

The Board of Directors of

**Structo Hydraulics AB**

Corporate identity number 556574-5568

Submit the following

**Annual report**

For the financial year 1 April 2022 - 31 March 2023

<u>Table of contents:</u>	<u>Page</u>
Administration report	2-3
Income statement	4
Balance sheet	5-6
Cash flow statement	7
Notes to the financial statements	8-18
Signatures	19

## Administration report

### General information on the company and the business

The group consists of the parent company Structo Hydraulics AB and the subsidiary ISMT Europe AB.

Structo Hydraulics AB is 95% owned by ISMT Ltd, India.

The ultimate company is Kirloskar Ferrous Industries Ltd.

Consolidated accounts have not been prepared in accordance with annual accounts act chapter 7 section 3, as the group is a smaller group.

Structo Hydraulics AB manufactures and sells cold drawn tubes, cylinder tubes and components principally for the hydraulic industry.

The company is based in Storfors.

### Development of the company, the result and position

Financial overview in tsek	2022/23	2021/22	2020/21	2019/20
Net sales	36 542	41 704	31 945	44 611
Total assets	64 341	74 436	74 456	87 912
Return on capital	-11 333	570	-754	-8 617
Equity ratio, %	34%	45%	44%	31%

For definitions, see note

### Significant events and other important conditions

High steel prices and the weakening of the Swedish krona have led to higher purchase of raw materials. The company's liabilities are mainly in euros, the company has also been negatively affected when converting the liabilities to the current EUR/SEK course. Furthermore the result is affected by inventory write-downs. Sales have been hampered by the high price level of steel.

All in all, this means that the company reports a result of SEK -11.3 million.

Before the last quarter of the year, the board decided to wind down the company's component operations. Notice of retrenchment and dismissals of both collective and white-collar employees have been carried out.

### Future expected development material risks and uncertainties

The company's operations are largely financed through debts to the parent company and other group companies. The parent company has committed to continue financing the business with extended credit periods to the extent that this is the case required in the coming year. Through the restructuring and downsizing that has been decided and in combination with the parent company continuing to finance the business, the board assesses that the company will be able to manage their commitments.

The company also sees opportunities for increased sales within the remaining operations. During the year 2023/2024 the board will also work on trying to sell the assets in the form of buildings and machines that was used in the component business.

### Reporting of duty according to the Environmental

The company is conducting manufacturing that needs notification.

This means, among other things, yearly check up of own control and real conditions.

The company is certified to ISO 14001 and ISO 9001

A new audit according to the new Standards of ISO 14001 and ISO 9001 has been performed and approved after the end of the financial year.

### Changes in equity

2023-03-31	Restricted equity			Non restricted equity	
	Share capital	Revaluation-funds	Reservefund	Bal earn. Incl. Prof. for the year	Total equity
Opening Balance	21 418 135	11 872 127	20 000	33 144	33 343 406
Profit/loss for the year	—	—	—	-11 315 652	-11 315 652
Dissolution of revaluations funds	—	-1 998 413	—	1 998 413	—
Vid årets utgång	21 418 135	9 873 714	20 000	-9 284 095	22 027 754

In total equity includes shareholders contribution with 117 993 022 SEK per 2023-03-31.

### Proposed allocation of the company's profit

The Board of Directors propose that the non-restricted equity, SEK -9 284 095, is allocated as shown below:

Profit or loss brought forward		-9 284 095
	Total	-9 284 095

For further information regarding the company's profit and financial position information can be found in the following income statement, balance sheet, cash flow statement and pertaining notes.

## Income statement

Amounts in SEK	Note	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Net sales	2	36 542 262	41 704 387
Change in inventories of products in progress, finished goods and work in progress		-253 164	1 123 562
Other operating income	3	562 096	3 774 904
		36 851 194	46 602 853
<b>Operating expenses</b>			
Raw materials and consumables		-23 686 795	-22 468 586
Other external costs		-7 474 663	-7 236 035
Employee benefit expenses	4	-9 856 719	-12 077 091
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets		-4 410 272	-3 439 039
Other operating expenses	5	-2 084 730	-149 293
Operating profit/loss		-10 661 985	1 232 809
<b>Profit/loss from financial items</b>			
Profit/loss from other securities and receivables accounted for as non-current assets		-150 000	—
Interest expense/exchange diff. and similar profit/loss items	7	-521 227	-663 113
Profit/loss after financial items		-11 333 212	569 696
<b>Appropriations</b>			
Group contribution, received		17 560	200 000
Profit/loss before tax		-11 315 652	769 696
Deferred tax	8	—	—
Net profit/loss for the year		-11 315 652	769 696

