

# **Auditor's Report**

Reanda Shang Hai NO(2021)2137

To the Board of Directors of Samvardhana Motherson Corp Management  
Shanghai Co.,Ltd:

## **I Opinion**

We have audited the accompanying financial statements of Samvardhana Motherson Corp Management Shanghai Co.,Ltd ("the Company") for the year 2020, which comprise the balance sheet and the statement of changes in equity as at 31 December, 2020, and the income statement and cash flow statement for the year 2020, and notes to the financial statements.

In our opinion, the financial statements of the Company have been prepared in accordance with the requirements of the China Accounting Standards for Business Enterprises (CAS (2006)), and present fairly, in all material respects, the financial position of the Company as at 31 December, 2020 and its operation performance and its cash flows for the year 2020.

## **II Basis for Opinion**

"We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion."

## **III Responsibilities of Management and Those Charged with Governance for Financial Statements**

The management is responsible for the preparation of the financial statements that give a fair view in accordance with CAS, and for designing, implementing and maintaining such internal control as the management

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 management 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 management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so."

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### IV Auditor's Responsibilities for Audit of 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 CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) 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.

"(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances."

"(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management."

(4) Conclude on the appropriateness of the management' s 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 by CAS to draw users' attention in our auditor' s report to the related disclosures in the financial statements. If such disclosures are inadequate, we need 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.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

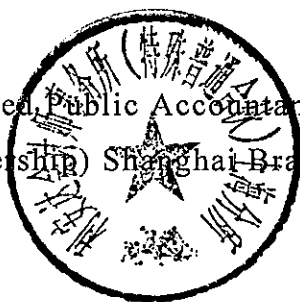
(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings, including any noteworthy deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

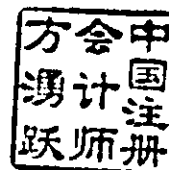
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Reanda Certified Public Accountants (Special  
General Partnership) Shanghai Branch

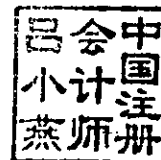


Shanghai, China

Chinese Certified Public Accountant



Chinese Certified Public Accountant



April 6, 2021

# BALANCE SHEET

As of 31st Dec 2020

Company Name: Samvardhana Motherson Corp Management Shanghai Co.,Ltd

UNIT:RMB

ITEM	NOTES	YEAR 2020	YEAR 2019
<b>CURRENT ASSETS:</b>			
Cash	5. 1	7,884,789.53	4,566,171.79
Financial assets measured at fair value and whose changes are included in the current profit and loss			
Derivative financial assets			
Notes receivable			
Accounts receivable	5. 2	8,339,056.88	1,533,359.68
Advance to suppliers	5. 3	71,693.64	48,000.00
Other receivables	5. 4	1,087,593.74	385,971.55
Inventories			
Assets held for sale			
Non-current assets due within one year			
Other current assets			
<b>TOTAL CURRENT ASSETS</b>		<b>17,383,133.79</b>	<b>6,533,503.02</b>
<b>Non-current assets :</b>			
Available for sale financial assets			
Investments held to maturity			
Long-term accounts receivable			
Long-term equity investment			
Investment real estate			
Fixed assets	5. 5	100,431.44	29,256.99
Project under construction			
Bearer biological assets			
Oil and natural gas assets			
Intangible assets	5. 6	77,555.88	88,719.60
Development expenditure			
Goodwill			
Long-term prepaid expenses	5. 7	1,434,139.12	
Deferred tax assets			
Other non-current assets			
<b>Total non-current assets</b>		<b>1,612,126.44</b>	<b>117,976.59</b>
<b>TOTAL ASSETS</b>		<b>18,995,260.23</b>	<b>6,651,479.61</b>

