

Jaguar Land Rover Slovakia s.r.o.

Independent Auditors' Report
and Financial Statements
as at 31 March 2019

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Translation of the Independent Auditors' Report

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Translation of the Auditors' Report originally prepared in Slovak language

Independent Auditors' Report

To the Owners and Directors of Jaguar Land Rover Slovakia s.r.o.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jaguar Land Rover Slovakia s.r.o. ("the Company"), which comprise the balance sheet as at 31 March 2019, the income statement for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2019, and of its financial performance for the year then ended in accordance with the Act No. 431/2002 Coll. on Accounting as amended ("the Act on Accounting").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section. We are independent of the Company in accordance with the ethical requirements of the Act No. 423/2015 Coll. on statutory audit and on amendments to Act No. 431/2002 Coll. on accounting as amended ("the Act on Statutory Audit") including the Code of Ethics for an Auditor that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Statutory Body and Those Charged with Governance for the Financial Statements

The statutory body is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Act on Accounting, and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Report on Other Legal and Regulatory Requirements

Reporting on Information in the Annual Report

The statutory body is responsible for the information in the Annual Report prepared in accordance with the Act on Accounting. Our opinion on the financial statements, mentioned above, does not cover other information in the Annual Report.

In connection with our audit of the financial statements, our responsibility is to read the Annual Report and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report of the Company was not available to us as of the date of this auditors' report.

When we obtain the Annual Report, we will consider whether it includes the disclosures required by the Act on Accounting, and, based on the work undertaken in the course of the audit of the financial statements, we will express an opinion as to whether:

- the information given in the Annual Report as at 31 March 2019 is consistent with the financial statements prepared for the same financial year; and
- the Annual Report contains information according to the Act on Accounting.

In addition, we will report whether we have identified any material misstatement in the Annual Report in light of the knowledge and understanding of the Company and its environment that we have acquired during the course of the audit of the financial statements.

9 July 2019
Bratislava, Slovak Republic

Auditing company:
KPMG Slovensko spol. s r.o.
License SKAU No. 96

Responsible auditor:
Ing. Peter Žoldák
License UDVA No. 1061

Úč POD

FINANCIAL STATEMENTS

of entrepreneurs maintaining accounts under the system of double entry bookkeeping
as of 31 Mar 2019

Tax identification number
2 1 2 0 1 2 5 3 8 1

Identification number (IČO)
4 8 3 0 2 3 9 2

SK NACE
2 9 . 1 0 . 0

Financial statements Accounting entity
 - ordinary - small
 - extraordinary - large
 - interim

For the period
Month Year
from 0 4 2 0 1 8
to 0 3 2 0 1 9

(check)

Preceding period
Month Year
from 0 4 2 0 1 7
to 0 3 2 0 1 8

Attached parts of the financial statements

Balance Sheet
(Úč POD 1-01)
(in whole euros)

Income Statement
(Úč POD 2-01)
(in whole euros)

Notes to the Financial Statements
(Úč POD 3-01)
(in whole euros or eurocents)

Legal name (designation) of the accounting entity

J a g u a r L a n d R o v e r S l o v a k i a s . r . o .

Registered office of the accounting entity, street and number

V y s o k á 2 / B

Zip code

8 1 1 0 6

Municipality

B r a t i s l a v a

Designation of the Commercial Register and company registration number

D i s t r i c t C o u r t B r a t i s l a v a I
S e c t i o n s . r . o . f i l e 1 0 6 2 2 0 / B


Telephone

+ 4 2 1 9 4 5 4 3 0 1 7 1

Fax

Email

p p r z y b y 2 @ j a g u a r l a n d r o v e r . c o m

| | | |
|--------------------------------|--------------------------------|--|
| Prepared on: 05/07/2019 | Approved on: 09/07/2019 | Signature of the accounting entity's statutory body or a member of the accounting entity's statutory body or the signature of a sole trader who is the accounting entity:  |
|--------------------------------|--------------------------------|--|

DIČ: 2120125381

IČO: 48302392

Súvaha Úč POD 1-01

| Designation a | ASSETS b | Line No. c | Current accounting period | | | Preceding accounting period |
|------------------|--|---------------|---------------------------|-------------------|---------------|-----------------------------|
| | | | 1 | | 2 | 3 |
| | | | Gross - Part 1 | Correction-Part 2 | Net | Net |
| | TOTAL ASSETS line 02 + line 33 + line 74 | 01 | 1,193,587,774 | 39,354,562 | 1,154,233,212 | 925,570,923 |
| A. | Non-current assets line 03 + line 11 + line 21 | 02 | 1,136,128,127 | 39,354,562 | 1,096,773,565 | 880,158,404 |
| A.I. | Non-current intangible assets - total (lines 04 to 10) | 03 | 31,466,673 | 2,777,908 | 28,688,765 | 19,850,443 |
| A.I.1. | Capitalized development costs (012) - /072, 091A/ | 04 | 0 | 0 | 0 | 0 |
| | 2. Software (013)-/073, 091A/ | 05 | 29,486,580 | 2,777,908 | 26,708,672 | 645,422 |
| | 3. Valuable rights (014)-/074, 091A/ | 06 | 0 | 0 | 0 | 0 |
| | 4. Goodwill (015) - /075, 091A/ | 07 | 0 | 0 | 0 | 0 |
| | 5. Other non-current intangible assets (019, 01X) - /079, 07X, 091A/ | 08 | 0 | 0 | 0 | 0 |
| | 6. Acquisition of non-current intangible assets (041) - /093/ | 09 | 1,980,093 | 0 | 1,980,093 | 19,205,021 |
| | 7. Advance payments made for non-current intangible assets (051) - /095A/ | 10 | 0 | 0 | 0 | 0 |
| A.II. | Property, plant and equipment - total (lines 12 to 20) | 11 | 1,104,661,454 | 36,576,654 | 1,068,084,800 | 860,307,961 |
| A.II.1. | Land (031) - /092A/ | 12 | 29,277,411 | 0 | 29,277,411 | 29,277,411 |
| | 2. Structures (021) - /081, 092A/ | 13 | 398,445,761 | 11,045,698 | 387,400,063 | 4,702,809 |
| | 3. Individual movable assets and sets of movable assets (022) - /082, 092A/ | 14 | 514,533,701 | 25,530,956 | 489,002,745 | 2,608,863 |
| | 4. Perennial crops (025) - /085, 092A/ | 15 | 0 | 0 | 0 | 0 |
| | 5. Livestock (026) - /086, 092A/ | 16 | 0 | 0 | 0 | 0 |
| | 6. Other property, plant and equipment (029, 02X, 032) - /089, 08X, 092A/ | 17 | 0 | 0 | 0 | 0 |
| | 7. Acquisition of property, plant and equipment (042) - /094/ | 18 | 162,404,582 | 0 | 162,404,582 | 823,718,878 |
| | 8. Advance payments made for property, plant and equipment (052) - /095A/ | 19 | 0 | 0 | 0 | 0 |
| | 9. Value adjustment to acquired assets (+/- 097) +/- 098 | 20 | 0 | 0 | 0 | 0 |
| A.III. | Non-current financial assets - total (lines 22 to 32) | 21 | 0 | 0 | 0 | 0 |
| A.III.1. | Shares and ownership interests in affiliated accounting entities (061A, 062A, 063A) - /096A/ | 22 | 0 | 0 | 0 | 0 |
| | 2. Shares and ownership interests with participating interest, except for affiliated accounting entities (062A) - /096A/ | 23 | 0 | 0 | 0 | 0 |
| | 3. Other available-for-sale securities and ownership interests (063A) - /096A/ | 24 | 0 | 0 | 0 | 0 |
| | 4. Loans to affiliated accounting entities (066A) - /096A/ | 25 | 0 | 0 | 0 | 0 |
| | 5. Loans within participating interest, except for affiliated accounting entities (066A) - /096A/ | 26 | 0 | 0 | 0 | 0 |
| | 6. Other loans (067A) - /096A/ | 27 | 0 | 0 | 0 | 0 |

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IČO: 48302392

Súvaha Úč POD 1-01

| Designation a | ASSETS b | Line No. c | Current accounting period | | | Preceding accounting period |
|------------------|---|---------------|---------------------------|-------------------|-------------------|-----------------------------|
| | | | 1 | | 2 | 3 |
| | | | Gross - Part 1 | Correction-Part 2 | Net | Net |
| 7. | Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/ | 28 | 0 | 0 | 0 | 0 |
| 8. | Loans and other non-current financial assets with remaining maturity of up to one year (066A, 067A, 069A, 06XA) - /096A/ | 29 | 0 | 0 | 0 | 0 |
| 9. | Bank accounts with notice period exceeding one year (22XA) | 30 | 0 | 0 | 0 | 0 |
| 10. | Acquisition of non-current financial assets(043) - /096A/ | 31 | 0 | 0 | 0 | 0 |
| 11. | Advance payments made for non-current financial assets (053) - /095A/ | 32 | 0 | 0 | 0 | 0 |
| B. | Current assets line 34 + line 41 + line 53 + line 66 + line 71 | 33 | 57,167,382 | 0 | 57,167,382 | 45,109,160 |
| B.I. | Inventory - total (lines 35 to 40) | 34 | 5,666,156 | 0 | 5,666,156 | 132,104 |
| B.I.1. | Raw material (112, 119, 11X) - /191, 19X/ | 35 | 5,666,156 | 0 | 5,666,156 | 132,104 |
| 2. | Work in progress and semi-finished products (121, 122, 12X) - /192, 193, 19X/ | 36 | 0 | 0 | 0 | 0 |
| 3. | Finished goods (123) - /194/ | 37 | 0 | 0 | 0 | 0 |
| 4. | Animals (124) - /195/ | 38 | 0 | 0 | 0 | 0 |
| 5. | Merchandise (132, 133, 13X, 139) - /196, 19X/ | 39 | 0 | 0 | 0 | 0 |
| 6. | Advance payments made for inventory (314A) - /391A/ | 40 | 0 | 0 | 0 | 0 |
| B.II. | Non-current receivables - total (line 42 + lines 46 to 52) | 41 | 0 | 0 | 0 | 3,540,173 |
| B.II.1. | Trade receivables - total (lines 43 to 45) | 42 | 0 | 0 | 0 | 0 |
| 1.a. | Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 43 | 0 | 0 | 0 | 0 |
| 1.b. | Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 44 | 0 | 0 | 0 | 0 |
| 1.c. | Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 45 | 0 | 0 | 0 | 0 |
| 2. | Net value of contract (316A) | 46 | 0 | 0 | 0 | 0 |
| 3. | Other receivables from affiliated accounting entities (351A) - /391A/ | 47 | 0 | 0 | 0 | 0 |
| 4. | Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/ | 48 | 0 | 0 | 0 | 0 |
| 5. | Receivables from participants, members, and association (354A, 355A, 358A, 35XA) - /391A/ | 49 | 0 | 0 | 0 | 0 |
| 6. | Receivables related to derivative transactions (373A, 376A) | 50 | 0 | 0 | 0 | 0 |
| 7. | Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/ | 51 | 0 | 0 | 0 | 0 |
| 8. | Deferred tax asset (481A) | 52 | 0 | 0 | 0 | 3,540,173 |

