

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the sole shareholder of **PRICOL ESPAÑA, S.L.U.**

Opinion

We have audited the financial statements of **PRICOL ESPAÑA, S.L.U.** (the Company), which comprise the balance sheet as at March 31, 2020, the income statement and related notes for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at March 31, 2020, as well as its financial performance for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the financial statements), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. 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 ethical requirements, including those relating to independence, that are relevant to our audit of the financial statements in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty regarding the company as an ongoing business

1. We call attention to Note 2.4 and 13 of the accompanying financial statements, which describes that the Company has a negative equity of 8.1 million euros as of March 31, 2020, for which reason it would be in the event of dissolution of the with article 363 of the Consolidated Text of the Capital Companies Law. On June 22, 2020, the sole partner decided to transform a loan of 13.9 million euros into a participative loan. In accordance with current regulations, when assessing the possible cause of

dissolution, participative loans are understood as an integral part of the Company's own funds, thereby avoiding the legal cause of dissolution. Our opinion has not been modified in relation to this issue.

2. We call attention to Note 5.3 of the financial statements attached, which describe the situation of the investment in the subsidiary company, PWS Czesch, presenting negative equity. As of March 31, 2020, the administrators have not recorded any impairment on the investment mentioned above, pending the viability plan that allows the Company to balance its net worth, which indicates the existence of a material uncertainty that may raise significant doubts about the capacity of the Company to continue as a going concern given the impact of such investment on its assets. Our opinion has not been modified in relation to this issue.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that – in our professional opinion – have been considered as risks of more significant material error in our audit of the financial statements as of 31 March 2019. These risks have been dealt with in the context of our audit of the financial statements as a whole and in the process of forming our opinion about them; we do not express a separate opinion regarding these risks.

Except for the matter described in the section on *Material uncertainty regarding the company as an ongoing business*, we have determined that there are no other more significant risks considered in the audit that should be reported in our report.

Responsibility of the directors for the financial statements

The Company's directors are responsible for the preparation of the accompanying financial statements, such that they fairly present the equity, financial position and financial performance of society, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Company's directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 legislation governing the audit practice in Spain 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 legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism 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 the Company's directors.
- Conclude on the appropriateness of the directors' 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 the Company's directors 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.

From the significant risks communicated with the Company's directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, considered to be the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

Madrid, July 15, 2020

ESPAUDIT GABINETE DE AUDITORIA, S.A.P.

ROAC Nº S0680

Pedro Oliveros Fontaine

ROAC Nº 21688

REA
auditores

Miembro ejerciente

ESPAUDIT
GABINETE DE
AUDITORIA, SAP

Año: 2020
Número: 19.187/20
Importe: 30 euros

E **economistas**
Cooperativa General



PRICOL ESPAÑA, S.L.
(Sociedad Unipersonal)
Notes to the Abridged Financial Statements for the
Financial year 2019, ended on March 31st, 2020.

Translation of notes to abridged financial statements originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain (see Notes 2 and 14). In the event of a discrepancy, the Spanish-language version prevails.

J. Gredler
18/11/2020

PRICOL S.L.U.Notes to the abridged financial statements for the financial year ended on March 31st 2020

Period	31.03.2020	31.03.2019
A) NON CURRENT ASSETS	6.945.728,59	34.600.466,81
N. Investm in group companies & assoc pa	6.945.728,59	34.600.466,81
240300001 PRICOL DO BRASIL COMPONENTET	-	20.080.101,63
240300002 PMP AUTO MEXICO SA	-	3.238.610,98
240300003 PWS Czech	6.945.728,59	6.945.728,59
242300002 CREDITO A PMP AUTO MEXICO	-	3.791.077,88
242300003 CREDITO WIPING SYSTEM MEXICO	-	445.037,83
B) CURRENT ASSETS	116.595,00	5.440.018,74
N. Short term Invest in group comp & ase	-	478.216,64
534300000 Intereses a C/P de créditos	-	144.597,02
534300001 Intereses C/P de créditos a	-	11.819,18
534300002 INT CREDIT C/P PRICOL DO BRASIL COMP 750.000€	-	25.445,14
534300003 INT CREDIT C/P PRICOL DO BRASIL COMP 2.000.000€	-	67.808,22
534300004 INT CREDIT L/P PMP AUTO MEXICO 4.500.000 USD	-	217.956,62
534300004 INT PTMO L/P PMP AUTO MEXIC	-	10.589,46
V. Short term Investments	-	4.884.377,50
552300001 - INTERCOMPANY PRICOL DO BRASIL	-	3.686.600,00
552300002 - INTERCOMPANY PRICOL MEXICO	-	1.187.777,50
VI. Short terms periodifications	-	1.955,47
480000000 Gastos anticipados	-	1.955,47
VII. Cash & others liquidity equivalent a	116.595,00	75.470,13
572000001 SANTANDER EUR BANK 0049 4864 1	-	68.110,11
572000004 ICICI Bank EUR	6.517,47	6.517,47
572000006 SANTANDER BANK SERRANO BRANCH EUR	95.721,18	-
573000001 ICICI Bank USD	8.162,24	842,55
573000002 SANTANDER BANK USD 2011761822	6.204,11	-
TOTAL ASSETS (A + B)	7.062.323,59	39.940.475,55

