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**SMRC Automotive Modules France
SAS**

Rue Léon Duhamel

62440 HARNES

Financial statements at 31/03/2020

SMRC
Samvardhana Motherson Reydel Companies

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Annual financial statements

Headings	Gross amount	Amort. Prov.	31/03/2020	31/03/2019
Subscribed uncalled capital				
INTANGIBLE ASSETS				
Start-up costs				
Development costs				
Concessions, patents and similar rights	9,924,476	8,881,667	1,042,809	1,516,837
Goodwill				
Other intangible assets	5,075,786	5,075,786		761,390
Advances and prepayments on intangible assets				
PROPERTY, PLANT AND EQUIPMENT				
Land	436,178	9,256	426,922	426,922
Buildings	25,823,366	15,365,233	10,458,133	10,057,402
Machinery and equipment	92,791,295	78,603,852	14,187,443	13,901,537
Other tangible assets	8,435,974	6,089,428	2,346,546	2,413,406
Assets under construction	5,844,262		5,844,262	4,922,009
Advances and prepayments				
FINANCIAL ASSETS				
Investments accounted for by the equity method				
Other investments				
Receivables from equity interests				
Other fixed securities				
Loans				
Other financial assets	170,182		170,182	1,991,252
FIXED ASSETS	148,501,519	114,025,221	34,476,298	35,990,756
INVENTORIES AND WORK IN PROGRESS				
Raw materials and supplies	4,424,591	911,919	3,512,672	3,544,264
Work in progress - goods	20,928,035	287,263	20,640,772	33,213,631
Work in progress – services				
Intermediate and finished products	3,545,105	1,049,994	2,495,111	2,346,897
Goods	83,654		83,654	116,003
Advances and payments on account on orders	125,598		125,598	611,165
RECEIVABLES				
Accounts receivable and related accounts	26,102,406	35,601	26,066,805	36,441,868
Other receivables	128,671,298	161,937	128,509,361	92,523,894
Called-up share capital not paid				
MISCELLANEOUS				
Marketable securities (including treasury shares:)				
Cash and cash equivalents	8,291,658		8,291,658	6,251,941
ACCRUALS				
Prepaid expenses	4,950,134		4,950,134	448,251
CURRENT ASSETS	197,122,479	2,446,714	194,675,765	175,497,915
Loan issue costs to be deferred				
Bond redemption premiums				
Unrealised translation gains	67,497		67,497	31,840
TOTAL	345,691,495	116,471,935	229,219,559	211,520,511

Headings	31/03/2020	31/03/2019
Share capital (of which paid:)	6,662,277	6,662,277
Additional paid-in capital		
Revaluation reserve (of which equity accounting reserve:)		
Legal reserve	79,267	
Statutory or contractual reserves		
Regulated reserves (of which res. Prov. for price fluctuations)		
Other reserves (of which, purchase of original works)		
Retained earnings	1,506,079	-258,568
PROFIT (LOSS) FOR THE YEAR	30,282,881	1,843,915
Investment grants		
Regulated provisions	1,618,018	2,061,366
SHAREHOLDERS' EQUITY	40,148,522	10,308,989
Proceeds from the issue of equity securities		
Conditional advances		
OTHER EQUITY		
Provisions for liabilities	5,864,100	6,198,490
Provisions for charges	12,587,928	13,027,143
PROVISIONS	18,452,028	19,225,633
FINANCIAL LIABILITIES		
Convertible bonds		
Other bonds		
Bank loans and overdrafts		
Other borrowings and financial liabilities (including non-voting shares)	1,800,000	1,800,000
Advances and prepayments received on orders in progress	10,166,840	13,177,832
OPERATING LIABILITIES		
Trade payables and related accounts	72,442,928	92,586,232
Tax and social security liabilities	39,292,714	25,985,936
MISCELLANEOUS LIABILITIES		
Fixed asset and other payables	5,340	
Other liabilities	34,778,352	31,437,928
ACCRUALS		
Deferred income	12,132,984	16,931,552
LIABILITIES	170,619,158	181,919,480
Unrealised translation gains	-149	66,409
TOTAL	229,219,559	211,520,511

Headings	France	Export	31/03/2020	31/03/2019
Sales of goods	5,839,483	2,724,499	8,563,983	8,254,523
Sales of manufactured goods	289,241,614	212,000,514	501,242,127	671,314,303
Production sold – services	20,337,277	9,342,396	29,679,673	3,465,587
NET TURNOVER	315,418,374	224,067,409	539,485,784	683,034,413
Production transferred to stocks			-27,785,622	-32,163,412
Fixed asset production				-56,760
Operating subsidies				
Reversals of impairment, provisions (and depreciation), transfers of expenses			6,397,082	10,274,776
Other income			43,666,850	50,190,679
OPERATING INCOME			561,764,094	711,279,697
Purchases of goods (including customs duties)			17,023,020	24,668,700
Change in inventories of goods				137,099
Purchases of raw materials and other supplies (including customs duties)			300,296,421	409,152,441
Change in inventories (raw materials and supplies)			-14,996,517	-29,388,641
Other purchases and external charges			120,102,803	164,450,716
Taxes, duties and similar payments			5,422,574	7,105,193
Wages and salaries			50,791,231	64,261,791
Social security contributions			23,657,458	28,698,994
OPERATING PROVISIONS				
On fixed assets: depreciation and amortisation charges			7,798,048	11,039,524
On fixed assets: charges to impairment				
On current assets: charges to impairment			2,267,113	2,584,828
Provisions			2,212,527	4,029,617
Other expenses			20,792,814	24,457,005
OPERATING EXPENSES			535,367,491	711,197,268
OPERATING PROFIT			26,396,603	82,429
JOINT OPERATIONS				
Profit allocated or loss transferred				
Loss incurred or profit transferred				
FINANCIAL INCOME				
Financial income from equity interests			329,506	23,222
Income from other marketable securities and receivables from non-current assets				
Other interest and similar income			630,062	361,768
Reversals of impairment and provisions, transfers of expenses			527,269	183,412
Currency gains			105,337	5,233
Net proceeds from disposals of investment securities				
FINANCIAL INCOME			1,592,173	573,635
Depreciation, amortisation and provisions			625,217	353,967
Interest payable and similar expenses			121,163	295,787
Negative currency differences			33,424	39,901
Net expenses on sales of marketable securities				
FINANCIAL CHARGES			779,804	689,654
FINANCIAL RESULT			812,369	-116,019
CURRENT RESULT BEFORE TAXES			27,208,972	-33,590

