CONTENTS

Short-form financial statements

SMR AUTOMOTIVE TECHNOLOGY VALENCIA, S.A.U.
Short-form balance sheet at March 31, 2021
(In euros)

ASSETS	Notes	31.03.2021	31.03.2020
NON-CURRENT ASSETS		**1.880.539**	**1.870.598**
Property, plant, and equipment	**4**	**69.142**	**1.656**
Plant and other PP&E items		1.159	1.456
PP&E under construction and prepayments		67.983	200
Investment property	**5**	**1.750.063**	**1.807.608**
Land		1.025.007	1.025.007
Buildings		725.056	782.601
Non-current financial investments	**6**	**61.334**	**61.334**
Equity instruments		61.334	61.334
CURRENT ASSETS		**622.750**	**579.186**
Trade and other receivables		**245.384**	**262.536**
Trade receivables	6	536	7.772
Trade receivables, group companies and associates	6 y 17	244.766	254.766
Other receivables from public administrations	14	82	(2)
Current investments in group companies and associates	**6 y 17**	**-**	**6.487**
Cash and cash equivalents	**6 y 8**	**377.366**	**310.163**
TOTAL ASSETS		**2.503.289**	**2.449.784**

EQUITY AND LIABILITIES	Notes	31.03.2021	31.03.2020
EQUITY		**2.418.863**	**2.393.786**
CAPITAL AND RESERVES		**2.418.863**	**2.393.786**
Share capital	**9**	**2.493.008**	**2.493.008**
Reserves	**10**	**4.338.774**	**4.338.774**
Retained earnings (prior-period losses)	**10**	**(4.566.768)**	**(4.639.279)**
Other owner contributions	**12**	**128.772**	**128.772**
Profit/(loss) for the year	**11**	**25.077**	**72.511**
NON-CURRENT LIABILITIES		**27.650**	**27.650**
Non-current borrowings	**7**	**27.650**	**27.650**
Other financial liabilities		27.650	27.650
CURRENT LIABILITIES		**56.776**	**28.348**
Current payables	**7**	**30.000**	**-**
Other financial liabilities		30.000	-
Group companies and associates, current	**7 y 17**	**632**	**-**
Trade and other payables		**26.144**	**28.348**
Suppliers, group companies and associates	7 y 17	8.698	-
Otherpayables	7	17.221	19.717
Other payables to public administrations	14	225	8.631
TOTAL EQUITY AND LIABILITIES		**2.503.289**	**2.449.784**

SMR AUTOMOTIVE TECHNOLOGY VALENCIA, S.A.U.

Short-form income statement for the year ended March 31, 2021
(In euros)

	Notes	31.03.2021	31.03.2020
CONTINUING OPERATIONS			
Other operating income	**15**	**156.392**	**185.696**
Non-trading and other operating income		156.392	185.696
Other operating expenses		**(71.981)**	**(50.005)**
External services	15	(62.420)	(41.826)
Taxes		(9.561)	(8.179)
Depreciation and amortization	**4 y 5**	**(57.842)**	**(57.842)**
OPERATING PROFIT		**26.569**	**77.849**
FINANCE INCOME		**-**	**-**
PROFIT BEFORE TAX		**26.569**	**77.849**
Tax income (expense)	**14**	(1.492)	(5.338)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**25.077**	**72.511**
PROFIT FOR THE YEAR	**11**	**25.077**	**72.511**

SMR AUTOMOTIVE TECHNOLOGY VALENCIA, S.A.U.

Short-form statement of changes in equity for the year ended March 31, 2021
(In euros)

A) Short-form statement of recognized income and expense for the year ended March 31, 2021

	Notes	31.03.2021	31.03.2020
PROFIT (LOSS) FOR THE YEAR	11	25.077	72.511
INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY		-	-
AMOUNTS TRANSFERRED TO THE INCOME STATEMENT		-	-
TOTAL RECOGNIZED INCOME AND EXPENSE		25.077	72.511

B) Short-form statement of total changes in equity for the year ended March 31, 2021

	Issued capital	Reserves	Retained earnings (prior-period losses)	Other owner contributions	Profit/(loss) for the year	TOTAL
BALANCE AT 03.31.2019	2.493.008	4.338.774	(4.705.496)	128.772	66.217	2.321.275
Total recognized income and expense	-	-	-	-	72.511	72.511
Other changes in equity	-	-	66.217	-	(66.217)	-
BALANCE AT 03.31.2020	2.493.008	4.338.774	(4.639.279)	128.772	72.511	2.393.786
Total recognized income and expense	-	-	-	-	25.077	25.077
Other changes in equity	-	-	72.511	-	(72.511)	-
BALANCE AT 03.31.2021	2.493.008	4.338.774	(4.566.768)	128.772	25.077	2.418.863

SMR AUTOMOTIVE TECHNOLOGY VALENCIA, S.A.U.

