

# ELGI COMPRESSORS ITALY S.R.L.

## Financial statements at 31-03-2023

General Data	
Company site	00187 ROME (RM) VIA FLAMINIA 54/56
Fiscal Code	12037081002
Registration number	RM1345785
Vat number	12037081002
Share Capital Euro	2555000.00 f.p.
Legal Form	LIMITED LIABILITY COMPANY (S.r.l.)
Activity Code (ATECO)	MANUFACTURE OF OTHER PUMPS AND COMPRESSORS (281300)
Company being wound up	no
Company with a single Shareholder	yes
Company subject to other management and coordination of others	yes
Name of the company or body that carries out the management and coordination	ELGI EQUIPMENTS LTD
Belonging to a group	yes
Name of the controlling entity	ELGI EQUIPMENTS LTD
Country of the controlling entity	INDIA (IND)

## Abbreviated balance sheet

	31-03-2023	31-03-2022
<b>Balance sheet</b>		
<b>Asset</b>		
<b>B) Fixed Assets</b>		
II - Tangible Assets	290	637
III - Financial Assets	10.332.662	10.332.662
Total Assets (B)	10.333.299	10.333.299
<b>C) Current Assets</b>		
<b>II - Account receivables</b>		
due within the following year	1.107.073	448.265
due beyond the following year	1.690.550	310.255
prepaid tax	190.541	94.042
Total receivables	2.988.164	852.562
IV - Liquid funds	12.113	7.127
Total current assets (C)	3.000.277	859.689
Total assets	13.333.229	11.192.988
<b>Liabilities and shareholders' equity</b>		
<b>A) Shareholders' equity</b>		
I - Share capital	2.555.000	2.555.000
IV - Legal reserve	511.000	511.000
VI - Other reserves	7.274.106 <sup>(1)</sup>	6.949.844
IX - Net profit (loss) for the year	1.258.522	324.163
Total shareholders' net worth	11.598.628	10.340.107
B) Reserves for contingencies and other charges	189.559	93.060
<b>D) Payables</b>		
due within the following year	971.348	656.541
due beyond the following year	573.694	103.280
Total accounts payable	1.545.042	759.821
Total liabilities and shareholders' equity	13.333.229	11.192.988

(1)

Other reserves	31/03/2023	31/03/2022
Extraordinary reserve	5.562.812	5.238.649
Payments to cover losses	1.511.295	1.511.295
Difference due to rounding to the unit of Euro	200.000	200.000

# Income statement

**31-03-2023 31-03-2022**

Income statement		
A) Production value		
5) Other revenues and income		
Other	14	9.360
Total other revenue and revenues	14	9.360
Total value of production	14	9.360
B) Production costs		
7) services		
	27.136	44.895
10) depreciation and amortization		
a), b), c) amortisation of intangible fixed assets, depreciation of tangible fixed assets and other amounts written off fixed assets	346	839
a) amortization of intangible fixed assets	346	493
b) depreciation of tangible fixed assets	-	346
Total amortisation, depreciation and write-downs	346	839
14) different management charges	130.503	108.147
Total cost of production	157.985	153.881
Difference between value and cost of production (A - B)	(157.971)	(144.521)
C) Financial income and charges		
15) Income from equity investments		
subsidiary companies	1.450.295	479.588
Total income from equity investments	1.450.295	479.588
17) Interest and other financial expense		
subsidiary companies	6.176	6.176
parent companies	-	1.026
other	17.465	9.755
Total interest and other financial expense	23.641	16.957
Total financial income and expense (15 + 16 - 17 + - 17-bis)	1.426.654	462.631
Pre-tax result (A - B + - C + - D)	1.268.683	318.110
20) Income tax for the year, current, deferred and prepaid		
deferred and prepaid tax	10.269	-
Income (expense) arising from the adoption of the fiscal consolidated system/fiscal transparency	108	6.053
Total taxes on the income for the year	10.161	(6.053)
21) Profit (loss) for the year	1.258.522	324.163

# Notes to the Financial Statements to 31-03-2023

## Notes to the Financial Statements, initial part

Dear Shareholders,

these financial statements, submitted to you for your examination and approval, show a profit for the year of Euro 1.258.522.

