

CG Drives & Automation Sweden AB  
556232-2643

## Annual Report

for the Financial Year 2021-04-01 - 2022-03-31

The Board of Directors and the managing director for CG Drives & Automation Sweden AB hereby submit the following annual financial statement.

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Seat of the Board of Directors: Helsingborg

The company's currency: Swedish Kronor (SEK).

Unless otherwise stated, all amounts are posted in thousands of Swedish Kronor (SEK 000).



## Directors' Report

### Information about the operations

CG Drives & Automation Sweden AB are the technology partner of energy efficient products and solutions. Devoted to green-tech innovation. We develop, manufacture and market the equipment for control and protection of industrial processes. The group's main product area consists of frequency inverters, turbine power monitors, and softstarters and control systems. Together with key customers, the group creating sustainable, energy efficient solutions based on:

Our smarter dedicated products that reflect robustness ease of use and maximized connectivity.

Our faster, reliable, quality deliveries.

Our leaner approach to services in which we offer customization of products and proactive and integrated services. Manufacturing and assembly is performed at the company's headquarters in Helsingborg. Product Innovation resources are also located in Helsingborg with extended arms at India.

Sale and marketing is performed by own operations in the company's home markets of Scandinavia, Germany, Benelux and Middle east as well as through distributors and partners at multiple markets outside of the home markets.

### Significant events during the financial year and after its closing

Impacting COVID19, Operational activities are now back to normal and all the restriction are lifted by government, company is follow the same however still risk of new mutation of COVID19. The company taken all necessary action to prevent the risks of having a negative impact on the business and ensuring the health and safety of employees and securing on time delivery to customers.

### Expected future development

We will focus on our own development where we have strong experience and know-how.

1. Upgrade our in-house developed products from 5th and 6th generation IGBT to 7th gen, thereby increasing the power density or compactness of products.
2. Develop new Power Electronic Building Blocks for 2-level and 3-level enabling further increase of power density and improved compactness of high powers.
3. DNV-GL, BV and UL type approvals for all standard products.
4. More smartphone and PC applications, connectivity and cloud services.
5. New range of small power drives IP54 and IP20/21 to replace IP2Y and parts of IP2X and IP54 family.

### Research and development

We develop state of the art LV technology above 37KW. Research and development is mainly focused on robustness and competitive energy efficient products which increase connectivity, allow IoT remote access and value added feature based on customer need enhance standard offering with complete portfolio with drive systems in IP20/IP54 (0,75kW-4MW). We are spending almost 5,0% of total revenue on development.

### Risk and factors of uncertainty

The largest financial risk is in connection to currency fluctuation, although these are largely eliminated due to the fact that most purchases as well as sales are made in EUR.

Russia- Ukraine war are impacting both operationally and socially, we have direct sales to Russia that will reduce with current sanctions and payment situation and also indirectly business via some of our OEM will reduce. We are also facing challenges in logistic routes. However, company taking necessary action to prevent the risks and better use of available capacity

### Ownership

Tube Investment of India limited (TII) (L35100TN2008PLC069496) that is part of The Murugappa Group of company, one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in National stock exchange and Bombay stock exchange in India. is the top holding company. Tube Investment of India owns 53.17% share in CG Power and Industrial Solutions Ltd (L99999MH1937PLC002641) listed on the Bombay stock exchange in India, is the largest parent company, which establishes a group consolidated annual report, in the group. CG Power and Industrial Solutions Ltd owns CG International B.V (34224124) in Netherlands, the smallest parent company in the group, which establishes an annual report. CG International B.V. owns the parent company CG Industrial Holdings Sweden AB (556852-4119). CG Industrial Holdings Sweden AB is the parent company of CG Drives & Automation Sweden AB. CG Industrial Holdings Sweden AB does not establish a group annual report, in accordance with Årsredovisningslagen chapter 7, § 2. The consolidated group annual report can be downloaded on the group web site: [www.cgglobal.com](http://www.cgglobal.com).

