Apollo Vredestein Gesellschaft m.b.H., Vienna

Balance sheet as per March 31, 2019

Assets

	31.3.2019 EUR	31.3.2018 TEUR
A. Fixed Assets		
I. Tangible Assets		
1. Other equipment	17,359.60	28
2. Payments on account and assets under construction	2,931.7	0
3. Investments in rented properties	80,684.50	99
	100,975.80	**127**
B. Current Assets		
I. Inventories		
1. Commodities	*1,377,718.27*	*1,565*
II. Receivables and other assets		
1. Accounts receivable from trade thereof residual term more than 1 year EUR 0.00, (previous year 0.00)	6,702,972.14	5,932
2. Accounts receivable to affiliated entities thereof residual term more than 1 year EUR 0.00, (previous year 0.00)	23,200.04	0
3. Other accounts receivable and assets thereof residual term more than 1 year EUR 0.00, (previous year 0.00)	19,682.10	33
	6,745,854.28	*5,965*
III. Cash and cash equivalents	*3,642,803.32*	*980*
	11,766,375.87	**8,510**
C. Deferred expenses	**12,644.67**	**27**
	11,879,996.34	**8,664**

Apollo Vredestein Gesellschaft m.b.H., Vienna

Equity and Liabilities

	31.3.2019 EUR	31.3.2018 TEUR
A. Negative share capital		
I. Share capital	36,336.42	36
II. Profit reserves		
1. Other reserves	93,606.62	94
	93,606.62	94
III. Net Profit/Loss	-611,817.66	-990
thereof loss carried forward: EUR 989,986.04; carried forward previous year after distribution: TEUR 54		
	-481,874.62	**-860**
B. Provisions and accruals		
1. Accruals for severance benefits	171,765.24	205
2. Tax accruals	22,115.13	156
3. Other provisions and accrued expenses	802,589.89	1,191
	996,470.26	**1,552**
C. Liabilities		
1. Accounts payable from trade	24,619.43	10
thereof residual term less than 1 year EUR 24,619.43; (previous year TEUR 10)		
2. Accounts payable to affiliated entities	10,078,782.39	6,773
thereof residual term less than 1 year EUR 10,078,782.39; (previous year TEUR 6,773)		
3. Other liabilities	1,261,998.88	1,189
thereof residual term less than 1 year EUR 1,261,998.88; (Vorjahr TEUR 1,189) thereof taxes: EUR 1,227,138.77; (previous year: TEUR 1,165) thereof social security: EUR 6,429.55; (previous year: TEUR 0)		
	11,365,400.70	**7,972**
	11,879,996.34	**8,664**

Vienna, April 30, 2019

Harald Kilzer

Harald Kilzer — Vishal Kumar Mittal — Benoit Rivallant

Apollo Vredestein Gesellschaft m.b.H., Vienna

Income Statement as per March 31, 2019

	2018/19 EUR	2017/18 TEUR
1. Sales	27,291,742.89	25,719
2. Other operating income		
a) Income from the reversal of provisions	*5,679.49*	*45*
3. Cost of materials and other purchased services		
a) Cost of materials	-22,820,707.80	-21,791
4. Personnel expenses		
a) Wages	*-119,254.88*	*-125*
b) Salaries	*-1,131,976.23*	*-1,061*
c) Social expenses	*-386,075.91*	*-346*
ca) thereof expenses for severance	*-17,159.55*	*-14*
taxes	*-357,885.98*	*-318*
cc) thereof other social expenses	*-11,030.38*	*-14*
	-1,637,307.02	-1,532
5. Amortization and depreciation		
a) Fixed assets	-32,731.86	-38
6. Other operating expenses		
a) Taxes, other than income taxes	*-16,855.24*	*-16*
b) Other	*-2,309,974.39*	*-3,335*
	-2,326,829.63	-3,351
7. Subtotal from line 1 to 6 (Operating result)	***479,846.07***	***-948***
8. Income from interest and similar income	310.41	0
9. Interest and similar expenses thereof from affiliated companies EUR 77,518.97; (previous year: TEUR 92)	-78,975.25	-92
10. Subtotal from line 8 to 9 (Financial result)	***-78,664.84***	***-92***
11. Earnings before tax	**401,181.23**	**-1,040**
12. Income tax	-23,012.85	-4
13. Earnings after taxes = net income	**378,168.38**	**-1,044**
14. Net income	**378,168.38**	**-1,044**
15. Loss/Profit carried forward from previous year	-989,986.04	454
16. Profit distribution	0.00	-400
17. Net loss	**-611,817.66**	**-990**

Vienna, April 30, 2019

Harald Kilzer

Harald Kilzer | Vishal Kumar Mittal | Benoit Rivallant

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR APRIL 1, 2018 TO MARCH 31, 2019

Table of contents

A. ACCOUNTING AND VALUATION PRINCIPLES

1. General principles

The annual financial statements of Apollo Vredestein Gesellschaft m.b.H were prepared in compliance with the generally accepted accounting principles in Austria as well as in compliance with the general objective of presenting a true and fair view of the company's assets and financial income.

The annual financial statements were prepared in accordance with the principle of completeness.

The valuation of individual assets and liabilities was made in accordance with the principle of individual valuation and with due regard to the principle of going concern.

