Foreign Operations		1.707	1.365
Retained Earnings		78.754	97.998
Profit for the year		14.809	35.519
Total Equity	14	**129.674**	**172.937**
Provisions			
Jubilee Benefit	15	849	912
Net Deferred Tax Liability	16	18.376	14.419
		19.225	**15.331**
Non-current liabilities			
Other non-current liabilities	17	33.642	46.150
Lease liabilities	4	874	4.654
Total non-current liabilities		**34.516**	**50.804**
Current liabilities			
Trade and other payables	18	36.425	60.732
Debt to group companies	19	2.386	67.899
Lease liabilities	4	529	4.096
Current tax liability	16	4.376	3.472
Derivative financial liabilities	11	-	345
Total current liabilities		**43.716**	**136.544**
Total equity and liabilities		**227.131**	**375.616**

Company statement of income

(Euro x1,000)	Notes	As at 31 March 2024	As at 31 March 2023
Revenue	**20**	**160.390**	**603.516**
Other operating Income	**21**	**2.600**	**705**
Changes in inventories of finished goods and work in progress	22	4.820	-12.825
Raw materials and Purchase of Finished goods	23	63.537	443.739
Employee expenses	24	46.830	74.465
Depreciation and amortisation expenses	25	15.916	19.644
General and administrative expenses	26	20.614	38.973
Total expenses		**151.717**	**563.996**
Profit before interest and taxes		**11.273**	**40.225**
Interest expense	27	1.562	946
Net interest expenses		**1.562**	**946**
Profit Before Taxes		**9.711**	**39.279**
Income tax expense	28	2.146	9.317
Profit from Subsidiaries	29	7.244	5.557
Profit After Taxes		**14.809**	**35.519**

The total net profit is attributable to the owner of the parent company.

Company statement of comprehensive income

(Euro x1,000)	As at 31 March 2024	As at 31 March 2023
Net profit	**14.810**	**35.519**
Items that pertain to subsidiary valuation and will never be reclassified to profit and loss		
Actuarial gains or losses on pension plans gross	-387	2.163
Tax effect on actuarial gains and losses	94	-649
Items that are or may be reclassified to profit and loss		
Translation differences on foreign operations	342	352
Total other comprehensive income	**49**	**1.866**
Total comprehensive income for the year	**14.859**	**37.385**

The total comprehensive income is attributable to the owner of the parent company.

Notes to the annual accounts for 2023-24

1. General information

Apollo Tyres (NL) B.V. is a private company with limited liability, incorporated in Enschede, the Netherlands. The registered office address of Apollo Tyres (NL) B.V. is Ir. Schiffstraat 370, 7547 RD Enschede, The Netherlands. Apollo Tyres (NL) B.V. is registered in the Dutch trade register under number 34223268. As at reporting date, Apollo Tyres (EU) B.V. owns 100% of the shares in Apollo Tyres (NL) B.V. The ultimate parent of Apollo Tyres (NL) B.V. is Apollo Tyres Ltd., India. Apollo Tyres Ltd. files its annual report with Bombay Stock Exchange (India). Apollo Tyres (NL) B.V. concentrates on manufacturing and sales of tyres for passenger and agricultural vehicles. The 2023-2024 financial statements are prepared by the Board of Directors on July 4, 2024, and will be submitted for adoption to the general meeting of shareholders.

The Company has made use of the exemption in Article 408, paragraph 1, Book 2 of The Netherlands Civil Code and has therefore not applied the provisions of Article 406, Book 2 of The Netherlands Civil Code for the preparation of consolidated accounts.

In conformity with the exemption provisions of the Guidelines for Annual Reporting in The Netherlands, a cash flow statement is not presented. The financial information of the Company, its subsidiaries and other Group companies is incorporated in the consolidated financial statements of Apollo Tyres (Europe) B.V., which forms part of the Annual Report, including a cash flow statement, for the year ended 31 March 2024 of Apollo Tyres (Europe) B.V., which has been deposited with the Chamber of Commerce in the Netherlands.

An internal organizational change took place on April 1, 2023 which resulted in the transfer of the sales activities of passenger car tyres and agricultural tires, alongside supply chain activities that were previously carried out by Apollo Tyres (NL) B.V., to Apollo Tyres (Europe) B.V. Therefore, on April 1, 2023, a substantial portion of the assets and liabilities of Apollo Tyres (NL) B.V. were transferred at carrying value to Apollo Tyres (Europe) B.V., The primary assets transferred at carrying value included inventories and receivables, while the primary liabilities transferred at carrying value included payables. The carry-over method has been applied for the sale of assets and liabilities to Apollo Tyres (Europe) B.V.

Assets and liabilities of Apollo Tyres (NL) B.V. were transferred at carrying value to Apollo Tyres (Europe) B.V. on April 1, 2023.

(Euro x1,000)

Inventories	59.852
Trade receivables	46.356
Trade and other payables	-48.087
Total	**58.121**

The amount receivable from Apollo Tyres (Europe) B.V. has been partly paid via an interim dividend of Euro 50 Million and partial added to the receivables from Apollo Tyres (Europe) B.V.

2. Accounting policies

2.1 General

The financial statements have been prepared in accordance with Title 9, Book 2 of Dutch civil code. Valuation of Assets & Liabilities and determination of the result takes place under the historical cost convention.

Unless presented otherwise at the relevant principle for the specific Balance sheet item, assets & liabilities are presented at amortised cost.

Income and expenses are accounted on accrual basis. Profit is only included when realized on Balance Sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

2.2 Going concern assessment

The Management Board has performed a going concern assessment including cash flow forecasting for a period of 12 months up to the date of the financial statements and has not identified any going concern risks. The financial statements have been prepared under the assumption that the company operates on a going concern basis.

2.3 Subsidiaries

Subsidiaries are stated at net asset value, but not lower than nil. Subsidiaries with negative equity value are valued at nil. When the company partially or in whole is liable for the debts of such subsidiary or has the factual obligation to facilitate that subsidiary for (the companies part in) payments of its debts, a provision is formed. This provision is calculated taking into account any bad debt provisions already formed for receivables on such subsidiary. The equity and results of the subsidiaries have been determined in accordance with the accounting policies of Apollo Tyres (NL) B.V. Proportion of ownership interest and voting power held by the company, directly or indirectly are:

	As at 31 March 2024	As at 31 March 2023
Vredestein Consulting B.V., - The Netherlands	100%	100%
Finlo B.V., Enschede - The Netherlands	100%	100%
Apollo Tyres (Belux) SA, B- Belgium	100%	100%
Apollo Tyres (Germany) GmbH, - Germany	100%	100%
Apollo Tyres (UK) Sales Ltd, – United Kingdom	100%	100%
Apollo Tyres (France) SAS, – France	100%	100%
Apollo Tyres (Austria) Gesellschaft m.b.H., – Austria	100%	100%
Apollo Tyres (Iberica) SA, – Spain	100%	100%
Apollo Tyres (Nordic) AB, - Sweden	100%	100%
Apollo Tyres (Schweiz) AG, –Switzerland	100%	100%
Apollo Tyres (Hungary) Sales Kft., - Hungary	100%	100%
Apollo Tyres (Polska) Sp Zo.o, - Poland	100%	100%

All transactions with related parties within the Apollo group are based on regular business activities, following arms' length principle.

2.4 Foreign currency

The balance sheet and income statement are stated in euros, which is the functional currency of Apollo Tyres (NL) B.V. and the presentation currency for the financial statements. Receivables, debts and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date.

