

**Revised report  
on the preparation of the annual  
accounts**

**as of  
31. März 2020**

**Apollo Tyres (Germany) GmbH**

**Am Prime-Parc 17  
65479 Raunheim**

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# 1 Engagement and performance of the engagement

## 1.1 Engagement

The management of Apollo Tyres (Germany) GmbH, Am Prime-Parc 17, 65479 Raunheim, Germany - hereinafter referred to as the "Company" - has engaged us to prepare the financial statements of the Company for the year ended 31 March 2020.

The Company is a small corporation within the meaning of Section 267 (1) HGB. The classification of the balance sheet and the profit and loss account, which must be clear and concise in accordance with Section 243 (2) of the German Commercial Code (HGB), has been made in accordance with the classification regulations for small corporations applicable under the provisions of the German Commercial Code.

The size-dependent simplifications for small corporations for the notes to the financial statements in accordance with § 288 HGB were used.

The type and scope of our production activities are based on the provisions of §§ 242 et seq. HGB (German Commercial Code) and the "Principles for the Preparation of Annual Financial Statements" (publication of the Federal Chamber of Tax Consultants).

Accordingly, our assignment to prepare the annual financial statements includes all activities required to prepare the legally prescribed balance sheet and profit and loss account as well as the notes to the financial statements on the basis of the books and inventory records submitted to us and the information obtained on the accounting and valuation methods to be applied.

An assessment of the correctness of the bookkeeping and the submitted inventory records as well as the information provided by the company was not part of our assignment.

The annual financial statements prepared by us, consisting of the balance sheet, the profit and loss account and the notes to the financial statements, can be seen in the following chapters. In addition, the legal, economic and tax circumstances are presented. The items of the annual financial statements as of 31 March 2020 are broken down according to the nature of the business and explained in detail.

The performance of the contract and our responsibility, also in relation to third parties, are based on the agreed " General terms and conditions for tax consultants, tax agents and tax consulting companies " in the version dated July 2018 and attached to this report.

## 1.2 Performance of the engagement

The annual financial statements were prepared in accordance with the applicable statutory provisions of commercial and tax law, including the supplementary principles of proper accounting, and the relevant provisions of the company agreement.

Where special tax regulations are applicable that are not in accordance with commercial law, these were taken into account in a separate reconciliation.

The accounting documents, vouchers, account statements from the banks and the company's files and documents were used as preparation documents.

All information, clarifications and evidence requested by us were willingly provided to us by the management and the employees appointed to provide information.

The nature, scope and result of the preparation activities we have undertaken are recorded in our working papers, unless documented in this preparation report.

The company's financial and asset accounting is carried out on our own computer system.

During the preparation of the annual financial statements, we did not ascertain any inaccuracies or violations of legal regulations or facts which could endanger the existence of the company or significantly impair its development or which constitute serious violations of the law or of the articles of association by the managing directors or employees.

## 2 Legal and economic status

### 2.1 Legal status

Name:	Apollo Tyres (Germany) GmbH
Legal form:	Gesellschaft mit beschränkter Haftung (GmbH)
Registered office:	Raunheim
Address:	Am Prime-Parc 17 65479 Raunheim
Foundation:	31.08.2015
Duration of the company:	for an indefinite periodit
Commercial registration:	Handelsregister HRB 103648 Frankfurt am Main
Purpose of the company:	Development of car tires
Fiscal year:	1.4.2019 - 31.3.2020
Common stock:	EUR 25.000,00
Shareholder:	Apollo Tyres Coöperatief U.A. 100,00 %
Management:	Mr. V.Kumar Mittal, Mr. Dr.Udo Kuhlmann, Mr. Daniele Lorenzetti

There were no significant changes in the legal situation after the balance sheet date

### 2.2 Tax status

The company is registered with the tax office Groß-Gerau under tax number 21 228 11763

The company is treated for VAT purposes according to the provisions of the standard taxation of §§ 16 to 18 UStG.

