

**SMRC Automotive Interior Modules Croatia
Financial Statements
2018-19**

SMRC Automotive Interior Modules Croatia
Balance sheet

3 months

12 months

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

	Notes	As At March 31, 2019	As At December 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	15 919	18 933
Capital work-in-progress		-	-
Investment property	5	-	-
Goodwill	4	-	-
Other intangible assets	4	-	-
Intangible assets under development		-	-
Financial assets		-	-
i. Investments	6	-	-
ii. Loans	7	-	-
iii. Trade receivables	10	-	-
iv. Other financial assets	12	-	-
Deferred tax assets (net)	8	-	-
Non-current tax assets (net)		-	-
Total non-current assets		15 919	18 933
Current assets			
Inventories	9	-	-
Financial assets		-	-
i. Investments	6	-	-
ii. Trade receivables	10	220 366	229 513
iii. Cash and cash equivalents	11	762 479	1 367 730
iv. Bank balances other than (iii) above		-	-
v. Loans	7	-	-
vi. Other financial assets	12	-	-
Other current assets	13	34 027	31 148
Total current assets		1 016 872	1 628 391
Total assets		1 032 791	1 647 324
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	20 000	20 000
Share application money pending for allotments		-	-
Other equity			
Reserves and surplus	15	775 907	742 084
Other reserves	16	-	-
Total equity		795 907	762 084
Liabilities			
Non-current liabilities			
Financial Liabilities		-	-
i. Borrowings	17	-	-
ii. Other financial liabilities	19	-	-
Provisions	20	-	-
Employee benefit obligations	21	-	-
Deferred tax liabilities (net)	8	-	-
Other non-current liabilities	22	-	-
Total non-current liabilities		-	-
Current liabilities			
Financial Liabilities		-	639 151
i. Borrowings	17	-	45 193
ii. Trade payables	18	56 890	200 896
iii. Other financial liabilities	19	141 601	-
Provisions	20	-	-
Employee benefit obligations	21	-	-
Other current liabilities	22	38 393	-
Non-Current tax liabilities (net)		-	-
Total current liabilities		236 884	885 240
Total liabilities		236 884	885 240
Total equity and liabilities		1 032 791	1 647 324

Summary of significant accounting policies

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This is the Balance Sheet referred to in our report of even date

The above balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

TĐZ

SMRC Automotive Interior Modules Croatia
Statement of profit and loss

3 months

12 months

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

	Notes	For the year ended March 31, 2019	For the year ended December 31, 2018
Revenue			
Revenue from contract with customers	23	911 084	2 994 488
Other operating revenue	24	22 613	47 350
Total revenue from operations		933 697	3 041 838
Other income	25	5 955	33 748
Total income		939 652	3 075 585
Expenses			
Cost of materials consumed	26	3 423	19 112
Change in inventories of finished goods, work-in-progress and stock in trade	27	-	-
Employee benefit expense	28	545 372	1 468 612
Depreciation and amortisation expense		3 014	15 372
Finance costs	29	11 262	52 818
Other expenses	30	333 196	1 377 077
Total expenses		896 267	2 932 991
Profit before tax		43 385	142 594
Tax expenses			
Current tax	31	9 562	33 630
Deferred tax expense/ (credit)	31	-	-
Total tax expense		9 562	33 630
Profit for the year		33 823	108 964
Other comprehensive income			
Items to be reclassified to profit or loss			
Deferred gain / (losses) on cash flow hedges (net of tax)		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		33 823	108 964

Summary of significant accounting policies

2

This is the statement of Profit and Loss referred to in our report of even date

The above statement of profit and loss should be read in conjunction with the accompanying notes

For and on behalf of the Board

J.DZ

SMRC Automotive Interior Modules Croatia
Statement of changes in equity

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

A. Share application money pending allotment

As at January 01, 2018 -
As at December 31, 2018 -
Less: Amount refunded to share holder of the company -
As at March 31, 2019 -

B. Other equity	Notes	Reserves and	Items of	Total
		Surplus	OCI	
		Retained	Cash flow	attributable
		Earnings	hedging	to Owners
			reserve	
Balance as at January 01, 2016		-	-	-
Profit for the year		108 964	-	108 964
Other comprehensive income		-	-	-
Total comprehensive income for the year		108 964	-	108 964
Balance at December 31, 2016		108 964	-	108 964
Profit for the year		33 823	-	33 823
Other comprehensive income		-	-	-
Total comprehensive income for the year		33 823	-	33 823
Balance at March 31, 2019		142 788	-	142 788

Summary of significant accounting policies

This is the statement of changes in equity referred to in our report of even date