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<b>Multi-year overview</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>	<b>2018/19</b>
Net turnover	258 685	241 116	304 084	293 460
Profit/loss after financial items	7 105	2 577	5 497	6 123
Operating margin (%)	2,6%	1,0%	2,1%	2,5%
Return on equity (%)	2,6%	1,0%	2,1%	2,4%
Balance sheet total	350 746	349 012	361 766	385 914
Equity/asset ratio (%)	78,1%	76,9%	73,7%	67,8%
Number of employees	73	74	74	72

#### **Proposals for profit allocation**

The Board of Directors recommends the profit/loss and brought forward profits available for disposition:

Profit/loss carried forward	196 225
This year's profit/loss	5 409
	<b>201 634</b>

to be distributed so that they are:

carried over	201 634
	<b>201 634</b>

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**Income Statement**

	Note	2021-04-01 -2022-03-31	2020-04-01 -2021-03-31
Net sales	1	258 685	241 116
Work performed by the company for its own use and capitalized		4 222	5 267
Other operating income		1 372	2 230
		<b>264 279</b>	<b>248 613</b>
<i>Operating expenses</i>			
Raw material and consumables		-154 802	-143 028
Other external costs	2,3	-24 317	-25 913
Personnel costs	4	-61 713	-59 652
Depreciation of equipment and intangible assets		-16 835	-17 634
		<b>-257 667</b>	<b>-246 228</b>
<b>Operating profit/loss</b>	5	<b>6 612</b>	<b>2 385</b>
<i>Profit/loss from financial items</i>			
Other interest income and similar profit/loss items	6	1 611	1 560
Interest expense and similar profit/loss items	7	-1 118	-1 367
		<b>493</b>	<b>193</b>
<b>Profit/loss after financial items</b>		<b>7 105</b>	<b>2 577</b>
<b>Pre-tax profit/loss</b>		<b>7 105</b>	<b>2 577</b>
Tax on profit for the financial year	8	-1 697	-577
<b>Net profit/loss for the year</b>		<b>5 409</b>	<b>2 000</b>

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**Balance Sheet**

	Note	2022-03-31	2021-03-31
<b>ASSETS</b>			
<i>Non-current assets</i>			
<i>Intangible fixed assets</i>			
Capitalized expenditure for research and development and similar posts	9	31 539	41 016
Software	10	601	673
Work in progress for research and development	11	11 980	11 150
		<b>44 119</b>	<b>52 839</b>
<i>Tangible fixed assets</i>			
Machinery and equipment	12	4 760	4 033
		<b>4 760</b>	<b>4 033</b>
<i>Financial assets</i>			
Receivables from group companies	13	200 112	199 708
Deferred tax assets	14	3 526	5 223
		<b>203 638</b>	<b>204 931</b>
<b>Total non-current assets</b>		<b>252 516</b>	<b>261 803</b>
<i>Current assets</i>			
<i>Stock-in-trade etc.</i>			
Raw material and consumables		25 237	14 414
Work in progress		7 078	5 664
Finished goods and goods for resale		5 433	3 202
Advances to Suppliers		296	93
		<b>38 044</b>	<b>23 372</b>
<i>Current receivables</i>			
Accounts receivable		21 144	21 237
Receivables from group companies		17 449	12 581
Current tax assets		3 748	3 432
Other receivables		1 905	941
Prepaid expenses and accrued income	15	1 246	1 775
		<b>45 492</b>	<b>39 964</b>
<i>Cash and bank balances</i>	16	14 693	23 873
<b>Total current assets</b>		<b>98 229</b>	<b>87 210</b>
<b>TOTAL ASSETS</b>		<b>350 746</b>	<b>349 012</b>