The principle of prudence has been duly observed by recognizing only those profits which had been realized on the balance sheet date. All identifiable risks and impending losses were considered accordingly.

The changes made to individual balance sheet and income statement items within the framework of the Accounting Amendment Act 2014 led to an enormous increase in other operating expenses in the income statement from 1 April 2017 to 31 March 2018 (see Annex 3/13).

2. Fixes Assets

a) Tangiable fixed assets

Fixed assets were recognized at acquisition or manufacturing cost and, if subject to depreciation, reduced in value using straight-line depreciation. Low-value assets (acquisition value up to EUR 400.00) are fully written off in the year of acquisition.

The scheduled depreciation is done on a linear basis according to the estimated useful life.

For individual asset groups, the following useful lives were assumed:

	from	up	
Other equipment	3	5	years
Investment in rented properties		10	years

3. Inventories

Goods

Inventories are valued at acquisition cost in compliance with the lower of cost or market principle.

Acquisition cost were calculated observing the lower of cost principle. A loss-free valuation is ensured by the application of value adjustments based on usability.

4. Accounts receivable

Accounts receivable are recognized at their nominal value, in case of recognizable individual risk at their lower attributable value.

For the expected use of discounts by clients, EUR 218,985.76 (prior year: TEUR 154) were allocated to allowances.

5. Accruals

a) Accruals for severance payments and provisions for similar obligations

Accruals for severance payments were, as in the previous year, calculated according to financial mathematical methods using an interest rate of 2.5 % (previous year: 2.5 %) with an allowance for employee turnover of 15 - 40 % (previous year: 15 - 40 %) and a retirement age of 65 years for women and 65 years for men (March 31, 2019: EUR 171,765.24; previous year: TEUR 205). An adjustment of the calculation according to financial mathematical methods was not necessary as no fundamental change of the results occurred.

Accruals for jubilee bonuses were as in the prior year calculated according to the collective bargaining agreement for trade employees using an interest rate of 2.5 % (prior year: 2.5 %) and a fluctuation discount of 20 – 85 % depending on seniority (prior year: 20 – 85 %). (March 31, 2019: EUR 61,256.71; previous year: TEUR 71).

b) Other accruals

In accordance with the principle of prudence, the item "other accruals" includes all risks which were recognizable at the time of preparing the financial statements, as well as all liabilities which were uncertain in terms of amount or reason; these were recognized with the amount required by prudent commercial judgment.

6. Liabilities

Liabilities are recognized at the amount repayable, in accordance with the principle of prudence.

7. Deferred taxes

Deferred tax assets arise from differences between commercial and fiscal balance sheet recognition of personnel-related accruals.

	commercial EUR	fiscal EUR
Accruals for severance payments	171,765.24 [1]	52,391.87 [1]
Accruals for jubilee bonuses	61,256.71 [2]	52,391.87 [2]

[1] previous year, TEUR 205.0 resp. TEUR 102,9
[2] previous year, TEUR 71.4 resp. TEUR 62.7

Applying a rate of 25% on corporate income tax, the result is EUR 32,059.55. (previous year TEUR 27.7)

Deferred tax assets are not recognised, because the expected ability of future utilisation is limited. The option to recognise deferred tax assets on the expected tax loss carryforward of EUR 730,897.96 as of 31 March 2019 has been waived as there is no convincing evidence that this loss can be utilised.

B. NOTES TO THE BALANCE SHEET AND THE INCOME STATEMENT

1. Balance Sheet

a) Fixed assets

(1) Development

For the development of individual fixed asset items and the breakdown of annual depreciation please refer to the attached Schedule of Assets (enclosure)..

b) Inventories

(1) Breakdown by product groups

	Net book value EUR	Previous yeart EUR
Commodities	1,433,935.50	1,607,200.35
Allowance	-92,497.58	-43,112.68
Rollings goods	36,280.35	1,364.16
	1,377,718.27	1,565,451.83

c) Receivables

The amount of EUR 0.00 of all trade receivables as of March 31, 2019 is mutually securitized as in the prior year.

Receivables from Group companies in the amount of EUR 23,200.04 (previous year: TEUR 0) relate exclusively to invoiced personnel costs.

The balance sheet item "other receivables" contains:

	Net book value EUR	Previous year EUR
Prepayments corporate tax Jan. to Dec. 2017	0.00	23,991.00
Resp. prior year Jan. to Mar. 2018 less minimum corporate income tax	0.00	4,247.00
Receiviables from Employees	2,753.46	3,253.46
Creditors with debit accounts	16,928.64	810.28
	19,682.10	32,301.74

Effect of liquidity

Other receivables have an effect on liquidity after the balance sheet date.

d) Negative Equity

To the fact that the financial statement shows negative equity – which could be overindebtedness in meanings of the Austrian Insolvency Code, management board comments as follows:

APOLLO VREDESTEIN B.v., Enschede, the Netherlands, as the sole shareholder of APOLLO VREDESTEIN Gesellschaft m.b.H., Vienna, hereby binding commitmet to secure the liquidity of APOLLO VREDESTEIN Gesellschaft m.b.H., Vienna, in a way that it ranks behind all other creditors with ist receivables from the supply of goods. If needed, sufficient liquid funds will be provided so as to ensure a timely settlement of all outstandin liabilities.

