

**MSSL Mideast (FZE)**  
**Financial statements**  
**For the Year Ended 31 March 2025**

**MSSL Mideast (FZE)**

**Financial statements  
For the year ended 31 March 2025**

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**مؤسسة النداء لتدقيق الحسابات**  
**AL NEDAA AUDITING ACCOUNTANTS**  
**محاسبون قانونيون ومدققو حسابات**

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**Independent auditors' report**  
**To the shareholders of MSSL Mideast (FZE)**

**Report on the Financial Statements**

We have audited the accompanying financial statements of MSSL Mideast (FZE) ("the Company") which comprise the balance sheet as of 31 March 2025 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**AL NEDAA AUDITING ACCOUNTANTS**

Samir Zaki Amin Ahmed Zaki Amin

Registration No: 440

Place: Sharjah

Date: July 17, 2025



**MSSL Mideast (FZE)**  
**Balance sheet at 31 March 2025**

	Notes	March 31, 2025, Euros	March 31, 2024, Euros
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	998,850	1,140,560
Right-of-use Assets (Recog. under IFRS 16)	5	34,698	50,229
Investments	6	36,310,296	32,205,526
Trade & Other Receivables	8	74,590,794	-
		<u>111,934,638</u>	<u>33,396,315</u>
<b>Current assets</b>			
Inventories	7	18,119,632	15,669,211
Trade & Other Receivables	8	339,733,955	278,869,441
Cash and cash equivalents	9	4,575,239	9,498,017
		<u>362,428,826</u>	<u>304,036,669</u>
<b>Total assets</b>		<u><b>474,363,464</b></u>	<u><b>337,432,984</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	11	94,216,875	94,216,875
General reserve	12	4,683,738	2,356,050
Other Reserves & Surplus		154,365,965	133,416,770
		<u>253,266,578</u>	<u>229,989,695</u>
<b>Non-current liabilities</b>			
Retirement benefit obligations	13	442,391	396,385
Lease Liabilities	15	22,098	41,948
		<u>464,489</u>	<u>438,333</u>
Borrowings	14	205,937,450	96,878,150
Trade and other payables	16	14,675,196	10,109,128
Lease Liabilities	15	19,751	17,678
		<u>220,632,397</u>	<u>107,004,956</u>
<b>Total equity and liabilities</b>		<u><b>474,363,464</b></u>	<u><b>337,432,984</b></u>

These financial statements were approved on July 17, 2025, and were signed by:

Place: Sharjah

For and on behalf of the Board

  
Atul Kumar Agarwal  
(Director)



Notes on pages 7 to 21 are an integral part of these financial statements

## MSSL Mideast (FZE)

### Statement of income for the Year ended 31 March 2025

Continuing Operations	Notes	Year ended March 31, 2025 Euros	Year ended March 31, 2024 Euros
Sales		41,798,417	54,268,588
Cost of Sales	17	(33,345,760)	(41,148,409)
Gross profit		8,452,657	13,120,179
Selling and distribution costs	18	(4,443,193)	(5,382,024)
General and administration expenses	19	(395,537)	(1,178,378)
Other income	20	5,689,802	797,326
Operating profit		9,303,729	7,357,103
Loss on sale of investment		-	(7,860,000)
Finance Income	22	20,106,772	7,063,368
Finance Costs	22	(6,133,618)	(2,676,302)
Finance Income- (Net)		13,973,154	4,387,066
Profit for the year		23,276,883	3,884,169

These financial statements were approved on July 17, 2025, and were signed by:

For and on behalf of the Board



Atul Kumar Agarwal  
(Director)

Place: Sharjah



Notes on pages 7 to 21 are an integral part of these financial statements

## MSSL Mideast (FZE)

### Statement of changes in equity for the year ended 31 March 2025

	Share Capital Euros	General Reserve Euros	Security Premium Euro	Retained Earnings Euros	Total Euros
At 1 April 2023	94,216,875	1,967,633	130,000,000	14,921,018	241,105,526
Profit/(Loss) for the period	-	-	-	3,884,169	3,884,169
Amount transferred to General Reserve	-	388,417	-	(388,417)	-
Dividend	-	-	-	(15,000,000)	(15,000,000)
<b>At 31 March 2024</b>	<b>94,216,875</b>	<b>2,356,050</b>	<b>130,000,000</b>	<b>34,16,770</b>	<b>229,989,695</b>
At 1 April 2024	94,216,875	2,356,050	130,000,000	34,16,770	229,989,695
Profit/(Loss) for the period	-	-	-	23,276,883	23,276,883
Amount transferred to General Reserve	-	2,327,688	-	(2,327,688)	-
Dividend	-	-	-	-	-
<b>At 31 March 2025</b>	<b>94,216,875</b>	<b>4,683,738</b>	<b>130,000,000</b>	<b>24,365,964</b>	<b>253,266,578</b>