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# Balance Sheet

	Note	2022-03-31	2021-03-31
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>	17,24		
<i>Restricted reserves</i>			
Share capital		25 632	25 632
Reserv for development expenses	18	29 288	34 784
Statutory reserve		17 337	17 337
		<b>72 257</b>	<b>77 753</b>
<i>Non-restricted equity</i>			
Retained earnings or losses		196 225	188 729
Profit/loss for the year		5 409	2 000
		<b>201 634</b>	<b>190 730</b>
<b>Total equity</b>		<b>273 891</b>	<b>268 483</b>
<b>Provisions</b>	19		
Other provisions		2 541	2 500
		<b>2 541</b>	<b>2 500</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	21	10 500	22 500
Liabilities to group companies	20	12 916	12 780
		<b>23 416</b>	<b>35 280</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	21, 23	10 000	6 000
Accounts payable		23 356	16 858
Other liabilities		1 776	1 775
Accrued expenses and deferred income	22	15 765	18 116
		<b>50 897</b>	<b>42 749</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>350 746</b>	<b>349 012</b>



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# Report of changes in equity

	<i>Restricted reserves</i>		<i>Non-restricted reserves</i>			Totalt
	Share capital	Reserv for development expenses	Statutory reserve	Retained earnings or losses	Profit/loss for the year	
Opening balance 2020-04-01	25 632	39 007	17 337	179 582	4 924	266 482
Transfer of previous year's gain/loss	0	0	0	4 924	-4 924	0
Capitalized development expenses	0	6 395	0	-6 395	0	0
Depreciation on this year's development expenses	0	-10 618	0	10 618	0	0
Profit/loss	0	0	0	0	2 000	2 000
<b>Closing balance 2021-03-31</b>	<b>25 632</b>	<b>34 784</b>	<b>17 337</b>	<b>188 729</b>	<b>2 000</b>	<b>268 482</b>
Transfer of previous year's gain/loss	0	0	0	2 000	-2 000	0
Capitalized development expenses	0	7 008	0	-7 008	0	0
Depreciation on this year's development expenses		-12 503	0	12 503	0	0
This year's loss	0	0	0	0	5 409	5 409
<b>Utgående balans 2022-03-31</b>	<b>25 632</b>	<b>29 288</b>	<b>17 337</b>	<b>196 225</b>	<b>5 409</b>	<b>273 891</b>

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# Cash flow statement

	Note	2021-04-01 -2022-03-31	2020-04-01 -2021-03-31
<b>Cash flow from operations</b>			
Operating result		6 612	2 385
Adjustment for non-cash flow items			
Depreciation and write-down		16 835	17 634
Currency differences		0	0
		<b>23 447</b>	<b>20 019</b>
Received interest		1 611	1 560
Paid interest		-1 118	-1 367
Paid income tax		0	0
<b>Cashflow from operations before change in working capital</b>		<b>23 941</b>	<b>20 212</b>
<i>Cashflow from change in working capital</i>			
Change in inventories		-14 672	7 727
Change in receivables		-5 253	9 525
Change in liabilities		8 640	-1 948
<b>Cash flow from operations</b>		<b>12 656</b>	<b>35 515</b>
<i>Investments</i>			
Investments in tangible assets		-2 353	-842
Investments in intangible assets		-7 256	-6 405
<b>Cash flow from investments</b>		<b>-9 609</b>	<b>-7 247</b>
<i>Finance</i>			
Increase/reduction of financial assets/non-current liabilities, group companies		-12 267	-18 768
Increase/reduction of provisions		41	500
Change cheque account with overdraft facility		0	0
<b>Cash flow from finance</b>		<b>-12 226</b>	<b>-18 268</b>
<b>Current year cash flow</b>		<b>-9 179</b>	<b>10 000</b>
<b>Liquid assets at the beginning of the financial year</b>		<b>23 873</b>	<b>13 872</b>
<b>Liquid assets at the end of the financial year</b>	16	<b>14 693</b>	<b>23 873</b>



## Supplementary information

### Accounting policies etc.

#### Accounting and valuation principles

Årsredovisningslagen (1995:1554) and BFNAR 2012:1 Årsredovisning och koncernredovisning (K3) have been implemented for the annual report.