### **Area of business**

Your Company controls the company Rotair S.p.A., through the activity management and coordination activities in Italy for the group Sub Holding Elgi, that deals with the sector of production and sale of plants and machinery, pumps and compressors used in the field of construction, agriculture, industry and mechanical production in general.

### **Major events occurred during the Company's fiscal year**

No significant events occurred during the year.

### **Preparation criteria**

These financial statements have been prepared in abbreviated form as the requirements of art. 2435 bis, 1st paragraph of the Italian Civil Code; therefore, the Management Report has not been drafted. To complete the necessary information, it is hereby specified that, pursuant to art. 2428 points 3) and 4) of the Italian Civil Code, the Company does own neither its quotas/shares, nor quotas/shares of its parent/controlling companies also through trust companies or third parties and that the Company did sell and/or purchase, during the current fiscal year, neither its own quota/shares nor quotas/shares of its parent/controlling companies also through trust companies or third parties.

Financial statement figures are expressed in whole Euros by rounding off the relevant amounts to the nearest whole number. Any rounding-off differences was recorded under the item "Euro Rounding-off reserve" included among the Net Worth and "rounding from Euro" under the item "extraordinary income and expenses" of the Balance Sheet. Pursuant to article 2423, paragraph 5 of the Italian Civil Code, the notes were drawn up in thousands of Euro.

The criteria used in the drafting and evaluation of the Financial Statements at March 31, 2023 take into account the changes introduced in the national order by D.Lgs. 139/2015, through which the 2013/34/EU Directive was implemented. As a result of D.Lgs. 139/2015, the national accounting standards of IOC have been changed.

## **Drafting principles**

The evaluation of the Financial Statements items was made on the condition of general criteria of prudence and competence, with a view to continuing the activity.

the application of the principle of prudence entailed the individual valuation of the elements making up the individual items of assets or liabilities, in order to avoid offsetting losses that should be accounted for against profits that should not be accounted for as unrealized.

In compliance with the accrual principle, the effect of the transactions and other events has been recognized in the accounts and attributed to the financial year, which these transactions and events refer to, and not to the one in which the related numerical movements materialize (collections and payments).

Pursuant to the principle of materiality, the recording, valuation, presentation and reporting obligations have not been complied with, in case such compliance would have been immaterial for the purposes of a true and fair view of the position.

Financial statement items have been recorded and presented having regard to the substance of the underlying transaction or contract.

## **Exception pursuant to Art. 2423, paragraph 5 of the Italian Civil Code**

No exceptional cases have occurred which have made it necessary to adopt the derogations pursuant to article 2423 paragraph 5 of the Italian Civil Code.

## Evaluation Criteria

### Fixed Assets

#### Intangible assets

These are recorded at the historical cost of acquisition and shown net of depreciation charged over the years and charged directly to individual items.

Start-up and expansion and development costs with multi-year usefulness have been entered as assets with the consent of the Sole Statutory Auditor.

Start-up and expansion costs are amortized over a period not exceeding five years.

#### Tangible assets

These are recorded at purchase or production cost and adjusted by the corresponding accrued depreciation. The book value includes any ancillary costs and the costs incurred for the use of the asset, less any trade discounts and any significant cash discounts.

Depreciation, charged to the Balance Sheet, has been calculated on the basis of the criterion of the residual useful life of the assets, taking into account their use, destination and economic-technical duration. We believe this criterion to be well represented by the following rates, which have remained unchanged with respect to the previous year and are reduced by half in the year the asset comes into service:

Type of immobilization	% Depreciation
Ordinary office machines	20%

In the event that, regardless of the depreciation booked, a permanent loss of value occurs, the fixed assets are depreciated accordingly. If in the following years the reasons for the write-down cease to exist, the original value, adjusted by depreciation, is restored.