## Balance sheet

Amounts in SEK	Note	2023-03-31	2022-03-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Property, plant and equipment</i>			
Land and buildings	9	22 885 958	24 564 205
Plant and machinery	10	16 753 881	19 471 478
Equipment, tools, fixtures and fittings	11	21 477	35 905
		<u>39 661 316</u>	<u>44 071 588</u>
<i>Financial assets</i>			
Participation in group companies	12	9 950 000	10 100 000
Deferred tax asset	13	2 287 426	2 804 235
Other long-term receivables	14	926 702	926 335
		<u>13 164 128</u>	<u>13 830 570</u>
<b>Total non-current assets</b>		<b>52 825 444</b>	<b>57 902 158</b>
<b>Current assets</b>			
<i>Inventories etc.</i>			
Raw materials and consumables	15	3 558 222	8 583 074
Products in progress		298 320	324 971
Finished goods and goods for resale		<u>4 795 871</u>	<u>5 022 384</u>
		<u>8 652 413</u>	<u>13 930 429</u>
<i>Current receivables</i>			
Accounts receivable - trade		24 620	173 149
Current tax assets		807 378	807 378
Other receivables		60 804	140 945
Prepaid expenses and accrued income		<u>657 231</u>	<u>577 924</u>
		<u>1 550 033</u>	<u>1 699 396</u>
<i>Cash and bank balances</i>			
Cash and bank		<u>1 313 195</u>	<u>903 820</u>
		<u>1 313 195</u>	<u>903 820</u>
<b>Total current assets</b>		<b>11 515 641</b>	<b>16 533 645</b>
<b>TOTAL ASSETS</b>		<b>64 341 085</b>	<b>74 435 803</b>

## Balance sheet

Amounts in SEK	Note	2023-03-31	2022-03-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	16	21 418 135	21 418 135
Revaluation reserve		9 873 714	11 872 127
Statutory reserve		20 000	20 000
		<u>31 311 849</u>	<u>33 310 262</u>
<i>Non-restricted equity</i>			
Profit or loss brought forward		2 031 557	-736 552
Net profit/loss for the year		<u>-11 315 652</u>	<u>769 696</u>
		<u>-9 284 095</u>	<u>33 144</u>
		22 027 754	33 343 406
<b>Provisions</b>			
Deferred tax liability	13	2 287 426	2 804 235
		<u>2 287 426</u>	<u>2 804 235</u>
<b>Non-current liabilities</b>			
Other liabilities to credit institutions	18	200 000	—
		<u>200 000</u>	<u>—</u>
<b>Current liabilities</b>			
Liabilities to credit institutions		2 600 000	100 000
Bank overdrafts	19	—	4 845 520
Advance payments from customers		—	59 194
Accounts payable - trade		951 767	2 212 769
Liabilities to parent company		22 264 787	13 378 079
Liabilities to group companies		9 572 981	12 178 318
Other liabilities		311 759	603 418
Accrued expenses and prepaid income	20	4 124 612	4 910 864
		<u>39 825 905</u>	<u>38 288 162</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>64 341 085</b>	<b>74 435 803</b>