NOTES TO THE SHORT-FORM FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021

1. GENERAL INFORMATION

SMR Automotive Technology Valencia, S.A.U., previously Visiocorp Automotive Valencia, S.A.U., was incorporated on December 23, 1999 and registered at the Mercantile Register on February 17, 2000 as Britax España, S.L.U., changing its name once again to Schefenacker Vision Systems España, S.L.U. on October 6, 2000 and subsequently, on December 3, 2007 the change in name to Visiocorp Automotive Valencia, S.A.U. was approved. On November 30, 2010, the change to its current version was approved.

Its corporate purpose consists in the manufacture and commercialization of components for automobiles, mainly internal and external rear-view mirrors.

As a consequence of the orders from the main clients being discontinued, the Sole Shareholder decided to cease economic and productive activities in July 2008. As at June 20, 2017 the Sole Shareholder decided to extend the Company´s corporate purpose, consist in the manufacture and commercialization of components for automobiles, as well as the property and exploitation of buildings. In January 2018 a contract was signed by virtue of which the Company will lease its installations from April 1, 2018 for five years.

The Company forms a part of the Samvardhana Motherson Reflectec Group Holding Ltd. Group via its Sole Shareholder SMR Automotive Mirror Parts and Holdings UK Limited, whose registered address is located in the United Kingdom.

The parent of the aforementioned group, Samvardhana Motherson International Limited, has its registered address in India.

2. BASIS OF PRESENTATION

a) True and fair view

The short-form financial statements have been prepared based on the Company's accounting records and are presented in compliance with prevailing mercantile legislation and Spanish GAAP approved by Royal Decree 1514/2007 and the modifications incorporated therein via Royal Decree 1159/2010 and Royal Decree 602/2016, to provide a true and fair view of the Company's net equity, its financial position and the results of its operations.

The figures contained in the documents which make up these financial statements are expressed in euros without decimals.

b) Comparison of information

In compliance with Spanish mercantile law, for comparative purposes for each of the headings presented in the short-form balance sheet, the short-form income statement and the short-form statement of changes in equity, in addition to the figures for March 31, 2021, those of the prior year have also been included. The notes to the short-form financial statements also include quantitative information from the previous year, except when an accounting standard specifically establishes this as unnecessary.

c) Effects of the COVID-19 pandemic on the Company's operations

On March 11, 2020, the World Health Organization declared the public health emergency caused by the coronavirus outbreak (COVID-19) an international pandemic. The speed at which events are unfolding, in Spain and abroad, has caused an unprecedented health crisis that has impacted the macroeconomic environment and the Group's business performance. A series of measures were taken in 2020 to deal with the economic and social impact caused by the situation, which included mobility restrictions. Specifically, the Spanish government passed a raft of measures: it declared a state of alarm through Royal Decree 463/2020, of 14 March, which was lifted on 1 July 2020, and approved a series of extraordinary emergency measures to deal with the economic and social impact of COVID-19, including those set out in Royal Decree-Law 8/2020, of 17 March. Subsequently, a new state of alarm declared by the Spanish government began through Royal Decree 926/2020, of October 25, initially approved until November 9, 2020, and which was extended until May 9, 2021 through Royal Decree 956/2020, of November 3. At the date of formulation of these short-form financial statements, no state of alarm is in force.

The pandemic is affecting the economy in general and the Company's operations in particular. The impacts in the coming months remain to been seen and will depend largely on the direction the pandemic takes and how much it spreads.

At the date of formulation of these short-form financial statements, there have been no significant effects on the Company's activity and, according to the current estimates of the Sole Administrator, no relevant effects are estimated for the next fiscal year.

d) Critical issues regarding the measurement and estimation of uncertainty

Preparation of the short-form financial statements requires the Company to make, and continually review, certain judgments and estimates with respect to the future, based on historical experience and other factors, including expectations with regard to future events that seem reasonable given present circumstances.

The estimates considered were made based on the best information available at the date of preparation of the accompanying short-form financial statements, and any modifications to said estimates in the future will be applied prospectively, recognizing the effect of the changes made in the short-form income statement of the corresponding year.