For the purposes of VAT, the accounts have been structured accordingly, so that the records required under Section 22 UStG for determining VAT and the basis for its calculation can be seen.

Under Section 2 (1) of the Trade Tax Act, operations are subject to trade tax.

The calculation of trade tax was carried out within the scope of preparing the financial statements

## **3 Notes on accounting**

### **3.1 Bookkeeping**

The company is required to keep accounts in accordance with § 238 HGB. In addition, the special provisions of the German Commercial Code for corporations apply.

The company has prepared accounts in accordance with the statutory regulations.

Business transactions were recorded in accordance with generally accepted accounting principles.

The organisation of the bookkeeping, the accounting-related internal control system, the data flow and the document system enable the complete, correct, timely and orderly recording and posting of business transactions. In the course of our audit, we have not made any findings that give rise to doubts about the correctness of the accounting.

The balance sheet and the report on the annual financial statements were prepared using the software modules Simba Jahresabschluss and Simba Bericht. An attestation on the correctness of the accounting software used is available.

### **3.2 Financial statements**

The annual financial statements have been prepared on the basis of and in compliance with the accounting, balance sheet, recognition and valuation regulations under commercial and tax law.

With regard to structure and classification, the provisions of Sections 266 and 275 of the German Commercial Code (HGB), which are required by the German Commercial Code for corporations, were applied.

All assets owned by the company and economically attributable to it were reported as fixed assets.

Low-value assets up to € 800 were written off in the year of acquisition in accordance with § 6 (2) EStG.

Depreciable fixed assets were valued at acquisition or production cost less depreciation, non-depreciable fixed assets at acquisition cost.

Receivables are stated at their nominal value.

Liabilities are stated at the amount repayable.

There have been no fundamental changes compared with the previous year in the exercise of recognition or measurement options.

Classification and valuation of the items in the balance sheet and profit and loss account comply with the statutory provisions. Details can be found in the following explanations of the individual items in the annual financial statements.

## 4 Certificate on the preparation of the annual accounts

We have been commissioned to prepare the following annual financial statements - consisting of the balance sheet, income statement and notes - of Apollo Tyres (Germany) GmbH for the financial year from 1 April 2019 to 31 March 2020 in accordance with German commercial law. The preparation was based on the vouchers, books and inventory records submitted to us, which we were not commissioned to audit, and the information provided to us. The maintenance of the books and records and the preparation of the inventory and annual financial statements in accordance with German commercial law are the responsibility of the Company's management.

We conducted our audit in accordance with the pronouncement of the Federal Chamber of Tax Consultants on the principles for the preparation of annual financial statements. These include the development of the balance sheet and the profit and loss account as well as the notes to the financial statements on the basis of the bookkeeping and the inventory as well as the specifications on the accounting and valuation methods to be applied.

Nordhausen, 11.05.2020

Ina Strien-Geis  
Steuerberaterin/Rechtsanwältin

## 5 Explanations

### 5.1 Explanations on balance sheet items

#### 5.1.1 ASSETS

##### A. Fixed assets

<b>Tangible assets</b>	<b>56.318,62 €</b>	65.398,33 €
Breakdown	31.03.2020	31.03.2019
Office equipment	30.751,63 €	34.171,24 €
Technical facilities a. machinery	25.566,99 €	31.227,09 €
	<u>56.318,62 €</u>	<u>65.398,33 €</u>

##### B. Current assets

##### I. Receivables and other assets

<b>Receivables and other assets</b>	<b>1.583.661,96 €</b>	1.788.465,97 €
Breakdown	31.03.2020	31.03.2019
Receivables from affiliated companies	1.564.799,17 €	1.772.798,57 €
Turnover tax current year	18.862,79 €	16.674,25 €
Turnover tax prev. years	0,00 €	-1.675,58 €
Other receivables	0,00 €	668,73 €
	<u>1.583.661,96 €</u>	<u>1.788.465,97 €</u>