2.5 Significant estimates and judgments

Apollo Tyres (NL) B.V. makes certain estimates and assumptions when preparing the financial statements. These estimates and assumptions have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and income and expense items for the period under review. Important estimates and assumptions relate largely to provisions, pensions, intangible fixed assets, deferred tax assets and liabilities. Actual results may differ from these estimates and assumptions. All assumptions, expectations and forecasts that are used as a basis for estimates in the financial statements represent as accurately an outlook as possible for Apollo Tyres (NL) B.V. These estimates only represent Apollo Tyres (NL) B.V.'s interpretation as of the dates on which they were prepared.

2.6 Net sales / Revenue recognition

Net sales represent the income from supply of goods, after deduction of discount, credit notes and the like, taxes levied on revenue, and elimination of intra-group sales. Revenue arises mainly from the sale of tyres to business customers. To determine whether to recognize revenue, the company follows a 5-step process according to IFRS 15:

1. Identifying the contract with a customer
2. Identifying the performance obligation
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Step	Outcome of analyses
Step 1 : Identify the contract(s) with a customer	Our revenues are governed by explicit and implied contracts with customers, and with MSA's. Together with the purchase orders of customers we conclude that nearly all contracts are in scope of IFRS 15.
Step 2: Identify the performance obligations in the contract	The purchase orders governed by the contracts have multiple promises on sale of goods, however we consider these promises as significant service of integrating goods and services, so not distinct in the context of the contracts. We distinguish only one PO per contract.
Step 3: Determine the transaction price	We do see some variable components in the transaction price of the analysed contracts at the time of inception, but for annual account purposes these are not variable anymore as over a year they can be fairly accurate calculated and fixed. The contractual period for the bonus calculation in the vast majority of cases ends at a quarter- or year-end so all elements (volume and prices) to calculate the agreed bonus are available at year-end.
Step 4: Allocate the transaction price to the performance obligations in the contract	As concluded under step 2 we see a single performance obligation, therefore the total consideration should be allocated to this single performance obligation. Based on step 3 we conclude that variable consideration to the distinct performance obligation is not applicable. The transaction price at inception is therefore fully allocated to the single performance obligation identified.
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.	Our customers obtain control on or shortly after the date the goods are shipped from our warehouse to the customer. We recognise revenue at the moment the goods are transferred to the customer

Revenue is recognised at a point in time, when or as the company satisfies performance obligations by transferring the promised goods or services to its customers. When the company acts as a principal revenue is recognised in the gross amount of consideration to which it expects to be intitled in exchange for the specified good or service transferred.

The company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the company satisfies a performance obligation before it receives the consideration, the company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from product sales is generally recognised when the product is delivered to the client and when there are no unfulfilled obligations that affect the client's final acceptance of the arrangement. Delivery does not occur until products have been shipped, risk of loss has transferred to the client and client acceptance has been obtained, client acceptance provisions have lapsed, or the company has objective evidence that the criteria specified in the client acceptance provisions are either perfunctory or have been satisfied.

2.7 Government grants

A government grant is recognised only when there is reasonable assurance that (a) the company will comply with any conditions attached to the grant and (b) the grant will be received. The grant is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

2.8 Taxation

Income tax includes current and deferred tax. Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income or directly in equity. Current tax is the expected income tax payable or receivable in respect of taxable profit or loss for the year, taking into account tax concessions and non- deductible costs.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The most significant temporary differences arise from the depreciation differences of property, plant and equipment, measuring the net assets at Cost. A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Apollo Tyres (NL) B.V. forms part of the fiscal unity with Apollo Coöperatief U.A. , head of the fiscal unity. Apollo Tyres (NL) B.V. is therefore jointly and severally liable for the liabilities of the fiscal unity. The corporate income tax is calculated as if the company was separately liable for tax. The taxation according the profit and loss account is calculated at applicable rates taking into account permanent and temporary differences.

2.9 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.
This policy is applied to contracts entered into, on or after 1 April 2019. The Company recognises a right-of-use asset and a lease liability at the lease commencement date.
The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

2.10 Property, plant and equipment

Property, plant and equipment include all expenditure of a capital nature and are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated according to the straight-line method, with the rate depending on the expected useful life of the asset concerned. No allowance is made for residual values. The expected useful lives are reviewed at each reporting date, and if they differ materially from previous estimates, the depreciation schedules are changed accordingly.

Assets held for sale are valued at the lower of book value and fair value, less sales costs. The term of depreciation is generally:

- Accommodations: 25 years
- Buildings: 30 years
- Moulds and formers: 5 years
- Furniture and fixture: 4-10 years
- Plant and machinery: 10-25 years

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

2.11 Intangible assets

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if certain conditions have been met.

Capitalised costs are written down over estimated useful lives, which is 6 years. The depreciation takes place on the straight-line basis.

Software is valued at historical cost less accumulated depreciation and accumulating impairment. It mainly consists of customised software, which is depreciated according to the straight-line method, with the rate depending on the expected useful life of the asset concerned (3 years). Brand names are written down over estimated useful lives, which is 20 years. The depreciation takes place on the straight-line basis.

2.12 Impairment or disposal of tangible and intangible fixed assets

On each balance sheet date, Apollo Tyres (NL) B.V. tests whether there are indications that an individual non-current asset may be subject to impairment. If there are such indications, the recoverable amount of the asset involved is estimated in order to determine the extent to which impairment may apply. If it is not possible to determine the recoverable amount of the individual asset, then Apollo Tyres (NL) B.V. determines the recoverable amount of the cash-generating unit to which the asset belongs. Impairment applies if the carrying value of an asset exceeds its recoverable amount. The recoverable amount is equal to the proceeds or value to the business, whichever is the greater, the business value being the present value of the expected future cash flows from the use of the asset and its ultimate disposal. Impairment is charged to the income statement in the period in which it occurs, unless it relates to a revalued asset at acquisition date due to an acquisition of an entity or a group of entities. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.13 Inventories

Inventories are valued at the lower of cost and estimated net realizable value after providing for obsolescence and other losses, where considered necessary. The net realizable value is the estimated sales price less the estimated selling expenses.

In case of raw materials, consumables and sourced finished goods, cost comprises cost of purchase and other costs incurred in bringing such inventories to their present location and condition. The purchase price is determined on a moving weighted average basis. In case of produced finished goods and goods in progress, cost comprises raw material cost and conversion cost determined on a standard cost basis. Standard cost includes all expenses directly attributable to the manufacturing process as well as suitable portion of related production overheads, based on normal operating capacity. General costs not relating to production, sales and financing costs are not considered. Inventory value is converted from standard cost to actual cost at the end of each period.

2.14 Financial instruments

I. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value. A trade receivable without a significant financing component is initially measured at the transaction price.

II. Derivatives financial instruments and hedge accounting

The company used to hold derivative financial instruments (FY22/23) to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Fair value of the derivatives is equal to inputs other than quoted prices that are observable for the asset of liability, Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss. The company does not apply hedge accounting.

Financial and non-financial contract may contain terms and conditions that meet the definition of derivative financial instruments. Such an agreement is separated from the host contract if its economic characteristics and risk are not closely related to the economic characteristics and risk of the host contract, a separate instrument with the same terms and conditions as the embedded derivative would meet the definition of a same term and condition as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value with changes in fair value recognized in the profit and loss account.