Notes on pages 7 to 21 are an integral part of these financial statements



## MSSL Mideast (FZE)

### Statement of cash flows for the year ended 31 March 2025

	Notes	Year ended March 31, 2025 Euros	Year ended March 31, 2024 Euros
<b><u>Operating activities</u></b>			
Profit for the year		23,276,883	3,884,169
Adjustments for:			
Depreciation		417,667	4,32,453
Depreciation (Right-to-use assets IFRS 16)		15,531	14,604
Provision for employees' end of service		170,366	181,201
Dividend Income		(5,482,952)	(777,923)
Interest expense	22	6,133,618	2,637,161
Interest Income	22	(20,106,772)	(7,063,368)
Profit on sale of Assets		(206,850)	(19,403)
Loss on sale of Investment		-	7,860,000
Unrealised Foreign exchange Loss		(176,581)	87,470
Operating profit before working capital changes and payment of employees' end of service benefits		4,040,910	7,236,364
Payment of employees' end of service Benefits	13	(124,360)	(154,840)
<b><u>Changes in working Capital:</u></b>			
Inventories		(2,450,421)	3,503,382
Trade Receivable		2,618,990	435,895
Other receivables and prepayments		13,641,571	(16,989,432)
Due from related parties and parent		(1,210,176)	2,403,019
Trade and other payables		1,405,434	(2,024,997)
Due to related parties and parent		1,937,250	506,404
		<b>19,859,198</b>	<b>(5,084,205)</b>
<b><u>Investing activities</u></b>			
Purchase of property, plant and equipment		(413,407)	-
Proceeds from Sales of property, plant and equipment		344,300	19,404
Investment		(4,104,770)	17,100,000
Loan to Subsidiary/Other Related Parties		(174,667,039)	(19,594,478)
Dividend Income		5,482,952	777,923
Repayment of Loan from Subsidiary/Other Related Parties		21,370,409	18,300,000
Interest Received		23,074,290	1,502,200
Net cash generated from investing.		<b>(128,913,265)</b>	<b>18,105,049</b>



Notes on pages 20 to 21 are an integral part of these financial statements

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## MSSL Mideast (FZE)

### Statement of Cash flows for the year ended 31 March 2025 (continued)

<u>Financing activities</u>	Notes	Year ended March 31, 2025 Euros	Year ended March 31, 2024 Euros
Dividend paid		-	(15,000,000)
Interest Paid –Parent		-	-
Interest Paid – Subsidiary & related parties		(4,878,107)	(2,637,159)
Interest paid – Bank		(26,565)	-
Payment of lease liabilities		(23,339)	(15,687)
Proceeds/(Repayment) from short term borrowings -Bank		-	-
Proceeds/(Repayment) from short term borrowings-Parent		165,000,000	-
Proceeds/(Repayment) from short term borrowings -Subsidiary		(55,940,700)	10,027,690
Net cash provided by financing Activities		104,131,289	(7,625,156)
Net increase in cash and cash Equivalents		(4,922,778)	5,395,688
Cash and cash equivalents, beginning of the year		9,498,017	4,102,329
Cash and cash equivalents, end of the year	9	4,575,239	9,498,017
Cash at bank and Cash in hand		<b>4,575,239</b>	<b>9,498,017</b>

Notes on pages 7 to 21 are an integral part of these financial statements





## **MSSL Mideast (FZE)**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **1. General Information**

MSSL Mideast FZE ("the Company") was registered as a Free Zone Establishment (FZE) with limited liability in the Sharjah Airport International Free Zone (SAIF Zone) on 27 March 2002. The registered address of the company is P O Box 8510, Sharjah, UAE. Trade License No. is 01262.

The Company is engaged in the manufacture, processing assembly, trade and sale of wiring harness, components and tools. The Company is a wholly owned subsidiary of Samvardhana Motherson International Ltd. (formerly Motherson Sumi Systems Limited) ("the Holding Company"), which is incorporated in India.