DIČ: 2120125381

IČO: 48302392

Súvaha Úč POD 1-01

| Designation a | ASSETS b | Line No. c | Current accounting period | | | Preceding accounting period |
|------------------|---|---------------|---------------------------|-------------------|-------------------|-----------------------------|
| | | | 1 | | 2 | 3 |
| | | | Gross - Part 1 | Correction-Part 2 | Net | Net |
| B.III. | Current receivables - total (line 54 + lines 58 to 65) | 53 | 50,724,724 | 0 | 50,724,724 | 39,547,147 |
| B.III.1. | Trade receivables - total (lines 55 to 57) | 54 | 42,788,349 | 0 | 42,788,349 | 30,375,214 |
| 1.a. | Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 55 | 42,788,349 | 0 | 42,788,349 | 30,375,214 |
| 1.b. | Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 56 | 0 | 0 | 0 | |
| 1.c. | Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/ | 57 | 0 | 0 | 0 | 0 |
| 2. | Net value of contract (316A) | 58 | 0 | 0 | 0 | |
| 3. | Other receivables from affiliated accounting entities (351A) - /391A/ | 59 | 0 | 0 | 0 | |
| 4. | Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/ | 60 | 0 | 0 | 0 | |
| 5. | Receivables from participants, members, and association (354A, 355A, 358A, 35XA, 398A) - /391A/ | 61 | 0 | 0 | 0 | |
| 6. | Social security (336A) - /391A/ | 62 | 0 | 0 | 0 | |
| 7. | Tax assets and subsidies (341, 342, 343, 345, 346, 347) - /391A/ | 63 | 7,909,252 | 0 | 7,909,252 | 9,118,127 |
| 8. | Receivables related to derivative transactions (373A, 376A) | 64 | 0 | 0 | 0 | |
| 9. | Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/ | 65 | 27,122 | 0 | 27,122 | 53,806 |
| B.IV. | Current financial assets - total (lines 67 to 70) | 66 | 0 | 0 | 0 | 0 |
| B.IV.1. | Current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/ | 67 | 0 | 0 | 0 | 0 |
| 2. | Current financial assets, not including current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/ | 68 | 0 | 0 | 0 | 0 |
| 3. | Own shares and own ownership interests (252) | 69 | 0 | 0 | 0 | 0 |
| 4. | Acquisition of current financial assets (259, 314A) - /291A/ | 70 | 0 | 0 | 0 | 0 |
| B.V. | Financial accounts line 72 + line 73 | 71 | 776,502 | 0 | 776,502 | 1,889,736 |
| B.V.1. | Cash (211, 213, 21X) | 72 | 0 | 0 | 0 | 0 |
| 2. | Bank accounts (221A, 22X, +/- 261) | 73 | 776,502 | 0 | 776,502 | 1,889,736 |
| C. | Accruals/deferrals - total (lines 75 to 78) | 74 | 292,265 | 0 | 292,265 | 303,359 |
| C.1. | Prepaid expenses - long-term (381A, 382A) | 75 | 0 | 0 | 0 | 0 |
| 2. | Prepaid expenses - short-term (381A, 382A) | 76 | 292,265 | 0 | 292,265 | 303,359 |
| 3. | Accrued income - long-term (385A) | 77 | 0 | 0 | 0 | 0 |
| 4. | Accrued income - short-term (385A) | 78 | 0 | 0 | 0 | 0 |

DIČ: 2120125381

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Súvaha Úč POD 1-01

| Designation a | LIABILITIES AND EQUITY b | Line No. c | Current accounting period 4 | Preceding accounting period 5 |
|------------------|--|---------------|--------------------------------|----------------------------------|
| | TOTAL EQUITY AND LIABILITIES line 80 + line 101 + line 141 | 79 | 1,154,233,212 | 925,570,923 |
| A. | Equity line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 100 | 80 | 624,146,359 | 325,665,290 |
| A.I. | Share capital - total (lines 82 to 84) | 81 | 625,005,000 | 330,005,000 |
| A.I.1. | Share capital (411 or +/- 491) | 82 | 625,005,000 | 330,005,000 |
| | 2. Change in share capital +/- 419 | 83 | 0 | 0 |
| | 3. Unpaid share capital (-/353) | 84 | 0 | 0 |
| A.II. | Share premium (412) | 85 | 0 | 0 |
| A.III. | Other capital funds (413) | 86 | 0 | 0 |
| A.IV. | Legal reserve funds line 88 + line 89 | 87 | 0 | 0 |
| A.IV.1. | Legal reserve fund and non-distributable fund (417A, 418, 421A, 422) | 88 | 0 | 0 |
| | 2. Reserve fund for own shares and own ownership interests (417A, 421A) | 89 | 0 | 0 |
| A.V. | Other funds created from profit line 91 + line 92 | 90 | 0 | 0 |
| A.V.1. | Statutory funds (423, 42X) | 91 | 0 | 0 |
| | 2. Other funds (427, 42X) | 92 | 0 | 0 |
| A.VI. | Differences from revaluation - total (lines 94 to 96) | 93 | 0 | 0 |
| A.VI.1. | Differences from revaluation of assets and liabilities (+/- 414) | 94 | 0 | 0 |
| | 2. Investment revaluation reserves (+/- 415) | 95 | 0 | 0 |
| | 3. Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger (+/- 416) | 96 | 0 | 0 |
| A.VII. | Net profit/loss of previous years line 98 + line 99 | 97 | -4,339,710 | -3,484,024 |
| A.VII.1. | Retained earnings from previous years (428) | 98 | 1,722,952 | 1,722,952 |
| | 2. Accumulated losses from previous years (-/429) | 99 | -6,062,662 | -5,206,976 |
| A.VIII. | Net profit/loss for the accounting period after tax +/- line 01 - (line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 101 + line 141) | 100 | 3,481,070 | -855,686 |
| B. | Liabilities line 102 + line 118 + line 121 + line 122 + line 136 + line 139 + line 140 | 101 | 530,086,852 | 599,905,633 |
| B.I. | Non-current liabilities - total (line 103 + lines 107 to 117) | 102 | 3,962,484 | 6,985,290 |
| B.I.1. | Non-current trade liabilities - total (lines 104 to 106) | 103 | 1,351,000 | 6,905,521 |
| 1.a. | Trade liabilities to affiliated accounting entities (321A, 475A, 476A) | 104 | 0 | 0 |

DIČ: 2120125381

IČO: 48302392

Súvaha úč POD 1-01

| Designation a | LIABILITIES AND EQUITY b | Line No. c | Current accounting period 4 | Preceding accounting period 5 |
|------------------|--|---------------|--------------------------------|----------------------------------|
| 1.b. | Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 475A, 476A) | 105 | 0 | 0 |
| 1.c. | Other trade liabilities (321A, 475A, 476A) | 106 | 1,351,000 | 6,905,521 |
| 2. | Net value of contract (316A) | 107 | 0 | 0 |
| 3. | Other liabilities to affiliated accounting entities (471A, 47XA) | 108 | 0 | 0 |
| 4. | Other liabilities within participating interest, except for liabilities to affiliated accounting entities (471A, 47XA) | 109 | 0 | 0 |
| 5. | Other non-current liabilities(479A, 47XA) | 110 | 0 | 0 |
| 6. | Long-term advance payments received (475A) | 111 | 0 | 0 |
| 7. | Long-term bills of exchange to be paid (478A) | 112 | 0 | 0 |
| 8. | Bonds issued (473A/-/255A) | 113 | 0 | 0 |
| 9. | Liabilities related to social fund (472) | 114 | 198,127 | 79,769 |
| 10. | Other non-current liabilities (336A, 372A, 474A, 47XA) | 115 | 1,445,945 | 0 |
| 11. | Non-current liabilities related to derivative transactions (373A, 377A) | 116 | 0 | 0 |
| 12. | Deferred tax liability (481A) | 117 | 967,412 | 0 |
| B.II. | Long-term provisions line 119 + line 120 | 118 | 0 | 0 |
| B.II.1. | Legal provisions (451A) | 119 | 0 | 0 |
| 2. | Other provisions (459A, 45XA) | 120 | 0 | 0 |
| B.III. | Long-term bank loans (461A, 46XA) | 121 | 0 | 0 |
| B.IV. | Current liabilities - total (line 123 + lines 127 to 135) | 122 | 449,048,042 | 459,394,446 |
| B.IV.1. | Trade liabilities - total (lines 124 to 126) | 123 | 43,392,726 | 81,111,524 |
| 1.a. | Trade liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA) | 124 | 691,920 | 4,147,838 |
| 1.b. | Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA) | 125 | 0 | 0 |
| 1.c. | Other trade liabilities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA) | 126 | 42,700,806 | 76,963,686 |
| 2. | Net value of contract (316A) | 127 | 0 | 0 |
| 3. | Other liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA) | 128 | 0 | 0 |
| 4. | Other liabilities within participating interest, except for liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA) | 129 | 401,136,973 | 374,168,930 |
| 5. | Liabilities to partners and association (364, 365, 366, 367, 368, 398A, 478A, 479A) | 130 | 0 | 0 |

