

**SMRC Automotive Techno Minority Holdings B.V.**  
**Amsterdam**  
**Annual report 2020/2021**

SMRC Automotive Holdings Netherlands B.V.  
Hoogoorddreef 15  
1101 BA Amsterdam  
The Netherlands

Registered with the Dutch trade register under file number 60726520

## Annual report 2020/2021

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## **1. FINANCIAL STATEMENTS**

**1.1 Balance sheet as at 31 March 2021**

(Before result appropriation)

ASSETS	31 March 2021		31 March 2020	
	EUR	EUR	EUR	EUR
<b>Fixed Assets</b>				
<i>Financial fixed assets</i>	[1]			
Investment in participations	<u>95,427</u>		<u>95,427</u>	
		95,427		95,427
<b>Current assets</b>				
<i>Trade and other receivables</i>	[2]			
Loans receivable		35,017,074		29,650,997
Interest receivable		51,352		48,958
Taxes		<u>19</u>		<u>31,082</u>
		35,068,445		29,731,037
<i>Cash and cash equivalents</i>	[3]			
		1,270,281		449,478
<b>Total Assets</b>		<u><u>36,434,153</u></u>		<u><u>30,275,942</u></u>

**1.1 Balance sheet as at 31 March 2021**

(Before result appropriation)

<b>EQUITY AND LIABILITIES</b>	<u>31 March 2021</u>		<u>31 March 2020</u>	
	EUR	EUR	EUR	EUR
<b>Shareholders' equity</b>		[4]		
Issued share capital	500		500	
Share premium	756,535		756,535	
Undistributed result	(144,325)		(189,056)	
Result financial year	<u>205,160</u>		<u>44,731</u>	
		817,870		612,710
<b>Current liabilities</b>		[5]		
Debts to group companies	35,523,232		29,625,294	
Interest payable	28,384		28,417	
Trade creditors	86		388	
Debts to group companies	14,908		9,133	
Taxes	<u>49,673</u>		<u>-</u>	
		35,616,283		29,663,232
<b>Total equity and liabilities</b>		<u><u>36,434,153</u></u>		<u><u>30,275,942</u></u>

1.2 Profit and loss account 2020/2021

		2020/2021		2019/2020	
		EUR	EUR	EUR	EUR
General expenses	[6]	<u>7,011</u>		<u>1,839</u>	
Total operating expenses			7,011		1,839
<b>Operating result</b>			<u>(7,011)</u>		<u>(1,839)</u>
<b>Financial income and expenses</b>					
Interest income and similar revenues	[7]	584,023		147,431	
Interest expense and similar charges	[8]	<u>(332,395)</u>		<u>(100,751)</u>	
<b>Financial result</b>			251,628		46,680
Result on ordinary activities before taxation			<u>244,617</u>		<u>44,841</u>
Taxation	[9]		(39,457)		(110)
<b>Net result</b>			<u><u>205,160</u></u>		<u><u>44,731</u></u>

## 1.3 Notes to the financial statements

### General

SMRC Automotive Techno Minority Holdings B.V. (the "Company") previously referred to as Reydel Automotive Minority Holding B.V. is a private company with limited liability, incorporated in Amsterdam, the Netherlands under Dutch law on 23rd of May, 2014. The Company has its registered offices at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands and is registered with the Dutch Chamber of Commerce under file number 60726520. The Company is wholly owned by SMRC Automotive Holdings Netherlands B.V.

### Activities

The principal business objective of the Company is to act as finance and investment company. During the period under review, the Company acted as a finance and investment company.

### Staff members

During the financial year 2020/2021 an average of nil employees have been in service on the basis of a fulltime employment. In the financial year 2019/2020 this average was nil.

### Group structure

The Company is part of the SMRC Automotive Group, a privately held portfolio company of Motherson Group. Motherson Sumi Systems Limited (MSSL) acquired the SMRC Automotive Group through Samvardhana Motherson Automotive System Group B.V. (SMRPBV) on 2nd of August, 2018.

### Comparison with previous year

The principles of valuation and determination of the result remained unchanged in comparison with the previous year. The 2020/2021 financial year begins at 1 April 2020 and ends at 31 March 2021.

### Consolidation

Consolidated financial statements are not presented as the Company has availed itself of the exemption provisions of article 2:408 paragraph 1 of the Dutch Civil Code. Accordingly, the consolidated financial statements of Samvardhana Motherson Automotive System Group B.V. (SMRPBV) for the year 2020/2021, which include the financial data of the Company and its directly or indirectly controlled subsidiaries, will be filed with the Chamber of Commerce in Amsterdam.

### Related-party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party.

Also, entities which can control the Company are considered a related party. In addition, statutory directors, other key management of the Company [or the ultimate parent company] and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as these are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

### Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under article 2:362 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

## **1.3 Notes to the financial statements**

### **PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES**

#### **General**

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code. The functional currency of the Company is EUR.

The Company qualifies as a small sized entity. Therefore, based on article 396 Book 2 of the Netherlands Civil Code, exemptions apply to the figures, presentation and disclosures in the Company's financial statements.