The Company owns 100% of the issued share capital of:

a) MSSL GmbH, a company incorporated in Germany with Limited Liability & MSSL GmbH has following subsidiaries: -

- 1) MSSL Advanced Polymers S.R.O: MSSL GmbH holds 100% shareholding
- 2) Motherson Air Travel Agency GmbH (formerly known as Motherson Techno Precision GmbH) ( held by MSSL GmbH) holds 100% shareholding
- 3) MSSL Germany Real Estate B.V. & Co. KG (jointly held by MSSL GmbH and Samvardhana Motherson Automotive Systems Group B.V. ), holds 89% shareholding
- 4) SMP D Real Estates B.V. & Co. KG (Jointly held by SMP Deutschland GmbH and MSSL GmbH), holds 11% shareholding
- 5) SMP Automotive Ex Real Estate B.V. & Co. KG (Jointly held by SMP Deutschland GmbH and MSSL GmbH)), holds 11% shareholding

b) MSSL GB Limited (11.29% share capital owned by MSSL Mideast FZE), a company incorporated in U.K. as a private limited company

MSSL GB has following subsidiaries: -

- 1) MSSL Wirings Juarez, S.A. de C.V. (Mexico) MSSL GB holds 100% shareholding
- 2) Alphabet de Mexico, S.A. de C.V. (Mexico) MSSL GB holds 100% shareholding
- 3) Alphabet de Mexico de Monclova, S.A. de C.V. (Mexico) MSSL GB holds 100% shareholding
- 4) Alphabet de Saltillo, S.A. de C.V. (Mexico) MSSL GB holds 100% shareholding
- 5) Motherson Group Investment USA Inc: MSSL GB holds 100% Shareholding.

c) MSSL Tooling (FZE), a company incorporated in UAE as a Free Zone Establishment.

d) Motherson Wiring System (FZE)

e) Motherson Air Travel Pvt. Ltd.

f) Global Environment Management (FZE)

g) Samvardhana Motherson Global FZE

h) Motherson Strategic Mideast FZE

i) Yachiyo India Manufacturing Private Limited (India)- -MSSL Mideast FZE holds 100% - 6 shares shareholding.

**Notes to the financial statements for the year ended 31 March 2025(Continued)**



## **MSSL Mideast (FZE)**

### **2. Accounting policies**

These financial statements are the separate financial statements of MSSL Mideast (FZE) and have been prepared for filing with the regulatory authority by the parent company. The significant accounting policies adopted by the company in the preparation of these financial statements are as follows:

#### **2.1 Basis of preparation**

The financial statements of MSSL MIDEAST (FZE) have been prepared in accordance with and comply with International Financial Reporting Standards ('IFRS') and IFRIC interpretations. The financial statements have been prepared under the historical cost convention. The accompanying financial statements have been presented on the basis that the Company will continue as a going concern.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires the management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed under the relevant accounting policies.

#### **2.1 Investment in Subsidiaries**

Subsidiaries are those entities in which the entity has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries in these separate financial statements are initially recognised at cost (which includes transaction costs).

Where an indication of impairments exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the income

Details of the Company's subsidiaries are given in Note 6

#### **2.2 Foreign currency translation**

##### ***(i) Functional and presentation currency***

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The significant transactions of the Company are in Euros. Hence the Board of directors considers the Euro ("EUR") as their functional currency. The financial statements are presented in EUR, which is the Company's functional currency.

##### ***(ii) Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting

From the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

## **MSSL Midcast (FZE)**

### **2.3 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight line method at rates calculated to reduce the cost of assets to their estimated residual values over their expected useful lives as follows:

Building	10 years
Plant and machinery	4 -10 years
Furniture, fixtures and equipment	3 - 6 years
Motor vehicles	4 years

Repairs and renewals are charged to the income statement when the expenditure is incurred.

Assets in the course of construction are carried at cost as capital work-in-progress, and are transferred to building, property, plant and equipment completed or when commissioned as the case may be. No depreciation is charged on such assets until completed or commissioned.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

### **2.4 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average method. Cost of raw materials represents the landed cost including all attributable import expenses. Cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and an appropriate proportion of production Overheads. It excludes borrowing cost. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### **2.5 Trade and Other Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement within 'selling and distribution costs'.

### **2.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and current accounts with banks. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less on the date of purchase, to be cash equivalents.