##### II. Cash assets, Central Bank balance, balance with banks and cheques

<b>Cash assets, Central Bank balance, balance with banks and cheques</b>	<b>260.443,92 €</b>	123.981,52 €
Breakdown	31.03.2020	31.03.2019
ABN AMRO Bank N.V.	<u>260.443,92 €</u>	<u>123.981,52 €</u>



<b>C. Accruals and deferrals</b>	<b>7.469,87 €</b>	19.454,64 €
Breakdown	31.03.2020	31.03.2019
Prepaid expenses	<u>7.469,87 €</u>	<u>19.454,64 €</u>
<b>Total assets</b>	<b>1.907.894,37 €</b>	1.997.300,46 €

## 5.1.2 LIABILITIES

### A. Equity

**I. Subscribed capital** **25.000,00 €** 25.000,00 €

Breakdown	31.03.2020	31.03.2019
Subscribed capital	<u>25.000,00 €</u>	<u>25.000,00 €</u>

**II. Capital reserve** **575.000,00 €** 575.000,00 €

Breakdown	31.03.2020	31.03.2019
Capital reserve	<u>575.000,00 €</u>	<u>575.000,00 €</u>

**III. Profit/loss carryforward** **-163.925,29 €** 546.537,86 €

Breakdown	31.03.2020	31.03.2019
Profit carried forward bef. use	<u>-163.925,29 €</u>	<u>546.537,86 €</u>

**IV. Annual surplus/deficit** **253.593,09 €** 289.536,85 €

**= Equity** **689.667,80 €** 1.436.074,71 €

**B. Reserve** **169.009,28 €** 317.809,49 €

Breakdown	31.03.2020	31.03.2019
Other reserves	99.335,75 €	205.715,38 €
Holiday accruals	61.746,00 €	67.392,91 €
Accrual preparation of financial statements	5.000,00 €	5.000,00 €
Deferred trade tax	1.542,80 €	19.041,00 €
Deferred corporate tax	1.384,73 €	20.660,20 €
	<u>169.009,28 €</u>	<u>317.809,49 €</u>

<b>C. Liabilities</b>	<b>1.049.217,29 €</b>	<b>243.416,26 €</b>
Breakdown	31.03.2020	31.03.2019
Payab. to shareholders -1 y	1.000.000,00 €	0,00 €
Payable wage tax	37.902,68 €	54.761,33 €
Liabilities fr.deliveries and services	11.108,69 €	145.061,31 €
Payables to affiliated companies	205,92 €	24.295,79 €
Payable social security levies	0,00 €	7.043,51 €
Payable wages and salaries	0,00 €	952,08 €
Other liabilities	0,00 €	11.302,24 €
	<u>1.049.217,29 €</u>	<u>243.416,26 €</u>
<b>Total liabilities</b>	<b>1.907.894,37 €</b>	<b>1.997.300,46 €</b>

## 5.2 Explanations on the profit-and-loss statement

**1. Gross profit** **4.335.803,36 €** 4.651.895,01 €

Breakdown	19/20	18/19
Revenues from services acc.§13b UStG	4.271.519,79 €	4.588.174,78 €
Sett.oth.ben.in.kind car 19%VAT	54.687,12 €	55.614,92 €
Income from reversal of accruals	5.646,91 €	0,00 €
Revenues 19% VAT	3.949,54 €	8.105,31 €
	<b>4.335.803,36 €</b>	<b>4.651.895,01 €</b>

**2. Personnel expenses**

**a) Wages and salaries** **2.546.594,78 €** 2.741.922,39 €

Breakdown	19/20	18/19
Wages and salaries	2.479.841,53 €	2.679.621,75 €
Benefits to employees	66.753,25 €	62.300,64 €
	<b>2.546.594,78 €</b>	<b>2.741.922,39 €</b>

