

# **Samvardhana Motherson Finance Services Cyprus Limited**

## **Report and financial statements 31 March 2026**

### **Contents**

	<b>Page</b>
<b>Board of Directors and other officers</b>	<b>1</b>
<b>Independent Auditor's Report</b>	<b>2 - 4</b>
<b>Statement of profit or loss and other comprehensive income</b>	<b>5</b>
<b>Statement of financial position</b>	<b>6</b>
<b>Statement of changes in equity</b>	<b>7</b>
<b>Statement of cash flows</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9 - 36</b>

# **Samvardhana Motherson Finance Services Cyprus Limited**

## **Board of Directors and other officers**

### **Board of Directors**

Stelios Panayides  
Xenia Koustai  
Vivek Chaand Sehgal  
Barbara Panayides  
Dhruv Mehra

### **Company Secretary**

**Calmco Secretarial Limited**  
21 Dimostheni Severi Avenue  
Anna Court, 5th floor  
CY-1080, Nicosia  
Cyprus

### **Registered office**

46 Kyriakou Matsi Avenue  
Flat/Office 101  
CY-1082 Nicosia  
Cyprus

Registration number: HE195660

## **Independent Auditor's Report**

### **To the Members of Samvardhana Motherson Finance Services Cyprus Limited**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of Samvardhana Motherson Finance Services Cyprus Limited (the "Company"), which are presented in pages 5 to 36 and comprise the statement of financial position as at 31 March 2026, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors 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, the Board of Directors 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 unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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.
- 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

**Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

**Angelos Theodorou**

Certified Public Accountant and Registered Auditor  
for and on behalf of

**FINCAP Advisers LTD**

Certified Public Accountants and Registered Auditors

Nicosia, 12 May 2026

# Samvardhana Motherson Finance Services Cyprus Limited

## Statement of comprehensive income for the year ended 31 March 2026

	Note	2026 US\$	2025 US\$
Administrative expenses	9	(106.516)	(99.202)
Other income	8	<u>(1.339.871)</u>	<u>2.003.370</u>
<b>Operating (loss)/profit</b>		<b>(1.446.387)</b>	<b>1.904.168</b>
Finance income	10	<u>152.424</u>	<u>47.503</u>
<b>(Loss)/profit before income tax</b>		<b>(1.293.963)</b>	<b>1.951.671</b>
Income tax expense	11	<u>(4.525)</u>	<u>-</u>
<b>(Loss)/profit for the year</b>		<b><u>(1.298.488)</u></b>	<b><u>1.951.671</u></b>
<b>Other comprehensive loss</b>			
Changes in the fair value of equity investments designated at fair value through other comprehensive income	15	<u>(304.248)</u>	<u>(330.732)</u>
<b>Other comprehensive loss</b>		<b><u>(304.248)</u></b>	<b><u>(330.732)</u></b>
<b>Total comprehensive income for the year</b>		<b><u>(1.602.736)</u></b>	<b><u>1.620.939</u></b>

The notes on pages 9 to 36 are an integral part of these financial statements.

# Samvardhana Motherson Finance Services Cyprus Limited

## Statement of financial position at 31 March 2026

	Note	2026 US\$	2025 US\$
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income	12(b)	2.753.944	3.058.192
Financial assets at fair value through profit or loss	12(c)	<u>358.850</u>	<u>1.351.567</u>
<b>Total non-current assets</b>		<b><u>3.112.794</u></b>	<b><u>4.409.759</u></b>
<b>Current assets</b>			
Prepayments		2.420	2.131
Financial assets at amortised cost	12(a)	-	3.062.052
Tax refundable		4.864	4.864
Cash and cash equivalents	13	<u>3.293.731</u>	<u>171.288</u>
<b>Total current assets</b>		<b><u>3.301.015</u></b>	<b><u>3.240.335</u></b>
<b>Total assets</b>		<b><u>6.413.809</u></b>	<b><u>7.650.094</u></b>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	14	46.168	46.168
Share premium	14	18.497.660	18.497.660
Other reserves	15	(246.054)	58.194
Accumulated loss		<u>(12.272.254)</u>	<u>(10.973.766)</u>
<b>Total equity</b>		<b><u>6.025.520</u></b>	<b><u>7.628.256</u></b>
<b>Non-current liabilities</b>			
Borrowings	16	<u>348.539</u>	-
<b>Total non-current liabilities</b>		<b><u>348.539</u></b>	<b>-</b>
<b>Current liabilities</b>			
Payables	17	39.308	21.396
Current income tax liabilities		<u>442</u>	<u>442</u>
<b>Total current liabilities</b>		<b><u>39.750</u></b>	<b><u>21.838</u></b>
<b>Total liabilities</b>		<b><u>388.289</u></b>	<b><u>21.838</u></b>
<b>Total equity and liabilities</b>		<b><u>6.413.809</u></b>	<b><u>7.650.094</u></b>

On 12 May 2026 the Board of Directors of Samvardhana Motherson Finance Services Cyprus Limited authorised these financial statements for issue.

