

**SMRC Automotive Holdings Netherlands
B.V.
Financial Statements
2018-19**

SMRC Automotive Holdings Netherlands B.V.
Statement of profit and loss

(All amounts in EUR'000, unless otherwise stated)

	Notes	For the year ended March 31, 2019 (8 months)	For the year ended July 31, 2018
Revenue			
Revenue from contract with customers	23	(783)	-
Other operating revenue	24	36 220	-
Total revenue from operations		35 437	-
Other income	25	527	-
Total income		35 964	-
Expenses			
Cost of materials consumed	26	-	-
Change in inventories of finished goods, work-in-progress and stock in trade	27	592	-
Employee benefit expense	28	-	-
Depreciation and amortisation expense		6 582	-
Finance costs	29	(72)	-
Other expenses	30	9 739	-
Total expenses		16 841	-
Profit before tax		19 123	-
Tax expenses			
Current tax	31	557	-
Deferred tax expense/ (credit)	31	(963)	-
Total tax expense		(406)	-
Profit for the year		19 529	-
Other comprehensive income			
Items to be reclassified to profit or loss			
Deferred gain / (losses) on cash flow hedges (net of tax)		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		19 529	-
Summary of significant accounting policies	2		

This is the statement of Profit and Loss referred to in our report of even date

The above statement of profit and loss should be read in conjunction with the accompanying notes

For and on behalf of the Board


R.M.T. de Cuba


J.M. Bult

SMRC Automotive Holdings Netherlands B.V.
Balance sheet

(All amounts in EUR'000, unless otherwise stated)

	Notes	As At March 31, 2019	As At July 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	19 275	(60)
Capital work-in-progress		-	-
Investment property	5	-	-
Goodwill	4	-	-
Other intangible assets	4	12 924	714
Intangible assets under development			
Financial assets			
i. Investments	6	99 427	98 608
ii. Loans	7	4 945	7 299
iii. Trade receivables	10	16 410	-
iv. Other financial assets	12	-	-
Deferred tax assets (net)	8	-	(134)
Non-current tax assets (net)		811	831
Total non-current assets		153 792	107 258
Current assets			
Inventories	9	-	-
Financial assets			
i. Investments	6	-	-
ii. Trade receivables	10	13 386	13 780
iii. Cash and cash equivalents	11	1 550	16 896
iv. Bank balances other than (iii) above			
v. Loans	7	57	71
vi. Other financial assets	12	942	-
Other current assets	13	15 931	2 204
Total current assets		31 866	32 951
Total assets		185 658	140 209
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	3	3
Share application money pending for allotments		57 853	113 713
Other equity			
Reserves and surplus	15	66 472	6 847
Other reserves	16	-	-
Total equity		124 328	120 563
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	17	-	-
ii. Other financial liabilities	19	-	-
Provisions			
Employee benefit obligations	21	-	-
Deferred tax liabilities (net)	8	15 236	1 046
Other non-current liabilities	22	4 459	1 508
Total non-current liabilities		19 695	2 554
Current liabilities			
Financial Liabilities			
i. Borrowings	17	25 000	10 044
ii. Trade payables	18	7 205	6 172
iii. Other financial liabilities	19	16	-
Provisions			
Employee benefit obligations	21	-	-
Other current liabilities	22	9 414	1 218
Non-Current tax liabilities (net)		-	(342)
Total current liabilities		41 635	17 092
Total liabilities		61 330	19 646
Total equity and liabilities		185 658	140 209

Summary of significant accounting policies

2

This is the Balance Sheet referred to in our report of even date

The above balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

SMRC Automotive Holdings Netherlands B.V.
Statement of changes in equity

(All amounts in EUR'000, unless otherwise stated)

A. Share application money pending allotment		Notes	Amount
As at April 01, 2017			-
As at March 31, 2018			-
Loss: Amount refunded to share holder of the company			-
As at March 31, 2019			-