## Cash flow statement

Amounts in SEK		2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
<b>Operating activities</b>			
Profit/loss after financial items	21	-11 333 212	569 696
Adjustments for non-cash items, etc.		4 560 272	3 439 039
		-6 772 940	4 008 735
<b>Cash flow from operating activities before working capital changes</b>		-6 772 940	4 008 735
<i>Cash flow from working capital changes</i>			
Increase(-)/Decrease(+) of inventories		5 278 016	-6 680 017
Increase(-)/Decrease(+) of current receivables		149 362	2 423 230
Increase(-)/Decrease(+) of current liabilities		3 900 457	1 518 355
<b>Cash flow from operating activities</b>		2 554 895	1 270 303
<b>Investing activities</b>			
Acquisition of property, plant and equipment		-	-
Disposal of property, plant and equipment		-	-
Acquisition of financial assets		-	-
<b>Cash flow from investing activities</b>		-	-
<b>Financing activities</b>			
Raising of borrowings		2 800 000	-
Repayment of borrowings		-4 945 520	-1 780 365
<b>Cash flow from financing activities</b>		-2 145 520	-1 780 365
<b>Cash flow for the year</b>		409 375	-510 062
<b>Cash and cash equivalents at the beginning of the year</b>		903 820	1 413 882
<b>Cash and cash equivalents at the end of the year</b>	22	1 313 195	903 820



## Notes

*Amounts in SEK unless otherwise stated*

### Note 1 Accounting principles

The Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's generally accepted accounting principles BFNAR 2012:1 Annual Report and consolidated accounts (K3).

Assets, provisions and liabilities have been valued according to cost of acquisition unless otherwise is stated below.

#### Intangible assets

##### *Other intangible assets*

Other intangible assets acquired are accounted for according to acquisition cost less accumulated amortisation and impairments. Expenditures for internally generated goodwill and brands are recognised in the income statement as expenses when incurred.

##### *Amortizations*

The amortisation is done linearly over the asset's estimated useful life. The amortisation is recognised as an expense in the income statement.

#### Property, plant and equipment

Property, plant and equipment are accounted for according to acquisition cost less accumulated depreciations and impairments. The acquisition value includes, besides the purchase price, other expenditures directly attributable to the acquisition.

##### *Additional expenditures*

Additional expenditures that fulfill the criteria of an asset are included in the carrying amount of the asset. Expenditures for ongoing maintenance and repairs are recognised as expenses when incurred.

For some of the property, plant and equipment, the difference in use of significant components have been assessed as essential. Therefore, these components have been divided into components which are depreciated separately.

The useful lives of these components have been assessed to vary between 3-45 years.

##### *Depreciations*

Depreciations are done linearly over the asset's estimated useful life, since it reflects the expected usage of the asset's future economic benefits. The depreciation is recognised as an expense in the income statement.

	<i>Useful life</i>
Buildings	45 years
Plants and machineries	3-30 years
Equipments, tools, fixtures and fittings	3-5 years



**Impairments - Property, plant, equipment and intangible assets and shares in group companies**

At every closing date, an indication if the asset's value is lower than the carrying value is assessed. If an indication exists, the recoverable amount of the asset is calculated.

The recoverable amount is the highest of the fair value less cost of disposal and the value in use. At the calculation of the value in use, future expected cash flows that the asset is expected to give rise to in the ongoing operations and when it is disposed. The discount rate used is before tax and reflects the marketable assessment of money's time value and the risks attributable to the asset. An earlier impairment is only reversed if the reasons underlying the calculation of the recoverable amount at the latest impairment have changed.

**Leases**

All lease contracts are accounted for as operating lease contracts.

*Operating lease contracts*

The leasing fees according to the operating lease contracts, including raised first-time rent but excluding expenditures for services such as insurance and maintenance, are accounted for as expenses linearly over the lease term.

**Foreign currencies**

*Items in foreign currencies*

Monetary items in foreign currencies are recalculated to the balance sheet date's rate.

Non-monetary items are not recalculated, instead they are recognised according to the rate at the time of the acquisition.

Foreign currency differences that arise due to regulation or recalculation of monetary items are recognised in the income statement for the fiscal year they occur.

**Inventory**

The inventory is recognised according to the lowest of the acquisition value and net realisable value. Thereby risks of obsolescence have been considered. The acquisition value are estimated according to weighted average prices.

The acquisition value consists of, except expenditures for purchases, expenditures for bringing the goods to their current location and condition.

In own semi-manufactured and finished goods, the acquisition value consists of direct costs of production and the indirect costs that amounts to more than an insignificant part of the total expenditures for the production. At the valuation, considerations have been taken into account regarding a normal capacity utilisation.

**Financial assets and liabilities**

Financial assets and liabilities are accounted for in accordance with chapter 11 (Financial instruments valued according to acquisition cost) in BFNAR 2012:1.

