

Boilerworks Properties ApS

Industrivej Nord 13, Birk, 7400 Herning

CVR no. 35 22 67 61

Annual report 2019/20

Approved at the Company's annual general meeting on 12 June 2020

Chairman:

.....

Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements for the year 1 April 2019 - 31 March 2020	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes to the financial statements	11

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Boilerworks Properties ApS for the financial year 1 April 2019 - 31 March 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 March 2020 and of the results of the Company's operations for the financial year 1 April 2019 - 31 March 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Herning, 12 June 2020
Executive Board:

.....
Rakesh Rampratap Tripathi

.....
Rajendran Arunachalam

Independent auditor's report

To the shareholders of Boilerworks Properties ApS

Opinion

We have audited the financial statements of Boilerworks Properties ApS for the financial year 1 April 2019 - 31 March 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2020 and of the results of the Company's operations for the financial year 1 April 2019 - 31 March 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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.

Independent auditor's report

- ▶ Obtain an understanding of internal control relevant to the 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 Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a 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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Esbjerg, 12 June 2020
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Østergaard Koch
State Authorized
Public Accountant
mne3542

Claes Jensen
State Authorized
Public Accountant
mne44108

Management's review

Company details

Name	Boilerworks Properties ApS
Address	Industrivej Nord 13
Zip code, city	DK-7400 Herning
CVR no.	35 22 67 61
Established	12 April 2013
Registered office	Herning
Financial year	1 April - 31 March
Executive Board	Rakesh Rampratap Tripathi Rajendran Arunachalam
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6700 Esbjerg

Management's review

Operating review

Principal activity

The Company's principal activity has been to own and lease out the property Papegøjevej 7, DK-6270 Tønder. During 2019-20, the property has been sold.

The Company is a fully-owned subsidiary of Ejendomsanpartsselskabet Industrivej Nord 13. The ultimate parent company of the company is ARA Trusteeship Company Private Limited, Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Development in activities and financial matters

Management considers profit for the year, DKK 1,573 thousand as satisfactory.

Future outlook

The Company will be without activity for the upcoming fiscal year.

Events after the balance sheet date

No events have occurred after the balance sheet date which may materially affect the Company's financial position.

Financial statements for the year 1 April 2019 - 31 March 2020

Income statement

Note	DKK'000	2019/20	2018/19
	Gross profit	1,712	1,986
	Impairment losses and depreciation	-53	-126
	Operating profit	1,659	1,860
2	Financial income	360	221
	Profit before tax	2,019	2,081
3	Tax on profit for the year	-446	-458
	Profit for the year	1,573	1,623
	 Proposed profit appropriation		
	Retained earnings	1,573	1,623
		1,573	1,623

Financial statements for the year 1 April 2019 - 31 March 2020

Balance sheet

Note	DKK'000	<u>2019/20</u>	<u>2018/19</u>
	ASSETS		
	Non-current assets		
4	Property, plant and equipment		
	Land and buildings	0	3,838
	Total non-current assets	<u>0</u>	<u>3,838</u>
	Current assets		
	Receivables		
	Amount owed by group companies	9,848	6,518
	Prepayments	0	33
	Cash at bank and in hand	<u>4</u>	<u>214</u>
	Total current assets	<u>9,852</u>	<u>6,765</u>
	TOTAL ASSETS	<u>9,852</u>	<u>10,603</u>

Financial statements for the year 1 April 2019 - 31 March 2020

Balance sheet

Note	DKK'000	2019/20	2018/19
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	80	80
	Retained earnings	9,294	7,721
	Total equity	<u>9,374</u>	<u>7,801</u>
	Provisions		
	Provisions for deferred tax	0	17
	Total provisions	<u>0</u>	<u>17</u>
	Liabilities		
	Current liabilities other than provisions		
	Amounts owed to group companies	463	2,629
	Other payables	15	156
	Total liabilities	<u>478</u>	<u>2,785</u>
	TOTAL EQUITY AND LIABILITIES	<u>9,852</u>	<u>10,603</u>

- 1 Accounting policies
- 5 Charges, collateral and contingencies, etc.
- 6 Related parties

Financial statements for the year 1 April 2019 - 31 March 2020

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 April 2019	80	7,721	7,801
Transfer, see "Proposed profit appropriation"	0	1,573	1,573
Equity at 31 March 2020	80	9,294	9,374

Financial statements for the year 1 April 2019 - 31 March 2020

Notes to the financial statements

1 Accounting policies

The annual report of Boilerworks Properties ApS for 2019/20 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Revenue

Revenue comprises rental income, etc., which is recognised in the income statement in the period, which the rent concerns.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's core activities, including gains on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including administrative expenses.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	30 years
-----------	----------

Land is not depreciated.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements for the year 1 April 2019 - 31 March 2020

Notes to the financial statements

1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of non-current assets

The carrying amount of property, plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash.

Financial statements for the year 1 April 2019 – 31 March 2020

Notes to the financial statements

1 Accounting policies (continued)

Equity

Dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate.

Other liabilities are measured at net realisable value.

Financial statements for the year 1 April 2019 - 31 March 2020

Notes to the financial statements

DKK'000	2019/20	2018/19
2 Financial income		
Interest income, group companies	360	221
	<u>360</u>	<u>221</u>
3 Tax on profit for the year		
Joint taxation contribution for the year	446	452
Adjustment of deferred tax assets	-17	6
	<u>429</u>	<u>458</u>
4 Property, plant and equipment		
DKK'000		Land and buildings
Cost at 1 April 2019		4,623
Departure of the year		-4,623
Cost at 31 March 2020		<u>0</u>
Impairment losses and depreciation at 1 April 2019		-785
Impairment losses and depreciation for the year		-53
Depreciation departure		838
Impairment losses and depreciation at 31 March 2020		<u>0</u>
Carrying amount at 31 March 2020		<u><u>0</u></u>

5 Charges, collateral and contingencies etc.

The company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

6 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Denmark ApS	Denmark	www.erhvervsstyrelsen.dk
Thermax Ltd.	India	www.thermaxglobal.com