

Financial Statements 2023

Motherson Sintermetal Technology B.V.
Hoogoorddreef 15
1101BA Amsterdam

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General information

General

Motherson Sintermetal Technology B.V. (the Company) is a private company with limited liability (a wholly-owned subsidiary of Samvardhana Motherson Innovative Solutions Limited), incorporated under the laws of the Netherlands on 9 June 2011, having its corporate seat in Amsterdam, with offices at Hoogoorddreef 15, 1101BA Amsterdam, the Netherlands.

Results

As presented in the profit and loss account, the net result for the year 2023 amounts to a loss of EUR 1,951,726 (2022: a loss of EUR 1,959,347).

Summary of activities

The principal activities of the Company is to act as a holding and financing Company.

Financial Statements 2023

Balance sheet as at 31 December 2023

(After appropriation of result)

	31 Dec 2023		31 Dec 2022	
	EUR	EUR	EUR	EUR
ASSETS				
Current assets				
Cash and cash equivalents	29,339		16,365	
		29,339		16,365
		29,339		16,365
EQUITY & LIABILITIES				
Equity				
Share capital	70,000		70,000	
Share premium	13,604,853		13,604,853	
Other reserves	(68,425,882)		(66,474,156)	
		(54,751,029)		(52,799,303)
Non-current liabilities	54,721,922		52,785,244	
Current liabilities	58,446		30,424	
		54,780,368		52,815,668
		29,339		16,365

Profit and loss account for the year 2023

	2023		2022	
	EUR	EUR	EUR	EUR
Gross Margin (loss)		(1,886,678)		(1,882,963)
Total operating income (loss)		(1,886,678)		(1,882,963)
Other general expenses	65,048		76,384	
Total general expenses		65,048		76,384
Operational result (loss)		(1,951,726)		(1,959,347)
Result before taxation (loss)		(1,951,726)		(1,959,347)
Taxation Result		-		-
Result after taxation (loss)		(1,951,726)		(1,959,347)

General notes

1. General

General

Motherson Sintermetal Technology B.V. (the Company) is a private company with limited liability (a wholly-owned subsidiary of Samvardhana Motherson Innovative Solutions Limited), incorporated under the laws of the Netherlands on 9 June 2011, having its corporate seat in Amsterdam, with offices at Hoogoorddreef 15, 1101BA Amsterdam, the Netherlands.

The Company is registered at the Chamber of Commerce under number 52922332.

Activities

The principal activities of the Company is to act as a holding and financing Company.

Group structure

The Company is part of the Samvardhana Motherson group. The head of this group is Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) in Mumbai, India. The financial statements of the Company are included in the consolidated financial statements of Samvardhana Motherson Innovative Solutions Limited.

Going concern

The equity of the Company amounts to EUR 54,751,029 negative as at 31 December 2023.

The negative equity is mainly financed in full with current liabilities/non-current liabilities, including current accounts, provided by group entities. The continuity of the Company is assumed on the willingness of group entities to continue these financing facilities. At present, commitments have been made by the group entities to continue financing the Company so it can continue with its ordinary activities.

The accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the Company.

Directors' report

The Company has taken advantage of Article 395a section 6, Title 9, Book 2 of the Dutch Civil Code and has not presented a directors' report.

Estimates

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure.

The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognized in the period in which the estimate is revised and in future periods for which the revision has consequences.

Comparison with previous year

The principles of valuation and determination of the result remained unchanged in comparison to previous year.

Related parties

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 to be 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.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.

2. General accounting principles

Accounting policies

The financial statements have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards applicable for micro legal entities, as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving).

Based on Title 9, Book 2 of the Dutch Civil Code, the Company can be qualified as a so-called micro-sized company, but voluntarily discloses more information to meet the legal requirement to provide a true and fair view.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention, unless presented otherwise.

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

Financial instruments

Financial instruments include both primary financial instruments, such as receivables, liabilities and financial derivatives. Reference is made to the recognition per balance sheet item for the principles of primary financial instruments.

Foreign currency

Items included in the financial statements of the Company are valued with due regard for the currency in the economic environment in which the Company carries out most of its activities (the functional currency).

The financial statements are denominated in EUR, this is both the functional currency and presentation currency of the Company.

3. Principles of valuation of assets and liabilities

CURRENT ASSETS

Cash at banks and in hand

Cash and cash equivalents represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognized as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

LIABILITIES

Non-current liabilities

On initial recognition non-current liabilities are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the non-current liabilities are included in the initial recognition. After initial recognition non-current liabilities are recognised at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the profit and loss account on the basis of the effective interest rate during the estimated term of the non-current liabilities.

Current liabilities

On initial recognition, current liabilities are recognized at fair value. After initial recognition, current liabilities are recognized at the amortized cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

4. Principles for the determination of the result

General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Costs

Costs are determined on a historical basis and allocated to the financial year to which they relate.

Financial income and expenses

Interest income and expenses are recognized on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. When accounting for interest expenses, the recognized transaction expenses for loans received are taken into consideration.

Income Tax

Tax on result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Also changes are taken into account, which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Notes to the balance sheet as at 31 December 2023**EQUITY AND LIABILITIES****Equity****Share capital**

The issued and fully paid up share capital of the Company amounts to EUR 70,000, divided into 70,000 ordinary shares of EUR 1.

Proposed appropriation of result for the financial year 2023

The board of directors proposes that the result for the financial year 2023 amounting to a loss of EUR 1,951,726 should be transferred to the other reserves. This proposal has been incorporated in the financial statements.

Non-current liabilities

	31 Dec 2023		
	Total	Remaining	Remaining
	EUR	maturity 1-5	maturity > 5
		years	years
		EUR	EUR
Amounts owed to group company	54,721,922	54,721,922	-
	54,721,922	54,721,922	-

Repayment obligations falling due within 12 months from the end of the financial year, as set out above, are not included in the above figures but in current liabilities.

Amounts owed to group company

This item includes loan from associated companies. The interest rate is fixed and amounts to 4.32% (31 Dec 2022: 4.32%). Nothing has been agreed on repayment and securities.

Current Liabilities

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Amounts owed to equity holder	51	51
Trade payables and trade creditors	58,395	30,373
	58,446	30,424

All payables will be resolved within one year.

Contingent assets and liabilities

The Company has no contingent assets and liabilities that are not already included in the financial statements.

Notes to the profit and loss account for the year 2023

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Gross margin		
Finance expenses	(1,886,678)	(1,882,963)
	<u>(1,886,678)</u>	<u>(1,882,963)</u>
The Finance expenses consists of:		
<u>Interest expenses and similar expenses</u>		
Interest expenses on associates payable	(1,886,678)	(1,882,963)
	<u>(1,886,678)</u>	<u>(1,882,963)</u>
General expenses		
Tax advisory fees	23,972	17,831
Administrative fees, management and domiciliation fees	38,375	46,399
Fines and interest tax authorities	-	3,060
Bank charges	2,701	9,094
	<u>65,048</u>	<u>76,384</u>

Notes to the profit and loss account for the year 2023

Average number of employees

The Company had no employees during the year under review (2022: none).

Events after reporting date


With effective date of 16 February 2024, IQ EQ Management (Netherlands) B.V. resigned as Director A of the Company and Mr. Jacob Meint Buit has been appointed as Director A of the Company.

Amsterdam, 25 April 2024

Board of directors

DocuSigned by:

6AB8D6976F0949D...
Buit, Jacob Meint
Managing Director (A)

DocuSigned by:

CDF7246E0CFA408...
Heuser, Andreas
Managing Director (B)