DIČ: 2120125381

IČO: 48302392

Súvaha Úč POD 1-01

| Designation a | LIABILITIES AND EQUITY b | Line No. c | Current accounting period 4 | Preceding accounting period 5 |
|------------------|---|---------------|--------------------------------|----------------------------------|
| 6. | Liabilities to employees (331, 333, 33X, 479A) | 131 | 2,162,483 | 1,506,399 |
| 7. | Liabilities related to social security (336A) | 132 | 1,542,780 | 858,568 |
| 8. | Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X) | 133 | 418,779 | 1,728,828 |
| 9. | Liabilities related to derivative transactions (373A, 377A) | 134 | 0 | 0 |
| 10. | Other liabilities (372A, 379A, 474A, 475A, 479A, 47XA) | 135 | 394,302 | 20,197 |
| B.V. | Short-term provisions (line 137 + line 138) | 136 | 77,076,326 | 133,525,897 |
| B.V.1. | Legal provisions (323A, 451A) | 137 | 904,970 | 611,184 |
| 2. | Other provisions (323A, 32X, 459A, 45XA) | 138 | 76,171,356 | 132,914,713 |
| B.VI. | Current bank loans (221A, 231, 232, 23X, 461A, 46XA) | 139 | 0 | 0 |
| B.VII. | Short-term financial assistance (241, 249, 24X, 473A /- /255A) | 140 | 0 | 0 |
| C. | Accruals/deferrals - total (lines 142 to 145) | 141 | 0 | 0 |
| C.1. | Accrued expenses - long-term (383A) | 142 | 0 | 0 |
| 2. | Accrued expenses - short-term (383A) | 143 | 0 | 0 |
| 3. | Deferred income - long-term (384A) | 144 | 0 | 0 |
| 4. | Deferred income - short-term (384A) | 145 | 0 | 0 |

DIČ: 2120125381

IČO: 48302392

Výkaz ziskov a strát ÚČ POD 2-01

| Designation a | Text b | Line No. c | Actual data | |
|------------------|---|---------------|---------------------------|-----------------------------|
| | | | Current accounting period | Preceding accounting period |
| | | | 1 | 2 |
| * | Net turnover (part of account class 6 according to the Act) | 01 | 186,783,465 | 69,660,917 |
| ** | Operating income - total (lines 03 to 09) | 02 | 186,783,465 | 69,660,917 |
| I. | Revenue from the sale of merchandise (604, 607) | 03 | 0 | 0 |
| II. | Revenue from the sale of own products (601) | 04 | 0 | 0 |
| III. | Revenue from the sale of services (602, 606) | 05 | 186,783,465 | 69,660,917 |
| IV. | Changes in internal inventory (+/-) (account group 61) | 06 | 0 | 0 |
| V. | Own work capitalized (account group 62) | 07 | 0 | 0 |
| VI. | Revenue from the sale of non-current intangible assets, property, plant and equipment, and raw materials (641, 642) | 08 | 0 | 0 |
| VII. | Other operating income (644, 645, 646, 648, 655, 657) | 09 | 0 | 0 |
| ** | Operating expenses - total line 11 + line 12 + line 13 + line 14 + line 15 + line 20 + line 21 + line 24 + line 25 + line 26 | 10 | 175,316,092 | 69,425,754 |
| A. | Cost of merchandise sold (504, 507) | 11 | 0 | 0 |
| B. | Consumed raw materials, energy consumption, and consumption of other non-inventory supplies (501, 502, 503) | 12 | 16,234,641 | 4,754,835 |
| C. | Value adjustments to inventory (+/-) (505) | 13 | 0 | 0 |
| D. | Services (account group 51) | 14 | 75,861,106 | 45,064,186 |
| E. | Personnel expenses - total (lines 16 to 19) | 15 | 43,806,168 | 18,624,741 |
| E.1. | Wages and salaries (521, 522) | 16 | 30,076,060 | 13,438,991 |
| 2. | Remuneration of board members of company or cooperative (523) | 17 | 0 | 0 |
| 3. | Social security expenses (524, 525, 526) | 18 | 11,921,400 | 4,888,676 |
| 4. | Social expenses (527, 528) | 19 | 1,808,709 | 297,074 |
| F. | Taxes and fees (account group 53) | 20 | 228,785 | 3,604 |
| G. | Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment (line 22 + line 23) | 21 | 39,084,694 | 271,306 |
| G.1. | Amortization of non-current intangible assets and depreciation of property, plant and equipment (551) | 22 | 39,084,694 | 271,306 |
| 2. | Value adjustments to non-current intangible assets and property, plant and equipment (+/-) (553) | 23 | 0 | 0 |
| H. | Carrying value of non-current assets sold and raw materials sold (541, 542) | 24 | 0 | 0 |
| I. | Value adjustments to receivables (+/-) (547) | 25 | 0 | 0 |
| J. | Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557) | 26 | 100,697 | 707,082 |

| DIČ: 2120125381 | | IČO: 48302392 | | Výkaz ziskov a strát Úč POD 2-01 | |
|------------------|--|---------------|---------------------------|----------------------------------|--|
| Designation a | Text b | Line No. c | Actual data | | |
| | | | Current accounting period | Preceding accounting period | |
| | | | 1 | 2 | |
| *** | Profit/loss from operations (+/-) (line 02 - line 10) | 27 | 11,467,373 | 235,163 | |
| * | Added value (line 03 + line 04 + line 05 + line 06 + line 07) - (line 11 + line 12 + line 13 + line 14) | 28 | 94,687,718 | 19,841,896 | |
| ** | Income from financial activities - total line 30 + line 31 + line 35 + line 39 + line 42 + line 43 + line 44 | 29 | 89,897 | 324,354 | |
| VIII. | Revenue from the sale of securities and shares (661) | 30 | 0 | 0 | |
| IX. | Income from non-current financial assets (lines 32 to 34) | 31 | 0 | 0 | |
| IX.1. | Income from securities and ownership interests in affiliated accounting entities (665A) | 32 | 0 | 0 | |
| 2. | Income from securities and ownership interests within participating interest, except for income of affiliated accounting entities (665A) | 33 | 0 | 0 | |
| 3. | Other income from securities and ownership interests (665A) | 34 | 0 | 0 | |
| X. | Income from current financial assets - total (lines 36 to 38) | 35 | 0 | 0 | |
| X.1. | Income from current financial assets in affiliated accounting entities (666A) | 36 | 0 | 0 | |
| 2. | Income from current financial assets within participating interest, except for income of affiliated accounting entities (666A) | 37 | 0 | 0 | |
| 3. | Other income from current financial assets (666A) | 38 | 0 | 0 | |
| XI. | Interest income (line 40 + line 41) | 39 | 0 | 14,064 | |
| XI.1. | Interest income from affiliated accounting entities (662A) | 40 | 0 | 14,064 | |
| 2. | Other interest income (662A) | 41 | 0 | 0 | |
| XII. | Exchange rate gains (663) | 42 | 89,897 | 310,290 | |
| XIII. | Gains on revaluation of securities and income from derivative transactions (664, 667) | 43 | 0 | 0 | |
| XIV. | Other income from financial activities (668) | 44 | 0 | 0 | |
| ** | Expenses related to financial activities - total line 46 + line 47 + line 48 + line 49 + line 52 + line 53 + line 54 | 45 | 3,568,616 | 1,106,558 | |
| K. | Securities and shares sold (561) | 46 | 0 | 0 | |
| L. | Expenses related to current financial assets (566) | 47 | 0 | 0 | |
| M. | Value adjustments to financial assets (+/-) (565) | 48 | 0 | 0 | |
| N. | Interest expense (line 50 + line 51) | 49 | 3,287,320 | 879,583 | |
| N.1. | Interest expenses related to affiliated accounting entities (562A) | 50 | 3,285,843 | 879,583 | |
| 2. | Other interest expenses (562A) | 51 | 1,477 | 0 | |
| O. | Exchange rate losses (563) | 52 | 268,100 | 221,110 | |
| P. | Loss on revaluation of securities and expenses related to derivative transactions (564, 567) | 53 | 0 | 0 | |

DIČ: 2120125381

IČO: 48302392

Výkaz ziskov a strát Úč POD 2-01

| Designation a | Text b | Line No. c | Actual data | |
|------------------|--|---------------|---------------------------|-----------------------------|
| | | | Current accounting period | Preceding accounting period |
| | | | 1 | 2 |
| Q. | Other expenses related to financial activities (568, 569) | 54 | 13,196 | 5,865 |
| *** | Profit/loss from financial activities (+/-) (line 29 - line 45) | 55 | -3,478,719 | -782,204 |
| **** | Profit/loss for the accounting period before tax (+/-) (line 27 + line 55) | 56 | 7,988,654 | -547,041 |
| R. | Income tax (line 58 + line 59) | 57 | 4,507,584 | 308,645 |
| R.1. | Income tax - current (591, 595) | 58 | 0 | 2,125,866 |
| 2. | Income tax - deferred (+/-) (592) | 59 | 4,507,584 | -1,817,221 |
| S. | Transfer of net profit/net loss shares to partners (+/-596) | 60 | 0 | 0 |
| **** | Profit/loss for the accounting period after tax (+/-) (line 56 - line 57 - line 60) | 61 | 3,481,070 | -855,686 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| | | Jaguar Land Rover Slovakia s.r.o. | | | | | | | | |
| | | Notes to Financial Statements as of 31 March 2019 | | | | | | | | |
| IČO: | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 | |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

A. GENERAL INFORMATION

1. Legal name and registered office of the company:

Jaguar Land Rover Slovakia s. r. o.
 Vysoká 2/B
 811 06 Bratislava

The principal activities of the Company comprise:

- production of motor vehicles
- purchase of goods for sale to final consumer (retail) or other business operator (wholesale)
- intermediary activity in area of trade
- intermediary activity in area of services
- advertising and marketing services
- production of basic metal products
- operating non-hazardous waste management

2. Information on unlimited liability

The Company is not a partner with unlimited liability in other companies according to Article 56 (5) of the Commercial Code or similar provisions of other legislation.

3. Date of approval of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as of 31 March 2018, for the preceding accounting period, were approved by the shareholders at the Company's general meeting on 15 November 2018.

4. Legal reason for the preparation of the Financial Statements

The Financial Statements of the Company as of 31 March 2019 have been prepared as ordinary financial statements in accordance with Article 17 (6) of Act of the National Council of the Slovak Republic No. 431/2002 Coll. on Accounting (hereafter referred to as the "Act on Accounting") for the accounting period from 1 April 2018 to 31 March 2019.

The Financial Statements are intended for users who possess adequate knowledge of business and economic activities and bookkeeping and who analyze this information with appropriate care. The Financial Statements do not, and cannot, provide all information that may be needed by existing and potential investors, providers of credits and loans, and other creditors. These users must obtain relevant information from other sources.

