LIGHT UP THE WORLD

FY 2025-26

FINANCIAL STATEMENTS OF SUBSIDIARIES OF FIEM INDUSTRIES LTD.

LIGHT UP THE WORLD

FY 2025-26

FINANCIAL STATEMENTS
OF **FIEM INDUSTRIES JAPAN CO., LTD.**
(WHOLLY-OWNED SUBSIDIARY
INCORPORATED IN **JAPAN)**

Financial Statements

FIEM INDUSTRIES JAPAN CO.,LTD
202, Saito building 2-37-10 Tohoku Niiza-Shi Saitama, Japan

(18 th period)
April 1, 2025 to March 31, 2026

Ⅰ. Balance sheet

Ⅱ. Statement of Income

Ⅲ. Statement of Changes in Equity

Ⅳ. Notes to Financial Statements

Ⅴ. Independent auditor's report

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa

Date : 13 May, 2026

FIEM INDUSTRIES JAPAN CO.,LTD
202, Saito building 2-37-10 Tohoku Niiza-Shi Saitama, Japan

I .Balance Sheet
(As of March 31, 2026)

(Unit: yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	48,158,186	Current liabilities	21,742,878
Cash and deposits	29,099,744	Accounts payables	14,393,500
Accounts receivables	18,628,892	Expense accruals	2,531,667
Prepaid expenses	429,550	Deposit payables	293,511
		Income taxes payable	1,220,300
Non-current assets	10,582,784	Consumption tax payable	3,303,900
Property, plant and equipment	4,542,725	**Total liabilities**	**21,742,878**
Facilities attached to buildings	2,702,085	(Net assets)	
Tools, furniture and fixtures	1,840,640	Shareholders' equity	36,998,092
Intangible assets	4,073,664	Share capital	5,000,000
Software	4,073,664	Retained earnings	31,998,092
Investments and other assets	1,966,395	Other retained earnings	31,998,092
Security deposit	1,750,500	Retained earnings brought forward	31,998,092
Long term prepaid expense	215,895		
		Total net assets	**36,998,092**
Total assets	**58,740,970**	**Total liabilities and net assets**	**58,740,970**

△ : Indicate negative figure

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa
Date: 13 May, 2026

FIEM INDUSTRIES JAPAN CO.,LTD
202, Saito building 2-37-10 Tohoku Niiza-Shi Saitama, Japan

Ⅱ.Statement of Income
(April 1, 2025 to March 31, 2026)

(Unit: yen)

Description	Amount	
Net sales		92,586,612
Cost of sales		31,987,200
Gross profit/loss		60,599,412
Selling, general and administrative expenses		
Salaries	17,582,560	
Legal walfare expenses	2,368,708	
Shipping expenses	71,280	
Entertainment expenses	1,812,441	
Meeting expenses	12,232	
Travel expenses	4,266,621	
Communication expenses	451,784	
Office supplies expenses	801,172	
Maintenance expenses	46,197	
Utilities expenses	394,340	
Membership expenses	12,000	
Commission fee	188,713	
Rent expenses	4,794,635	
Lease expenses	479,007	
Tax and dues	97,225	
Professional service fees	1,829,711	
Outsorcing expenses	4,651,628	
Depreciation expense	2,075,499	41,935,753
Operating profit/loss		**18,663,659**
Non-operating income		
Interest income	38,009	
Miscellaneous income	2,900	40,909
Ordinary profit/loss		**18,704,568**
Profit/Loss before income taxes		**18,704,568**
Income taxes - current	1,812,420	1,812,420
Profit/Loss		**16,892,148**

△ : Indicate negative figure

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa
Date: 13 May, 2026

FIEM INDUSTRIES JAPAN CO.,LTD
202, Saito building 2-37-10 Tohoku Niiza-Shi Saitama, Japan

Ⅲ.Statement of Changes in Equity
(April 1, 2025 to March 31, 2026)

(Unit: yen)

	Shareholders' equity				
		Retained earnings			
	Share capital	Other retained earnings	Total retained earnings	Total shareholders' equity	Total net assets
		Retained earnings brought forward			
Balance as of April 1, 2025	5,000,000	15,105,944	15,105,944	20,105,944	20,105,944
Changes during the fiscal year					
Profit/loss	-	16,892,148	16,892,148	16,892,148	16,892,148
Total changes during the fiscal year	-	16,892,148	16,892,148	16,892,148	16,892,148
Balance as of March 31, 2026	**5,000,000**	**31,998,092**	**31,998,092**	**36,998,092**	**36,998,092**

△ : Indicate negative figure

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa
Date: 13 May, 2026

Ⅳ.Notes to Financial Statements

1.These financial statements have been prepared in accordance with the Accounting Guidelines for Small and Medium-Sized Enterprises.