*Accounting in and derecognition from the balance sheet*

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a part of the financial instrument's contractual agreement. A financial asset is derecognised from the balance sheet when the contractual right to the cash flow from the asset has expired or been settled. The same goes for when the risks and benefits that are associated with the holding in all material aspects are transferred to another party and the Company does not possess any control over the financial asset. A financial liability is derecognised from the balance sheet when the contractual obligation has been fulfilled or expired.

#### *Valuation of financial assets*

Financial assets are at the first recognition date valued according to their acquisition cost, including possible transaction expenditures that are directly attributable to the acquisition of the asset.

Financial current assets are at the first recognition date valued to the lowest of the acquisition cost and the net selling price at the balance sheet date.

Accounts receivable and other receivables that form current assets are valued individually according to the amount expected to be received.

Financial non-current assets are after the first recognition date valued according to acquisition cost with deduction of potential impairments and with addition of potential revaluations.

Interest bearing financial assets are valued according to amortised cost with the application of the effective interest method.

#### *Valuation of financial liabilities*

Financial liabilities are valued according to amortised cost. Expenditures that are directly attributable to borrowings are adjusted in the loans acquisition value and are allocated to a particular period according to the effective interest method.

#### **Remuneration to employees**

##### *Remuneration to employees after terminated employment*

###### *Classification*

Plans for remunerations after terminated employment are classified either as defined contribution plans or defined benefit plans.

For defined contribution plans, determined fees are paid to another Company, normally an insurance company, and do not have any obligation to the employee when the fee is paid. The size of the employee's remunerations after terminated employment is dependent on the fees that have been paid and the return on capital on those fees.

For defined benefit plans, the Company has an obligation to provide the remunerations agreed upon to current and earlier employees. The Company carries in all material aspects the risk for the remunerations to be higher than expected (actuarial risk) and the risk for the return on the assets to deviate from the expectations (investment risk). Investment risk also exists if the assets are transferred to another Company.

###### *Defined contribution plans*

The fees for defined contribution plans are recognised as expenses. Unpaid fees are accounted for as a liability.

###### *Defined benefit plans*

The Company has chosen to apply the simplifying rules presented in BFNAR 2012:1.

Plans for which pension premiums are paid are accounted for as defined contribution plans, which implies that the fees are expensed in the income statement.

#### Tax

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is the income tax for the current financial year which refer to the year's taxable profit and the part of earlier financial years' income tax which have not been recognised. Deferred tax is the income tax for taxable profits referring to future financial years due to earlier transactions or happenings.

Deferred tax liabilities are recognised for all taxable temporary differences, however, deferred tax attributable to untaxed reserves are not separated since untaxed reserves are accounted for as a separate item in the balance sheet. Deferred tax assets are recognised for tax-deductible temporary differences and for the possibility to in the future use taxable loss carry-forwards. The valuation is based on the carrying amount for the corresponding asset or liability that is expected to be recovered or settled. The amounts are based on the tax rates and tax laws that are determined before the balance sheet date and have not been estimated according to their present value.

Deferred tax assets have been valued according to the highest amount possibly recovered based on current and future taxable profits. The valuation is reviewed every balance sheet date.

#### Provisions

A provision is recognised in the balance sheet when the Company has a legal or informal obligation due to an occurred event and it is possible that an outflow of resources are required in order to settle the obligation and a reliable estimation of the amount can be made.

At the first reporting date, the provision is valued according to the best estimation the amount that will be required to settle the obligation on the balance sheet date. The provision is reviewed every balance sheet date.

#### Revenues

The inflow of financial benefits that the Company receives or will receive on its own behalf are recognised as revenues. Revenues are valued according to fair value of what has been received or will be received, with deductions for rebates.

#### Sale of goods

For sale of goods, the revenue is recognised at delivery.

#### Interest, royalty and dividend

Revenue is recognised when the economic benefits associated with the transaction probably will flow to the Company and when the income can be estimated reliably.

#### Group contributions and shareholders' contribution

Group contributions received/issued are recognised as an appropriation in the income statement. The received/issued group contribution has affected the Company's current tax.

Group contributions that have been issued by parent companies to subsidiaries are accounted for as an increase of the shares' carrying amount.