2.15 Pension liabilities

Defined benefit plan subsidiaries
At reporting date, certain employees of the Apollo Tyres (NL) B.V. group participated in a defined benefit pension plan (employees of Apollo Tyres (Germany) GmbH and Apollo Tyres (Schweiz) AG. The company applies IAS 19 for such plans, which are accounted for in the subsidiary net asset value. Independent actuaries carry out valuation of the obligation under the pension plan on an annual basis. Past service costs are recognised immediately in the statement of income. Actuarial gains or losses are recognised in the comprehensive income. The present value of the DBO was measured using the projected unit credit method. The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs and reduces by the fair value of plan assets.

Defined contribution plan Apollo Tyres NL B.V
At reporting date, employees of Apollo Tyres (NL) B.V. participated in defined contribution pension plan. Under this pension plan, fixed contributions are paid to the Insurance company. Apollo Tyres (NL) B.V. has no legal or constructive obligation to pay further contributions and the insurance service provider is responsible to hold sufficient assets to pay all employee benefits relating to employee service. Contributions that will not be settled within 12 months are discounted and recognized as liability.

2.16 Other employee benefits

Obligations relating to early retirement and future service anniversary payments are determined on the basis of actuarial calculations. The expected costs of these benefits are allocated to the period of service, using the same valuation principles as for the defined benefit plans. Actuarial differences arising from changes in assumptions are taken directly to the income statement.

2.17 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. The level of the provisions reflects the best estimate of Apollo Tyres (NL) B.V. on the balance sheet date, regarding expected expenditures. If material, the liabilities are discounted to their present value. Provisions are recognized when a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reliably estimated. Provisions are recognized when it is probable that an outflow of economic resources will be required, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

2.18 Cash at bank and in hand

Cash at bank and in hand includes bank balances that are carried at face value. Cash in hand, notes and cheques are not applicable. Cash at bank and in hand includes if applicable deposits if these are effectively at the group's free disposal, even if interest income may be lost.

2.19 Current liabilities

Current liabilities are carried at historical cost.

2.20 Expenses

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met. Wages, salaries and social security charges are recognized in the income statement according to the terms of employment to the extent they are due to either employees or the tax authorities.

3. Property, plant and equipment

(Euro x 1,000)	Land & accommodations	Building	Moulds & formers	Assets under con-traction	Furniture & Fixture	Plant & Machinery	Total
Amount at 31 March 2023	**19.018**	**52.606**	**85.446**	**3.360**	**8.290**	**334.431**	**503.151**
Additions				5.312			5.312
Transfer	31		865	-4.484	20	3.568	-
Disposals	-336		-425		-1.602	-10.327	-12.690
Amount at 31 March 2024	**18.713**	**52.606**	**85.886**	**4.188**	**6.708**	**327.672**	**495.773**
Acc. Depreciation at 31 March, 2023	**2.861**	**34.578**	**83.550**	**-**	**7.390**	**274.673**	**403.052**
Depreciation for financial year	100	631	690		152	7.273	8.846
Disposals			-397		-1.184	-11.264	-12.845
Acc. depreciation at 31 March 2024	**2.961**	**35.209**	**83.843**	**-**	**6.358**	**270.682**	**399.053**
Netto value at 31 March 2024	**15.752**	**17.397**	**2.043**	**4.188**	**350**	**56.990**	**96.720**

Property, plant and equipment are primarily valued at cost. The company has provided guarantee for the loan which is secured by a pledge on the movable tangible assets (other than stock in trade, raw materials and trade receivables) and a mortgage of its Real Estate being the Land and Buildings located in the Netherlands. During the Year, the Company disposed of certain Plant & Machinery items

4. Leases

The Company distinguishes four types of leases:

- Buildings: warehouses and offices. Contracts typical run for multiple year periods and have extension options.
- Machines and equipment: comprise different types of operational and warehousing machines and equipment.
- Lease cars.
- Other

Information about leases for which the company is a lessee is presented below. For accounting policy see Note 2

Right-of-use assets

(Euro x 1,000)	Buildings	Lease Cars	Machine and equipment	Other	Total
Carrying amount at 31 March 2023	**7.211**	**392**	**633**	**-**	**8.236**
Investment	1.106	240	1.822	-	3.168
Depreciation	-166	-31	-387	-	-584
Deletions/transfer	-7,211	-392	-1.822	-	-9.425
Carrying amount at 31 March 2024	**940**	**209**	**246**	**-**	**1.395**

Lease liabilities long term

(Euro x 1,000)	Buildings	Lease Cars	Machine and equipment	Other	Total
Balance at 31 March 2023	**7.707**	**397**	**646**	**0**	**8.750**
Additions	1.106	240	0	-	**1.346**
Repayments	-171	-35	-399	-	**-605**
Interest charged to the income statement	10	1	5	-	**16**
Deletions/transfer	-7.707	-397	-	-	**-8.104**
Balance at 31 March 2024	**945**	**206**	**252**	**0**	**1.403**

Amounts recognised in profit or loss

(Euro x 1,000)	Buildings	Lease Cars	Machine and equipment	Other	Total
Period ended 31 March 2024					
Depreciation of right-of-use assets	166	31	387	-	584
Interest on lease liabilities	10	1	6	-	17
Total	**176**	**32**	**393**	**0**	**601**

(Euro x 1,000)	Buildings	Lease Cars	Machine and equipment	Other	Total
Period ended 31 March 2023					
Depreciation of right-of-use assets	2.979	395	457	5	3.836
Interest on lease liabilities	112	7	11	-	130
Total	**3.091**	**402**	**468**	**5**	**3.966**

Ageing of lease liabilities

(Euro x 1,000)	<1 year	1-2 Years	2-5 Years	>5 Years	Total
As at 31 March 2024					
Lease liabilities	**530**	**280**	**593**	**-**	**1.403**
As at 31 March 2023					
Lease liabilities	**4.096**	**1.640**	**2.850**	**164**	**8.750**

Extension Options

Some leases contain extension options exercisable by the Company. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Lease Expenses in Operating Expenses

The total amount in our operating expenses related to short-term leases, low value assets and expenses related to variable lease payments not included in the measurement of lease liabilities is € 1,7 million.

5. Intangible Assets

(Euro x 1,000)	Development	Brand names	Software	Total
As at 31 March 2023				
Cost	78.445	12.900	25.176	116.521
Depreciation	-60.014	-8.950	-24.553	-93.517
Book value	**18.431**	**3.950**	**623**	**23.004**
Changes in book value				
Investments	2.001	-	-	2.001
Amortization for financial year	-5.615	-645	-226	-6.486
Total	**-3.614**	**-645**	**-226**	**-4.485**
As at 31 March 2024				
Cost	80.446	12.900	25.176	118.522
Depreciation	-65.629	-9.595	-24.779	-100.003
Book value	**14.817**	**3.305**	**397**	**18.519**

6. Security deposits

(Euro x 1,000)	Notes	As at 31 March 2024	As at 31 March 2023
Security Deposits Given		16	58
Closing balance		**16**	**58**

7. Investment in subsidiaries

(Euro x 1,000)	Period ended 31 March 2024	Period ended 31 March 2023
Net Position at beginning of year	65.980	58.886
Actuarial gains and losses through OCI	-293	1.514
Dividends	-22.144	-177
Foreign exchange result through OCI	342	352
Result Participations	7.244	5.557
Others	3	-152
Position at end of year	**51.132**	**65.980**

Results Participation is shown gross of Negative participation in 2023.

