

**PKC GROUP LITHUANIA UAB
INDEPENDENT AUDITOR'S REPORT,
FINANCIAL STATEMENTS AND ANNUAL REPORT
FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2020**

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Juridinių asmenų registras

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Code of legal entity 110878442
VAT payer code LT108784411
Register of Legal Entities

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of UAB PKC Group Lithuania

Opinion

We have audited the financial statements of PKC Group Lithuania UAB (the Company), which comprise the balance sheet as at 31 March 2020, the statement of income, statement of changes in equity and statement of cash flows for the 15 month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2020 and its financial performance and its cash flows for the 15 months then ended in accordance with Business Accounting Standards of the Republic of Lithuania.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the requirements of the Law on Audit of Financial Statements of the Republic of Lithuania that are relevant to the audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information included in the Company's Annual Report

Other information consists of the information included in the Company's Annual Report for the 15 months period ended 31 March 2020, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as indicated below.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

We also have to evaluate, if the financial information included in the Company's Annual Report for the 15 months period ended 31 March 2020 corresponds to the financial statements for the same 15-month period and if the Company's Annual Report was prepared in accordance with the relevant legal requirements. In our opinion, based on the work performed in the course of the audit of financial statements, in all material respects:

- ▶ The financial information included in the Company's Annual Report corresponds to the financial information included in the financial statements for the same 15-month period; and
- ▶ The Company's Annual Report was prepared in accordance with the requirements of the Law on Financial Reporting by Undertakings of the Republic of Lithuania.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Business Accounting Standards of the Republic of Lithuania, and for such internal control as 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, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ 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.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of 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 to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, 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.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

UAB ERNST & YOUNG BALTIC
Audit company's licence No. 001335

Inga Gudinaite
Auditor's licence
No. 000366

2 June 2020

INCOME STATEMENT
For the 15 month period ended on 31 March 2020

(EUR)

Sec. No	Items	Note	01/01/2019– 31/03/2020	01/01/2018– 31/12/2018
1.	Sales revenue	1	32.937.919	31.223.772
2.	Cost of Sales	2	(28.738.328)	(27.853.996)
3.	Changes in fair value of biological assets		-	-
4.	GROSS PROFIT (LOSS)		4.199.590	3.369.776
5.	Selling expenses		-	-
6.	General and administrative expenses	3	(2.581.165)	(2.107.599)
7.	Results from other activities	4	142.528	50.903
8.	Income from investments in shares of parent, subsidiaries and associates		-	-
9.	Income from other long-term investments and loans		-	-
10.	Other interest and similar income	5	-	1.291
11.	Impairment of financial assets and short-term investments		-	-
12.	Interest and other similar expenses	5	(189.261)	(164.874)
13.	PROFIT (LOSS) BEFORE TAX		1.571.692	1.149.397
14.	Income tax	6	(267.649)	218.722
15.	NET PROFIT (LOSS)		1.304.043	1.368.119

General Manager

2 June 2020

Marius - Florin Dinescu

Finance Manager

2 June 2020

Milda Rajuncienė

The explanatory notes on pages 10–24 are an integral part of these financial statements

BALANCE SHEET
For the 15 month period ended 31 March 2020

(EUR)

Sec. No	Items	Note	Current reporting period	Previous reporting period
	ASSETS	7, 8	3,299,964	5,234,652
A.	NON-CURRENT ASSETS	7	27,617	85,647
1.	INTANGIBLE ASSETS		-	-
1.1.	Developments		-	50,833
1.2.	Goodwill		27,617	34,814
1.3.	Software		-	-
1.4.	Concessions, patents, licenses, trademarks and similar rights		-	-
1.5.	Other intangible assets		-	-
1.6.	Prepayments made	8	3,139,258	4,930,283
2.	PROPERTY, PLANT AND EQUIPMENT		-	-
2.1.	Land		35,421	55,098
2.2.	Buildings and structures		2,787,611	4,278,594
2.3.	Machinery and equipment		9,157	44,725
2.4.	Vehicles		257,805	503,336
2.5.	Other fixtures, fittings and tools		-	-
2.6.	Investment property		-	-
2.6.1.	Land		-	-
2.6.2.	Buildings		49,265	48,530
2.7.	Prepayments and property, plant and equipment construction (production) in progress		-	-
3.	FINANCIAL ASSETS		-	-
3.1.	Shares of group companies		-	-
3.2.	Loans to group companies		-	-
3.3.	Receivables from Group companies		-	-
3.4.	Shares of associates		-	-
3.5.	Loans to associates		-	-
3.6.	Receivables from associates		-	-
3.7.	Long-term investments		-	-
3.8.	Receivables after one year		-	-
3.9.	Other financial assets		133,089	218,722
4.	OTHER NON-CURRENT ASSETS		133,089	218,722
4.1.	Deferred income tax assets		-	-
4.2.	Biological assets		-	-
4.3.	Other assets		8,340,441	6,536,117
B.	CURRENT ASSETS	9	834,833	1,217,556
1.	INVENTORIES		636,231	802,996
1.1.	Raw materials, consumables and components		179,219	389,236
1.2.	Unfinished goods and work in progress		-	-
1.3.	Finished goods		-	4,799
1.4.	Goods for resale		-	-
1.5.	Biological assets		19,383	20,525
1.6.	Non-current assets held for sale		7,503,585	5,303,806
1.7.	Prepayments made	10	1,067	466
2.	AMOUNTS RECEIVABLE WITHIN ONE YEAR		-	-
2.1.	Trade receivables		7,451,976	5,122,466
2.2.	Receivables from Group companies		-	-
2.3.	Receivables from associates		50,552	180,874
2.4.	Other receivables		-	-
3.	SHORT-TERM INVESTMENTS		-	-
3.1.	Shares of group companies		2,013	14,758
3.2.	Other investments		40,170	13,454
4.	CASH AND CASH EQUIVALENTS	11	11,680,575	11,784,223
C.	DEFERRED EXPENSES AND ACCRUED INCOME		-	-
	TOTAL ASSETS			

(continued on the next page)

The explanatory notes on pages 10–24 are an integral part of these financial statements

BALANCE SHEET (continued)
For the 15 month period ended 31 March 2020

(EUR)

Sec. No	Items	Note	Current reporting period	Previous reporting period
D.	EQUITY		5,605,199	4,201,158
1.	CAPITAL	12	144,858	144,858
1.1.	Issued (subscribed) or core capital		144,858	144,858
1.2.	Subscribed unpaid issued capital (-)		-	-
1.3.	Own shares, membership shares (-)	12	2,941,335	2,941,335
2.	SHARE PREMIUM		-	-
3.	REVALUATION RESERVE		14,486	-
4.	RESERVES		14,486	-
4.1.	Legal reserve or reserve capital		-	-
4.2.	For acquisition of own shares		-	-
4.3.	Other reserves	13	2,404,520	1,114,963
5.	RETAINED EARNINGS (LOSS)		1,304,043	1,368,119
5.1.	Current year profit (loss)		1,100,477	(253,156)
5.2.	Previous year profit (loss)		-	-
E.	GRANTS, SUBSIDIES		-	-
F.	PROVISIONS		-	-
1.	Provision for pensions and similar liabilities		-	-
2.	Provisions for taxes		-	-
3.	Other provisions		6,085,767	7,558,606
G.	PAYABLES AND OTHER LIABILITIES	14	2,500,000	3,486,854
1.	PAYABLES AFTER ONE YEAR AND OTHER LONG-TERM LIABILITIES		-	38,958
1.1.	Debt obligations		-	-
1.2.	Debt obligations to credit institutions		-	-
1.3.	Prepayments received		-	-
1.4.	Trade payables		-	-
1.5.	Payables under bills of exchange or vouchers		2,500,000	3,447,896
1.6.	Payables to group companies		-	-
1.7.	Payables to associates		-	-
1.8.	Other payables and non-current liabilities	15	3,585,767	4,071,752
2.	PAYABLES WITHIN ONE YEAR AND OTHER SHORT-TERM LIABILITIES		11,623	13,280
2.1.	Debt obligations		-	-
2.2.	Payables to credit institutions		-	-
2.3.	Prepayments received		650,316	798,435
2.4.	Trade payables		-	-
2.5.	Payables under bills of exchange or vouchers		989,638	1,818,952
2.6.	Payables to group companies		-	-
2.7.	Payables to associates		170,343	-
2.8.	Income tax liabilities		1,762,565	1,438,570
2.9.	Employment-related liabilities		1,282	2,515
2.10.	Other payables and current liabilities		89,608	24,461
H.	ACCRUED EXPENSES AND DEFERRED INCOME		11,680,575	11,784,223
	TOTAL EQUITY AND LIABILITIES			

General Manager

2 June 2020

Marius - Florin Dinescu

Finance Manager

2 June 2020

Milda Rajunčiene

The explanatory notes on pages 10-24 are an integral part of these financial statements

STATEMENT OF CASH FLOWS
For the 15 month period ended 31 March 2020

(EUR)