V. Smolár
2020 18/03
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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

A) NET WORTH, SHAREHOLDERS EQUITY	-	8.123.548,35	15.221.986,73
A-1) Equity	-	8.123.548,35	15.221.986,73
I. Capital		27.305.816,00	17.967.127,00
1. Capital registered		27.305.816,00	17.967.127,00
100000000 Capital social		27.305.816,00	17.967.127,00
III. Reserves	-	4.363,68	4.363,68
1. Legal and statutory reserves	-	4.363,68	4.363,68
113000000 Reservas voluntarias	-	2.479,73	2.479,73
113000001 RESERVAS VOLUNTARIAS DE	-	1.883,95	1.883,95
V. Prior years Profits and Losses	-	2.740.766,59	1.249.221,74
121000001 RESULTADOS NEGATIVOS EJERCI	-	59.035,77	59.035,77
121000002 RESULTADOS NEGATIVOS EJERCI	-	50.662,17	50.662,17
121000003 RESULTADOS NEGATIVOS EJERCI	-	1.139.523,80	1.139.523,80
121000004 RESULTADOS NEGATIVOS EJERCI	-	1.491.544,85	-
VI. Other shareholders contributions		9.394.900,00	-
118000000 Shareholder contributions		9.394.900,00	-
VII. Result of the year	-	42.079.134,08	1.491.544,85
Incomes/Expenses outstanding	-	1.220.659,77	1.491.544,85
623000000 Servicios de profesionales ITG and Montero	-	23.094,90	69.774,88
623000001 Reimbursement of salary Pricol Limited	-	-	102.239,00
626000000 Bank Fees	-	991,44	75.587,06
629000000 Otros servicios	-	-	145,03
629000001 GASTOS REGISTROS Y BORNE	-	99,06	1.052,83
634100001 Vat Non Recoverable	-	4.854,07	12.609,53
662300000 intereses de deudas con entidades de crédito	-	194.951,26	838.984,13
668000000 Diferencias negativas de cambio	-	28.949,59	1.647.366,71
669000000 Otros gastos financieros	-	-	54.566,67
673000000 Losses of the subsidiaries sale	-	40.647.554,70	-
700000000 Sale Pricol Brazil & Pricol Mexico	-	1.623,32	-
762100001 INGRESOS CREDITO PRICOL DO BRASIL	-	-	81.386,92
762100002 INTERESES CREDITO MEXICO	-	-	148.427,67
762100002 INTERESES CREDITO WIPING	-	-	11.080,45
763300000 Beneficios de Instrumentos de	-	-	696.723,43
768000000 Diferencias positivas de cambio	-	35.669,15	370.954,60
778000000 Otros Ingresos excep	-	4.526,24	2.207,92
B) NON-CURRENT LIABILITIES		13.950.000,00	17.801.513,12
II. Long term debts		-	17.801.513,12
1. Debts with bank and creditor entity		-	17.801.513,12
170000001 DEUDAS A L/P ICICI BANK		-	13.796.172,67
170000002 DEUDAS A L/P ICICI BANK		-	4.005.340,45
III. Long term group companies & assoc de		13.950.000,00	-
1633000001 LOAN PRICOL LIMITED		13.950.000,00	-