Shareholders' contribution that have been issued without issued shares or other received equity instruments in exchange are recognised in the balance sheet as an increase of the shares' carrying amount.

Repaid shareholders' contribution are recognised in the balance sheet as a decrease of the shares' carrying amount.

Shareholders' contribution that have been received without issued shares or any other given equity instruments in exchange are recognised directly in equity.

Repaid shareholders' contribution are recognised as a decrease of equity when a decision regarding repayment has been made.

#### Note 2 Net sales by geographic segments

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
<i>Net sales by geographic segments</i>		
Sweden	21 576 191	14 186 538
Other EU	14 258 339	21 575 080
Outside EU	707 732	5 942 769
	<u>36 542 262</u>	<u>41 704 387</u>



**Note 3 Other operating income**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Exchange gains on operating receivables/liabilities	—	—
Government return	96 881	982 297
Return FORA (pension management company)	—	2 714 012
Income from insurances	319 873	—
Other	145 342	78 595
	<u>562 096</u>	<u>3 774 904</u>

**Note 4 Employees, personnel costs and remunerations to Board of Directors and auditors**

**Average number of employees**

	2022-04-01- 2023-03-31	whereof men	2021-04-01- 2022-03-31	whereof men
Sweden	17	81%	21	81%
Total	17	81%	21	81%

**Disclosure of gender distribution in the company's management**

	2023-03-31 Proportion of women	2022-03-31 Proportion of women
Board of Directors	25%	25%
Other senior management	100%	67%

**Salaries, other remunerations and social security expenses, including pension expenses**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Salaries and remunerations	6 251 957	8 271 789
Social security expenses	2 802 749	3 624 494
(of that pension expenses) 1)	(838 384)	(1 220 764)

1) Of the Company's pension expenses, 250 361 kr (l.y. 265 516 kr) relate to the Company's Board of Directors for one person.

**Salaries and other remunerations divided between board members et al. and other employees**

	2022-04-01-2023-03-31		2021-04-01-2022-03-31	
	Board of Directors and Managing Director	Other employees	Board of Directors and Managing Director	Other employees
Salaries and other remunerations	834 654	5 417 303	805 826	7 465 963

**Audit fees and expenses**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
KPMG		
Audit services	90 000	90 000

Audit services refer to the legally required examination of the annual report and the book-keeping, the Board of Director's and the Managing Director's management and other audit and examinations agreed-upon or determined by contract.

This includes other work assignments which rest upon the Company's auditor to conduct, and advising or other support justified by observations in the course of examination or execution of such other work assignments.

**Note 5 Other operating expenses**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Exchange losses on operating receivables/liabilities	-2 084 730 -2 084 730	-149 293 -149 293

**Note 6 Operating lease**

**Lease contracts where the Company is the lessee**

	2023-03-31	2022-03-31
Future minimum lease payments regarding non-cancellable operating lease contracts	67 116	175 404
Within one year	67 116	175 404
	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
The financial year's recognised lease expenses	120 057	177 979

**Note 7 Interest expense and similar profit/loss items**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Interest expense, other	-503 906	-536 851
Exchange differences foreign loan	-17 322 -521 227	-126 262 -663 113

**Note 8 Tax on profit for the year**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Deferred tax	-- --	-- --

**Reconciliation of effective tax rate**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
	Per cent Amount	Per cent Amount
Profit/loss before tax	-11 315 652	789 696
Tax according to current tax rate for the parent company	20,6% 2 331 024	20,6% -158 557
Non-deductible expenses	-0,3% -38 859	-0,3% 2 257
Non-taxable income	0,0% --	0,0% --
Utilization of loss carry-forward without corresponding recognised deferred tax	-20,3% -2 292 165	0,0% 156 300
Reported effective tax	0,0% --	0,0% --