Sec. No	Items	Note	Current reporting period	Previous reporting period
1.	Cash flows from/used in operating activities			
1.1.	Net profit (loss)	7, 8	1,304,042	1,368,119
1.2.	Depreciation and amortisation expenses		2,411,708	1,955,486
1.3.	Elimination of results of disposal of property, plant and equipment		(12,777)	(659)
1.4.	Elimination of results of financing and investing activities		190,948	164,938
1.5.	Elimination of results of other non-cash transactions		40,591	-
1.6.	(Increase) decrease in receivables from Group companies and associates		-	-
1.7.	(Increase) decrease in other receivables after one year		85,633	(218,722)
1.8.	Decrease (increase) in deferred income tax asset		359,221	(489,783)
1.9.	(Increase) decrease in inventories, except for prepayments		1,142	(18,292)
1.10.	(Increase) decrease in prepayments made		(601)	(466)
1.11.	(Increase) decrease in trade receivables		(2,329,510)	(844,145)
1.12.	(Increase) decrease in receivables from Group companies and associates		130,322	49,693
1.13.	(Increase) decrease in other receivables		-	-
1.14.	(Increase) decrease in short-term investments		(26,716)	188,473
1.15.	(Increase) decrease in deferred expenses and accrued income		-	-
1.16.	Increase (decrease) in provisions		-	-
1.17.	Increase (decrease) in non-current payables and prepayments received		-	-
1.18.	Increase (decrease) in payables under bills of exchange and vouchers after one year		-	-
1.19.	Increase (decrease) in non-current payables to group companies and associates		(986,854)	-
1.20.	Increase (decrease) in current trade payables and prepayments received		(187,618)	(726,950)
1.21.	Increase (decrease) in payables under bills of exchange and vouchers within one year		-	-
1.22.	Increase (decrease) in short-term loans to group companies and associates		(859,803)	1,362,274
1.23.	Increase (decrease) in income tax liabilities		170,343	-
1.24.	Increase (decrease) in employment-related liabilities		323,995	(781,052)
1.25.	Increase (decrease) in other payables and liabilities		(1,233)	800
1.26.	Increase (decrease) in accrued expenses and deferred income		65,148	(27,339)
	Net cash flows from/used in operating activities		677,981	1,982,374
2.	Cash flows from/used in investing activities			
2.1.	Acquisition of non-current assets, excluding investments		(604,134)	(1,966,320)
2.2.	Disposals of non-current assets, excluding investments		106,017	169,408
2.3.	Acquisition of long-term investments		-	-
2.4.	Disposal of long-term investments		-	-
2.5.	Loans granted		-	-
2.6.	Loan repayments received		-	-
2.7.	Dividends and interest received		-	-
2.8.	Other increase in cash flows from investing activities		-	-
2.9.	Other decrease in cash flows from investing activities		(498,117)	(1,796,912)
	Net cash flows from/used in investing activities		(498,117)	(1,796,912)
3.	Cash flows from/used in financing activities			
3.1.	Cash flows related to the owners of the Company			
3.1.1.	Issuance of shares		-	-
3.1.2.	Owners' contributions to cover losses		-	-
3.1.3.	Share buybacks		-	-
3.1.4.	Dividends paid		(192,606)	(177,879)
3.2.	Cash flows from other financing sources			
3.2.1.	Increase in borrowings		-	-
3.2.1.1.	Loans received		-	-
3.2.1.2.	Issuance of bonds		(192,606)	(177,879)
3.2.2.	Decrease in borrowings		-	-
3.2.2.1.	Repayment of loans		-	-
3.2.2.2.	Bonds redemption		(151,991)	(164,938)
3.2.2.3.	Interest paid		(40,615)	(12,941)
3.2.2.4.	Finance lease payments		-	-
3.2.3.	Increase in other liabilities of the Company		-	-
3.2.4.	Decrease in other liabilities of the Company		-	-
3.2.5.	Other increase in cash flows from financing activities		-	-
3.2.6.	Other decrease in cash flows from financing activities		(192,606)	(177,879)
	Net cash flows from/(used in) financing activities		(192,606)	(177,879)
4.	Foreign exchange effect on the balance of cash flows and cash equivalents		(12,742)	7,583
5.	Net Increase (decrease) in cash flows		14,755	7,172
6.	Cash and cash equivalents at the beginning of the period		2,013	14,755
7.	Cash and cash equivalents at the end of the period			

General Manager

2 June 2020

Marius - Florin Dinescu

Finance Manager

2 June 2020

Milda Rajunčienė

The explanatory notes on pages 10–24 are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2020

2/06/2020 No
(date of the statement)

EUR
(level of accuracy and currency)

(Current reporting period)	Paid up issued capital or core capital	Share premium	Own shares (-)	Revaluation reserve		Legal reserves		Other reserves	Retained earnings (loss)	Total
				For property, plant and equipment	For financial assets	Legal reserve of reserve capital	For acquisition of own shares			
1. Closing balance – the year before last	144,858	2,941,335	-	-	-	-	-	-	(253,156)	2,833,037
2. Effect of changes in accounting policy	-	-	-	-	-	-	-	-	-	-
3. Effect of correcting of fundamental errors	-	-	-	-	-	-	-	-	-	-
4. Restated balance – the year before last	144,858	2,941,335	-	-	-	-	-	-	(253,156)	2,833,037
5. Increase (decrease) in value of property, plant and equipment.	-	-	-	-	-	-	-	-	-	-
6. Increase (decrease) in value of effective hedging instrument	-	-	-	-	-	-	-	-	-	-
7. Acquisition (disposal) of own shares	-	-	-	-	-	-	-	-	-	-
8. Profit (loss) not recognized in income statement	-	-	-	-	-	-	-	-	1,368,119	1,368,119
9. Net profit (loss) for the period	-	-	-	-	-	-	-	-	-	-
10. Dividends	-	-	-	-	-	-	-	-	-	-
11. Other benefits	-	-	-	-	-	-	-	-	-	-
12. Reserves established	-	-	-	-	-	-	-	-	-	-
13. Reserves utilized	-	-	-	-	-	-	-	-	-	-
14. Increase (decrease) in issued capital or members' contributions (repayment of membership shares)	-	-	-	-	-	-	-	-	-	-
15. Other increases (decrease) in issued or core capital	-	-	-	-	-	-	-	-	-	-
16. Contributions to cover losses	-	-	-	-	-	-	-	-	1,114,963	4,201,155
17. Closing balance (annual) – prior year	144,858	2,941,335	-	-	-	-	-	-	-	-
18. Increase (decrease) in value of property, plant and equipment.	-	-	-	-	-	-	-	-	-	-
19. Increase (decrease) in value of effective hedging instrument	-	-	-	-	-	-	-	-	-	-
20. Acquisition (disposal) of own shares	-	-	-	-	-	-	-	-	-	-
21. Profit (loss) not recognized in income statement	-	-	-	-	-	-	-	-	1,304,043	1,304,043
22. Net profit (loss) for the period	-	-	-	-	-	-	-	-	-	-
23. Dividends	-	-	-	-	-	-	-	-	-	-
24. Other benefits	-	-	-	-	-	14,486	-	-	(14,486)	-
25. Reserves established	-	-	-	-	-	-	-	-	-	-
26. Reserves utilized	-	-	-	-	-	-	-	-	-	-
27. Increase (decrease) in issued capital or members' contributions (repayment of membership shares)	-	-	-	-	-	-	-	-	-	-
28. Other increases (decrease) in issued or core capital	-	-	-	-	-	-	-	-	-	-
29. Contributions to cover losses	-	-	-	-	-	-	-	-	2,404,620	5,505,199
30. Closing balance – current year	144,858	2,941,335	-	-	-	14,486	-	-	2,404,620	5,505,199

General Manager

2 June 2020

Maitis - Flain Dinescu

Finance Manager

2 June 2020

Milda Rajundane

The explanatory notes on pages 10–24 are an integral part of these financial statements

Notes to the financial statements
(all amounts are in EUR unless otherwise stated)

GENERAL INFORMATION

PKC Group Lithuania UAB (hereinafter – “the Company”) is a private limited liability company registered with the Centre of Registers on 25 April 2014 based on the Law on the Register of Enterprises of the Republic of Lithuania. As at 31 March 2020 and at 31 December 2018, the Company had no branches, representative offices, subsidiaries or associated companies.

Until 19 December 2016 the Company's sole shareholder was a Finnish company PKC Wiring System Oy, company code 0849146-5. It was registered on 4 September 1991 in the Patent Register, legal address Vihikari 10, 90440 Kempele, Finland.

On 19 December 2016, a share purchase and sale agreement was concluded between PKC Wiring System Oy, a limited liability company established in Finland and operating under Finnish law, company code 0849146-5, registered on 4 September 1991 in the Patent Register, legal address Vihikari 10, 90440 Kempele, Finland, and PKC Eesti AS, a joint-stock company established in Estonia and operating under Estonian law, registry code: 10858008, address: Paldiski mnt. 31, Keila, Harju county, 76606, Estonia, under which PKC Eesti AS bought 5,002 ordinary nominal shares of the Company with the par value of EUR 28.96 each and which comprise 100% of the Company's shares, and acquired all the property and non-property rights granted with these shares.

The main activities of the Company are manufacturing of electrical distribution, vehicle electronic systems, wires and cables.

The average number of employees in 2019 and Q1 2020 was 1,461 (1,601 in 2018).

ACCOUNTING POLICIES

The Company prepares its financial statements in compliance with the Lithuanian regulatory legislation on accounting and financial reporting, i.e. the Law on Accounting of the Republic of Lithuania, Law on Financial Statements of Entities, and Business Accounting Standards with effective date as at 31 March 2020. Under provisions of the Law on Accounting of the Republic of Lithuania, the Company is classified as a medium-sized company.

The financial statements were prepared based on the assumption of going concern. Detailed information can be found in Note 17.

The Company's financial statements have been prepared for the period from 1 January 2019 to 31 March 2020. These financial statements cover a period of 15 months. As from 1 April 2020, the Company changes the commencement date of its financial year to coincide with the commencement date of the Group's financial year. The financial year will commence on 1 April 2020 and will end on 31 March 2021. Due to this reason, the revenue and expenses items presented in the financial statements are not comparable with prior period.

The amounts in these financial statements are presented in the local currency of the Republic of Lithuania, euro (EUR).

The principal accounting policies adopted in the preparation of the Company's financial statements are summarised below.

(a) Intangible assets

Intangible assets are stated at acquisition (production) cost, less accumulated amortisation and impairment. Amortisation is calculated on a straight-line basis over the useful lives established for intangible assets. For the purpose of the income statement, amortisation expenses of intangible assets are included in general and administrative expenses.

The Company applies the following useful lives to its intangible assets:

	Year
Software	4
Goodwill	5

Costs associated with renewal of intangible assets incurred following the acquisition or creation of assets are recognised as expenses during the reporting period in which they are incurred.

Goodwill

Goodwill is accounted for at the amount by which the consideration transferred by the Company exceeds the net asset value of the acquiree or the net asset value of the acquired business and from which the Company expects to receive economic benefits in the future. Goodwill is measured at cost less accumulated amortisation and impairment losses.

The goodwill is amortised within 5 years of useful life, using the straight-line method. The amount of amortisation is included in the income statement, under general and administrative expenses.

(b) Property, plant and equipment

Property, plant and equipment is stated at acquisition (production) cost, less accumulated depreciation and impairment. Depreciation is calculated on a straight-line basis over the estimated useful lives of non-current tangible assets.