Headings	31/03/2020	31/03/2019
Extraordinary income on management operations	1,796,181	172,464
Extraordinary income on capital transactions		6,000
Reversals of impairment and provisions, transfers of expenses	2,601,720	7,576,094
EXTRAORDINARY INCOME	4,397,902	7,754,558
Extraordinary expenses on management operations	-4,826,961	3,755,531
Extraordinary expenses relating to capital transactions	157,165	3,590,940
Extraordinary depreciation, impairment and provisions	1,521,681	1,029,616
EXCEPTIONAL EXPENSES	-3,148,115	8,376,087
EXCEPTIONAL RESULT	7,546,017	-621,528
Employee profit sharing	2,101,920	
Income tax	2,370,187	-2,499,033
TOTAL REVENUE	567,754,169	719,607,891
TOTAL EXPENSES	537,471,288	717,763,976
PROFIT OR LOSS	30,282,881	1,843,915

Appendices

A. HIGHLIGHTS OF THE YEAR

1. Economic context and business trends

Due to the change in the closing date, the previous financial year exceptionally lasted for 15 months. In order to ensure that the following comparison with the year ended 31 March 2020 is accurate, the 2019 income statement has been streamlined over 12 months.

In a context of slowdown in the French automotive market during the year, the Company's turnover was stable (-1.3%). It stood at €539.5m at the end of 2020, compared with €546.4m at the end of the previous financial year (on a like-for-like basis over 12 months). The Vehicles business fell by 9.7% over the year (-€43.3m), mainly due to the foreseeable decline in the Peugeot 3008, which is entering its 4th year on the market, the end of life of the Renault Zoé and Peugeot 208 and the expected fall in volumes of the Smart following the transition to 100% electric models. These foreseeable declines were offset by the increase in sales of Opel Grandland X vehicles as well as by the increase in customer contributions and sales of studies, which were significant during the financial year (+€34.8m).

Turnover from the Spanish manufacturing contract increased in 2020 (+€3.3m on a like-for-like basis) to €168.2m compared with €164.9m in 2019, marked in particular by the increase in volumes of the new Renault Captur, which is gradually replacing the old one, and the first full year of marketing of the new PSA Berlingo Partner van.

The Tools business generates a turnover of €54.0m, mainly from 3 projects, Renault Captur, Renault Kadjar and Renault Master. The turnover from studies and other services amounted to €24.0m for the financial year, mainly resulting from the Renault Captur and Renault Master projects.

The Company therefore generated an operating profit of €26.4m during the financial year.

2. Change of chairman

By a decision dated 5 July 2019, the sole shareholder noted the resignation of Mr Benoît ROLLAND from his duties as Chairman of the Company and appointed Mr Eric AUZEPY as Chairman.

3. Production rollout

During the financial year, the Company launched the production of the instrument panels for the Renault Captur, the Renault Master, the Renault Twingo and phase 2 of the Smart.

4. Credit note SMRC Automotive Holdings Netherlands B.V.

The Company received a credit note of €6.5m from its sole shareholder cancelling the exceptional expenses borne by the Company in 2016. This credit note was therefore credited to the exceptional expenses item initially debited during the financial year.

5. Pre-financing of the CICE

The Company transferred its CICE (Tax Credit for Competitiveness and Employment) receivables for 2016, 2017 and 2018 to Société Générale for a total amount of €4.3m during the financial year.

6. Revitalisation provision

The Company had recorded a provision for liabilities related to the revitalisation of regions following the 2010 redundancy plans for the amount of €0.6m. On 6 February 2020, the Company received a letter from the Regional Directorate of Enterprises, Competition, Consumption, Labour and Employment granting discharge and resulting in the reversal of this provision.

7. COVID 19

The WHO declared a health emergency on 30 January 2020 and confirmed that the Covid-19 outbreak was a pandemic on 11 March 2020. In response, the Spanish and French governments ordered the containment of the population on their national territory on 15 and 17 March 2020 respectively.

The temporary closure of the sites of our customers PSA and Renault led to the temporary closure of the Company's sites on 16 and 17 March 2020. On this date, partial unemployment was extended for production staff and then gradually organised so that only staff assigned to essential tasks worked remotely. On the closing date of the accounts, all applications for partial unemployment for a period of 6 months from the different establishments had been validated by the Administration.

Since it occurred only 14 days before the annual closure of the accounts, the cessation of activities had only a limited impact on the annual financial statements closed on 31 March 2020; due in particular to governmental support measures, an internal policy of adapting expenses and preserving its cash and limited exposure:

- The Company's shares are not listed on a regulated market.
- The Company has little long-term debt and significant current account receivables with related companies.
- Intangible assets and property, plant and equipment are highly amortised, with a value in use that remains higher than their book value.
- The Company has no subsidiaries or significant holdings.
- Inventories of finished products rotate rapidly. Their sales prices do not currently appear to be affected.
- Current stocks of tools are financed by the manufacturers, mainly with transfer of ownership on delivery.
- The Company has not issued or received any breach of banking or financial commitments.
- The Company does not have any forward hedging instruments.
- The securities of the manufacturers Peugeot and Renault (the Company's main customers) are listed on the Euronext Paris stock exchange. Although prices were affected on 31 March 2020 by the COV-19 crisis, the Company and the market had not been provided with any information calling into question the continuation of operations on the date of this report.
- The company suspended its contracts for the provision of temporary workers.