### Account receivable

The initial recognition of the receivable is made at estimated realizable value. Receivables are deleted from the Financial Statements when the contractual rights to the cash flows deriving from the receivable are extinguished or in the event that all risks inherent in the loan being disposed of have been transferred.

### Account payable

Payables are reported at their nominal value, modified on the occasion of returns or invoicing adjustments.

### Participations

Equity investments in subsidiary and associated undertakings, they are recorded under financial fixed assets and they are valued at purchase or subscription cost.

The equity investments recorded under fixed assets represent a long-term and strategic investment by the company.

Investments recorded at purchase cost have not been written down because they have not suffered any permanent loss of value.

## Income tax

Taxes are provided for on an accruals basis; they therefore represent

- provisions for taxes paid or payable for the fiscal year, determined according to current rates and regulations;
- the amount of taxes deferred or paid in advance in relation to temporary differences arising or cancelled during the fiscal year.

As from 2014, the company and its subsidiary Rotair S.p.A. exercised the option for the tax consolidation regime, which makes it possible to calculate IRES on a taxable base corresponding to the algebraic sum of the positive and negative taxable income of the individual companies.

The economic relationships, as well as the reciprocal responsibilities and obligations, between the consolidating company and its subsidiary companies are defined in the Consolidation Regulations for Elgi Group companies, according to which

- the option for the National Consolidation tax regime was initially exercised for the three-year period 01/04/2014 - 31/03/2017 and tacitly extended;
- the party involved in the contract as the consolidating party is Elgi Compressors Italy S.r.l. Tax Code 12037081002 while the party involved in the contract as Consolidating Party is the Company Rotair S.p.A. with sole shareholder, Tax Code 00210890042;
- in the event of the transfer of a tax loss, the Parent Company must pay the Subsidiary an indemnity equal to the amount of tax saving actually achieved.
- any excess of non-deductible interest expense and similar charges, generated either by the Parent Company or by the Subsidiary, is deducted from the Group's overall income
- any benefit of the tax savings is equally distributed among the Companies.

Taxes payable are recorded under the item "Taxes due" net of advances paid, withholdings and, in general, tax credits.

Deferred and prepaid IRES is calculated on the temporary differences between the value of assets and liabilities determined in accordance with statutory criteria and the corresponding values for tax purposes, exclusively with reference to the company.

Current, deferred and advanced IRAP is calculated exclusively with reference to the company.

## Recognition of income

Revenues of a financial nature and those deriving from the provision of services are recognized on an accrual basis.

## Other information

The Company, as required by Legislative Decree no. 14/2019 (Code of the crisis and corporate insolvency), adopts an organizational, administrative and accounting structure appropriate to the nature of the company also in function of the prompt evaluation of the business crisis and the taking of suitable initiatives.

## Notes to the Financial Statements, abbreviated, assets

### Fixed assets

#### Changes in fixed assets

Details of movements in fixed assets are provided, which will be further defined below in these Notes.

	Intangible assets	Tangible assets	Financial assets	Total fixed assets
<b>Year opening balance</b>				
<b>Cost</b>	4.951	1.732	10.332.662	10.339.345
<b>Amortisation (amortisation fund)</b>	4.951	1.095		6.206
<b>Balance sheet value</b>	-	637	10.332.662	10.333.299
<b>Changes during the year</b>				
<b>Increases for acquisitions</b>	346	(347)	-	(1)
<b>Amortization for the year</b>	346	-		346
<b>Total variation</b>	-	(347)	-	(347)
<b>Year closing balance</b>				
<b>Cost</b>	4.951	1.732	10.332.662	10.339.345
<b>Amortisation (amortisation fund)</b>	4.951	1.442		6.393
<b>Balance sheet value</b>	-	290	10.332.662	10.332.952