8. Inventories

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Raw materials	6.060	5.322
Work in progress	2.561	4.475
Finished goods	2.707	38.819
Stock-In-Trade	4	26.650
Consumable stores	7.324	7.263
Total	**18.656**	**82.529**

Inventories include an allowance for slow moving/obsolete stock of EUR 0,2 million (2022/2023: EUR 0,7 Mn). The impairment of inventories recognized in the income statement amounted to EUR 0,1 Mn (2022/2023: EUR 0,1 Mn.)

The finished goods, work-in-progress and the consumable stores have been ceded as security for liabilities of the company.

9. Trade receivables

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Trade receivables	5.508	52.434
Allowance for doubtful debts	-620	-6.693
Total	**4.888**	**45.741**

10. Receivables from group companies

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Receivable from Apollo Tyres (Belux) SA	-	1.903
Receivable from Apollo Tyres (France) SAS	-	6.121
Receivable from Apollo Tyres (UK) Sales Limited	-	3.131
Receivable from Apollo Finlo B.V.	-	209
Receivable from Apollo Tyres (Austria) Gesellschaft GmbH	-	6.293
Receivable from Tyres (Nordic) AB	-	3.064
Receivable from Apollo Tyres (Hungary) Sales Kft.	-	5.113
Receivable from Apollo Tyres (Polska) Sp Zo.o	-	8.556
Receivable from Apollo Tyres Global R&D B.V.	5	294
Receivable from Apollo Tyres SA	28	57
Receivable from Apollo Tyres Middle East	149	270
Receivable from Apollo Tyres kft	41	93
Receivable from Apollo Tyres Inc.	-	4.334
Receivable from Apollo Vredestein Tires Inc USA	209	-
Receivable from Apollo Apollo Tyres Thailand	12	-
Receivable from Apollo Tyres EU	34.454	-
Total	**34.898**	**39.438**

No interest is calculated with respect to the payables to related parties given the short-term character and periodic settling of balances. No pledges and or securities are applicable.

11. Derivative financial assets and liabilities

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Current assets relating to derivative financial instruments	-	60
Current liabilities relating to derivative financial instruments	-	-345
Total net position	**0**	**-285**

As per 31st March 2024 Apollo Tyres (NL) B.V. has no forward foreign currency contracts.

12. Other current assets

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
VAT recoverable	-	8.523
IC Loan Apollo Tyres (Europe) B.V.	-	1.000
Prepayments & Other Receivables	257	948
Total	**257**	**10.471**

13. Cash and bank balances

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Cash at bank	**650**	**-**

Cash is at free disposal of the company.

14. Company equity changes in equity

The Legal reserves are non-distributable.

(Euro x 1,000)	Issued Capital	Share premium reserves	Legal reserves Translation of foreign operations	Legal Reserves - Capitalised development	Actuarial gains or losses on pension plans	Other Reserves	Retained earnings	Profit for the period	Total Equity
Total as at 31 March 2022	**42**	**20.226**	**1.013**	**20.428**	**-1.903**	**21.042**	**65.180**	**24.524**	**150.552**
Profit for the period								35.519	35.519
Other comprehensive income, net of income tax			352		1.514				1.866
Dividend							-15.000		-15.000
Appropriation of result							24.524	-24.524	-
Transfers to and from reserves				-2.252			2.252		-
									-
Total as at 31 March 2023	**42**	**20.226**	**1.365**	**18.176**	**-389**	**21.042**	**76.956**	**35.519**	**172.937**
Prior year adjustment									-
Profit for the period								14.809	14.809
Other comprehensive income, net of income tax			342		-293				49
Dividend							-58.121		-58.121
Appropriation of result							35.519	-35.519	-
Transfers to and from reserves				-3.358		-21.042	24.400		-
Total as at 31 March 2024	**42**	**20.226**	**1.707**	**14.818**	**-682**	**0**	**78.754**	**14.809**	**129.674**

Ordinary shares

Authorised
Ordinary shares: 200,000 ordinary shares of EUR 1,00 each.

Issued
Ordinary shares: 42,491 ordinary shares of EUR 1,00 each.
All shares issued are fully paid and registered.

There were no changes in the share capital.

Proposal for result appropriation

The board of directors had proposed an interim dividend payout of EUR 58,1 million. The supervisory board has approved this. The proposed dividend payout has been reflected in the financial statements. The board of directors had proposed to add the profit for the year ended 31 March 2024 to the other reserves of the company.

The annual report for FY 2023-24 is determined in the general meeting of the shareholders to be held in .... 2024.

Appropriation of profit for the financial year 2022-23

The board of directors had proposed an interim dividend payout of EUR 15 million. The supervisory board has approved. The dividend payout has been reflected in the financial statements. The board of directors had proposed to add the profit for the year ended 31 March 2023 to the other reserves of the company. The annual report for FY 2022-23 was determined in the general meeting of the shareholders.

15. Jubilee provision

Jubilee Benefits
There is a jubilee scheme in place for all employees of Apollo Tyres (NL) B.V. on Dutch payroll. For 12.5, 25 and 40 years of service, benefits are paid to the personnel.

For the provision as at Mar 31, 2024, following was considered: Salary Increase: 3%, Discount Rate 1.5%, Retirement Age: 67 years and Retention rate: 6,4%

Risks in the case of claims and legal action are monitored closely and where necessary provisions are made. There were no current- or past service costs and no interest expenses.

(Euro x 1,000)	**As at 31 March 2024**	**As at 31 March 2023**
Opening balance	912	1.151
Remeasurements	-63	-239
Closing balance	**849**	**912**

16. Deferred Tax Asset and Liability

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Tax on losses carried forward	4.537	9.975
Tax on pension liability	219	204
Tax on Profit elimination on Unsold stock		359
Tax on lease liability	362	3.983
Tax on other items	162	725
Gross deferred tax asset	**5.280**	**15.246**
Net off deferred tax liability	-5.280	-15.246
Net deferred tax asset	**-**	**-**
Tax on Property, plant and equipment	20.300	22.130
Tax on lease assets	360	3.965
Tax on brand names	2.996	3.162
Tax on software	-	408
Gross deferred tax liability	**23.656**	**29.665**
Net off deferred tax asset	-5.280	-15.246
Net deferred tax liability	**18.376**	**14.419**

(Euro x 1,000)	As at 31 March 2024	As at 31 March 2023
Deferred tax asset movement		
At beginning of the year as previously reported	15.246	20.058
Current year addition / (charge)	-8.155	-1.780
Transfer of assets to group companies	-1.811	-
At end of the year	**5.280**	**15.246**
Deferred tax liability movement		
At beginning of the year as previously reported	29.665	28.131
Current year addition / (charge)	-6.009	1.534
At end of the year	**23.656**	**29.665**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The most significant temporary differences arise from the depreciation differences of property, plant and equipment, pension liability and taxable losses carried forward. Brand names have no fiscal value. The carried forward losses can be used for setting off against profits in future years till they are fully utilised.

The company has identified jurisdictions where the combined effective tax rate is lower than 15%. The transitional safe harbor provisions in the relevant jurisdictions ensure that there is no material impact on the (current and deferred) tax position for the company & mandatory exemptions for deferred tax accounting related to Pillar 2 income taxes have also been applied.

17. Other non-current liabilities

(Euro x 1,000)	As at 31-Mar-24	As at 31-Mar-23
Deferred government dues	33.642	46.150
Total Other non-current liabilities	**33.642**	**46.150**

Movement in the Deferred government Dues

(Euro x 1,000)	As at 31-Mar-24	As at 31-Mar-23
Opening balance	46.150	57.870
Additions	-	-
Transfer to other payables & repayment	-12.508	-11.720
Closing balance	**33.642**	**46.150**

Deferred government dues are deferred payments to the Dutch tax authorities. The deferred government dues are payable within a period of more than one to five years. All transfer to other payables from the prior year have been repaid in the current year.

