

EXPANDING HORIZONS



Contents

Page No.	Subsidiary Companies
01	Endurance GmbH, Germany
23	Endurance Overseas SpA, Italy - Standalone
87	Endurance Overseas SpA, Italy - Consolidated
156	Endurance SpA, Italy
229	Endurance Engineering Srl, Italy
282	Endurance Castings SpA, Italy
344	Endurance Two Wheelers SpA, Italy
410	Veicoli Srl, Italy
443	Ingenia Automation Srl, Italy
490	Maxwell Energy Systems Private Limited, India

**Endurance GmbH
Massenbachhausen/Germany**

“Testatsexemplar”

Management report and
annual financial statements
for the financial year from
1 April 2024 to 31 March 2025
and the Independent Auditor's Report thereon

TRANSLATION

– German version prevails –

Contents

Management report and annual financial statements

Management report

Balance sheet

Statement of profit and loss

Notes to the financial statements

Independent Auditor's Report

General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)

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Endurance GmbH, Massenbachhausen/Germany

Management report for the financial year 2024/2025

General business conditions and environment

Endurance GmbH, Massenbachhausen/Germany, produces, machines and delivers aluminium pressure die casting parts. It also develops and manufactures related moulds. Its main clientele includes the automotive industry itself and automotive component suppliers. The primary sales market is Germany. The products are manufactured on own and leased plant-site land at the Massenbachhausen/Germany site.

In 2024, the German economy recorded a decline in gross domestic product of 0.2% (prior year: decline of 0.3%) and the automotive market recorded a decrease in new registrations of 1.0% (prior year: increase of 7.3%).

Business trend and financial performance

In the financial year 2024/2025, the revenue of the Company was at kEUR 56,650, which is a slight 2.6% growth from the prior year.

Other operating income considerably rose on account of the proceed from selling the shareholding in Endurance Overseas (kEUR 3,884).

Expenses for raw materials, consumables and supplies for the company performance (sales revenues plus changes in inventories of finished goods and work in progress) grew to kEUR 31,175 (prior year: kEUR 28,902) due to the increased costs for moulds and energy.

With headcount remaining almost unchanged, personnel expenses slightly went up compared to the financial year 2023/2024 in relation to the company performance.

On account of numerous investments, depreciation increased by an absolute 12.7% compared to the end of the prior financial year. The depreciation rate as measured in relation to the Company's performance increased from 6.5% to 7.1% compared to the financial year 2023/2024.

The increase in other operating expenses is in particular attributable to severance pays of kEUR 154 and expenses for additional quality assurance in the second half of the year.

Financial performance – measured based on the operating result (EBIT) – amounts to kEUR 2,148 compared to EBIT of kEUR 987 in the prior year. Adjusted for special items from the sale of the shareholding in Endurance Overseas, EBIT is negative at kEUR -1,737. The net profit for the financial year 2024/2025 amounts to kEUR 1,984 compared to a profit for the year of kEUR 690 in the prior year. On adjusted terms, the result would have been a net loss for the year of kEUR 1,900.

The adjusted EBIT return on revenue considerably declined to -3.4% compared to a return on revenue of 1.8% in the prior year.

The planned volume-driven revenue growth of 9% was not achieved. The reasons for this were the general economic uncertainty and our main customer's delay in switching to e-vehicles, leading to lower purchases of die casting products. In addition, the cost of materials to revenue and the personnel expenses to revenue ratio slightly exceeded the plan and expenses were incurred for severance pays, as a result of which the planned EBIT and net income, taking into account special items, have not been achieved. In this respect, the business development was not satisfactory. The Company continues to focus on improving quality and cost control and on effective management of inventory levels of raw materials and finished goods.

Assets, liabilities and financial position

The balance sheet total went down to kEUR 59,220 (prior year: kEUR 61,792) on account of the sale of company shares in Endurance Overseas, which caused the ratio of property, plant and equipment to total assets to slightly rise to 56.6% (prior year: 53.2%). Overall, the structure of the balance sheet remained constant. The Company's cash position in the financial year 2024/2025 was satisfactory.

Inventories of raw materials, consumables and supplies decreased. Due to the muted demand in March 2025, the inventories of die casting products in progress went up while inventories of finished goods and prepayments made for tools went down.

The change in trade receivables is attributable to tools invoiced in March 2024 and a stricter receivables management 2025. The receivable from affiliated companies is related to the cash pool.

Equity increased for earnings-related reasons. Prior-year net retained profits were fully allocated to revenue reserves. The equity ratio rose to 76.9% (prior year: 70.5%).

Other provisions decreased due to the lower extent of credit notes to be issued and tool cost allowances in particular.

Loans payable totalling kEUR 1,086 were repaid as scheduled. The Company was able to fully meet its payment obligations at any time.

Trade payables considerably declined year on year, reflecting the lower level of business activity at year-end.