Notes to the financial statements (continued)
(all amounts are in EUR unless otherwise stated)

The Company applies the following useful lives to its property, plant and equipment:

	Year
Infrastructure and other structures	7
Office equipment	4–5
Plant and equipment	3–7
Other assets	4–5
Vehicles	5

The useful life of non-current assets is reviewed periodically by the Company to reflect the expected useful lives of the assets. Items of assets with useful life over one year and acquisition cost not less than EUR 1,000 are recognised as non-current assets.

Additional costs in respect of recognised property, plant and equipment are added to the acquisition value when it can be clearly demonstrated that the costs extend the useful life of the asset (with the useful lives of the assets adjusted accordingly) or improve the useful properties of the asset.

Repair costs are recognised as an expense during the reporting period in which they are incurred.

When assets are sold or written-off, their acquisition cost, accumulated depreciation and impairment loss are eliminated from the accounts, and any gain or loss resulting from their disposal is included in the income statement, i.e. the result of the transaction is presented.

(c) Inventories

Inventories comprise spare parts and materials for production equipment and assets with the acquisition value lower than EUR 1,000. Inventories are stated at acquisition (production) cost in the financial statements. The cost of inventories comprises purchase price, adjusted for the write-down amounts and discounts received, related taxes, dues, inventory transportation, preparation for use and other costs directly attributable to the acquisition of inventories. Transportation, storage and other inventory expenses can be recognised as costs (cost of sale) in the period when they are incurred if the amounts are not significant. The Company applies the weighted average (moving-average) valuation method to calculate the cost of inventories sold. When using this method, the cost of inventories is determined based on the weighted average of prices of units at the beginning of the period and the weighted average of prices of similar units acquired or produced throughout the period. The average can be calculated upon receipt of each batch of inventories.

(d) Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Such investments mature in less than 3 months and are subject to insignificant risk of change in value.

(e) Financial assets and financial liabilities

Financial assets include cash and cash equivalents, and receivables.

Financial assets are recorded when the Company receives or obtains a contractual right to receive cash or any other financial assets. Receivables are stated at acquisition cost, less impairment loss. Cash and cash equivalents are stated at acquisition cost.

When it is probable that the Company will not be able to recover the receivables, it is necessary to recognise the impairment loss, which is determined as the difference between the carrying value of assets and the present value of future cash flows discounted using the effective interest rate.

Financial liabilities include amounts payable for goods and services received, lease liabilities and loans received. Loans received are initially stated at cost and subsequently carried at amortised cost.

Financial liabilities are recorded when the Company assumes a commitment to deliver cash or another financial asset. Amounts payable for goods and services received are recognised at acquisition cost.

(f) Impairment

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized when the carrying amount of the asset or its cash-generating unit exceeds the recoverable amount. An impairment loss is recognised in the income statement.

Notes to the financial statements (continued)
(all amounts are in EUR unless otherwise stated)

(g) Calculation of recoverable amount

The recoverable amount is the greater of the net selling price and the value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(h) Legal reserve

The legal reserve is formed in accordance with the Law on Companies of the Republic of Lithuania. The reserve should make at least 1/10 of the issued capital and can be used only to cover the accumulated losses of the Company.

(i) Provisions

Provisions are presented in the financial statements separately from other liabilities. A provision is a liability the amount or timing of which is not entirely clear but can be measured reliably. Provisions are recognized if they meet all three general recognition criteria: the entity has a legal obligation or an irrevocable commitment as a result of past actions; it is probable that an outflow of resources embodying economic benefits will be required to settle the legal obligation or irrevocable commitment; the amount of the liability can be measured reliably.

(j) Foreign currencies

All currency items in the balance sheet are estimated in the euros using the exchange rate prevailing at the balance sheet date. Assets purchased for foreign currency and accounted for in the balance sheet at the acquisition cost are estimated in the euros using the exchange rate prevailing at the acquisition date. Foreign currency transactions are recognised in euro using the exchange rate prevailing at the date of the transaction. Differences resulting from the settlement of amounts recorded in foreign currencies at different exchange rates are recognised as income or expenses of the reporting period.

(k) Sales revenue

Sales revenue is recognised on an accrual basis. Revenue is measured at fair value, taking into account discounts granted and expected, returns and write-downs of goods sold. Revenue from sale of goods is recognised when goods are sold and the amount of revenue can be measured reliably.

Revenue from rendering of services, which are provided for longer than one reporting period in accordance with the existing contract, is allocated on a proportionate basis to those periods when such services have been rendered.

(l) Cost of sales and operating expenses

Expenses are recognised on an accrual basis and following the matching principle during the reporting period in which revenue related to such expenses is earned. Expenses incurred during the reporting period, which cannot be attributed directly to specific income earned and will not generate any income in subsequent reporting periods, are recognised as expenses during the period when incurred.

Cost of sales or rendered services include costs of sales and services rendered for production produced over the reporting period: costs of selling spare parts and equipment, direct remuneration costs, equipment depreciation, maintenance and repair costs, costs related to rent and maintenance of production facilities and equipment, as well as direct transportation and other costs. Expenses not attributed to specific services or production are not included in the cost of sales. Cost of rendered services is recognised and registered in the accounting over the same reporting period when the income for services rendered is recognised.

Operating expenses include expenses related to the Company's management and administration salaries, rent and operation of administrative premises, business trips and other administrative expenses.

The management considered that all operating expenses by nature are general and administrative and the Company has no selling expenses.

(m) Borrowing costs

Interest on borrowings and finance leases is recognised in the income statement on an accrual basis.

(n) Lease – the Company as a lessee

Payments made under operating leases are charged to the income statement on a straight-line basis over the period of lease.

Notes to the financial statements (continued)
(all amounts are in EUR unless otherwise stated)

(l) Income tax

The Company's profit is taxable at a rate of 15% in accordance with the Lithuanian regulatory legislation on taxation.

The current income tax charge is calculated on the basis of taxable profit for the year. Taxable profit is different from the profit presented in the income statement as it does not include income and costs items which are taxable and recognised next year, furthermore, it does not include items which are never taxed or recognised.

Deferred tax is provided in full, using the comprehensive balance sheet method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The deferred tax assets and liabilities are classified as non-current assets and liabilities. The deferred tax assets and liabilities are offset when related to the same taxation authority. Taxable profit for the current year can be offset against the accumulated losses up to 70%.

FINANCIAL RISK MANAGEMENT

PKC Group Lithuania, UAB, in response to the situation in the country related to the COVID-19 pandemic, has taken all mandatory and recommended measures to protect the company's employees, customers and partners. The impact of the COVID-19 pandemic on the Company is described in detail in Note 17.

Liquidity risk

A conservative liquidity risk management enables to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities. The Company makes short-term cash flow forecasts. The Company has contracts with the parent company on the possibility of borrowing if necessary.

As at 31 March 2020, the Company's current assets amounted to EUR 8,340,441, current liabilities – EUR 3,585,767. Therefore, the Company's current assets exceeded its current liabilities by EUR 4,754,674.
As at 31 December 2018, the Company's current assets amounted to EUR 6,536,117, current liabilities – EUR 4,071,75.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no significant interest-bearing assets. The distribution between fixed rate and variable rate instruments depends on actual situation in the market.

Capital risk management

Based on the Law on Companies of the Republic of Lithuania, the issued capital of a private limited liability company cannot be lower than EUR 2,500 (EUR 40 000 for a public limited liability company), and equity shall not be lower than 50% of an company's issued capital. As at 31 March 2020 and at 31 December 2018, the Company complied with these provisions of the Law on Companies of the Republic of Lithuania.

Credit risk

Credit risk, or the risk of counterparty default, is controlled through credit terms and oversight procedures.

Contingencies

Contingent liabilities and contingent assets are not recognised in the financial statements but are disclosed in the notes. Provisions are recorded in relation to contingencies in the financial statements only when it is probable that these contingencies will result in outflow of economic resources.

Statement of cash flows

The statement of cash flows shows the Company's inflows and outflows of cash during the year. The statement of cash flows is prepared using the non-direct method.

Events after the reporting period

Events after the reporting period that provide additional information on the Company's position at the year-end (adjusting events) are disclosed in the financial statements. Events after the reporting period which are not adjusting events are disclosed in the notes when material.

Segments

The Company is not a public interest company; therefore, the requirements of Business Accounting Standard 34, Disclosure of segments in financial statements, are not applied.

Use of estimates in preparation of financial statements

The preparation of financial statements in conformity with Business Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingencies. The significant areas of estimation used in the preparation of these financial statements relate to depreciation, impairment evaluation and contingent liabilities and provision assessment. Future events may occur which may cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements when determinable.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 1. SALES REVENUE

Items	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Sales of services by country:		
	31.782.264	30.535.140
Estonia	878.738	641.546
Russia	120.228	17.180
Serbia	125.691	14.352
Poland	30.997	12.674
Brazil	-	2.457
Lithuania	-	423
Finland	-	-
TOTAL:	32.937.918	31.223.772

Revenue from the sale of spare parts and equipment, as well as warehousing services and other services to group companies are assigned to sales revenue by the Company.

NOTE 2. COST OF SALES

Items	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Direct remuneration expenses (cost of sales)	21.986.155	22.290.035
Rent of production facilities and lifts	1.160.679	953.592
Depreciation of production equipment	2.334.688	1.797.593
Maintenance of production equipment	838.256	926.648
Maintenance of production facilities	580.655	491.449
Costs of selling spare parts and equipment	1.247.936	828.158
Costs of health and safety at work	113.547	79.268
Transportation services	476.412	437.755
Other costs	-	49.498
TOTAL:	28.738.328	27.853.996

NOTE 3. GENERAL AND ADMINISTRATIVE EXPENSES

Item	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Remuneration and social security	857.070	589.448
Depreciation and amortisation	77.019	157.893
	-	-
Rent of administrative premises	303.891	220.454
Utility expenses	45.390	33.049
Expenses related to services of audit firms	129.219	86.403
External services	153.124	436.137
Services of group companies	46.017	29.997
Rent of vehicles, fuel, vehicle maintenance	152.892	84.709
Training and continuous professional development	322.089	151.331
Business trips related expenses	485.094	311.692
Other administrative expenses	9.360	6.486
Bank fees	-	-
TOTAL:	2.581.165	2.107.599

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

REMUNERATION EXPENSES

Item	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Remuneration expenses (cost of sales)	21.986.155	22.290.035
Indirect remuneration expenses (general and administrative)	857.070	589.448
TOTAL:	22.843.225	22.879.483

NOTE 4. RESULT OF OTHER ACTIVITIES

Item	01/01/2019–31/03/2020	01/01/2018–31/12/2018
(a) Income from other activities	142.529	53.054
Support received	117.634	22.052
Income from other activities, external	-	-
Income from other activities, group	-	-
Gain on disposal of assets	24.895	31.002
Amounts received from insurance	-	-
(b) Expenses from other activities	1	2.151
Loss on disposal/write-off of assets	1	2.151
TOTAL:	142.528	50.903

The result from the other activities is gain or loss of disposal of non-current and other assets, as well as government grants.