2.Significant Accounting Policies

(1) Inventory valuation standards and methods
The cost method based on the last purchase price method.

(2) Depreciation method for fixed assets
①Tangible fixed assets
The straight-line method is used for Facilities attached to buildings.
The declining-balance method is used for tools, furniture and fixtures.
The main useful lives are as follows.
Facilities attached to buildings : 10 years
Tools, furniture and fixtures: 4 to 8 years

②Intangible fixed assets
The straight-line method is used.
The main useful lives are as follows.
Software: 5 years

(3) Basis for recognition of revenue
Accrual basis based on receipt of customers' inspections.

(4) Other important matters that form the basis for the preparation of financial statements
①Accounting method for consumption tax
Tax-excluded accounting method is applied.

3.Notes to Balance Sheet

Accumulated depreciation of property, plant and equipment
2,579,498 yen

4.Notes to Statement of Changes in Equity

Total Number of Shares issued 100 Shares

5. Notes on Significant Subsequent Events

Not applicable.

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa

Date: 13 May, 2026

Yuki Horikawa Certified Public Accountant Office（CPA Reg. No. 37098）
Address：405, Yamato Bldg., 1-6-16 Kandaizumicho, Chiyoda-ku, Tokyo, Japan
Mobile：+81-90-4954-7159 Mail: y.horikawa@hy-cpaoffice.com

Independent Auditor's Report

13 May, 2026

FIEM INDUSTRIES JAPAN CO.,LTD
To the board of directors

Yuki Horikawa Certified Public Accountant Office
Certified Public Accountant

Yuki Horikawa

We have audited the financial statements of FIEM INDUSTRIES JAPAN CO.,LTD for the fiscal year from April 1, 2025 to March 31, 2026, which included the balance sheet, statement of income, statement of changes in equity, and notes to financial statements.

Management's Responsibility for Financial Statements

Management is responsible for the preparation of financial statements in conformity with the basis of accounting described in Note 1. This includes establishing and operating such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, based on our audit, and to express an opinion on the financial statements from an independent perspective in our audit report. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. In an audit, procedures are performed to obtain audit evidence about the amounts and disclosures in the financial statements. Audit procedures are selected and applied in accordance with our judgment, based on our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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 internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation. We believe that we have obtained sufficient and appropriate audit evidence on which to base our opinion.

Control No. Audit 03/2026

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa Certified Public Accountant Office (CPA Reg. No. 37098)
Address : 405, Yamato Bldg., 1-6-16 Kandaizumicho, Chiyoda-ku, Tokyo, Japan
Mobile : +81-90-4954-7159 Mail: y.horikawa@hy-cpaoffice.com

Audit Opinion

In our opinion, the financial statements referred to above have been prepared in accordance with the basis of accounting described in Note 1. and present fairly, in all material respects, the financial position and results of operations of the company for the period, for which the financial statements were prepared.

Emphasis of Matter - Basis of Financial Statement Preparation and Restrictions on Use

The financial statements have been prepared in accordance with the basis of accounting described in Note-1 for submission to Fiem Industries Limited (the Holding Company in India) and for their regulatory requirements.