  
Steios Panayides, Director

  
Xenia Koustai, Director

The notes on pages 9 to 36 are an integral part of these financial statements.

# Samvardhana Motherson Finance Services Cyprus Limited

## Statement of changes in equity for the year ended 31 March 2026

	Share capital US\$	Share premium <sup>(1)</sup> US\$	Other reserves US\$	Accumulated loss US\$	Total US\$
<b>Balance at 1 April 2024</b>	<u>46.168</u>	<u>18.497.660</u>	<u>388.926</u>	<u>(12.925.437)</u>	<u>6.007.317</u>
<b>Comprehensive income</b>					
Profit for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.951.671</u>	<u>1.951.671</u>
<b>Other comprehensive loss</b>					
Financial assets at fair value through other comprehensive income:					
Fair value losses	<u>-</u>	<u>-</u>	<u>(330.732)</u>	<u>-</u>	<u>(330.732)</u>
Total other comprehensive loss	<u>-</u>	<u>-</u>	<u>(330.732)</u>	<u>-</u>	<u>(330.732)</u>
<b>Balance at 31 March 2025/1 April 2025</b>	<u>46.168</u>	<u>18.497.660</u>	<u>58.194</u>	<u>(10.973.766)</u>	<u>7.628.256</u>
<b>Comprehensive loss</b>					
Loss for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1.298.488)</u>	<u>(1.298.488)</u>
<b>Other comprehensive loss</b>					
Financial assets at fair value through other comprehensive income:					
Fair value losses	15 <u>-</u>	<u>-</u>	<u>(304.248)</u>	<u>-</u>	<u>(304.248)</u>
Total other comprehensive loss	<u>-</u>	<u>-</u>	<u>(304.248)</u>	<u>-</u>	<u>(304.248)</u>
<b>Balance at 31 March 2026</b>	<u>46.168</u>	<u>18.497.660</u>	<u>(246.054)</u>	<u>(12.272.254)</u>	<u>6.025.520</u>

(1) Share premium is not available for distribution.

The notes on pages 9 to 36 are an integral part of these financial statements.

# Samvardhana Motherson Finance Services Cyprus Limited

## Statement of cash flows for the year ended 31 March 2026

	Note	2026 US\$	2025 US\$
<b>Cash flows from operating activities</b>			
(Loss)/profit before income tax		<b>(1.293.963)</b>	1.951.670
Adjustments for:			
Fair value loss/(gain) on financial assets at fair value through profit or loss	8	<b>1.339.871</b>	(49.988)
Gain on disposal of financial assets at fair value through profit or loss	8	-	(1.953.382)
Interest income	10	<b>(155.363)</b>	(62.052)
Interest expense	10	<b>1.385</b>	13.077
		<b>(108.070)</b>	(100.675)
Changes in working capital:			
Increase/(Decrease) in payables		<b>17.912</b>	(2.070)
(Increase)/Decrease in prepayments		<b>(289)</b>	117
<b>Cash used in operations</b>		<b>(90.447)</b>	(102.628)
Income tax paid		<b>(4.525)</b>	-
<b>Net cash used in operating activities</b>		<b>(94.972)</b>	(102.628)
<b>Cash flows from investing activities</b>			
Proceeds from disposal of financial assets at fair value through profit or loss		-	3.476.177
Loan granted to related party		-	(3.000.000)
Loan repaid from related party		<b>3.217.415</b>	-
<b>Net cash from investing activities</b>		<b>3.217.415</b>	476.177
<b>Cash flows from financing activities</b>			
Proceeds of borrowings from related parties	20(ii)	-	250.000
Repayments of borrowings from related parties	20(ii)	-	(554.941)
<b>Net cash used in financing activities</b>		-	(304.941)
<b>Net increase in cash and cash equivalents</b>		<b>3.122.443</b>	68.608
<b>Cash and cash equivalents at beginning of year</b>		<b>171.288</b>	102.680
<b>Cash and cash equivalents at end of year</b>	13	<b>3.293.731</b>	171.288

### Non cash transactions

The non-cash transactions for the year are disclosed in Note 13.

The notes on pages 9 to 36 are an integral part of these financial statements.

# Samvardhana Motherson Finance Services Cyprus Limited

## Notes to the financial statements

### 1 General information

#### Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 46 Kyriakou Matsi Avenue, Flat/Office 101, CY-1082 Nicosia, Cyprus.

#### Principal activities

The principal activity of the Company is the holding of investments and the provision of financing services.

#### Operating environment of the Company

##### War between Russia and Ukraine

In response to the military operation of Russia in Ukraine, a number of sanctions have been imposed on Russian entities to restrict them from having access to foreign financial markets, including removing access of several Russian banks to the international SWIFT system.

The EU, UK and US (amongst others) have also imposed sanctions against the Russian central bank, restricting the access of the Russian state to foreign currency reserves, and introduced further asset freezes against designated individuals/entities and sectoral sanctions.

The situation is still evolving and further sanctions and limitations on business activity of companies operating in the region, as well as consequences on the Russian economy in general, may arise but the full nature and possible effects of these are unknown.