The main estimates and judgments made in the preparation of the short-form financial statements were the following:

- Useful lives of PP&E items
- Recoverable amounts for PP&E items and property investments
- Impairment losses on loans and receivables
- The calculation of provisions

e) Short-form financial statements

The Sole Shareholder of the Company presents the short-form annual financial statements since it meets the criteria for doing so under article 257 of the Spanish Corporate Enterprises Act.

f) Going concern

As indicated in Note 1 to the accompanying short-form financial statements, in July 2008, the Sole Shareholder decided to cease production and commercial activity. In January 2018 a contract was signed by virtue of which the Company has leased its installations from April 15, 2018 for period of five years. Thus, in the opinion of Company Management and the Sole Shareholder, the Company will be in a position to generate positive results in the near future.

As in prior years, the Company can count on the support of the Sole Shareholder, who will continue providing the necessary financing for the normal functioning of the Company.

As a result of the above, the Company has prepared the accompanying short-form financial statements on a going-concern basis.

3. ACCOUNTING POLICIES

3.1. Property, plant, and equipment and investment properties

PP&E items and investment properties are recognized at either acquisition or production cost, less accumulated depreciation and impairment losses.

The amount recognized for work performed by the Company in connection with its PP&E items and investment properties is calculated by adding the acquisition price of the consumables used and the related direct or indirect costs attributable to said items.

Expenses incurred for expansion, modernization or improvements to PP&E items and investment properties which increase productivity and capacity, or prolong their useful life, are capitalized as an increase in the value of the assets provided that it is possible to identify or estimate the underlying book value of the assets derecognized from the inventory as a result of their replacement.

Costs incurred as a result of important repairs are capitalized and depreciated during the estimated useful life of the related assets, while recurring maintenance expenses are taken to the income statement for the year in which they are incurred.

Except for land, which is not depreciated, depreciation of PP&E items and investment properties is calculated on a straight-line basis over their estimated useful lives, including effective depreciation due to functioning, use, and operation. The estimated depreciation rates are the following:

	Percentaje
Buildings	3%
Other installations	10%
Other property, plant, and equipment	10%

At each short-form balance sheet date, residual values and useful lives are reviewed and adjusted where applicable.

When the carrying amount of an asset exceeds its estimated recoverable amount, the asset is immediately written down to its recoverable amount.

Depreciable assets are tested for impairment when changes in circumstances indicate that the carrying amount might not be recoverable. Impairment losses are recognized for the excess carrying amount of an asset over its recoverable amount, which is the higher of its fair value less costs to sell or its value in use. To assess impairment losses, assets are classified into the smallest group for which separate cash flows can be identified (cash generating unit).

Gains and losses arising from the sale of PP&E items and investment properties are calculated by comparing income obtained from the sale to the carrying amount and are recognized in the income statement.

3.2 Borrowing costs

Finance expenses directly attributable to the acquisition or construction of PP&E items and investment properties that need more than one year to be brought into working condition are included in the cost of the assets until they are ready for use.

3.3 Financial assets

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on active markets. They are included under current assets, except for those whose maturities exceed 12 months from the balance sheet date, in which case they are classified as non-current assets. Loans and receivables are included in "Loans to companies" and "Trade and other receivables" in the balance sheet.
These financial assets are measured initially at their fair value, including directly attributable transaction costs, and subsequently at amortized cost recognizing accrued interest at the effective rate. The effective interest rate is the rate that equates the carrying amount of the instrument with the total estimated cash flows to maturity.

Nevertheless, trade receivables which mature within less than one year are carried at nominal value both at initial and subsequent recognition, when the effect of not discounting cash flows is insignificant.

At least at year end, the necessary impairment adjustments are made when there is objective evidence that not all amounts owed will be collected.

The amount of the impairment loss is the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted at the effective interest rate upon initial recognition Impairment losses and related reversions are recognized in the income statement.

b) Available-for-sale financial assets

This category includes debt securities and other equity instruments not classified in any of the previous categories. These assets are included under non-current assets unless management intends to dispose of the investment within 12 months of the short-form balance sheet date.

They are measured at fair value, provided that this is possible, and any subsequent changes are directly recognized in equity until the asset is disposed of or impaired, at which point the accumulated gains and losses in equity are taken to the short-form income statement. Otherwise, they are recognized at cost less impairment losses.