This declaration is also binding for other subsidiaries of the APOLLO VREDESTEIN Group.

e) Accruals

Breakdown and development:

	Status 01/04/2018 EUR	Verbrauch EUR	Auflösung EUR	Zuführung EUR	Stand am 31/03/2019 EUR
1. Accruals for severance payments	205,038.30	27,593.57	5,679.49	0.00	171,765.24
2. Tax Accruals					
Corporate Income 2018	0,00	0,00	0.00	22,115.13	22,115.13
Corporate Income 2017	135,213.33	135,213.33	0.00	0.00	0.00
Corporate Income 2016	20,539.28	20,539.28	0.00	0.00	0.00
	155,752.61	155,752.61	0.00	22,115.13	22,115.13
3. Other accruals					
Revenue bonus	730,753.90	730,753.90	0.00	382,925.29	382,925.29
Unclaimed holidays	104,272.72	0.00	0.00	3,841.85	108,114.57
Freight cost	101,000.00	101,000.00	0.00	108,000.00	108,000.00
Anniversary bonuses	71,398.73	20,853.65	0.00	10,711.63	61,256.71
Salary bonuses	80,979.16	80,979.16	0.00	73,293.32	73,293.32
Legal und consulting cost	29,000.00	29,000.00	0.00	37,000.00	37,000.00
Outstanding invoices	69,000.00	69,000.00	0.00	27,000.00	27,000.00
Legal cost	5,000.00	5,000.00	0.00	5,000.00	5,000.00
	1,191,404.51	1,036,586.71	5.679,49	647,772.09	802,589.89
	1,552,195.42	1,219,932.89	5.679,49	669,887.22	996,470.26

f) Liabilities

Payables to affiliated companies representing trade liabilities amounted to EUR 10,001,263.42 (previous year: TEUR 6,681) as well as interest liabilities amounting to EUR 77,518.97 (previous year: TEUR 92).

Other liabilities are broken down as follows:

	Net book value EUR	Previous year EUR
Taxes, payable to financial authorities	1,227,138.17	1,165,318.51
Social insurance contributions	6,429.55	0.00
Customers with credit balances	28,431.16	24,061.10
	1,261,998.88	1,189,379.61

No liablities are secured by property.

Other liabilities are subject to payment after the balance sheet date.

g) Liabilities arising from the usage of tangiable fixed assets

(1) Liabilities arising from the usage of tangible fixed assets not specified in the balance sheet

Breakdown:

	for next financial year EUR	for next five years EUR
Liabilities from rental and lease agreements	174,397.76	323,921.26
	174,397.76 [1]	323,921.26 [2]

[1] previous year: EUR 193,120.05
[2] previous year: EUR 213,623.79

2. Income statement

(1) Sales

Revenues broken down into the following product groups:

	Net book value EUR	Previous year EUR
Cars	21.074.683,85	21.057.852,95
Industry and agriculture	5.051.701,60	4.498.334,72
Trucks	1.088.940,54	0,00
Cycles and others	76.416,90	162.748,13
	27.291.742,89	25.718.935,80

(2) Other operating income

Breakdown:

	Net book value EUR	Previous year EUR
Gains from liquidation of provisions and accruals	5,679.49	44,974.44

(3) Personnel expenses

Breakdown:

	Financial year	Previous year
Wages	119,254.88	125,337.40
Salaries	1,131,976.23	1,061,461.24
Expenses for severance payments	2,247.73	0.00
Contributions to statutory provision funds	14,911.82	13,697.56
Expenses for statutory socail security, payroll-related taxes and mandatory contributions	357,885.98	317,742.22
Other social expenses	11,030.38	14,181.52
	1,637,307.02	1,532,419.94

In the year under review, the average number of employees can be split up as follows:

	Financial year	Previous year
Blue collar	5	5
White collar	18	19
	23	24

(4) Other operating expenses

Breakdown:

	Financial year EUR	Previous Year EUR
a) Taxes, not included in line 12	16,855.24	15,883.21
b) Other		
Freight and stock	866,826.05	766,242.62
Marketing expenses	551,731.37	704,435.13
Rental Expenses	310,215.34	288,622.22
Vehicle Costs	158,995.78	146,219.40
Legal and consultancy Fees	71,426.61	53,956.98
Travel expenses	60,453.60	70,791.25
Telecommunication Costs	56,273.80	50,567.51
Office Supplies and Literature	45,769.63	13,735.84
Maintenance and Repair	36,883.39	18,242.00
Bank Charges	33,827.87	33,340.91
Writing-off of Receivables	20,054.38	1,137,245.99
Insurances	50,403.59	22,473.67
IT expenses	9,790.42	7,375.94
Other expenses	37,322.56	21,710.39
	2,309,974.39	3,334,959.85
	2,326,829.63	3,350,843.06

[1)] The writte-off of receivables relates tot he insolvency of one major customer in the amount of EUR 1,138,308.57.

C. OTHER STATUTORY DISCLOSURES

1. Management

In the business year, the members of the company's management were as follows:

Mister ***Vishal Kumar MITTAL***, Hilversum, Niederlande, since February 3, 2011,

Mister ***Caspar Mathias HEIMANN*** since March 26, 2015 to January 29, 2019.