Nonetheless, the Company is not significantly impacted from the conflict, as its operations are not affected by the situation however it will continue monitoring the situation and take action if required.

##### Israel - Gaza conflict

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

On 28 February 2026, the geopolitical situation in the Middle East escalated due to the armed conflict. The situation has created heightened uncertainty in international relations and financial markets, with potential implications for global trade, energy supply, and overall economic stability.

# Samvardhana Motherson Finance Services Cyprus Limited

## 1 General information (continued)

### Operating environment of the Company (continued)

Although the conflict is taking place outside Cyprus, it may have indirect effects on the Cypriot economy, given its openness and reliance on international trade, tourism, shipping, and financial services. Potential consequences include volatility in energy and commodity prices, disruptions in global supply chains, fluctuations in foreign exchange and capital markets, and heightened uncertainty in sectors such as tourism and transport. The extent and duration of these effects remain uncertain and cannot be reliably estimated at this stage.

The Company's management has assessed:

1) The impact on the expected credit losses of the Company's financial instruments that are subject to impairment under IFRS 9. IFRS 9 requires forward-looking information (including macro-economic information) to be considered both when assessing whether there has been a significant increase in credit risk and when measuring expected credit losses. As with any economic forecast, the projections and likelihoods of their occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different from those projected. Refer to Note 6 for more information on impairment of financial assets.

2) The ability of the Company to continue as a going concern. Based on the performance and results of the Company and the nature of its operations, no factors have been identified that indicate the existence of material uncertainty on the ability of the Company to continue as a going concern.

The future effects of the conflicts in the region and the general economic conditions and of the above events and measures on the Cyprus economy, and consequently on the future financial performance, cash flows and financial position of the Company, are difficult to predict and management's current expectations and estimates could differ from actual results. The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current economic environment.

## 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards, as adopted by the European Union (EU), and the requirements of the Cyprus Companies Law, Cap. 113.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

# Samvardhana Motherson Finance Services Cyprus Limited

## 2 Basis of preparation (continued)

The material accounting policies applied in the preparation of these financial statements are set out below in Note 4.

The financial statements have been prepared under the historical cost convention, except from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which are measured at their fair value at each reporting year end.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

### Going concern

In assessing the Company's status as a going concern the Directors considered the current financial position of the Company as well as the events disclosed in Note 1. The Company incurred a loss of €1.298.488 for the year ended, however its total/current assets exceed its total/current liabilities and the Company has sufficient liquid assets to settle its obligations as they fall due. As a result, the financial statements have been prepared on a going concern basis.

## 3 Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and are effective for accounting periods beginning 1 April 2025. This adoption did not have a material effect on the accounting policies of the Company.

## 4 Material accounting policy information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented in the financial statements, unless otherwise stated.

Management seeks not to reduce the understandability of these financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

### Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in US dollars (US\$), which is the Company's functional and presentation currency.

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Foreign currency translation (continued)

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 profit or loss.

### Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company where there is an intention to settle the balances on a net basis.

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Current and deferred income tax (continued)

#### Uncertain tax positions

The Company's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period. Adjustments for uncertain income tax positions, other than interest and fines, are recorded within the income tax charge. Adjustments for uncertain income tax positions in respect of interest and fines are recorded within finance costs and other gains/(losses), net, respectively.

#### Financial assets

##### Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost (AC).

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVTPL), if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. This election is made on an investment-by-investment basis.

##### Financial assets - Recognition and derecognition

Financial assets are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Financial assets (continued)

#### Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the below measurement category:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in "other income". Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other losses" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the income statement. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents.

#### *Equity instruments*

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains in the income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Financial assets (continued)

#### Financial assets – impairment – credit loss allowance for expected credit losses

The Company assesses on a forward-looking basis the expected credit losses ("ECL") for debt instruments (including loans) measured at AC. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'net impairment losses on financial assets'. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments measured at AC are presented in the balance sheet net of the allowance for ECL.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial instrument assessed for impairment. Refer to Note 6, Credit risk section for a description of impairment methodology applied by the Company for calculating expected credit losses for financial assets that are subject to impairment under IFRS 9.

#### Financial assets - Reclassification

Financial assets are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

#### Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

#### Financial assets – modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (eg profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Financial assets (continued)

#### Financial assets – modification (continued)

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

#### Classification as cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

#### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. These are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

#### Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the income statement as "Finance income". Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit - impaired financial assets – Stage 3 the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Dividend income

Dividends are received from financial assets measured at fair value through other comprehensive income (FVOCI). Dividends are recognised as "Other income" in profit or loss when the right to receive payment is established.

### Financial liabilities – measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost.

### Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset. Borrowings are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment (for liquidity services) and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

### Payables

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

# Samvardhana Motherson Finance Services Cyprus Limited

## 4 Material accounting policy information (continued)

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### Transactions with equity owners

The Company enters into transactions with shareholders. When consistent with the nature of the transaction, the Company's accounting policy is to recognise any gains or losses with equity holders and other entities which are under the control of the ultimate shareholder, directly through equity and consider these transactions as the receipt of additional capital contributions or the payment of dividends.