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

C) CURRENT LIABILITIES	1.236.871,94	6.916.965,70
III. Short term debts	1.199.484,64	6.860.552,44
1. Debts with bank and creditor entiti	-	24.937,89
527000001 Intereses deudas ICICI C	-	34.417,11
527000002 Intereses deudas ICICI C	-	9.479,22
3. Other short term debts	1.199.484,64	6.835.614,55
551000001 SHARE APPLICATION PRICOL	1.000.000,00	6.835.614,55
5143000001 CURRENT INTEREST LOAN PRICOL LIMITED 13.95	199.484,64	-
V. Trade creditors & other amounts to be	36.387,30	56.413,26
1. Suppliers	1.168,00	36.759,00
b) Short term suppliers	1.168,00	36.759,00
403000001 PRICOL LIMITED	1.168,00	36.759,00
2. Other creditors	35.219,30	19.654,26
410000001 INTERTRUST SPAIN, S.L.	15.751,25	1.230,43
410000002 REGISTRO MERCANTIL DE MA	22,36	-
410000004 IGNACIO MANRIQUE PLAZA	-	5,40
410000005 LUCIA SERRANO DE HARO	-	22,30
410000014 MONTERO ARAMBURU	1.579,47	8.307,05
410000017 CMS ALBIÑANA & SUAREZ DE	15.620,50	-
410000015 FRANCISCO CONSEGAL	-	6,37
410900000 FACTURAS PENDIENTES DE RECIBIR	2.284,00	9.929,00
475100000 HP, acreedora por retenc	6,44	153,71
TOT SHAREHOLDERS EQUITY & LIABILITIES (A+B+C)	7.082.323,59	39.940.475,58

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

1. - Company activities

PRICOL ESPAÑA, S.L.U., (henceforth, the Company) was incorporated on December 4th 2014. It is a company incorporated in Spain in accordance with the Spanish Public Limited Companies Law.

The registered office is addressed in Madrid, Calle Pensamiento 27 – Escalera Izquierda 3 puerta 3.

Its object, which is aligned with its main activity, is the acquisition, possession, enjoyment and management, of securities and / or shares representing the equity of companies or institutions incorporated in Spain or foreign territory. And it is related to the CNAE number 6420 (National Classification of Business Activities in Spain).

The Sole Shareholder of the Company is PRICOL LIMITED. It is a company incorporated in India in accordance with the Indian Law with Spanish tax identification number N8641109A and based CPM Towers, 109, Race Course, Coimbatore, PIN 641018, Tamil Nadu, India.

The financial statement here included opens on 1st April and closes on 31st March.

The figures included in these abridged financial statements are in Euros, except otherwise indicated.

2.- Basis of presentation of the abridged financial statements

2.1 Laws regarding financial information applicable to the Company

These financial statements were formally prepared by the Director in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

- a) The Spanish Commercial Code and all other Spanish corporate law.
- b) The Spanish National Chart of Accounts approved by Royal Decree 1514/2007 and the amendments made to it by Royal Decree 1169/2010 and Royal Decree 602/2017.
- c) The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.
- d) All other applicable Spanish accounting legislation.

2.2 Fair presentation

The abridged financial statements, which were obtained from the Company's accounting records, are presented in with the regulatory financial reporting framework that is applicable in particular the principles and criteria contained therein, present fairly Company's equity, financial position and results of operations for the year current year period. These abridged financial statements, which were formally prepared by the Director of the Company, will be submitted for approval by the Annual General Meeting and it is considered that they will be approved without any changes.

2.3 Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. Also, the Director of the Company formally prepared these abridged financial statements by taking into account all the obligatory accounting principles and standards with a significant effect hereon. All obligatory accounting principles were applied.

2.4 Key issues in relation to the measurement and estimation of uncertainty

As a consequence of the accumulated losses, the net equity is below half of the share capital, -8.123.548,35 euros. This means that, in accordance with Article 363 of the Consolidated Text of the Capital Companies Law, the Company will be in process of dissolution, unless the share capital is increased or decreased

J. Guada
27/3/2020
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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

sufficiently. In this sense, the Company's Administrators will shortly initiate the necessary actions to reestablish the equity balance, proposing to the Sole Shareholder the appropriate measures in accordance with current legislation.

On March 11, 2020, the World Health Organization elevated the public health emergency situation caused by the coronavirus outbreak (COVID-19) to an international pandemic. The quick evolution of events, nationally and internationally, represents an unprecedented health crisis, which impacted the macroeconomic environment and the evolution of business. To deal with this situation, among other measures, the Government of Spain proceeded to declare a state of alarm, by publishing Royal Decree 463/2020, of March 14, and the approval of a series of extraordinary urgent measures to face the economic and social impact of COVID-19, through Royal Decree-Law 8/2020, of March 17.

