

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

submit the following

Annual report

for the financial year 1 April 2018 - 31 March 2019

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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 2018/19 there was a reduction in US trade business

The coming year the business is expected to be steady.

Changes in equity

	<i>Share- capital</i>	<i>Non restricted equity</i>
Opening balance	100 000	5 252 430
Result for the year		1 558 262
	<u>100 000</u>	<u>6 810 692</u>

Financial summary

Tkr	2018/19	2017/18	2016/17	2015/16
Net sales	136 093	189 574	72 915	40 558
Profit/loss after financia	1 558	1 858	496	283
Equity ratio	9%	9%	9%	22%

Non restricted equity

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

Non restricted equity carried forward		<u>6 810 692</u>
	Total	<u>6 810 692</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>Note</i>	<i>2018-04-01</i> <i>– 2019-03-31</i>	<i>2017-04-01</i> <i>– 2018-03-31</i>
Operating income			
Net sales		136 093 147	189 574 401
Total operating income		136 093 147	189 574 401
Operating expenses	1		
Cost of goods		-124 936 224	-173 985 098
Other external costs		-9 185 331	-12 368 003
Other external costs		-279 934	-1 128 480
Total operating expenses		-134 401 489	-187 481 581
Operating profit		1 691 658	2 092 820
Result of financial investments			
Interest expenses and similar profit/loss items		-133 396	-234 877
Total financial items		-133 396	-234 877
Result after financial items		1 558 262	1 857 943
Net profit/loss for the year		1 558 262	1 857 943

Balance sheet

<i>Amount in SEK</i>	<i>Note</i>	<i>2019-03-31</i>	<i>2018-03-31</i>
ASSETS			
Fixed assets			
<i>Tangible assets</i>			
Equipment	2	—	—
Total fixed assets		—	—
Current assets			
<i>Current receivables</i>			
Account receivables		13 068 744	48 183 333
Receivables from group companies		18 988 427	11 222 990
Other receivables		65 418	133 122
Prepaid expenses and accrued income		39 813	34 024
		<u>32 162 402</u>	<u>59 573 469</u>
Cash and bank balances		<u>47 640 766</u>	<u>2 977 125</u>
Total current assets		79 803 168	62 550 594
TOTAL ASSETS		79 803 168	62 550 594

Balance sheet

<i>Amount in SEK</i>	<i>Note</i>	<i>2019-03-31</i>	<i>2018-03-31</i>
EQUITY AND LIABILITIES			
<i>EQUITY</i>			
<i>Restricted equity</i>			
Share capital (1000 shares)		100 000	100 000
Total restricted equity		<u>100 000</u>	<u>100 000</u>
<i>Non-restricted equity</i>			
Profit/loss carried forward		5 252 430	3 394 487
Profit/loss for the year		1 558 262	1 857 943
Total non-restricted equity		<u>6 810 692</u>	<u>5 252 430</u>
		6 910 692	5 352 430
<i>Current liabilities</i>			
Bank overdraft	3	–	2 535 221
Accounts payable		782 625	1 718 348
Liabilities to group companies		67 634 545	39 489 483
Factoring	4	–	5 459 991
Prepayments from customers		454 555	3 675 868
Accrued expenses		4 020 751	4 319 253
Total current liabilities		<u>72 892 476</u>	<u>57 198 164</u>
TOTAL EQUITY AND LIABILITIES		<u>79 803 168</u>	<u>62 550 594</u>

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 126 695 tkr (l.y. 127 696 tkr).

Sales to other group companies has been made with 5 982 tkr (l.y. 8 938 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>2019-03-31</i>	<i>2018-03-31</i>
<i>Accumulated acquisition values</i>		
Opening balance	494 129	494 129
	<u>494 129</u>	<u>494 129</u>
<i>Accumulated depreciation according to plan</i>		
At the beginning of the year	-494 129	-494 129
	<u>-494 129</u>	<u>-494 129</u>
Value at the end of the period	-	-

Note 3 Bank overdraft

	<i>2019-03-31</i>	<i>2018-03-31</i>
Granted credit	3 000 000	3 000 000
Available part	3 000 000	464 779
	<u>3 000 000</u>	<u>464 779</u>
Used credit	-	2 535 221

Note 4 Factoring

	<i>2019-03-31</i>	<i>2018-03-31</i>
Granted credit	5 732 145	5 661 205
Available part	5 732 145	201 214
	<u>5 732 145</u>	<u>201 214</u>
Used credit	-	5 459 991

Note 5 Pledged securities and contingent liabilities

	<i>2019-03-31</i>	<i>2018-03-31</i>
Chattel mortgage	5 000 000	5 000 000
Pledged assets	-	5 459 991
	<u>5 000 000</u>	<u>5 459 991</u>

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