Mister ***Harald KILZER***, Vienna, Austria, since November 11, 2017.

Mister ***Benoit RIVALLANT***, Amsterdam, Niederlande, sinc 29. Jänner 2019.

They represent the company jointly with another managing director or another authorized representative.

Loans were not granted to any members of the board.

Gross salaries of the management in the reporting year amounted to EUR 135,689.00.

Expenses for severance payments are allocated as follows:

	EUR
Management	€ 0,00
Executives	€ 0,00
Employes	€ 2,247.73
Gesamt	€ 2,247.73

2. Audit explanations

For the audit of the annual financial statements 2018/19 expense amounts to EUR 19,000.00.

3. Other explanations

The company is in a group relation with Apollo Vredestein B.V. (formerly: Vredestein Banden B.V.), Ir E.L.C. Schiff sr. stratt 370, 7547 RD Enschede, Netherlands and their affiliated companies

The consolidated financial statements have been prepared by Apollo Tyres Ltd., Gurgaon, 122 001 Haryana, India and are available at the company's headquarters.

4. Subsequent events

After period end, no events occurred up to date of this document, that could have any material influence on this financial statement.

5. Proposal for profit distribution

The management board proposes that the loss of this financial period shall be brought forward to the next fiscal year

Vienna, April 30, 2019

Management Board

Harald Kilzer	Vishal Kumar Mittal	Benoit Rivallant

DEVELOPMENT OF FIXED ASSETS

Attachment to notes

	Purchase-/production cost					
Fixed Assets	Position on April 1, 2018 EURO	Addition EURO	Interest EURO	Disposal EURO	Reclassi-fication EURO	Position on March 31, 2019 EURO
I. Tangible fixed assets						
1. Other equipment	276,845.93	3,542.76	0.00	0.00	0.00	280.388,69
2. Investment in rented properties	213,652.52	0.00	0.00	0.00	0.00	213,652.52
3. Payments on account and assets under construction	0.00	2,931.70	0.00	0.00	0.00	2,931.7
	490,498.45	**6,474.46**	**0.00**	**0.00**	**0.00**	**496,972.91**

	Depreciation (accumulated)					
Fixed Assets	Position on April 1, 2018 EURO	Addition EURO	Write-up of the period EURO	Disposal EURO	Reclassi-fication EURO	Position on March 31, 2019 EURO
I. Tangible fixed assets						
1. Other equipment	248,625.26	14,403.83	0.00	0.00	0.00	263,029.09
2. Investment in rented properties	114,639.98	18,328.04	0.00	0.00	0.00	132,968.02
3. Payments on account and assets under construction	0.00	0.00	0.00	0.00	0.00	0.00
	363.265,24	**32,731.87** 1)	**0.00**	**0.00**	**0.00**	**395,997.11**

Fixed Assets	Net Book Value March 31, 2019 EURO	Net Book Value March 31, 2018 EURO
I. Tangible fixed assets		
1. Other equipment	17,359.60	28,220.66
2. Investment in rented properties	80,684.50	99,012.54
3. Payments on account and assets under construction	2,931.70	0.00
	100,975.80	**127,233.20**

1) Rounding differences of EUR 0.01 compared to the income statement

Apollo Vredestein Gesellschaft m.b.H., Vienna

MANAGEMENT REPORT

FOR THE FINANCIAL YEAR

APRIL 1, 2018 TO MARCH 31, 2019

1. Report on business performance and business result

In the financial year from April 1, 2018 to March 31, 2019 revenues decreased from TEUR 25,719 at TEUR 27,292. This corresponds quite excatly to the „new" sales segment of the truck division (TEUR 1,089; previous year TEUR 0)

The earnings before tax improved from TEUR -1,040 to TEUR 401, which corresponds to an increase of TEUR 1,441. This can be explained by the decrease in other operating expenses, above all the bad debt losses. Personnel expenses increased by TEUR 105 due to the payment of severance payments and anniversary bonuses.

2. Risk management and existing risk

1. Default risks of receivables

Within trade receivables default risks arise. The value of receivables may be impaired if counterparties fail to comply with their payment obligations. To effectively manage the credit risks of receivables Apollo Vredestein has established a monitoring system. In addition to credit ratings of customers, credit limits are determined for specific customers. Furthermore, a retention of title is regularly agreed with the customer.

In spite of these provisions, one of Apollo Vredestein's major customers filed for insolvency procedure, which led to bad debt in the amount of TEUR 1,138. There was no loss of receivables in the past financial year. A default insurance policy was taken out for major customer insolvencies.

2. Purchase price development

Apollo Vredestein is indirectly exposed to price developments of raw materials due to transfer prices, which are determined by the holding company. In recent times, prices for oil, natural and synthetic rubbers were exposed to considerable fluctuations worldwide. In case of an increase of input prices, which cannot be compensated by a transfer to the customers, the income of Apollo Vredestein could be affected significantly.

3. Market riskis

From today's perspective it is assumed that the current economic situation is sustainable. All growth forecasts as well as general indicators and additonally those for automobile production show an upward trend.

