

Minda Korea Co., Ltd.

Financial statements
for the years ended March 31, 2022
with the independent auditor's report

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**Independent auditor's report on
Special Purpose Financial Information Prepared for Consolidation Purposes**

**The Stockholders and Board of Directors
Minda Korea Co., Ltd.**

Opinion

We have audited the special purpose financial statements of Minda Korea Co., Ltd.,(the "Company"), which comprise the statements of financial position as at March 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity of the Company for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022 and its financial performance for the years then ended in accordance with Accounting Standards for Non-Public Entities in the Republic of Korea ("KGAAP").

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in the Republic of Korea ("KGAAS"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Korea, 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 management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with KGAAP, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with KGAAS 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 KGAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Jiwoo Accounting Firm

AnSoo Yang
Certified Public Accountant



Seoul, Korea

May 21, 2022

This audit report is effective as of May 21, 2022, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying financial statements and may result in modifications to this report.

Minda Korea Co., Ltd.

Financial statements
for the years ended March 31, 2021

“The accompanying financial statements, including all footnotes and disclosures, have been prepared by,
and are the responsibility of, the Company.”

Sudhir Kasyap
CEO
Minda Korea Co., Ltd.

BALANCE SHEET

For the Year Ended March 31, 2022

For the Year Ended March 31, 2021

Company Name : 민다코리아(주)

(Unit : Korean won)

Subject	The current		The previous	
	Amount		Amount	
Assets				
I. Current assets		849,435,999		819,397,118
① Quick assets		313,748,227		437,733,624
Bank Deposits		148,913,945		194,261,328
Accounts Receivable		136,560,219		199,091,649
Non-trade Receivables		28,238,073		44,371,547
Prepaid Income Taxes		35,990		9,100
② Inventories		535,687,772		381,663,494
Merchandises		535,687,772		381,663,494
II. Noncurrent assets		28,664,222		16,680,130
① Long-term investments				
② Property, plant, and equipment		13,664,222		6,680,130
Office Equipment	7,673,092		689,000	
Accumulated Depreciation	54,861	7,618,231	54,861	634,139
Facilities	6,287,274		6,287,274	
Accumulated Depreciation	241,283	6,045,991	241,283	6,045,991
③ Intangible assets net of amortization				
④ Other assets		15,000,000		10,000,000
Leasehold Deposits		15,000,000		10,000,000
Total assets		878,100,221		836,077,248
Liabilities				
I. Current liabilities		1,515,201,390		939,227,970
Trade Payables		1,245,459,194		680,566,021
Non-trade Payables		16,642,146		18,615,842
Withholdings		1,554,770		1,750,920
Temporary Receipts		90,649		
Advances from Customers		217,270		
Short-term Borrowings		223,628,597		223,628,597
Accrued Expenses		27,608,764		14,575,941
Borrowing from employee				90,649
II. Noncurrent liabilities				
Total liabilities		1,515,201,390		939,227,970
Stockholders' equity				
I. Capital stock		100,000,000		100,000,000
Capital Stock		100,000,000		100,000,000

BALANCE SHEET

Company Name : 민다코리아(주)

(Unit : Korean won)

Subject	The current		The previous	
	Amount		Amount	
II. Additional paid-in capital				
III. Capital adjustments				
IV. Accumulated other comprehensive income				
V. Retained loss		737,101,169		203,150,722
Undisposed Deficit		737,101,169		203,150,722
(Net Loss)				
The period: 533,950,447				
Previous period: 203,150,722				
Total stockholders'equity		-637,101,169		-103,150,722
Total liabilities and stockholders'equity		878,100,221		836,077,248

Jiwoo Accounting Firm

AnSoo Yang
Certified
Accountant



Public

INCOME STATEMENTS

For the Year Started April 1, 2021 ~ For the Year Ended March 31, 2022

For the Year Started April 1, 2020 ~ For the Year Ended March 31, 2021

Company Name : 민다코리아(주)

(Unit : Korean won)