The Company is in constant contact with its customers to monitor and adapt to the resumption of their production activities. Although the forecasts received remain variable and subject to change, the manufacturers Peugeot and Renault announced a gradual recovery at the end of April/beginning of May 2020. Based on the serious, reasonable assumptions available, the Company estimates that the consequences of Covid-19 could result in a 23% decrease in its activity compared with the level originally predicted. This decrease is mainly due to the lack of significant production in April (0%) and May (40%), as well as the residual impact of demand on the market until March 2021.

B. ACCOUNTING PRINCIPLES, RULES AND METHODS

The annual financial statements for the financial year ended 31 March 2020 have been prepared and presented in accordance with ANC regulation no. 2016-07 of 4 November 2016 and updated by regulation 2018-07 and the general principles for the preparation and presentation of annual financial statements applicable to the Company. The basic method used for the evaluation of accounting items is the historical cost method.

1. Fixed assets

1.1 Intangible assets

New intangible assets are amortised on a straight-line basis over their estimated useful lives. This period varies from 1 to 7 years for new patents, brands and software.

1.2 Property, plant and equipment

Property, plant and equipment are recognised at cost. This cost includes acquisition and commissioning costs. It does not include maintenance and repair costs, which are recorded as expenses.

New fixed assets are depreciated using the straight-line method.

Regulations CRC 2002-10 relating to the amortisation and depreciation of assets and CRC 2004-06 relating to the definition and evaluation of assets have been applied prospectively since 1 January 2005. They mainly concern the recognition of non-current assets by component and the definition of new depreciation periods which are now aligned with the estimated useful lives.

The economic and tax depreciation periods by type of non-current asset are as follows:

<i>Depreciation period (in years)</i>	Accounting	Tax
INTANGIBLE ASSETS		
PATENTS & TRADEMARKS FILED	1 to 6	1 to 3
PATENTS & TRADEMARKS ACQUIRED	5 to 7	5
PRODUCTION SOFTWARE AND SOFTWARE PACKAGES	3	3 to 4
OTHER SOFTWARE AND SOFTWARE PACKAGES CREATED	3 to 4	3 to 4
OTHER SOFTWARE AND SOFTWARE PACKAGES ACQUIRED	1 to 10	1 to 3
PROPERTY, PLANT AND EQUIPMENT		
LAND LAYOUT	10 to 50	10
INDUSTRIAL PROPERTY COMPLEXES	1 to 50	1 to 25
GENERAL INSTALLATIONS - FIXTURES AND FITTINGS/ASSEMBLIES	5 to 50	5 to 20
CONSTRUCTION ON THIRD-PARTY LAND	10 to 44	10 to 20
IMPROVEMENTS TO BUILDINGS	4 to 50	5 to 10
INJECTION PRESSES	2 to 20	2 to 8
MAJOR REPAIRS	2 to 20	3
PAINT CHAINS AND OTHER PRODUCTION MACHINES	2 to 15	2 to 7
MOULDS	3 to 15	7
FINISHING MACHINES	2 to 16	2 to 8
OTHER INDUSTRIAL EQUIPMENT	1 to 30	1 to 10
INDUSTRIAL TOOLS	1 to 7	1 to 10
FIXTURES AND FITTINGS OF EQUIPMENT / TOOLS	2 to 25	2 to 8
GENERAL INSTALLATIONS, FIXTURES AND FITTINGS	3 to 50	3 to 10
PASSENGER VEHICLES	3 to 5	3 to 5
OFFICE EQUIPMENT	3 to 10	2 to 10
COMPUTER PRODUCTION EQUIPMENT	2 to 15	2 to 5
COMPUTER EQUIPMENT OTHER THAN PRODUCTION	1 to 11	1 to 7
FURNITURE	5 to 10	5 to 10
REUSABLE PACKAGING	1 to 15	1 to 10

Accelerated depreciation is calculated as the difference between the accounting depreciation period and the tax depreciation period.

1.3 Financial assets

Equity interests and other fixed securities are recognised at their acquisition cost.

1.4 Depreciation allowance

When there is an indication of impairment of a fixed asset, the company performs an impairment test by measuring the value in use of the asset, including the determination of the future cash flows of the asset and/or group of assets, future prospects for profitability or the value of equity securities. The impairment loss is recognised in the corresponding allowance account.

2. Current assets

2.1 Inventories and work in progress

Inventories of raw materials are valued at their acquisition cost according to the weighted average unit cost method.

Inventories of finished goods and work in progress are valued at their production cost.

Inventory impairment:

A provision for impairment of slow-moving inventories is assessed and recorded at each reporting date by inventory type and category if there is an indication of impairment and, failing that, according to the following rule:

Inventory impairment	Provision for impairment
Dead inventory > 360 days	100% of the gross value
Slow rotation > 180 days	50% of the gross value
Slow rotation > 90 days	25% of the gross value

2.2 Valuation method for receivables

Receivables are recorded at their nominal value. Provisions for impairment of receivables are set up to cover difficult events facing the debtor or in the event of a dispute to cover the risk of non-payment. When due diligence has been unsuccessfully carried out concerning collection and it seems unlikely that the debt will be recovered, the following general rule is applied as a minimum requirement. The Company applies a rule specific to receivables relating to the Tooling activity, taking into account the nature and particular features inherent in the latter.

Impairment of receivables	Excluding tooling	Tooling
Due > 2 years	100% of the gross value	100% of the gross value
Due > 360 days	100% of the gross value	50% of the gross value
Due > 180 days	50% of the gross value	25% of the gross value
Due > 90 days	25% of the gross value	0% of the gross value

2.3 Factoring

Under the factoring agreement, all eligible receivables are assigned to the factor. This assignment results in the transfer of these receivables from "Trade receivables and other related accounts" to "Other receivables". A factoring fee is then recognised in operating income.

When drawn down on the factoring line, the amount of cash received is credited from "Other receivables" to "Cash and cash equivalents". The financing fee due to the Factor is recognised in the financial result and the corresponding entry is recorded under "Other receivables" in the balance sheet.

The guarantee fund for the factoring line is also recognised under "Other receivables".

2.4 Cash and cash equivalents

Cash at bank or in hand was assessed at its nominal value.