#### Intangible fixed assets

Balance at 31/03/2023	Balance at 31/03/2022	Variation
-	-	-

#### Changes in intangible fixed assets

	Start-up and expansion costs	Total intangible assets
<b>Year opening balance</b>		
<b>Cost</b>	4.951	4.951
<b>Amortisation (amortisation fund)</b>	4.951	4.951
<b>Variation during the year</b>		
<b>Increases for acquisitions</b>	346	346
<b>Amortisation for the year</b>	346	346
<b>Value at the end of the year</b>		
<b>Cost</b>	4.951	4.951
<b>Amortisation (amortisation fund)</b>	4.951	4.951

## Tangible fixed assets

Balance at 31/03/2023	Balance at 31/03/2022	Difference
290	637	(347)

## Changes in tangible fixed assets

	Other tangible fixed assets	Total tangible fixed assets
<b>Year opening balance</b>		
<b>Cost</b>	1.732	1.732
<b>Amortisation (amortisation fund)</b>	1.095	1.095
<b>Balance sheet value</b>	637	637
<b>Variation during the year</b>		
<b>Increases during the year</b>	(347)	(347)
<b>Total variation</b>	(347)	(347)
<b>Year closing balance</b>		
<b>Cost</b>	1.732	1.732
<b>Amortisation (amortisation fund)</b>	1.422	1.442
<b>Balance sheet value</b>	290	290

## Financial fixed assets

Balance at 31/03/2022	Balance at 31/03/2020	Difference
10.332.662	10.332.662	-

## Movements in investments, other securities and derivative non-current active financial instruments

	Shares in subsidiary companies	Total equity investments
<b>Year opening balance</b>		
<b>Cost</b>	10.332.662	10.332.662
<b>Balance sheet value</b>	10.332.662	10.332.662
<b>Year closing balance</b>		
<b>Cost</b>	10.332.662	10.332.662
<b>Balance sheet value</b>	10.332.662	10.332.662

## Participations

The shareholding registered in the fixed assets represent a durable and strategic investments by the company.

Shareholdings in subsidiary and associated undertakings are valued, in accordance with the principle of consistent at purchase or subscription cost.

Shareholdings recorded at purchase cost were not written down due to permanent impairment of value cases of



"reinstatement of value".

No long-term equity investment has undergone a change in destination.

No long-term equity investment is subject to restrictions on its availability to the Parent Company, nor are there any options or other privileges.

During the year, no investee company resolved to increase its share capital against payment or without consideration.

#### Detail of non-current investments in subsidiary companies, abbreviated

Company name	Town, if in Italy, or foreign state	Tax code (for Italian companies)	Capital in Euro	Profit (loss) for the last year in Euros	Shareholders' equity in Euros	Shares held in Euros	Share held in %	Balance sheet value or corresponding receivable
Rotair S.p.A.	Via Bernezzo 67 Caraglio (CN) Italia	00210890042	601.950	1.164.031	5.063.098	601.950	100,00%	10.332.662
<b>Total</b>								10.332.662

## Current assets

### Receivables posted to current asset

Balance at 31/03/2022	Balance at 31/03/2022	Difference
2.988.164	852.562	2.135.602

### Changes and deadline of receivables posted to current assets

	Year opening balance	Change during the year	Year closing balance	Amount due within 12 months	Amount due beyond 12 months
receivables due from subsidiary companies included among current assets	391.442	646.331	1.037.773	1.037.773	-
receivables due from associated companies included among current assets	310.255	1.380.295	1.690.550	-	1.690.550
Tax receivables included among current assets	49.376	(527)	48.849	48.849	-
Assets for prepaid tax included among current assets	94.042	96.499	190.541		
Other receivables included among current assets	7.447	13.004	20.451	20.451	-
<b>Other receivables included among current assets</b>	<b>852.562</b>	<b>2.135.602</b>	<b>2.988.164</b>	<b>1.107.073</b>	<b>1.690.550</b>

Amounts due from subsidiary undertakings include receivables arising from tax consolidation with the Parent Company Rotair equal to Euro 1,031,847 for the year ended March 31, 2023 (equal to the tax due on the taxable income transferred of Euro 4,299,413 net of Euro 12 in withholding tax transferred), Euro 302,089 for the year ended March 31, 2023, all net of funds paid for the payment of advances amounting to Euro 217,850.