### Share capital and share premium

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### Prepayments

Prepayments are carried at cost less provision for impairment.

# Samvardhana Motherson Finance Services Cyprus Limited

## 5 New accounting pronouncements

At the date of approval of these financial statements a number of new standards interpretations and amendments to existing standards are effective for annual periods beginning after 1 April 2025, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company.

## 6 Financial risk management

### (i) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The risk management policies employed by the Company to manage these risks are discussed below:

- **Market risk**

#### **Foreign exchange risk**

##### *Exposure*

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. At the end of the year the Company is exposed to foreign exchange risk in relation to its Euro-denominated payables.

##### *Sensitivity*

At 31 March 2026, if the Euro had weakened / strengthened by 10% (2025: 10%) against the US dollar with all other variables held constant, post-tax profit for the year would have been US\$2.506 (2025: US\$601) lower/higher, mainly as a result of foreign exchange losses/gains on translation of Euro-denominated payables.

Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

#### **Price risk**

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the balance sheet either as fair value through other comprehensive income or as financial assets at fair value through profit or loss. The Company has a relatively high concentration of price risk as it has invested in securities in a small number of unlisted entities. For additional information regarding the sensitivity analysis and fair value of the investments please refer to Note 7.

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

- **Market risk (continued)**

#### **Cash flow and fair value interest rate risk**

##### *Exposure*

The Company is exposed to cash flow interest rate risk in relation to its cash and cash equivalents which carry floating interest rates. Due to the nominal rates earned on the Company's bank balances the management assessed that any sensitivity analysis to demonstrate the impact of changes in interest rates on the Company's results would be insignificant.

The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

- **Credit risk**

Credit risk arises from cash and cash equivalents and outstanding receivables.

##### *(i) Risk management*

Credit risk is managed on a group basis.

For banks and financial institutions, only independently rated parties with a minimum rating of 'C' are accepted.

##### *(ii) Impairment of financial assets*

The Company has the following types of financial assets that are subject to the expected credit loss model:

- financial assets at amortised cost (loan to related party)
- cash and cash equivalents

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### • Credit risk (continued)

#### *(ii) Impairment of financial assets (continued)*

- For all financial assets that are subject to impairment under IFRS 9, the Company applies general approach – three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (“12 Months ECL”). If the Company identifies a significant increase in credit risk (“SICR”) since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL”). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Significant increase in credit risk.** The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s/counterparty’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### • Credit risk (continued)

##### (ii) Impairment of financial assets (continued)

- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the group and changes in the operating results of the borrower/counterparty.

**Default.** A default on a financial asset is when the counterparty fails to make contractual payments within a specified number of days of when they fall due.

**Write-off.** Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. Also the Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

#### Financial assets at amortised cost

The Company assesses, on an individual basis, its exposure to credit risk arising from financial assets at amortised cost. This assessment takes into account, amongst others, the period the loan receivable balance is past due (in days) and history of defaults in the past, adjusted for forward looking information. The Company uses three categories for loan to related party, which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

Category	Company definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Performing	Counterparties where credit risk is in line with original expectations	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### • Credit risk (continued)

Underperforming	Counterparties for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

The following tables contain an analysis of the credit risk exposure of each class of financial instruments.

#### Loan to related party

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 March 2026 and 31 March 2025:

Company internal credit rating	2026 US\$	2025 US\$
Performing	-	3,062,052
<b>Total loan to related party</b>	<b>-</b>	<b>3,062,052</b>

The Company does not hold any collateral as security for any loan to related party.

#### Cash and cash equivalents

The Company assesses, on an individual basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 March 2026 and 31 March 2025:

	Rating	2026 US\$	2025 US\$
Moody's	P-2	3,293,731	171,288
<b>Total cash and cash equivalents</b>		<b>3,293,731</b>	<b>171,288</b>

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### • Credit risk (continued)

The estimated loss allowance on cash and cash equivalents as at 31 March 2026 and 31 March 2025 was immaterial. All cash and cash equivalents were performing (Stage 1) as at 31 March 2026 and 31 March 2025.

#### • Liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year US\$	2 to 5 years US\$
<b>At 31 March 2025</b>		
Payables	21.397	-
	<u>21.397</u>	<u>-</u>
	Less than 1 year US\$	2 to 5 years US\$
<b>At 31 March 2026</b>		
Borrowings	-	348.539
Payables	39.308	-
	<u>39.308</u>	<u>-</u>
	<u>39.308</u>	<u>348.539</u>

### (ii) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company considers equity as shown on the face of the balance sheet as capital.

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (iii) Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables present the Company's assets that are measured at fair value.