## **MSSL Mideast (FZE)**

### **2.7 Financial Assets**

Loans and receivables are non- derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' in the balance sheet.

### **2.8 Share Capital**

Ordinary shares are classified as equity. Share capital is translated at the historical rate.

### **2.9 Trade Payables**

Trade Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **2.10 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### **2.11 Provision for Staff Benefits**

A provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the balance sheet date. Provision is made for the full amount of the end of service benefits due to employees in accordance with the UAE

Labour Law for their periods of service up to the balance sheet date. The provision relating to annual leave is disclosed as a current liability, while that relating to end of service benefits is disclosed as a non-current liability.

### **2.12 Revenue Recognition**

#### **(i) Sale of Goods**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services net of rebate and discounts. The sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

#### **(ii) Interest Income**

Interest Income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.



## **MSSL Mideast (FZE)**

### **3. Financial Risk Management**

#### **3.1 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks; market risk (including currency risk and price risk), and credit risk. The Company's overall risk management program focuses on unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

Risk management is carried out by Central treasury department under policies approved by the Board of directors.

#### **Market Risk**

The Company specializes into manufacturing of wiring harness. The Company's revenues are generated through sales in Europe and hence its revenue is dependent upon the growth in their businesses. The Company is part of Motherson Group which is increasing its global presence.

##### **(i) Currency Risk**

The Company operates internationally and is exposed to foreign exchange risk primarily with respect to Euro, United State Dollar, Indian Rupee, Sterling Pound and UAE Dirham. Currency risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. As a result, it is subject to foreign currency exchange risk arising from exchange rate movements which will affect the Company's translation of the results and underlying net assets of its foreign subsidiaries.

The Company has loans and advances denominated in Euro and USD to which it is exposed to foreign currency exchange risk. There were no hedging transactions in place as at 31 March, 2025.

During the year, the Company has not hedged the foreign currency exposure.

##### **(ii) Price Risk**

The Company's customers as well as the company face competition from low cost countries in view of recent trend of shifting of manufacturing base to such countries. The Company has manufacturing facilities in Sharjah and hence offers good solutions to the customers.

##### **(iii) Concentration of Revenue and Credit Risk**

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding trade and other receivables. For banks and financial institutions, the Company maintains banking relationships with only creditworthy banks which it reviews on an on-going basis. Consequently, the credit risk on the bank balances is not considered material.

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily invoiced in Euros.

The approximate fair value of fixed interest rate borrowing is in line with the borrowing rate for the group.

**Notes to the financial statements for the year ended 31 March 2025(Continued)**





## **MSSL Mideast (FZE)**

### **(iv) Liquidity risk**

The Company has a positive net working capital position as on 31 March 2025 and faces no liquidity risk.

### **(v) Other Risk**

The wiring harness business of the Company is highly dependent upon availability of skilled people and hence the Company has challenge to key engineering manpower. Since the Company is a subsidiary of Samvardhana Motherson International Limited, it can draw resources from the group companies for any urgent needs.

## **3.2 CAPITAL RISK MANAGEMENT**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any return capital to shareholders or issue new shares.

## **CORPORATE INCOME TAX**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate. A rate of 0% will apply to taxable income not exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance). In addition, there are several other decisions that are yet to be finalised by way of a Cabinet Decision that are significant in order for entities to determine their tax status and the taxable income. Therefore, pending such important decisions by the Cabinet as at 31 March 2023, the Establishment has considered that the Law is not substantively enacted from IAS 12 – Income Taxes perspective as at 31 March 2023. The Establishment shall continue to monitor the timing of the issuance of these critical cabinet decisions to determine their tax status and the application of IAS 12 – Income Taxes.

The Establishment is currently in the process of assessing the possible impact on financial statements, both from current and deferred tax perspective, once the critical cabinet decisions are issued.