Interest

There are no interests between the Company and our firm that are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Yuki Horikawa
Certified Public Accountant Office
CPA Reg. No. 37098

Yuki Horikawa
Date : 13 May, 2026

LIGHT UP THE WORLD

FY 2025-26

FINANCIAL STATEMENTS
OF **FIEM RESEARCH & TECHNOLOGY S.R.L.**
(WHOLLY-OWNED SUBSIDIARY
INCORPORATED IN ITALY)

eudoxia

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of

FIEM RESEARCH AND TECHNOLOGY S.R.L.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Fiem Research and Technology S.r.l. (the Company), prepared in abbreviated form under art. 2435-bis of the Civil Code, which comprise the balance sheet as at March 31, 2026, the statement of income for the year then ended and the explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2026, and of its financial performance for the year then ended in accordance with the Italian law governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). 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 applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Issues

In the financial year ended March 31, 2026 Company was not obliged to carry out a statutory audit pursuant to art. 2477 Civil Code hence, this opinion is issued on voluntary basis at the request of the parent company.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian law governing financial statements, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

EUDOXIA SRL
SOCIETA' DI REVISIONE
L'AMMINISTRATORE UNICO

eudoxia

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

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 International Standards on Auditing (ISA Italia) 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 International Standards on Auditing (ISA Italia), 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 Directors.

EUDOXIA S.R.L.
SOCIETA' DI REVISIONE
L'AMMINISTRATORE UNICO

eudoxia

- 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 those charged with governance, identified at an appropriate level as required by ISA Italia, 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.

Genoa, May 14, 2026

EUDOXIA SRL
SOCIETA' DI REVISIONE
L'AMMINISTRATORE UNICO

Paulo Samuele

(Partner)

Eudoxia Srl Società di Revisione

General information about the company

Name and id code

Company name:	FIEM RESEARCH AND TECHNOLOGY S.R.L.
Company site:	VIA ORVIETO 19 TORINO TO
Share capital:	500.000,00
Fully paid-in share capital:	Yes
Registration Authority id code:	TO
VAT number:	10580220969
Fiscal code:	10580220969
Registration number:	1263013
Legal form:	SOCIETA' A RESPONSABILITA' LIMITATA
Activity Code:	711210
Company being wound up:	no
Company with a single shareholder:	Yes
Company subject to the management and coordination of others:	no
Name of the company or entity that exercises management and coordination:	
belonging to a group:	Yes
Name of the controlling entity:	FIEM INDUSTRIES LTD
Country of the controlling entity:	INDIA
Cooperative company Registration number:	

Financial statements as at 31/03/2026

Condensed balance sheet

	31/03/2026	31/03/2025
Assets		
B) Fixed assets		
I - Intangible fixed assets	3.198	12.796

EUDOXIA SRL
SOCIETA' DI REVISIONE

L'AMMINISTRATORE UNICO

	31/03/2026	31/03/2025
II - Tangible fixed assets	75.618	96.768
Total fixed assets (B)	*78.816*	*109.564*
C) Current assets		
II - Receivables	725.751	563.540
due within the following year	725.751	563.540
IV - Liquid funds	123.264	184.460
Total current assets (C)	*849.015*	*748.000*
D) Accrued income and prepayments	**43.194**	**72.999**
Total assets	*971.025*	*930.563*
Liabilities and shareholders' equity		
A) Shareholders' equity		
I - Share capital	500.000	500.000
IV - Legal reserve	7.332	4.553
VI - Other reserves	138.804	86.009
IX - Profit (loss) for the year	76.585	55.573
Total Shareholders' Equity	*722.721*	*646.135*
C) Total reserve for severance indemnities (TFR)	**71.564**	**109.455**
D) Payables	**137.412**	**131.246**
due within the following year	137.412	131.246
E) Accrued liabilities and deferred income	**39.328**	**43.727**
Total liabilities and shareholders' equity	*971.025*	*930.563*

Condensed P&L account

	31/03/2026	31/03/2025
A) Value of production		
1) Revenues from sales and services	1.353.650	1.198.400
5) Other income and revenues	-	-
other	1.586	3.661
Total Other income and revenues	*1.586*	*3.661*
Total value of production	*1.355.236*	*1.202.061*
B) Cost of production		