18. Trade and other payables

(Euro x 1,000)	As at 31-Mar-24	As at 31-Mar-23
Trade payables	13.379	22.917
Employee payable	3.708	3.407
Provision for Sales Related Obligation	-	6.520
Other payables and accruals	19.338	27.888
Total trade and other payables	**36.425**	**60.732**

19. Payable to Group companies

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
IC Payable Apollo Tyres Global R&D B.V.	1.508	-
IC Payable Apollo Tyres Europe B.V.	114	3.958
IC Payable Apollo Tyres Coöperatief U.A.	-	937
IC Payable Apollo Tyres (UK) PVT. Ltd.	-	721
IC Payable Apollo Tyres Ltd India	2	8.492
IC Payable Apollo Tyres AG, Switzerland	-	132
IC Payable Apollo Tyres Singapore	667	1.280
IC Payable Apollo Tyres Hungary Kft	76	17.933
IC Payable Saturn F1	19	30
IC Payable Vredestein Consulting	-	3.096
IC Payable Apollo Tyres Gmbh	-	28.259
IC Payable Apollo Tyres Geselschaft	-	1.625
IC Payable Apollo Tyres Schweiz	-	1.020
IC Payable Apollo Tyres Iberica	-	416
Total	**2.386**	**67.899**

The IC positions are in the nature of short-term payables and bearing no interest.

20. Revenue

The company follows revenues in the split in Europe and outside Europe. Sales and activities outside Europe are marginal.

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Revenue from the Netherlands	49.638	121.660
Revenue from Europe other than the Netherlands	110.752	444.645
Revenue Outside Europe	-	37.211
Total	**160.390**	**603.516**

21. Other operating Income

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Royalty Income	1.261	352
Profit on sale of assets	569	-
Subsidies and other	770	353
Total	**2.600**	**705**

22. Changes in inventories of finished goods and work in progress

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Opening Stock		
Work in progress	4.475	3.128
Stock-in-trade	38.819	24.615
Finished goods	26.650	29.376
Total	**69.944**	**57.119**
Closing Stock		
Work in progress	2.561	4.475
Stock-in-trade	4	26.650
Finished goods	2.707	38.819
Total	**5.272**	**69.944**
Stock transferred at carrying value to Apollo Tyres (Europe) B.V.	-59.852	
Changes in work in progress and finished goods	**4.820**	**-12.825**

Changes in work in progress and finished goods do not reconcile with changes in inventory due to the transfer of inventory to Apollo Tyres (Europe) B.V. (59.9 million euro).

23. Raw materials and Purchase of Finished Goods

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Raw materials consumed	46.114	38.067

Purchase of finished goods	16.423	405.672
Total	**63.537**	**443.739**

24. Employee expenses

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Wages, salaries and welfare	40.040	65.675
Pension & social contribution	6.790	8.790
Total employees cost	**46.830**	**74.465**

Pension & social contribution include company pension expenses.

Average number of employees

	Period ended 31-Mar-24	Period ended 31-Mar-23
Production	394	396
Staff	130	128
Total	**524**	**524**

All employees of Apollo Tyres (NL) B.V. work in the Netherlands.

Management board remuneration

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Board of directors' remuneration	-	1.039
Post-employment benefits	-	20
Total Board of directors remuneration	**-**	**1.059**

The Board of Directors are paid by Apollo Tyres (Europe) B.V. hence no remuneration mentioned in FY24 for Apollo Tyres (NL) B.V.

During the financial year ended March 31, 2024, EUR 20.000 was paid as remuneration to the Supervisory Board. No loans, advances or guarantees have been issued in favour of members of the management board and the supervisory board.

25. Depreciation & amortisation

Depreciation and amortisation expenses

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Amortisation of intangible assets	6.486	6.870
Depreciation right-of-use assets	584	3.836
Depreciation of property, plant and equipment	8.846	8.938
Total costs	**15.916**	**19.644**

26. General and administrative expenses

Other operating expenses

(Euro x 1,000)	Period ended 31-mrt-24	Period ended 31-mrt-23
Stores and spares consumed	445	1.719
Power and fuel	7.137	11.150
Repairs and maintenance	5.799	5.988
Travelling, conveyance and vehicle expenses	64	830
Freight and forwarding	44	3.362
Advertisement and publicity	5	9.933
Research and development	3.919	4.449
Operating lease rent - property, plant & equipment	601	613
Corporate charges	-	-5.557
Technical claims	-	1.583
Other cost	2.600	7.602
Reversal of Impairment	-	-2.699
Total other operating expenses	**20.614**	**38.973**

27. Interest

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Interest expenses (net)	1.562	946
Total	**1.562**	**946**

28. Income tax expense

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Profit before tax	**9.711**	**39.279**
Tax based on Dutch tax rate	2.505	10.134
Non-deductible expenses	11	25
Deferred tax on brand amortization	-166	-166
Other	-204	-676
Total	**2.146**	**9.317**
Profit before Tax	**9.711**	**39.279**
Effective Tax Rate (ETR)	**22,6%**	**23.7%**

The applicable tax rate in the Netherlands is 25.8%. The effective tax rate was lower (22,6%).

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Current tax	-	6.183
Deferred tax	2.146	3.314
Total	**2.146**	**9.317**

29. Profit from subsidiaries

(Euro x 1,000)	Notes	Period ended 31-Mar-24	Period ended 31-Mar-23
Profit from Subs		7.244	5.557
Total		**7.244**	**5.557**

30. Related party

30.1 Related party transactions – Income

This note is related to intercompany balances between Apollo Tyres (NL). B.V. and companies that re ultimately controller by Apollo tyres Ltd (ultimate parent). Related party transactions were made on terms equivalent to transactions with third parties.

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Apollo Tyres South Africa	37	164
Apollo Tyres Middle-East	410	2.144
Apollo Tyres Thailand	31	21
Apollo Tyres Limited, India	-	1.940
Vredestein Tyres North America Inc.	783	33.293
Total	**1.261**	**37.562**

Management has assessed the collectability of receivables from related parties. No interest is calculated with respect to the payables to related parties given the short-term character and periodic settling of balances. No pledges and or securities are applicable, and the management considered the transactions at arm's length.

30.2 Related party transactions – Expenses

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23

Apollo Tyres Global R&D B.V.	5.910	7.320
Apollo Tyres UK	-	4.085
Apollo Tyres Limited, India	361	66.813
Apollo Tyres AG, Switzerland	-	553
Apollo Tyres Singapore	5.714	13.210
Apollo Tyres Hungary	-	279.413
Saturn F1	164	240
Total	**12.149**	**371.634**

31. Risk management

General

A summary is provided below of the main financial risks relating to our objectives, categorised as liquidity risks, currency risks, interest rate risks and credit risks. We also state how we manage these risks.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy counterparties. The entity does not transact with entities with a below standard credit history. The Company uses information supplied by credit rating agencies, publicly available financial information and its own trading records to rate its major counterparties. A credit management team continuously monitors the exposure of The Company and the credit ratings of its counterparties. A Risk Management Steering Committee, headed by the President of the company, with representations from all functional heads, embraces the assessment, mitigation and monitoring of credit risks faced by the company. The management steering committee also uses credit insurance in various countries to limit the credit risk. Trade receivables consist of a large number of customers, spread across diverse geographical areas. It has a policy which prevent sales to customers with a below standard credit history. Credit limit is granted after assessing the credit worthiness of customer. Credit report from independent credit rating agency like D&B or equivalent is used. The credit risk on liquid funds and derivatives is limited because the counterparties are banks with high credit rating assigned by international credit rating agencies.