5. Information on the Group

The financial statements of the Company are included in the consolidated financial statements of the company Jaguar Land Rover Automotive PLC. The registered office is Abbey Road, Whitley, Coventry CV3 4LF, United Kingdom of Great Britain and Northern Ireland. The consolidated financial statements are available at the registered office of the listed company. These consolidated financial statements are included in the consolidated financial statements of the concern Tata motors. The consolidated financial statements of the concern Tata Motors are prepared by the company Tata Motors Limited, 82 Mahakali Caves Road, 400093 Mumbai. These consolidated financial statements are available at the registered office of the listed companies.

6. Number of employees

The average recalculated number of employees of the Company was 1,506 in the accounting period ended 31 March 2019 (499 in the accounting period ended 31 March 2018).

As of 31 March 2019, the number of employees was 1,832, including 8 managers (as of 31 March 2018, the number of employees was 1,134, including 7 managers).

B. INFORMATION ON THE APPLIED PROCEDURES

1. Basis of preparation

The Financial Statements have been prepared using the going concern assumption.

The accounting policies and general accounting principles have been consistently applied by the accounting entity.

2. Use of estimates and judgments

The preparation of the Financial Statements requires that the Company management make judgments, estimates, and assumptions that affect the application of the accounting policies and accounting principles and the amounts of assets, liabilities, income, and expenses. These estimates and related assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for assessing the carrying values of assets and liabilities that are not readily apparent from other sources. Therefore, actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are not recognized retrospectively, but instead in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

In connection with the application of accounting policies and accounting principles of the Company no such judgments are required that would have a material impact on the amounts presented in the Financial Statements.

Assumptions and estimation uncertainties

The Company did not identify such assumptions and estimation uncertainties that would have a significant risk in resulting in a material adjustment in the future accounting period.

3. Non-current intangible assets and property, plant and equipment

Purchased non-current assets are valued at their acquisition cost, which consists of the price at which an asset has been acquired plus costs related to the acquisition (customs duty, transport, assembling costs, insurance etc.) less credit notes, early payment discounts, rebates, price discounts, bonuses, etc.

The acquisition cost of non-current assets does not include interest on loans, which arose before the non-current assets were put into use.

Self-constructed non-current assets are valued at their conversion cost. Conversion cost includes all direct costs incurred during production or other activities and indirect costs related to production or other activities.

Research costs are not capitalized; they are expensed in the accounting periods in which they are incurred. Non-current intangible assets arising from development or under development should be capitalized if the following can be demonstrated:

- a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b) the intention to complete the intangible asset and use or sell it;
- c) the accounting entity's ability to use or sell the intangible asset;
- d) how the intangible asset will generate future economic benefits and the existence of a market for the output of the non-current intangible asset or the non-current intangible asset itself, or, if it is to be used internally, the usefulness of the intangible asset;
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs should be capitalized if they do not exceed the amount that is likely to be recovered from related future economic benefits, after deducting further development costs, selling and administrative costs directly incurred in the marketing or processes. Capitalized development costs should be amortized for a maximum of five years. If the criteria for capitalization of development costs are not demonstrated, the costs should be recognized as an expense in the accounting periods in which they were incurred.

Amortization of non-current intangible assets is based on the expected useful lives of the assets and their expected wear and tear.

Amortization commences on the day on which the non-current asset was put into use. Low-value non-current intangible assets with an acquisition cost (or conversion cost) of EUR 2 400 or less are considered an expense and recorded in account 518 – Other services.

Estimated useful lives, amortization methods, and amortization rates are shown in the table below:

| | Estimated useful life in years | Amortization method | Annual rate of amortization in % |
|---|--------------------------------|----------------------|----------------------------------|
| Software | 8 | straight-line | 12.5 |
| Low-value non-current intangible assets | diverse | one-off amortization | 100 |

Amortization methods, useful lives, and carrying values are reviewed as of each balance sheet date and adjusted if appropriate.

Depreciation of property, plant and equipment is based on the expected useful lives of the assets and their expected wear and tear.

Depreciation commences on the first day on which the non-current asset was put into use. Low-value non-current tangible assets with an acquisition cost (or conversion cost) of EUR 1 700 or less are considered inventory and expensed when issued for consumption.

Land is not depreciated.

Estimated useful lives, depreciation methods, and depreciation rates are shown in the table below:

| | Estimated useful life in years | Depreciation method | Annual rate of depreciation in % |
|--|--------------------------------|----------------------|----------------------------------|
| Structures | 5 to 30 | straight-line | 3.3 to 20 |
| Individual movable assets and sets of movable assets | 5 to 15 | straight-line | 6.7 to 15 |
| Low-value non-current tangible assets | diverse | one-off depreciation | 100 |

Depreciation methods, useful lives, and carrying values are reviewed as of each balance sheet date and adjusted if appropriate.

Impairment review

Value adjustments are created based on the prudence principle if it is justified to assume that the value of an asset has decreased compared to its carrying value. A value adjustment is recognized in the amount of the justified estimate of the impairment of the asset compared to its carrying value.

Factors that are considered important for a review of asset impairment include:

- technological advances;
- significant underperformance relative to historical or projected future operating results;
- significant changes in the manner of use of the Company assets or an overall change in the Company strategy;
- product obsolescence.

If the Company determines that, based on the existence of one or several asset impairment indicators, it can be assumed that the value of an asset has decreased compared to its carrying value, it calculates the asset impairment on the basis of estimates of projected net discounted cash flows that are expected from the asset, including its possible sale. The estimated impairment could prove insufficient if the analysis overestimated cash flows or if conditions change in the future.

4. Inventory

Inventory is valued at the lower of the following: its acquisition cost (purchased inventory) or conversion cost (own work capitalized), or its net realizable value.

Acquisition cost includes the price at which inventory has been acquired plus costs related to the acquisition (customs duty, transport, insurance, commissions, etc.) less credit notes, early payment discounts, rebates, price discounts, bonuses, etc. Interest on loans is not capitalized.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

Disposal of inventory is recorded in a manner where the first price used for the costing of an increase in the relevant type of asset is used as the first price for the cost of disposal of this asset (FIFO method).

Net realizable value is the estimated selling price of inventory less the estimated costs of its completion and the estimated costs necessary to make the sale.

Inventory is written down for any impairment of value.

5. Receivables

Receivables are initially measured at their nominal value; assigned receivables and receivables acquired via a contribution to share capital are valued at their acquisition cost, including costs related to the acquisition. The valuation of receivables is reduced by doubtful and bad debts.

Regarding long-term loans and non-current receivables, if the remaining maturity of a receivable or a loan exceeds one year, the value of this receivable or loan is adjusted by creating a value adjustment, which represents the difference between the nominal value and the present value of the receivable. The present value of a receivable is calculated as the sum of the products of future cash receipts and the relevant discount factors.

6. Financial accounts

Financial accounts are comprised of bank account balances and are valued at their nominal value. A value adjustment is created for any impairment.

7. Prepaid expenses and accrued income

Prepaid expenses and accrued income are presented in accordance with the matching principle in terms of substance and time.

8. Asset impairment and value adjustments

Value adjustments are created based on the prudence principle if it is justified to assume that the value of an asset has decreased compared to its carrying value. The value adjustment is accounted for in the amount of the justified estimate of the impairment of the asset compared to its carrying value. Value adjustments are reversed or their amount is changed if the assumption of impairment changes.

Impairment of non-current assets and inventory

As of each balance sheet date, the carrying value of the Company's assets other than a deferred tax asset is reviewed to determine whether there are any indicators that assets may be impaired. If such indicators exist, the expected future economic benefits from the relevant asset are estimated.

Value adjustments presented in previous periods are reassessed as of each balance sheet date to determine whether any indicators exist that the asset impairment assumption has changed or ceased to exist. A value adjustment is reversed if the assumptions used for determining the expected economic benefits from the asset have changed. A value adjustment is only reversed to the extent that the carrying value of the asset does not exceed the carrying value that would have been determined, net of amortization and depreciation, if the value adjustment had not been presented.

9. Liabilities

Liabilities are initially measured at their nominal value. Assumed liabilities are valued at their acquisition cost. If reconciliation procedures reveal that the actual amount of liabilities differs from the amount recorded in the accounting books, the actual amount is used to value these liabilities in the accounting books and financial statements.

10. Provisions

A provision is a liability representing the Company's existing obligation arising from past events, which is likely to reduce its economic benefits in the future. Provisions are liabilities of uncertain timing or amount and are valued on the basis of an estimate whose amount is necessary to fulfill the existing obligation as of the balance sheet date.

Creation of a provision is recorded in the relevant expense or asset account to which the liability is attributable. The use of the provision is debited to the relevant account of provisions with a corresponding credit entry in the relevant liability account. Reversal of an unusable provision or part thereof is accounted for by means of an accounting entry in reverse to the creation of the provision.

Creation of a provision for bonuses, rebates, discounts, and the repayment of the purchase price in the event of a complaint is recorded as a reduction in the originally earned income with a corresponding credit entry in the account of provisions.

Unbilled supplies of assets

Provisions for unbilled supplies of assets are recorded with no impact on net profit/loss and are valued as the estimated amount of the liability.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

11. Employee benefits

Salaries, wages, contributions to pension and insurance funds, paid annual leave and paid sick leave, bonuses, and other benefits in kind (for example, health care) are recorded in the accounting period to which they correspond in terms of substance and time.

12. Deferred taxes

Deferred taxes (deferred tax assets and deferred tax liabilities) relate to the following:

- temporary differences between the carrying value of assets and the carrying value of liabilities presented in the Balance Sheet and their tax base;
- tax losses which are possible to carry forward to future periods, being understood as the possibility of deducting these tax losses from the tax base in the future; and
- unused tax deductions and other tax claims which are possible to carry forward to future periods.

Deferred tax assets and deferred tax liabilities are not recognized in the following cases:

- temporary differences upon initial recognition of an asset or liability in the accounting books if this accounting transaction has no impact on profit/loss or the tax base at the time of initial recognition and, at the same time, does not involve a business combination (i.e., it is not an accounting transaction arising for the buyer in the event of the purchase of a business or part thereof, the recipient of a contribution of a business or part thereof, or the successor accounting entity in the event of a merger, amalgamation into a separate accounting entity or demerger);
- temporary differences related to investments in subsidiaries, jointly controlled accounting entities, and associated accounting entities to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- temporary differences upon initial recognition of goodwill or negative goodwill.