2 The above statement of changes in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board

TPZ

SMRC Automotive Interior Modules Croatia
Consolidated Cash Flow Statement

3 months

12 months

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

	For the year ended March 31, 2019	For the year ended December 31, 2018
A. Cash flow from operating activities:		
Profit before tax	43 385	142 594
Adjustments for:		
Depreciation and amortisation expense	3 014	15 372
Finance cost	-	-
Provision for warranty	-	-
Provision for doubtful debt / advances	-	-
Income on reversal of provision	-	-
Unrealised foreign currency loss/(gain)	-	-
Operating profit before working capital changes	46 400	157 967
Changes in working capital:		
Increase/(decrease) in trade and other payables	50 090	(76 860)
Increase/(decrease) in other financial liabilities	(59 295)	85 489
(Increase)/decrease in trade receivables	(9 147)	(64 244)
(Increase)/decrease in inventories	-	-
(Increase)/decrease in other receivables	(2 879)	(3 295)
(Increase)/decrease in other financial assets	-	-
Cash generated from operations	25 169	99 057
Taxes (paid) / received	-	-
Net cash generated from operating activities	25 169	99 057
B. Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment (including capital work-in-progress)	(12 598)	-
Net cash (used) in investing activities	(12 598)	-
C. Cash flow from financing activities:		
Interest paid	-	-
Repayment of short term borrowings	(639 151)	-
Return of share application money	-	-
Net cash (used) in financing activities	(639 151)	-
Net Increase/(Decrease) in Cash & Cash Equivalents	(626 580)	99 057
Net Cash and Cash equivalents at the beginning of the year	1 367 730	1 308 305
Cash and cash equivalents acquired consequent to acquisition of SMRC (Refer Note 50)	-	-
Cash and cash equivalents as at year end	741 150	1 407 362
Cash and cash equivalents comprise		
Cash on hand	-	-
Cheques / drafts on hand	-	-
Balance with Banks	762 479	1 367 730
Cash and cash equivalents as per Balance Sheet (restated)	762 479	1 367 730
Net foreign exchange difference on balance with banks in foreign currency		
Total	762 479	1 367 730
Summary of significant accounting policies (Note 2)		

i) The above Cash flow statement has been prepared under the "Indirect Method"

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board

TJZ, gap reconciliation evaluated as non significant (5 k€).

1 Corporate information

SMRC Automotive Interior Modules Croatia doo is a small legal entity (4 employees; annual sales of 0,4 m€), operating exclusively for SMRC Automotive Modules France SAS at costs +5%. Its headquarter is based in Zagreb, inside AD Plastik plant (rent office), which is the subcontractor of SMRC France for its croatian business. The main activities of SMRC Croatia are business consulting and other management activities.

Excluding the salary and office expenses, the company also bears external quality wall costs from constructors inside its owned plants.

The accounting management is externalized to Benko in Croatia, which is registering a simplified bookkeeping in accordance with the size of the company.

2 Significant accounting policies

(a) Basic of preparation

Compliance with IFRS

The financial statements of the Company have been prepared for the financial year beginning January 01, 2018 and ended on March 31, 2019.

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) in force at March 31, 2019 as adopted by the European Union.

The financial statements have been prepared on a historical cost basis unless otherwise indicated.

The financial statements are presented in Kuna Croate (local currency), which is stable compare to EUR (from 0,1299 up to 0,1370 over the last 10 years; variance max. 5%).

(b) Accounting policies for the financial statements

The general accounting policies of the financial statements are described in this section. Detailed accounting policies and descriptions of decisions based on management's judgement and management's use of estimates are presented later at each item of the financial statements.

SMRC Automotive Interior Modules Croatia
NOTES TO THE FINANCIAL STATEMENTS

3 Property, plant and equipment All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

Particulars	Own Assets						Assets Taken on Finance Lease				Total		
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles	Leasedhold land	Plant & Machinery	Furniture & fixtures		Computers	Vehicles
Year ended December 31, 2018													
Gross carrying amount	-	-	-	11 366	4 585	40 778	-	-	-	-	-	-	56 729
As at January 01, 2018	-	-	-	3 228	-	9 369	-	-	-	-	-	-	12 598
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / other adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	14 595	4 585	50 147	-	-	-	-	-	-	69 327
Accumulated depreciation and Impairment													
As at January 01, 2018	-	-	-	8 022	76	26 923	-	-	-	-	-	-	35 022
Depreciation charge during the year	-	-	-	2 448	458	12 465	-	-	-	-	-	-	15 372
Closing accumulated depreciation	-	-	-	10 471	535	39 389	-	-	-	-	-	-	50 394
Net carrying amount	-	-	-	4 124	4 050	10 759	-	-	-	-	-	-	18 933
Year ended March 31, 2019													
Gross carrying amount	-	-	-	14 595	4 585	50 147	-	-	-	-	-	-	69 327
As at January 01, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	14 595	4 585	50 147	-	-	-	-	-	-	69 327
Accumulated depreciation													
As at January 01, 2019	-	-	-	10 471	535	39 389	-	-	-	-	-	-	50 394
Depreciation charge during the year	-	-	-	730	115	2 170	-	-	-	-	-	-	3 014
Closing accumulated depreciation	-	-	-	11 200	649	41 559	-	-	-	-	-	-	53 408
Net carrying amount	-	-	-	3 394	3 936	8 589	-	-	-	-	-	-	15 919