The company does not require collateral in respect of trade and other receivables. The company does not have trade receivable for which no loss allowance is recognized because of collateral.

Capital risk management

The company's policy is to maintain a strong capital base so as to maintain investor, creditors and market confidence and to sustain future development of the business.

The Management Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Liquidity risk management

Liquidity risk is the risk that The Company is unable at the required time to meet its financial obligations. Ultimate responsible for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facility, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities. The Company has no borrowings at 31 March 2024.

Exchange rate risk

Foreign exchange risk arises because future commercial transactions are denominated in. a foreign currency (not EUR). The management monitors continually the entity's exposures to foreign currency risks. In addition to the above-mentioned transaction-related currency risk, the company is also subject to translation related currency risk as a result of consolidation of business units with different functional currencies. The translation-related currency risks are not hedged by means of derivatives.

Within the operating result, the negative impact of appreciated foreign currencies on cost of goods sold (transaction impact) are offset by the positive impact of appreciated foreign currencies in translating the operating result of non-EUR business (translation impact). Gains or losses on forward currency contracts (reported in operating result) offset the currency risk from purchasing contracts in foreign currencies from a cash and net profit perspective.

Interest rate risk
The company has a management team that continually monitors its exposure to interest rate risks. The Company has no borrowings as per 31 March 2024.

32. Off Balance Sheet Commitments

32.1 Capital commitment

(Euro x 1,000)	Period ended 31-Mar-24	Period ended 31-Mar-23
Capital commitment	**3.123**	**6.964**

Capital commitments relate to various commitments in relation to planned investments in tangible and intangible fixed assets.

Financial Instruments
Financial instruments include both primary financial instruments, such as receivables, securities and payables, and derivative financial instruments. All purchases and sales of financial assets made according to standard market conventions are recognized as at the transaction date, being the date on which the group enters into a binding agreement. For the accounting policies applicable to primary financial instruments, please refer note 2.13.

32.2 Contingent liabilities

The company had no contingent liabilities as per end of March 2024 (March 2023:0). The company provided securities for the rent of buildings (EUR 844 thousand) in the form of bank guarantees (2023: EUR 844 thousand).

33. Subsequent events

There are no other significant developments after the reporting date.

Signing the financial statements

July 4, 2024

<u>The Board of directors:</u>

Benoit Rivallant **Sunam Sarkar**

Vishal Kumar Mittal **Sameer Bhatnagar**

<u>The Supervisory Board:</u>

Neeraj Kanwar

Henk Volberda **Akshay Chudasama**

Other information

Other information

Provisions of the articles of association concerning profit appropriation

Article 32: profit and distribution of profits

1. The profits shall be at the disposal of the shareholders meeting, subject to the following provisions:
   a. the company may only make distributions of profits to shareholders to the extent that the shareholders' equity exceeds the paid and called up part of its capital plus the reserves, which are required to be maintained by law;
   b. distribution of profits may only be made after adoption of the annual accounts showing that the distribution is permissible.
2. The company may make interim distributions provided that the requirements of paragraph I sub a have been met.
3. The shares that the company holds in its own capital shall not be included for the purpose of calculating the profit distribution, unless a right of usufruct has been established on those shares in favour of persons other than the company or if depositary receipts were issued for those shares.
4. As of one month after the declaration, the dividend shall be at the disposal of the shareholders, unless the shareholders meeting determines another term.
   After five years have passed, the claims shall expire.
   Dividends that are not disposed of within five years after their becoming available for payment shall revert to the company.
5. A loss may only be offset against the reserves which are prescribed by law to the extent that it is permitted by law.

Independent auditors report

The independent auditors report is stated on the following pages.

Independent auditor's report

Building a better working world

Publication of auditor's report

1 Conditions

Authorization to publish the auditor's report is granted subject to the following conditions:

- Further consultation with the auditor is essential if, after this authorization has been granted, facts and circumstances become known which materially affect the view given by the financial statements.
- The authorization concerns inclusion of the auditor's report in the annual report to be tabled at the Annual General Meeting (hereafter AGM) incorporating the financial statements as drawn up.
- The authorization also concerns inclusion of the auditor's report in the annual report to be filed with the Trade Registrar, provided consideration of the financial statements by the AGM does not result in any amendments.
- Financial statements for filing at the offices of the Trade Registrar which have been abridged in accordance with Section 397 of Book 2 of the Dutch Civil Code must be derived from the financial statements adopted by the AGM and a draft version of these financial statements for filing purposes must be submitted to us for inspection.
- The auditor's report can also be included if the financial statements are published electronically, such as on the internet. In such cases, the full financial statements should be published and these should be easily distinguishable from other information provided electronically at the same time.
- If the published financial statements are to be included in another document which is to be made public, authorization to include the auditor's report must again be granted by the auditor.

2 Explanations to the conditions

2.1 Board of supervisory directors and board of executive directors

The auditor usually forwards his report to the board of supervisory directors and to the board of executive directors. This is pursuant to Book 2 of the Dutch Civil Code, section 393 which stipulates inter alia: "The auditor sets out the outcome of his examination in a report". "The auditor reports on his examination to the board of supervisory directors and the board of executive directors".

2.2 Annual General Meeting (AGM)

Publication of the auditor's report will only be permitted subject to the auditor's express consent. Publication is understood to mean: making available for circulation among the public or to such group of persons as to make it tantamount to the public. Circulation among shareholders or members, as appropriate, also comes within the scope of the term "publication", so that inclusion of the auditor's report in the annual report to be tabled at the AGM similarly requires authorization by the auditor.

2.3 Auditor's reports and financial statements

The authorization concerns publication in the annual report incorporating the financial statements that are the subject of the auditor's report. This condition is based on the auditors' rules of professional practice, which state that the auditor will not be allowed to authorize publication of his report except together with the financial statements to which this report refers.
The auditor will also at all times want to see the rest of the annual report, since the auditor is not allowed to authorize publication of his report if, owing to the contents of the documents jointly published, an incorrect impression is created as to the significance of the financial statements.

2.4 Events between the date of the auditor's report and the AGM

Attention should be paid to the fact that between the date of the auditor's report and the date of the meeting at which adoption, as appropriate, of the financial statements is considered, facts or circumstances may have occurred which materially affect the view given by the financial statements. Under COS 560, the auditor must perform audit procedures designed to obtain sufficient audit evidence to ensure that all events occurring before the date of the auditor's report that warrant amendment of or disclosure in the financial statements have been identified.

If the auditor becomes aware of events that may be of material significance to the financial statements, the auditor must consider whether those events have been adequately recognized and sufficiently disclosed in the notes to the financial statements. If between the date of the auditor's report and the date of publication of the financial statements, the auditor becomes aware of a fact that may have a material impact on the financial statements, the auditor must assess whether the financial statements should be amended, discuss the matter with management and act as circumstances dictate.