Subject	The current		The previous	
	Amount		Amount	
I . Sales		1,750,147,028		457,646,811
Sales-Merchandise	1,750,147,028		457,646,811	
II . Cost of goods sold		1,332,822,863		425,611,266
Cost of Merchandise Sold		1,332,822,863		425,611,266
Beginning inventory, April 1	381,663,494			
Purchases of Merchandises	1,536,792,721		812,729,400	
Customs refund	49,945,580		5,454,640	
Ending inventory	535,687,772		381,663,494	
III . Gross profit		417,324,165		32,035,545
IV . CostOperating expense		917,405,993		231,304,144
Employee Wages and Salaries	164,112,082		39,091,775	
Bonuses	2,000,000			
Employee Benefits	11,525,609		9,322,809	
Travel Expenses	13,458,369		2,374,835	
Entertainment Expenses	420,860		1,314,100	
Communication Expenses	847,285		471,512	
Electricity Cost	483,793		359,950	
Taxes and Dues	7,073,960		1,169,110	
Depreciation Expenses			296,144	
Rental Expenses	79,500,000		5,000,000	
Insurance Premium	3,134,470		563,160	
Freight Expenses	765,033		230,000	
Training Expenses			8,880	
Publication Expenses	316,273			
Supplies Expenses	5,355,830		1,625,979	
Service Fees	59,123,600		32,322,165	
Building Maintenance Expenses	495,830			
outsourcing	568,792,999		137,153,725	
V . Operating loss		500,081,828		199,268,599
VI . Other revenues and gains		229,241		71,593
Interest Revenues	187,837		61,037	
Miscellaneous Revenues	41,404		10,556	
VII . Other expenses and lossesd		34,097,860		3,953,716
Interest Expenses	13,032,823		3,952,597	
Compensation Expenses	21,064,119			

INCOME STATEMENTS

Company Name : 민다코리아(주)

(Unit : Korean won)

Subject	The current		The previous	
	Amount		Amount	
Miscellaneous Losses	918		1,119	
VIII. Loss before income taxes		533,950,447		203,150,722
IX. Tax expense				
X. Net Loss		533,950,447		203,150,722

Jiwoo Accounting Firm

AnSoo Yang

Certified Public Accountant



statement of changes in equity

제 2 기 2021년 04월 01일부터 2022년 03월 31일까지
제 1 기 2020년 04월 01일부터 2021년 03월 31일까지

Minda Korea

(단위: 원)

	Capital Stock	Additional paid-in capital	Capital adjustments	Accumulated other comprehensive income	Retained loss	총 계
2021-04-01	100,000,000				-203,150,722	-103,150,722
Disposition						
Capital After disposal	100,000,000				-203,150,722	-103,150,722
retained loss after dsposal					-203,150,722	-203,150,722
Net loss					-533,950,447	-533,950,447
2022-3-31	100,000,000				-737,101,169	-637,101,169

**Jiwoo
Accounting
Firm**

**AnSoo Yang
Certified
Public
Accountant**



STATEMENTS OF DISPOSITION OF DEFICIT

For the Year Started April 1, 2021 ~ For the Year Ended March 31, 2022

Dates of appropriations : 0, 0000

For the Year Started April 1, 2021 ~ For the Year Ended March 31, 2022

Dates of appropriations : June 15, 2021

Company :

(Unit : Korean won)

Subject	The current		The previous	
	Amount		Amount	
I .UNAPPROPRIATED DEFICIT		737,101,169		203,150,722
1.Unappropriations accumulated deficit to be carried over from prior years	203,150,722		0	
2.Cumulative effects of accounting changes	0		0	
3.Prior period adjustments, net gain	0		0	
4.Prior period adjustments, net loss	0		0	
5.Interim dividend	0		0	
6.Net Loss	533,950,447		203,150,722	
II .APPROPRIATIONS OF DEFICIT		0		0
1.Transfers from voluntary reserves	0		0	
2.Transfers from other statutory reserves	0		0	
3.Transfers from legal reserve	0		0	
4.Transfers from revaluation reserve	0		0	
5.Transfers from capital reserves	0		0	
III .UNAPPROPRIATIONS ACCUMULATED DEFICIT TO BE CARRIED OVER TO SUBSEQUENT YEAR		737,101,169		203,150,722

Jiwoo Accounting Firm

AnSoo Yang
Certified Public Accountant