Liabilities to affiliated companies mainly comprised cash pool liabilities in the prior year. On account of the sale of the shareholding in Endurance Overseas as at the end of the financial year, the cash pool balance is positive.

Capital investments and financing

This financial year, the Company invested kEUR 4,635 in property, plant and equipment (prior year: kEUR 4,882). The investments concerned both equipment in mechanical production and in the foundry.

The leasing expenses for machinery and motor vehicles incurred in the financial year 2024/2025 amounted to kEUR 82 (prior year: kEUR 88). The Company is financed through own funds and through long and short-term bank loans as well as the cash pool.

Number of employees

In the reporting year, the permanent workforce included an average of 228 employees. The number of apprentices was 7 on the annual average.

For the years 2025/2026, new staff is intended to be recruited in the mechanical production, quality assurance and foundry functions. The Company seeks to continuously raise productivity through internal and external staff training.

Risk report

Appropriate controlling and reporting instruments are used to timely identify, and take appropriate action to address, potential risks from the market environment characterised by increasing competition and technical change. The other risks in the finance and technical areas are addressed, among other things, by taking measures, such as:

- Permanent control of production processes
- Expansion of the production planning and production control system (PPS system)
- Product liability insurance
- Business interruption insurance

A major part of the Company's revenue is realised with a limited number of customers, which involves the risk that one of these partners will considerably reduce its sales volume or intensify the pricing pressure. To minimise this risk, the Company is continuing its efforts to broaden its customer and product base.

In order to improve its financial development, the Company continues to review systems and processes for further rationalisation potentials to be tapped. We address the persisting pricing and cost pressures through further productivity gains.

Liquidity is controlled within the framework of short and medium-term budgetary planning. Apart from unforeseeable circumstances, the entity anticipates that, based on the budgetary planning for 2025/2026, it will be able to finance budgeted capital investments of kEUR 4,516 through cash flows from operating activities.

Our Company is affected by normal price risks, especially in the areas of aluminium procurement and energy. There are energy price agreements for the calendar years 2025 and 2026. There are no currency hedges or other long-term supply contracts.

The Company seeks to mitigate default risks through corresponding receivables management, which consists of checking new customers, determining delivery limits by means of the collection agency Creditreform, regularly examining receivables from our customers outstanding, a strict dunning system, customer visits or similar.

The implementation of the current planning may be influenced by the global crises (Ukraine war, Middle East, etc.) and the current developments in economic policies. It cannot be precluded that this will impact on our financial position and financial performance.

Outlook

The German gross domestic product is expected to improve to 0.3% in the calendar year 2025. For 2026, a further slight recovery between 0.8% and 1.5% compared to the prior year is expected, with probable growth of 5.2% expected for the automotive market.

The product portfolio is continuously updated and expanded. In line with an improvement of production processes by introducing appropriate measures, this should lead to an earnings improvement in the medium term.

The cooperation with the Indian and above all the Italian and German Endurance Group plants is to be further expanded, which we expect to result in additional synergy and standardisation effects.

In 2025/2026, the Company plans for capital investments that will comprise the realisation of new product lines for the new customer projects but also a renewal of central facilities.

For the financial year 2025/2026, we expect slight revenue growth. Taking into account that the special effect from the sale of the company shares in Endurance Overseas will end, we expect a significantly better, slightly positive net profit for the year for the upcoming financial year measured based on the adjusted annual result, with personnel expenses to revenue ratio improving slightly and lower other expenses.

Massenbachhausen/Germany, 8 May 2025

Endurance GmbH, Massenbachhausen/Germany

Balance sheet as at 31 March 2025

ASSETS		31 Mar. 2025		31 Mar. 2024	
	EUR	EUR	EUR		EUR
A. Fixed assets					
I. Intangible fixed assets					
Software and licences acquired for a consideration		119,942.00		168	
II. Property, plant and equipment					
1. Land and buildings including buildings on third-party land	9,452,590.58			9,644	
2. Technical equipment and machinery	16,638,546.00			16,470	
3. Other equipment, operating and office equipment	2,072,999.00			1,945	
4. Prepayments and assets under construction	5,350,144.74			4,808	
		33,514,250.32		32,867	
III. Long-term financial assets					
Shares in affiliated companies	0.00			4,616	
B. Current assets					
I. Inventories					
1. Raw materials, consumables and supplies	4,832,930.37			5,759	
2. Work in progress	2,827,462.31			2,384	
3. Finished goods	3,044,823.93			3,815	
4. Prepayments made	270,646.66			1,165	
		10,975,853.29		13,123	
II. Receivables and other current assets					
1. Trade receivables	6,766,558.40			8,575	
2. Receivables from affiliated companies - of which cash pool account: EUR 4,595,628.72 (prior year: kEUR 0)	4,595,628.72			0	
3. Other assets	1,378,247.12			1,168	
		12,740,434.24		9,773	
III. Cash-in-hand and bank balances				1,042	
C. Prepaid expenses				203	
		59,219,574.38		61,792	