#### **Translation of foreign currencies**

Transactions in currencies other than the Company's reporting currency, are accounted for at the exchange rates prevailing at the date of the transactions. Assets and liabilities denominated in currencies other than the Company's reporting currency are translated at year-end exchange rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in other currencies, are recognized in the profit and loss account. Non-monetary balance sheet items, which are valued at cost and resulting from transactions in foreign currencies, are translated at the rate prevailing on the date of the transaction.

#### **Financial fixed assets**

##### *Investment in participations*

The Company applies article 2:408 of the Dutch Civil Code and makes use of the option to value its investments at cost.

Subsidiaries or investments in associates are minimally stated at zero unless the Company is fully or partially liable for the debts of the subsidiary or associate, or has the firm intention to pay these debts. In that case a provision is formed.

If the value of an investment stated at cost is lower than its cost price, this valuation is adjusted accordingly, provided that the management considers this to be a permanent diminution in value.



### **1.3 Notes to the financial statements**

#### **Impairment of financial assets**

A financial asset that is not stated at (1) fair value with value changes reflected in the profit and loss account, or at (2) amortized cost or lower market value, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, indications that a debtor or issuer is approaching bankruptcy, or the disappearance of an active market for a security.

The entity considers evidence of impairment for financial assets measured at amortized cost (loan and receivables and financial assets that are held to maturity) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those individually significant assets found not to be specifically impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

#### **Receivables**

Receivables are recognized initially at fair value and subsequently measured at amortized cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognized using the effective interest method. Losses resulting from a receivable which is considered impaired or uncollectible, are recognized in the profit and loss account and reflected in an allowance account against loans and receivables.

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

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

#### **Shareholders' equity**

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

#### *Share premium*

The share premium concerns the income from the issuing of shares insofar as this exceeds the nominal value of the shares (income above par).

### **1.3 Notes to the financial statements**

#### **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

##### **General**

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Profit or loss is determined as the difference between the income generated from the financial assets and the costs and other charges for the year. Revenues on transactions are recognized in the year in which they are realized. Costs are determined on a historical basis and are attributed to the reporting year to which they are related to.

##### **Financial income and expenses**

Interest paid and received is recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognizing interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

##### **Share in result of participating interests**

For participations valued at cost, the associated dividend income is accounted for in the profit and loss as dividend income.

##### **Taxation**

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

If the carrying values of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences. A provision for deferred tax liabilities is recognized for taxable temporary differences. For deductible temporary differences, unused loss carry forwards and unused tax credits, a deferred tax asset is recognized, but only in so far as it is probable that taxable profits will be available in the future for offset or compensation.

For taxable temporary differences related to group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is recognized when the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

1.4 Notes to the balance sheet

ASSETS

FIXED ASSETS

Financial fixed assets [1]

Investment in participations

The participations in group companies for the financial year ending 31st of March 2021 have been divided as follows:

Name	Statutory place of business	Share in capital	Equity in accordance with last financial statements	Result in accordance with last financial statements
		%	EUR	EUR
PT SMRC Automotive Technology Indonesia	Indonesia	30.00	(191,043)	(29,537)
SMRC Automotive Technology RU LLC	Russia	0.25	18,723	21,253
SMRC Automotive Solutions Slovakia s.r.o.	Slovakia	0.01813	(476)	(1,724)
SMRC Automotive Smart Interior Tech Thailand Ltd.	Thailand	0.00002	2	nil

<u>31 March 2021</u>	<u>31 March 2020</u>
EUR	EUR

Investment in participations

PT SMRC Automotive Technology Indonesia	93,483	93,483
SMRC Automotive Technology RU LLC	1,190	1,190
SMRC Automotive Solutions Slovakia s.r.o.	750	750
SMRC Automotive Smart Interior Tech Thailand Ltd.	4	4
	<u>95,427</u>	<u>95,427</u>

1.4 Notes to the balance sheet

CURRENT ASSETS

Loans receivable [2]

	<u>31 March 2021</u>	<u>31 March 2020</u>
	EUR	EUR
<b>Receivables from group companies</b>		
SMRC Automotive Interiors Spain SL (cash pool)	8,442,768	13,301,671
SMRC Automotive Technology RU LLC (cash pool)	4,500,000	8,800,000
SMRC Automotive Solutions Slovakia s.r.o. (cash pool)	20,826,056	7,170,776
SMRC Smart Interior Systems Germany GmbH (cash pool)	1,248,250	378,550
	<u>35,017,074</u>	<u>29,650,997</u>

	<u>2020/2021</u>	<u>2019/2020</u>
	EUR	EUR
<i>Interest receivable on cash pool</i>		
Opening balance	48,958	122
Interest on cash pool	580,462	48,836
Interest capitalisation	(443,129)	-
Interest payment	(134,940)	-
Closing balance	<u>51,352</u>	<u>48,958</u>

	<u>31 March 2021</u>	<u>31 March 2020</u>
	EUR	EUR
<b>Taxes</b>		
Corporate income tax	-	31,058
Value added tax	19	24
	<u>19</u>	<u>31,082</u>

	<u>31 March 2021</u>	<u>31 March 2020</u>
	EUR	EUR
<b>Cash and cash equivalents [3]</b>		
Current account bank	1,270,281	449,478
	<u>1,270,281</u>	<u>449,478</u>

The balance of the cash and cash equivalents is available to the Company without any restrictions.