Marketable securities are valued using the weighted average price method. A comparison is made at the year end between the realisable value and the book value of securities. Impairment is recorded to cover the risk of loss in value.

2.5 Method for recognition and measurement of long-term contract results

The development costs incurred are recognised as assets according to the preferential method.

When tools are sold or financed by the customer, the development costs are recognised as Inventories. Revenue is taken into account and stored costs are recorded on the completion date.

If tool sales or financing agreements contain a suspension clause, the costs borne by the Company are recorded as expenses for the financial year until said clauses are lifted.

The margin is recognised on the completion date. The result upon termination of each contract is assessed at the end of the financial year. In the event of a negative forecast margin, a provision for loss on completion is recognised.

3. Adjustment accounts (assets and liabilities)

Conversion method for receivables and payables in foreign currencies

Receivables and payables in foreign currencies are converted to Euros on the basis of the published monthly group rate. Differences resulting from this conversion are recorded under "translation differences" in the balance sheet (on the assets side for unrealised losses and on the liabilities side for unrealised gains).

Accounting method for productivity efforts

Productivity efforts are recorded as prepaid products and are taken up as production progresses for contributing plants. For beneficiary plants, the productivity efforts are recorded as prepaid expenses and taken up over the life of the new production contracts, starting from the SOP date.

4. Provisions for liabilities and charges

4.1 Provisions for liabilities and charges

Provisions are established to cover the liabilities and charges relating to the following transactions:

- customer and staff disputes
- taxes
- industrial disputes
- tax audits
- customer guarantees
- supplier disputes
- social plans and restructuring

Provisions are also established to cover environmental risks.

4.2 Method for recognition and measurement of retirement commitments and long-service awards

In accordance with the preferential method, a provision for retirement benefits and long-service awards is recorded in the financial statements. Actuarial gains and losses and service costs are recognised under the financial result for the year.

C. NOTES ON ASSET

1. FIXED ASSETS

1.1. Intangible assets

During the financial year, the company acquired IT development activities from SMRC Automotive Holding Netherland BV for €0.8m. New IT developments will be commissioned in 2021 for €1.7m.

1.2. Property, plant and equipment

1.2.1. Gross tangible fixed assets

During the financial year, the company commissioned €5.7m in property, plant and equipment, of which €2.0m related to the X62 ph2 programme and €1.0m to the redevelopment of the Gondécourt site. The Rougegoutte site was put into service for €2.0m (€1.0m for U1 and €0.8m for U2).

1.2.2. Impairment of property, plant and equipment

The residual provision for existing assets in the balance sheet at 31 March 2020 amounts to €3.7m and exclusively concerns the Gondécourt site.

1.3. Financial assets

The company stood surety for its sister company SMRC Morocco (formerly Reydel Morocco) for the amount of €3.7m for its property leases and customs receivables. In return, the Company received €3.7m from Visteon EU Holding, which is blocked in an account recorded under the "Loans and borrowings from credit institutions" item. City Bank reimbursed €1.8m during the previous financial year. City Bank repaid the balance of €1.8m during the course of the financial year.

2. CURRENT ASSETS

2.1. Inventories and work in progress

Tooling stocks totalled €20.3m on 31 March 2020 (compared with €33.2m at the start of the financial year). These inventories decreased by €12.9m over the year, mainly as a result of the activity of the Harnes technical centre on the XJK projects for €3m, P2980 for €2m, P1UO for €1.8m, XJI for €1.5m and HHN for €1.6m. Changes in other inventories are linked to the activities of the industrial sites.

2.2. Accounts receivable and related accounts - Other receivables

Trade receivables amounted to €26.1m on 31 March 2020 (compared with €36.4m on 31/03/2019). This €10.3m decrease is mainly due to:

-€9.9m- no receivables assigned to the Factor at 31/03/2020 following factory closures in the 2nd half of March. At 31/03/2019, invoices issued in the last week of March (€9.0m) were assigned to the Factor on 1 and 2 April 2019.

+€6.1m - in March 2020, increase in invoicing for tooling projects (X62; HJB; HHN; XJX; BCB)

-€5.2m - reduction in unbilled revenue; unbilled revenue amounted to €1.5m on 31/03/2020 whereas this figure stood at €6.7m on 31/03/2019.

-€1.3m - other changes related to the activity.

Other receivables amounted to €128.8m on 31 March 2020 (compared with €92.5m on 31 March 2019). This increase of €36.3m is mainly due to:

+€34.6m - increase related to intra-group loans granted during the financial year: a loan to Cashpool interests - SMRC Group for the amount of €28.2m and a loan to SMRC Automotive Holdings Netherlands B.V. for the amount of €6.3m.

+€0.8m - increase related to factoring contract

+€0.9m - other variations linked to activity.

Headings	Start of financial year	Revaluation	Acquisitions, contributions
ESTABLISHMENT AND DEVELOPMENT COSTS			
OTHER INTANGIBLE ASSETS	14,169,070		831,192
Land	436,178		
Of which components			
Buildings on own land	18,239,611		1,268,790
Buildings on third-party land	4,717,094		
Const. General fixtures and fittings	1,693,262		100,167
Plant, equipment and tooling	89,101,353		3,689,942
General installations, fixtures and fittings	1,780,714		
Transport equipment	17,088		
Office equipment, computer equipment and furniture	3,698,078		249,124
Recoverable packaging and miscellaneous items	2,363,979		342,911
Tangible assets under construction	4,922,009		6,573,188
Advances and prepayments			
PROPERTY, PLANT AND EQUIPMENT	126,969,366		12,224,122
Investments accounted for by the equity method			
Other investments			
Other fixed securities			
Loans and other financial assets	1,991,252		8,930
FINANCIAL ASSETS	1,991,252		8,930
TOTAL	143,129,688		13,064,244