L'AMMINISTRATORE UNICO

	31/03/2026	31/03/2025
6) Raw, ancillary and consumable materials and goods for resale	28.300	21.393
7) Services	258.275	130.159
8) Use of third party assets	181.284	156.333
9) Payroll and related costs	-	-
a) wages and salaries	534.834	561.924
b) related salaries	159.975	167.029
c/d/e) severance, pensions and similar commitments and other costs	48.994	44.249
c) severance	39.894	44.249
e) other costs	9.100	-
Total payroll and related costs	*743.803*	*773.202*
10) Amortisation, depreciation and writedowns	-	-
a/b/c) amortisation of intangible fixed assets, depreciation of tangible fixed assets and other amounts written off fixed assets	30.748	33.790
a) amortisation of intangible fixed assets	9.598	9.598
b) depreciation of tangible fixed assets	21.150	24.192
Total Amortisation, depreciation and writedowns	*30.748*	*33.790*
14) Other operating expenses	3.907	8.654
Total cost of production	*1.246.317*	*1.123.531*
Difference between value and cost of production (A - B)	**108.919**	**78.530**
C) Financial income and expense		
16) Other financial income	-	-
d) income other than the above	-	-
other	192	328
Total income other than the above	*192*	*328*
Total other financial income	*192*	*328*
17) Interest and other financial expense	-	-
other	40	77
Total interest and other financial expense	*40*	*77*
Total financial income and expense (15 + 16 - 17 + - 17-bis)	*152*	*251*
Profit before taxes (A - B + - C + - D)	**109.071**	**78.781**
20) Taxes on the income for the year		
Current taxes	32.486	23.208
Total taxes on the income for the year	*32.486*	*23.208*
21) Net profit (loss) for the year	**76.585**	**55.573**

L'AMMINISTRATORE UNICO

Explanatory notes, initial part

Dear Shareholders, these explanatory notes to the financial statements are integral part of the financial statements to 31/03/2026.

The financial statements are written in abbreviated form because the limits provided by art. 2435-bis of the Italian Civil Code were not exceeded for two consecutive years.

The financial statements comply with the requirements of articles 2423 and following of the Italian Civil Code and with the national accounting standards published by the Italian Accounting Board; therefore, they describe, clearly, truthfully, and accurately the assets and financial situation of the company and the economic outcome for the fiscal year.

The contents of the balance sheet and income statement are those required by articles 2424 and 2425 of the Italian Civil Code.

The explanatory notes to the financial statements, prepared as per art. 2427 of the Italian Civil Code, also contain all information useful to provide a correct interpretation of the financial statements.

In addition, this document shall provide the information requested by numbers 3 and 4 of art. 2428 of the Italian Civil Code because, as allowed by art. 2435-bis of the Italian Civil Code, the management report was not prepared.

These financial statements for the fiscal year ended on 31/03/2026 show fiscal year income of EUR 76.585.

Financial Statement preparation

The information contained in this document is reported based on the order of the items in the balance sheet and P&L account.

In reference to the indications in the introduction to these Explanatory Notes, we declare that, in accordance with article 2423, paragraph 3 of the Italian Civil Code, if the disclosures required by specific legal provisions are not sufficient for giving a truthful and fair representation of the company's situation, additional disclosures are provided considered necessary for this purpose.

The financial statements, as well as these explanatory notes to the financial statements were written in units of Euros.

L'AMMINISTRATORE UNICO

Publishing principles

The valuation of items in the financial statement was carried out in accordance with the principles of prudence and relevance, in the perspective of continuation of the activity. Particularly, considering the available information, it is believed that:

- there are no asset or financial imbalances
- the conditions are met for the company to continue constituting a functioning economic unit intended to produce income for a foreseeable future period of at least twelve months from the balance sheet date.

The company has adopted organisational, administrative, and accounting arrangements consistent with its nature and size, in accordance with Article 2086 of the Italian Civil Code, also to ensure constant monitoring of its economic-financial balance and business continuity.

In the prospective assessment of the assumption of business continuity, no significant uncertainties were identified.

Pursuant to Article 2423-bis c.1, paragraph 1-bis of the Civil Code, all items shall be recoded or presented considering the substance of the operation or contract. In drawing up the financial statements, income and expenses were recorded according to the accrual principle regardless of the time of their numerical manifestation, and only the profits realised at the year-end date were indicated. The risks and losses pertaining to the fiscal year were therefore considered, even if they became known after the end of the fiscal year.

The assessment of the individual elements of each asset and liability was carried out separately to avoid the capital gains on certain elements offsetting the capital losses on others.