NOTE 5. INTEREST AND OTHER SIMILAR INCOME AND EXPENSES

Indicators	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Other interest and similar income		1.291
Foreign currency exchange gain	-	-
Other interest and similar income	-	1.291
TOTAL:		1.291
Indicators	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Interest and other similar expenses		163.397
Loan interest	187.557	163.397
Interest and other similar expenses	1.577	1.577
Foreign currency exchange loss	127	-
TOTAL:	189.261	164.974

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 6. INCOME TAX AND DEFERRED TAX

The following is a calculation of income tax for the current period based on the Company's income tax expense calculated at the statutory income tax rate:

Income tax	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Profit (loss) before tax	1.571.692	1.149.397
Effect of non-taxable income	425.044	191.746
Effect of non-deductible expenses	1.996.736	1.341.143
Taxable profit (loss)	288.683	938.800
Deductible amount of taxable losses from previous years (70% of taxable profit)	497.672	402.343
Reduction of taxable profits by the investment amount under Article 46.1 of the Law on Corporation Tax.	1.210.381	-
Taxable profit	181.557	-
Current income tax calculated according to the statutory corporate income tax rate in 2019, 2020, I quarter - 15%.	85.634	(218.722)
Change in deferred tax assets expenses (income)	458	-
Income tax for prior periods	267.649	(218.722)
Income tax expense is recognized in the income statement		

Deferred income tax	As at 31 March 2020	As at 31 December 2018
Deferred tax assets	52.068	16.015
Accrued expenses	-	314.907
Tax losses	-	505.850
Income tax relief for the investment project	835.191	621.375
Depreciation differences	887.259	1.458.147
Temporarily differences in total	133.088	218.722
Deferred income tax (at applicable rate of	-	-
Unrecognised part of deferred tax	133.088	218.722
Deferred income tax asset, net		

As at 31 March 2020, recognized deferred tax asset amounted to EUR 133,088. As at 31 December 2018, deferred tax asset amounted to EUR 218,722.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 7

INTANGIBLE ASSETS

Indicators	Developments	Goodwill	Patents, licenses, etc.	Software	Other intangible assets	Total
Net book value as at 31 December 2018	-	50.833	-	34.814	-	85.647
(a) Non-current intangible assets at acquisition cost						
Closing balance – prior year	-	610.000	-	155.181	-	765.181
Changes in current reporting period:						
- Additions	-	-	-	18.989	-	18.989
- Reversals (-)	-	-	-	-	-	-
- Disposals and write-offs (-)	-	-	-	-	-	-
- Reclassified from/to +/-(-)	-	-	-	-	-	-
At the end of the financial year	-	610.000	-	174.170	-	784.170
(b) Amortisation						
Closing balance – prior year	-	559.167	-	120.367	-	679.534
Changes in current reporting period:						
- Amortisation charge for the year	-	50.833	-	26.185	-	77.018
- Reversals (-)	-	-	-	-	-	-
- Amortisation of assets disposed and written-off (-)	-	-	-	-	-	-
- Reclassified from/to +/-(-)	-	-	-	-	-	-
At the end of the financial year	-	610.000	-	146.552	-	756.552
(c) Net book value at the end of the financial year (a)-(b)	-	-	-	27.618	-	27.618

Amortization of intangible assets of EUR 77 thousand are stated under general and administrative expenses.

The acquisition value of software intangibles that are fully amortised but still in use amounted to EUR 711 thousand as at 31 March 2019. Eur. The Company did not have unused or pledged as a guarantee intangible assets as at 31 March 2020.

Business acquisition transaction was carried out based on the agreement between Lietkabelis UAB and PKC Group Lithuania UAB signed on 14 May 2014. The larger part of this business acquisition amounting to EUR 610 thousand was recognised in the financial statements as intangible assets (goodwill), applying the amortisation period of 5 years. In 2018, the recognized amortisation of goodwill amounted to EUR 122 thousand. The end date of the amortization of goodwill is 31 May 2019.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 8

PROPERTY, PLANT AND EQUIPMENT

Indicators	Land	Buildings and structures	Plant and equipment	Vehicles	Other assets	Construction-in-progress	Total
Net book value at the end of the preceding financial year	-	55.098	4.278.594	44.725	503.336	48.530	4.930.283
(a) Acquisition cost							
Closing balance – prior year	-	107.444	7.307.068	91.260	1.276.734	48.530	8.831.035
Changes in current reporting period:							
- Additions	-	-	579.973	-	91.405	7.193	678.572
- Disposals and write-offs (-)	-	-	(159.447)	(60.167)	-	(36.656)	(256.270)
- Reclassified from/to +/-(-)	-	-	(34.847)	-	4.649	30.198	-
At the end of the financial year	-	107.444	7.692.748	31.093	1.372.788	49.265	9.253.338
(b) Depreciation							
Closing balance – prior year	-	52.346	3.028.474	46.535	773.398	-	3.900.753
Changes in current reporting period:							
- Depreciation charge for the year	-	19.677	1.954.687	18.738	341.586	-	2.334.688
- Reversals (-)	-	-	-	-	-	-	-
- Depreciation of assets disposed and written-off (-)	-	-	(78.024)	(43.337)	-	-	(121.361)
- Reclassified from/to +/-(-)	-	-	-	-	-	-	-
At the end of the financial year	-	72.023	4.905.137	21.936	1.114.984	-	6.114.080
(c) Net book value at the end of the financial year (a)-(b)	-	35.421	2.787.611	9.157	257.804	49.265	3.139.258

No new financial leases were concluded during the period from 1 January 2019 to 31 March 2020.

Depreciation expenses of property, plant and equipment of EUR 2,335 thousand are stated under cost of sales. Eur.

The acquisition value of property, plant and equipment and other assets that are fully depreciated but still in use amounted to EUR 1,559 thousand as at 31 March 2020. The acquisition value of assets that are fully depreciated but still in use amounted to EUR 178 thousand as at 31 December 2018.

In assessing the potential impact of factors related to the COVID-19 pandemic on the Company's performance, the Company's management found no signs of impairment of non-current assets as at 31 March 2020.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 9. INVENTORIES

	As at 31 March 2020	As at 31 December 2018
Raw materials, consumables and	676.820	802.996
Unfinished goods and work in progress	179.219	389.236
Goods for resale	-	4.799
Allowance on inventories	(40.589)	-
Prepayments made	19.383	20.525
Total:	834.833	1.217.556

In 2018, 2019 and Q1 2020 these spare parts were used for repair of production equipment and sold to group companies in Russia and Serbia where spare part are required. Based on the management estimates, allowance on inventories of EUR 40,589 was recognised in April 2019.

NOTE 10. AMOUNTS RECEIVABLE WITHIN ONE YEAR

	As at 31 March 2020	As at 31 December 2018
Receivables from group companies	7.451.976	5.122.466
Receivables from Lithuanian customers	1.067	466
VAT receivable	50.552	139.134
Other fees paid	-	41.740
Total:	7.503.595	5.303.806

NOTE 11. DEFERRED EXPENSES AND ACCRUED INCOME

As at 31 March 2020, accrued expenses amounted to EUR 40 thousand (as at 31 December 2018 – EUR 13 thousand).

NOTE 12. STRUCTURE OF THE ISSUED CAPITAL

As at 31 March 2020 and 31 December 2018		
Indicators	Number of shares	Amount
Structure of the issued capital at the end		
1. As to type of shares	5.002	144.858
1.1. Ordinary shares	5.002	144.858
1.2. Preferred shares	-	-
1.3. Employees' shares	-	-
1.4. Special shares	-	-
2. Share premium	-	2.941.335
TOTAL:	5.002	3.086.193
2. State or municipal capital	-	-
Shares owned by the Company	-	-
Shares owned by subsidiaries	-	-

All shares of the Company are paid. The nominal value per share is EUR 28,96.

NOTE 13. PROPOSED PROFIT APPROPRIATION

Items	Amount
Retained earnings (losses) of the previous financial year at the beginning of	1.100.477
Current year profit (loss)	1.304.043
Shareholders' contributions against losses	-
Transfers to reserves	-
Profit (loss) to be appropriated	2.404.520
Appropriation of profit:	-
- To legal reserves	-
- To other reserves	-
- Dividends	-
- Other	-
Profit (loss) to be carried forward at the end of the current year	2.404.520

Legal reserve
The legal reserve is formed from profit to be appropriated at the end of the financial year under the Lithuanian Law on Companies. Companies in Lithuania are required to transfer 5 % of net profit from distributable profit until the total reserve reaches 10 % of the issued capital. The legal reserve may be used only to cover the Company's accumulated losses. A part of the legal reserve in excess of 10% of the issued capital may be redistributed when appropriation of profit for the following financial year is performed. Legal reserve formed by the Company as at 31 March 2020 corresponds to the required minimum reserve level.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 14. STATE OF THE COMPANY'S NON-CURRENT LIABILITIES

Payable after one year and other non-current liabilities

Items	Comment	As at 31 March 2020	As at 31 December 2018
Payables to group companies	PKC Eesti AS	2,500,000	3,447,896
Debt obligations to credit institutions	Nordea Finance Lithuania UAB	2,500,000	38,958
			3,486,854

In 2016, the Company received a loan of EUR 3,500,000 from the shareholder PKC Wiring OY. The Company is under obligation to pay 3.81% + 12 month Euribor average. Loan repayment maturity term is 2020 and 2021. On 5 December 2016, the shareholder took the decision to cover the Company's losses by granting the loan of EUR 1,500,000, which was recognised against the Company's retained losses. Under the share purchase and sale agreement of 19/12/2016, the claim to the loan was overtaken by the new shareholder of the Company - PKC Eesti AS. In 2018, 2019 and Q1 2020, the Company did not receive any loan. Finance lease of 4 cars expired on 1 February 2020. Finance lease of 2 cars will expire in April 2020.