	Level 3 US\$	Total US\$
<b>31 March 2026</b>		
<b>Assets</b>		
Financial assets at fair value through profit or loss	358.850	358.850
Financial assets at fair value through other comprehensive income:		
- Equity securities	<u>2.753.944</u>	<u>2.753.944</u>
<b>Total financial assets measured at fair value</b>	<u><b>3.112.794</b></u>	<u><b>3.112.794</b></u>
	Level 3 US\$	Total US\$
<b>31 March 2025</b>		
<b>Assets</b>		
Financial assets at fair value through profit or loss	1.351.567	1.351.567
Financial assets at fair value through other comprehensive income:		
- Equity securities	<u>3.058.192</u>	<u>3.058.192</u>
<b>Total financial assets measured at fair value</b>	<u><b>4.409.759</b></u>	<u><b>4.409.759</b></u>

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date and is included as Level 1. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, unlisted equity securities) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

There were no transfers between Levels 1 and 2 during the year.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

# Samvardhana Motherson Finance Services Cyprus Limited

## 6 Financial risk management (continued)

### (iii) Fair value estimation (continued)

The following table presents the changes in Level 3 investments for the year ended 31 March 2026:

	Equity securities US\$	Total Level 3 US\$
At 1 April 2025	4,409,759	4,409,759
Additions	347,154	347,154
Fair value loss recognised in other comprehensive income (Note 15)	(304,248)	(304,248)
Fair value gain recognised in profit or loss (Note 8)	<u>(1,339,871)</u>	<u>(1,339,871)</u>
<b>At 31 March 2026</b>	<b><u>3,112,794</u></b>	<b><u>3,112,794</u></b>

The following table presents the changes in Level 3 investments for the year ended 31 March 2025:

	Equity securities US\$	Total Level 3 US\$
At 1 April 2024	6,213,298	6,213,298
Disposals	(1,522,795)	(1,522,795)
Fair value loss recognised in other comprehensive income (Note 15)	(330,732)	(330,732)
Fair value gain recognised in profit or loss (Note 8)	<u>49,988</u>	<u>49,988</u>
<b>At 31 March 2025</b>	<b><u>4,409,759</u></b>	<b><u>4,409,759</u></b>

## 7 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### (i) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

# Samvardhana Motherson Finance Services Cyprus Limited

## 7 Critical accounting estimates and judgements (continued)

### (i) Critical accounting estimates and assumptions (continued)

- **Related party transactions**

In the normal course of business the Company enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analyses.

Terms and conditions of related party balances and transactions are disclosed in Note 20.

- **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the Note 6 Credit risk section.

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

- **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

The Company's financial assets at fair value through other comprehensive income represent equity shares in an unlisted entity, a streaming music service provider Saavn Global Holdings Ltd.

The Company's financial assets at fair value through profit and loss represent equity shares in three unlisted entities, a clothing rental services provider, CaaStle Inc. (formerly known as Gwynnie Bee Inc.), and an online education tutoring, Fullmind Inc. (formerly known as iTutor.com Inc.). The fair values of the above-mentioned investments are determined annually by independent professional valuer. Valuer holds relevant professional qualification and has recent experience in investments valuations. The valuer has determined the fair value the relevant financial instruments using various valuation methodologies, utilising information provided directly by the issuer.

# Samvardhana Motherson Finance Services Cyprus Limited

## 7 Critical accounting estimates and judgements (continued)

### (i) Critical accounting estimates and assumptions (continued)

- Fair value of financial instruments (continued)

During the prior year, the Company disposed its investment in League Apps Inc for a cash consideration (Note 12 (c)).

## 8 Other income

	2026 US\$	2025 US\$
Net fair value (loss)/gain on financial assets at fair value through profit or loss (Note 12(c))	(1.339.871)	49.988
Gain on disposal of financial assets at fair value through profit or loss (Note 12(c))	-	1.953.382
<b>Total other income</b>	<b><u>(1.339.871)</u></b>	<b><u>2.003.370</u></b>

## 9 Administrative expenses

	2026 US\$	2025 US\$
Auditors' remuneration- current year	10.512	9.734
Other expenses	199	161
Directors' fees (Note 20(i))	923	853
Secretarial fees	574	532
Bank signatory fees	688	638
Registered office fees	578	534
Accounting and administration	70.720	63.877
Bank charges	4.939	6.870
Printing and stationery fees	700	1.139
Legalisation of documents	626	199
Unrecoverable VAT	16.057	14.665
<b>Total administrative expenses</b>	<b><u>106.516</u></b>	<b><u>99.202</u></b>

## 10 Finance income

	2026 US\$	2025 US\$
Interest paid for financial liabilities not at fair value through profit or loss: Loans from related parties (Note 20(ii))	1.385	13.076
Net foreign exchange transaction losses	<u>1.554</u>	<u>1.473</u>
Interest income from loan to related entity (Note 20(iii))	<u>(155.363)</u>	<u>(62.052)</u>
<b>Net finance income</b>	<b><u>(152.424)</u></b>	<b><u>(47.503)</u></b>

# Samvardhana Motherson Finance Services Cyprus Limited

## 11 Income tax expense

	2026 US\$	2025 US\$
<b>Current tax:</b>		
Corporation tax	<u>4.525</u>	-
Income tax expense	<u>4.525</u>	-

The tax on the Company's (loss)/profit before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	2026 US\$	2025 US\$
(Loss)/profit before tax	<u>(1.293.963)</u>	<u>1.951.671</u>
Tax calculated at the applicable corporation tax rate of 12,5%	(161.745)	243.959
Tax effect of expenses and losses not deductible for tax purposes	177.717	10.166
Tax effect of allowances and income not subject to tax	-	(250.421)
Tax effect of tax losses for which no deferred tax asset was recognised	<u>(11.447)</u>	<u>(3.704)</u>
Income tax charge	<u>4.525</u>	-

The Company is subject to income tax on taxable profits at the rate of 12,5%, increased to 15% from 1 January 2026.