A deferred tax asset related to deductible temporary differences, unused tax losses, and unused tax deductions and other tax claims is only recognized if it is probable that a taxable profit will be available against which these amounts can be utilized. A deferred tax asset is reviewed as of each balance sheet date and reduced by the amount in which it is not probable that a taxable profit will be attained. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

A deferred tax asset and a deferred tax liability are presented separately in the Balance Sheet. If they relate to deferred income tax with respect to the same taxable entity and the same taxation authority, it is possible to only present the final balance of account 481 – *Deferred tax liability and deferred tax asset*.

13. Accrued expenses and deferred income

Accrued expenses and deferred income are presented in accordance with the matching principle in terms of substance and time.

14. Subsidies from the state budget

An entitlement to a subsidy from the state budget is accounted for once it is virtually certain that the entity will comply with all the conditions attached to the subsidy and that the subsidy will be received.

Subsidies for acquisition of non-current intangible assets and property, plant and equipment are initially recorded as deferred income and are released into the Income Statement; this corresponds in terms of time and substance to the recording of amortization/depreciation of these non-current assets.

Subsidies for expenses as compensation for specific expenses related to the activities of the Company are initially recorded as deferred income and are released into the Income Statement as operating income; this corresponds in terms of time and substance to the expenses incurred for the relevant purpose.

Based on Investment Agreement among Jaguar Land Rover Limited, the Slovak Republic, the City of Nitra and the Company of 11 December 2015, the Company is entitled to receive a subsidy in the amount of up to EUR 129,812,750 for the acquisition fixed assets. The subsidy was granted on the condition that the Company meets several conditions related predominantly to total amount of eligible capital spend and total number of newly created jobs.

The Company did not account for the subsidy entitlement as at 31 March 2019.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

15. Leasing (Company as the lessee)

Financial leasing. Financial leasing is the acquisition of property, plant and equipment on the basis of a lease agreement with an agreed right to purchase the leased asset for agreed payments during the agreed period of lease. Assets leased through financial leasing are recognized and depreciated by the lessee, not by the owner.

The agreed payments include the purchase price for which the ownership title to the leased asset is transferred from the lessor to the lessee at the end of the agreed period of financial leasing of the asset.

The agreed period of lease is at least 60% of the depreciation period according to tax regulations. In the instance of lease of land, the period of lease is at least 60% of the depreciation period of the tangible asset included in tax depreciation group 5 or 6 (buildings and structures, the depreciation period for tax purposes is 20 and 40 years, respectively).

The asset received by the lessee is recorded in the accounting books of the lessee on the date when the asset is received, namely by means of a debit entry in the relevant asset account with a corresponding credit entry in account 474 – *Liabilities related to leasing* in the amount of the agreed payments less unrealized financial expenses.

Lease payment is allocated between the repayment of principal and financial expenses calculated using the effective interest rate method. Financial expenses are debited to account 562 – *Interest*.

Operating lease. Assets leased through operating leases are presented by the owner, not by the lessee. Assets leased in the form of operating lease are recorded against expenses on a continuous basis during the duration of the lease agreement.

16. Foreign currency

Assets and liabilities denominated in a foreign currency are translated to the euro currency as of the date of the accounting transaction according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the date of the accounting transaction (hereafter referred to as the "reference rate").

Advance payments received and advance payments made in foreign currencies via a bank account maintained in this foreign currency are translated to the euro currency according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the date of the accounting transaction.

Advance payments received and advance payments made in foreign currencies via a bank account maintained in euros are translated to the euro currency according to the exchange rate at which these assets were purchased or sold.

They are not retranslated as of the balance sheet date.

Assets and liabilities denominated in a foreign currency (except for advance payments received and advance payments made) are translated to the euro currency as of the balance sheet date according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the balance sheet date and are recorded with an impact on net profit/loss.

17. Revenue

Revenue from the sale of services is recognized in the accounting period in which the services were provided.

Interest income is recorded evenly in the accounting periods to which it relates in terms of substance and time.

18. Comparative information

If figures for the preceding accounting period in the individual sections of the Financial Statements are not comparable owing to a change in the accounting policies and accounting principles, an explanation of the incomparable figures is provided in the Notes to the Financial Statements.

19. Correction of prior periods errors

If the Company identifies a material error concerning previous accounting periods during the current accounting period, it corrects this error in accounts 428 - *Retained earnings from previous years* and 429 - *Accumulated losses from previous years*, i.e., with no impact on net profit/loss of the current accounting period. Corrections of immaterial errors of previous accounting periods are recorded in the current accounting period in the relevant expense or income account.

In period ending 31 March 2019, the Company did not account for any corrections of material errors of past periods.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

C. INFORMATION ON BALANCE SHEET ITEMS

1. Property, plant and equipment

Information on the movements of property, plant and equipment from 1 April 2018 to 31 March 2019 and for the comparative period from 1 April 2018 to 31 March 2019 is shown in the tables on pages 18 and 19.

The Company leases various canteen assets with acquisition costs of EUR 1,789,373 in the form of financial leasing (carrying value as of 31 March 19: EUR 1,783,409; as of 31 March 2018: EUR none). Other information on financial leasing is contained in Note D.1.

As at 31 March 2019, the Company does not have any non-current tangible assets subject to the right of lien and other restrictions (no such assets as at 31 March 2018).

2. Non-current intangible assets

Information on the movements of non-current intangible assets from 1 April 2018 to 31 March 2019 and for the comparative period from 1 April 2018 to 31 March 2019 is shown in the tables on pages 18 and 19.

As at 31 March 2019, the Company does not have any non-current intangible assets subject to the right of lien and other restrictions (no such assets as at 31 March 2018).

Jaguar Land Rover Slovakia s.r.o.
Summary of movements of non-current assets
31 March 2019

| Designation | Initial measurement (Acquisition cost/Conversion cost) | | | Accumulated amortization/depreciation/Value adjustments | | | Carrying value | |
|---|--|--------------------|-----------|---|----------------------|-----------|----------------|----------------------|
| | 1 Apr 2018 | Increases | Decreases | 1 Apr 2018 | Increases | Decreases | Transfers | 31 Mar 2019 |
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Capitalized development costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Software | 674 630 | 6 335 086 | 0 | 22 476 864 | 29 486 580 | 0 | 0 | 26 708 672 |
| Valuable rights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Goodwill | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non-current intangible assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of non-current intangible assets | 19 205 021 | 5 251 936 | 0 | -22 476 864 | 1 980 093 | 0 | 0 | 1 980 093 |
| Advance payments made for non-current intangible assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current intangible assets - total | 19 879 651 | 11 587 022 | 0 | 0 | 31 466 673 | 0 | 0 | 28 688 765 |
| Land | 29 277 411 | 0 | 0 | 0 | 29 277 411 | 0 | 0 | 29 277 411 |
| Structures | 4 740 876 | 71 726 332 | 0 | 321 978 552 | 398 445 760 | 0 | 0 | 4 702 809 |
| Individual movable assets and sets of movable assets | 2 812 894 | 95 216 441 | 0 | 416 504 366 | 514 533 701 | 0 | 0 | 387 400 062 |
| Perennial crops | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 608 863 |
| Livestock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 489 002 744 |
| Other property, plant and equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of property, plant and equipment | 823 718 878 | 77 168 622 | 0 | -738 482 918 | 162 404 582 | 0 | 0 | 823 718 878 |
| Advance payments made for property, plant and equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property, plant and equipment - total | 860 550 059 | 244 111 395 | 0 | 0 | 1 104 661 454 | 0 | 0 | 860 307 961 |
| Shares and ownership interests in affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shares and ownership interests with a participating interest other than those in affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other available-for-sale securities and ownership interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans to affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans within a participating interest other than those to affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt securities and other non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans and other non-current financial assets with remaining maturity of up to one year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bank accounts with notice period exceeding one year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance payments made for non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current financial assets - total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current assets - total | 880 429 710 | 255 698 417 | 0 | 0 | 1 136 128 127 | 0 | 0 | 880 158 404 |
| | | | | | | | | 1 096 773 564 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
|---|---|---|---|---|---|---|---|

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |
|---|---|---|---|---|---|---|---|---|---|

Jaguar Land Rover Slovakia s.r.o.
Summary of movements of non-current assets
31 March 2018

| Description | Initial measurement (Acquisition cost/Conversion cost) | | Transfers | | 31 Mar 2018 | | Accumulated amortization/depreciation/Value adjustments | | Transfers | | 31 Mar 2018 | | Carrying value | |
|---|--|--------------------|-----------|------------|--------------------|----------|---|----------|-----------|----------|----------------|----------|--------------------|--------------------|
| | 1 Apr 2017 | Increases | Decreases | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Capitalized development costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Software | 0 | 245 257 | 0 | 429 373 | 674 630 | 0 | 29 208 | 0 | 0 | 0 | 29 208 | 0 | 645 422 | 0 |
| Valuable rights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Goodwill | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non-current intangible assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of non-current intangible assets | 1 675 509 | 17 958 885 | 0 | -429 373 | 19 205 021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 675 509 | 19 205 021 |
| Advance payments made for non-current intangible assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current intangible assets - total | 1 675 509 | 18 204 142 | 0 | 0 | 19 879 651 | 0 | 29 208 | 0 | 0 | 0 | 29 208 | 0 | 1 675 509 | 19 850 443 |
| Land | 0 | 29 277 411 | 0 | 0 | 29 277 411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 29 277 411 |
| Structures | 0 | 3 426 046 | 0 | 1 314 830 | 4 740 876 | 0 | 38 067 | 0 | 0 | 0 | 38 067 | 0 | 4 702 809 | 0 |
| Individual movable assets and sets of movable assets | 0 | 570 833 | 0 | 2 242 061 | 2 812 894 | 0 | 204 031 | 0 | 0 | 0 | 204 031 | 0 | 2 608 863 | 0 |
| Perennial crops | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Livestock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other property, plant and equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of property, plant and equipment | 148 221 812 | 679 053 957 | 0 | -3 556 891 | 823 718 878 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 148 221 812 | 823 718 878 |
| Advance payments made for property, plant and equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property, plant and equipment - total | 148 221 812 | 712 328 247 | 0 | 0 | 860 550 059 | 0 | 242 098 | 0 | 0 | 0 | 242 098 | 0 | 148 221 812 | 860 307 961 |
| Shares and ownership interests in affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shares and ownership interests with a participating interest other than those in affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other available-for-sale securities and ownership interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans to affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans within a participating interest other than those to affiliated accounting entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt securities and other non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans and other non-current financial assets with remaining maturity of up to one year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bank accounts with notice period exceeding one year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance payments made for non-current financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current financial assets - total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current assets - total | 149 897 321 | 730 532 389 | 0 | 0 | 880 429 710 | 0 | 271 306 | 0 | 0 | 0 | 271 306 | 0 | 149 897 321 | 880 158 404 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

3. Inventory

The Company did not post value adjustment to inventory held as at 31 March 2019 (31 March 2018: 0 EUR)

4. Receivables

The Company did not post a value adjustment to receivables as at 31 March 2019 (31 March 2018: 0 EUR).