With respect to available-for-sale financial assets, impairment losses are recognized if there is objective evidence of impairment as a result of a reduction or delay in estimated future cash flows in the case of debt securities, or if the carrying amount is not recoverable in the case of equity instruments. The impairment loss corresponds to the difference between the cost or amortized cost less any previous impairment loss recognized in the short-form income statement, and fair value at the date of measurement.

In the case of equity instruments measured at cost when fair value cannot be determined, the impairment loss is calculated as the difference between the carrying amount and the recoverable amount. The recoverable amount is understood to be the greater of either fair value less costs to sell, or the present value of cash flows from the investment. Unless better evidence of the recoverable amount is available, impairment losses are estimated taking into account the net equity of the investee, adjusted by any tacit capital gains existing at the valuation date.

3.4 Equity

Share capital is comprised of ordinary shares.

The cost of issuing new shares is recognized directly in equity as a reduction of reserves.

3.5 Financial liabilities

a) Trade and other payables

This heading includes trade and non-trade payables. These borrowings are classified as current liabilities, except when the Company has the unconditional right to defer their settlement for at least 12 months from the short-form balance sheet date.

These debts are initially recognized at fair value less directly attributable transaction costs, and are later recognized at their amortized cost calculated using the effective interest rate method. The effective interest rate is the rate which equates the instrument's carrying amount with the expected flow of future payments to maturity of the liability.

Nevertheless, trade payables which mature within 12 months and do not have a contractual interest rate, are carried at nominal value both at initial and subsequent measurement when the effect of not discounting cash flows is not significant.

In the event of renegotiating existing debt, the financial liability is not substantially modified if the lender of the new loan is the same entity that granted the original loan and the present value of cash flows, including net commissions, does not differ by more than 10% of the present value of cash flows pending settlement from the original liability, calculated under the same method.

3.6 Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and when its amount may be reliably estimated.

Provisions are measured at the current value of the expected outflow to settle the obligation, using pre-tax discount rates that reflect current market assessments of the time value of money and the risk specific to the liability. Provision discount adjustments are recognized as a finance cost as they accrue.

Provisions due for settlement within one year from the end of the reporting period are not discounted if the financial effect is not significant.

Contingent liabilities are considered to be possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not within the control of the Company. Said contingent liabilities are not recognized in the accounting registers.

3.7 Current and deferred income tax

Income tax expense/(income) is the total amount accrued in the year, including both current and deferred tax expense/(income).

Current and deferred tax expense/(income) is recognized in the short-form income statement. However, the tax effect related to items recognized directly in equity is likewise recognized in equity.

Current tax assets and liabilities will be valued at the amounts expected to be paid to or received from the tax authorities, as per prevailing legislation.

Deferred taxes are calculated based on the temporary differences that arise between the tax bases of the assets and liabilities and their carrying amounts. However, deferred taxes are not recognized when they arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred taxes are determined in accordance with prevailing legislation and the approved tax rates expected for when the corresponding deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which these assets may be utilized.

3.8 Recognition of income

Income is recognized at fair value of the consideration received or receivable and represents amounts receivable for goods delivered and services rendered in the normal course of business activity, less refunds, rebates, discounts, and VAT.

Income is recognized when it can be reliably measured and when future economic benefits are likely to flow to the Company. Income cannot be measured reliably until all sales-related contingencies have been resolved.
Interest income is recognized using the effective interest rate method. When an account receivable is impaired, the Company reduces the carrying amount to the recoverable amount, discounting estimated future cash flows at the original effective interest rate of the instrument and continues carrying the discounted cash flow as a decrease in interest income. Interest income from impaired loans is recorded using the effective interest rate method.

3.9 Foreign currency transactions

(a) Functional and presentation currency

The short-form financial statements of the Company are presented in euros, its functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are converted to the functional currency at the exchange rates prevailing on the respective transaction dates. Gains and losses in foreign currency arising from the settlement of transactions and from the translation of year-end exchange rates of monetary assets and liabilities denominated in currency other than the euro are recognized in the short-form income statement.

3.10 Related-party disclosures

Transactions carried out between Group companies are generally measured initially at fair value. When the agreed-upon prices differ from fair value, the differences are recognized based on the economic reality of the transaction. Subsequent measurements are carried out as established in the corresponding regulations.

3.11 Environmental matters

The costs incurred to acquire systems, equipment, and installations aimed at eliminating, limiting or controlling any possible environmental impact which could be caused during the normal course of the Company's business activity are recognized under PP&E.