## MSSL Mideast (FZE)

### 4. Property, plant and equipment

	Building	Plant and Machinery	Furniture, Fixtures and equipment	Vehicles	Total
	Euro	Euro	Euro	Euro	Euro
Year ended March 31, 2024					
Opening net book amount	2,586	515,667	182,374	537,720	1,238,347
Additions		197,322	64,931	72,413	334,666
Disposals		-	-	-	-
Dep. on disposal of Asset		-	-	-	-
Sale/Adjustment (Net of Acc. Dep.)		-	-	-	-
Depreciation charge	(456)	(157,658)	(72,262)	(202,077)	(432,453)
Closing net book amount	2,130	555,331	175,043	408,056	1,140,560
At March 31, 2024					
Cost	1,125,204	3,367,660	606,165	1,024,590	6,123,619
Accumulated depreciation / Impairment	(1,123,074)	(2,812,329)	(431,122)	(616,534)	(4,983,059)
Net book amount	2,130	555,331	175,043	408,056	1,140,560
Year ended March 31, 2025					
Opening net book amount	2,130	555,331	175,043	408,056	1,140,560
Additions		301,867	96,344	15,196	413,407
Disposals		-	-	(137,450)	(137,450)
Dep. on disposal of Asset		-	-	-	-
Sale/Adjustments (Net of Acc. Dep.)		-	-	-	-
Depreciation charge	(475)	(201,979)	(27,655)	(187,558)	(417,667)
Closing net book amount	1,655	655,219	243,732	98,244	998,850
	Building	Plant and Machinery	Furniture, Fixtures and equipment	Vehicles	Total
	Euro	Euro	Euro	Euro	Euro
At March 31, 2025					
Cost	1,125,204	3,669,527	702,509	902,336	6,399,577
Accumulated depreciation / Impairment	(1,123,549)	(3,014,308)	(458,777)	(804,092)	(5,400,727)
Net book amount	1,655	655,219	243,732	98,244	998,850

## MSSL Mideast (FZE)

### 5. Right-to-use Assets (IFRS 16)

Land	Plant and Machinery	Total
	Euro	Euro
Amount as on 1 <sup>st</sup> April 2023	64,833	64,833
Additions	-	-
Sale/Adjustments (Net of Acc. Dep.)	-	-
Depreciation charge	(14,604)	(14,604)
Closing net book amount as on 31 <sup>st</sup> March 2024	<u>50,229</u>	<u>50,229</u>
Amount as on 1 <sup>st</sup> April 2024	50,229	50,229
Additions	-	-
Sale/Adjustments (Net of Acc. Dep.)	-	-
Depreciation charge	(15,531)	(15,531)
Closing net book amount as on 31 <sup>st</sup> March 2025	<u>34,698</u>	<u>34,698</u>

### 6. Investments

#### Investment in Subsidiaries (Unquoted at cost)

	As at 31-Mar-25	As at 31-Mar-24
	Euros	Euros
a) MSSL GB Ltd	32,138,922	32,138,922
25,627,500 shares of GBP 1 each (Previous year 25,627,500 shares of GBP 1 each)		
b) MSSL Tooling (FZE)	32,504	32,504
1,500 shares of AED 100 each (Previous year 1,500 Shares of AED 100 each)		
c) Motherson Wiring System (FZE)	32,100	32,100
1 share of AED 150,000 each (Previous year 1 share of AED 150,000 each)		
d) Motherson Air Travel Pvt. Ltd.	2,000	2,000
1 share of Euro 2,000 (Previous year 1 share of Euro 2,000)		
e) Samvardhana Motherson Global (FZE)	3,484,600	-
1 share of AED 150,000 each purchased at fair value of EUR 3,484,600 (Previous year nil share)		
f) Global Environment Management (FZE)	595,000	-
1 share of AED 150,000 each purchased at fair value of (Previous year nil share)		
g) Motherson Strategic System Mideast Ltd.	25,170	-
1,000 shares of AED 100 each (Previous year nil share)		
h) Yachiyo India Manufacturing Pvt. Ltd.		
1 share of INR 10/- each.	0	
	<u>36,310,296</u>	<u>32,205,526</u>

Notes to the financial statements for the year ended 31 March 2025(Continued)





**MSSL Mideast (FZE)****7. Inventories**

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
Raw materials	14,485,026	10,308,254
Work in progress	1,160,765	1,020,784
Finished goods	277,204	926,113
Goods in Transit	2,196,637	3,414,060
	<b>18,119,632</b>	<b>15,669,211</b>

**8. Trade & Other Receivables**

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
<b>Non-Current</b>		
Loan to Related Parties Non-Current (refer Note 10)	74,500,145	-
Other Receivable	90,649	-
	<b>74,590,794</b>	-