The ageing structure of receivables is shown in the table below:

| | 31 March 2019 | 31 March 2018 |
|-----------------------|-------------------|-------------------|
| | EUR | EUR |
| Receivables - due | 42,788,349 | 30,375,214 |
| Receivables - overdue | - | - |
| Total | 42,788,349 | 30,375,214 |

5. Financial accounts

Cash on bank accounts is presented in financial accounts. The bank accounts are at the Company's full disposal.

6. Accruals/deferrals

Accruals/deferrals include the following items:

| | 31 Mar 2019 | 31 Mar 2018 |
|--|----------------|----------------|
| | EUR | EUR |
| Prepaid expenses - short-term | | |
| Insurance | - | 303,359 |
| Property taxes | 290,815 | - |
| Total prepaid expenses - short-term | 290,815 | 303,359 |
| Total | 290,815 | 303,359 |

7. Equity

As of 31 March 2019, the Company's share capital amounts to EUR 625,005,000 (as of 31 March 2018: EUR 330,005,000).

During the accounting period ended 31 March 2019, share capital was increased by EUR 295,000,000 in the form of a monetary contribution. This increase has already been registered in the Commercial Register as of 31 March 2019.

Share capital has been fully paid.

Net loss for period ended 31 March 2018 in the amount of EUR 855,686 was transferred to accumulated losses from previous year in full amount.

The general meeting will decide on the distribution of profit in the amount of EUR 3,481,070 for the accounting period ended 31 March 2019. The proposal presented by the statutory body to the general meeting is as follows:

- transfer to legal reserve fund in the amount of EUR 174,053; and
- transfer to retained earnings from the previous years in the amount of EUR 3,307,017.

According to the Commercial Code, the Company is obliged to create a legal reserve fund in the minimum amount of 5 % from the net profit (annually) and up to a maximum of 10 % of the registered share capital.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

8. Provisions

Provisions for the current accounting period are shown in the table below:

| | Balance as of 1 Apr 2018 EUR | Creation EUR | Reversal (use) EUR | Reversal (release) EUR | Balance as of 31 Mar 2019 EUR |
|--|------------------------------------|-------------------|--------------------------|------------------------------|-------------------------------------|
| Legal short-term provisions | | | | | |
| Vacation pay, including social security | 611,184 | 904,970 | 611,184 | - | 904,970 |
| Legal short-term provisions - total | 611,184 | 904,970 | 611,184 | - | 904,970 |
| Other short-term provisions | | | | | |
| Facility services | 1,134,970 | 2,016,595 | 1,134,970 | - | 2,016,595 |
| Employee bonuses (inc. soc insurance) | 2,104,876 | 1,822,078 | 2,104,876 | - | 1,822,078 |
| Services from parent company and related parties | 1,361,561 | 1,793,691 | 1,361,561 | - | 1,793,691 |
| Material and energy consumption | 1,933,920 | 1,441,006 | 1,933,920 | - | 1,441,006 |
| Workforce related services | 1,004,804 | 1,429,073 | 1,004,804 | - | 1,429,073 |
| Project Related expenses | 5,230,618 | 1,667,285 | 5,230,618 | - | 1,667,285 |
| Other short-term provisions | 296,749 | 3,128,004 | 296,749 | - | 3,128,004 |
| | 13,067,498 | 13,297,731 | 13,067,498 | - | 13,297,731 |
| Unbilled supplies of assets | 119,847,215 | 62,873,625 | 119,847,215 | - | 62,873,625 |
| Other short-term provisions - total | 132,914,713 | 76,171,356 | 132,914,713 | - | 76,171,356 |
| Total Short-term provisions | 133,525,897 | 77,076,326 | 133,525,897 | - | 77,076,326 |

Unbilled supplies of assets

Provisions for unbilled supplies of assets are recorded with no impact on net profit/loss.

9. Liabilities

Liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to maturity are shown in the table below:

| | 31 Mar 2019 EUR | 31 Mar 2018 EUR |
|-----------------------|--------------------|--------------------|
| Liabilities - due | 449,010,228 | 460,325,884 |
| Liabilities - overdue | 2,834,760 | 5,974,083 |
| | 451,844,988 | 466,299,967 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

The structure of liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to their remaining maturities as of 31 March 2019 is shown in the table below:

| | Carrying value | Less than 1 year | 1 – 5 years | More than 5 years |
|---|--------------------|--------------------|------------------|-------------------|
| Trade liabilities to affiliated accounting entities | 691,920 | 691,920 | - | - |
| Trade liabilities within a participating interest, except for liabilities to affiliated accounting entities | - | - | - | - |
| Other trade liabilities | 44,051,806 | 42,700,806 | 1,351,000 | - |
| Net value of contract | - | - | - | - |
| Other liabilities to affiliated accounting entities | - | - | - | - |
| Other liabilities within a participating interest, except for liabilities to affiliated accounting entities | 401,136,973 | 401,136,973 | - | - |
| Other non-current liabilities | 1,445,945 | - | 1,445,945 | - |
| Long-term advance payments received | - | - | - | - |
| Long-term bills of exchange to be paid | - | - | - | - |
| Bonds issued | - | - | - | - |
| Other non-current liabilities | - | - | - | - |
| Liabilities to partners and association | - | - | - | - |
| Liabilities to employees | 2,162,483 | 2,162,483 | - | - |
| Liabilities related to social security | 1,542,780 | 1,542,780 | - | - |
| Tax liabilities and subsidies | 418,779 | 418,779 | - | - |
| Liabilities related to derivative transactions | - | - | - | - |
| Other liabilities | 394,302 | 394,302 | - | - |
| | 451,844,988 | 449,048,043 | 2,796,945 | - |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 | |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

The structure of liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to their remaining maturities as of 31 March 2018 is shown in the table below:

| | Carrying value | Less than 1 years | 1 – 5 years | More than 5 years |
|---|--------------------|--------------------|------------------|-------------------|
| Trade liabilities to affiliated accounting entities | 4,147,838 | 4,147,838 | - | - |
| Trade liabilities within a participating interest, except for liabilities to affiliated accounting entities | - | - | - | - |
| Other trade liabilities | 83,869,207 | 76,963,686 | 6,905,521 | - |
| Net value of contract | - | - | - | - |
| Other liabilities to affiliated accounting entities | - | - | - | - |
| Other liabilities within a participating interest, except for liabilities to affiliated accounting entities | 374,168,930 | 374,168,930 | - | - |
| Other non-current liabilities | - | - | - | - |
| Long-term advance payments received | - | - | - | - |
| Long-term bills of exchange to be paid | - | - | - | - |
| Bonds issued | - | - | - | - |
| Other non-current liabilities | - | - | - | - |
| Liabilities to partners and association | - | - | - | - |
| Liabilities to employees | 1,506,399 | 1,506,399 | - | - |
| Liabilities related to social security | 858,568 | 858,568 | - | - |
| Tax liabilities and subsidies | 1,728,828 | 1,728,828 | - | - |
| Liabilities related to derivative transactions | - | - | - | - |
| Other liabilities | 20,197 | 20,197 | - | - |
| | 466,299,967 | 459,394,446 | 6,905,521 | - |

Liabilities related to finance lease are disclosed in section D.1.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

10. Deferred tax liability

The calculation of the deferred tax liability is presented in the table below:

| | 31-Mar-19 EUR | 31-Mar-18 EUR |
|---|------------------|-------------------|
| Temporary differences between the carrying value of assets and the carrying value of liabilities and their tax base | | |
| – deductible | -20,259,673 | 0 |
| – taxable | 15,652,950 | 14,673,972 |
| Tax losses carried forward for future periods | 0 | 2,183,995 |
| Unused tax deductions and other tax claims | 0 | 0 |
| Income tax rate (in %) | 21 | 21 |
| Deferred tax liability | -967,412 | 3,540,173 |
| | | EUR |
| Balance as of 31 March 2019 | | -967,412 |
| Balance as of 31 March 2018 | | 3,540,173 |
| Change | | -4,507,585 |
| including: | | |
| – charge recorded in profit/loss | | 4,507,585 |
| – recorded in equity | | - |

11. Social fund

The creation and drawing from the social fund during the accounting period are presented in the table below:

| | 31 Mar 2019 EUR | 31 Mar 2018 EUR |
|-------------------------------|--------------------|--------------------|
| Balance as of 1 April | 79,769 | 11,669 |
| Creation against expenses | 160,859 | 69,383 |
| Creation from profit | - | - |
| Drawing | -42,500 | -1,283 |
| Balance as of 31 March | 198,128 | 79,769 |

According to the Act on the Social Fund, part of the social fund must be created against expenses and part can be created from retained earnings. According to the Act on the Social Fund, the social fund is used to satisfy social, health, recreation, and other needs of employees.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

12. Borrowings and returnable financial assistance

The Company received a long-term interest-bearing loan from its parent accounting entity:

| | Currency | Annual interest in % | Amount of principal in the relevant currency as of 31 Mar 2019 | Amount of principal in euros as of 31 Mar 2019 | Amount of principal in the relevant currency as of 31 Mar 2018 | Amount of principal in euros as of 31 Mar 2018 |
|---|----------|----------------------|--|--|--|--|
| Short-term borrowings and financial assistance | | | | | | |
| Cash Pooling Loan Agreement | EUR | 31-Dec-20 | 401,136,973 | 401,136,973 | 374,168,963 | 374,168,963 |
| | | | 401,136,973 | 401,136,973 | 374,168,963 | 374,168,963 |
| Total | | | 401,136,973 | 401,136,973 | 374,168,963 | 374,168,963 |

The structure of borrowings and returnable financial assistance according to their remaining maturities is shown in the table below:

| | 31 Mar 2019 EUR | 31 Mar 2018 EUR |
|--------------------------------------|--------------------|--------------------|
| Overdue | - | - |
| Remaining maturity of up to 1 year | 290,709 | 374,168,963 |
| Remaining maturity of 1-5 years | 400,846,264 | - |
| Remaining maturity exceeding 5 years | - | - |
| Total | 401,136,973 | 374,168,963 |

The Cash Pooling Loan has been classified as short term due to contractual terms allowing lender to request repayment of the loan before agreed maturity day.