Note 9 Land and buildings		2023-03-31	2022-03-31
<i>Accumulated acquisition costs</i>			
At the beginning of the year	23 328 851	23 328 851	
At the end of the year	23 328 851	23 328 851	
<i>Accumulated depreciation</i>			
At the beginning of the year	-12 283 339	-11 725 568	
Depreciation during the year	-557 771	-557 771	
At the end of the year	-12 841 110	-12 283 339	
<i>Accumulated revaluations</i>			
At the beginning of the year	14 256 623	15 377 099	
Reversed revaluation on disposals	-	-	
Depreciation on revaluations during the year	-1 120 476	-1 120 476	
At the end of the year	13 136 147	14 256 623	
<i>Accumulated impairments</i>			
At the beginning of the year	-737 930	-737 930	
Reversed impairments on disposals	-	-	
At the end of the year	-737 930	-737 930	
Carrying amount at the end of the year	22 885 958	24 564 205	
Land (included in land and buildings)		2023-03-31	2022-03-31
Accumulated acquisition costs	174 861	174 861	
Carrying amount at the end of the year	174 861	174 861	
Note 10 Plant and machinery		2023-03-31	2022-03-31
<i>Accumulated acquisition costs</i>			
At the beginning of the year	96 073 860	96 073 860	
Purchases	-	-	
Disposals	-	-	
At the end of the year	96 073 860	96 073 860	
<i>Accumulated depreciation</i>			
At the beginning of the year	-77 997 163	-77 446 315	
Reversed depreciation on disposals	-	-	
Reclassifications	-	780 348	
Depreciation during the year	-1 322 816	-1 331 196	
At the end of the year	-79 319 979	-77 997 163	
<i>Accumulated revaluations</i>			
At the beginning of the year	1 394 781	1 793 277	
Depreciation on revaluations during the year	-1 394 781	-398 496	
At the end of the year	-	1 394 781	
Carrying amount at the end of the year	16 753 881	19 471 478	



**Note 11 Equipment, tools, fixtures and fittings**

	2023-03-31	2022-03-31
<i>Accumulated acquisition costs</i>		
At the beginning of the year	10 184 469	10 184 469
Sale of assets	—	—
At the end of the year	10 184 469	10 184 469
<i>Accumulated depreciation</i>		
At the beginning of the year	-10 148 564	-9 337 116
Reclassifications		-780 348
Depreciation during the year	-14 428	-31 100
At the end of the year	-10 162 992	-10 148 564
<b>Carrying amount at the end of the year</b>	<b>21 477</b>	<b>35 905</b>

**Note 12 Participation in group companies**

	2023-03-31	2022-03-31
<i>Accumulated acquisition costs</i>		
At the beginning of the year	10 100 000	10 100 000
At the end of the year	10 100 000	10 100 000
<i>Accumulated write-downs</i>		
At the beginning of the year	—	—
Write-downs reversed during the year	-150 000	—
At the end of the year	9 950 000	10 100 000
<b>Carrying amount at the end of the year</b>	<b>9 950 000</b>	<b>10 100 000</b>

**Specification of the Company's participation in group companies**

			2023-03-31	2022-03-31
	Number of shares	Share in % ()	Carrying amount	Carrying amount
Subsidiary / Corp. Id. No. / Registered office				
ISMT Europé AB, 556748-6049, Storfors	1 000	100,0	9 950 000	10 100 000
			9 950 000	10 100 000

**Note 13**      **Deferred taxes**

2023-03-31	Carrying amount	Tax base	Temporary difference
<i>Significant temporary differences</i>			
Land and buildings	22 885 958	10 630 895	12 255 063
Plants and machinery			—
Other (debts)	-1 151 053	—	-1 151 053
	<u>21 734 905</u>	<u>10 630 895</u>	<u>11 104 010</u>

Taxable loss carry-forward amounts to MMSEK 136.

	Deferred tax asset	Deferred tax liability	Net
<i>Significant temporary differences</i>			
Land and buildings	—	2 524 543	-2 524 543
Other (debts)	237 117	—	237 117
Taxable loss carry-forward	2 287 426	—	2 287 426
Deferred tax asset/liability	<u>2 524 543</u>	<u>2 524 543</u>	<u>—</u>
Offset	-237 117	-237 117	—
Deferred tax asset/liability (net)	<u>2 287 426</u>	<u>2 287 426</u>	<u>—</u>

2022-03-31	Carrying amount	Tax base	Temporary difference
<i>Significant temporary differences</i>			
Land and buildings	24 564 205	11 140 948	13 423 257
Plants and machinery	19 507 383	18 166 796	1 340 587
Other (debts)	-1 151 062	—	-1 151 062
	<u>42 920 526</u>	<u>29 307 744</u>	<u>13 612 782</u>

Taxable loss carry-forward amounts to MMSEK 128.