# BALANCE SHEET (CONTINUED)

As of 31st Dec 2020

Company Name: Samvardhana Motherson Corp Management Shanghai Co.,Ltd

UNIT:RMB

ITEM	NOTES	YEAR 2020	YEAR 2019
<b>CURRENT ASSETS:</b>			
Short-term loan			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payables			
Accounts payables			
Deposit received	5. 8		45,265.32
Accured payroll	5. 9	2,001,201.58	1,407,921.50
Tax payable	5. 10	281,931.25	172,496.31
Other payable	5. 11	1,383,731.37	283,314.38
Liabilities held for sale			
Non-current liabilities due within one year			
Other current liabilities			
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,666,864.20</b>	<b>1,908,997.51</b>
<b>Non-current liabilities:</b>			
Long-term loan			
Debentures payable			
Include:Preferred stock			
Perpetual debt			
Long-term payable			
Estimated liabilities			
Deferred income	5. 12	903,500.00	
Deferred income tax			
Other non-current liabilities			
<b>Total non-current liabilities</b>		<b>903,500.00</b>	
<b>Total liabilities</b>		<b>4,570,364.20</b>	<b>1,908,997.51</b>
<b>OWNERS' EQUITY:</b>			
Paid-in capital	5. 13	15,616,096.50	7,865,500.00
Other equity instruments			
Include:Preferred stock			
Perpetual debt			
Capital reserve			
Less:Treasury stock			
Other comprehensive income			
Special reserves			
Suplus reserve			
Undisdistributed profits	5. 14	-1,191,200.47	-3,123,017.90
<b>TOTAL OWNERS' EQUITY</b>		<b>14,424,896.03</b>	<b>4,742,482.10</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>18,995,260.23</b>	<b>6,651,479.61</b>

# INCOME STATEMENT

As of 31st Dec 2020

Company Name: Samvardhana Motherson Corp Management Shanghai Co.,Ltd

UNIT:RMB

ITEM	NOTES	YEAR 2020	YEAR 2019
<b>I.OVERALL SALES</b>	5. 15	<b>19,198,724.34</b>	<b>11,498,075.35</b>
Less: Operating Costs			
Tax and associate charge	5. 16	90,858.64	73,767.41
Selling and Distribution Expenses			
General and Administrative Expenses	5. 17	16,791,081.25	13,252,227.75
Research and Development Expenses			
Financial Expenses	5. 18	141,489.22	269,814.82
Includes:Interest Expense			
Interest Income	5. 18	5,259.93	4,229.39
Add:Other operating revenue			
Investment income (Loss expressed with "-")			
Include: Investment income on associates and joint ventures			
Income from changes in fair value (Loss expressed with "-")			
Asset impairment loss (Loss expressed with "-")			
Income from asset disposal (Loss expressed with "-")			
<b>II. PROFIT FROM OPERATIONS (LOSS EXPRESSED WITH "-")</b>		<b>2,175,295.23</b>	<b>-2,097,734.63</b>
Add:Non-operating income	5.19	44,222.19	2,537.00
Less:Non-operating expenses			
<b>III.PROFIT BEFORE TAX (LOSS EXPRESSED WITH "-")</b>		<b>2,219,517.42</b>	<b>-2,095,197.63</b>
Less: Income tax expenses	5.20	27,687.66	
<b>IV.NET PROFIT (LOSS EXPRESSED WITH "-")</b>		<b>2,191,829.76</b>	<b>-2,095,197.63</b>
(1)Going-concern net income (Net loss expressed with "-")		<b>2,191,829.76</b>	<b>-2,095,197.63</b>
(2) Discontinued opareting net income (NetLosses are listed with "-")			
<b>V.Net income after tax of other comprehensive income</b>			
(1)Other comprehensive income that cannot be reclassified into profit or loss			
1、 Remeasurement of changes in defined benefit plans			
2、 Other comprehensive income that cannot be reclassified into profit or loss under the equity			
(2)Other comprehensive income reclassified into profit or loss			
1、 Other comprehensive income that can be transferred to profit or loss under the equity method			
2、 Gains and losses on changes in fair value of available-for-sale financial assets			
3、 Held-to-maturity investments are reclassified as available-for-sale financial assets			
4、 Effective portion of cash flow hedging gains and losses			
5、 Translation differences in foreign currency financial statements			
6、 other			
<b>VI. TOTAL CONSOLIDATED INCOME</b>		<b>2,191,829.76</b>	<b>-2,095,197.63</b>