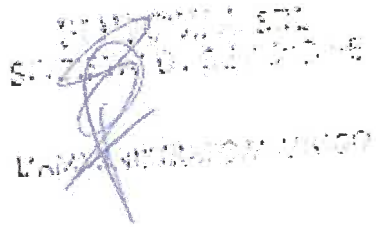
Where offsetting is permitted by law, the gross amounts subject to offsetting are disclosed in the notes to the financial statements.

Structure and contents of the financial statement

The balance sheet, income statement, and accounting information found in these explanatory notes are consistent with the accounting entries, from which they were directly derived.

The Balance Sheet and P&L Account do not contain groupings of items preceded by Arabic numeral, as instead optionally allowed by article 2423 ter of the Italian Civil Code.

In accordance with article 2424 of the Italian Civil Code, it should be noted that there are no asset and liability elements which are under more than one item in the financial statement schedule.



Exceptional cases pursuant to art. 2423, fifth paragraph, of the Civil Code

There were no exceptional cases requiring use of the derogations referred to in Art. 2423, paragraph 4 and 5 of the Italian Civil Code.

Changed accounting principles

There were no exceptional cases requiring use of the derogations referred to in Art. 2423-bis, paragraph 2 of the Italian Civil Code.

Comparability and adaptability problems

In accordance with art. 2423 ter of the Italian Civil Code, it should be noted that all financial statement items are comparable with the previous fiscal year; thus it was not necessary to adjust any items of the previous fiscal year.

Applied evaluation criteria

The criteria applied to measure the financial statement items and in value adjustments comply with the provisions of the Italian Civil Code and instructions contained in the accounting standards issued by the Italian Accounting Board. They have not changed compared to the previous fiscal year.
In accordance with art. 2427, paragraph 1, n° 1 of the Italian Civil Code, the most significant valuation criteria adopted in observance of the provisions of art. 2426 of the Italian Civil Code are shown, with special reference to the balance sheet items for which the law allows several valuation and adjustment criteria or for which no specific criteria are provided.
The accounting amounts expressed in foreign currency were entered after conversion into euro according to the exchange rate existing at the time of their assessment or at the exchange rate on the fiscal year's closing date based on the indications of OIC accounting standard no. 26.

Intangible fixed assets

As the prerequisites indicated by the accounting principles are satisfied, the intangible assets are entered as assets in the balance sheet, at the acquisition and/or production cost and are depreciated in constant amounts depending on their future usefulness.

L'AMMINISTRATORE UNICO

The values of the assets are shown net of the accumulated depreciation and any writedowns.

The depreciation was carried out in accordance with the following pre-established plan, which is believed to ensure a correct allocation of the cost incurred during the useful life of the asset in question:

Intangible assets items	Period
Installation and expansion costs	5 years
Concessions, licenses, trademarks, and similar rights	3/5 years
Other intangible assets	5 years

The depreciation criterion for intangible assets was applied systematically and in every fiscal year, in relation to the remaining possibility of economic use of each asset or expense.

Pursuant to art. 10 of Law n° 72 of March 19, 1983, as also recalled by the later monetary revaluation laws, it is specified that no monetary revaluation was ever carried out on the intangible assets still in the assets.

It is pointed out that it was not necessary to apply writedown on said noncurrent charges due as per art. 2426, paragraph 1, n° 3 of the Italian Civil Code because, as provided by the accounting standard OIC n° 9, no indicators of long-term losses of the value of the intangible assets were identified.

Intangible assets

Intangible assets are recognized at the acquisition cost, including accessory costs, and are depreciated within the legal or contractual time limit provided for them.

Tangible fixed assets

The assets in the category of property, plant and equipment, recognized on the date on which the risks and benefits linked to the acquired asset are transferred, are entered in the financial statements at the acquisition cost, incremented by any accessory charges incurred up to the moment at which the assets are ready for use and, in any case, within the limits of the recoverable value.

The accounting amount of the assets, grouped in homogeneous classes by nature and year of acquisition, is allocated among the fiscal years during which they will presumably be used. The procedure is implemented by systematically imputing to the financial statement the depreciation quotas corresponding to the pre-established plans, defined at the time that the asset is available and ready for use, also taking into account their presumed possible residual utilization. Said plans, audited yearly, are prepared on the basis of the gross value of the assets, assuming that their realization value at the end of the process is zero.

The depreciations of property, plant and equipment whose utilization is limited in time were done in accordance with the following pre-established schedule.