Specification of finance lease liabilities

Repayment period	Amount of minimum lease payments	Interest payable	The present value of minimum lease payments
From 1 to 2 years	11,624	25	11,598
From 2 to 5 years	-	-	-
After 5 years	-	-	11,598
Total:	11,624	25	11,598

NOTE 15. STATE OF THE COMPANY'S CURRENT LIABILITIES

Specification of liabilities per type	As at 31 March 2020	As at 31 December 2018
Debt obligations	11,624	13,280
Pension liabilities	-	-
Trade payables:	1,639,954	2,617,387
- Payables to Lithuanian suppliers	524,305	502,549
- Payables to foreign suppliers	126,011	295,886
- Payables to Group companies	989,638	1,818,952
- Payables to Group companies	1,762,565	1,438,570
Employment-related liabilities	1,095,160	479,847
- remuneration payable and related taxes	659,245	920,842
- vacation reserve	8,160	37,881
- bonuses payable	170,343	-
Income tax liabilities	1,282	2,515
Other payables and current liabilities	3,585,768	4,071,752
TOTAL:	3,585,768	4,071,752

The Company's rights and obligations not stated in the balance sheet

Under the agreement on lease of premises concluded with Lietkabelis AB on 2 June 2014, the Company incurred EUR 626 thousand lease expenses in the period from 1 January 2019 to 31 March 2020, whereas in 2018 these expenses amounted to Eur 531 thousand. The term for leases of premises extended until 2 June 2024. (Amendment/addition to the lease agreement of 14 May 2014 was signed on 7 January 2019). Under the agreement for lease of site for hangar and shelter concluded with Lietkabelis AB, the Company incurred EUR 24 thousand lease expenses in the period from 1 January 2019 to 31 March 2020. Under the agreement for lease of premises concluded with ARJ Logistika UAB on 2 March 2016, the Company incurred EUR 329 thousand lease expenses in the period from 1 January 2019 to 31 March 2020. The lease period is 4 years with the possibility to extend for another year. The lease agreement was extended until 30 April 2021.

Under the operating lease agreement No 201700668, concluded with Nordea Finance Lithuania UAB on 25 January 2017, the Company incurred EUR 8 thousand car lease expenses. The lease term expired on 25 January 2020.

Under the operating lease agreement No 201919260, concluded with Luminor Lizingas UAB on 23 December 2019, the Company leased out 5 cars. The lease period is 4 years and expires on 30 April 2024.

Under the operating lease agreement No 008769, concluded with ALD Automative UAB on 12 November 2018, the Company leased out car. The lease term is 4 years. The Company's lease expenses incurred under this operating lease amount to EUR 5 thousand.

Under the operating lease agreement No 009649, concluded with ALD Automative UAB on 15 January 2020, the Company leased out a car. The lease term is 4 years.

Estimated future operating lease payments	As at 31 March 2020	As at 31 December 2018
Within 1 year	888,581	791,479
After one year but within five years	1,675,561	2,481,373
After 5 years	-	-
Total:	2,564,142	3,272,852

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

Tax audits

The Tax Authorities may at any time inspect the books and records within 3 years subsequent to the reported tax year (PKC Group Lithuania UAB is a reliable taxpayer as of March 31, 2020), and may impose additional tax assessments and penalties. The management of the Company is not aware of any circumstances due to which material additional tax liabilities could be imposed on the Company. No full tax inspection has been performed in the Company.

NOTE 16. FINANCIAL RELATIONS WITH MANAGEMENT AND OTHER RELATED PARTIES

Indicators	01/01/2019–31/03/2020			01/01/2018–31/12/2018			Balance as at 31 March 2020
	Gross remuneration	Social insurance paid by the employer, 1.77%	Total	Gross remuneration	Social insurance paid by the employer, 31.18%	Total	
Employment-related expenses for the year							
(a) Basic remuneration:							
1. Management	540,256	9,563	549,819	289,794	90,358	380,152	44,453
2. Other related parties							
(b) Bonuses, supplements:							
1. Management	23,769	1,236	25,005	30,588	9,537	40,125	-
2. Other related parties							
Average number of management			7			7	

The Company's management consists of the General Manager, the Production Manager, the Head of HR department, the Finance Director, the Head of the Production Engineering Department, the Quality Manager, and the Head of Logistics. In 2018, the Company's management consisted of the General Manager, the Production Manager, the Head of HR department, the Finance Director, the IT Manager, the Head of the Production Engineering Department, and the Quality Manager.

Transactions with PKC group companies and balances as at the balance sheet date are presented below:

PKC Eesti AS
Lootsa 8, 11415 Tallinn, Estonia, company code 10858008

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Disposals	31,992,281	30,453,754
Acquisition of raw materials		-
Interest paid	148,019	148,019
Acquisition of non-current assets		-
Other costs	146,953	227,999
Receivables	1,446,067	4,966,762
Payables	3,783	11,006
Payables (loan and accrued interest payable)	3,489,260	3,452,357

PKC Group Poland Sp.z.o.o.
Radomska ul. 86, PL27-200 Starachowice, Poland, company code 5252437638

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Disposals	127,069	57,720
Acquisition of raw materials	400,694	322,499
Acquisition of non-current assets	272,336	1,162,191
Other costs		96
Receivables		3,002
Payables	37,059	48,530

ARNESES Y ACCESORIOS DE MEXICO S DE RL DE CV
Monterrey Business Park, 66600 Apodaca, Nuevo Leon, Mexico, company code AAM820326A18

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
Disposals	-	-
Acquisition of raw materials	-	-
Acquisition of non-current assets	-	125,303
Other costs	-	-
Receivables	-	-
Payables	-	-

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

PKC Vehicle Technology (Suzhou) Co., Ltd
Block N Unit 01/05, Ascendas Xin Su Industry Square, No 128 Xingpu Road, SIP, China, company code 91320594086939210G

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	-	-
Disposals	58.384	1.555
Acquisition of raw materials	13.524	-
Acquisition of non-current assets	-	-
Other costs	-	-
Receivables	-	-
Payables	-	-

PKC Wiring System d.o.o.
Safinacka bb, 11300 Smederevo, Serbia, company code 108279956

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	136.015	187.915
Disposals	36.189	17.996
Acquisition of raw materials	-	16.302
Acquisition of non-current assets	-	95.014
Other costs	1.631	251
Receivables	-	-
Payables	-	-

AEK OOO
Shosse Gornjakov 34, Kostomuksha, Russia, company code 100401001

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	1.189.433	885.277
Disposals	876	3.516
Acquisition of raw materials	4.246	-
Acquisition of non-current assets	-	9.500
Other costs	99.969	84.360
Receivables	-	-
Payables	-	-

PKC Group Ltd
Bulevardi 21, FI-00180, Helsinki, Finland, company code 0972280-0

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	-	423
Disposals	-	-
Acquisition of raw materials	-	-
Acquisition of non-current assets	-	-
Other costs	-	-
Receivables	-	1.759.416
Payables	-	-

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

PKC Cables do Brasil Ltda
Rua Estrada da Graciosa 803, Curitiba-Parana, Brasil, company code
01.691.944/0002-04

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	30.997	138.887
Disposals	-	1.700
Acquisition of raw materials	-	-
Acquisition of non-current assets	11.679	30.121
Other costs	1.318	84.361
Receivables	-	-
Payables	-	-

PKC SEGU Systemelektrik GmbH
Am Elsberg 14, D-36456 Barchfeld, Germany, company code 4167/116/05565

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	-	-
Disposals	300	1.390
Acquisition of raw materials	-	-
Acquisition of non-current assets	-	-
Other costs	-	-
Receivables	-	-
Payables	-	-

Kabel-Technik Polska Sp. z o.o
PLAWIEŃSKA 5, 78-550 CZAPLINEK, Lenkija, company code 0000192681

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	-	-
Disposals	-	7.495
Acquisition of raw materials	-	-
Acquisition of non-current assets	-	-
Other costs	-	-
Receivables	-	-
Payables	-	-

Motherson Sumi System Limited
C-14 A&B, Sector-1, Noida - 201301 Distt. Gautam Budh Nagar, (U.P.), India, company code L34300MH1986PLC284510

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	-	-
Disposals	41.325	12.749
Acquisition of raw materials	23.817	7.260
Acquisition of non-current assets	-	-
Other costs	-	-
Receivables	1.682	-
Payables	-	-

TOTAL with PKC Group companies

	01/01/2019–31/03/2020	01/01/2018–31/12/2018
	33.475.795	31.723.976
Disposals	537.967	378.085
Acquisition of raw materials	313.923	1.185.753
Acquisition of non-current assets	158.686	636.052
Other costs	1.554.403	5.122.466
Receivables	43.424	1.818.952
Payables	3.489.260	3.452.357
Payables (loan and interest payable)	-	-

Information on loans granted to the Company by the parent company is provided in Note 14.

Notes to the Financial Statements (continued)
(All amounts are in euros (EUR) unless otherwise stated)

NOTE 17. GOING CONCERN

In assessing the potential impact of factors related to the COVID-19 pandemic on the Company's performance, the Company's management assessed the potential disruption of cash flows, services, funding, the risk of key personnel being infected with COVID-19 and delays in processing orders. Assessment was based on all currently available information on the threats posed by COVID-19. It should be noted that the final impact of the COVID-19 pandemic on the Company's operations cannot yet be assessed, however, the Company's management did not identify any threats to the Company's going concern when assessing the potential impact of key factors of the COVID-19 on the Company's performance. The Company has taken steps to manage the risks. The Company has developed and implemented employee rotation and business continuity plans to ensure, as a matter of priority, the safety and health of employees and the continuity of manufacture and sales of electrical distribution, vehicle electronic systems, wires and cables.