**b) Social security and expenses for pensions and assistance** **351.887,29 €** 391.956,07 €

Breakdown	19/20	18/19
Legal social expenses	349.173,48 €	389.493,40 €
Exp. f. pensions	2.713,81 €	2.412,67 €
Vol. soc. exp. wage tax-free	0,00 €	50,00 €
	<b>351.887,29 €</b>	<b>391.956,07 €</b>

**3. Depreciation**

**on intangible assets of the fixed assets and tangible assets** **10.396,71 €** 26.237,15 €

Breakdown	19/20	18/19
Deprec. FA without cars/buildings	<b>10.396,71 €</b>	<b>26.237,15 €</b>

**4. Other operational expenses** **1.061.614,63 €** 1.076.800,44 €

Breakdown	19/20	18/19
Travel expenses	393.338,54 €	409.304,91 €
Car lease expenses	261.365,98 €	239.741,76 €
Rent (immov. assets)	168.350,59 €	161.899,49 €
Car expenses	97.223,27 €	65.534,77 €
Contracted work	41.854,66 €	117.258,56 €
Other operational expenses	30.592,13 €	24.027,00 €
Premiums/Contributions	19.018,62 €	12.803,12 €
Telecommunication and postage	14.505,66 €	21.058,65 €
Off. supplies	9.243,29 €	3.297,06 €
Gas, electricity, water	7.732,59 €	5.191,25 €
Outgoing freight	7.044,89 €	2.832,10 €
Training costs	5.317,40 €	6.073,40 €
Entertainment expenses	4.836,88 €	6.069,51 €
Bank charges	1.190,13 €	1.708,86 €
	<b>1.061.614,63 €</b>	<b>1.076.800,44 €</b>

**5. Other interest and similar returns** **0,00 €** 1,40 €

Breakdown	19/20	18/19
Other interest income	<b>0,00 €</b>	<b>1,40 €</b>

**6. Interest and similar expenses** **0,00 €** 45,00 €

Breakdown	19/20	18/19
Interest on taxes	<b>0,00 €</b>	<b>45,00 €</b>

**7. Taxes from income and from return** **106.473,35 €** 120.895,78 €

Breakdown	19/20	18/19
Corporate tax	54.218,50 €	61.836,69 €
Trade tax	49.274,00 €	55.658,00 €
Solidarity tax	2.982,02 €	3.401,09 €
Corporate tax previous years	-1,17 €	0,00 €
	<b>106.473,35 €</b>	<b>120.895,78 €</b>

**8. Earnings after taxes** **258.836,60 €** 294.039,58 €

**9. Other taxes** **5.243,51 €** 4.502,73 €

Breakdown 19/20 18/19

Motor veh. tax 5.243,51 € 2.872,15 €

Other taxes 0,00 € 1.630,58 €

5.243,51 € 4.502,73 €

**10. Annual surplus/deficit** **253.593,09 €** 289.536,85 €

## **6 Notes**

### **6.1 General information**

The annual financial statements of Apollo Tyres (Germany) GmbH were prepared on the basis of the accounting principles of the German Commercial Code.

In addition to these regulations, the provisions of the GmbH Act had to be observed.

Information that can be provided either in the balance sheet, the income statement or the notes is presented in full in the notes.

Insofar as options for disclosures in the balance sheet, the income statement or the notes can be exercised, the note in the balance sheet or the income statement was chosen.

The total cost method was chosen for the income statement.

### **6.2 Special features of the form of the financial statements**

#### **Size class**

According to the size categories specified in § 267 (1) HGB, the company is a small corporation.

### **6.3 Information on accounting and valuation including tax measures**

#### **Accounting and valuation principles**

Acquired intangible assets were carried at cost and, if subject to wear and tear, reduced by scheduled depreciation.

Property, plant and equipment were carried at cost of acquisition or manufacture and, if subject to wear and tear, reduced by scheduled depreciation.

Scheduled depreciation was calculated on a straight-line basis according to the expected useful life of the assets and in accordance with tax regulations.