Headings	Transfer	Assignment	End of financial year	Original value
ESTABLISHMENT AND DEVELOPMENT COSTS				
OTHER FIXED ASSET ITEMS			15,000,262	
Land			436,178	
Buildings on own land	1,609		19,506,792	
Buildings on third-party land	193,949		4,523,145	
Buildings, general installations, fixtures and fittings			1,793,429	
Plant, equipment and tooling			92,791,295	
General installations, miscellaneous fixtures and fittings			1,780,714	
Transport equipment			17,088	
Office equipment, computer equipment and furniture	15,921		3,931,281	
Recoverable packaging and miscellaneous items			2,706,890	
Tangible assets under construction	5,650,934		5,844,262	
Advances and prepayments				
PROPERTY, PLANT AND EQUIPMENT		5,862,414	133,331,075	
Investments accounted for by the equity method				
Other investments				
Other fixed securities				
Loans and other financial assets		1,830,000	170,182	
FINANCIAL ASSETS		1,830,000	170,182	
TOTAL		7,692,414	148,501,519	

Headings	Start of financial year	Allocations	Reversals	End of financial year
START-UP AND DEVELOPMENT COSTS				
OTHER INTANGIBLE ASSETS	11,890,842	2,066,611		13,957,453
Land	9,256			9,256
Buildings on own land	11,637,133	513,303	176	12,150,260
Buildings on third-party land	2,761,622	243,289	113,641	2,891,269
Buildings, general facilities, fixtures and fittings	193,810	129,894		323,703
Plant, equipment and tooling	70,683,828	4,186,056		74,869,884
General fixtures and fittings	639,727	321,460		961,186
Transport equipment	17,088			17,088
Office equipment, computer equipment and furniture	2,588,255	281,902	15,922	2,854,235
Recoverable packaging and miscellaneous items	2,201,383	55,534		2,256,917
PROPERTY, PLANT AND EQUIPMENT	90,732,102	5,731,437	129,739	96,333,800
TOTAL	102,622,944	7,798,048	129,739	110,291,253

BREAKDOWN OF MOVEMENTS AFFECTING THE PROVISION FOR EXCEPTIONAL DEPRECIATION

Headings	Allocations			Reversals			Amortisation movements at year-end
	Duration differential and other items	Declining-balance method	Exceptional tax deprec.	Duration differential and other items	Declining-balance method	Exceptional tax deprec.	
START-UP COSTS							
OTHER INC.							
Land							
Construct.							
- own land		61,452			27,669		33,784
- third-party land							
- installations							
Tech. install.		7,107			458,171		-451,063
Tech. install.							
Transp. mat.							
Office equipment		2,705			28,773		-26,068
Reusable packaging							
TANGIBLE		71,264			514,612		-443,348
Purchased securities							
TOTAL		71,264			514,612		-443,348

Expenses spread over several financial years	Start of financial year	increased	Allocations	End of financial year
Loan issue costs to be deferred				
Bond redemption premiums				

STATEMENT OF RECEIVABLES	Gross amount	Due in 1 year or less	Due in more than one year
Receivables from equity interests			
Loans			
Other financial assets	170,182	170,182	
Doubtful or disputed trade receivables	42,579	42,579	
Other trade receivables	26,059,827	26,059,827	
Receivable representing loaned securities			
Staff costs and related receivables	892,787	892,787	
Social security and other welfare organisations	430,014	430,014	
State, other local authorities: corporate income tax			
State, other local authorities: value added tax	18,890,128	18,890,128	
State, other local authorities: other taxes, duties and similar payments			
State, other local authorities: miscellaneous receivables	9,660,030	9,660,030	
Group companies and shareholders	74,837,950	74,837,950	
Miscellaneous debtors	24,235,583	24,235,583	
Prepaid expenses	4,950,134	4,950,134	
TOTAL	160,169,215	160,169,215	
Amount of loans granted during the financial year			
Amount of repayments received during the financial year			
Loans and advances to shareholders			

STATEMENT OF LIABILITIES	Gross amount	Due in 1 year or less	Due in 1 to 5 years	Due in more than 5 years
Convertible bonds				
Other bonds				
Borrowings and debts due within 1 year at inception				
Loans and debts due in more than 1 year at inception				
Miscellaneous loans and financial debts	1,800,000	1,800,000		
Trade creditors	72,425,773	72,425,773		
Staff costs and related receivables	17,938,445	17,938,445		
Social security and other welfare organisations	12,412,420	12,412,420		
State: income tax	5,662,650	5,662,650		
State: value added tax	2,184,899	2,184,899		
State: guaranteed bonds				
State: other taxes, duties and similar items	1,094,300	1,094,300		
Fixed asset and other payables	5,340	5,340		
Group companies and shareholders	1,839,318	1,839,318		
Other liabilities	32,939,035	32,939,035		
Liabilities on borrowed securities				
Deferred income	12,132,984	12,132,984		
TOTAL	160,435,163	160,435,163		
Borrowings taken out during the financial year				
Loans repaid during the financial year				
Borrowings and debt from associates				

Breakdown of prepaid expenses

<i>Prepaid expenses</i>	<i>Total amount</i>
<u>Prepaid invoices</u>	
Productivity efforts	2,972,668
LERA	1,722,484
Pollution insurance (all sites)	186,201
Miscellaneous Le Plessis	49,135
Miscellaneous Gondécourt	14,529
Miscellaneous Reddening	5,118
TOTAL	4,950,134