4. Interest risks

Apollo Vredestein is exposed, based on accounts payable to affiliated companies, to risks from changes in interest rates. Increase in interest rates would have an impact on current interest expenses and future refinancing cost. These risks are assessed by using the existing controlling system.

2.1. Financial structure

	March 31, 2019 TEUR	%	March 31, 2018 TEUR	%	Difference TEUR
Assets					
Fixed assets					
Tangiable fixes assets	**101**	**0.9**	**127**	**1.5**	**-26**
Current assets and deferred expenses					
Inventories	1,378	11.6	1,565	18.1	-187
Accounts receivable	6,726	56.6	5,932	68.5	794
Cash and cash equivalents	3,643	30.7	980	11.3	2,663
Other accounts receivable and deferred expenses	32	0.2	60	0,6	-28
	11,779	**99.1**	**8,537**	**98.5**	**3,242**
	11,880	**100.0**	**8,664**	**100.0**	**3,216**

	March 31, 2019 TEUR	%	March 31, 2018 TEUR	%	Difference TEUR
Equity					
Share capital	36	0.3	36	0.4	0
Profit reserves	94	0.8	94	1.1	0
Net profit/loss	-612	-5.2	-990	-11.4	378
	-482	**-4.1**	**-860**	**-9.90**	**378**
Long-term liabilities					
Social funds	172	1.4	205	2.5	-33
Jubilee benefit provision	0	0.0	0	0.0	0
	172	**1.4**	**205**	**2.5**	**-33**
Medium and short-term liabilities					
Accounts payable from trade	25	0.2	10	0.1	15
Accounts payable from affiliated entities	10,079	84.9	6,773	78.2	3,306
Other liablílities	1,262	10.6	1,189	13.7	73
Tax and other provisions	824	7.0	1,347	15.5	-523
	12,190	**102.7**	**9,319**	**107.5**	**2,871**
	11,880	**100.0**	**8,664**	**100.0**	**3,216**

As of March 31, 2019, the balance sheet total increased from TEUR 8,664 to TEUR 11,880. This is primarily due to the time lag in the settlement of Group liabilities. For this reason, cash and cash equivalents increased by TEUR 2,663 compared to the previous year and Group liabilities by TEUR 3,306. The decline in other provisions corresponds to the exorbitant reduction of TEUR 348 in sales bonuses to customers.

2.2. Key figures – financial structure

	Per March, 31 2019 %	Per March, 31 2018 %
Inventory quota:		
$\frac{\text{Inventories x 100}}{\text{Total assets}}$	11.6	18.1
Solvency:		
$\frac{\text{(Liquide funds + short-term receviables) x 100}}{\text{Short-term liabilities}}$	85.3	75.4
Equity ratio (§ 23 URG):		
$\frac{\text{Share capital x 100}}{\text{Total liabilities and share capital}}$	-4.1	-9.9

	2018/19 TEUR	2017/18 TEUR
Operating cash flow (§ 24 Abs 2 URG):		
Earnings before tax acc. to P/L	401	-1,040
Accruing therefrom		
Corporate income tax	-23	-4
Depreciation to fixed assets	33	38
Changes on long-term provisions	-33	-37
	378	-1,043

	2018/19 Jahre	2017/18 Jahre
Debt repayment period (§ 24 Abs 1 URG):		
$\frac{\text{Accurals + liabilities – liquid funds}}{\text{Operating cash flow}}$	23.1	-8.2

2.3. Income Statement

	March 31, 2019 TEUR	%	March 31, 2018 TEUR	%	Difference TEUR
Sales	27,292	99.9	25,719	99.8	1,573
Other operating income	6	0.1	45	0.2	-39
Total gross income	***27,298***	***100.0***	***25,764***	***100.0***	***1,534***
Cost of materials	-22,821	-83.6	-21,791	-84.6	-1,030
Personnel expenses	-1,637	-6.0	-1,532	-6.0	-105
Amortization and depreciation on fixed assets	-33	-0.2	-38	-0.2	5
Other corporate tax	-17	-0.1	-16	-0.1	-1
Other operating expenses	-2,310	-8.5	-3,335	-12.8	1,025
Total operating expenses	***-26,818***	***-98.2***	***-26,712***	***-103.7***	***-106***
Net operating income	**480**	**1.8**	**-948**	**-3.7**	**1,428**
Net interest	-79	-0.3	-92	-0.4	13
Earnings before tax	**401**	**1.5**	**-1,040**	**-4.1**	**1,441**
Corporate income tax	-23	-0.1	-4	-0.0	-19
Earnings after tax	**378**	**1.4**	**-1,044**	**-4.1**	**1,422**

For references regarding the income statement for the year 2018/19 see chapter 1.