# Cash Flow Statement

As of 31st Dec 2020

Company Name: Samvardhana Motherson Corp Management Shanghai Co.,Ltd

UNIT:RMB

ITEM	NOTES	YEAR 2020	YEAR 2019
<b>I.CASH FLOWS FROM OPERATING ACTIVITIES:</b>	1		
Cash Received from Sale of Goods and Rendering of Services	2	13,501,351.11	12,059,570.89
Refund of Taxes	3		
Other Cash Received Relating to Operating Activities	4	2,053,602.40	179.65
<b>Sub-total of Cash Inflows</b>	5	<b>15,554,953.51</b>	<b>12,059,750.54</b>
Cash Paid for Goods and Services	6	480,936.17	292,296.47
Cash Paid to and for Employees	7	11,019,900.63	9,393,950.27
Cash Paid for All Types of Taxes	8	705,458.12	590,994.11
Other Cash Paid Relating to Operating Activities	9	5,758,240.89	3,154,338.73
<b>Sub-total of Cash Outflows</b>	10	<b>17,964,535.81</b>	<b>13,431,579.58</b>
<b>Net Cash Flows From Operating Activities</b>	11	<b>-2,409,582.30</b>	<b>-1,371,829.04</b>
<b>II.CASH FLOWS FROM INVESTING ACTIVITIES</b>	12		
Cash Received from Disposal of Investments	13		
Cash Received from Returns of Investments	14		
Net Cash Received from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets	15		
Net Cash Received from Subsidiary Company and Other Business Units	16		
Other Cash Received Relating to Investing Activities	17		
<b>Sub-total of Cash Inflows</b>	18		
Cash Paid for Acquisition of Fixed Assets, Intangible Assets and Others	19	1,896,867.98	105,231.84
Cash Paid for Acquisition of Investments	20		
Other Cash Paid for Acquisition of Subsidiaries and Other Business Units	21		
Other Cash Paid Relating to Investing Activities	22		
<b>Sub-total of Cash Outflows</b>	23	<b>1,896,867.98</b>	<b>105,231.84</b>
<b>Net Cash Flows from Investing Activities</b>	24	<b>-1,896,867.98</b>	<b>-105,231.84</b>
<b>III.CASH FLOWS FROM FINANCING ACTIVITIES</b>	25		
Cash Received from Investors	26	7,750,596.50	
Cash Received from Borrowings	27		
Other Cash Received Relating to Financing Activities	29		
<b>Sub-total of Cash Inflows</b>	30	<b>7,750,596.50</b>	
Cash Paid for Repayments of Borrowings	31		
Cash Paid for Dividends, Profits Distribution or Interest	32		
Other Cash Paid Relating to Financing Activities	33		
<b>Sub-total of Cash Outflows</b>	34		
<b>Net Cash Flows from Financing Activities</b>	35	<b>7,750,596.50</b>	
<b>IV.Foreign Exchange Rate Fluctuation Consequences on Cash and Cash Equivalents</b>	36	<b>-125,528.48</b>	<b>-258,274.12</b>
<b>V.Net Increase (Decrease) in Cash and Cash Equivalents</b>	37	<b>3,318,617.74</b>	<b>-1,735,335.00</b>
Add: Cash and Cash Equivalents at the Beginning of the Year	38	4,566,171.79	6,301,506.79
<b>VI.Cash and Cash Equivalents at the End of the Year</b>	39	<b>7,884,789.53</b>	<b>4,566,171.79</b>