#### Assessments and estimates

The following estimates made by the Board of Directors have had a substantial effect on the carrying amounts in the annual report: Assessments and estimates effect mainly reserach and development and the posting of deferred tax receivables. The capitalization of expenditures for reserach and development projects is made only when these are expected to generate future revenue. In accounting policies the process for handling reserach and development projects is described from an accounting perspective. The assement for the deferred tax receivables is that it will be utilized within a period of five years.

#### Group

Tube Investment of India limited (TII) (L35100TN2008PLC069496) that is part of The Murugappa Group of company, one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in National stock exchange and Bombay stock exchange in India. is the top holding company. Tube Investment of India owns 53.17% share in CG Power and Industrial Solutions Ltd (L99999MH1937PLC002641) listed on the Bombay stock exchange in India, is the largest parent company, which establishes a group consolidated annual report, in the group. CG Power and Industrial Solutions Ltd owns CG International B.V (34224124) in Netherlands, the smallest parent company in the group, which establishes an annual report. CG International B.V. owns the parent company CG Industrial Holdings Sweden AB (556852-4119). CG Industrial Holdings Sweden AB is the parent company of CG Drives & Automation Sweden AB. CG Industrial Holdings Sweden AB does not establish a group annual report, in accordance with Årsredovisningslagen chapter 7, § 2. The consolidated group annual report can be downloaded on the group web site: [www.cgglobal.com](http://www.cgglobal.com).

#### Revenue recognition


##### *Sales of goods*

The revenue is recognised at the fair value of what the company has received or will receive. In other words, the company reports revenues at nominal value (amount invoiced) if the company receives payment in the form of liquid funds upon delivery. Deductions are made for discounts.


Revenue recognition for the sales of goods is normally made when the substantial risks and benefits connected to ownership of the goods have been transferred from the company to the customers.

#### Lease agreements

##### *The company as leasee*

All lease agreements, financial as well as operational, have been recognised as operational leasing. The cost of operational leasing agreements is distributed linearly over the leasing period. 

See note 3.



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### **Compensation to employees**

Compensation to employees consists of all types of compensation given to employees by the company. The compensations is made up of salaries, vacation pay, paid absence, bonus and compensation at termination (pension), amongst others. These are recorded when they are acquired. Compensation to employees after termination consists of pension plans, which are either fee or benefit based. Pension plans for which fixed fees are paid and no obligations, legally or informal, are attached, are classified as benefit based plans. Other pension plans are classified as fee based plans. The company has no other non-current compensation recorded to employees.

The company has benefit based pension plans where a pension fee is paid. These plans are recorded as fee based pension plans in accordance with the simplification rule of BFNAR 2012:1.

### **Re-calculation of posts in foreign currency**

Receivables and liabilities in foreign currency has been valued to the exchange rate of the balance sheet date. Exchange rate gains and losses for operating receivables and liabilities are posted as operating income, while exchange rate gains and losses for financial receivables and liabilities are posted as financial posts.

### **Taxes**

Total taxes are made up of current tax and deferred tax. Taxes are posted in the income statment, except for when transactions that are posted to equity, where the then occoring tax effect is also posted to equity.

#### *Current tax*

Current tax consists of income tax for the current year and previous years' income tax, if these have not been regulated. Current tax is calculated from the current tax rate per the balance sheet day.

#### *Deferred tax*

Deferred tax is an income tax for future years as a result of previous events. This is posted in accordance with the balance sheet method. According to this, deferred tax liability and deferred tax receivables for temporary differences is posted. Temporary differences arise when there is a difference between book value and taxation value for receivables or liabilities or for credits or fiscal losses. Deferred tax receivables and deferred tax liabilities are posted as a net only if they can be regulated through a net payment. Deferred tax liability is calculated according to the current tax rate at the balance sheet date. The effect of changes in current tax rate will effect the income statment in the period during which the tax rate has legal been changed. Deferred tax receivables are reduced by the part which is unlikely to be realized in the conceivable future. Deferred tax receivables are posted as a financial fixed asset and deferred tax liabilities as a provision.

### Fixed assets

Intangible and tangible fixed assets are posted at the acquisition value less accumulated depreciation and any write-downs.