Brought forward losses of only five years may be utilised. From 1 January 2026, the timeframe for carry forward of tax losses has been extended to seven years.

As at 31 March 2026 the carry forward losses for income tax purposes amounted to €Nil (2025: €13.500).

Until 31 December 2025, under certain conditions, interest may be exempt from income tax and be subject only to special contribution for defence at the rate of 17%. From 1 January 2026, interest is subject to 15% income tax as part of the net profits.

In certain cases, dividends received from abroad may be subject to special contribution for defence at the rate of 17%, reduced to 5% from 1 January 2026. In addition, in certain cases, dividends received from other Cyprus tax resident companies may also be subject to special contributions for defence at the rate of 17%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

## 12 Financial assets

### (a) Financial assets at amortised cost

	2026 US\$	2025 US\$
<b>Current</b>		
Loan advanced to related party (Note 20(iii))	-	3.000.000
Interest charged (Note 20(iii))	-	<u>62.052</u>
Financial assets at amortised cost - net	<u>-</u>	<u>3.062.052</u>

# Samvardhana Motherson Finance Services Cyprus Limited

## 12 Financial assets (continued)

### (a) Financial assets at amortised cost (continued)

On 14 November 2024, the Company entered into a loan agreement with its related entity, MSSL Advanced Polymers s.r.o., for a principal amount of US\$3,000,000. The loan carried interest at 3-month Secured Overnight Financing Rate (SOFR) plus 1.37% per annum and was initially repayable by 13 February 2025. Subsequently, the Company entered into an amendment to the loan agreement, extending the repayment date to 30 September 2025 and revising the interest rate to 3-month SOFR plus 1.09% per annum, effective from 13 February 2025.

On 6 March 2026, the Company entered into an additional amendment to the loan agreement, further extending the repayment date to 30 September 2026 and revising the interest rate to 3-month SOFR plus 1.42% per annum, effective from 1 October 2025.

On 18 March 2026, the loan and accrued interest were fully repaid.

Due to the short-term nature of the current financial assets at amortised cost, their carrying amount is considered to be the same as their fair value.

The carrying amounts of the Company's financial assets at amortised cost are denominated in US Dollars.

Note 6 sets out information about the impairment of financial assets and the Company's exposure to credit risk.

### (b) Financial assets at fair value through other comprehensive income

Investments at FVOCI comprise the following:

	2026 US\$	2025 US\$
<u>Equity investments designated at FVOCI</u>		
At beginning of year	3,058,192	3,388,924
Fair value loss recognised in other comprehensive income (Note 15)	<u>(304,248)</u>	<u>(330,732)</u>
At end of year	<u>2,753,944</u>	<u>3,058,192</u>

#### (i) Disposal of equity investments

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

#### (ii) Amounts recognised in profit or loss and other comprehensive income

During the year, the following other income was recognised in profit or loss and other comprehensive income.

	2026 US\$	2025 US\$
Losses recognised in other comprehensive income (Note 15)	<u>(304,248)</u>	<u>(330,732)</u>

# Samvardhana Motherson Finance Services Cyprus Limited

## 12 Financial assets (continued)

### (b) Financial assets at fair value through other comprehensive income (continued)

#### (iii) Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair value and sensitivity of the assets to price and interest rate risk are provided in note 6 and information about the loss allowance recognised on debt investments at FVOCI is provided in note 6.

Financial assets at FVOCI are denominated in US Dollars.

The Company holds an equity investment in Saavn Global Holdings Limited, consisting of ordinary and preference shares, which is designated at fair value through other comprehensive income as it is held for strategic purposes.

For information regarding the fair value of these investments refer to Note 7.

### (c) Financial assets at fair value through profit or loss

Financial assets measured at FVTPL include the following:

	2026 US\$	2025 US\$
At beginning of year	1.351.567	2.824.374
Disposal	-	(1.522.795)
Additions	347.154	-
Fair value (loss)/gain (Note 8)	<u>(1.339.871)</u>	<u>49.988</u>
At end of year	<u>358.850</u>	<u>1.351.567</u>

#### (i) Amounts recognised in profit or loss

Changes in fair values of financial assets at fair value through profit or loss are recorded in 'other income' (Note 8) in profit or loss and are analysed as follows:

	2026 US\$	2025 US\$
Financial assets at fair value through profit or loss:		
Net fair value (loss)/gain	(1.339.871)	49.988
Gain on disposal	-	1.953.382
Net gain on financial assets at fair value through profit or loss	<u>(1.339.871)</u>	<u>2.003.370</u>

The Company holds investments in private entities, including CaaStle Inc. and Fullmind Inc. (Formerly known as iTutor.com Inc.) , primarily in the form of preference shares and convertible instruments. These investments were acquired in prior years through equity subscriptions and the conversion of convertible promissory notes in accordance with the terms of the relevant agreements. The instruments are not redeemable at the option of the holder and may be converted into ordinary shares upon the occurrence of specified events or at the option of the holder.