2.4. Key figures – income statement

		2018/19	2017/18
Return on assets:			
	$\frac{\text{Net operating income x 100}}{\text{Average total assets}}$	4.7 %	-10.0 %
Debtor turnover ratio:			
	$\frac{\text{Sales}}{\text{Average receviables from trade}}$	4.31	3.93
Inventory turnover ratio:			
	$\frac{\text{Cost of materials}}{\text{Average inventories}}$	15.50	14.51

2.5. Cash flow statement

	2018/19 TEUR	2017/18 TEUR
Result from operating activities		
Operating cash flow		
Net profit / loss	378	-1,044
Depreciation on fixed assets	33	38
Changes on long- term provisions	-33	-37
	378	*-1,043*
Changes in current assets		
Inventories	187	-128
Accounts receviable from trade	-794	1,223
Other receviables and deferred expenses	28	-15
	-579	*1,080*
Changes in liabilities		
Accounts payable from trade	15	9
Accounts payable from affiliated entities	3,306	-108
Other liabilities and provisions	-450	30
	2,871	*-69*
Cash flow from operating activities	**2,670**	**-32**
Cash flow from investments		
Investments to fixed assets	-7	**-54**
Cash flow from financing		
Dividend distribution	**0**	**-400**
Total change on liquid funds	**2,663**	**-486**

3. Expected development of the company

Management expects a balanced net result for the financial year 2019/20.

4. Research and Development

The company does not conduct research and development.

Vienna, April 30, 2019

Management Board

Harald Kilzer

Harald Kilzer

Vishal Kumar Mittal

Benoit Rivallant

Grant Thornton

Financial Statements of Apollo Vredestein Gesellschaft m.b.H., Vienna, as of March 31, 2019

Acknowledgment of events between April 1, 2019 and April 30, 2019

1. **Preliminary note:** This questionnaire is addressed to the management of the company named above and its purpose is to record events, which occurred after March 31, 2019 and affect the financial statements as of March 31, 2019. For this purpose, the auditor has drawn up general as well as precise questions, which are to be answered by the management in the following.

2. **Questions to/Answers from the management:**

2.1. Have all measures been taken by the management in order to determine major events, which occurred after March 31, 2019, and have these events been reported to the auditor?

yes	no	Explanatory statement (if no)
☐	☐	

2.2. Have all minutes of management meetings, which took place between the balance sheet date and April 30, 2019, been delivered to the auditor?

yes	no	Explanatory statement (if no)
☐	☐	

2.3. a) Since April 1, 2019 have new liabilities, loans or guarantees (above the amount of EUR 77.000,00) been committed?

yes	no	Comment (if yes)
☐	☐	

b) Since April 1, 2019 have existing credit lines been capitalized (additional amount above EUR 77.000,00)?

yes	no	Comment (if yes)
☐	☐	

c) Since April 1, 2019 have loans been called in?

yes	no	Comment (if yes)
☐	☐	

2.4. Are there plans to dispose or acquire assets at a significant level? A total of more than EUR 77.000,00 is considered to be significant.

yes	no	Comment (if yes)
☐	☐	

2.5. Between the balance sheet date and April 30, 2019, has a capital increase been performed, has a debt security been issued or have mergers, acquisitions or liquidations been implemented or planned?

yes	no	Comment (if yes)
☐	☐	

2.6. Between the balance sheet date and April 30, 2019, have significant (above the amount of EUR 77.000,00) assets been disappropriated by public authorities or been destroyed by acts of nature beyond control?

yes	no	Comment (if yes)
☐	☐	

2.7. Between the balance sheet date and April 30, 2019, have significant (above the amount of EUR 77.000,00) new developments regarding contingent liabilities occurred?

yes	no	Comment (if yes)
☐	☐	

2.8. Between the balance sheet date and April 30, 2019, have unusual adjustment entries been considered or executed?

yes	no	Comment (if yes)
☐	☐	

2.9. Between the balance sheet date and April 30, 2019, are there any known or foreseeable events, which could call the accounting standards in use for the financial statements into question?

yes	no	Comment (if yes)
☐	☐	

2.10. Between the balance sheet date and April 30, 2019, are there any known events, which are relevant to the valuation of estimates or provisions in the financial statements?

yes	no	Comment (if yes)
☐	☐	

2.11. Between the balance sheet date and April 30, 2019, are there any known events, which are relevant to the collectability of assets?

yes	no	Comment (if yes)
☐	☐	

Vienna, April 30, 2019

Harald Kilzer

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Harald Kilzer Vishal Kumar Mittal Benoit Rivallant

(Stamp and Signature of Management)

Representation letter

[Translation of German language text]

To
Grant Thornton Austria GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft
Handelskai 92, Gate 2, 7A
1200 Wien

Apollo Vredestein Gesellschaft m.b.H.

Seybelg. 10-12
1230 Wien

Company name and adress

Financial statements and management report for the fiscal year 2018/19

I (We), as management board member(s) / managing director(s) / managing partner(s) / sole proprietor(s) responsible for the preparation of the financial statements, hereby confirm the following to you as auditor[1]:

A. Information and evidence

The information and evidence requested by you in accordance with Section 272 UGB (Austrian Commercial Code), were submitted to you in full and to the best of my (our) knowledge. The following persons were assigned to provide you with information:

Elfriede Schneider

These persons have been instructed by me (us) to correctly and completely submit all required and requested information and evidence to you.

B. Books and documents

1. I (We) have made sure that the Company's books and documents were submitted to you in full. The documents, in particular, also include contractual arrangements with third-party computing centers, work instructions and other organizational documents necessary for understanding the accounting.
2. The submitted books contain all business transactions required to be reported for the above mentioned fiscal year.
3. I (We) have made sure that, under the statutory retention obligations and periods, even the data not printed is available anytime and can be made readable within an adequate time period, that is to say, the entries in account order.