Tangible fixed assets have been divided up in substantial components when the expected useful life of the components is viewed as being materially different.

Depreciable amount is the net of acquisition value and calculated residual value, should this be substantial. Depreciation is posted linearly over the expected useful life period.

The following depreciation is applied:

#### *Intangible fixed assets*

Capitalized expenditure for research and development and similar posts	2,6-10 years
Software	5 years

#### *Tangible fixed assets*

Machinery and equipment	3-5 years
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#### *Capitalized expenditure for research and development and similar posts*

The company capitalizes all expenditures which according to the criteria set of BFNAR 2012:1 can be capitalized as intangible assets. These are depreciated over the expected useful life period.

### Inventories

The inventories are valued at the lower of acquisition cost and net realisable value on the balance sheet date. In order to determine the acquisition cost, a weighted average calculation is used. The net realisable value refers to the calculated sales price of the products less selling costs. Deduction for inventory obsolescence has been made after individual assessment.

### Receivables, liabilities and provisions

When nothing else has been specified above, current receivables are valued to the lowest of acquisition value and the amount by which they are expected to be regulated. Non-current receivables and non-current liabilities are valued to accrued acquisition value. Other liabilities and provision are valued to the amount by which they are expected to be regulated. Other receivables are posted at acquisition value, provided nothing else is specified.

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## Notes

### Note 1 Distribution of net sales

The net sales are distributed over the following geographical markets:

	2021/22	2020/21
Germany	91 959	77 124
Benelux	36 450	38 004
Nordic	38 068	46 529
China	8 136	4 722
Russia	13 933	13 670
Chile	20 024	12 346
Rest of the world	50 115	48 721
<b>Sum</b>	<b>258 685</b>	<b>241 116</b>

### Note 2 Auditor fee

	2021/22	2020/21
Financial year audit	336	312
<b>Sum</b>	<b>336</b>	<b>312</b>

### Note 3 Leasing agreement - leasee

	2021/22	2020/21
Expensed leasing fees regarding operational leasing agreements	4 267	4 258
Future minimum leasing fees regarding non-terminable operational lease agreements		
To be paid within 1 year	4 163	4 191
To be paid within 2-5 years	751	4 558
To be paid after 5 years	0	0
<b>Sum</b>	<b>4 914</b>	<b>8 749</b>

The company has entered into the following agreements which are posted as operational lease agreements:

The substantial lease agreements that the company has entered are related to lease for premises for office and production.

The length of the lease is three years. The rent is determined yearly through index regulation related to the consumer price index.



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#### Note 4 Employees and personnel costs

##### Average number of employees

	2021/22	2020/21
Women	23	22
Men	50	52
<b>Sum</b>	<b>73</b>	<b>74</b>

##### Salaries and other contributions

	2021/22	2020/21
Board of Directors and CEO	3 279	2 996
Other employees	40 488	38 349
<b>Sum</b>	<b>43 767</b>	<b>41 344</b>

Bonus payment to the Board of Directors and CEO

478 107

##### Pensions and other similar costs

Pension costs for the Board of Directors and CEO	1 055	994
Pension costs for other employees	6 142	4 800
Other costs, regulated by law or agreement	11 546	10 378
<b>Sum</b>	<b>18 744</b>	<b>16 172</b>

Outstanding pension liabilities  
to the Board of Directors and CEO

2022-03-31 2021-03-31  
- -

##### Gender distribution among the directors

Women on the board	0%	0%
Men on the board	100%	100%
Women among the directors	20%	33%
Men among the directors	80%	67%

#### Note 5 Transactions among group entities

	2021/22	2020/21
Percentage of total purchases for the year made from other group entities	11%	4%
Percentage of total sales for the year made to other group entities	47%	47%

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**Note 6 Other interest income and similar profit/loss items**

	2021/22	2020/21
Interest income from group entities	1 611	1 560
Other interest income	0	1
<b>Sum</b>	<b>1 611</b>	<b>1 560</b>