**Current**

Trade Receivables		
- From related parties (refer Note 10)	2,562,276	1,352,100
- Others	1,006,079	3,625,069
Loan to Related Parties Current (refer Note 10)	287,574,313	205,150,258
Loan to Subsidiaries (refer Note 10)	33,384,842	37,012,412
Interest Receivable -Related Parties (refer Note 10)	9,431,317	10,310,442
Interest Receivable -Subsidiaries (refer Note 10)	1,109,504	3,197,897
Prepayments	69,336	43,372
Other Receivables	4,596,288	18,177,891
	<b>339,733,955</b>	<b>278,869,441</b>

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**12. Cash and Cash equivalents.**

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
Cash in hand	46,656	18,257
Balance with Banks	4,528,583	9,479,760
	<b>4,575,239</b>	<b>9,498,017</b>

Notes to the financial statements for the year ended 31 March 2025(Continued)



## MSSL Mideast (FZE)

### 13. Related party transactions and balances

Related parties comprise the shareholders and their subsidiaries and associates. During the year, the company entered into the following significant transactions with related parties at agreed

(Amount in Euro)

Transactions	Parent		Subsidiary		Related Parties	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Sales	131,875	450,187	17,794	38,545	10,689,173	14,523,600
Interest Income	-	-	2,281,008	1,531,702	17,825,765	5,531,666
Income from sale of fixed assets	-	19,403	-	-	344,300	-
Dividend	-	-	5,482,952	-	-	777,923
Income	-	-	-	-	-	-
Purchase of goods & Material	843,533	714,981	312,576	6,577	6,073,303	5,351,355
Purchase of services & others	245,205	329,097	-	-	1,238,193	1,673,712
Interest Expenses	3,254,231	-	1,520,801	521,398	1,326,459	2,115,763
Loans received back	-	-	3,627,570	-	8,575,800	18,300,000
Loans Advanced	-	-	-	8,494,474	165,500,000	11,100,000
Loans taken	165,000,000	-	12,000,000	7,000,000	4,160,250	9,700,000
Loans repaid	-	-	10,300,950	-	61,800,000	6,700,000

Notes to the financial statements for the year ended 31 March 2025(Continued)



## MSSL Mideast (FZE)

	Parent		Subsidiary		Related Parties	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
<b>Balances</b>						
Loan Receivable Current			35,950,853	37,012,412	285,008,302	205,150,258
Loan Receivable Non-Current					74,500,145	
Interest Receivable			1,109,504	3,197,897	9,431,317	10,310,442
Trade Receivables	31,004	77,710	355,504	45,182	2,175,768	1,229,208
Loan Payables	165,000,000		28,077,200	26,378,150	12,860,250	70,500,000
Interest Payables	3,254,231		1,530,388	890,939	645,838	3,316,134
Trade Payable	166,907	168,398	40,753	580	2,803,596	1,442,378

### 14. Share capital

Share capital comprises 1 share of AED 150,000 (equivalent to Euro 46,875) and Share Capital comprises 94,170,000 shares of Euro 1 each.

### 15. General reserve

In accordance with the Memorandum and Articles of Association of the company, 10% of the profit for the period is to be transferred to a general reserve until such time as the balance in the reserve equals 50% of the equity share capital.

### 16. Retirement benefit obligations

	As at	As at
Provision for employees' end of service benefits	31-Mar-25	31-Mar-24
	Euros	Euros
At 1 April 2024	396,385	370,024
Charge for the year	170,366	181,201
Payments during the year	(124,360)	(154,840)
At the end of the year	<b>442,391</b>	<b>396,385</b>

### Notes to the financial statements for the year ended 31 March 2025(Continued)

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations as at 31 March 2025, in respect of employees' end of service benefits payable under the UAE Labour Law. The level of future salary increments is not expected to exceed the assumed discount rate of 6% per annum. The present value of the company's obligations as at 31 March 2025, based on these assumptions, is not materially different from the provision computed in accordance with the UAE Labour Law.

## MSSL Mideast (FZE)

### 17. Borrowings

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
Short term borrowings- Related parties (Refer Note 10)	12,860,250	70,500,000
Short term borrowings- Parent (Refer Note 10)	165,000,000	-
Short term borrowings – Subsidiaries (Refer Note 10)	28,077,200	26,378,150
	<b>205,937,450</b>	<b>96,878,150</b>

### 18. Lease Obligation

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
Finance Lease –Current (Recog. under IFRS 16)	19,751	17,678
Finance Lease – Non-Current (Recog. under IFRS 16)	22,098	41,948
	<b>41,849</b>	<b>59,626</b>