2.5 Trade Registrar

The financial statements are tabled at the AGM (legal entities coming within the scope of Title 9 of Book 2 of the Dutch Civil Code table the directors' report and the other information as well). The AGM considers adoption of the financial statements. Only after the financial statements have been adopted, do they become the statutory (i.e., the company) financial statements. As a rule, the statutory financial statements will be adopted without amendment. The auditor's report must be attached to the statutory financial statements as part of the other information. As a rule, the text of this report will be the same as that issued earlier. The documents to be made public by filing at the offices of the Trade Registrar will consist of the statutory financial statements, the directors' report and the other information. The auditor's report which refers to the unabridged financial statements will then have to be incorporated in the other information. If consideration of the financial statements by the AGM does not result in any amendments, the auditor's report may be attached to the financial statements adopted, by the AGM and, provided the annual report and financial statements are filed promptly at the offices of the Trade Registrar, published as part of these annual report and financial statements.

2.6 Other manner of publication

The financial statements may also be published other than by filing at the offices of the Trade Registrar. In that event, too, inclusion of the auditor's report is permitted, provided the financial statements are published in full. If publication concerns part of the financial statements or if the financial statements are published in abridged form, publication of any report the auditor has issued on such financial statements will be prohibited, unless:

a. He has come to the conclusion that, in the circumstances of the case, the document concerned is appropriate
Or
b. Based on legal regulations, publication of the document concerned is all that is required

If less than the full financial statements are published, further consultation with the auditor is essential. If the financial statements and the auditor's report are published on the internet, it should be ensured that the financial statements are easily distinguishable from other information contained on the internet site. This can be achieved, for example, by including the financial statements as a separate file in a read-only format or by including a warning message when the reader exits the financial statements document.

2.7 Inclusion in another document

If the published financial statements are to be included in another document which is to be made public, this is considered a new publication and authorization must again be obtained from the auditor. An example of this situation is the publication of an offering circular which includes the financial statements, after these financial statements have been filed at the office of the Trade Registrar together with the other annual reports. For each new publication, authorization must again be obtained from the auditor.

2.8 Events after the AGM

Even if facts and circumstances have become known after the adoption of the financial statements as a result of which they no longer give the statutory true and fair view, the auditor must stand by the report issued on the financial statements as adopted and by the auditor's report filed at the offices of the Trade Registrar. In that event, the legal entity is required to file a statement at the offices of the Trade Registrar on these facts and circumstances accompanied by an auditor's report. In this situation, too, further consultation with the auditor is essential.

The Board of Directors herewith submits the Annual Report of Apollo Tyres NL B.V. for the financial year ended March 31, 2024.

The Company

Apollo Tyres NL B.V. ("Company") is a 100% subsidiary of Apollo Tyres EU B.V. and ultimately held by Apollo Tyres Ltd, India, a listed multinational organisation and a global tyre manufacturer, headquartered in Gurgaon, India. The Company is based in Enschede, the Netherlands. The registered office address of the Company is Ir. E.L.C. Schiffstraat 370, 7547 RD Enschede, the Netherlands. The Company is responsible engaged in for production activities related to Passenger car tyres and Agriculture tyres of Apollo Group.

Financial information

(in millions of euros)	**2023-24**	**2022-23**
Net Sales	160.4	603.5
Other Operating Income	2.6	0.7
Profit before Depreciation, Interest & Taxes (EBITDA)	27.2	59.9
Profit before Interest & Taxes	11.3	40.2
Net Financing expenses	(1.6)	(0.9)
Taxes	(2.1)	(9.3)
Result of subsidiaries	7.2	5.6
Net Profit/ (loss) for the year	14.8	35.5

An internal organizational change took place on April 1, 2023 which resulted in the transfer of the sales activities of passenger car tyres and agricultural tires, alongside supply chain activities that were previously carried out by Apollo Tyres (NL) B.V., to Apollo Tyres (Europe) B.V. Therefore, on April 1, 2023, a substantial portion of the assets and liabilities of Apollo Tyres (NL) B.V. were transferred at carrying value to Apollo Tyres (Europe) B.V., The primary assets transferred at carrying value included inventories and receivables, while the primary liabilities transferred at carrying value included payables. The carry-over method has been applied for the sale of assets and liabilities to Apollo Tyres (Europe) B.V.

Economy & Market Overview

The European economy faced significant challenges in Calendar Year 2023 (CY23). According to the European Commission's Winter Interim Forecast, the growth for both the EU and the euro area was estimated at 0.5%, down from the 0.6% forecasted in the Autumn Forecast. Despite narrowly avoiding a technical recession in the latter half of the previous year, economic growth remained subdued throughout 2023.

The modest growth observed in CY23 can largely be attributed to the momentum generated by the post-pandemic economic recovery witnessed in the preceding years. However, this positive momentum began to falter towards the end of 2022, culminating in an abrupt halt to economic expansion.

Throughout 2023, economic activity remained largely stagnant, amidst challenges such as diminishing household purchasing power, dwindling external demand, rigorous monetary policies, and the gradual withdrawal of fiscal support measures. Though the latter half of 2023 saw a sharp fall in energy prices, and this led to a broad-based and faster-than-expected moderation of price pressures. In recent months, the region experienced inflation outcomes that were lower than anticipated, driven by a combination of factors including reduced energy commodity prices and a decline in economic momentum. These developments have propelled inflation on a more pronounced downward trajectory than initially forecasted.

Gender diversity

For the disclosures of 'Wet evenwichtinge verhouding tussen mannen en vrouwen', i.e. the composition of the board and senior management from a gender perspective reference is made to the Annual Report of Apollo Tyres (Europe) B.V. . In accordance with the applicable requirements the relevant information is disclosed in the Annual Report for Apollo Tyres (Europe) B.V..

Industry Structure & Development

It was a good calendar year for European automobile industry. In CY23, the EU car market experienced significant expansion, growing by 13.9% compared to the previous year, resulting in a total volume of 10.5 million units. Remarkably, all EU markets demonstrated growth except for Hungary, which experienced a slight decline of 3.4%. The year saw double-digit gains in several markets, with notable increases in Italy (+18.9%), Spain (+16.7%), and France (+16.1%). Germany's performance was more modest, with a 7.3% year-on-year increase influenced by a weaker December performance.

Similarly, the commercial vehicle sector in the EU saw growth trends. New van sales surged by 14.6% to nearly 1.5 million units, driven by strong performances in key EU markets such as Italy, Spain, Germany, and France. New truck registrations also experienced substantial growth, increasing by 16.3% to 346,986 units. Germany led the pack with significant sales and double-digit growth, followed by Spain, Italy, and France. Additionally, new bus registrations grew by an impressive 19.4%, totalling 32,593 units, with Italy and Spain leading the way in growth rates. Germany and France, the largest bus markets, also contributed to this positive trend with solid growth rates.

As the automotive sector experienced robust growth throughout the calendar year, the OEM segment of the tyre industry also saw good traction during the Fiscal year. However, the replacement segment, did not fare as well. According to data from the European Tyre and Rubber Manufacturers' Association (ETRMA) for CY2023, every product category witnessed a negative trend compared to 2022. The replacement agricultural tyres segment was hit hardest, declining by 30%, followed by truck and bus tyres (-17%), moto (-11%), and consumer tyres (-8%).

The tyre replacement segment has been grappling with sluggish sales since June 2022, attributed to high inventory levels and two consecutive mild winters. This slowdown notably impacted passenger car tyres and Truck and Bus tyres (TBR) segments. Furthermore, the TBR and Off Highway Tyres (OHT) segments faced setbacks due to the economic downturn in Europe. Despite experiencing years of growth during and after the pandemic, the market began to decline significantly, influenced by economic pressures on European agricultural activity, such as low selling prices to distribution and higher operating costs.