As at 31 March 2020, current assets recognised in the Company's balance sheet exceed current liabilities by EUR 4,766 thousand. This means that the Company's liquidity ratio is positive 2.3 and the Company is able to cover its current liabilities with current assets. As at 31 March 2020 and 31 December 2018, the Company's equity is positive and complies with the requirement of the Law on Companies prescribing that the equity cannot be less than 1/2 of the authorized capital of the company.

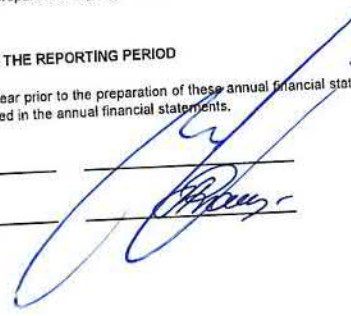

The Company's financial statements for 2019 and Q1 2020 have been prepared on a going concern basis assuming that the Company will be able to continue operations in the near future.

For the period 2020 April 1 - 2021 March 31 The company plans to 15,704 thousand EUR turnover. 2020 April 1 - 2021 March 31 planned profit before taxes, depreciation and amortization (EBITDA) 705 thousand EUR.

Given the above mentioned circumstances, the Company's management is of the opinion that the Company will be able to continue as a going concern, therefore, the financial statements were prepared on a going concern basis.

NOTE 18. EVENTS AFTER THE REPORTING PERIOD

After the end of the financial year prior to the preparation of these annual financial statements, no events other than COVID-19, as disclosed in Note 17, occurred that would affect or be disclosed in the annual financial statements.

General Manager		2 June 2020	Marius - Florin Dinescu
Finance Manager		2 June 2020	Mida Rajunčiene

ANNUAL REPORT

Reporting period covered by the Annual Report

The annual report prepared for the period of 15 months period ending on 31 March 2020.

Overview of the Company's activities

PKC GROUP LITHUANIA UAB (hereinafter "the Company") was registered on 25 April 2014, company code 303297652. The Company is located at J. Janonio st. 4, LT-35101 Panevėžys. The Company operates in compliance with requirements provided in the Law on Companies of the Republic of Lithuania, other legal acts and the Articles of Association of the Company. The Company is engaged in the following key areas:

- Manufacture and sales of electrical distribution systems
- Manufacture and sales of vehicle electronics
- Design, manufacture and sales of components
- Manufacture and sales of wires and cables
- Other manufacture and services related to cable systems and electronics

The Company's issued capital

As at 31 March 2020, the issued capital of the Company amounted to 144,858 EUR, comprising 5,002 ordinary shares at par value of EUR 28.96 each. One share grants one vote. As at 31 March 2020, an emission price of the shares was EUR 2,941,334. All the shares are fully paid in and are free of any restrictions on the disposal of securities.

The sole shareholder of the Company is an Estonian company PKC Eesti AS, company code 10858008, registered on 23 March 2002.

During the reporting period, the Company did not acquire or dispose its own shares.

The Company does not have any branches, representative offices, subsidiaries and associates.

Financial position of the Company, summary of activities and development

Sales turnover in 2019 and Q1 2020 amounted to EUR 33,080,448. The Company sells its services and goods to the Estonia-based company PKC Eesti AS. Sales turnover to Estonian company PKC Eesti AS for 2019 and Q1 2020 amounted to EUR 31,992,281. Sales turnover for 2018 amounted to EUR 30,453,754. The net profit before taxes amounted to EUR 1,571,692. In the period from 2019 to Q1 2020, the Company was successful in its operations. The Company invested in the acquisition of fixed assets, modernization of existing assets, which led to expansion of production, increase of productivity, helped to introduce new production technologies, optimize and ensure higher quality production. Company managed its operating costs effectively.

As at 31 March 2020, current assets as presented in the balance sheet exceed current liabilities by EUR 4,754,674 thousand. This means that the Company's liquidity ratio is positive 2.3 and the Company is able to cover its current liabilities with current assets. As at 31 March 2020, the equity is positive and complies with the requirement of the Law on Companies providing that the equity should not be lower than ½ of its authorized capital.

The Company is planning to achieve the turnover from production activity of EUR 15,704 thousand during the period from 1 April 2020 to 31 March 2021. On 19 December 2018, the amendment to the service agreement was signed with the client PKC Eesti AS, the hourly rate for the services provided by the Company was increased. These circumstances determine the forecast that the Company has all the possibilities to continue as a going concern. It is expected to earn profit before taxes, depreciation and amortization (EBITDA) of EUR 705 thousand during the period from 1 April 2020 to 31 March 2021.

Given the above mentioned circumstances, the Company's management is of the opinion that the Company will be able to continue as a going concern; therefore, the financial statements were prepared on a going concern basis.

Description of main risks and uncertainties encountered by the Company

The Company sells its services to a permanent customer based on a long-term service agreement. The main factors creating operational risks include potential changes of prices in the sales market as well as political, legal and social developments that are directly or indirectly related with the Company's activities and may adversely affect the Company's cash flows, expectations and results.

Information on environmental and personnel issues

On 31 March 2020, the Company had 1,415 employees, of which 324 are executives and specialists, and 1,091 – manufacturing personnel.

Education, qualifications and competence of the executives and specialists comply with the set requirements. The manufacturing personnel are competent in their work or are trained as to approved programs and gain the necessary qualifications. The right to social benefits is granted to employees under the Collective Agreement: a survivor's pension, access to education and training. Salaries are determined based on the motivated remuneration system depending on complexity and significance of work, quality of performance and importance of production processes. Salaries are calculated in accordance with legislation: payment for night work, overtime, working on rest days and public holidays. Pursuing the Human Resources Policy, the Company sees the risk of sufficient and timely staffing in the labour market supply.

In its activities, the Company follows and implements the legal acts on environmental issues, requirements of customers concerning the activities of the Company and quality of goods. Pursuant to the environmental program, certain measurements and observations are performed on an ongoing basis to reduce the Company's impact on the environment and to contribute to its protection. Deviations from environment protection are

handled openly, and the information gathered is used for a continuous improvement of processes, methods and procedures.

Environmental goals are assessed based on quantitative and qualitative indicators. Commitments for positive attention towards environment are assumed by each employee because everybody must know about an impact done individually or by his/her division to environment and each employee must have an opportunity to become an initiator and even an executor, if necessary, of corrective actions.

Goals of the Company in relation to environment management are as follows:

- To reduce the potential damage from the use of chemicals by preventing the release into the environment;
- To find suitable replacements for components that do not contain hazardous substances through cooperation with a customer;
- To improve waste handling (collection and monitoring);
- To reduce energy, water and gas consumption;
- To reduce copper waste so that total amount would not exceed 2.5% of the turnover;
- To reduce the amount of non-recyclable waste.

In 2015, the Company was awarded the ISO 14001 Environmental Management System Standard Certificate No 179105-2015-AE-FIN-FINAS with re-certification audit carried out in 2019.

References and additional explanations about the data presented in the annual financial statements

Data presented in the annual financial statements and explanatory notes thereto are adequate, complete and do not require additional explanation.

Information on the Company's Research & Development activities.

The Company does not carry out research and development activities.

Operational risks, plans and forecasts

The main goals of the Company for the year 2020 are as follows:

- To continue improving the Company's performance;
- To optimize the operating costs;
- To improve product quality;
- To enhance 103–107% productivity.
- To improve working conditions.

The key risks faced by the Company:

- Increase of productivity and maximise utilisation of equipment;

- Supply of skilled labour in the market;
- Growth of salaries in the country;
- The impact of factors related to the COVID-19 pandemic.

Information on financial risk management targets

2019 and Q1 2020 The Company did not apply any financial risk management measures.

Significant events after the end of the reporting period

In assessing the potential impact of factors related to the COVID-19 pandemic on the Company's performance, the Company's management assessed the potential disruption of cash flows, services, funding, the risk of key personnel being infected with COVID-19 and delays in processing orders. Assessment was based on all currently available information on the threats posed by COVID-19. It should be noted that the final impact of the COVID-19 pandemic on the Company's operations cannot yet be assessed, however, the Company's management did not identify any threats to the Company's going concern when assessing the potential impact of key factors of the COVID-19 on the Company's performance. The Company has taken steps to manage the risks. The Company has developed and implemented employee rotation and business continuity plans to ensure, as a matter of priority, the safety and health of employees and the continuity of manufacture and sales of electrical distribution, vehicle electronic systems, wires and cables.

There is no additional information required to be disclosed under the laws regulating the activities of companies and other legislative acts or the Company's Articles of Association, other than that disclosed in this annual report and annual financial statements.

Information on the other positions held by the Company's Manager, members of the Board

The General Manager of the Company did not hold any executive positions in the other companies.

Other current positions of the Company's Board members:

BOARD MEMBERS

Jani Kiljala

Position	Company name	Company code	Company address
President, Wiring systems, Europe and South America	PKC Eesti AS	10858008	Lootsa 8, 11415 Tallinn, Estonia
Member of the board of directors	PKC Wiring Systems Oy	0849146-5	Vihikari 10, FI-90440 Kempele, Finland
Chairman of the board of directors	TKV-sarjat Oy	0805209-1	Vihikari 10, FI-90440 Kempele, Finland
Chairman of the management board	PKC Eesti AS	10858008	Lootsa 8, 11415 Tallinn, Estonia
Member of the board of directors	OOO AEK	1021000882000	Shosse Gornjakov, 34,186930, Kostomuksha, Karelia, Russia
Member of the board of directors	Wisetime Oy	1702832-5	Saaristonkatu 23, FI-90100 Oulu, Finland

Member of the board of directors	PK Cables do Brasil Ltda	42.2.0545424-5	Campo Alegre, State of Santa Catarina, in the Rodovia SC 301, 4195, Fragoso, Zip Code 89.294-000
Motherson PKC Harness Systems FZE-LLC	Motherson PKC Harness Systems FZE-LLC	0000004026552	Plot No 57 D, AL Hamra industrial Zone-FZ, RAK, United Arab Emirates
Member of the Board	Laukamo Group Oy	2005238-5	Teollisuustie 1, 31400 Somero, Finland