Tax receivables also include VAT credits of Euro 48,849 and receivables for withholding tax overpayments of Euro 2,355.

### Breakdown of receivables included among current assets by geographic area, abbreviated

The partition of receivables at 31/03/2022 by geographical area is shown in the table below.

Geographical area	Italy	Total
Receivables due from subsidiary companies included among current assets	1.037.773	1.037.773
Receivables due from associated companies included among current assets	1.690.550	1.690.550
Tax receivables included among current assets	48.849	48.849
Assets for prepaid tax included among current assets	190.541	190.541
Other receivables included among current assets	20.451	20.451
<b>Total receivables included among current assets</b>	<b>2.988.164</b>	<b>2.988.164</b>

## Liquid assets

Balance at 31/03/2023	Balance at 31/03/2022	Difference
12.113	7.127	4.986

	Year opening balance	Change during the year	Year closing balance
Bank and post office deposits	7.127	4.986	12.113
<b>Total liquid funds</b>	<b>7.127</b>	<b>4.986</b>	<b>12.113</b>

The balance reflects the cash-in-hand, cash-at-bank and cash equivalents at the year-end.

## Supplementary abbreviated notes, liabilities and net equity

### Shareholders' equity

Balance at 31/03/2023	Balance at 31/03/2021	Difference
11.598.628	10.340.107	1.258.521

### Changes in shareholders' equity, abbreviated

	Year opening balance	Destination of the previous year's result	Result for the year	Year closing balance
		Other destinations		
<b>Capital</b>	2.555.000	-		2.555.000
<b>Legal reserve</b>	511.000	-		511.000
<b>Other reserves</b>				
<b>Extraordinary reserve</b>	5.238.649	324.163		5.562.812
<b>Contributions for future capital increase</b>	1.511.295	-		1.511.295
<b>Contributions to capital account</b>	200.000	-		200.000
<b>Other reserves</b>	-	(1)		(1)
<b>Total other reserves</b>	6.949.944	324.162		7.274.106
<b>Profit (loss) for the year</b>	324.163	(324.163)	1.258.522	1.258.522
<b>Total shareholders' equity</b>	10.340.107	(1)	1.258.522	11.598.628

### Details of other reserves

Description	Amount
Difference from rounding to the nearest euro unit	(1)
<b>Total</b>	(1)

### Use of shareholders' equity

Shareholders' equity items are thus broken down according to their origin, possibility of utilization, possibility to be distributed and their use in the three previous years.

	Amount	Possibility of use
<b>Capital</b>	2.555.000	B
<b>Legal reserve</b>	511.000	A,B
<b>Other reserves</b>		
<b>Extraordinary reserve</b>	5.562.812	A, B, C, D
<b>Contributions for future capital increase</b>	1.511.295	A, B, C, D
<b>Contributions to capital account</b>	200.000	A, B, C, D
<b>Total other reserves</b>	7.274.106	
<b>Total</b>	10.340.106	

Key: A: for capital increase, B: to hedge losses, C: distribution to shareholders, D: for other article of association restraints, E: other

### Formation and use of equity items

As provided by article 2427 paragraph 1 no.4 of the Italian Civil Code, the information on the creation and use of net worth items is provided as follows:

	Share capital	Legal reserve	Reserves	Operating result	Total
<b>At the beginning of the previous year</b>	2.555.000	511.000	5.756.551	1.565.530	10.015.944
Allocation of the result for the year					
- other destinations			1.193.393	(1.193.393)	
Result of the prior year				324.163	
<b>At the end of the previous year</b>	2.555.000	511.000	6.949.944	1.193.393	10.340.107
Allocation of the result for the year					
- other destinations			324.162	(1.193.393)	(1)
Current year's result				324.163	
<b>At the current year end</b>	2.555.000	511.000	7.274.106	1.258.522	11.598.628

