

## **Auditor's report**

To the CEO of Geometric Europe GmbH filial Sweden, corporate identity number 516408-8345

### **Report on the annual accounts**

#### *Opinions*

I have audited the annual accounts of Geometric Europe GmbH filial Sweden for the financial year 2017-04-01 – 2018-03-31.

In my opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Geometric Europe GmbH filial Sweden as of 31 March 2018 and its financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

#### *Basis for Opinions*

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the *Auditor's Responsibilities* section. I am independent of Geometric Europe GmbH filial Sweden in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

My opinion on the annual accounts does not cover this other information and I do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts, my responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure I also take into account my knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If I, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

#### *Responsibilities of the CEO*

The CEO is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The CEO is also responsible for such internal control as he determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The CEO is responsible for the assessment of the branch's ability to continue as a going concern. He discloses, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the CEO intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

### *Auditor's responsibility*

My objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to my audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting in preparing the annual accounts. I also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify my opinion about the annual accounts. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.



I must inform the CEO of, among other matters, the planned scope and timing of the audit. I must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that I identified.

## **Report on other legal and regulatory requirements**

### *Opinions*

In addition to my audit of the annual accounts, I have also audited the administration of the CEO of Geometric Europe GmbH filial Sweden for the financial year 2017-04-01 – 2018-03-31.

In my opinion, the CEO has followed the law of foreign branches (lag om utländska filialer)

### *Basis for Opinions*

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the *Auditor's Responsibilities* section. I am independent of Geometric Europe GmbH filial Sweden in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

### *Responsibilities of the CEO*

The CEO is responsible for the proposal for appropriations of the company's profit or loss, as well for the administration under relevant laws and determined statutes.

### *Auditor's responsibility*

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and on the administration based on my audit. I conducted the audit in accordance with generally accepted auditing standards in Sweden.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, I exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on my professional judgment with starting point in risk and materiality. This means that I focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. I examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability.

*Comment*

The annual report has been submitted later than the recommendation in the Companies Act.

Göteborg July 12, 2018

Baker Tilly EMK



Kristian Thore

Authorized Public Accountant

# **Annual report**

**Geometric Europe GmbH filial Sweden**  
516408-8345

Financial year

2017-04-01 – 2018-03-31

The Managing Director for Geometric Europe GmbH filial Sweden hereby submit the Annual report for the financial year 2017-04-01 – 2018-03-31.

## Annual report

### Presentation of operations

Geometric Europe GmbH filial Sweden is a Swedish branch of the German company Geometric Europe GmbH and was registered in 2014.

Geometric Group is a specialist in the domain of engineering solutions, services and technologies. Its portfolio of global engineering services and digital technology solutions for Product Lifecycle Management ("PLM") enables companies to formulate, implement, and execute global engineering and manufacturing strategies aimed at achieving greater efficiencies in the product realization lifecycle

Geometric is head quartered in Maharashtra in India and has offices also in United States of America, United Kingdom, China, Korea, Japan, Singapore, Australia, Germany, Sweden, Netherlands, Australia and Canada.

Tkr	2017/18	2016/17	2015/16
Net sales	59 958	53 083	33 376
Profit after financial items	12 383	2 322	334
Total assets	67 274	51 012	40 210

### Proposal of appropriation of profits

The Managing Director proposes that the profit (SEK):

Retained earnings	3 158
Result of the year	12 383
Be appropriated as follows:	
Profit carried forward	15 541

The result and financial position are shown by the following Income statement and Balance sheet with additional information.