1.4 Notes to the balance sheet

EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY [4]

	<u>2020/2021</u>	<u>2019/2020</u>
	EUR	EUR
<b>Issued share capital</b>		
Opening balance	500	500
Issue shares	-	-
Closing balance	<u>500</u>	<u>500</u>

The authorized, issued and paid up share capital amounts to EUR 500, divided into 500 ordinary shares of EUR 0.01 each.

	<u>2020/2021</u>	<u>2019/2020</u>
	EUR	EUR
<b>Share premium</b>		
Opening balance	756,535	756,535
Dividend payment	-	-
Closing balance	<u>756,535</u>	<u>756,535</u>

	<u>2020/2021</u>	<u>2019/2020</u>
	EUR	EUR
<b>Undistributed result</b>		
Opening balance	(189,056)	(399,921)
Additions	44,731	210,865
Closing balance	<u>(144,325)</u>	<u>(189,056)</u>

**Proposed appropriation of result for the financial year ending 31 March 2021**

The profit for the financial year 2020/2021 in the amount of EUR 205,160 is proposed to be added to the reserves.

1.4 Notes to the balance sheet

CURRENT LIABILITIES [5]

	31 March 2021	31 March 2020
	EUR	EUR
<b>Debts to group companies</b>		
SMRC Automotive Modules France SAS (cash pool)	29,928,352	28,234,504
SMRC Automotive Interiors Products Poland SA (cash pool)	-	1,390,790
SMRC Automotive Holding Spain SL (cash pool)	5,594,880	-
	<u>35,523,232</u>	<u>29,625,294</u>

	2020/2021	2019/2020
	EUR	EUR
<i>Interest payable on cash pool</i>		
Opening balance	28,417	1,360
Interest on cash pool	325,784	27,057
Interest capitalisation	(325,817)	-
Closing Balance	<u>28,384</u>	<u>28,417</u>

	31 March 2021	31 March 2020
	EUR	EUR
<b>Debts to group companies</b>		
Current account SMRC Automotive Holdings Netherlands B.V.	<u>14,908</u>	<u>9,133</u>

<i>Current account SMRC Automotive Holdings Netherlands B.V.</i>		
Opening balance	9,133	9,133
Movements	5,775	-
Closing balance	<u>14,908</u>	<u>9,133</u>

	31 March 2021	31 March 2020
	EUR	EUR
<b>Taxes</b>		
CIT payable	<u>49,673</u>	<u>-</u>

**Off balance sheet assets and liabilities**

**Conditional obligations and important financial obligations**

As at 31 March 2021, the company has no off balance sheet commitments.

1.5 Notes to the profit and loss account

	<u>2020/2021</u>	<u>2019/2020</u>
	EUR	EUR
<b>General expenses [6]</b>		
Administrative charges	5,478	1,025
Bank charges	1,534	814
	<u>7,011</u>	<u>1,839</u>
<b>Financial income and expenses</b>		
<b>Interest income and similar revenues [7]</b>		
Interest from SMRC Automotive Technology RU LLC	128,892	58,768
Interest from SMRC Automotive Interiors Spain SL	155,673	54,054
Interest from SMRC Automotive Slovakia d.o.o.	274,941	31,656
Interest from SMRC Smart Interior Systems Germany GmbH	20,957	-
Foreign currency exchange result	3,561	2,953
	<u>584,023</u>	<u>147,431</u>
<b>Interest expenses and similar charges [8]</b>		
Interest from SMRC Automotive Modules France SAS	290,436	61,709
Interest from SMRC Smart Interior Systems Germany GmbH	-	20,876
Interest from SMRC Automotive Interiors Products Poland SA	8,825	15,224
Interest from SMRC Automotive Holding Spain SL	26,522	-
Interest expense banks	-	2,720
Foreign currency exchange result	6,612	222
	<u>332,395</u>	<u>100,751</u>
<b>Taxation [9]</b>		
Corporate income tax	<u>39,457</u>	<u>110</u>

**1.5 Notes to the profit and loss account**

**Subsequent events**

The financial impact of the Coronavirus (COVID-19) on the company has been assessed at the date of authorization of the financial statements. Given the size of the company, nature of activities and realization of assets and liabilities there is a limited (Immaterial) expected impact on the financial statements and quantifying this is impracticable.

With the exception of these events and considerations, no other post balance sheet events affecting the financial statements or related disclosures have occurred to date.

Amsterdam, ..... May 2021

The Board of Directors



A. Heuser

A. Bhakri

J.M. Buit

R.M.T. de Cuba