Property, plant and equipment items	Rate %

Industrial and commercial equipment	10-20
Other goods	12-15-20

The above mentioned rates were reduced to half for the assets acquired in the course of the fiscal year, as the depreciation share thus obtained does not differ significantly from the share calculated starting at the time that the asset is available and ready for use.

The depreciation criteria for property, plant and equipment did not change compared to those applied the previous fiscal year.

Pursuant to art. 10 of Law n° 72 of March 19, 1983, as also recalled by the monetary revaluation laws, it is specified that no monetary revaluation was ever carried out on the tangible assets still in the assets.

It is pointed out that it was not necessary to apply writedowns as per art. 2426, paragraph 1, n° 3 of the Italian Civil Code because, as provided by the accounting standard OIC n° 9, no indicators of long-term losses of the value of property, apparatus and equipment were identified.

Receivables included among current assets

The credits entered among the current assets were valuated at their presumable realization value, exercising the right provided by art. 2435-bis of the Italian Civil Code.

Cash and cash equivalents

Cash and cash equivalents are valued using the following criteria:

- money, at face value;
- bank deposits and cash checks, at their estimated realizable value. Specifically, the realizable value coincides with the nominal value.

Accrued income and prepaid expenses

Accruals and deferred income were calculated according to an accrual basis of accounting, by allocating revenues and/or costs common to two fiscal years.

Deferred incomes were calculated in accordance with the "economic period" method as the contractual services received do not have an economic content that is constant in time; therefore, the allocation of the cost (and, consequently, the attribution to the current fiscal year of the applicable share) is carried out in proportion to the operation conditions, as specified in the accounting standard OIC 18.

Shareholders' equity

The items are entered in the financial statements at their accounting amount based on the indications contained in OIC accounting standard no. 28.

Staff severance fund

The provision for the staff leaving indemnity were calculated in accordance with the terms of article 2120 of the Italian Civil Code, taking into account legal provisions and the specific nature of the contracts and professional categories, and includes the annual amounts accrued and revaluations performed based on ISTAT coefficients.
The amount of the provision is assessed net of advances paid and the amounts used for terminations of employment occurring during the fiscal year and represents the certain payable due to the employees on the fiscal year's closing date.

Payables

The debts were recorded in the financial statements at the nominal value, exercising the right provided by art. 2435-bis of the Italian Civil Code.

Accrued liabilities and deferred income

Accruals and deferred income were calculated according to an accrual basis of accounting, by separating costs and/or revenue common to two fiscal years.
Accruals were calculated in accordance with the "economic period" method as the contractual services received do not have an economic content that is constant in time; therefore, the allocation of the revenue (and, consequently, the attribution to the current fiscal year of the applicable share) is carried out in proportion to the operation conditions, as specified in the accounting standard OIC 18.

Other information

Transactions with grant back obligation

In accordance with art. 2427, n° 6-ter of the Italian Civil Code, the company certifies that, during the fiscal year, the company did not perform any transaction subject to the grant back obligation.

Explanatory notes, assets

A detailed analysis is provided below of the changes in the individual financial statement items, where required by current legislation.

Fixed assets

Changes in fixed assets

This paragraph of the Explanatory Notes analyses the movements regarding intangible assets, property, plant and equipment and financial assets.

The following is specified for each item of the fixed assets:

- the historical cost;
- previous revaluations, write-downs and depreciation of the fixed assets existing at the beginning of the fiscal year;
- acquisitions, movements from one item to another, disposals and eliminations occurring during the fiscal year;
- revaluations, writedowns and depreciation performed during the fiscal year;
- the final value of fixed assets.

	INTANGIBLE FIXED ASSETS	PROPERTY, APPARATUS AND EQUIPMENT	Total assets
Year opening balance			
Cost	193.363	179.845	373.208
Amortisation (amortisation fund)	180.567	83.077	263.644
Balance sheet value	12.796	96.768	109.564
Changes during the year			
Amortisation (amortisation fund)	9.598	21.150	30.748
Total changes	(9.598)	(21.150)	(30.748)
Year closing balance			
Cost	193.363	179.845	373.208
Amortisation (amortisation fund)	190.165	104.227	294.392
Balance sheet value	3.198	75.618	78.816

Finance leases operations

The company had no finance lease contracts in progress at the fiscal year's closing date.