B. Other equity	Notes	Reserves and Surplus	Items of OCI	Total attributable to Owners
		Retained Earnings	Cash flow hedging reserve	
Balance as at April 01, 2017		-	-	-
Profit for the year		-	-	-
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	-	-
Balance at March 31, 2018		-	-	-
Profit for the year		19 529	-	19 529
Other comprehensive income		-	-	-
Total comprehensive income for the year		19 529	-	19 529
Balance at March 31, 2019		19 529	-	19 529

Summary of significant accounting policies

2

This is the statement of changes in equity referred to in our report of even date

The above statement of changes in equity should be

read in conjunction with the accompanying notes

For and on behalf of the Board

SMRC Automotive Holdings Netherlands B.V.
Consolidated Cash Flow Statement

(All amounts in EUR'000, unless otherwise stated)

	For the year ended March 31, 2019 (8 months)	For the year ended July 31, 2018
A. Cash flow from operating activities:		
Profit before tax	19 123	-
Adjustments for:		
Depreciation and amortisation expense	6 582	-
Finance cost	(72)	-
Provision for warranty	-	-
Provision for doubtful debt / advances	-	-
Income on reversal of provision	-	-
Unrealised foreign currency loss/(gain)	527	-
Operating profit before working capital changes	26 160	-
Changes in working capital:		
Increase/(decrease) in trade and other payables	2 931	-
Increase/(decrease) in other financial liabilities	15 181	-
(Increase)/decrease in trade receivables	(4 377)	-
(Increase)/decrease in inventories	592	-
(Increase)/decrease in other receivables	87	-
(Increase)/decrease in other financial assets	557	-
Cash generated from operations	41 131	-
Taxes (paid) / received	(209)	-
Net cash generated from operating activities	40 922	-
B. Cash flow from investing activities:		
Payments for purchase of property, plant & equipment (including capital work-in-progress)	(407)	-
Net cash (used) in investing activities	(407)	-
C. Cash flow from financing activities:		
Interest paid	-	-
Repayment of short term borrowings	-	-
Return of share application money	(55 861)	-
Net cash (used) in financing activities	(55 861)	-

SMRC Automotive Holdings Netherlands B.V.
Consolidated Cash Flow Statement

(All amounts in EUR'000, unless otherwise stated)

	For the year ended March 31, 2019 (8 months)	For the year ended July 31, 2018
Net Increase/(Decrease) in Cash & Cash Equivalents	(15 346)	-
Net Cash and Cash equivalents at the beginning of the year	16 896	-
Cash and cash equivalents acquired consequent to acquisition of SMRC (Refer Note 50)	-	-
Cash and cash equivalents as at year end	1 550	-
Cash and cash equivalents comprise		
Cash on hand	1 550	16 896
Cheques / drafts on hand		
Balance with Banks	-	-
Cash and cash equivalents as per Balance Sheet (restated)	1 550	16 896
Net foreign exchange difference on balance with banks in foreign currency		
Total	1 550	16 896
Summary of significant accounting policies (Note 2)		

i) The above Cash flow statement has been prepared under the "Indirect Method"

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board

1 Corporate information

Holding company for SMRC entities (other than South America) shares (majority holding)

Pivot company for SMRC Group transfer pricing policy (administrative costs / engineering & development costs)

Houses most of Group-wide IT contracts

2 Significant accounting policies

(a) Basic of preparation



Compliance with IFRS

The financial statements of the Company have been prepared for the financial year beginning August 01, 2018 and ended on March 31, 2019.

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) in force at March 31, 2019 as adopted by the European Union.

The financial statements have been prepared on a historical cost basis unless otherwise indicated.

The financial statements are presented in Euro and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

(b) Accounting policies for the financial statements

The general accounting policies of the financial statements are described in this section. Detailed accounting policies and descriptions of decisions based on management's judgement and management's use of estimates are presented later at each item of the financial statements.

(i)



Date: 28 May 2019

To the Management Board of:

SMRC Automotive Holdings B.V.