**As of 31st Dec 2020**

UNIT: RMB

YEAR 2020

IV. C  
Year

# Statement of Changes in Equity (Continued)

As of 31st Dec 2019

Company Name: Samvardhana Motherson Corp Management Shanghai Co.,Ltd

UNIT: RMB

Company Name: Sunvanguard Investment Corp Management Shareholder Surplus												
ITEM	YEAR 2019											
	Paid-in Capital	Other equity instruments			Capital Reserve	Less: Treasury Stock	Other Consolidated Income	Special reserve	Surplus Reserve	Undistributed profits	TOTAL EQUITY	
		Preferred stock	Perpetual debt	Other								
I. Closing Balance for Prior Year	7,865,500.00									-1,027,820.27	6,837,679.73	
Add:Changes in Accounting Policies												
Corrections of Prior Period Errors												
Other												
II. Opening Balance for the Current Year	7,865,500.00									-1,027,820.27	6,837,679.73	
III. Increase or Decrease for the Current Year (Decrease expressed with "-")										-2,095,197.63	-2,095,197.63	
(1) Total Consolidated Income										-2,095,197.63	-2,095,197.63	
(2) Owners investment and reduce capital												
1.Common stock invested by owner												
2.Holders of other equity instruments invest capital												
3.Amount of share-based payments included in owner's equity												
4.Others												
(3)Profit Distribution												
1. Appropriations to Surplus Reserve												
2.Distribution to Owners/Shareholders												
3.Other												
(4)Internal Carrying Forward of Owners' Equity												
1. Capitalized Capital Reserve												
2. Capitalized Surplus Reserve												
3. Surplus Reserve for Making up Losses												
4.Changes in the defined benefit plan carried forward to retained earnings												
5.Others												
IV. Closing Balance for the Current Year	7,865,500.00									-3,123,017.90	4,742,482.10	

# **Samvardhana Motherson Corp Management Shanghai Co.,Ltd**

## **Notes to Financial Statements for year 2020**

As of December 31, 2020

(All amounts expressed in RMB unless otherwise stated)

### **1. Background of the Company**

Samvardhana Motherson Corp Management Shanghai Co.,Ltd ("The Company") is a limited liability company funded and established by SMR automotive mirrors Stuttgart GmbH. on August 13, 2018, it obtained the business license with the registration number of 91310000ma1fydex2m. The registered capital of the company is 2 million euros and the operation period is 30 years. The company's main business scope is enterprise management consulting. [for projects subject to approval according to law, business activities can be carried out only after approval by relevant departments]

### **2. Explanations of non compliance with the accounting presises**

Non compliance does not exist.

### **3. Explanations of Significant Accounting Policies and Accounting Estimates**

#### **3.1 Accounting Standards and Accounting System**

The Company adopts China Accounting Standards for Business Enterprises (CAS (2006)), and the relevant supplementary regulations.

#### **3.2 Accounting Year**

The accounting year of the Company is from 1 January to 31 December.

#### **3.3 Reporting Currency**

The Company' s reporting currency is Renminbi, Euro exchange rate is 7.843853.

#### **3.4 Basis and Principle of Accounting**

The Company adopts the Accrual basis, Debit and Credit double entry accounting, and assets are recorded at actual cost when they are acquired.

#### **3.5 Foreign Currency Transactions Accounting and Translation**

Foreign currency transactions are translated into the reporting currency at the exchange rates quoted by the People' s Bank of China prevailing at the transaction month. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated into the reporting currency using the exchange rates at the end of month. The exchange gains or losses are dealt with in the income statement.

#### **3.6 Cash Equivalents Recognition Standards**

(1) Cash represents petty cash saved in the Company and deposits which can be transmittted at any time including petty cash, bank savings which can be taken at any time, and other currency savings.