2.5 Comparative Information

The information relating to 2019 included in these notes to the financial statements is presented for comparison purposes with that relating to 2020.

2.6 Items Included under several line items

The Company has not included any assets or liabilities under several line items.

2.7 Changes in accounting policies

As of 31st March 2020, there were no significant changes in accounting policies with respect to those applied in 2019.

2.8 Correction of errors

In preparing the financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the financial statements for as of 31st March 2020.

3. - Distribution of profit

As at 31st March 2020, the Company registered a loss of 42.079.134, 08 Euros therefore profit distribution is not applicable. The proposal approved by the Board of directors of the Company is to carry over this amount to "Prior Year Losses".

As at 31st March 2019, the Company registered a loss of 1.491.544, 85 Euros therefore profit distribution is not applicable. The proposal approved by the Board of directors of the Company is to carry over this amount to "Prior Year Losses".

4. - Accounting policies and measurement bases

The principal accounting policies and measurement bases used by the Company in preparing its abridged financial statements as of 31st March 2020, in accordance with the Spanish National Chart of Accounts, were as follows:

4.1 Financial Instruments

1. Financial assets

The financial assets held by the Company are classified in the following categories:

- a) Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business, or financial assets which, not having commercial

V. Guadalupe
27/3/2020

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market.

Financial assets are initially recognised at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equal to the fair value of the consideration given, plus any directly attributable transaction costs.

They are subsequently measured at amortised cost.

- b) Cash and cash equivalents: Cash comprises both cash and demand deposits at banks. Cash equivalents are short-term investments maturing at less than three months that are not subject to significant risk of changes in value.
- c) Investments in equity of group companies, multigroup and associated companies: companies related to the Company by a control relationship are called group companies and associated companies are those over which the Company exerts a significant influence. Additionally, the category of multigroup includes companies which by virtue of an agreement, are controlled by the Company with one or more partners.

Investments in equity of group companies, multigroup and associated companies are initially recognised at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equal to the fair value of the consideration given, plus any directly attributable transaction costs. These investments include an amount for subscription privileges and similar rights.

Later, the investments are recognized at cost, minus the accrued corrections for impairment. These corrections are calculated as the difference between the carrying value and the recoverable amount, which is the highest of the fair value net of transaction costs and the present value of future investment flows. Except for better evidence for the recoverable amount, the net equity of the participated entity is taken into account, corrected by tacit capital gains at the registration date (including goodwill, if it existed).

The Company derecognises a financial asset when it expires or when the rights to the cash flows from the financial asset have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred, such as in the case of firm asset sales, factoring of trade receivables in which the Company does not retain any credit or interest rate risk, sales of financial assets under an agreement to repurchase them at fair value and the securitisation of financial assets in which the transferor does not retain any subordinated debt, provide any kind of guarantee or assume any other kind of risk.

However, the Company does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which substantially all the risks and rewards of ownership are retained, such as in the case of bill discounting, with-recourse factoring, sales of financial assets under an agreement to repurchase them at a fixed price or at the selling price plus interest and the securitisation of financial assets in which the transferor retains a subordinated interest or any other kind of guarantee that absorbs substantially all the expected losses.

II. Financial liabilities

Financial liabilities include accounts payable by the Company that have arisen from the purchase of goods or services in the normal course of the Company's business and those which, not having commercial substance cannot be classed as derivative financial instruments.

Accounts payable are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

The Company derecognises financial liabilities when the obligations giving rise to them cease to exist.

The deregistration of a financial liability implies recognizing the result of the difference between the carrying value and the recoverable amount, net of transaction costs, including assets obtained or liabilities assumed and any deferred loss or profit in gains and losses recognized in net equity.

V. Keller

27/03/2020

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

4.2 Foreign currency transactions

The Company's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be "foreign currency transactions" and are recognized by applying the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to Euros at the rates then prevailing. Any resulting gains or losses are recognized directly in the income statement in the year in which they arise.

4.3 Income tax

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and prepayments, and tax loss carry forwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carry forwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss), and except for those associated with investments in subsidiaries, associates and joint ventures in which the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilized.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognized in equity.

The deferred tax assets recognized are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that they will be recovered through future taxable profits.

4.4 Revenue and expense recognition

Revenue and expenses are recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue from sales is recognized when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the Company neither continues to manage the goods nor retains effective control over them.