Capitalized financial assets

All of the interests and other financial expenses have been entirely expensed during the fiscal year. We declare that no capitalization of financial expenses exists for the purposes of art. 2427, paragraph 1 of the Italian Civil Code.

Explanatory notes, liabilities and shareholders' equity

A detailed analysis is provided below of the changes in the individual financial statement items, where required by current legislation.

Payables

Payables covered by real guarantees on social assets

Pursuant to art. 2427, paragraph 1, n. 6 of the Italian Civil Code, we declare that there are no payables with a remaining duration over 5 years and company payables secured by collateral.

Explanatory notes, P&L account

The income statement shows the economic outcome for the fiscal year.
It shows the operating activities through a summary of the revenue and cost components of the income that contributed to the economic outcome. The revenue and cost components of the income, entered in the financial statements as required by art. 2425-bis of the Italian Civil Code, are grouped in a way that provides meaningful intermediate results and are distinguished depending on the various operations to which they belong: ordinary, accessory, and financial.

The ordinary activity identifies the income components generated by operations that are performed continuously and in the sector pertinent to the performance of the operation, which identify and qualify the specific and distinctive part of the economic activity carried out by the company and which is the company's business purpose.
The financial activity consists of transactions that generate revenues and expenses of financial nature.
Finally, the accessory activity consists of the operations that generate income components that are part of the ongoing activity, but do not fall into the ordinary and financial activity.

VALUE OF PRODUCTION

Revenues are entered in the financial statements on accrual basis of accounting, net of returns, allowances, discounts, and bonuses, as well as of the taxes directly linked to them.
Revenues generated by providing services are entered when the service is provided, that is when the service is performed; in the specific case of ongoing services, the related revenues are entered for the portion accrued.

Cost of production

The costs and charges are attributed on accrual basis of accounting and according to their nature, net of returns, allowances, discounts, and premiums, in compliance with the principle of correlation with the revenues; they are entered in the respective items as required by accounting standard OIC 12. The costs incurred to purchase goods are entered when the substantive, not the formal transfer of the ownership title occurs; the reference parameter for the substantive transfer is the transfer of the risks and benefits. When services are purchased, the related costs are entered when the service is received, that is when the service has been performed; in the case of ongoing services, the related costs are entered for the portion accrued, pursuant to art. 2425-bis of the C.C.

Financial income and charges

Financial income and charges are entered on accrual basis of accounting based on the portion accrued during the fiscal year.

Gains/losses on foreign exchange

No foreign exchange gains or losses were recognized during the current fiscal year.

Amount and nature of the individual revenue/expense items of exceptional magnitude or impact

No revenues or other positive components derived from events of exceptional magnitude or impact were recognized during the current fiscal year.
No costs derived from events of exceptional magnitude or impact were recognized during the current fiscal year.

Income taxes for the fiscal year, current, deferred, and prepaid

The company has set aside a provision for taxes for the year in accordance with current tax laws. Current taxes refer to taxes for the year as stated in the tax returns; taxes relating to previous years include direct taxes for previous years, inclusive of interest and penalties and also refer to the positive (or negative difference) between the amount due following the definition of a dispute or an assessment compared to the value of the provision set aside in previous years. Lastly, deferred and prepaid taxes concern positive or negative income components to be taxed or deducted, respectively, in different years to the one in which they were recorded for statutory accounting purposes.

Explanatory notes, other information

The other information requested by the Italian Civil Code is shown below.

Employment data

The schedule below shows the average number of employees, broken down by category and calculated considering the daily average.

	Corporate management	Employees	Total employees
Average number	2	9	11

L'AMMINISTRATORE UNICO

Remunerations, advances, and credits granted to directors and statutory auditors, as well as commitments assumed on their behalf

The company did not decide to grant any compensation to the Administrative Body, nor are there advances or credits towards said body. In addition, the company did not assume commitments on behalf of said body as a result of providing any type of guarantee.
From fiscal year 2024-2025 a non-mandatory auditor has been appointed. Yearly remuneration is equal to 4.000 Euros.

Commitments, guarantees, and potential liabilities that do not appear in the balance sheet

There are not any commitments, guarantees, or potential liabilities that do not appear in the balance sheet.

