

AUDITOR'S OPINION

NRB BEARINGS EUROPE GMBH

FRANKFURT AM MAIN

ANNUAL FINANCIAL STATEMENTS

FOR THE BUSINESS YEAR ENDING

31.03.2020

*Translation from the German original
(In case of doubt or differences, the German original is prevailing.)*

BALANCE SHEET
as at 31.03.2020

NRB BEARINGS EUROPE GMBH, Frankfurt am Main

ASSETS				EQUITY and LIABILITIES			
	EUR	Financial year EUR	Previous year EUR		EUR	Financial year EUR	Previous year EUR
A. Fixed assets				A. Equity			
I. Tangible fixed assets				I. Subscribed capital	25.000,00		25.000,00
1. Other equipment, operating and office equipment		2,00	2,00	II. Retained profits brought forward	42.721,22		30.175,13
				III. Net income for the financial year	<u>15.868,05</u>		<u>12.546,09</u>
						83.589,27	67.721,22
B. Current assets				B. Provisions			
I. Receivables and other assets				1. Provisions for taxes	10.350,27		8.515,85
1. Receivables from affiliated companies	119.799,67		104.838,28	2. Other provisions	<u>52.646,33</u>		<u>23.626,60</u>
2. Other assets	<u>6.175,20</u>		<u>9.745,18</u>			62.996,60	32.142,45
		125.974,87	114.583,46	C. Liabilities			
II. Cash-in-hand, central bank balances, bank balances and cheques		27.223,33	2.143,08	1. Liabilities to banks	0,00		277,67
				- of which due within one year EUR 0,00 (EUR 277,67)			
C. Prepaid expenses		1.684,00	1.716,00	2. Trade payables	4.123,25		13.146,51
				- of which due within one year EUR 4.123,25 (EUR 13.146,51)			
				3. Other liabilities	<u>4.175,08</u>		<u>5.156,69</u>
				- of which taxes EUR 3.303,20 (EUR 4.312,71)		8.298,33	18.580,87
				- of which social security EUR 871,88 (EUR 843,98)			
				- of which due within one year EUR 4.175,08 (EUR 5.156,69)			
		<u>154.884,20</u>	<u>118.444,54</u>			<u>154.884,20</u>	<u>118.444,54</u>

Information below the balance sheet:

Information on identification of the company according to the registry court:
 Company name according to registry court: NRB Bearings Europe GmbH
 Location of registered head office: Frankfurt am Main
 Registry court entry: Trade register Frankfurt am Main HR B 99169

Information on contingent liabilities:

There are liability relationships in the sense of Section 251 HGB covering liabilities from residential rent agreements of employees to the amount of the rent deposit of 1,560 euros. The company has made a security deposit of 1,560 euros as collateral for this.

Signature of the annual financial statements by the company's management

Frankfurt am Main, 23.06.2020

 Harshbeena Zaveri
 (Managing Director)

INCOME STATEMENT FOR THE PERIOD FROM 01.04.2019 TO 31.03.2020
 NRB BEARINGS EUROPE GMBH, FRANKFURT AM MAIN

	EUR	Financial year EUR	Previous year EUR
1. Sales		<u>543.043,03</u>	<u>337.919,63</u>
2. Gross revenue for the period		543.043,03	337.919,63
3. Other operating income			
a) Income from reversal of provisions	100,00		350,00
b) Miscellaneous other operating income	<u>1.664,19</u>		<u>2.861,58</u>
		1.764,19	3.211,58
4. Personnel expenses			
a) Wages and salaries	339.784,27-		203.178,06-
b) Social security, post-employment and other employee benefit costs	<u>34.647,07-</u>		<u>30.233,06-</u>
		374.431,34-	233.411,12-
5. Depreciation, amortisation and write-downs			
a) Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets		0,00	111,00-
6. Other operating expenses			
a) Occupancy costs / Rental expenses	15.948,00-		15.531,00-
b) Insurance premiums, fees and contributions	2.806,90-		1.573,84-
c) Vehicle fleet expenses	918,03-		0,00
d) Advertising and travel expenses	75.498,39-		40.351,06-
e) Miscellaneous operating costs	43.939,69-		34.036,41-
f) Losses on write-downs or on disposal of current assets and transfers to valuation allowances on receivables	4.500,00-		0,00
g) Miscellaneous other operating expenses	<u>194,91-</u>		<u>10,00</u>
		143.805,92-	91.482,31-
7. Interest and similar expenses		710,77-	35,37-
8. Taxes on income		<u>9.991,14-</u>	<u>3.545,32-</u>
9. Net income/net loss after tax		<u>15.868,05</u>	<u>12.546,09</u>
10. Net income for the financial year		<u><u>15.868,05</u></u>	<u><u>12.546,09</u></u>

AUDIT OPINION OF THE INDEPENDENT AUDITOR

To NRB Bearings Europe GmbH, Frankfurt am Main

Audit assessment

We have audited the annual financial statements of NRB Bearings Europe GmbH, Frankfurt am Main - comprising the balance sheet as at 31.03.2020 and the income statement for the financial year 01.04.2019 to 31.03.2020. The company has decided to use the legal facilitations available under HGB [German commercial law] to micro corporations and did not prepare notes to the accounts and a management report.