4. PROPERTY, PLANT, AND EQUIPMENT

The breakdown and movements in the items recognized under "Property, plant, and equipment" are as follows:

(In euros)	Beginning balance	Additions and allowances	Balance at year end
31.03.2021			
Cost			
Plant and other PP&E items	641.655	-	641.655
Furniture and other assets	1.107.796	-	1.107.796
Prepayments and PP&E under construction	200	67.783	67.983
	1.749.651	67.783	1.817.434
Accumulated depreciation			
Plant and other PP&E items	(641.655)	-	(641.655)
Furniture and other assets	(1.106.340)	(297)	(1.106.637)
	(1.747.995)	(297)	(1.748.292)
Net carrying amount	**1.656**		**69.142**
31.03.2020			
Cost			
Plant and other PP&E items	641.655	-	641.655
Furniture and other assets	1.107.796	-	1.107.796
Prepayments and PP&E under construction	-	200	200
	1.749.451	200	1.749.651
Accumulated depreciation			
Plant and other PP&E items	(641.655)	-	(641.655)
Furniture and other assets	(1.106.043)	(297)	(1.106.340)
	(1.747.698)	(297)	(1.747.995)
Net carrying amount	**1.753**		**1.656**

At March 31, 2021 the Company recognized 1,746,479 euros in fully depreciated PP&E items still in use (2020: 1,746,479 euros).

5. INVESTMENT PROPERTIES

The breakdown and movements in items recognized as investment properties during the period is as follows:

(In euros)	Beginning balance	Additions and allowances	Balance at year end
03.31.2021			
Cost			
Land	1.025.007	-	1.025.007
Buildings	1.918.171	-	1.918.171
	2.943.178	-	2.943.178
Accumulated depreciation			
Buildings	(1.135.570)	(57.545)	(1.193.115)
	(1.135.570)	(57.545)	(1.193.115)
Net carrying amount	**1.807.608**		**1.750.063**
31.03.2020			
Cost			
Land	1.025.007	-	1.025.007
Buildings	1.918.171	-	1.918.171
	2.943.178	-	2.943.178
Accumulated depreciation			
Buildings	(1.078.025)	(57.545)	(1.135.570)
	(1.078.025)	(57.545)	(1.135.570)
Net carrying amount	**1.865.153**		**1.807.608**

As indicated in Note 1, in January 2018 a contract was signed by virtue of which the Company has leased its installations from April 15, 2018 for a period of five years. In light of the above, Management and the Sole Shareholder consider that the current classification is appropriate, as it was for the prior year.

The industrial warehouse did not suffer any impairment losses given that the fair value obtained based on an independent expert's report is greater than its carrying amount.

The Company did not recognize any fully depreciated items.

6. FINANCIAL ASSETS

6.1 Breakdown by categories

The carrying amount of each of the categories of financial instruments established in the standard for recognition and measurement of "Financial instruments" is as follows:

	Equity instruments		Loans, derivatives, and other		Total	
(In euros)	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Non-current financial assets						
Equity instruments	61.334	61.334	-	-	61.334	61.334
Current financial assets						
Loans and receivables	-	-	245.302	262.538	245.302	262.538
Current investments in group companies	-	-	-	6.487	-	6.487
Cash and cash equivalents	-	-	377.366	310.163	377.366	310.163
	61.334	**61.334**	**622.668**	**579.188**	**684.002**	**640.522**

<u>Equity instruments</u>

This heading includes the interest held by the Company in the share capital of a Waste Association called “Les Carrases” charged with the treatment of waste water. At March 31, 2021 said interest amounted to 10.83% of the investee's share capital (2020: 10.83%).

The Company did not recognize any impairment losses on this interest during the years ended March 31, 2021 and 2020.

The participation in said Waste Association allows the Company to adequately treat the waste waters generated by the plant via the use of machinery and installations appropriate for this purpose.

<u>Loans and receivables</u>

	Euros	
Loans and receivables	**31.03.2021**	**31.03.2020**
Trade receivables	536	7.772
Loans to group companies and associates	-	6.487
Receivables from group companies and related parties	244.766	254.766
	245.302	**269.025**

At March 31, 2021 all trade receivables from Group companies had matured.

There were no impairment losses on trade receivables at March 31, 2021 and 2020.

The maximum credit risk exposure at the short-form balance sheet date corresponds to the fair value of each of the aforementioned receivable categories. The Company does not hold any guarantees for insurance.

6.2 Breakdown by maturity

The amounts corresponding to financial instruments, both assets and liabilities, all mature in the short term except for the equity instrument described in the previous point which has no defined maturity.