### 19. Trade and Other payables

	As at 31-Mar-25 Euros	As at 31-Mar-24 Euros
Trade payables		
-Related parties (Refer Note 10)	3,548,606	1,611,356
- Others	1,770,454	1,833,410
Accrued Expenses	3,700,413	2,325,174
Interest Payable to Related Parties (Refer Note 10)	645,838	3,316,134
Interest Payable to Parent (Refer Note 10)	3,254,231	-
Interest Payable to Subsidiaries (Refer Note 10)	1,530,388	890,939
Other liability	225,266	132,115
	<b>14,675,196</b>	<b>10,109,128</b>

Notes to the financial statements for the year ended 31 March 2025(Continued)



## MSSL Midcast (FZE)

### 17. Cost of Sales

	For the year ended 31-Mar-25 Euros	For the year ended 31-Mar-24 Euros
Raw materials consumed	22,656,545	29,642,705
Changes in work-in-progress and finished goods	1,441,070	1,543,347
Employee Benefit Expense (Refer Note 21)	6,694,879	7,113,866
Depreciation	169,827	172,717
Electricity and water	144,651	247,955
Rent	690,280	820,697
Tools and stores consumed	436,441	486,670
Legal and Professional cost	17,208	18,905
Repair and Maintenance	278,561	334,031
Travelling	93,402	212,032
Insurance	152,026	125,682
Other direct expenses	570,870	429,802
	<b>33,345,760</b>	<b>41,148,409</b>

### 18. Selling and distribution costs

	For the year ended 31-Mar-25 Euros	For the year ended 31-Mar-24 Euros
Employee Benefit Expense (Refer Note 21)	626,783	537,234
Freight and transportation	3,016,893	3,548,639
Professional services	755,623	1,226,017
Travelling	15,625	41,865
Others	28,269	28,269
	<b>4,443,193</b>	<b>5,382,024</b>



**MSSL Mideast (FZE)****Notes to the financial statements for the year ended 31 March 2025(Continued)****19. General and administration expenses**

	For the year ended 31-Mar-25	For the year ended 31-Mar-24
	Euros	Euros
Employee Benefit Expense (Refer Note 21)	10,500	9,952
Depreciation	263,371	274,335
Electricity & water	43,850	43,757
Repairs and maintenance	65,258	97,768
Insurance	28,165	22,179
Travelling & Conveyance	205	483
Legal & Professional expenses	125,000	801,013
Net foreign exchange transaction losses / (gain)	(175,654)	(106,880)
Other expenses	34,842	35,771
	<b>395,537</b>	<b>1,178,378</b>

**20. Other Income**

	For the year ended 31-Mar-25	For the year ended 31-Mar-24
	Euros	Euros
Dividend Income	5,482,952	777,923
Profit on sale of Assets	206,850	19,403
	<b>5,689,802</b>	<b>797,326</b>

**21. Employee Benefit Expense**

	For the year ended 31-Mar-25	For the year ended 31-Mar-24
	Euros	Euros
Salaries and wages	5,767,203	5,778,342
Retirement benefit obligations	170,366	181,201
Other staff benefits	240,505	240,050
Staff Welfare	1,143,588	1,461,458
	<b>7,321,662</b>	<b>7,661,051</b>

Number of employees at 31 March for the  
Company

**766****732****Notes to the financial statements for the year ended 31 March 2025(Continued)**

## MSSL Mideast (FZE)

### Notes to the financial statements for the year ended 31 March 2025(Continued)

#### 22. Finance Costs

	For the year ended 31-Mar-25 Euros	For the year ended 31-Mar-24 Euros
Borrowing Costs Related Parties (Refer Note 10)	6,101,491	2,637,161
Interest cost on Finance lease (IFRS 16)	5,562	7,446
Bank Charges	26,565	31,695
<b>Total Finance Costs</b>	<b>6,133,618</b>	<b>2,676,302</b>
Interest income on loan -Related parties	(20,106,772)	(7,063,368)
<b>Total Finance Income</b>	<b>(20,106,772)</b>	<b>(7,063,368)</b>
<b>Net Finance Costs</b>	<b>(13,973,154)</b>	<b>(4,387,066)</b>

#### 23. Fair value

The fair value of the company's financial assets and liabilities at 31 March 2025 approximated their net book amounts as reflected in these financial statements.

#### 24. Adoption of Accounts

The accounts were adopted by the Board of Directors in the meeting held on July 17, 2025.