Receivables were valued taking into account all identifiable risks.

Tax provisions include taxes not yet assessed for the fiscal year.

Other provisions were formed for all other uncertain liabilities. All recognizable risks were taken into account.

Liabilities were stated at the amount repayable. Where the current values were higher than the repayment amounts, liabilities were stated at the higher current value.

## **6.4 Other mandatory information**

### **Proposal for the appropriation of earnings**

In agreement with the shareholders, the management proposes the following appropriation of earnings:

The net profit for the year amounts to € 253.593,09. Including the profit carried forward as of March 31, 2019, the total distributable profit amounts to € 1.089.667,80.

An amount of € 1.000.000 is planned for distribution. The remainder will be carried forward to new account.

### **Number of employees**

The company employed an annual average of 31 employees.

### **Names of the managing directors**

During the past fiscal year, the company's business was managed by the following persons:

Mr. Vishal Kumar Mittal, residing in Pinner/Middlesex (UK)

Mr Daniele Lorenzetti, resident in The Hague (Netherlands)

Dr. Udo Kuhlmann, resident in Aschaffenburg



## **7 Attachments**

## BALANCE SHEET of 31 March 2020

Apollo Tyres (Germany) GmbH  
65479 Raunheim

(Temporary Status: 11.05.2020)

### ASSETS

	financial year		prior year
	EUR	EUR	EUR
<b>A. Fixed assets</b>			
Tangible assets		56.318,62	65.398,33
<b>B. Current assets</b>			
I. Receivables and other assets	1.583.661,96		1.788.465,97
II. Cash assets, Central Bank balance, balance with banks and cheques	<u>260.443,92</u>		123.981,52
		1.844.105,88	1.912.447,49
<b>C. Accruals and deferrals</b>		7.469,87	19.454,64
		<u>1.907.894,37</u>	<u>1.997.300,46</u>

## BALANCE SHEET of 31 March 2020

Apollo Tyres (Germany) GmbH  
65479 Raunheim

(Temporary Status: 11.05.2020)

### LIABILITIES

	financial year		prior year
	EUR	EUR	EUR
<b>A. Equity</b>			
I. Subscribed capital		25.000,00	25.000,00
II. Capital reserve		575.000,00	575.000,00
III. Profit/loss carryforward		-163.925,29	546.537,86
IV. Annual surplus/deficit		253.593,09	289.536,85
		<u>689.667,80</u>	<u>1.436.074,71</u>
<b>B. Reserve</b>		169.009,28	317.809,49
<b>C. Liabilities</b>		1.049.217,29	243.416,26
		<u>1.907.894,37</u>	<u>1.997.300,46</u>

## PROFIT-AND-LOSS from 01.04.2019 to 31.03.2020

**Apollo Tyres (Germany) GmbH**  
**65479 Raunheim**

(Temporary Status: 11.05.2020)

	financial year		prior year
	EUR	EUR	EUR
1. Gross profit		4.335.803,36	4.651.895,01
2. Personnel expenses			
a) Wages and salaries	2.546.594,78		2.741.922,39
b) Social security and expenses for pensions and assistance	<u>351.887,29</u>		391.956,07
		2.898.482,07	3.133.878,46
3. Depreciation on intangible assets of the fixed assets and tangible assets		10.396,71	26.237,15
4. Other operational expenses		1.061.614,63	1.076.800,44
5. Other interest and similar returns		0,00	1,40
6. Interest and similar expenses		0,00	45,00
7. Taxes from income and from return		106.473,35	120.895,78
8. <b>Earnings after taxes</b>		<u>258.836,60</u>	<u>294.039,58</u>
9. Other taxes		5.243,51	4.502,73
10. <b>Annual surplus/deficit</b>		<u><u>253.593,09</u></u>	<u><u>289.536,85</u></u>

## **Unterschrift der Geschäftsleitung**

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Ort, Datum

Unterschrift