(2) Cash equivalents represent short term ( usually refer to within 3 months from the expiry date), highly liquid investments which are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

### **3.7 Bad Debts Accounting**

The Company adopts Allowance method for the Bad Dets accounting, and the Recognition criteria for bad debts are as follows:

The Company will check the book value of the accounts receivables at the balance sheet date, and make bad debts provisions if the following objective evidences exist which indicate the depreciation of the accounts receivables:

- A) The debtor suffers serious financial difficulties.
- B) The debtor has violated the terms of the contract such as payment of interest or principal in default or late.
- C) It is probable that the debtor will collapse or make other financial reorganization.
- D) Other objective evidences which indicate the depreciation of the accounts receivables.

### **3.8 Fixed Assets Valuation and Depreciation Accounting**

#### **(1) Fixed assets Recognition Standards**

Fixed assets include buildings, constructions, machineries, motor vechiles, electronic equipments, office equipments etc.

#### **(2) Fixed Assets Valuation and Depreciation**

The initial measurement of fixed assets upon acquisition is made at their actual cost. The fixed assets are depreciated on straight-line basis over their estimated useful lives based on the original cost less estimated net residual value and estimated useful lives.

Without considering impairment loss, the annual depreciation rate and depreciation life for each category of fixed assets with different useful life and estimated net residual value are as follows:

Category	Estimated net residual value rate	Estimated useful life	Annual depreciation rate
Official and electronic equipment	0.00%	4	25%

### **3.9 Revenue Recognition**

(1) Revenue from the sale of goods is recognized when the significant risks and rewards in

relation to ownership of the goods have been transferred to the buyer, the Company retains neither continuing management nor effective control over the goods sold; and it is probable that the economic benefits associated with the transaction will flow to the Company; and the relevant amounts of revenue and costs can be measured reliably.

(2) At the balance sheet date, if the results for rendering services can be measured reliably, the related Revenue shall be recognized with reference to the stage of completion. The results for rendering services can be measured reliably means all of the following conditions shall be satisfied:

- A) The revenue amount can be measured reliably.
- B) It is probable that economic benefits will flow to the service provider.
- C) The stage of completion of the transaction can be measured reliably.
- D) The costs of the transaction (including future costs) can be measured reliably.

(3) Revenue from transfer of the use right of asset is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the relevant amounts of revenue and costs can be measured reliably.

### **3.10 Income Taxes Accounting Treatment**

The Company adopts the balance sheet liability method for income taxes.

### **4. Taxation**

Categories of Tax	Tax Rate	Calculation Base
Value Added Tax	6%	The Taxable Value Added
Corporate Income Tax	25%	The Taxable Corporate Income
Individual Income Tax		The Taxable Individual Income
City Maintenance and Construction Tax	7%	The Turnover Taxes Payable
Educational Surcharges	3%	The Turnover Taxes Payable
Local Educational Surcharges	2%	The Turnover Taxes Payable

### **5. Notes to Items in Financial Statements**

#### **5.1 Cash at Bank and on Hand**

Items	Closing balance	Opening balance
Cash in bank	6,981,086.24	4,566,171.79
Total	6,981,086.24	4,566,171.79
Including : Total amount deposited overseas		

#### **5.2 Accounts Receivable**

①Aging Analysis

Age	Closing balance			Opening Balance		
	Book balance		Provisions for Impairment	Book balance		Provisions for Impairment
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year	8,339,056.88	100.00		1,533,359.68	100.00	
Total	8,339,056.88	100.00		1,533,359.68	100.00	

②Top five accounts receivable of ending balance collected by debtors

Account Name	Closing Balance	Age	Proportion(%)	Provisions for Impairment
PKC Group APAC Limited	5,820,879.62	Within 1 year	69.80	
SMP Deutschland GmbH	1,250,931.38	Within 1 year	15.00	
SMP Tooling	347,092.27	Within 1 year	4.16	
SMGF Dubai	260,164.92	Within 1 year	3.12	
Siminrui Auto Parts (Langfang) Co., Ltd	192,576.32	Within 1 year	2.31	
小计	7,871,644.51		94.39	

5.3 Advance Payment

①Aging Analysis

Age	Closing balance		Opening Balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	71,693.64	100.00	48,000.00	100.00
Total	71,693.64	100.00	48,000.00	100.00