### Provisions for risks and charges

Balance at 31/03/2023	Balance at 31/03/2022	Variations
189.599	93.060	96.499

	Provision for taxes including deferred taxes	Total provisions for liabilities and charges
<b>Variations during the year</b>		
<b>Use in the year</b>	(96.499)	(96.499)
<b>Total of variations</b>	96.499	96.499
<b>Value at the end of the year</b>	189.599	189.559

### Payables

Balance at 31/03/2023	Balance at 31/03/2022	Variations
1.545.042	759.821	785.221

## Variations and expiration of payables

The expiration of payables is divided as follows.

	Year opening balance	Changes during the year	Year closing balance	Amount due within 12 months	Amount due beyond 12 months
Payables to suppliers	26.073	4.539	30.612	30.612	-
Payable due to subsidiary companies	386.000	313.582	699.582	313.582	386.000
Taxes payables	347.748	467.100	814.848	627.154	187.694
<b>Total payables</b>	<b>759.821</b>	<b>785.211</b>	<b>1.545.042</b>	<b>971.348</b>	<b>573.694</b>

Tax payables include IRES payables of Euro 1,042,128, net of advances paid, surpluses and withholdings transferred, equal to Euro 438,798.

Amounts due to subsidiary undertakings include the loan received from Rotair of Euro 386,000 at an interest rate of 1.6% and payables due to consolidated companies relating to the consolidation benefit of Euro 2,633 and tax credits transferred of Euro 5,471.

## Payables of duration of more than five years and payables assisted by real guarantees on company assets

	Payables not covered by real guarantees	Total
<b>Amount</b>	1.545.042	1.545.042

	Payables not covered by real guarantees	Total
Payable vis-à-vis suppliers	30.612	30.612
Payables vis-à-vis subsidiary companies	699.582	699.582
Tax payables	347.748	814.848
<b>Total payables</b>	<b>1.545.042</b>	<b>1.545.042</b>

## Supplementary abbreviated notes, income statement

### Value of production

Balance at 31/03/2023	Balance at 31/03/2022	Difference
14	9.360	(9.346)

Description	31/03/2023	31/03/2022	Variation
Other income	14	9.360	(9.346)
<b>Total</b>	<b>14</b>	<b>9.360</b>	<b>(9.346)</b>

### Production costs

Balance at 31/03/2023	Balance at 31/03/2022	Difference
157.985	153.881	4.104

Description	31/03/2023	31/03/2022	Variations
Services	27.136	44.895	(17.759)
Amortization of intangible assets	493	493	(146)
Depreciation of tangible assets		346	(346)
Miscellaneous running costs	130.503	108.147	22.356
<b>Total</b>	<b>157.985</b>	<b>153.881</b>	<b>96.483</b>

### Costs for services

These are strictly related to the holding company's activities.

### Depreciation of tangible fixed assets

Depreciation was calculated on the basis of the useful life of the asset and its exploitation in the production phase and its exploitation in the production phase.

### Financial income and charges

Balance at 31/03/2023	Balance at 31/03/2022	Difference
1.426.654	462.631	964.023

Description	31/03/2023	31/03/2022	Difference
From participation	1.450.295	479.588	970.707
(Interests and other financial charges)	(23.641)	(16.957)	(6.684)
<b>Total</b>	<b>1.426.654</b>	<b>462.631</b>	<b>964.023</b>

### Composition of share income

	Income other than dividends
subsidiary companies	1.450.295
<b>Total</b>	<b>1.450.295</b>