# Samvardhana Motherson Finance Services Cyprus Limited

## 12 Financial assets (continued)

### (c) Financial assets at fair value through profit or loss (continued)

During the prior year, the Company disposed of its entire investment in League Apps Inc. following a merger transaction, for total consideration of US\$3,476,177. The carrying value of the investment at the date of disposal was US\$1,522,795.

On 3 March 2026, the Company subscribed to Series A-2 Preferred shares in Fullmind Inc. for a total consideration of US\$347,154 (Notes 16 and 20(ii)).

During March 2026, it was reported that CaaStle Inc. founder, Christine Hunsicker, pleaded guilty to a securities fraud in connection with a scheme involving approximately USD 300 million in fraudulent conduct, as announced by the United States Attorney's Office for the Southern District of New York. As a consequence of the fraud and the resultant proceedings, management has assessed the recoverable amount of the investment and determined that the fair value of the shares has been reduced to USD nil. Since the investment was fully impaired at the prior year-end, no further impairment loss has been recorded in the current year.

In connection with the criminal plea agreement, the Company submitted a restitution claim to the United States Department of Justice in the amount of USD 250,000. As at the date of approval of these financial statements, the outcome and timing of any recovery remain uncertain. No receivable or contingent asset has been recognised in respect of this claim, as recovery is not considered virtually certain.

For information regarding the fair value of these investments refer to Note 7.

## 13 Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2026 US\$	2025 US\$
Cash at bank	<u>3,293,731</u>	<u>171,288</u>

Cash and cash equivalents are denominated in US Dollars.

## 14 Share capital and share premium

	Share capital US\$	Share premium US\$	Total US\$
At 1 April 2024 / 31 March 2025 / 31 March 2026	<u>46,168</u>	<u>18,497,660</u>	<u>18,543,828</u>

The Company's authorised ordinary share capital comprises of 1,600,000 shares of nominal value of US\$1 each.

The Company's issued share capital stands at 46,168 shares of nominal value of US\$1 each.

# Samvardhana Motherson Finance Services Cyprus Limited

## 15 Other reserves

	Financial assets at fair value through other comprehensive income US\$
<b>At 1 April 2024</b>	388.926
Financial assets at fair value through other comprehensive income	
Fair value loss (Note 12(b))	<u>(330.732)</u>
<b>At 31 March 2025/1 April 2025</b>	<u>58.194</u>
Financial assets at fair value through other comprehensive income	
Fair value loss (Note 12(b))	<u>(304.248)</u>
<b>At 31 March 2026</b>	<u>(246.054)</u>

The above amount relates to the fair value changes of financial assets at fair value through other comprehensive income.

## 16 Borrowings

	2026 US\$	2025 US\$
<b>Non-current</b>		
Borrowings from related entity (Note 20(ii))	<u>348.539</u>	-
<b>Total borrowings</b>	<u>348.539</u>	-
<b>Maturity of non-current borrowings</b>		
Between 2 and 5 years	<u>348.539</u>	-
	<u>348.539</u>	-

On 3 March 2026 the Company entered into a loan agreement with its related party MSSL MidEast (FZE) for a loan in the principal amount of US\$400.000. The loan carries interest of 5,13% per annum, is unsecured and repayable by 3 March 2029. An amount of U\$347.154 was advanced and remitted by MSSL MidEast (FZE) directly to Fullmind Inc., a private entity, on behalf of the Company for the subscription of 77.036 Series A-2 Preferred Shares in Fullmind Inc. (Notes 12(c) and 13). For the movement of the loan during the year refer to Note 20 (ii).

## 17 Payables

	2026 US\$	2025 US\$
Payables	28.798	11.662
Accrued expenses	<u>10.510</u>	<u>9.734</u>
Total financial payables within payables at amortised cost	<u>39.308</u>	<u>21.396</u>

# Samvardhana Motherson Finance Services Cyprus Limited

## 17 Payables (continued)

The carrying amounts of the Company's payables are denominated in the following currency:

	2026 US\$	2025 US\$
Euro	<u>39.309</u>	<u>21.397</u>

## 18 Contingent liabilities

The Company had no contingent liabilities as at 31 March 2026 and 31 March 2025.

## 19 Commitments

The Company had no capital or other commitments as at 31 March 2026 and 31 March 2025.