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

	2021/22	2020/21
Interest expense from group entities	-56	-60
Other interest expense	-593	-892
Exchange rate differences	-369	-329
Other financial expenses	-100	-85
<b>Sum</b>	<b>-1 118</b>	<b>-1 367</b>

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

	2021/22	2020/21
Change in deferred tax	1 697	577
<b>Sum posted tax</b>	<b>1 697</b>	<b>577</b>

<b>Average effective tax rate</b>	<b>23,9%</b>	<b>22,4%</b>
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**Reconciliation of effective tax rate**

<b>Net result before tax</b>	<b>7 105</b>	<b>2 577</b>
Tax on net result, current tax rate (20,6 %):	1 464	552
<b>Tax effect from:</b>		
Other non-deductible expenses	183	118
Obsolescence	0	0
Changes deficit deduction	-1 647	-670
<b>Sum posted tax</b>	<b>0</b>	<b>0</b>
<b>Effective tax rate</b>	<b>0,0%</b>	<b>0,0%</b>

Information about deferred tax receivables and tax liabilities  
For change in deferred tax liability, see note 14

*For*

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**Note 9 Capitalized expenditure for research and development and similar posts**

	2022-03-31	2021-03-31
Acquisition value, opening balance	200 634	191 667
Sales/Scrapping	1 068	1 248
Reclassifications	4 843	7 720
<b>Accumulated acquisition value, closing balance</b>	<b>206 546</b>	<b>200 634</b>
Depreciations, opening value	-159 618	-143 666
Depreciation for the year	-15 389	-15 952
<b>Accumulated depreciation, closing balance</b>	<b>-175 007</b>	<b>-159 618</b>
<b>Book value, closing balance</b>	<b>31 539</b>	<b>41 016</b>

**Note 10 Software**

	2022-03-31	2021-03-31
Acquisition value, opening balance	11 191	11 180
Purchase	248	10
<b>Accumulated acquisition value, closing balance</b>	<b>11 439</b>	<b>11 191</b>
Depreciations, opening value	-10 518	-10 199
Depreciation for the year	-320	-318
<b>Accumulated depreciation, closing balance</b>	<b>-10 838</b>	<b>-10 518</b>
<b>Book value, closing balance</b>	<b>601</b>	<b>673</b>

**Not 11 Work in progress for research and development**

	2022-03-31	2021-03-31
Acquisition value, opening balance	11 150	13 724
Purchase	5 940	5 147
Reclassifications	-5 110	-7 720
<b>Accumulated acquisition value, closing balance</b>	<b>11 980</b>	<b>11 150</b>
<b>Book value, closing balance</b>	<b>11 980</b>	<b>11 150</b>

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### Note 12 Machinery and equipment

	2022-03-31	2021-03-31
Acquisition value, opening balance		
Purchase	31 875	31 033
Accumulated acquisition value, closing balance	2 353	843
	34 228	31 875
Depreciations, opening value		
Depreciation for the year	-27 843	-26 480
Accumulated depreciation, closing balance	-1 626	-1 363
	-29 469	-27 843
Book value, closing balance		
	4 760	4 033

### Note 13 Receivables from group companies

	2022-03-31	2021-03-31
Acquisition value, opening balance		
Added receivables	199 708	194 248
Amortisation	404	8 747
Accumulated acquisition value, closing balance	0	-3 287
	200 112	199 708
Book value, closing balance		
	200 112	199 708

### Note 14 Deferred tax receivables

	2022-03-31	2021-03-31
Opening balance		
Reversed tax receivables	5 223	5 799
Sum	-1 697	-577
	3 526	5 223

See also note 8 Tax on profit for the financial year.