6.3 Credit rating of financial assets

None of the financial assets recognized have a credit rating granted by external bodies which might serve to evaluate the credit quality of the assets. The Sole Director considers the risk of insolvency to be low with respect to the financial assets given that almost all the receivable and payable balances are concentrated in SMR Group companies.

In the case of debtor balances with Group companies, they all matured on March 31, 2021. These line items were not impaired as the collections made in the three last years confirm the sound financial position of these related parties as well as the commitment to pay said debt based on the financial needs of the Company.

7. FINANCIAL LIABILITIES

	Loans and other		Total	
(In euros)	**31.03.2021**	**31.03.2020**	**31.03.2021**	**31.03.2020**
Non-current financial liabilities				
Trade and other payables	27.650	27.650	27.650	27.650
	27.650	**27.650**	**27.650**	**27.650**
Current financial liabilities				
Finance expenses with group companies and associates	632	-	632	-
Debts and payables	55.919	19.717	55.919	19.717
	56.551	**19.717**	**56.551**	**19.717**

The breakdown of this heading is as follows:

(In euros)	**31.03.2021**	**31.03.2020**
Long term debits and payables		
Other financial liabilities - guarantees	27.650	27.650
	27.650	**27.650**
Current trade and other payables		
Fixed assets suppliers	30.000	-
Debt with financial institutions (Note 17)	632	-
Suppliers, group companies and associates (Note 17)	8.698	-
Other payables	17.221	19.717
	56.551	**19.717**

8. CASH AND CASH EQUIVALENTS

The balance recognized under this heading entirely corresponds to current accounts at Spanish financial entities which bear interest at market rates.

9. SHARE CAPITAL AND PREMIUM

a) Share capital

Issued capital consists of 119,741 ordinary shares (2020: 119,741 euros) with a nominal value of 20.82 euros each, fully subscribed and paid in.

At March 31, 2021 the entire share capital was owned by SMR Automotive Mirror Parts and Holdings UK Limited.

The Company is registered in the Mercantile Register as a sole shareholder company.

10. RESERVES AND RETAINED EARNINGS

Legal reserve

The legal reserve has been allocated in accordance with article 274 of the Spanish Corporate Enterprises Act, which states that an amount equal to 10% of the profit for each year must be earmarked for the legal reserve until such reserve represents at least 20% of share capital.

This reserve may not be distributed and can only be used to offset losses if no other reserves are available. Any amount of the reserve used for this purpose must be restored with future profits.

Retained earnings

These amounts correspond to the accumulated losses from prior periods.

11. PROFIT FOR THE YEAR

The proposed appropriation of profit to be submitted to the Sole Shareholder (and the proposal, finally approved, from the prior year) is as follows:

(In euros)	31.03.2021	31.03.2020
Basis of distribution:		
Income statement balance	25.077	72.511
	25.077	**72.511**
Distribution to:		
Offset losses from previous years	25.077	72.511
	25.077	**72.511**

12. OTHER OWNER CONTRIBUTIONS

In prior years a loan granted by a Group company was forgiven, corresponding to an amount of 128,772 euros.

13. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Company's activities expose it to various financial risks: credit risk, market risk, and liquidity risk. The Company's global risk management program focuses on the control of credit risk and attempts to minimize the potential adverse effects on its financial profitability.

Management of risk is controlled by the Financial Department of the Group to which the Company belongs, which identifies, evaluates, and covers the financial risks in accordance with the policies approved by the Sole Shareholder.

13.1 Credit risk

Credit risk exists when a potential loss may arise from the Company's counterparty not meeting its contractual obligations, i.e. the possibility that financial assets will not be recovered at their carrying amount within the established time frame.

The Group's Financial Department evaluates each customer's creditworthiness, taking their financial position into account together with past experience and other factors. Individual credit limits are established on the basis of internal and external ratings, in keeping with limits set by Financial Management. The level of credit extended is regularly monitored. Matured debts are claimed until the corresponding collection is made.

13.2 Market risk

Market risk exists when a potential loss may arise from fluctuations in the fair value or future cash flows of a financial instrument due to changes in market prices. Market risk mainly comprises exchange rate risk and interest rate risk.

13.3 Cash flow interest rate risk and fair value interest rate risk

Interest rate risk is the risk of loss caused by fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates. The Company's exposure to interest rate risk is mainly related to finance lease agreements and non-current variable-rate loans and borrowings.