Revenue from the rendering of services is recognized by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

J. Smolter
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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

Interest income from financial assets is recognized using the effective interest method and dividend income is recognized when the shareholder's right to receive payment has been established. Interest and dividends from financial assets accrued after the date of acquisition are recognized as income.

4.5 Provisions and contingencies

The Director of the Company in preparing the annual accounts has mentioned:

- a) Provisions: creditor balances which refer to current obligations resulting from past events, likely to produce an outflow, but which are uncertain as to amount and/or payment date
- b) Contingent liabilities: obligations originating from past events, whose future materialization in the future depends on the occurrence of one or more future event independent of the will of the Company

The annual accounts contain all the provisions with a high probability of having to meet the obligation. Contingent liabilities are not recognized in the annual accounts; rather they are reported in the notes to the financial statements, provided they are not far-fetched.

The provisions are measured at their current value estimating as best as possible the amount necessary to cancel or transfer the obligation, taking into account all the information available about the event and its consequences, and booking the adjustments for updating the provisions as a financial expense.

The compensation received from a third party when settling an obligation, provided the reimbursement is certain, will be registered as an asset, except in the case of an already existing legal binding which has outsourced part of the risk, by virtue of which the Company is not obliged to respond, in this case, the compensation will be used to estimate the provision amount.

4.6 Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's Director considers that there are no material risks in this connection that might give rise to significant liabilities in the future.

5. - Financial assets

5.1 Non-Current financial assets (long term financial investments)

On the basis of the classification established by the Spanish National Chart of Accounts in the accounting policies and measurement bases for financial assets, the Company maintains the following non-current balances at financial year end 2020 and 2019 (in Euros):

Categories	Class	Long term Financial Investments	
		31.03.2020	31.03.2019
Long-term investments in group companies		6.945.728,58	30.264.341,10
Non-current credits to group companies (Mexico)		-	4.236.116,71
Total		6.945.728,58	34.500.457,81

Pricol Brasil and Pricol México were sold on February 2020 according the agreement of the SPA for a value of 2.000 USD (1.823, 32 Euros). As of March 2020, the only asset is PWS Czech.

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C/Pr 18/11/2020 A

PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

5.2 Current financial assets (Short term financial investments)

On the basis of the classification established by the Spanish National Chart of Accounts in the accounting policies and measurement bases for financial assets, the Company maintains the following current balances at financial year end 2020 and 2019 (in Euros):

Class Categorías	Current financial instruments	
	31.03.2020	31.03.2019
Short term interest accrued with group companies	-	478.215,84
Short term credits in group companies (Brazil)	-	-
Current account with group companies	-	4.884.377,50
Prepaid expenses	-	1.955,47
Cash and cash equivalents	116.595,00	75.470,13
Total	116.595,00	5.440.018,74

There is not any short term credits neither intercompany opened balances after the Initial Sales Purchase Agreement of the 21st June 2019.

5.3 Group companies

The most significant information related to group companies at 2020 and 2019 financial year end is the following:

Year 2020

Name	% participation		Share capital	Local currency				Euro	
	Direct	Indirect		Result		Total of Equity	Dividends	Total of Equity (Euro)	Book Value
				Net	Rest of Equity				Cost
PWS Czech / República Checa / Coronas	100	-	10.000,00	(123.619.000,00)	(19.076.000,00)	(104.533.000,00)	-	(3.827.366,26)	8.946.728,59
Total									8.946.728,59

On February 7, 2020, took place the Sale of 100% of the shares of Pricol do Brasil Componentes Automotivo LTDA, and Pricol Wiping Systems Mexico de CV in favor of Chroma GP LLC, for the total value of 2,000 USD . As a result of the SPA of June 21, 2019. Followed by complementary agreements dated in September 5, 2019, September 16, 2019, December 10, 2019, January 17, 2020 .

Due to the cancelation of all the opened entries with both subsidiaries was generated losses of 40.647.554,70 Euros. As a consequence of this, PWS Czech is the only asset of the Company.