D. INFORMATION ON LEASING

1. Financial leasing (Company as the lessee)

The Company has liabilities related to financial leasing of specific assets. The amounts of future payments according to maturity periods, allocated to principal and the related financial expense, are shown in the table below:

| | 31 Mar 2019 | | 31 Mar 2018 | |
|---|------------------|--------------------------|------------------|--------------------------|
| | Principal EUR | Financial expense EUR | Principal EUR | Financial expense EUR |
| Liabilities with the remaining maturity of up to 1 year | 343,953 | 28,305 | - | - |
| Liabilities with the remaining maturity of 1-5 years | 1,445,420 | 61,233 | - | - |
| Liabilities with the remaining maturity exceeding 5 | - | - | - | - |
| Total | 1,789,373 | 89,538 | - | - |

Information on financial leasing is also disclosed in Note C.1.

E. INFORMATION ON INCOME TAXES

A reconciliation from the theoretical income tax to the reported income tax is shown in the table below:

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 | | |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

| | 2019 | | | 2018 | | |
|--|-----------------|------------------|-----------------|-----------------|------------------|------------------|
| | Tax base EUR | Tax EUR | Tax % | Tax base EUR | Tax EUR | Tax % |
| Profit (loss) before tax | 7 988 655 | | | -547 041 | | |
| Theoretical tax rate 21 % | | 1 677 618 | 21,00 % | | -114 879 | 21,00 % |
| Non-tax-deductible expenses | -3 911 953 | -821 510 | -10,28 % | 16 671 285 | 3 500 970 | -639,98 % |
| Income not subject to tax | -13 501 554 | -2 835 326 | -35,49 % | -4 909 077 | -1 030 906 | 188,45 % |
| Tax losses claimed during the period | - | - | 0,00 % | -1 091 997 | -229 319 | 41,92 % |
| Used tax deductions and other tax claims | - | - | 0,00 % | - | - | 0,00 % |
| Withholding tax | - | - | 0,00 % | - | - | 0,00 % |
| | -9 424 852 | - | -24,78 % | 10 123 170 | 2 125 866 | -388,61 % |
| Current tax | | - | -24,78 % | | 2 125 866 | -388,61 % |
| Deferred tax | | 4 507 584 | 56,42 % | | -1 817 221 | 332,19 % |
| Total reported tax | | 4 507 584 | 31,65 % | | 308 645 | -56,42 % |

Other information on deferred taxes:

| | 2019 EUR | 2018 EUR |
|---|-------------|-------------|
| Amount of deferred tax receivable recognized in the current accounting period as an expense or income, arising from a change in the income tax rate | 0 | 0 |
| Amount of deferred tax liability recognized in the current accounting period as an expense or income, arising from a change in the income tax rate | 0 | 0 |
| Amount of a deferred tax asset recognized in the current accounting period, which relates to tax losses carried forward, unused tax deductions and other claims, as well as to temporary differences from previous accounting periods, in respect of which a deferred tax asset was not recognized in previous accounting periods | 0 | 3,540,173 |
| Amount of a deferred tax liability arising from the fact that part of a deferred tax asset recognized in previous accounting periods was not recognized in the current accounting period | 0 | 0 |
| Amount of carry forward of unused tax losses, unused tax deductions and other claims, and deductible temporary differences in respect of which a deferred tax asset was not recognized | 10,516,813 | 0 |
| Amount of deferred income tax related to items recorded directly to equity without being recorded in expense and income accounts | 0 | -1,722,952 |

Since 1 January 2017, the income tax rate in the Slovak Republic is 21% .

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

F. INFORMATION ON INCOME STATEMENT ITEMS

Accounting period ended 31 March 2019 is hereafter referred to as 2019 and accounting period ended 31 March 2018 is hereafter referred to as 2018.

1. Revenue from own work and merchandise

Revenue from own work and merchandise according to the individual segments, i.e., types of products and services, is presented in the table below:

| | 2019 EUR | 2018 EUR |
|------------------|--------------------|-------------------|
| Sale of Services | 186,783,465 | 69,660,917 |
| Total | 186,783,465 | 69,660,917 |

2. Personnel expenses

| | 2019 EUR | 2018 EUR |
|------------------|-------------------|-------------------|
| Wages | 30,076,060 | 13,438,991 |
| Social insurance | 8,472,949 | 3,449,406 |
| Health insurance | 3,448,450 | 1,439,270 |
| Social security | 1,808,709 | 297,074 |
| Total | 43,806,168 | 18,624,741 |

3. Exchange rate gains

| | 2019 EUR | 2018 EUR |
|--|----------------|----------------|
| Exchange rate gains | 89,504 | 291,072 |
| Exchange rate gains recognized as of the balance sheet date | 11,324 | 19,218 |
| Total | 100,828 | 310,290 |

4. Expenses related to services provided

| | 2019 EUR | 2018 EUR |
|--|-------------------|-------------------|
| Project Related Expenses | 22,462,307 | 20,043,348 |
| Services related to International Assignment | 17,925,465 | 9,682,176 |
| Facility services | 6,205,217 | 1,429,284 |
| IT Services | 5,769,661 | 410,019 |
| Workforce related services | 5,189,165 | 3,221,025 |
| Operating Lease | 3,378,164 | 1,994,675 |
| Supporting Manufacturing services | 3,039,692 | - |
| Consultancy and professional services | 2,788,002 | 2,829,114 |
| Travel expenses | 2,310,391 | 2,852,324 |
| Security services | 2,013,863 | 799,071 |
| Other | 4,779,180 | 1,803,151 |
| Total | 75,861,106 | 45,064,186 |

5. Other operating expenses

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

| | 2019 EUR | 2018 EUR |
|---------------------|----------------|----------------|
| Insurance | 71,214 | 677,166 |
| Gifts and donations | 29,349 | 5,000 |
| Other | 134 | 24,916 |
| Total | 100,697 | 707,082 |

6. Exchange rate losses

| | 2019 EUR | 2018 EUR |
|---|----------------|----------------|
| Exchange rate losses | 253,715 | 195,482 |
| Exchange rate losses recognized as of the balance sheet date | 14,385 | 25,628 |
| Total | 268,100 | 221,110 |

7. Financial expenses

| | 2019 EUR | 2018 EUR |
|-------------------|------------------|----------------|
| Interest expenses | 3,287,320 | 879,583 |
| Other | 13,195 | 5,865 |
| Total | 3,300,515 | 885,448 |

8. Expenses related to audit and advisory

Expenses related to audit and advisory include expenses related to an audit of financial statements by an audit firm and other services provided by this firm, broken down as follows:

| | 2019 EUR | 2018 EUR |
|--|---------------|---------------|
| Expenses related to an audit of individual financial statements by an auditor or audit firm | 53,279 | 50,900 |
| Other assurance services | - | - |
| Tax consulting | - | - |
| Other non-audit services | - | - |
| Total | 53,279 | 50,900 |

9. Net turnover

Classification of net turnover according to Article 2 (15) of the Act on Accounting according to individual types of products, merchandise and services or other activities of the accounting entity and main geographical markets:

| Country | Products, merchandise and services | 2019 EUR | 2018 EUR |
|-----------------------|------------------------------------|--------------------|-------------------|
| United Kingdom | Sale of services | 186,783,465 | 69,660,917 |
| | Total | 186,783,465 | 69,660,917 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

G. INFORMATION ON OFF-BALANCE SHEET ASSETS AND OFF-BALANCE SHEET LIABILITIES**1. Other financial commitments, which are not recorded in balance sheet accounts**

Other financial commitments are presented in the table below:

| | 31 Mar 2019 | 31 Mar 2018 |
|---|--------------------|--------------------|
| | EUR | EUR |
| Purchase Commitments | 177,858,530 | 250,708,079 |
| Capital commitments | 95,068,650 | 229,083,833 |
| Purchase commitments – OPEX and Project related, out of it: | | |
| <i>Short-term purchase commitments</i> | 82,789,880 | 21,624,246 |
| <i>Long-term purchase commitments</i> | 12,355,880 | 21,624,246 |
| | 70,434,000 | - |

2. Contingent liabilities

The Company has signed a contingent liability agreement with third party. Under the agreement the Company is liable to pay the fee of up to 2,000,000 EUR. The payment is dependent on third party meeting pre-defined contractual obligations

Many parts of Slovak tax legislation remain untested in practice and there is uncertainty about the interpretation that the tax authorities may apply in a number of areas. The effect of this uncertainty cannot be quantified and will only be resolved when legislative precedents are set or when official interpretations of the authorities are available. Management is not aware of any circumstances that would cause any significant costs for the Company.

3. Leasehold property

The Company leases (operating lease) motor vehicles and automatically guided warehouse vehicles. Annual leasing costs are approximately EUR 3,378,000. Liabilities related to the lease recorded in off-balance sheet accounts are in the amount of EUR 4,370,232 (2018: EUR 1,391,764).

H. INFORMATION ON EVENTS OCCURRING BETWEEN THE BALANCE SHEET DATE AND THE DATE OF PREPARATION OF THE FINANCIAL STATEMENTS

No events that would require a disclosure in the financial statements ended 31 March 2019 occurred after 31 March 2019 until the day of preparation of the financial statements.

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

I. INFORMATION ON THE ACCOUNTING ENTITY'S TRANSACTIONS WITH RELATED PARTIES

Parties related to the Company are related accounting entities within the Group, as well as their statutory bodies, directors, and executive directors. The ultimate parent is Tata Motors Limited.