Financial and Treasury Management of the Group manages this class of risk and others that could arise via hedges using derivative financial instruments, with the aim of minimizing or limiting the impact of potential fluctuations in interest rates. Further, this Department is responsible for selecting, arranging, monitoring, and measuring the derivative financial instruments used to hedge the financial risks inherent to the Group's activity in keeping with the financial risk management procedures approved by the Company.

Hedging instruments are arranged as a function of prevailing market conditions, evolving risk management targets, and the characteristics of the financing arrangements that give rise to the financial risk to be hedged. In addition, hedging instruments are duly documented for monitoring purposes and periodically measured.

13.4 Liquidity risk

Liquidity risk is the possibility that the Company will have insufficient funds or access to sufficient funds at an acceptable cost to meet its payment obligations at all times. The Company's objective is to maintain sufficient available funds or access to funds to guarantee liquidity. The objective pursued by Financial Management of the Group is to follow a policy of concentrating cash and cash equivalents and undrawn credit and trade bill discounting facilities.

Centralized treasury management enables the Group's Treasury to provide each company with the liquidity it requires, guaranteeing that they are able to service their financial obligations at all times.

14. TAX MATTERS

In 2013 the Company notified the public administration that it was ceasing its activity for tax purposes, hence not paying any VAT or withholding any personal income. Due to the lease agreement indicated in Note 1, the Company has returned to present VAT liquidations.

As a result, amongst other things, of the varying possible interpretations of prevailing tax legislation, additional tax contingencies could arise in the event of a tax inspection. Nevertheless, the Sole Director does not consider that any additional liabilities, if any, would have a significant affect on the financial statements.

The Company is open to inspection of all significant taxes to which it is liable for the past four years.

The breakdown of tax assets and tax liabilities is as follows:

(In euros)	**31.03.2021**	**31.03.2020**
Other receivables from public administrations		
Value added tax	82	(2)
	82	**(2)**
Other payables to public administrations		
Value added tax	-	8.406
Withholdings	225	225
	225	**8.631**

The reconciliation between accounting income and expense for the year and taxable income is as follows:

	31.03.2021		**31.03.2020**	
	Increases (decreases)		**Increases (decreases)**	
(In euros)	**Income statement**	**Income and expense recognized directly in equity**	**Income statement**	**Income and expense recognized directly in equity**
Income and expense for the year	25.077	-	72.511	-
Income tax	1.492	-	5.338	-
Income and expense for the year before tax	**26.569**	**-**	**77.849**	**-**
Temporary differences arising in the year				
Limits to amortization/depreciation expense	(4.009)	-	(4.009)	-
Compensation of tax losses carried forward incurred in previous years	(15.792)	-	(51.688)	-
Taxable income/(tax loss)	**6.768**	**-**	**22.152**	**-**
Tax charge (tax rate: 25%)	1.692	-	5.538	-
Deductions	(200)	-	(200)	-
Tax withholdings and prepayments	(860)	-	(11.825)	-
Return fee	**632**	**-**	**(6.487)**	**-**

From April 1, 2015 the Company files tax returns under a consolidated regime, with SMP Automotive Technology Ibérica, S.L. as parent of the tax group. Thus, the amount receivable from corporate income tax is recognized as a credit with this company (Note 17).

The reconciliation of tax expense with the income statement is as follows:

	Income statement	
(In euros)	**31.03.2021**	**31.03.2020**
Income and expense for the year before tax	26.569	77.849
Tax charge (tax rate: 25%)	6.642	19.462
Deductions	(1.202)	(1.202)
Tax losses carried forward (not activated)	(3.948)	(12.922)
Expense/(income) due to tax effect	**1.492**	**5.338**

The Company did not recognize any tax loss carryfowards generated during prior periods in the short-form balance sheet given the uncertainty regarding recoverability. The breakdown of tax loss carryforwards pending application at March 31, 2021 is the following:

	Euros
Ejercicio	
01/01/2006 al 31/12/2006	991.297
01/01/2007 al 31/12/2007	1.185.748
01/01/2008 al 31/12/2008	3.742.292
01/01/2009 al 31/12/2009	235.162
01/01/2010 al 31/03/2010	94.829
01/04/2010 al 31/03/2011	65.931
01/04/2011 al 31/03/2012	175.074
01/04/2012 al 31/03/2013	50.908
01/04/2013 al 31/03/2014	123.733
	6.664.975

Other information

The Company was incorporated via contribution of all assets and liabilities which comprised the equity of the branch Britax Limited, located in Spain. Said transaction was carried out under the tax regime for contributions of business lines, as established in Chapter VII, Title VIII of Law 43/1995 of December 27 on corporate income tax (currently Law 27/2014 of November 27). The notes to the financial statements for the year 2000 reflect all tax issues relating to said transaction, as well as the breakdown of goods transferred and subject to depreciation/amortization. The present notes to the short-form financial statements do not include said notes or the breakdown of contributed goods subject to depreciation, as per article 107 of said Law 43/1995.