J. Sánchez
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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

Year 2019

Name	% participation		Share capital	Local currency				Euros	
	Direct	Indirect		Result	Rest of Equity	Total of Equity	Dividends	Total of Equity (Euros)	Book Value
				Net					Cost
PRICOL DO BRASIL COMPONENTES AUTOMOTIVOS LTDA/Brazil / Reales	100	-	159.505.185,00	(59.110.423)	(181.610.837,25)	(31.415.975,34)	-	(8.911.492,57)	20.080.101,53
Pricol Wiping Systems Mexico S.A de CV. / Mexico / Pesos	99,99	0,01	74.329.810,00	(8.771.365,00)	(52.334.332,00)	13.224.113,00	-	581.890,97	3.238.510,98
PWS Czech / República Checa / Coronas	100	-	10.000,00	(123.274.650,00)	51.162.280,00	(72.102.370,00)	-	(1.653.751.632)	8.945.726,59
Total									30.264.341,10

Pricol DO BRASIL LTDA COMPONENTES

The purpose of the Company is related to industry, commercial activities, import and export automotive articles as well as to render services related to automotive articles and to hold shares on other company's equity and/or share capital.

At 23th January 2015 the Company acquired the capital of PRICOL DO BRASIL COMPONENTES AUTOMOTIVOS LTDA., 66.762.312 shares amounting to 1 Brazilian Real corresponding to € 0,33.

At 31st March 2017, the company had also contributed 16.399.185, 00 Brazilian Reales into PRICOL DO BRASIL COMPONENTES AUTOMOTIVOS LTDA equity, increasing the total share capital of the entity to 97.123.185, 00 Brazilian Reales.

At 31st March 2018, the company had also contributed 14.717.063, 00 Brazilian Reales into PRICOL DO BRASIL COMPONENTES AUTOMOTIVOS LTDA equity, increasing the total share capital of the entity to 118.652.505, 00 Brazilian Reales.

At 31st March 2019, the company has a total of share capital of 159.505.185,00 Brazilian Reales.

Pricol Brasil was sold on February 2020 according the agreement of the SPA.

Pricol Wiping Systems Mexico S.A de CV

The purpose of the Company is related to industry, commercial activities, import and export automotive articles as well as to render services related to automotive articles and to hold shares on other company's equity and/or share capital.

At 28th August 2017, the Company acquired 99.99% of the capital of Pricol Wiping Systems Mexico S.A de CV composed of 49.999 shares of the series AA and 79.027.390 shares of the series BB for an amount of 1 Mexican peso each of the shares.

At 31st March 2019, the company has a total of share capital of 74.329.810, 00 Mexican pesos.

Pricol México was sold on February 2020 according the agreement of the SPA.

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

PWS Czech

The purpose of the Company is related to industry, commercial activities, import and export automotive articles as well as to render services related to automotive articles and to hold shares on other company's equity and/or share capital.

At 26th July 2018, the Company acquired the capital PWS Czech composed of 10.000 shares for an amount of 1 Czech koruna.

At 31st March 2020 & 2019, the company has a total of share capital of 10.000,00 Czech koruna.

6. - Financial liabilities

6.1 Non-current financial liabilities (Long term financial investments)

On the basis of the classification established by the Spanish National Chart of Accounts in the accounting policies and measurement bases for financial liabilities, the Company maintains the following non-current balances at year end 2020 and 2019 (in euros):

Class	Non-current financial instruments	
	31.03.2020	31.03.2019
Categories		
Long term debts with banks	-	17.801.513,12
Total	-	17.801.513,12

In 2019 the loan maintained with ICICI bank is cancelled with the funds received from the Sole Shareholder.

In 2018, the amount of debts with credit institutions, correspond to two loans for the amount of 13.537.117,90 euros (15.500.000 USD) and 3.930.131,00 euros (4.500.000 USD) granted by the bank ICICI Bank in India .

Being the agreed interest rate of a fixed rate of 2.12% plus the Libor USD to six months for the first mentioned loan and a fixed rate of 3.12% plus the Libor USD to six months for the second loan.

Class	Non-current financial instruments	
	31.03.2020	31.03.2019
Categories		
Long term debts with banks	13.950.000,00	-
Total	13.950.000,00	-

On December 17, 2019, a new loan is agreed with Pricol Limited. The principal of the loan is 13.950.000, 00 Euros, in the agreement is detailed the schedule for the interest payments and it is established the fix interest of 5.85%.