Atrium Building, 8th floor
Strawinskyiaan 3127
1077 ZX Amsterdam
The Netherlands

SMRC Automotive Holdings Netherlands B.V.

Atrium Building, 8th floor
Strawinskyiaan 3127
1077 ZX Amsterdam
The Netherlands

SMRC Automotive South America B.V.

Atrium Building, 8th floor
Strawinskyiaan 3127
1077 ZX Amsterdam
The Netherlands

SMRC Automotive Modules South America Minority Holdings B.V.

Atrium Building, 8th floor
Strawinskyiaan 3127
1077 ZX Amsterdam
The Netherlands

SMRC Automotive Techno Minority Holdings B.V.

Atrium Building, 8th floor
Strawinskyiaan 3127
1077 ZX Amsterdam
The Netherlands

Vistra B.V.
Atrium Building, 8th floor
Strawinskyiaan 3127, 1077 ZX
Amsterdam, The Netherlands

Tel: +31 88 560 9950
Fax: +31 88 560 9960
Email: amsterdam@vistra.com
www.vistra.com

Trade register number 30091120



RE: Audit of accounts for the period ended March 31, 2019

Dear Sirs,

As you are aware, **SMRC Automotive Holdings B.V., SMRC Automotive Holdings Netherlands B.V., SMRC Automotive South America B.V.; SMRC Automotive Modules South America Minority Holdings B.V. and SMRC Automotive Techno Minority Holdings B.V.** (together also referred to as the "**Companies**" and each a "**Company**") entered into a services agreement with **Vistra B.V. (Vistra)** as of August 2, 2018 (the "**Services Agreement**").

In accordance with the Services Agreement and applicable general terms and conditions Vistra provides or makes available to the Companies, among other services, accounting services. In this respect, Vistra prepared the companies' accounts for the financial year ending as of March 31, 2019. These have been drawn up by Vistra in accordance with the Dutch Accounting Standards to the best of its knowledge and abilities on the basis of the information provided to us by the companies or its affiliates.

Yours sincerely,

On behalf of Vistra B.V.

A blue ink signature consisting of a large, stylized 'S' and 'A' intertwined, written over a horizontal line.

D.M.A. Spreeuwers
Proxy Holder A

A blue ink signature consisting of a stylized 'L' and 'A' intertwined, written over a horizontal line.

L.A. Hammink
Proxy Holder B

SMRC Automotive Holdings Netherlands B.V.
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

5 Investment property		March 31, 2019	July 31, 2018	
Opening gross carrying amount		-	-	
Add: Transfers / Additions during the year		-	-	
Less: (Deletions) during the year		-	-	
Gross Block		-	-	
Accumulated depreciation:				
Opening balance		-	-	
Add: Depreciation for the year		-	-	
Less: Deletions during the year		-	-	
Closing accumulated depreciation		-	-	
Net Investment Properties		-	-	
6 Investments		March 31, 2019	July 31, 2018	
(a) Non-current investments				
Investment in subsidiaries:				
SMRC - China		141	141	
SMRC - Germany		190	190	
SMRC - Central France		20 219	20 219	
SMRC - Croatia		42	42	
SMRC - Indonesia		1 564	1 546	
SMRC - Pune		13 676	13 676	
SMRC - Japan		801	0	
SMRC - Korea		11 958	11 958	
SMRC - Morocco		0	0	
SMRC Automotives Techno Minority Holdings B.V.		13 573	13 573	
SMRC Automotive Holding South America B.V.		5 081	5 081	
SMRC Automotive Modules South America Minority Holdings B.V.		378	378	
SMRC - Philippines		885	885	
SMRC - Poland		1 238	1 238	
SMRC - Russia		4 916	4 916	
SMRC - Slovakia		8 786	8 786	
SMRC - Holding Spain		6 825	6 825	
SMRC - Thailand		9 152	9 152	
		<u>99 427</u>	<u>98 608</u>	
(b) Current investments (provide details if applicable)				
		-	-	
7 Loans		March 31, 2019	July 31, 2018	
(a) Non-current investments				
Unsecured, considered good				
Loans to related parties		4945	7299	
Loans to employees		-	-	
		<u>4 945</u>	<u>7 299</u>	
(b) Current investments				
Unsecured, considered good				
Loans to related parties		57	71	
Loans to employees		57	71	
		<u>57</u>	<u>71</u>	
8 Deferred tax				
(a) Deferred tax assets (net)		Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2018				
Unabsorbed depreciation and Tax losses		-	(234)	(234)
Property, plant and equipments		-	-	-
Provision for Doubtful debts/Advances/Inventory		-	-	-
Others		-	100	100
		-	(134)	(134)
Year ended March 31, 2019				
Unabsorbed depreciation and Tax losses		(234)	234	-
Property, plant and equipments		-	-	-
Provision for Doubtful debts/Advances/Inventory		-	-	-
Others		100	(100)	-
		(134)	134	-
(b) Deferred tax liabilities (net)		Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2018				
Others		-	-	1 046
		-	-	<u>1 046</u>
Year ended March 31, 2019				
Others		1 046	14 190	15 236
		<u>1 046</u>	<u>14 190</u>	<u>15 236</u>