Information on transactions with related parties

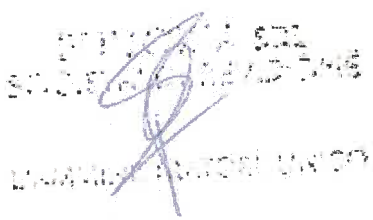
Transactions with related parties were conducted during the fiscal year. These transactions were concluded at market conditions; therefore, in accordance with the legislation in effect, no additional information is provided.

Information on agreements that do not appear in the balance sheet

No agreements not entered on the balance sheet were undertaken during the fiscal year.

Information on significant events that occurred after the fiscal year's end

With regard to point 22-quater of art. 2427 of the Italian Civil Code, no significant events occurred after the fiscal year's closing date that significantly impacted on the balance sheet, financial position, and income statement.
In relation to the conflict between Russia and Ukraine, it should be noted that the company does not operate in either the Russian or Ukrainian markets and it is therefore not directly affected by the conflict other than, like



everyone else, by the effects of rising commodity costs including energy and gas. The company endeavoured to mitigate them as far as possible.

Companies that prepare the consolidated financial statements of the narrower group of companies of which the company is part as a subsidiary

There is no case such as that mentioned at art. 2427, number 22-sexies of the Italian Civil Code.

Information concerning the derivative financial instruments as per art. 2427-bis of the Italian Civil Code

It is certified that no derivative financial instruments were subscribed.

Summary of balance sheet of the company excercising management and coordination activities

It is communicated that the company belongs to the group FIEM INDUSTRIES and is subject to management and coordination activity by the company FIEM INDUSTRIES.
The following summary schedules provide the essential data of the latest approved financial statements of the above-mentioned company that exercised management and coordination (amounts in Rs in Lakhs).

Summary of balance sheet of the company excercising management and coordination activities (overview)

	Last fiscal year	Date	Previous year	Date
Date of the last approved balance sheet		31/03/2025		31/03/2024
B) Fixed assets	59.678		52.372	
C) Current assets	82.140		69.027	
Total assets	**141.818**		**121.399**	
Share capital	2.632		2.632	
Reserves	80.649		69.366	

L'AMMINISTRATORE UNICO

	Last fiscal year	Date	Previous year	Date
Net profit (loss) for the year	20.268		16.547	
Total shareholders' equity	**103.549**		**88.545**	
D) Payables	38.269		32.854	
Total liabilities and shareholders' equity	**141.818**		**121.399**	

Summary of memorandum accounts of the company excercising management and coordination activities (overview)

	Last fiscal year	Date	Previous year	Date
Date of the last approved balance sheet		31/03/2025		31/03/2024
A) Value of production	243.831		204.381	
B) Cost of production	216.162		181.833	
C) Financial income and expense	(154)		(294)	
Income taxes	7.102		5.707	
Net profit (loss) for the year	20.414		16.547	

Treasury shares and parent companies

In accordance with art. 2435-bis and art. 2428, paragraph 3, number 3 and number 4 of the Italian Civil Code, it is specified that, during the fiscal year, the company did not hold shares or shareholdings in the parent company.

Information pursuant to art. 1, paragraph 125, of Law 4 August 2017 n. 124

No sum of money has been received in the financial year in the form of grants, contributions, paid jobs and in any case economic advantages of any kind from the public administrations.

Proposed destination of profit or coverage of losses

Dear Shareholders, in view of the discussion above, the Administrative Body proposes to allocate this year's profit of Euro 76.585 as follows:

- EUR 3.830 to the legal reserve;
- EUR 72.755 to the extraordinary reserve.

Explanatory notes, final part

Dear Shareholders, we confirm that these financial statements, consisting of the balance sheet, income statement, and explanatory notes describe truthfully and accurately the balance sheet and financial position of the company, as well as the economic outcome for the fiscal year and that said financial statements correspond to the accounting records. Therefore, we ask you to approve the draft financial statements to 31/03/2026 together with the proposed destination of the fiscal year income/loss, as set forth by the Administrative Body.

The financial statements are true and real and correspond to accounting records.

Torino, 11/05/2026

On behalf of the Board of Directors

Jagjeevan Kumar Jain, President