6.2 Current financial liabilities (Short term financial investments)

On the basis of the classification established by the Spanish National Chart of Accounts in the accounting policies and measurement bases for financial liabilities, the Company maintains the following current balances at year end 2020 and 2019 (in euros):

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

Class	Current financial instruments	
	31.03.2020	31.03.2019
Short term debts with group and assoc.	1.000.000,00	6.835.614,56
Interest on debts with Pricol Limited	199.484,84	-
Interest on debts with credit entities	-	24.637,88
Commercial creditors with group and assoc.	1.188,00	36.756,00
Commercial creditors	35.212,88	19.500,55
Total	1.235.885,80	6.916.511,99

7. - Shareholders' equity

7.1 Share Capital

Additionally, the Net Equity as at 31st March 2020 and 2019 is composed as follows (in euros):

	31.03.2020	31.03.2019
Share capital	27.305.816,00	17.967.127,00
Voluntary Reserves	(4.363,68)	(4.363,68)
Prior year Losses	(2.740.766,59)	(1.249.221,74)
Shareholder contributions	9.394.900,00	-
Result of the year	(42.079.134,08)	(1.491.544,85)
Total	(8.123.548,36)	16.221.998,73

On March 31, 2019 the Company's share capital is 17.967.127,00 Euros, represented by fully subscribed and paid shares of 1,00 Euro par value each, all of the same class.

On April 15, 2019 the Sole Shareholder decided to contribute 6.835.614, 00 Euros as capital increase.

On November 19, 2019 the Sole Shareholder decided to contribute 2.503.075, 00 Euros as capital increase.

On January 16, 2020, the Sole Shareholder decided to approve the contribution into Equity of 9.394.900,00 Euros made through several bank transfers and registered initially in a transitory account with the Sole Shareholder, account 551000001 according to the Spanish GAAP, to register it against the account 11800000 "Sole Shareholder contributions" with the purpose of improving the financial situation and liquidity of the Company.

On March 31, 2020 the Company's share capital is 27.305.816,00 Euros, represented by fully subscribed and paid shares of 1,00 Euro par value each, all of the same class.

As of March 31, 2020 and December 31, 2019, losses have reduced equity to less than half of the Company's share capital. In this sense, the Capital Companies Law establishes that the Company must be dissolved when the losses reduce the equity to an amount less than half of the capital stock, unless it is increased or decreased sufficiently and always that it is not appropriate to request the declaration of bankruptcy. The Directors must summon the Sole Shareholder to adopt the corresponding agreement and, where appropriate, reestablish the net worth or urge the bankruptcy within the terms defined by the Capital Companies Act. (See Note 2.4)

7.2 Legal reserve

Under the Spanish Limited Liability Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

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Notes to the abridged financial statements for the financial year ended on March 31st 2020

As at March 31st of 2020 and 2019, the balance of this reserve had not reached the legally required minimum.

8. - Tax matters

8.1 Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. At 2019 year end the Company has 2014 year and onwards opened for review for income tax and all other taxes applicable to it. The Board of Director of the Company consider that the tax returns for the aforementioned taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions, such liabilities as might arise would not have a material effect on the accompanying financial statements.

8.2 Negative operating losses

The NOLS that have been subject of liquidation or self-assessment can be offset with the positive incomes of the following years. Therefore, it is allowed the unlimited offsetting on time.

The statute of limitations for the Tax Administration to audit the pending NOLS is of 10 years from the day following the end of the voluntary period of submission of the return that generate the offset right.

8.3 Tax Regime for Foreign-Securities Holding Companies (ETVE)

The Company has requested the application of the ETVE Regime according to the Corporate Income Tax Act. For such purpose, the company has submitted the communication before the Tax Administration for the application of the regime, according to the Corporate Income Tax Act on September 28th, 2015.

8.3 Current balances with Tax Authorities

The detail of current balances receivable and payable to tax authorities in the closing year 2020 and 2019 is as follows:

Credit balances

	31.03.2020	31.03.2019
Taxation authorities, withholding tax	8,44	153,71

8.5 Corporate Income Tax

The conciliation between the accounting and tax result for the FY 2020 and 2019 is the following

	31.03.2020			31.03.2019		
	Increase	Decrease	Total	Increase	Decrease	Total
Accounting result			(42.079.134,08)			(1.491.544,85)
Permanent differences	7.963,26		7.963,26	5.055,00		5.055,00
Temporary differences:						
NOLS						
Taxable base			(42.071.170,82)			(1.486.489,85)

V. Smolov 14
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Notes to the abridged financial statements for the financial year ended on March 31st 2020

The company has adjusted in the CIT liquidation, an amount of 7.963,26 Euros due to they are deemed non-deductible expense for CIT purposes.

The company has adjusted in the CIT liquidation, an amount of 5.055,00 Euros due to they are deemed non-deductible expense for CIT purposes.