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

SMRC Automotive Holdings Netherlands B.V.
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

	March 31, 2019	July 31, 2018
9 Inventories		
Raw materials	-	-
Work-in-progress	-	-
Finished goods	-	-
	-	-
Inventory include inventory in transit of:		
Raw materials	-	0
10 Trade Receivable		
	March 31, 2019	July 31, 2018
(a) Non-current:		
Unsecured, considered good	16 410	-
Trade receivables from related parties	-	-
Doubt full	-	-
	16 410	-
Less: Allowances for credit loss	-	-
	16 410	-
(b) Current:		
Unsecured, considered good	1 265	-
Trade receivables from related parties	12 121	13 780
Doubt full	-	-
	13 386	13 780
Less: Allowances for credit loss	-	-
	13 386	13 780
11 Cash and cash equivalents		
	March 31, 2019	July 31, 2018
Balances with banks:		
- in current accounts	-	-
Cash on hand	1 550	16 896
	1 550	16 896
12 Other financial assets		
	March 31, 2019	July 31, 2018
(a) Non-current:		
Security deposits, unsecured considered good	-	-
Other advances receivable in cash and cash equivalent	-	-
Derivatives designated as hedge	-	-
	-	-
(b) Current:		
Security deposits, unsecured considered good	-	-
Other advances receivable in cash and cash equivalent	942	-
Derivatives designated as hedge	-	-
	942	-
13 Other current Assets		
	March 31, 2019	July 31, 2018
Advances recoverable	13 927	-
Prepaid expenses	2 004	2 204
	15 931	2 204
14 Share Capital		
	March 31, 2019	July 31, 2018
Authorised:		
Number of equity share capital and face value		
Issued, subscribed and paid up:		
Number of equity share capital and face value for each category of share capital	3	3
	3	3

SMRC Automotive Holdings Netherlands B.V.
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

15 Reserves and surplus		March 31, 2019	July 31, 2018
(a) Retained earnings			
Opening balance		6 847	6 847
Additions during the year		59 625	
Closing balance		66 472	6 847
(b) General reserve			
Opening balance			
Additions during the year			
Closing balance		-	-
(c) Capital reserve			
Opening balance			
Additions during the year			
Closing balance		-	-
Total reserve and surplus		66 472	6 847

Provide brief of each reserve

16 Other reserves		March 31, 2019	July 31, 2018
(a) Cash flow hedging reserve			
Opening balance		-	-
Additions during the year		-	-
Closing balance		-	-

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast payments. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss

17 Borrowings		March 31, 2019	July 31, 2018
(a) Non-current			
		-	-
(b) Current			
Secured repayable on demand from banks ¹		25 000	10 044,000
		25 000	10 044