5.4 Other Accounts Receivable

Items	Closing Balance	Opening Balance
Interest Receivable		
Dividend Receivable		
Other Accounts Receivable	1,087,593.74	385,971.55
Total	1,087,593.74	385,971.55

①Age Analysis

Age	Closing balance			Opening Balance		
	Book balance		Provisions for Impairment	Book balance		Provisions for Impairment
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year	1,085,593.74	99.82		385,971.55	100.00	
1-2year	2,000.00	0.18				
Total	1,087,593.74	100.00		385,971.55	100.00	

5.5 Fixed Assets

Items	Closing Balance	Opening Balance
Fixed Assets	100,431.44	29,256.99

Items	Closing Balance	Opening Balance
Total	100,431.44	29,256.99

①Fixed Assets

Items	Official and electronic equipment	Total
<b>Book value</b>		
1、 Opening balance	35,524.94	35,524.94
2、 Increase amount of this year	90,915.04	90,915.04
(1) Purchase	90,915.04	90,915.04
3、 Reduced amount for the year		
4、 Closing balance	126,439.98	126,439.98
<b>Accumulated depreciation</b>		
1、 Opening balance	6,267.95	6,267.95
2、 Increase amount of this year	19,740.59	19,740.59
(1) Provision	19,740.59	19,740.59
3、 Reduced amount for the year		
4、 Closing balance	26,008.54	26,008.54
<b>Depreciation Reserves</b>		
1、 Opening balance		
2、 Increase amount of this year		
3、 Reduced amount for the year		
4、 Closing Balance		
<b>Book value</b>	/	
1、 Closing book value	100,431.44	100,431.44
2、 Opening book value	29,256.99	29,256.99

②Fixed assets disposal : none.

5.6 Intangible Assets

①Intangible Assets

Items	Opening Balance	Increase this year	Reduction this year	Closing Balance
1、 Total original book value	97,568.97			97,568.97
Software	97,568.97			97,568.97
2、 Total accumulated amortization	8,849.37	11,163.72		20,013.09
Software	8,849.37	11,163.72		20,013.09
3、 Total accumulated amount of				

Items	Opening Balance	Increase this year	Reduction this year	Closing Balance
impairment provision				
Software				
4、 Total book value	88,719.60		11,163.72	77,555.88
Software	88,719.60		11,163.72	77,555.88

#### 5.7 Long-term prepaid expenses

Items	Opening Balance	Increase this year	Amortize this year	Reduction this year	Closing Balance
Renovation fee		1,805,952.94	371,813.82		1,434,139.12
Total		1,805,952.94	371,813.82		1,434,139.12

#### 5.8 Advance Payment

##### ① Aging Analysis

Age	Closing Balance	Opening Balance
Within 1 year		45,265.32
Total		45,265.32

#### 5.9 Staff Wages & Benefits Payable

Items	Opening Balance	Increase this year	Reduction this year	Closing Balance
Payroll Expense – Salaries & Payroll – Bonus	1,407,921.50	10,669,697.31	10,076,417.23	2,001,201.58
Total	1,407,921.50	10,669,697.31	10,076,417.23	2,001,201.58

#### 5.10 Taxes Payable

Items	Closing Balance	Opening Balance
VAT Tax	57,463.13	48,080.07
Individual Income Tax	189,884.88	118,646.96
Additional tax	6,895.58	5,769.28
Corporate income tax	27,687.66	
Total	281,931.25	172,496.31

#### 5.11 Other Accounts Payables

Items	Closing Balance	Opening Balance
Interest Payable		
Dividends Payable		
Other Accounts payables	1,383,731.37	283,314.38
Total	1,383,731.37	283,314.38

① Listed by nature of payment



Items	Closing Balance	Opening Balance
Corporate and personal accounts payable	1,383,731.37	283,314.38
Total	1,383,731.37	283,314.38