Andreas Heuser

Position	Company name	Company code	Company address
Member of the Board of Directors	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	Business License Number: 220108040000844	No. 399 Xiang Fan Third Road, Changchun Economic & Technological Zone, 130033 Changchun
Managing Director	SMRC Automotive Interior Modules Croatia d.o.o.	Commercial Court Zagreb (MBS) 080562405	Jankomir 25 Zagreb Croatia
Managing Director	MSSL Advanced Polymers s.r.o.	Bezirksgerecht Hradec Králové Abteilung C, Einlage 5286	Dašická 287, 533 75, Dolní Ředice Czech Republic
Managing Director	MSSL ESTONIA WH OÜ	Tartu County Court Registration Department 14194456	Pärnu mnt 15 Kesklinna district 10141 Tallinn, Estonia
Chairman of the Supervisory Board	PKC Eesti AS	Commercial Register of Estonia, registry code 10858008	Lõdtsa 8 11415 Tallinn Estonia
Managing Director/Member of the Board of Directors	PKC Group Ltd	Trade register / County Court 596.615	Bulevardi 21 FI-00180 Helsinki, Finland
Chairman of the Board of Directors	Wisetime Oy	Finnish Patent and Registration Office (PRH) 1702832-5	Saaristonkatu 23 FI-90100 Oulu Finland
Managing Director and administrator	SMR Automotive Systems France S. A.	RC Melun 90B 282	154, avenue du Lys, B.P. 5, 77191 Dammarie-Les-Lys Cedex, France
General Manager	SMRC Automotive Modules France SAS	RCS Arras 410 314 876	Rue Léon Duhamel 62440 Harnes France
Managing director of the general partner	Motherson Innovations Lights GmbH & Co. KG	Amtsgericht Traunstein HRA 10605	Theodor-Körner-Str. 14a 83301 Traunreut
Managing Director	Motherson Innovations Lights Verwaltungs GmbH	Amtsgericht Traunstein HRB 20618	Theodor-Körner-Str. 14a 83301 Traunreut
Managing Director	MSSL GmbH	Amtsgericht Hanau HRB 91564	Am Germanenring 3 63486 Bruchköbel
Managing Director	Motherson Air Travel Agency GmbH	Amtsgericht Hanau HRB 95080	Am Germanenring 3 63486 Bruchköbel
Managing Director	Samvardhana Motherson Invest Deutschland GmbH	Amtsgericht Hanau HRB 93428	Am Germanenring 3 63486 Bruchköbel
Managing Director	MothersonSumi Infotekkk and Design GmbH	Amtsgericht Hanau HRB 94566	Schlossmattenstraße 18 79268 Bötzingen
Managing Director	Nirvana Foods GmbH	Amtsgericht Hanau HRB 94801	Am Germanenring 3 63486 Bruchköbel

Authorized representative and Managing director of the general partner	Samvardhana Motherson Innovative Autosystems B.V. & Co.KG	Amtsgericht Hanau HRA 93284	Am Germanenring 3 63486 Bruchköbel
Managing Director	SM REAL Estate GmbH	Amtsgericht Hanau HRB 95069	Am Germanenring 3 63486 Bruchköbel
Managing Director	Samvardhana Motherson Peguform GmbH	Amtsgericht Hanau HRB 94004	Am Germanenring 3 63486 Bruchköbel
Managing Director	SMP Deutschland GmbH	AG Freiburg HRB 7436	Schlossmattenstraße 18 79268 Bötzingen
Managing Director	SMP Automotive Exterior GmbH	AG Regensburg HRB 13761	Ludwig-Erhard-Str. 1, 84069 Schierling
Managing Director	SMP Logistik Service GmbH	AG Freiburg i.Br. HRB 7359	Schlossmattenstraße 18 79268 Bötzingen
Managing director of the general partner	SMR Grundbesitz GmbH & Co. KG	HRA 262 273 AG Stuttgart	Hedelfinger Straße 60, 70327 Stuttgart, Germany
Managing Director	SMR Automotive Mirror Systems Holding Deutschland GmbH	HRB 725 239 AG Stuttgart	Hedelfinger Straße 60, 70327 Stuttgart, Germany
Managing Director	SMR Automotive Mirrors Stuttgart GmbH	HRB 265 162 AG Stuttgart	Hedelfinger Straße 60, 70327 Stuttgart, Germany
Managing Director	SMR Automotive Beteiligungen Deutschland GmbH	HRB 265 161 AG Stuttgart	Hedelfinger Straße 60, 70327 Stuttgart, Germany
Managing Director	SMRC Smart Interior Systems Germany GmbH	HRB 158776 BG Charlottenburg	Business Address: Am Krainhop 9, 38550 Isenbüttel, Germany Registered Office: Rheinstraße 15 14513 Teltow, Germany
Managing Director	Motherson Innovations Deutschland GmbH	HRB 714321 AG Freiburg	Hedelfinger Straße 60, 70327 Stuttgart, Germany
Managing Director	PKC SEGU Systemelektrik GmbH	HRB 302198 AG Jena	Am Eisberg 14 D-36456 Barchfeld Germany
Managing Director	MSSL Manufacturing Hungary Kft	08-09-028288 Győr-Moson-Sopron County Court	Szabadság u. 35, PF 15, 9245 Mosonszolnok, Hungary
Managing Director	SMR Automotive Mirror Technology Holding Hungary Kft	08-09-004804 Győr-Moson-Sopron County Court	Szabadság u. 35, PF 15, 9245 Mosonszolnok, Hungary
Managing Director	SMR Automotive Mirror Technology Hungary Bt	08-06-013901 Győr-Moson-Sopron County Court	Szabadság u. 35, PF 15, 9245 Mosonszolnok, Hungary
Managing Director	MSSL Ireland Pvt. LTD	Companies Registration Office Ireland 335463	Moyne Lower Old Dublin Road Enniscorthy Co Wexford
Managing Director	MOTHERSON AIR TRAVEL PVT. LTD.	Companies Registration Office Ireland (Dublin) 611496	Moyne Lower Old Dublin Road Enniscorthy Co Wexford
Managing Director	MSSL S.r.l. Unipersonale	Camera di Commercio Industria di PISA 01874620501	Via Liguria 19 Cap 56025 Potedera (PI)
Managing Director	Samvardhana Motherson Reflectec Group Holdings Limited	Jersey Financial Services Commission – Companies Registry 102658	44 Esplanade St Helier Jersey JE4 9WG

Chairman of the Board of Directors	PKC Group Lithuania UAB	Lithuanian Centre of Registers, 303297652	J. Janonio g. 4 LT-35101 Panevezys Lithuania
Managing Director	SMR PATENTS S.à.r.l.	Registre de Commerce et des Sociétés de Luxembourg B-124658	6, rue Eugène Ruppert L-2453 Luxembourg
Managing Director	SMR AUTOMOTIVES SYSTEMS MACEDONIA DOOEL Skopje,	6720803	16, 8-mi Septemvri Blvd., Hyperium Business Centre, 2nd floor, 1000 Skopje –Karposh, Karposh
Director	Samvardhana Motherson Employees Benefit Limited	Financial Services Commission Mauritius Licence No: GB19024427	6th Floor, Tower A 1 Cypercity Ebene Mauritius
General Manager	Samvardhana Motherson Reydel Autotecc Morocco SAS	RC n°11621	Commandement Malaliyine Commune Sadena, Douar Dechriyine Lieu-Dit Kherbat Zekaria, BP 732 Tetouan PPAL Morocco
Managing Director	Motherson Sintermetal Technology B.V.	Netherlands Chamber of Commerce / Commercial Register 52922332	Hoogoorddreef 15 1101BA Amsterdam
Managing Director	Samvardhana Motherson Automotive Systems Group B.V.	Netherlands Chamber of Commerce / Commercial Register 53709713	Hoogoorddreef 15 1101BA Amsterdam
Managing Director	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	Netherlands Chamber of Commerce / Commercial Register 62518321	Hoogoorddreef 15 1101BA Amsterdam
Managing Director	Magneti Marelli Motherson India Holding B.V.	Netherlands Chamber of Commerce / Commercial Register 819086228	Schipol Boulevard 217 WTC, 1118 BH Luchtaaven, the Netherlands
Managing Director	SMRC Automotive Holdings B.V. (anciently: Reydel Automotive Holdings B.V.)	Dutch Chamber of Commerce, Trade register Amsterdam 60418230	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam
Managing Director	SMRC Automotive Interiors Management B.V. (anciently Reydel Automotive Management B.V.)	Dutch Chamber of Commerce, Trade register Amsterdam 63466627	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam
Managing Director	SMRC Automotives Techno Minority Holdings B.V. (anciently Reydel Automotive Minority Holdings B.V.)	Dutch Chamber of Commerce, Trade register Amsterdam 60726520	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam
Managing Director	SMRC Automotive Holdings Netherlands B.V. (anciently: Reydel Automotive B.V.)	Dutch Chamber of Commerce, Trade register Amsterdam 60670274	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam
Managing Director	SMRC Automotive Holding South America B.V.	Dutch Chamber of Commerce, Trade register Amsterdam 64292223	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam

	(anciently: Reydel Automotive South America B.V.)		
Managing Director	SMRC Automotive Modules South America Minority Holdings B.V. (anciently: Reydel Automotive South America Minority Holdings B.V.)	Dutch Chamber of Commerce, Trade register Amsterdam 64292274	Strawinskylaan 3127, Atrium building, 8th floor, 1077 ZX Amsterdam
Member of the Board of Directors	Kabel-Technik-Polska Sp. z o.o	Register of Business Entities of the National Court Register KRS0000192681	Pławińska 5, 78-550 Czaplinek, Poland
Member of the Board of Directors	PKC Group Poland Sp. z o.o.	Register of Business Entities of the National Court Register, 0000309537	ul. Radomska 86 27-200 Starachowice Poland
Member of the Supervisory Board	SMRC Automotive Interiors Products Poland SA	0000069321	27 Grudnia 3, 61-737 Poznań, Poland
Chairman of the Board of Directors	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.	Registo Commercial de Lisbon 1, Nr. 508047846	Parque Industrial Autoeuropa Quinta da Marquesa CCI 102162950-678 Palmela, Portugal
Member of the Board of Directors	SMR Automotive Industries RUS LLC	Court in St. Petersburg 1167847385672	Nevsky Plaza 55, let A Nevsky Prospect, St. Petersburg, 191025, Russia
Member of the Board of Directors	OOO AEK	Uniform State Register of Legal Entities - 1021000882000	Shosse Gornjakov, 34 186930, Kostomuksha Karelia, Russia
Member of the Board of Directors (Chairman)	SMRC Automotive Technology RU LLC	USRLE (Unified state register of legal entities) 1084027005743	1st Avtomobilny proezd 7248926 Kaluga, Russia Tel:+7-4842-909-673
Member of the Board of Directors	PKC Wiring Systems Llc	Business Entities Register [Serbian Business registers Agency] 20967579	Šalinačka bb, 11300 Smederevo Serbia
Managing Director	SMP Automotive Solutions Slovakia s.r.o. (Galanta,SK)	District Court Trnava 970777	Matúškovo 1586 92501 Matúškovo, Slovakia
Executive Director	SMRC Automotive Solutions Slovakia s.r.o	District Court Nitra 36 861 162	Dolné Hony 2 949 01 Nitra Slovakia
Branch Representative	Motherson Air Travel Agency GmbH Sucursal en Espana (Branch Office of Motherson Air Travel Agency GmbH in Spain)	Under records of the commercial register of Barcelona, at Tome 46456, Folio 217, Section GENERAL, Inscription 1, Page 520611, Province B	Carretera B-142 Sentmenat, 18-20, 08213 Polinya (Barcelona), Spain
Chairman of the Board of Directors	Motherson Sintermetal Products S.A.	Under records of the commercial register of Barcelona, at Volume 41091, page 165, Sheet B-23212	CL Sarria de Ter 20- 52 08291 Ripollet Barcelona, Spain
Chairman of the Board of Directors	SMP Automotive Technology Iberica S.L.U(Polinya/ Barcelona, ES)	Under records of the commercial register of Barcelona, at Volume 44167, Page 172, Sheet number B-65082	Carretera B-142 Sentmenat, 18-20, 08213 Polinya (Barcelona), Spain

Chairman of the Board of Directors	Samvardhana Motherson Peguform Barcelona S.L.U. (Martorell, ES)	Under records of the commercial register of Barcelona, at Volume 42582, Page 186, Sheet number B 154.087	Ctra. B-142 a Sentmenat, 18-20, 08213 Polinya (Barcelona), Spain
Member of the Board of Directors	SMP Automotive Technologies Teruel, Sociedad Limitada	Under records of the commercial register of Teruel, at Volume 202, Book 202, Page 63, Sheet TE-3280	Poligono Azalenguas s/n 44340 Fuentes Claras (Teruel)
Member of the Board of Directors	Celulosa Fabril (Cefa) S.A. (Zaragoza, ES)	Under records of commercial register of Zaragoza at Volume 1312, Page 51, Sheet number Z-7411	P.I. Malpica (Santa Isabel) Calle E-Oeste, Parcela 5 50016 Zaragoza
Managing Director (sole administrator)	SMR Automotive Technology Valencia SAU	Under records of the commercial register of Valencia, at Volume 6535, Book 3839, Page 106, Section 8, Sheet V-69884.	Ctra. Valencia-Ademuz Km 30.5 46160 - Liria - Valencia - Spain
Chairman of the Board of Directors	SMR Automotive Systems Spain S.A.U.	Under records of the Commercial Register of Zaragoza Volume 986, Page 77, Sheet n° Z-822	Poligono Industrial Valdemuel, S/n E-50290 Epila/Zaragoza, Spain
Deputy Chairman of the board of directors	Samvardhana Motherson Reydel Automotive Parts Holding Spain S.L	Under records of the Commercial Register of Cadiz Volume 1,316, Page 149 , Sheet n° CA-16, 894	Plaza Elías Ahujas, nº 1 A, Edificio Puerta Grande, 2ª Planta, Oficina 6, 11500 El Puerto de Santa María, Cádiz
Deputy Chairman of the board of directors	SMRC Automotive Interiors Spain S.L	Under records of the Commercial Register of Cadiz Volume 1,523 Page 123, Sheet n° CAQ-22,580	Plaza Elías Ahujas, nº 1 A, Edificio Puerta Grande, 2ª Planta, Oficina 6, 11500 El Puerto de Santa María, Cádiz
Director	MSSL Toolings (FZE)	03-01-01761	B-3, 21, PO Box – 8763, SAIF Zone, Sharjah, UAE
Member of the board of directors	MSSL (GB) Ltd.	Registrar of Companies for England and Wales (Companies House) 05074608	Albany Road, Gateshead Tyne & Wear, NE83AT, United Kingdom
Member of the board of directors	Samvardhana Motherson Employees Nominee Company UK Ltd. (anciently: Water Gardens Realty Ltd.)	Registrar of Companies for England and Wales (Companies House) 11310530	Office 23, Pure Offices One Port Way Port Solent Hampshire PO6 4TY UK
Director	SMR Automotive Mirror Parts and Holdings UK Ltd.	Registrar of Companies for England and Wales (Companies House) 4002526	Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England
Director	SMR Automotive Mirrors UK Limited	Registrar of Companies for England and Wales (Companies House) 3904201	Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England
Director	SMR Mirrors UK Limited	Registrar of Companies for England and Wales (Companies House) 8948912	Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England
Director	Motherson Innovations Company Limited	Companies House 9877285	35 Great St. Helen's, London EC3A 6AP

Director	Motherson Rolling Stock Systems GB Limited	Companies House 11802649	Albany Road, Gateshead Tyne & Wear, NE83AT, United Kingdom
Member of the Board of Director	Motherson Ossia Innovations LLC	Secretary of State of the State of Delaware 6831228	37680 Enterprise Court Farmington Hills Oakland County Michigan 48331

Sanna Helena Raatikainen

Position	Company name	Company code	Company address
General Counsel	PKC Group Ltd	0972280-0	Bulevardi 21, FI-00180, Helsinki, Finland
Procurist	PKC Group Ltd	0972280-0	Bulevardi 21, FI-00180, Helsinki, Finland
Member of the board of directors	PKC Wiring Systems Oy	0849146-5	Vihikari 10, FI-90440 Kempele, Finland
Member of the board of directors	TKV-sarjat Oy	0805209-1	Vihikari 10, FI-90440 Kempele, Finland
Member of the board of directors	PKC Group APAC Limited	1861574	Level 54, Hopewell Centre 183, Queen's Road East, Hong Kong, China
Supervisor	PKC Vehicle Technology (Suzhou) Co., Ltd.	9132059408693 9210G	Block 1, Unit 502/503, Ascendas Xin Su Industry Square I, No.5 Xinghan Street, SIP, Suzhou, Postal code: 215021 P.R.China
Member of the supervisory board	PKC Eesti AS	10858008	Lootsa 8, 11415 Tallinn, Estonia
Member of the board of managers, Secretary	AEES Manufacturera, S. De R.L de C.V.	AFM-010102-MQ5	Avenida Fesnel Num. 7650 Parque Industrial A.J. Bermudez, Ciudad Juárez, Chihuahua, Mexico. C.P. 32470
Member of the board of managers, Secretary	Arneses y Accesorios de México, S. de R.L de C.V.	AAM-820326-A18	Km. 5.823 Carretera Presa la Amistad SN, Col. Parque Industrial Amistad, Ciudad Acuña, Coahuila, Mexico. C.P. 26220
Member of the board of managers, Secretary	Arneses de Ciudad Juarez, S. de R.L de C.V	ACJ-950315-HG7	Avenida Fresnel #7650, Col. Parque Industrial A.J. Bermudez, Ciudad Juárez, Chihuahua, Mexico. C.P. 32470
Member of the board of managers, Secretary	Asesoria Mexicana Empresarial, S. de R.L de C.V.	AME-940228-BC3	Carretera Miguel Alemán Km. 14.5 E-3A, Monterrey Business Park, Apodaca, Nuevo León, Mexico, CP 66600
Member of the board of managers, Secretary	Cableados del Norte II, S. de R.L de C.V.	CNI-950315-IB0	Carretera a Matamoros Entronque con Mieleras SN, Parque Industrial las Américas, Torreón, Coahuila, Mexico. C.P. 27278
Member of the board of managers	PKC Group de Piedras Negras, S. de R.L. de C.V.	PGP-120814-BW8	Libramiento G. Manuel Pérez Treviño Col. Parque Industrial Amistad, Piedras Negras, Coahuila, Mexico. C.P. 26080
Member of the board of managers, Secretary	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V	MCE-870427-FX0	Carretera Miguel Aleman Km 14.5 E-3A Monterrey Business Park, Apodaca, Nuevo León, Mexico, CP 66600
Member of the board of managers	PKC Group AEES Commercial S. de R.L de C.V	PGA-140319-1K9	Carretera Miguel Alemán Km. 14.5 E-3A, Monterrey Business Park, Apodaca, Nuevo Leon, Mexico, CP 66600
Member of the board of managers, Secretary	PKC Group Mexico S.A. de C.V.	PGM-970929-577	Prolongación Avenida Hidalgo 16, Parque Industrial San Carlos, Nogales, Sonora, CP 84094, Mexico
Member of the management board	PKC Group Poland Holding Sp. z o.o.	KRS 0000523290	Al. Jana Pawla II 22.00-133 Warszawa
Secretary	PKC Group USA Inc.	52-2075644	36555 Corporate Drive Suite 300 Farmington Hills, MI 48331, USA
Secretary	AEES Inc.	25-1483401	36555 Corporate Drive Suite 300 Farmington Hills, MI 48331,USA

Member of the board of directors, Secretary	PKC Group Canada Inc.	848305322	44 Chipman Hill, Suite 1000 Saint John, New Brunswick E2L 4S6, Canada
Secretary	AEES Power Systems Limited partnership	30-0066237	36555 Corporate Drive Suite 300 Farmington Hills, MI 48331, USA
Secretary	Fortitude Industries Inc. (dba Advanced Transit Manufacturing - 'ATM')	20-1160130	7200 County Route 70A, Hornell, NY 14843, USA
Secretary	T.I.C.S. Corporation	56-1852379	36555 Corporate Drive Suite 300 Farmington Hills, MI 48331, USA

General Manager

Finance Manager



Marius-Florin Dinescu

Milda Rajunčiėnė