¹Secured by charge on the inventory and receivables of the Company

18 Trade Payables		March 31, 2019	July 31, 2018
Total outstanding dues of creditors other than related parties		2 787	1 061
Trade payable to related parties (Refer note 40)		4 418	5 111
		7 205	6 172

19 Other current financial liabilities		March 31, 2019	July 31, 2018
(a) Non-current			
Security deposits			
Other liabilities payable in cash and cash equivalent			
		-	-
(b) Current			
Interest accrued but not due on borrowings		16	-
Employee benefits payable		-	-
Accrued expenses		-	-
Total		16	-

## Provisions		March 31, 2019	July 31, 2018
(a) Non-current			
For Warranties			
For Litigations / disputes			
		-	-
(b) Current			
For warranties			
Total		-	-

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

SMRC Automotive Holdings Netherlands B.V.
 NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

## Employee benefit obligations		March 31, 2019	July 31, 2018
(a) Non-current			
Pension		-	-
Compensated absences		-	-
(b) Current			
Pension		-	-
Compensated absences		-	-
	Total	-	-
## Other liabilities		March 31, 2019	July 31, 2018
(a) Other non-current liabilities			
Statutory dues payable		4 459,00	1 508,000
Other payables		4 459	1 508
(b) Other current liabilities			
Other current liabilities			
Statutory dues payable & other payables		9 414	1 218
- Other payables			
		9 414	1 218

Bracket denotes appropriations / deductions.

SMRC Automotive Holdings Netherlands B.V.
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

23	Revenue from contract with customers	For the year ended	
		March 31, 2019	July 31, 2018
	Sales of products	(783)	-
	Sales of services	-	-
	Total revenue from contract with customers (Refer Note 45)	(783)	-
IFRS 15 Revenue from contracts with customers			
Effective April 1, 2018, the Company has adopted IFRS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant.			
24	Other operating revenue:		
	Scrap sales	-	-
	Miscellaneous income	36 220	-
		36 220	-
	Total revenue from operation	35 437	-
25	Other income		
	Foreign exchange gain (net)	527	-
	Provision for Doubtful Debts written back	-	-
	Total	527	-
26	Cost of materials consumed		
	Opening stock of raw materials	-	-
	Add : Purchases of raw materials	-	-
	Less: Closing stock of raw materials	-	-
	Total	-	-

SMRC Automotive Holdings Netherlands B.V.
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR'000, unless otherwise stated)

	For the year ended	
	March 31, 2019	July 31, 2018
27 Changes in inventory of finished goods, work in progress and stock in trade		
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	-	-
Work-in-progress	-	-
Total A	-	-
Stock at the end of the year:		
Finished goods	(592)	-
Work-in-progress	-	-
Total C	(592)	-
(Increase)/ decrease in stocks (A+B-C+D)	592	-
28 Employee benefit expense		
Salary, wages & bonus	-	-
Contribution to employee welfare funds, payroll tax and other taxes	-	-
Staff welfare expenses	-	-
Others	-	-
Total	-	-
29 Finance costs		
Interest on borrowings	163	-
Others	(235)	-
Total	(72)	-
30 Other expenses		
Electricity, water and fuel	-	-
Repairs and Maintenance:		
Machinery	-	-
Building	-	-
Others	2 734	-
Consumption of stores and spare parts	-	-
Rent	-	-
Rates & taxes	-	-
Insurance	949	-
Donation	-	-
Travelling	110	-
Freight & forwarding	-	-
Provision for doubtful debts/advances	-	-
Auditors fees and expenses	440	-
Legal & professional expenses	(167)	-
Computer expenses and software charges	4 268	-
Fees and subscriptions	-	-
Business promotion expenses	-	-
Communication expenses	-	-
Miscellaneous expenses	1 405	-
Total	9 739	-
31 Income tax		
Current tax	557	-
Deferred tax charged / (reversed)	(963)	-
	(406)	-