9. - Income and Expenses

9.1 Other operating expenses

The breakdown of "Other operating expenses" of 2020 and 2019 is the following (in euros):

	31.03.2020	31.03.2019
External services	29.039,47	261.408,33
Total	29.039,47	261.408,33

9.2 Other financial incomes

The breakdown of "Other financial incomes" of 2020 and 2019 is the following (in euros):

	31.03.2020	31.03.2019
Sale income Pricol Brasil & Mexico	1.823,32	-
Interest income Brazil credit	-	61.358,92
Interest income Brazil credit	-	148.427,67
Interest income México credit	-	11.080,45
Total	1.823,32	240.698,94

9.2 Other financial expenses

The breakdown of "Other financial expenses" of 2020 and 2019 is the following (in euros):

	31.03.2020	31.03.2019
Interest loan Pricol Limited	194.951,28	-
Interest loan ICICI Bank	-	639.984,13
Other expenses	-	84.598,67
Loases due to Sale	40.647.564,70	-
Total	40.842.505,98	683.550,80

10.- Related party transactions

10.1 Related parties operations

The detail of the account "related party operations" at the end of 2020 and 2019 shows the following breakdown (in euros):

Year 2020

	Parent company	Group Companies
	31.03.2020	31.03.2019
Expenses due to interest not paid	194.951,28	-
Incomes	-	-

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PRICOL S.L.U.**Notes to the abridged financial statements for the financial year ended on March 31st 2020****Year 2019**

	Parent Company	Group Companies
	31.03.2019	31.03.2019
Expenses	102.239,00	-
Incomes	-	240.895,04

10.2 On-balance with related parties

The detail of the account "on-balance with related parties" at the end of 2020 and 2019 shows the following breakdown (in euros):

Year 2020

	Parent company	Group Companies
	31.03.2020	31.03.2019
A) NON-CURRENT ASSETS		
1. Investments in group companies and associates		
a) Loans to group companies	13.950.000,00	
B) CURRENT ASSETS		
1. Investments in group companies and associates		
a) Interest loans to group companies	199.484,84	
C) CURRENT LIABILITIES		
3. Short term debts	1.000.000,00	
5. Suppliers, related entities	1.168,00	

The total amount included in the account "Loans to group companies" makes reference to the Loan with Pricol Limited.

The total amount included in the account "Interest loans" makes reference to the accrued interest regarding Pricol Limited loan.

The total amount included in the account "Short term debts" is related to the funds received from the Sole Shareholder, Pricol Limited as of March 2020.

The total amount included in the account "Suppliers, related entities" makes reference to the Invoices received from Pricol Limited.

Year 2019

	Parent company	Group Companies
	31.03.2019	31.03.2019
A) NON-CURRENT ASSETS		
1. Investments in group companies and associates		
a) Loans to group companies		4.238.115,71
B) CURRENT ASSETS		
1. Investments in group companies and associates		
2. Investments in group companies and associates		478.215,84
a) Interest loans to group companies		4.894.377,50
C) CURRENT LIABILITIES		
3. Short term debts	6.835.614,35	
5. Suppliers, related entities	38.768,00	

The total amount included in the account "Loans to group companies" makes reference to the credits with Pricol México as of March 2019.

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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020

The maximum legal period of payment applicable to the Company in the 2018 period following the Law 2/2004 dated on 29th March in which measures to encounter morosity in commercial operations have been established, is 60 days.

13. - Events after year end

On March 11, 2020, the World Health Organization elevated the public health emergency situation caused by the coronavirus outbreak (COVID-19) to an international pandemic. The quick evolution of events, nationally and internationally, represents an unprecedented health crisis, which impacted the macroeconomic environment and the evolution of business. To deal with this situation, among other measures, the Government of Spain proceeded to declare a state of alarm, by publishing Royal Decree 483/2020, of March 14, and the approval of a series of extraordinary urgent measures to face the economic and social impact of COVID-19, through Royal Decree-Law 8/2020, of March 17.

On June 22, 2020, due to the imbalance situation of the Company and in order to strengthen the net worth, Pricol Limited and the Company, signed a new agreement for the conversion of the loan previously contributed, 13.950.000,00 euros in participatory loan. It is agreed that the return of said amount together with the interest generated must be paid on June 22, 2022.

14. - Explanation added for translation to English

These abridged financial statements are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

F. González
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PRICOL S.L.U.

Notes to the abridged financial statements for the financial year ended on March 31st 2020


In Madrid 15th July 2020



D. Sridhar Jambunathan



D. Gopalakrishnan Samakulam



D. Alberto Osácar Ibarroia