	Deferred tax asset	Deferred tax liability	Net
<i>Significant temporary differences</i>			
Land and buildings	—	2 765 191	-2 765 191
Plant and machinery	—	276 161	-276 161
Other (debts)	237 117	—	237 117
Taxable loss carry-forward	2 804 235	—	2 804 235
Deferred tax asset/liability	<u>3 041 352</u>	<u>3 041 352</u>	<u>—</u>
Offset	-237 117	-237 117	—
Deferred tax asset/liability (net)	<u>2 804 235</u>	<u>2 804 235</u>	<u>—</u>

**Note 14 Other long-term receivables**

	2023-03-31	2022-03-31
<i>Accumulated acquisition costs</i>		
At the beginning of the year	926 335	926 335
Settled receivables	—	—
Added receivables	367	—
At the end of the year	926 702	926 335
<b>Carrying amount at the end of the year</b>	<b>926 702</b>	<b>926 335</b>

**Note 15 Inventories etc.**

	2023-03-31	2022-03-31
Inventory valued according to net selling price	7 676 828	5 319 188
Inventory valued according to acquisition price	975 585	8 611 241
	8 652 413	13 930 429

**Note 16 Number of shares and quota value**

	2023-03-31	2022-03-31
A-shares (one share team)	4 283 627	4 283 627
Quota value	5	5

**Note 17 Proposed allocation of the company's profit**

	2023-03-31	2022-03-31
--	------------	------------

The Board of Directors propose that the non-restricted equity, SEK -9 284 095, is allocated as shown below:

Profit or loss brought forward		-9 284 095
Total		-9 284 095

**Note 18 Non-current liabilities**

	2023-03-31	2022-03-31
<i>Liabilities that mature between one and five years from the balance sheet date:</i>		
Other liabilities to credit institutions	200 000	—
	200 000	—
<i>Pledged assets for other liabilities</i>		
Property mortgage	90 000 000	90 000 000
Chattel mortgage	28 000 000	28 000 000
Receivables	—	—
	118 000 000	118 000 000

**Note 19 Bank overdrafts and factoring**

	2023-03-31	2022-03-31
Credit limit, overdraft	—	5 300 000
Unused	—	-454 480
Utilised credit amount	—	4 845 520

**Note 20**      **Accrued expenses and prepaid income**

	2023-03-31	2022-03-31
Social security contributions	1 084 407	1 450 800
Salary and vacation contribution	1 165 533	2 576 046
Other items	1 971 129	884 018
	<u>4 221 069</u>	<u>4 910 864</u>

**Note 21**      **Paid interest**

	2022-04-01- 2023-03-31	2021-04-01- 2022-03-31
Paid interest	504 516	538 770

**Note 22**      **Cash equivalents**

	2023-03-31	2022-03-31
<i>The following sub-components are included in cash equivalents:</i>		
Cash	1 510	1 375
Bank balance	1 311 685	902 445
	<u>1 313 195</u>	<u>903 820</u>

**Note 23**      **Group information**

The company is 95% owned by ISMT Ltd, India.  
The ultimate company is Kirloskar Ferrous Industries Ltd.

*Purchases and sales within the group*

Of the Company's total purchases and sales in SEK, 45 % of the purchases and 0,01 % of the sales refer to other Companies within the group that the Company belongs to.

**Note 24**      **Pledged securities and contingent liabilities**

	2023-03-31	2022-03-31
Property mortgage	90 000 000	90 000 000
Chattel mortgage	28 000 000	28 000 000
	<u>118 000 000</u>	<u>118 000 000</u>

**Contingent liabilities**

Guarantee commitment for group companies	None	None
--	------	------

**Storfors**

Ravindranath Gumaste  
*Chairman of the board*

Kishore Bharambe

Nishikant Ektare

Anne Karlsson

Minna Johansson  
*Representative from Unionen*

Erik Mattisson  
*Representative from Metall*

My audit report has been submitted

Mattias Eriksson  
*Authorized public accountant*