## 20 Related party transactions

As of the date of the issuance of these financial statements, the Company is controlled by Samvardhana Motherson International Limited ("SAMIL") incorporated in India, which owns 100% of the Company's shares. SAMIL is listed in the National Stock Exchange of India Limited and the BSE (formerly known as Bombay Stock Exchange Limited).

### (i) Directors fees (Note 9)

The total remuneration of the Directors was as follows:

	2026 US\$	2025 US\$
	<u>923</u>	<u>853</u>

### (ii) Borrowings from related entities (Note 16)

	2026 US\$	2025 US\$
At beginning of year	-	291.864
Borrowings advanced during year	347.154	250.000
Borrowings repaid during year	-	(510.000)
Interest charged (Note 10)	1.385	13.077
Interest paid	<u>-</u>	<u>(44.941)</u>
At end of year (Note 16)	<u>348.539</u>	<u>-</u>

On 20 April 2021 the Company entered into a loan agreement with Samvardhana Motherson Holding (M) Private Limited for a loan facility in the amount of US\$210.000. As of 1 April 2023, the loan carried interest at the rate of 1-year Secured Overnight Financing (SOFR) plus 2.92% per annum, and its maturity date was 20 April 2024. On 3 October 2024, the loan and accrued interest were fully repaid.

# Samvardhana Motherson Finance Services Cyprus Limited

## 20 Related party transactions (continued)

### (ii) Borrowings from related entities (Note 16) (continued)

On 21 January 2022 the Company entered into a loan agreement with Samvardhana Motherson Holding (M) Private Ltd for a loan facility in the amount of US\$50,000. As of 1 April 2023, the loan carried interest at the rate of 1-year Secured Overnight Financing (SOFR) plus 2.66% and its extended maturity date was 20 January 2026. On 23 October 2024, the loan and accrued interest were fully repaid.

On 20 September 2024 the Company entered into a loan agreement with MSSL MidEast (FZE) for a loan in the principal amount of US\$250,000. The loan carries a 1 year Secured Overnight Financing (SOFR) plus 1,50% per annum, is unsecured and repayable by 9 September 2025. On 5 November 2024, the loan and accrued interest were fully repaid.

On 3 March 2026 the Company entered into a loan agreement with its related party MSSL MidEast (FZE) for a loan in the principal amount of US\$400,000. The loan carries interest of 5,13% per annum, is unsecured and repayable by 3 March 2029. An amount of US\$347,154 was advanced and remitted by MSSL MidEast (FZE) directly to Fullmind Inc., a private entity, on behalf of the Company for the subscription of 77,036 Series A-2 Preferred Shares in Fullmind Inc. (Notes 12(c) and 16).

### (iii) Loan to related entity

	2026 US\$	2025 US\$
At beginning of year	3,062,052	-
Loan advanced during the year	-	3,000,000
Loan repaid during the year	(3,000,000)	-
Interest charged (Note 10)	155,363	62,052
Interest repaid	<u>(217,415)</u>	<u>-</u>
At end of year (Note 12(a))	<u>-</u>	<u>3,062,052</u>

On 14 November 2024, the Company entered into a loan agreement with its related entity, MSSL Advanced Polymers s.r.o., for a principal amount of US\$3,000,000. The loan carried interest at 3-month Secured Overnight Financing Rate (SOFR) plus 1.37% per annum and was initially repayable by 13 February 2025. Subsequently, the Company entered into an amendment to the loan agreement, extending the repayment date to 30 September 2025 and revising the interest rate to 3-month SOFR plus 1.09% per annum, effective from 13 February 2025.

On 6 March 2026, the Company entered into an amendment to the loan agreement, extending the repayment date to 30 September 2026 and revising the interest rate to 3-month SOFR plus 1.42% per annum, effective from 1 October 2025. On 18 March 2026, the loan and accrued interest were fully repaid.

# Samvardhana Motherson Finance Services Cyprus Limited

## 21 Events after the reporting date

The geopolitical situation in Middle East escalated on 28 February 2026 due to the armed conflict. As of the date of authorisation of the financial statements, the conflict continues to evolve in Middle East as military activity persists.

The conflict has caused significant volatility in global energy markets and disruptions to the supply of oil and gas, contributing to increased uncertainty in commodity prices and potential inflationary pressures. Broader consequences have also been observed in financial markets and global supply chains, particularly affecting energy and transportation sectors, as heightened geopolitical tensions around key shipping routes add to market uncertainty. Challenges for companies may include disruptions to supply chains, higher energy and raw material costs and increased uncertainty in operational and financial planning.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict is evolving and the high level of uncertainties arising from the inability to reliably predict the outcome.

Depending on the duration of the Russia- Ukraine war, the Israel-Gaza conflict, the geopolitical situation in the Middle East and continued negative impact on economic activity, the Company might experience negative results, and liquidity restraints and incur impairments on its assets in 2026. The exact impact on the Company's activities in 2026 and thereafter cannot be predicted. Yet management is reasonably confident that any impact would be contained.

There were no other material events after the balance sheet date, which have a bearing on the understanding of the financial statements.

Independent Auditor's Report on pages 2 to 4.