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SMRC Automotive Interior Modules Croatia
NOTES TO THE FINANCIAL STATEMENTS

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

4 Intangible assets							
Particulars	Technical Knowhow Fees	Customer Relationships	Business and commercial rights	Intellectual Property Rights	Software	Total	Goodwill
Year ended December 31, 2018							
Gross carrying amount	-	-	-	-	-	-	-
As at January 01, 2018	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals / other adjustment	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-	-
Accumulated amortisation and impairment							
As at January 01, 2018	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-
Closing accumulated amortisation and impairment	-	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-	-
Year ended March 31, 2019							
Gross carrying amount	-	-	-	-	-	-	-
As at January 01, 2019	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-	-
Accumulated amortisation and impairment							
As at January 01, 2019	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-
Closing accumulated amortisation and impairment	-	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-	-

Reserves and surplus

	March 31, 2019	December 31, 2018
(a) Retained earnings		
Opening balance	742 084	633 120
Additions during the year	33 823	108 964
Closing balance	775 907	742 084
(b) General reserve		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-
(c) Capital reserve		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-
Total reserve and surplus	775 907	742 084

Other reserves

(a) Cash flow hedging reserve

	March 31, 2019	December 31, 2018
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast payments. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

Borrowings

(a) Non-current

March 31, 2019	December 31, 2018
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(b) Current

Secured repayable on demand from banks ¹	-	-
	-	639 151
	-	639 151

¹Secured by charge on the inventory and receivables of the Company

Trade Payables

Total outstanding dues of creditors other than related parties
Trade payable to related parties (Refer note 40)

March 31, 2019	December 31, 2018
56 890	45 193
-	-
56 890	45 193

Other current financial liabilities

(a) Non-current

Security deposits
Other liabilities payable in cash and cash equivalent

March 31, 2019	December 31, 2018
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(b) Current

Interest accrued but not due on borrowings	-	1 002
Employee benefits payable	58 781	-
Accrued expenses	82 820	199 894
Total	141 601	200 896

Provisions

(a) Non-current

For Warranties
For Litigations / disputes

March 31, 2019	December 31, 2018
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(b) Current

For warranties	-	-
Total	-	-

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

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# Employee benefit obligations		March 31, 2019	December 31, 2018
(a) Non-current			
Pension		-	-
Compensated absences		-	-
(b) Current			
Pension		-	-
Compensated absences		-	-
Total			
# Other liabilities		March 31, 2019	December 31, 2018
(a) Other non-current liabilities			
Statutory dues payable		-	-
Other payables		-	-
(b) Other current liabilities			
Other current liabilities		38 393	-
Statutory dues payable & other payables		38 393	-

Bracket denotes appropriations / deductions.

5 Investment property

Opening gross carrying amount
Add: Transfers / Additions during the year
Less: (Deletions) during the year
Gross Block
Accumulated depreciation:
Opening balance
Add: Depreciation for the year
Less: Deletions during the year
Closing accumulated depreciation
Net Investment Properties

March 31, 2019 December 31, 2018

	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-

6 Investments

(a) Non-current Investments

Investment in subsidiaries:

name of subsidiary 1
number of share held current year (share held during previous year), face value
name of subsidiary 1
number of share held current year (share held during previous year), face value

March 31, 2019 December 31, 2018

(b) Current investments
(provide details if applicable)

7 Loans

(a) Non-current Investments

Unsecured, considered good
Loans to related parties
Loans to employees

March 31, 2019 December 31, 2018

(b) Current Investments

Unsecured, considered good
Loans to related parties
Loans to employees

8 Deferred tax

(a) Deferred tax assets (net)

Year ended December 31, 2018
Unabsorbed depreciation and Tax losses
Property, plant and equipments
Provision for Doubtful debts/Advances/Inventory
Others
Year ended March 31, 2019
Unabsorbed depreciation and Tax losses
Property, plant and equipments
Provision for Doubtful debts/Advances/Inventory
Others