#### 5.12 Deferred income

Items	Closing Balance	Opening Balance
Decoration subsidy	903,500.00	
Total	903,500.00	

#### 5.13 Paid-in Capital

Items	Opening Balance	Increase this year	Reduction this year	Closing Balance
SMR Automotive Mirrors Ttuttgart GmbH	7,865,500.00	7,750,596.50		15,616,096.50
Total	7,865,500.00	7,750,596.50		15,616,096.50

#### 5.14 Undistributed Profits

Items	This year	Prior year
Undistributed profit at the end of the previous year before adjustment	-3,123,017.90	-1,027,820.27
Adjusting the total amount of undistributed profits at the beginning of the year (add +, less-)	-260,012.33	
Adjusted undistributed profit at the beginning of the year	-3,383,030.23	-1,027,820.27
Add : Net profit attributable to shareholders of the parent company for the year	2,191,829.76	-2,095,197.63
Less : Statutory surplus reserve		
Distribution of common stock dividends		
Undistributed profit at the end of the year	-1,191,200.47	-3,123,017.90

#### 5.15 Operating Income and Costs

Items	Amount of current year		Amount of previous year	
	Income	Cost	Income	Cost
Main Operating	19,198,724.34		11,498,075.35	
Total	19,198,724.34		11,498,075.35	

#### 5.16 Taxes and surcharges

Items	Amount of current year	Amount of previous year
City Maintenance and Construction Tax	90,858.64	71,801.03
stamp duty		1,966.38
Total	90,858.64	73,767.41

#### 5.17 Administration Expense

Items	Amount of current year	Amount of previous year
Meals	19,336.88	25,522.08
Service Charge	1,138,454.36	128,740.12
Travel Expenses - Domestic	292,453.76	408,162.06
Mobile phone	42,579.12	48,166.96
Telephone	62,285.89	7,040.80
Rental cost	2,397,615.88	1,132,040.67
Payroll - Bonus	2,208,429.11	1,470,071.16
Business entertainment	1,048.00	90,027.98
Office supplies	75,332.37	33,578.42
Advertising fee	498.00	24,216.79
Depreciation cost	402,718.13	14,648.36
Electricity	22,214.35	8,756.87
Payroll Expense - Salaries	8,656,995.04	8,159,769.01
Insurance	65,774.63	52,907.49
Car rental, fuel, etc	287,880.00	327,621.00
Legal and professional fees		242,324.09
Audit Fees	15,941.51	3,773.58
Employee benefits	17,429.98	8,786.00
Training cost	23,867.73	10,927.80
Recruitment fee	503,931.02	486,489.57
Post charges	4,603.57	8,369.60
IT cost	83,212.14	67,075.29
Travel Expenses - International	22,033.26	493,212.05
Employee social insurance	446,446.52	
Total	16,791,081.25	13,252,227.75

#### 5.18 Finance Charges

Items	Amount of current year	Amount of previous year
Interest Expense		
Less: Interest Income	5,463.22	4,229.39
Net Interest Expense	-5,463.22	-4,229.39
Net Exchange Loss	125,528.48	258,274.12
Bank Charges	21,423.96	15,770.09
Total	141,489.22	269,814.82

#### 5.19 Non-operation income

Items	Amount of current year	Amount of previous year
Stable subsidy	44,222.19	2,537.00
Total	44,222.19	2,537.00

#### 5.20 Income tax expense

Items	Amount of current year	Amount of previous year
Current income tax expense	27,687.66	
Total	27,687.66	

### 6.Important Events

#### (1) Contingencies

No significant contingencies during the report period need to be disclosed.

#### (2)Commitments

No significant commitments during the report period need to be disclosed.

#### (3) Events Occurring After the Balance Sheet Date

As at the date of the Auditor's Report, No significant events need to be disclosed after the Balance Sheet Date.

#### (4)Other Important Events

No other important events during the report period need to be disclosed.

Samvardhana Motherson Corp Management Shanghai Co.,Ltd

April 6, 2021