

The Board of Directors of  
**ISMT Europe AB**  
Corporate Id no 556748-6039

submit the following

# **Annual report**

for the financial year 1 April 2016 - 31 March 2017

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## Directors report

### General information on the company and the business

The company was registered 9 January 2008. The company's business is to trade with seamless tubes and alloy steel.

ISMT Europe is trading in Boilers, OCTG, Bearing, Auto and General sector.

The company is a wholly-owned subsidiary to Structo Hydraulics AB, corporate id no 556574-5568. The company is situated in Storfors.

### Significant events during and after the financial year

During 2016/17 the company has raised the income drastically..

The company has executed additional export orders of US-based customers.

This will continue for the coming year.

### Changes in equity

	<i>Share- capital</i>	<i>Non restricted equity</i>
Opening balance	100 000	2 898 276
Result for the year		496 211
	<u>100 000</u>	<u>3 394 487</u>

### Financial summary

Tkr

	<b>2016/17</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2013/14</b>
Net sales	72 915	40 558	50 612	50 889
Profit/loss after financial	496	283	292	213
Equity ratio	9%	22%	13%	14%

### Non restricted equity

The Board of Directors propose to carry forward the non restricted equity.

Non restricted equity carried forward		<u>3 394 487</u>
	Total	<u>3 394 487</u>

The result of the company's operations and its financial position are shown in the accompanying income statement, balance sheet and notes to the financial statements.

### Income statement

<i>Amount in SEK</i>	<i>2016-04-01</i> <i>Note – 2017-03-31</i>	<i>2015-04-01</i> <i>– 2016-03-31</i>
<b>Operating income</b>		
Net sales	72 914 667	40 557 999
<b>Total operating income</b>	<b>72 914 667</b>	<b>40 557 999</b>
<b>Operating expenses</b>		
	1	
Cost of goods	-66 445 246	-35 971 771
Other external costs	-5 731 341	-4 085 950
Other external costs	-46 564	-3 558
<b>Total operating expenses</b>	<b>-72 223 151</b>	<b>-40 061 279</b>
<b>Operating profit</b>	<b>691 516</b>	<b>496 720</b>
<b>Result of financial investments</b>		
Interest expenses and similar profit/loss items	-195 305	-214 215
<b>Total financial items</b>	<b>-195 305</b>	<b>-214 215</b>
<b>Result after financial items</b>	<b>496 211</b>	<b>282 505</b>
<b>Net profit/loss for the year</b>	<b>496 211</b>	<b>282 505</b>

## Balance sheet

<i>Amount in SEK</i>	<i>Note</i>	<i>2017-03-31</i>	<i>2016-03-31</i>
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
Equipment	2	—	—
<b>Total fixed assets</b>		—	—
<b>Current assets</b>			
<b>Current receivables</b>			
Account receivables		23 145 660	6 797 479
Receivables from group companies		5 130 542	6 496 553
Prepayments to supplier		4 942 088	—
Other receivables		401 707	144 607
Prepaid expenses and accrued income		25 063	6 302
		33 645 060	13 444 941
<b>Cash and bank balances</b>		3 552 246	4 131
<b>Total current assets</b>		37 197 306	13 449 072
<b>TOTAL ASSETS</b>		37 197 306	13 449 072

## Balance sheet

<i>Amount in SEK</i>	<i>Note</i>	<i>2017-03-31</i>	<i>2016-03-31</i>
<b>EQUITY AND LIABILITIES</b>			
<b><i>EQUITY</i></b>			
<i>Restricted equity</i>			
Share capital (1000 shares)		100 000	100 000
<b>Total restricted equity</b>		<b>100 000</b>	<b>100 000</b>
<i>Non-restricted equity</i>			
Profit/loss carried forward		2 898 276	2 615 771
Profit/loss for the year		496 211	282 505
<b>Total non-restricted equity</b>		<b>3 394 487</b>	<b>2 898 276</b>
		3 494 487	2 998 276
<b><i>Current liabilities</i></b>			
Bank overdraft	3	4 234 616	4 364 512
Accounts payable		14 065 462	11 640
Liabilities to group companies		8 130 136	4 362 112
Factoring	4	1 216 030	1 672 124
Prepayments from customers		5 906 010	
Accrued expenses		150 565	40 408
<b>Total current liabilities</b>		<b>33 702 819</b>	<b>10 450 796</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37 197 306</b>	<b>13 449 072</b>

## Notes to the financial statements

*Amount in SEK if not otherwise stated*

### General accounting principles

The annual accounts have been prepared in accordance with Annual Accounts Act and Sweden Accounting Standards Board general council, BFNAR 2016:10, Annual reports in smaller companies

### *Receivables and payables in foreign currency*

Receivables and payables in foreign currency have been converted using the rate of the balance sheet date.

### *Depreciation principles for fixed assets*

Depreciation according to plan is based on the original purchase value and estimated economic life. A write-down is made in case of permanent decrease in value.

The following depreciation periods are applied:

#### *Tangible assets*

Computer hardware and software	5 years
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### Group information

ISMT Europe AB is a wholly-owned subsidiary to Structo Hydraulics AB, org nr 556574-5568 situated in Storfors. Structo Hydraulics AB is holly-owned subsidiary of ISMT Enterprises SA, Luxembourg.

The ultimate company is ISMT Ltd India.

Purchase have been made from other companies in the group.

From other group companies purchase has been made with 43 253 tkr (l.y. 39 978 tkr).

Sales to other group companies has been made with 6 615 tkr (l.y. 4 605 tkr).

**Note 1 Employees and personnell cost**

The company has not had any employees during the financial year. Board compensation has not been paid.

**Note 2 Equipment**

	<i>2017-03-31</i>	<i>2016-03-31</i>
<i>Accumulated acquisition values</i>		
Opening balance	<u>494 129</u>	<u>494 129</u>
	494 129	494 129
<i>Accumulated depreciation according to plan</i>		
At the beginning of the year	<u>-494 129</u>	<u>-494 129</u>
	-494 129	-494 129
<b>Value at the end of the period</b>	-	-

**Note 3 Bank overdraft**

	<i>2017-03-31</i>	<i>2016-03-31</i>
Granted credit	5 000 000	5 000 000
Available part	<u>765 384</u>	<u>635 488</u>
Used credit	4 234 616	4 364 512

**Note 3 Factoring**

	<i>2017-03-31</i>	<i>2016-03-31</i>
Granted credit	3 341 240	5 231 305
Available part	<u>2 125 210</u>	<u>2 125 210</u>
Used credit	1 216 030	1 672 124

**Note 5 Pledged securities and contingent liabilities**

	<i>2017-03-31</i>	<i>2016-03-31</i>
Chattel mortgage	5 000 000	5 000 000
Pledged assets	<u>1 216 030</u>	<u>1 672 124</u>
	6 216 030	6 672 124

**Storfors**

**Rajiv Goel**  
Chairman of the Board

**Kishore Bharambe**  
Member of the Board

**Kerstin Rienas**  
Member of the Board

My auditor's report was submitted on the

**Mattias Eriksson**  
Auktoriserad revisor