Account	Name	31/03/2020	31/03/2019	Variance
ACCRUED INCOME				
TRADE RECEIVABLES AND RELATED ACCOUNTS				
4181210	CUSTOMERS - INVOICE TO BE DRAWN UP FRANCE	236,157.73	199,525.50	36,632.23
4181211	CUSTOMERS - INVOICE TO BE DRAWN UP WITHOUT F AUX	185,464.20	5,454,195.84	-5,268,731.64
4181230	INVOICE TO BE DRAWN UP - AUX.	29,217.12	98,516.00	-69,298.88
4181240	CUSTOMERS-INVOICE TO BE DRAWN UP SUBSIDIARIES	930,704.00	14,400.00	916,304.00
4181250	CUSTOMERS-INVOICE TO BE DRAWN UP WITHOUT AUXILIARY		1,007,257.92	-1,007,257.92
4181650	QAD - 121050 CM LERA AR ACCRUAL ACC.	166,105.16	964,621.43	-798,516.27
TOTAL TRADE RECEIVABLES		1,547,648.21	7,738,516.69	-6,190,868.48
OTHER RECEIVABLES				
4098100	SUPPLIERS - DISCOUNTS & CREDIT NOTES RECEIVABLE	37,156.53	37,156.53	
4098101	SUPPLIERS - DISCOUNTS & CREDIT NOTES RECEIVABLE	5,667,351.19	2,384,028.73	3,283,322.46
4098200	SUPPLIERS - DISCOUNTS AND CREDIT NOTES	18,071.20	6,462.88	11,608.32
4487100	STATEMENT OF ACCRUED INCOME CIR	8,463,242.05	8,706,109.01	-242,866.96
4487200	STATEMENT OF ACCRUED INCOME CICE	127,507.08	5,569,020.00	-5,441,512.92
TOTAL OTHER RECEIVABLES		14,313,328.05	16,702,777.15	-2,389,449.10
TOTAL ACCRUED INCOME		15,860,976.26	24,441,293.84	-8,580,317.58

D. NOTES ON LIABILITIES

1. Shareholders' equity

The profit for the financial year ending on 31 March 2019, representing a net accounting profit of €1,843,915, was partly allocated to the legal reserve for the amount of €79,267, with the balance being allocated to the retained earnings item, bringing it from a debit balance of €258,568 before appropriation of the profit for the year to a credit balance of €1,506,079.

2. Provisions

See "Statement of provisions" - "Breakdown of provisions for liabilities and charges" table

<i>Type of expenses</i>	<i>Amount EUR</i>
Restructuring and social plans	0
Other operating risks	3,734,883
Provision for employee-related disputes	895,017
Provision for customer guarantees	1,234,200
Provision for employee commitments	12,267,928
Provision for taxes	320,000
TOTAL	18,452,028

2.1 *Restructuring provision*

The Company had recorded a provision for liabilities related to the revitalisation of regions following the 2010 redundancy plans for the amount of €0.6m. On 6 February 2020, the Company received a letter from the Regional Directorate of Enterprises, Competition, Consumption, Labour and Employment granting discharge and resulting in the reversal of this provision.

2.2 *Provision for other operating risks*

The provision for other operating risks can essentially be broken down as follows:

- A provision for environmental risks amounting to €0.6m for the Gondcourt site.
- Other provisions for operating risks amount to €3.1m. They correspond mainly to provisions for supplier disputes, notably to cover the risk associated with non-compliance with the volumes defined when contracts are signed.

2.3 Provision for employee commitments

Commitments are calculated by an external firm. The calculations are based on the following assumptions:

Discount rate	1.30%
Inflation rate	1.80%
Salary increase rate	1.00%
Mortality	TG HF 2005
Turnover	Decreasing by age

The provision for long-service awards stood at €1.02m on 31 March 2020, compared with €1.05m on 31 March 2019.

The provision for retirement benefits increased by €49k over the financial year and can be broken down as follows:

Net operating expenses	-€658k
Financial services and interests	+ €806k
Actuarial difference	- €99k

2.4 Provision for taxes

The provision was established subsequent to controls by La Direccte concerning supplier payment terms.

3. Advances and prepayments received

This item relates to the activity of the industrial sites and the Harnes technical centre. The €3.0m decrease is mainly due to the invoicing of advance payments on projects (X62; HJB; HHN; XJX; BCB) according to the project payment terms.

4. Trade payables and related accounts

Trade payables amounted to €72.4m on 31 March 2020 (versus €92.6m in 2019).

This €20.2m decrease was mainly due to:

-€9.6m relating to the distribution of costs and re-invoicing by the Group, which was down sharply on 31 March 2020

-€3.5m relating to the decline in activity as well as the savings specific to the Victory project to reduce costs at the Gondécourt site

-€4.6m relating to the Victory cost reduction project, of which -€4.2m for Rougoutte and -€0.4m for Harnes

-€2.5m in other changes relating to the activity.

5. Adjustment accounts (assets and liabilities)

See "Breakdown of prepayments and deferred income" table

Deferred income from Tooling amounted to €12.1m on 31 March 2020 (compared with €16.9m at the start of the financial year). The balance mainly corresponds to the following projects: HHA Phase 2, P2QO, P1UO MCM.

The variation was mainly due to the recognition of margin over the financial year from the HFE Phase 2, C84, R4S Phase 2, X62 Phase 2 and SXS Phase 2 projects, as well as the recognition of new deferred income from ongoing projects.

Categories of securities	Number of securities			Nominal value
	at year-end	created during the financial year	Repaid during the financial year	
Ordinary shares	11,803,195			0.56

Financial position at the beginning of the financial year		Balance
Shareholders' equity before dividends from previous years		10,308,989
Dividends from previous years		
Shareholders' equity after dividends from previous years		10,308,989
Variations during the financial year		Less More
Variations in capital		
Variations in additional paid-in capital		
Variations in reserves		
Variations in investment subsidies		
Variations in regulated provisions	443,348	
Other changes		
Result for the financial year		30,282,881
BALANCE		29,839,533
Financial position at the end of the financial year		Balance
Shareholders' equity before appropriation		40,148,522

1 - Original position	Total amount
Previous retained earnings	1,506,079
Result for the financial year of which current result after tax:	30,282,881
Deductions from reserves	
TOTAL	31,788,961
2 - Allocations	Total amount
Legal reserve	586,961
Special reserve for long-term capital gains	
Other reserves	
Dividends	
Other allocations:	
Retained earnings	31,201,999
TOTAL	31,788,960