Beginning Balance Charged to profit or loss Closing balance

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

(b) Deferred tax liabilities (net)

Year ended March 31, 2018

Others

Year ended March 31, 2019

Others

Beginning Balance Charged to profit or loss Closing balance

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

9 Inventories:	March 31, 2019	December 31, 2018
Raw materials:	-	-
Work-in-progress	-	-
Finished goods	-	-
	-	-
Inventory include Inventory in transit of: Raw materials	-	0
# Trade Receivable	March 31, 2019	December 31, 2018
(a) Non-current:		
Unsecured, considered good	-	-
Trade receivables from related parties	-	-
Doubt full	-	-
Less: Allowances for credit loss	-	-
(b) Current:		
Unsecured, considered good	220 366	229 513
Trade receivables from related parties	-	-
Doubt full	220 366	229 513
Less: Allowances for credit loss	-	-
	220 366	229 513
# Cash and cash equivalents	March 31, 2019	December 31, 2018
Balances with banks: - in current accounts	762 479	1 367 730
Cash on hand	762 479	1 367 730
# Other financial assets	March 31, 2019	December 31, 2018
(a) Non-current:		
Security deposits, unsecured considered good	-	-
Other advances receivable in cash and cash equivalent	-	-
Derivatives designated as hedge	-	-
(b) Current:		
Security deposits, unsecured considered good	-	-
Other advances receivable in cash and cash equivalent	-	-
Derivatives designated as hedge	-	-
# Other current Assets	March 31, 2019	December 31, 2018
Advances recoverable	28 988	31 148
Prepaid expenses	5 039	-
	34 027	31 148
# Share Capital	March 31, 2019	December 31, 2018
Authorised:		
Number of equity share capital and face value		
Issued, subscribed and paid up:		
Number of equity share capital and face value for each category of share capital	20 000	20 000
	20 000	20 000

TJZ

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

23	Revenue from contract with customers	For the year ended	
		March 31, 2019	December 31, 2018
	Sales of products		-
	Sales of services	911 084	2 994 488
	Total revenue from contract with customers (Refer Note 45)	911 084	2 994 488

IFRS 15 Revenue from contracts with customers

Effective April 1, 2018, the Company has adopted IFRS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant.

24	Other operating revenue:	For the year ended	
		March 31, 2019	December 31, 2018
	Scrap sales	-	-
	Miscellaneous income	22 613	47 350
		22 613	47 350
	Total revenue from operation	933 697	3 041 838

25	Other income	For the year ended	
		March 31, 2019	December 31, 2018
	Interests		20
	Foreign exchange gain (net)	5 955	33 727
	Provision for Doubtful Debts written back	-	-
	Total	5 955	33 748

26	Cost of materials consumed	For the year ended	
		March 31, 2019	December 31, 2018
	Opening stock of raw materials	3 423	19 112
	Add : Purchases of raw materials	-	-
	Less: Closing stock of raw materials	-	-
	Total	3 423	19 112

All amounts in HRK (1 HRK = 0,1344 EUR = 0,1509 USD as at March 31, 2019)

	For the year ended	
	March 31, 2019	December 31, 2018
27 Changes in inventory of finished goods, work in progress and stock in trade		
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	-	-
Work-in-progress	-	-
Total A	-	-
Stock at the end of the year:		
Finished goods	-	-
Work-in-progress	-	-
Total C	-	-
(Increase)/ decrease in stocks (A+B-C+D)	-	-
28 Employee benefit expense		
Salary, wages & bonus	292 717	857 018
Contribution to employee welfare funds, payroll tax and other taxes	252 654	594 294
Staff welfare expenses	-	-
Others	-	17 300
Total	545 372	1 468 612
29 Finance costs		
Interest on borrowings	3 997	12 069
Others	7 265	40 749
Total	11 262	52 818
30 Other expenses		
Electricity, water and fuel	5 090	28 736
Repairs and Maintenance:		
Machinery	-	-
Building	-	-
Others	28	3 503
Consumption of stores and spare parts	-	-
Rent	64 652	289 621
Rates & taxes	1 785	10 204
Insurance	281	18 540
Donation	-	-
Travelling	39 886	86 226
Freight & forwarding	46 875	76 242
Provision for doubtful debts/advances	-	-
Auditors fees and expenses	-	-
Legal & professional expenses	36 950	96 338
Computer expenses and software charges	-	-
Fees and subscriptions	1 353	7 860
Business promotion expenses	-	2 221
Communication expenses	6 403	24 448
Miscellaneous expenses	129 892	733 137
Total	333 196	1 377 077
31 Income tax		
Current tax	9 562	33 630
Deferred tax charged / (reversed)	-	-
	9 562	33 630

Thibault Douriez