C. Financial statements

1. I (We) have met my (our) responsibility for the preparation of the financial statements in accordance with the duties specified in the audit contract dated August 31, 2018 in particular, I am (we are) responsible that the financial statements present a true and fair view of the financial position, financial performance and cash flows in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.
2. In the financial statements to be audited by you, all assets, liabilities, contingent liabilities (such as imminent losses from pending transactions) and accruals and deferrals required to be reported are accounted for, all expenses and income are included, and all required disclosures made. All liabilities, both actual and contingent, were recorded and, where appropriate, disclosed in accordance with the Austrian financial reporting framework (Austrian Generally Accepted Accounting Principles).
3. The accounting principles applied comply with the Austrian accounting standards. My (our) selection and application of accounting policies is appropriate. Material or significant assumptions that I (we) used in making the estimates are appropriate and I (we) have disclosed them to you.
4. For all events after the balance sheet date where year-end adjustments or disclosures are required in accordance with the Austrian financial reporting framework (Austrian Generally Accepted Accounting Principles), corresponding adjustments and disclosures were made.

[1] Please delete non-relevant text numbers and non-applicable responses.

5. All known actual and potential legal disputes and claims, the effects of which have to be taken into account in the preparation of the financial statements, were disclosed to you and/or accounted for in accordance with the Austrian financial reporting framework (Austrian Generally Accepted Accounting Principles).
6. All plans and intentions that might materially alter the book values or classification of assets and liabilities in the financial statements have been accounted for or disclosed in accordance with the Austrian financial reporting framework (Austrian Generally Accepted Accounting Principles).
7. The Company is the legal and economic owner of all assets recognized in the financial statements. All liens and encumbrances on these assets have been disclosed in accordance with the Austrian financial reporting framework (Austrian Generally Accepted Accounting Principles).
8. I have (We have) complied with all agreements that could have a material effect on the financial statements. Instances of noncompliance have been disclosed to you.
9. An overview of

   - all companies with which the Company was affiliated in the fiscal year (Section 189a No. 8 UGB),
   - all companies in which the Company had a participating interest in the fiscal year (Section 189a No. 2 UGB),
   - all other related parties

   was submitted to you.

10. All transactions with und between related parties and resulting receivables and payables have been properly and completely recorded in the accounting system. These transactions and the resulting receivables and payables (including contingent liabilities) have been properly recorded to the extent to which they have to be disclosed in accordance with statutory provisions. Due to the nature of these transactions, the financial statements have not been affected in a way that they do not give a true and fair view of the financial position and financial performance.

11. In the past fiscal year, the Company

   - ~~used currency or interest rate instruments, swaps, options, commodity futures and similar financial instruments or derivatives.~~
   - did not use any currency or interest rate instruments, swaps, options, commodity futures and similar financial products or derivatives in whatever form.

   ~~At the balance sheet date the following transactions with the following total (transaction or risk volumes, such as e.g. market value of the contract volume etc.) are outstanding:~~

   I confirm (We confirm) that all transactions which the Company has entered into (such as e.g. options, other financial derivatives, compensation transactions) are recognized in accounting and/or that these transactions are fully listed in the notes to the financial statements if they are not recognized in accounting.

12. I (We) have fully taken into consideration all matters and the resulting financial obligations either in the financial statements or - in case these matters do not have to be included in the financial statements - outlined them in an appendix to this representation letter. If no such matters are taken up, they do not exist at the balance sheet date. Such matters could be for instance:

   a) Contingent liabilities from the drawing or the transfer of a bill of exchange, from guarantees given, from warranties or from other legal or contractual contingencies;
   b) Letters of comfort;
   c) Legal and contractual collateral securities (including contingent liabilities), e.g. liens or pledges, assignment for security and reservations of title to assets in the balance sheet;
   d) Contingencies from the granting of collateral securities for property and rights for third-party liabilities;
   e) Obligations to return assets concerning both those included as well as those not included in the balance sheet;
   f) Pending lawsuits and other litigation which are important for the assessment of the economic position of the Company;
   g) Existing or recognizable obligations imposed by public authorities that are of significance for the financial position and future financial performance of the Company;

h) Contracts and other legal matters which are or might be important for the assessment of the economic position of the Company because of their nature, their duration or for other reasons, in particular the following

- Contracts with suppliers, customers, stockholders and affiliated companies,
- Contracts of employment, work contracts and pension contracts (any pension reinsurance arrangements are taken into account in the amount of their redemption value / guaranty fund),
- Leasing agreements and other long-term non-cancellable tenancy agreements,
- Consortium contracts and syndicate agreements,
- Obligations from options given to third parties and irrevocable proposals,
- Trust agreements,
- Contracts concerning obligations that represent claims on profit,
- Agreements as to contractual penalties, which exceed the normal levels,
- Unusual termination restrictions in contracts, which could cause a serious negative effect on the economic position of the Company;

i) The use of protective clauses (non-disclosure in accordance with Section 242 (2) to (4) UGB);

j) The total amount of contingent liabilities (Section 199 UGB) as well as other material financial obligations not required to be recognized on the liabilities' side of the balance sheet, even if they are offset by recourse claims in the same amount, as well as type and form of each collateral security granted (Section 237 (1) No. 2 UGB);]

k) Particular circumstances which might affect the true and fair view of the financial position, financial performance and cash flows of the Company.