The annual financial statements, in all material respects, conform to the provisions of German commercial law that apply to corporations and, with due consideration of German principles of accepted accounting standards, present a true and fair view of the assets and the financial situation of the Company as at 31.03.2020 and of the income of the company for the business year from 01.04.2019 until 31.03.2020.

Pursuant to Section 322 (3) S.1 HGB, we hereby confirm that our audit did not lead to any objections concerning the annual financial statements.

Basis for the audit assessment

We performed our audit of the annual financial statements in accordance with Section 317 HGB and the German generally accepted standards for audits of financial statements promulgated by the Institut der Wirtschaftsprüfer e.V. [Institute of Certified Public Accountants in Germany, IDW]. Our responsibility according to these regulations and principles is described in more detail in the section "Responsibility of the auditor for auditing the annual financial statements" contained below in our audit opinion. We are independent of the Company in accordance with the provisions of German commercial and professional law and we have fulfilled our other German professional duties in accordance with these requirements. We believe that the audit findings obtained by us are adequate and suitable to serve as a basis for our audit assessment on the annual financial statements.

Responsibility of the legal representatives for the annual financial statements

The legal representatives of the company are responsible for the preparation of the annual financial statements, which in all material respects must conform to the provisions of German commercial law, and they are responsible for ensuring that the annual financial statements present a true and fair view of the company's assets, its financial situation and its income situation in accordance with the German principles of generally accepted accounting standards. Moreover, the legal representatives are responsible for the systems of internal control that they have deemed necessary in order to make sure that the preparation of annual financial statements are free from – intentional or unintentional – misrepresentations.

When preparing the annual financial statements, the legal representatives are also responsible for assessing the company's ability to continue operating under the going-concern assumption. Furthermore, they are responsible for disclosing relevant pieces of information in connection

with the continuation of the Company under the going-concern assumption. They are also responsible, on the basis of accounting principles, to draw up the balance sheet under the going-concern assumption, except where factual or legal circumstances would oppose this.

Responsibility of the auditor for auditing the annual financial statements

Our objective is to obtain reasonable assurance that the financial statements as a whole are free from – intentional or unintentional – material misrepresentations, and to issue an audit opinion containing our audit assessments of the financial statements.

Reasonable assurance means a high degree of certainty, but not a guarantee, that an audit of the financial statements performed in accordance with Section 317 HGB and the generally accepted standards for audits of financial statements in Germany, promulgated by the Institut der Wirtschaftsprüfer e.V. [Institute of Certified Public Accountants in Germany, IDW] will reveal material misrepresentations. Misrepresentations may result from violations or inaccuracies and are considered material if it could be expected under reasonable circumstances that they will, individually or overall, affect the economic decisions made by addressees / stakeholders based on these financial statements.

We exercise professional judgement and maintain a critical approach during the audit. Moreover,

- we identify and assess the risks of – intentional or unintentional – material misrepresentations in the Financial statements, plan and perform audit activities in response to these risks and obtain audit findings that are adequate and suitable to serve as the basis for our audit assessments. The risk that material misrepresentations are not identified is greater for infringements than it is for inaccuracies, as infringements may include fraudulent conspiracy, falsifications, deliberate omissions, misleading representations or the suspension of internal control mechanisms;
- we acquire an understanding of the internal control systems of the company that are relevant for the audit of the financial statements in order to plan audit activities that are adequate under the given circumstances, but without the intention of making an assessment on the effectiveness of these company systems.
- we assess the adequacy of the accounting measures applied by the legal representatives and the validity of any estimated values provided by the legal representatives;
- we draw conclusions about the appropriateness of the accounting policy applied by the legal representatives as far as the applied going-concern assumption is concerned and we determine, on the basis of the audit findings obtained, whether there is material uncertainty in connection with events or circumstances that could raise doubts as to the capability of the company to continue operating under the going-concern assumption. Should we come to the conclusion that there is material uncertainty, we are obliged, within the audit opinion, to draw attention to the corresponding information in the financial statements or, where this information is inadequate, to modify our audit opinion. We draw our conclusions on the basis of the audit findings obtained by us until the date of our audit opinion. Notwithstanding, future events or circumstances may render the company unable to continue operating under the going-concern assumption;

- we assess the overall representation, structure and content of the financial statements and whether the Financial statements present the underlying transactions and events in such a way that the Financial statements represent a true and fair view of the Company's assets, financial situation and its income situation in accordance with the German principles of accepted accounting standards;

We discuss with the audit supervisors, among other things, the planned scope and timing of the audit, as well as significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Mühlheim am Main, 23.06.2020



A. Enders

Alexander Enders
Auditor

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