15. INCOME AND EXPENSES

As a result of renting its facilities, the Company has accrued an amount of 156,392 euros for the current period (2020: 185,696 euros).

The Company had no employees under contract during the years ended March 31, 2021 and 2020.

Other operating expenses

(In euros)	**31.03.2021**	**31.03.2020**
Independent professional services	54.556	34.490
Insurance premiums	4.146	3.541
Supplies	1.640	1.852
Other external services	2.078	1.943
	62.420	**41.826**

16. BOARD OF DIRECTORS AND SENIOR MANAGEMENT

a) Advance payments and loans to members of the governing body and senior management

During 2021 and 2020 the Sole Director did not receive any advance payments or loans. Likewise, no advance payment or loan had been granted at the closing dates of said years. Neither were any payments made with respect to civil liability insurance policies or amounts paid in connection with the Company acting as director in other companies (as in the prior year).

As indicated in Note 15 to the accompanying short-form financial statements, there are no employees under contract and the functions of senior management are carried out by the Sole Director.

17. OTHER TRANSACTIONS WITH RELATED PARTIES

The transactions and balances shown below are with respect to related parties:

a) Period-end balances arising from sales and purchases of goods and services:

	31.03.2021		31.03.2020	
(In euros)	**Debtors**	**Creditors**	**Debtors**	**Creditors**
SMP Automotive Technology Ibérica, S.L.	-	632	6.487	-
SMR France S.A.	244.766	-	254.766	-
SMR Automotive Systems Spain, S.A.U.	-	8.698	-	-
	244.766	**9.330**	**261.253**	**-**

The account receivable from SMP Automotive Technology Ibérica S.L. arose on tax consolidation (Note 14).

b) Transactions relating to the rendering and reception of services:

(In euros)	Sales	Services provided	Purchases	Services received	Finance expenses
2021					
Group companies					
SMR Automotivie Systems Spain, S.L.U.	-	-	-	29.871	-
	-	**-**	**-**	**29.871**	**-**

(In euros)	Sales	Services provided	Purchases	Services received	Finance expenses
2020					
Group companies					
SMR Automotivie Systems Spain, S.L.U.	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

18. OTHER DISCLOSURES

Information on average payment periods for suppliers

The average payment period for suppliers during the period, disclosed as required by the third additional provision on reporting requirements of Law 15/2010 of July 5, was 43 days (2020: 61 days).

Audit fees

Audit fees accrued during the year for services rendered by the Company's auditor of financial statements amounted to 5,500 euros (2020: 5,500 euros).

19. ENVIRONMENTAL ISSUES

At March 31, 2021 and 2020 the Company included interest held in the share capital of "Waste Association Les Carrases" amongst its financial investments (Note 6). Said entity is responsible for managing and purifying the waste water generated by the Company, as well as waste water generated by the remaining companies in the industrial park where it is located.

The Company did not incur any expenses during the period for purposes of protecting or improving the environment and no related contingencies arose either.

20. SUBSEQUENT EVENTS

No events occurred after the end of the reporting period that could significantly affect these short-form financial statements.

SMR AUTOMOTIVE TECHNOLOGY VALENCIA, S.A.U.

APPROVAL OF THE SHORT-FORM FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

On May 19, 2021 the Sole Director of SMR Automotive Technology Valencia, S.A.U., in compliance with the requirements established in article 253 of the Spanish Corporate Enterprises Act and article 37 of the Commercial Code, authorized the accompanying short-form financial statements for the year ended March 31, 2021 for issue, consisting of the documents attached above, listed below:

a) Short-form balance sheet at March 31, 2021

b) Short-form income statement for the year ended March 31, 2021

c) Short-form statement of changes in equity for the year ended March 31, 2021

d) Notes to the short-form financial statements for the year ended March 31, 2021

The Sole Director signs all the pages of the short-form financial statements.

SIGNATORY:

Mr. Andreas Heuser
(in representation of SMR Automotive Mirror Parts
and Holdings UK LTD)
Sole Director

SIGNATURE ____________________