**Note 15 Prepaid expenses and accrued income**

	2022-03-31	2021-03-31
Prepaid rent expenses		
Other prepaid expenses	292	285
Sum	953	1 490
	1 246	1 775

**Note 16 Cash and bank**

	2022-03-31	2021-03-31
Petty cash		
Bank balance	0	0
Sum	14 693	23 873
	14 693	23 873

**Note 17 Numer of shares and ratio value**

	Number of shares	Ratio value
Number of A-shares	19 454 590	1
Number of B-shares	6 177 395	1
Sum	25 631 985	

**Note 18 Reserv for development expenses**

	2022-03-31	2021-03-31
Opening balance		
Allocation to reserve	34 784	39 007
Transfer	7 008	6 395
Sum	-12 503	-10 618
	29 288	34 784

**Note 19 Provisions**

	2022-03-31	2021-03-31
Other provisions		
Opening balance		
Provisions for the year	2 500	2 000
Sum	41	500
	2 541	2 500
Specification other provisions		
Warranty		
Sum	2 541	2 500
	2 541	2 500

**Note 20 Non-current liabilities**

	2022-03-31	2021-03-31
To be paid after 5 years		
Liabilities to credit institutions		
Liabilities to group entities	0	0
Sum	12 916	12 780
	12 916	12 780

CG Drives & Automation Sweden AB  
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**Not 21 Cheque account with overdraft facility**

	2022-03-31	2021-03-31
<b>Total borrowing of 20 500 are divided as follows</b>		
Liabilities to credit institutions, current	10 000	6 000
Liabilities to credit institutions, Non-current	10 500	22 500
<b>Sum</b>	<b>20 500</b>	<b>28 500</b>

**Note 22 Accrued expenses and deferred income**

	2022-03-31	2021-03-31
Accrued vacation salaries	4 176	5 014
Accrued social security contribution	3 600	3 595
Accrued salaries	1 980	2 050
Other accrued expenses	6 010	7 457
<b>Sum</b>	<b>15 765</b>	<b>18 116</b>

**Not 23 Collateral pledged**

	2022-03-31	2021-03-31
<b>Collateral pledged</b>		
Chattels mortgage	110 000	110 000
Guarantee to Tullverket (Swedish Import services)	70	70
<b>Sum Collateral pledged</b>	<b>110 070</b>	<b>110 070</b>

**Not 24 Proposals for profit allocation**

	2022-03-31	2021-03-31
Profit/loss carried forward	196 225	188 729
This year's profit/loss	5 409	2 000
	<b>201 634</b>	<b>190 730</b>
to be distributed so that they are:		
carried over	201 634	190 730
	<b>201 634</b>	<b>190 730</b>

**Not 25 Definition key ratios**

*Operating margin*

Operating result in percent of net turnover

*Adjusted equity*

Equity deducted by deferred tax on untaxed reserves

*Return on equity*

Gain/loss after financial items in percent of average adjusted equity


*Equity/asset ration*

Adjusted equity in percent of total balance

CG Drives & Automation Sweden AB  
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Helsingborg

28/4-22



Susheel Todi  
Chairman



Claes Bjäreholt  
CEO

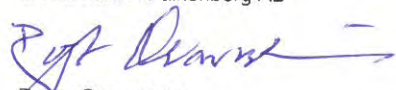


Kapil Agrawal

Our audit opinion has been given

12/5 - 2022

LR Revision i Falkenberg AB



Roger Qvarnström  
Authorized public accountant



## Auditor's report

To the general meeting of the shareholders of CG Drives & Automation Sweden AB, corporate identity number 556232-2643

### Report on the annual accounts

#### *Opinions*

We have audited the annual accounts of CG Drives & Automation Sweden AB for the year 2021-04-01 – 2022-03-31.

In our 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 CG Drives & Automation Sweden AB as of 31 March 2022 and its financial performance and cash flow 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.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

#### *Basis for Opinions*

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of CG Drives & Automation Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine 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 Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, 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 Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

#### *Auditor's responsibility*

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 our 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 Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

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

### *Opinions*

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of CG Drives & Automation Sweden AB for the year 2021-04-01 – 2022-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### *Basis for Opinions*

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of CG Drives & Automation Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

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*Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

*Auditor's responsibility*

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

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, we exercise professional judgment and maintain professional skepticism 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 our professional judgment with starting point in risk and materiality. This means that we 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. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Falkenberg 2022- 05-12

LR Revision Falkenberg AB

Roger Qvarnstrom

Authorized Public Accountant