Transactions with the parent accounting entity

The Company carried out the following transactions with the parent accounting entity:

| | 2019 EUR | 2018 EUR |
|------------------------|--------------------|-------------------|
| Sale of services | 186,783,465 | 69,660,917 |
| Total income | 186,783,465 | 69,660,917 |
| | 2019 EUR | 2018 EUR |
| Purchase of services | 12,654,064 | 6,427,479 |
| Purchase of assets | 2,548,491 | 4,761,547 |
| Interest expense | 3,284,843 | 879,583 |
| Total purchases | 18,487,398 | 12,068,609 |

Assets and liabilities related to transactions with the parent accounting entity are shown in the table below:

| | 31 Dec 2019 EUR | 31 Dec 2018 EUR |
|--------------------------|--------------------|--------------------|
| Trade receivables | 42,788,349 | 30,375,214 |
| Total assets | 42,788,349 | 30,375,214 |
| | 31 Dec 2019 EUR | 31 Dec 2018 EUR |
| Loans received | 401,136,973 | 374,168,930 |
| Trade liabilities | 691,920 | 4,147,838 |
| Short term provisions | 786,981 | 771,311 |
| Total liabilities | 402,615,874 | 379,088,079 |

Transactions with other related parties

The Company carried out the following transactions with other related parties:

| | 2019 EUR | 2018 EUR |
|------------------------|-------------------|-------------------|
| Purchase of services | 9,077,702 | 2,427,783 |
| Purchase of assets | 9,983,014 | 11,571,978 |
| Total purchases | 19,060,716 | 13,999,761 |

Assets and liabilities related to transactions with other related parties are shown in the table below:

| | 31 Mar 2019 EUR | 31 Mar 2018 EUR |
|-----------------------|--------------------|--------------------|
| Trade Payables | 1,209,361 | 1,770,954 |
| Short term provisions | 1,006,710 | 2,624,605 |
| Total assets | 2,216,071 | 4,395,559 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

Transactions with key management personnel

Key management personnel are persons having authority and responsibility for planning, directing, and controlling the activities of the accounting entity, directly or indirectly, including any executive director or other director of that accounting entity. The average number of key management personnel was 7 in 2019 and 6 in 2018.

Emoluments paid and commitments related to key management personnel (presented under personnel expenses in the Income Statement) in 2019 amounted to EUR 1,075,386 (2018: EUR 852,903)

No other significant payments or benefits have been made or granted to key management personnel.

J. INFORMATION ON PAYMENTS AND BENEFITS TO MEMBERS OF THE ACCOUNTING ENTITY'S STATUTORY BODIES, SUPERVISORY BODIES, AND OTHER BODIES

In 2019, no loans, guarantees or other security were issued to the members of the statutory body or the members of the supervisory bodies; there were no financial or other resources used for private purposes and claimed by members (2018: none).

K. INFORMATION ON MOVEMENTS OF EQUITY

Movements of equity during the accounting period are presented in the table below:

| | Balance as of 1 Apr 2018 | Increases | Decreases | Transfers | Balance as of 31 Mar 2019 |
|---|-----------------------------|--------------------|-----------|-----------------|------------------------------|
| | EUR | EUR | EUR | EUR | EUR |
| Share capital | 330,005,000 | 295,000,000 | 0 | 0 | 625,005,000 |
| Share capital | 330,005,000 | 295,000,000 | | | 625,005,000 |
| Change in share capital | 0 | 0 | 0 | 0 | 0 |
| Receivables related to subscribed equity | 0 | 0 | 0 | 0 | 0 |
| Share premium | 0 | 0 | 0 | 0 | 0 |
| Other capital funds | 0 | 0 | 0 | 0 | 0 |
| Legal reserve funds | 0 | 0 | 0 | 0 | 0 |
| Legal reserve fund (non-distributable fund) | 0 | 0 | 0 | 0 | 0 |
| Reserve fund for own shares and own ownership interests | 0 | 0 | 0 | 0 | 0 |
| Other funds created from profit | 0 | 0 | 0 | 0 | 0 |
| Statutory funds | 0 | 0 | 0 | 0 | 0 |
| Other funds created from profit | 0 | | | 0 | 0 |
| Differences from revaluation | 0 | 0 | 0 | 0 | 0 |
| Differences from revaluation of assets and liabilities | 0 | 0 | 0 | 0 | 0 |
| Investment revaluation differences | 0 | 0 | 0 | 0 | 0 |
| Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger | 0 | 0 | 0 | 0 | 0 |
| Net profit/loss of previous years | -3,484,024 | 0 | 0 | -855,686 | -4,339,710 |
| Retained earnings from previous years | 1,722,952 | 0 | 0 | 0 | 1,722,952 |
| Accumulated losses from previous years | -5,206,976 | 0 | 0 | -855,686 | -6,062,662 |
| Net profit/loss for the accounting period | -855,686 | 3,481,070 | 0 | 855,686 | 3,481,070 |
| Total | 325,665,290 | 298,481,070 | 0 | 0 | 624,146,360 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIC: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

Movements of equity during the preceding accounting period are presented in the table below:

| | Balance as of 1 Apr 2017 EUR | Increases EUR | Decreases EUR | Transfers EUR | Balance as of 31 Mar 2018 EUR |
|---|---------------------------------------|--------------------|------------------|------------------|-------------------------------------|
| Share capital | 30,005,000 | 300,000,000 | 0 | 0 | 330,005,000 |
| Share capital | 30,005,000 | 300,000,000 | 0 | 0 | 330,005,000 |
| Change in share capital | 0 | 0 | 0 | 0 | 0 |
| Receivables related to subscribed equity | 0 | 0 | 0 | 0 | 0 |
| Share premium | 0 | 0 | 0 | 0 | 0 |
| Other capital funds | 0 | 0 | 0 | 0 | 0 |
| Legal reserve funds | 0 | 0 | 0 | 0 | 0 |
| Legal reserve fund (non-distributable fund) | 0 | 0 | 0 | 0 | 0 |
| Reserve fund for own shares and own ownership interests | 0 | 0 | 0 | 0 | 0 |
| Other funds created from profit | 0 | 0 | 0 | 0 | 0 |
| Statutory funds | 0 | 0 | 0 | 0 | 0 |
| Other funds created from profit | 0 | 0 | 0 | 0 | 0 |
| Differences from revaluation | 0 | 0 | 0 | 0 | 0 |
| Differences from revaluation of assets and liabilities | 0 | 0 | 0 | 0 | 0 |
| Investment revaluation reserves | 0 | 0 | 0 | 0 | 0 |
| Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger | 0 | 0 | 0 | 0 | 0 |
| Net profit/loss of previous years | -4,423,495 | 1,722,952 | 0 | -783,481 | -3,484,024 |
| Retained earnings from previous years | 0 | 1,722,952 | 0 | 0 | 1,722,952 |
| Accumulated losses from previous years | -4,423,495 | 0 | 0 | -783,481 | -5,206,976 |
| Net profit/loss for the accounting period | -783,481 | -855,686 | 0 | 783,481 | -855,686 |
| Total | 24,798,024 | 300,867,266 | 0 | 0 | 325,665,290 |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

L. CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

| | 2019 EUR | 2018 EUR |
|--|----------------------------|----------------------------|
| Cash flow from operating activities | | |
| Cash generated from operations | 37,099,330 | -29,146,376 |
| Interest paid | -3,236,058 | -676,417 |
| Interest received | - | 14,064 |
| Income tax paid | -3,399,880 | -1,744,050 |
| Dividends paid | - | - |
| Cash flow before items of exceptional size or incident | <u>30,463,392</u> | <u>-31,552,778</u> |
| Proceeds relating to items of exceptional size or incident | - | - |
| Net cash inflow from operating activities | <u>30,463,392</u> | <u>-31,552,778</u> |
| Cash flows from investing activities | | |
| Purchase of non-current assets | -353,544,669 | -562,040,863 |
| Proceeds from sale of non-current assets | - | - |
| Purchase of investments | - | - |
| Dividends received | - | - |
| Net cash (outflow) from investing activities | <u>-353,544,669</u> | <u>-562,040,863</u> |
| Cash flow from financing activities | | |
| Proceeds from issuance of share capital | 295,000,000 | 300,000,000 |
| Proceeds from contributions to a capital fund from contributions | - | - |
| Proceeds from loans | 26,968,043 | 295,304,816 |
| Repayment of non-current liabilities | - | - |
| Repayment of received loans | - | - |
| Net cash (outflow)/inflow from financing activities | <u>321,968,043</u> | <u>595,304,816</u> |
| | | |
| Net (decrease)/increase in cash and cash equivalents | -1,113,234 | 1,711,175 |
| Cash and cash equivalents at the beginning of year | <u>1,889,736</u> | <u>178,561</u> |
| Cash and cash equivalents at the end of year | <u>776,502</u> | <u>1,889,736</u> |

| | | | | | | | | | | |
|------|---|---|---|---|---|---|---|---|---|---|
| IČO: | | | 4 | 8 | 3 | 0 | 2 | 3 | 9 | 2 |
| DIČ: | 2 | 1 | 2 | 0 | 1 | 2 | 5 | 3 | 8 | 1 |

Cash flows from operations

| | 2019 EUR | 2018 EUR |
|---|--------------------------|---------------------------|
| Net profit (before interest, tax, and items of exceptional size or incidence) | 11,275,974 | 318,478 |
| Adjustments for non-monetary transactions: | - | - |
| Depreciation of property, plant and equipment and amortization of non-current intangible assets | 39,084,694 | 271,306 |
| Value adjustment to receivables | - | - |
| Value adjustment to inventory | - | - |
| Value adjustment to property, plant and equipment | - | - |
| Value adjustment to non-current financial assets | - | - |
| Unrealized exchange rate losses | 14,385 | 26,328 |
| Unrealized exchange rate gains | -11,324 | -19,218 |
| Provisions | -2,665,203 | 13,237,996 |
| Loss (gain) on sale of non-current assets | - | - |
| Income from non-current financial assets | - | - |
| Difference between the acknowledged value of a contribution in kind and the carrying value of the asset | - | - |
| Other non-monetary transactions | - | - |
| Operating profit before working capital changes | <u>47,698,526</u> | <u>13,834,890</u> |
| Changes in working capital: | | |
| Decrease (increase) in trade and other receivables (including accruals/deferrals of assets) | -9,076,651 | -11,211,820 |
| Decrease (increase) in inventory | -5,534,052 | -132,104 |
| (Decrease) increase in liabilities (including accruals/deferrals of liabilities) | 4,011,507 | -31,637,342 |
| Cash generated from operations | <u>37,099,330</u> | <u>-29,146,376</u> |

Cash

Cash is defined as cash on hand, equivalents of cash on hand, cash in current accounts in banks or branches of foreign banks, overdraft facility, and part of the balance of the cash in transit account tied to the transfer between the current account and petty cash or between two bank accounts.

Cash equivalents

Cash equivalents are defined as current financial assets that are readily convertible to a known amount of cash, which, as of the balance sheet date, do not entail the risk that their value will change considerably during the next three months, for example, term deposits in bank accounts with a maximum of a three-month notice, liquid securities held for trading, and priority shares acquired by the accounting entity, which are due within three months of the balance sheet date.