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<b>Income statement</b>	<b>Note</b>	<b>2017-04-01 2018-03-31</b>	<b>2016-04-01 - 2017-03-31</b>
Net sales		59 802 983 <b>59 802 983</b>	52 319 416 <b>52 319 416</b>
<b>Operating income</b>			
Other operating income		154 874 <b>154 874</b>	763 850 <b>763 850</b>
<b>Operating expenses</b>			
Other external costs		24 240 426	34 006 172
Personnel expenses		19 781 238	16 178 606
Other operating expenses		0 <b>44 021 664</b>	-189 782 <b>49 994 996</b>
<b>Operating profit</b>		<b>15 936 192</b>	<b>3 088 278</b>
<b>Result from financial items</b>			
Interest income and similar items		0	10 741
Interest expenses		-47 250	-8 762
<b>Profit after financial items</b>		<b>15 888 942</b>	<b>3 090 257</b>
<b>Profit before tax</b>		<b>15 888 942</b>	<b>3 090 257</b>
Tax expense for the year		-3 505 962	-768 589
<b>Net profit for the year</b>		<b>12 382 980</b>	<b>2 321 668</b>

<b>Balance sheet</b>	<b>Note</b>	<b>2018-03-31</b>	<b>2017-03-31</b>
<b>ASSETS</b>			
<b>Fixed asset</b>		<u>0</u> <b>0</b>	<u>0</u> <b>0</b>
<b>Current assets</b>		<b>0</b>	<b>0</b>
<i>Current receivables</i>			
Settlement account Group Company		31 946 491	44 265 429
Other current receivables		24 473 703	0
Prepaid cost and accrued income		3 731 674	5 252 500
CITI Bank GmbH		<u>7 122 313</u>	<u>1 474 843</u>
		<b>67 274 181</b>	<b>50 992 771</b>
<b>Total current assets</b>		<b>67 274 181</b>	<b>50 992 771</b>
<b>TOTAL ASSETS</b>		<b>67 274 181</b>	<b>50 992 771</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Non-restricted equity</i>			
Retained earnings		3 158 365	836 697
Result of the year		<u>12 382 980</u>	<u>2 321 668</u>
<b>Total equity</b>		<b>15 541 345</b>	<b>3 158 365</b>
<b>Short term liabilities</b>			
Tax liabilities		3 950 406	501 093
Other liabilities		4 213 758	4 307 121
Accrued expenses and deferred income		2 514 921	1 564 377
Settlement account Group Company		<u>41 053 751</u>	<u>41 461 815</u>
<b>Total short term liabilities</b>		<b>51 732 836</b>	<b>47 834 406</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>67 274 181</b>	<b>50 992 771</b>
<b>Pledged assets</b>		None	None
<b>Contingent liabilities</b>		None	None

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## Additional information

### Accounting- and valuation principles

Note that this annual report has been prepared for a Swedish branch of Geometric Europe GmbH. The branch is not a separate legal entity, but is part of the company, Geometric Europe GmbH. The branch has no equity in its usual sense for companies without the branch's reported equity illustrates only the branch's accumulated profits. For the same reason, reported receivables from Group companies only a sales post to General Ledger in Geometric Europe GmbH and is, therefore, no actual claim on other related legal person.

#### Accounting – and valuation principles

The Annual report has been prepared in accordance with the Annual Reports Act and directives of the Financial Accounting Standards Board.  
BFNAR 2008:1 has not been applies.

The company reports revenue on current account according to the options method. This means that revenue is recognized when they are invoiced.

Other assets and liabilities are reported at the acquisition cost if otherwise not reported.

## Notes

### Note 1 Personnel expenses

Salaries, and other expenses as well as social security contribution that have been paid out in Sweden, refer to personnel who are employed in India, but have worked in Sweden for a period.

	2017-04-01 2018-03-31	2016-04-01 - 2017-03-31
Salaries and other expenses	15 435 329	12 121 656
Allocated cost, salaries and other expenses in India	0	0
Social security contributions	4 034 043	3 071 009
Other personnel expenses	0	223 818
	<u>19 469 372</u>	<u>15 416 483</u>

#### Total personnel costs

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Geometric Europe GmbH filial Sweden  
Org. No 516408-8345

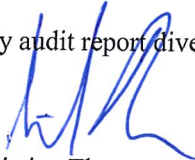
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Stuttgart, Germany 2018.



Mr Shiv Kumar Walia  
(Authorized signatory)

My audit report diverges from the standard formulation and has been submitted July 12, 2018



Kristian Thore  
Authorized Auditor