Headings	Start of financial year	Allocations	Reversals	End of financial year
Provisions for mining and oil deposits				
Provisions for investment				
Provisions for price increases				
Exceptional amortisation	2,061,366	71,264	514,612	1,618,018
of which exceptional 30% increases				
Provisions for start-up loans				
Other regulated provisions				
REGULATED PROVISIONS	2,061,366	71,264	514,612	1,618,018
Provisions for litigation				
Provisions for customer warranties	969,980	433,702	169,482	1,234,200
Provisions for losses from futures markets				
Provisions for fines and penalties				
Provisions for foreign exchange losses		62,240		62,240
Provisions for pensions and similar obligations	12,251,599	1,290,119	1,273,790	12,267,928
Provisions for taxes		320,000		320,000
Provisions for renewal of fixed assets				
Provisions for major maintenance, repairs				
Provisions for tax charges on paid leave				
Other provisions for liabilities and charges	6,004,054	2,250,099	3,686,493	4,567,661
PROVISIONS FOR LIABILITIES AND CHARGES	19,225,633	4,356,160	5,129,764	18,452,028
Impairment of intangible assets				
Impairment of property, plant and equipment	4,515,988		782,020	3,733,968
Impairment of securities accounted for by the equity method				
Impairment of equity securities				
Impairment of other financial assets				
Impairment of inventories and work in progress	2,549,695	2,249,176	2,549,695	2,249,176
Impairment of trade receivables	81,619		46,018	35,601
Other impairment	315,148	17,937	171,148	161,937
IMPAIRMENTS	7,462,451	2,267,113	3,548,881	6,180,682
TOTAL	28,749,449	6,694,537	9,193,257	26,250,729
Operating provisions and reversals		4,547,638	6,064,267	
Financial provisions and reversals		625,217	527,269	
Exceptional provisions and reversals		1,669,811	2,601,720	
Impairment of securities accounted for by the equity method at the year end				

ACCOUNT (5 ch.)	Name	31/03/2020	31/03/2019	Change
ACCRUALS				
TRADE PAYABLES AND RELATED ACCOUNTS				
40811	Suppliers FNP	33,730,185.65	40,372,182.48	- 6,641,996.83
40812	Suppliers FNP Filliales	2,356,350.51	1,501,956.31	854,394.20
Total TRADE PAYABLES AND RELATED ACCOUNTS		36,086,536.16	41,874,138.79	- 5,787,602.63
OTHER LIABILITIES				
41980	AAE CM CROATIA customers	978,466.98	934,960.71	43,506.27
41982	AAE customers	18,368,067.23	15,999,172.60	2,368,894.63
41985	AAE customers - Moulds & Tooling	1,167,625.18	107,630.54	1,059,994.64
Total OTHER LIABILITIES		20,514,159.39	17,041,763.85	3,472,395.54
TAX AND SOCIAL SECURITY LIABILITIES				
42821	P.C. provisions In progress	3,002,979.66	3,059,322.44	- 56,342.78
42822	P.C. provisions expired	1,078,795.50	1,065,965.47	12,830.03
42823	RTT provisions	288,846.35	313,545.07	- 24,698.72
42824	CET provisions	259,787.14	245,677.60	14,109.54
42825	Compensatory leave provisions	67,098.86	62,003.09	5,095.77
42826	Provisions for recovery hours	859,087.32	829,033.44	30,053.88
42827	Provisions for modulation hours	17,617.35	13,736.23	3,881.12
42861	Provisions for 13th month	1,183,887.44	1,205,819.61	- 21,932.17
42862	Provisions for holiday bonuses	631,612.86	631,363.07	249.79
42864	Prov. other accruals	7,067,775.94	1,094,628.45	5,973,147.49
42865	Profit-sharing provision	435,578.50	646,144.50	- 210,566.00
43821	Social charges / Provisions Current accruals	1,502,908.53	1,528,884.06	- 25,975.53
43822	Social charges / Provisions Expired accruals	536,444.80	532,787.22	3,657.58
43823	Expenses / Provisions 13th month	594,956.04	604,880.64	- 9,924.60
43824	Social charges / Provisions Holiday bonuses	310,998.97	310,085.17	913.80
43825	Social charges / Provisions Comp. leave	32,381.18	30,260.05	2,121.13
43826	Prov Charges / RTT	143,503.37	156,544.50	- 13,041.13
43827	Social charges / Provisions CET	131,063.64	123,783.71	7,279.93
43828	Social charges / Provisions Recovery hours	416,739.36	398,689.90	18,049.46
43829	Social charges / Provisions Modul. hours	8,741.85	6,732.39	2,009.46
43860	Social security bodies to be paid	3,558,518.18	604,461.39	2,954,056.79
43861	ORGANIC	1,139,586.21	1,134,384.61	5,201.60
43862	Apprenticeship tax payable	137,936.73	44,255.88	93,680.85
43863	Training costs paid	- 1,250.00	- 1,250.00	-
43864	Construction effort	276,005.74	312,968.72	- 36,962.98
43865	Mutual fund / Professional career security joint fund	- 131,060.58	- 105,315.50	- 25,745.08
43866	Mutual fund / Training 0.4%PROF+0.2% CPF	31,228.00	572,394.87	- 541,166.87
43867	Mutual fund / Training 0.2% CIF	105,178.72	33,507.54	71,671.18
43868	Mutual fund / Training 1% Fixed-term contracts	338.68	73.68	265.00
43869	Mutual fund / Prov. Conv. Contrib. (0.15%) Soc. Dialogue	- 45,109.46	17,001.11	- 62,110.57
44860	EXCLUDING QAD CM LERA ACCRUALS	-	-	-
Total TAX AND SOCIAL SECURITY LIABILITIES		23,642,176.88	15,472,368.91	8,169,807.97
TOTAL ACCRUALS		80,242,872.43	74,388,271.55	5,854,600.88

Breakdown of deferred income

<i>Deferred income</i>	<i>Total amount</i>
Tooling	11,948,807
Productivity efforts	115,602
LERA	68,575
TOTAL	12,132,984

E. Notes on the income statement

1. Technological and administrative organisation within the SMRC Automotive Holdings Netherlands B.V. Group

In order to optimise the use of intellectual property within the group, the research and development costs incurred by each of the subsidiaries are recharged with a margin of 6% to a centralising company (SMRC Automotive Holdings Netherlands B.V.) which, as a result, owns the patents and technologies developed within the group. In return for the use of SMRC technologies, this centralising company charges each SMRC entity within the group a fee based on revenue. Costs re-invoiced during the financial year amounted to €25.7m for the Company and are presented under "other income" (compared with €29.6m in 2019), while the fee amounts to €20.8m and is presented under "other expenses" (compared with €24.4m in 2019).