13. The advances and loans granted and the contingent liabilities assumed in accordance with Section 237 (1) No. 3 UGB, (for medium-sized and large companies: the expenses for pensions, severance payments and contributions to staff provision funds according to Section 239 (1) Nos. (2) and (3) UGB as well as remuneration according to Section 239 (1) No. 4 UGB) are fully disclosed in the notes to the financial statements.]

D. Management report

1. I am (We are) responsible for the preparation of the management report.
2. The management report contains all information required by Section 243 UGB, and for listed companies by Section 243a UGB, and is consistent with the financial statements.
3. The business development, the position of the Company, and the material risks and uncertainties facing the Company are presented fairly. The analysis also deals with the financial performance indicators crucial for the business activities, and non-financial performance indicators, if applicable, including information relating to environmental and employee matters.
4. The management report, where applicable, also deals with

- the expected development of the Company,
- the area of research and development,
- the portfolio of the Company's own shares acquired or pledged by the Company, an affiliated company or another person for the account of the Company or an affiliated company,
- the Company's existing branches,
- the use of financial instruments to the extent that this is material for the evaluation of the financial position and financial performance, in which case the following are stated
  - financial risk management objectives and policies in relation to the use of financial instruments, including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and
  - existing price risk, credit risk, liquidity risk and cash flow risks.

E. Internal control system

1. I am (We are) responsible for the design (concept, implementation, maintenance and enhancements) of an adequate internal control system (Section 82 AktG (Stock Corporation Act) and Section 22 GmbHG (Limited Liability Companies Act)). There were and currently are no failures or material deficiencies in the internal control system. / I have (We have) informed you of all failures or material deficiencies in the internal control system.

   By internal control system I (we) mean the process by which

   - the effectiveness and efficiency of operating activities (this includes the protection of assets against losses from damages and malversations),
   - the reliability of financial reporting, and
   - the compliance with laws and regulations applicable to the Company

   is monitored and controlled in order to avoid that the achievement of the Company's business objective is affected by the occurrence of business risks.
2. Under the internal control system, I (we) have implemented appropriate organizational measures
   - to prevent and detect any violations by employees, and
   - to ensure that transactions with and between related parties are recorded as such in the books and disclosed in the financial statements according to the applicable financial reporting framework.
3. I have (We have) notified you of the results of my (our) assessment of risks that the financial statements and the management report might contain material misstatements due to violations.
4. I have (We have) notified you of all violations that I (we) have become aware of or I (we) suspect with regard to the company to be audited, in particular those by legal representatives or other executive employees, by employees who play a key role in the internal control system, or by other persons whose violations might have a material impact on the financial statements and the management report. / I am not (We are not) aware of any violations with regard to the company to be audited, in particular those by legal representatives or other executive employees, by employees who play a key role in the internal control system, or by other persons whose violations might have a material impact on the financial statements and the management report.
5. I have (We have) notified you of all allegations communicated to me (us) by employees, former employees, analysts, oversight authorities or other persons of committed or suspected violations that might have a material impact on the financial statements and the management report of the company to be audited. / I have not been (We have not been) informed by employees, former employees, analysts, oversight authorities or other persons of any allegations concerning committed or suspected violations that might have a material impact on the financial statements and the management report of the company to be audited.

F. Completeness of information

1. All records, documentation, information about unusual matters of which management is aware, and other information relevant to the audit have been made available to you.
2. I (We) have disclosed to you in full the names of those banks with which the Company had banking connections during the fiscal year, and all bank accounts of the Company existing in the fiscal year. Furthermore, I (we) confirm that I (we) have fully disclosed also those banking connections and bank accounts which are not registered in the Company's name, but attributable to the Company.
3. I (We) have provided you with all minutes of shareholders' meetings / general meetings and meetings of the Supervisory Board / Advisory Board as well as of the Management Board.

Summary of unadjusted misstatements

Company: Apollo Vredestein Gesellschaft m.b.H.
Closing date: March 31, 2019

	Balance sheet		Income statement		Tax effect	
Description of difference	**Debit**	**Credit**	**Debit**	**Credit**	**Tax base**	**Tax**
Misstatement in the financial statements						
Incorrect disclosure in the financial statements						
Variances in judgments and estimates						
Total misstatements and variances:						
Tax effect (tax rate ... %)						

G. Additional remarks and cross-references to appendices

A summary of unadjusted differences is enclosed (Appendix 1). I confirm (We) confirm the immateriality of these differences relating to the entire financial statements.

H. Release from the duty of confidentiality

I (We) agree that you report the results of your audit to my (our) parent company (companies) and its (their) auditor(s).

I. Translated English version

I (We) accept the fact that this representation letter and the terms used within are only a translation of the original German representation letter and that this representation letter is governed by the laws of the Republic of Austria.

Vienna, März 31, 2019

Harald Kilzer

Harald Kilzer | Vishal Kumar Mittal | Benoit Rivallant