### **Income tax for the year, current, deferred and prepaid**

Balance at 31/03/2023	Balance at 31/03/2022	Difference
10.161	(6.053)	4.108

Taxes	Balance at 31/03/2023	Balance at 31/03/2022	Variations
<b>Current assets:</b>	10.269		10.269
IRES	10.269		10.269
<b>Income (expense) from participation in the tax consolidation/tax transparency regime</b>	108	6.053	(5.945)
<b>Total</b>	<b>10.161</b>	<b>(6.053)</b>	<b>16.214</b>

## **Abbreviate note, other information**

### **Remuneration, advances and credits granted to directors and auditors and commitments on their behalf**

	Auditors
Remuneration	8.000

### **Information on transactions with correlated parties**

Significant transactions with related parties carried out by the company, which are in the nature of a loan, have been concluded on normal market conditions.

### **Information on agreements not posted to the balance sheet**

The company does not have any agreements in place that are not reflected in the Balance Sheet.

### **Information on derivative financial instruments as per art. 2427-b Civil Code**

#### **Information on the fair value of derivative financial instruments**

The company has no derivative financial instruments.

### **Summary of balance sheet of the company exercising management and coordination activities, abbreviated**

Your company belongs to the Elgi Group, and it is a Company subject to the direction and coordination of ELGI EQUIPMENTS LTD.

The following table provides key figures from the latest approved financial statements of the above-mentioned Company which exercises management and coordination (article 2497-bis, paragraph four, of the Italian Civil Code). It should also be noted that the Company prepares the consolidated financial statements.

### **Summary of balance sheet of the company exercising management and coordination activities (overview)**

	Last FY	Previous FY
Date of last approved Balance Sheet	31/03/2022	31/03/2021
B) Fixed assets	55.252.573	54.806.143
C) Current assets	94.687.166	84.213.398
Total assets	149.939.739	139.019.541
A) Shareholders' equity		
Share Capital	3.766.729	3.766.729
Reserves	90.217.154	80.134.785



Profit (loss) for the year	22.986.902	13.053.344
Total net shareholders' equity	116.970.785	96.954.858
B) Reserves for contingencies and other charges	827.133	625.669
D) Payables	32.141.821	41.439.014
Total liabilities and shareholders' equity	149.939.739	139.019.541

## Summary of the income statement of the company that exercises management and coordination activities

	Last FY	Previous FY
Date of last approved Balance Sheet	31/03/2022	31/03/2021
A) Value of production	193.532.936	133.623.743
B) Costs of production	163.658.806	116.960.801
C) Financial income and expenses	481.018	562.555
Income taxes for the year	7.368.246	4.172.153
Profit (loss) for the year	1 2.797.945	11.398.972

The exchange rate used is that shown by the Bank of Italy at 31/03/2022, equal to 84.1340.

## Proposed use of profits or hedging of losses

It is proposed to the shareholders' meeting that the profit for the year be so allocated:

<b>Result for the year to 31/03/2023</b>	<b>Euro</b>	<b>1.258.522</b>
to extraordinary reserve	Euro	1.258.522

This explanatory note has been prepared in accordance with the provisions of the Italian Civil Code and accounting principles. In order to comply with the publication obligations within the Companies' Register, once approved, it will be converted into XBRL format; therefore, some formal changes may be required to make this note compatible with the format for filing.

These Financial Statements, consisting of the Balance Sheet, the Income Statement and the Notes to the financial statements, truthfully and correctly represent the equity and financial situation as well as the economic result for the year and correspond to the accounting records.

Chairman of the Board of Directors

Jairam Varadaraj

## **Statement of compliance of the Financial Statements**

The undersigned Antonio Diso enrolled in the Register of Chartered Accountants and Bookkeeping Experts of Rome at no. AA\_008606 as the person charged by the Company, pursuant to art. 31, paragraph 2-quinquies of law 340/2000, declares that the electronic document (in xbrl format) including the balance sheet, the profit and loss account, the explanatory notes, all of which comply with the original documents filed with the Company.

Date, 04/06/2023