The group has established a centralised administrative organisation in order to optimise its cost structure. This organisation requires a breakdown of the administrative costs incurred by each of the subsidiaries. Therefore, the costs incurred by each of the European subsidiaries are re-invoiced with a margin of 5% to a centralising entity (SMRC Automotive Holdings Netherlands B.V.), which re-invoices the centralised costs according to the level of turnover and the workforce of each of the subsidiaries. Costs re-invoiced during the financial year amounted to €17.9m for the Company and are presented under "other income" (compared with €20.5m in 2019), while administrative costs amount to €17.2m and are presented under "other purchases and external charges" (compared with €22.6m in 2019).

2. Tax credits

2.1 Tax credit for competitiveness and employment (CICE)

The aim of the CICE was to improve the company's competitiveness through investment, innovation research, training, recruitment, prospecting new markets, ecological and energy transition and the replenishment of working capital.

The competitiveness and employment tax credit (CICE) was abolished on 1 January 2019 in favour of a reduction in the rate of employer social security contributions.

The Company transferred its CICE (Tax Credit for Competitiveness and Employment) receivables for 2016, 2017 and 2018 to Société Générale for a total amount of €4.3m during the financial year.

2.2 Research tax credit (CIR)

The €1.9m tax credit recognised for 2020 consists of the research tax credit income from 1 April to 31 March 2020.

Expressed in thousands of Euros

Headings	Turnover France	Export turnover	Total 31/03/2020	Total 31/03/2019	%
Sales of goods	5,839	2,724	8,564	8,255	3.75 %
Sales of manufactured goods	289,242	212,001	501,242	671,314	-25.33 %
Production sold – services	20,337	9,342	29,680	3,466	756.41 %
TOTAL	315,418	224,067	539,486	683,034	-21.02 %

Breakdown of non-recurring income and expenses	Financial year 31/03/2020	
	Expenses	Products
Charges for previous years	229,562	
Other fines and penalties	120,897	
Other non-recurring expenses/management operation	-5,177,419	
Net value of assets sold	81,740	
Other non-recurring expenses	75,424	
Provision for social risks	610,417	
Provision for other risks	840,000	
Allocations to exceptional depreciation provision	71,264	
Income from previous financial years		501,714
Reversal of provision for social risks and restructuring		1,311,564
Reversal of provisions for other disputes		775,544
Reversal of exceptional depreciation provisions		514,612
Other extraordinary items		1,294,467
TOTAL	-3,148,115	4,397,901

Type of transfers	Total amount	Charged to the account
HENNER	69,558	7918820
General mutual insurance company	1,753	7918820
OPCA training	24,011	7918820
AON	212,010	7918820
FONGECIF	6,649	7918820
OTHER	86,834	7918820
TOTAL	400,815	

Headings	Allocation	Reversal	Total amount
RESULT FOR THE FINANCIAL YEAR			30,282,881
Corporate income tax			2,370,187
INCOME BEFORE TAX			32,653,069
Provisions for fixed assets			
Provisions for inventories			
Provisions for other assets			
Exceptional amortisation	71,264	514,612	-443,348
Special provisions for revaluation			
Reinvested capital gains			
REGULATED PROVISIONS	71,264	514,612	-443,348
OTHER EXCEPTIONAL ASSESSMENTS			
RESULT EXCLUDING EXCEPTIONAL TAX ASSESSMENTS (before tax)			32,209,721

F. ADDITIONAL INFORMATION

1. Total amount of debts represented by bills

The company had no debt represented by bills as at 31 March 2020.

2. Advances and loans granted to corporate officers

None

3. Statutory auditors' fees

Subsequent to decree 2008-1487 of 30 December 2008, the statutory auditors' fees recognised in the income statement of SMRC Automotive Modules France SAS amount to a total of €169k. €104k correspond to fees invoiced for the statutory auditing of the accounts and €65k correspond to fees invoiced for services other than the certification of the accounts.

4. Parent and/or consolidating company

The company is included in the consolidated financial statements of SMRC Automotive Holdings Netherlands B.V. (Netherlands).

5. Other financial commitments made

None.

6. Other financial commitments received

The company received a financial support guarantee from Samvardhana Motherson Automotive Systems Group B.V. to cover available cash requirements resulting from its business.

7. Events after the reporting period

The entity's financial statements have been prepared on the basis of the continuation of business. Business started to be affected by Covid-19 from 15 March 2020 and the entity expects to see a negative impact on its financial statements closed on 31 March 2021. However, given the recent nature of the epidemic and the constant changes in the measures announced by the government (containment and state aid), the company is unable to assess the potential financial impact. The on-going changes in terms of the consequences of the epidemic, governmental measures and the recent reasonable forecasts concerning the resumption of the company's business have been assessed and presented as significant events during the financial year. The Company was not aware of any significant uncertainties that cast doubt on the entity's ability to continue as a going concern on the date of closure of the company's financial statements for the financial year ended 31 March 2020. No sufficiently significant event has occurred since that date to justify the amendment of the approved annual financial statements.

<i>Related party</i>	<i>Amount of related party transactions</i>	<i>Nature of the transaction</i>	<i>Additional information</i>
Yujin-Reydel Corp	€ 1,751,160.14	Loan	Amount received on 10 July 2017: USD 2.0 M at the rate of EUR 1 = USD 1.1421 Interest rate: 1-year USD LIBOR + 2.75% Hedging rate: €1 = \$1.1651
SMRC Automotive H Netherlands BV	€ 46,410,200.00	Loan	Interest rate: EURIBOR + 1.80%
NL201 C/C RA Minority Holdings B.V - Ca	€ 28,234,504.35	Loan	Interest rate: EURIBOR + 1.80%

Employees	Paid staff	Staff available to the company
Managers	305	
Supervisors	63	
Employees/Technicians	313	
Blue-collar workers	422	
TOTAL	1,102	