New product introductions

The current financial year saw the Company launching multiple products across segments. It added six new sizes to its premium Vredestein Traxion Optimall VF range extending compatibility to tractors with 160 hp and above. These additions maintain the renowned benefits of the Traxion Optimall series, including self-cleaning properties, superior grip, comfort, and extended tyre life. The Company closed the year with the announcement of the launch of Vredestein Ultrac Pro ultra-ultra-high-performance (UUHP) summer tyre, featuring an innovative lightweight design for optimal performance, comfort, and environmental sustainability.

Major awards/ recognitions

Apollo Tyres has consistently earned recognition as making best in class product. It has been ranked as one of the top manufacturers in Europe by leading magazine Autobild. The Ultrac Pro clinched 2nd position in the Auto Bild Sportscars 2024 ranking for sizes 265/35 R 19 and 295/30 R 20 even as the Ultrac secured 2nd position in the ACE summertest and in the Auto Motor und Sport 2024 ranking (235/55R18 – UUHP).

Further, its Quatrac achieved 2nd position in the Auto Express 2023 ranking, while the Wintrac Pro secured 3rd position in the Tyre Reviews 2023 ranking.

Operational Performance

The Plant in Enschede is working with an integrated HSE management system, certified as per ISO 45001 (Health & Safety), ISO 14001 (Environment) and ISO 50001 (Energy) to ensure its structural improvement in these matters. In the past year, the Company has been investing in both machine and fire safety, such as an upgrade in its fire evacuation systems.

The plant is actively enhancing its safety protocols and learning initiatives to promote a secure and productive workplace environment. This includes the continued rollout of the Apollo Safe Way program, which now incorporates Functional Scorecards and Health & Safety Engineering Control Check Sheets. These tools empower employees to uphold safety standards effectively, reducing potential hazards and fostering a culture of safety awareness.

Additionally, it has revamped its Learning & Development (L&D) software system, introducing the H&S Training Passport to streamline training administration and ensure compliance with health and safety requirements. Concurrently, machine safety improvements in the Mixing Area further reinforce its commitment to employee well-being and operational excellence.

Significant risks and uncertainties

Th Company does not bear any significant business risks (such as liquidity and market risk) arising out of its activities, because the company is only responsible for manufacturing activities within the Apollo Group beside limited sales activities with the related credit risk. Credit risk: Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy counterparties and does not transact with entities with a below standard credit history. A credit management team continuously monitors the exposure and the credit ratings of its counterparties.

The operational risks related to these activities are mitigated by proper procedures and standards tested and improved by regular internal and external audits. Risk of production stoppage due to use of outdated IT systems has been identified. Work is in progress to identify alternative systems and replace old ones. The Company is actively enhancing its safety protocols and learning initiatives to promote a secure and productive workplace environment.

This includes the continued rollout of the Apollo Safe Way program, which now incorporates Functional Scorecards and Health & Safety Engineering Control Check Sheets. These tools empower employees to uphold safety standards effectively, reducing potential hazards and fostering a culture of safety awareness.

All important risk controlling decisions such as the decision to hire or terminate the contract, defining the business objectives are taken by the principals.

The Company reports and analyses on a regular base her financial position and discusses this with the principals. A proper budgeting and planning process is in place with which the actual results are measured, discussed and preventive actions are performed.

The Company is not exposed to any significant foreign currency risk and hence the Company does not use complex financial instruments such as forward currency contracts. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

We have performed a risk assessment, including risk of fraud, and have assessed that the Company does not have encountered any issues of fraud and has taken adequate measures to mitigate the risks.

Sustainability related information

Having due regard to the Company's current financial position together with its forecast results, cash flow and financial position in the coming year, the directors confirm that the company has the resources to continue in operational existence for the foreseeable future. Our aim is to meet the needs of our stakeholders in ways that are economically, environmentally and socially responsible.

Future Outlook

Following a period of subdued growth in the previous year, the EU economy has commenced 2024 with weaker momentum than anticipated. This has led to downward revisions in growth estimates for the region. The European Commission's Winter Interim Forecast indicates a projected growth of 0.9% in the EU and 0.8% in the euro area for 2024, compared to the Autumn Forecast of 1.3% and 1.2% respectively. Looking ahead to 2025, economic activity is expected to expand by 1.7% in the EU and 1.5% in the euro area.

Nevertheless, there are signs of gradual acceleration in economic activity anticipated for the current year. With inflation on a declining trend, coupled with real wage growth and a resilient labour market, consumption is expected to rebound. Despite challenges such as declining profit margins, investment is poised to benefit from easing credit conditions and the ongoing implementation of the Recovery and Resilience Facility. Additionally, trade with foreign partners is forecasted to normalize following a sluggish performance in the previous year.

While growth is expected to stabilize from the second half of 2024 through the end of 2025, there are near-term challenges to consider. The expiration of energy support measures across Member States and increased shipping costs due to trade disruptions in the Red Sea may exert some upward pressure on prices. However, this is not expected to derail the overall trend of declining inflation.

The European tyre industry continues to navigate through challenging waters, with significant headwinds on the horizon. The ongoing geopolitical tensions, particularly the war in Ukraine and conflict in Middle east, cast a shadow of uncertainty over the region. The ramifications of this conflict ripple across various sectors, including the tyre industry, as supply chains face disruptions and geopolitical risks loom large.

Despite previous challenges, the industry holds an optimistic outlook, particularly with anticipated growth in the EU Region. With inflation trending downward and economic activity on the rise, the industry anticipates reaping the benefits of these positive developments.

The Company continues to be on path of introducing new products, using digitalisation to bring in efficiencies in the manufacturing plant and keeping a sharp eye on cost. In the FY25, the Company is gearing up for a major launch with the upcoming Vredestein Wintrac Pro, the successor to its current Ultra Ultra High Performance (UUHP) Ultra High Performance (UHP) Winter tyre. This revamped version, set to hit the market from June onwards, boasts significant performance enhancements, ensuring that the Vredestein brand maintains its premium standard in winter driving conditions. Following this, it is embarking on the second phase of its flagship Ultrac Pro launch in the Summer UUHP UHP category, rolling out the remaining sizes.

The Company is also having licensing rights for Apollo brand and it is planning a comprehensive overhaul in the passenger car segment as it aims expanding size offerings to encompass over 86 products across all Season, Summer, and Winter segments, catering to SUVs and vans as well.

In the OHT segment, it plans to introduce the new Traxion CropCare and Traxion Hybrid, along with our innovative Tyre Pressure Monitoring System offering between August and September. Additionally, it will continually extend its new steel-belted Flotation Ranges, including the VF Flotation Optimall and Endurion Trailer.

The company expects to continue investing in it's operations, including the production facility on a similar level as in the prior period. The company does not expect to require material new financing for the investments and the company expects no material changes in it's finance structure. Looking forward to the subsequent year, we expect no material changes in the staffing level.

Developments after March 31, 2024

No major post balance sheet events affecting the financial statements have occurred to date.

The Board would like to thank all employees, business partners, bankers, customers and other associates for their commitment and efforts in the past year.

On behalf of the Board of Directors, July 4, 2024

Benoit Rivallant

Sunam Sarkar

Vishal Kumar Mittal

Sameer Bhatnagar

On behalf of the Supervisory Board, July 4, 2024

Neeraj Kanwar

Prof. Henk W. Volberda

Akshay Chudasama