EQUITY AND LIABILITIES		31 Mar. 2025		31 Mar. 2024	
	EUR	EUR	EUR		EUR
A. Equity					
I. Subscribed capital					
1. Share capital	12,527,580.00			11,757	
2. Treasury shares acquired	770,928.00				
		11,756,652.00			
II. Capital reserves				4,179	
III. Revenue reserves					
Other revenue reserves	27,606,200.04			25,917	
IV. Profit for the year	1,983,935.63			690	
		45,525,909.98		43,542	
B. Provisions					
Other provisions	5,801,232.56			5,422	
C. Liabilities					
1. Liabilities to banks	1,642,843.00			2,728	
2. Payments received on account of orders	550,300.00			0	
3. Trade payables	4,577,786.22			5,415	
4. Liabilities to affiliated companies - of which cash pool account: EUR 0 (prior year: kEUR 2,462)	410,592.65			2,965	
5. Other liabilities	710,509.97			720	
- of which taxes: EUR 304,907.62 (prior year: kEUR 478)					
- of which relating to social security and similar obligations: EUR 25,512.52 (prior year: kEUR 13)					
		7,892,431.84		11,828	
		59,219,574.38		61,792	

Endurance GmbH, Massenbachhausen/Germany**Statement of profit and loss****for the period from 1 April 2024 to 31 March 2025**

	2024/2025 EUR	2024/2025 EUR	2023/2024 kEUR
1. Revenue	56,649,985.77		55,209
2. Increase or decrease (-) in finished goods inventories and work in progress	283,881.63		530
3. Other operating income	3,977,764.87		101
		60,911,632.27	55,840
4. Cost of materials			
a) cost of raw materials, consumables and supplies	31,174,715.58		28,902
b) Cost of purchased services	5,863,968.33		5,491
		37,038,683.91	34,393
5. Personnel expenses			
a) Wages and salaries	10,434,177.81		9,731
b) Social security, post-employment and other employee benefit costs	1,998,494.55		2,038
- of which post-employment costs: EUR 10,450.44 (prior year: kEUR 17)		12,432,672.36	11,769
6. Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of property, plant and equipment		4,057,168.86	3,600
7. Other operating expenses		5,211,758.98	5,059
8. Other interest and similar income		30.00	34
- of which from affiliated companies: EUR 0 (prior year: kEUR 34)			
9. Interest and similar expenses		163,646.10	56
		2,007,732.06	997
10. Income taxes		0.00	276
11. Earnings after taxes		2,007,732.06	721
12. Other taxes		23,796.43	31
13. Profit for the year		1,983,935.63	690

Endurance GmbH, Massenbachhausen/Germany

Registration court: Stuttgart/Germany HRB 108298

Notes to the financial statements for the financial year 2024/2025

General information

The annual financial statements on hand have been prepared according to Secs. 242 et seq. and Secs. 264 et seq. German Commercial Code (HGB) as well as according to the relevant regulations of the German Limited Liability Companies Act (GmbHG). The regulations for large corporations apply.

The nature of expense format has been applied to the statement of profit and loss.

To enhance the clarity of presentation, the disclosures on the allocation to several balance sheet items and part of the separate line items for subtotals were included in the notes to the financial statements.

Accounting and valuation principles

The following accounting and valuation principles were again applied to prepare the annual financial statements.

Intangible fixed assets acquired for a consideration are recognised at acquisition cost and amortised on a straight-line basis over the expected useful life, which is derived from the tax amortisation tables published by the German tax authorities.

Property, plant and equipment are recognised at acquisition cost, with depreciable assets being depreciated. Items of property, plant and equipment are depreciated on a straight-line basis over their expected useful life, which is derived from the German tax depreciation tables. Assets with an individual net value of up to EUR 800.00 are fully depreciated in the year of acquisition. Additions to property, plant and equipment are depreciated on a pro rata basis.

Inventories are recognised at the lower of acquisition or production cost and current value.

Inventories of **raw materials, consumables and supplies** have been capitalised at the lower of average cost price or current value as at the reporting date.

In measuring **work in progress** and **finished goods**, appropriate portions of production overhead and indirect material as well as depreciation have, in addition to direct material, direct labour

and special direct production cost, also been taken into account to the extent that they result from production.

For prepayments on moulds, the respective stage of completion has been taken into account. Moulds purchased from third parties have been accounted for at the lower of acquisition cost or market price.

Adequate provisions have been made for all potential losses, i.e. deductions for expected costs incurred have been made from anticipated sales prices.

Appropriate allowances have been made for all identifiable inventory risks which result from an above-average storage period, reduced usability and lower replacement costs.

Apart from customary retentions of title, inventories are free from third-party rights.

Receivables and other current assets are recognised at nominal value. All risk items have been taken into account by making appropriate specific allowances; the general credit risk has been covered by making general allowances.

Cash-in-hand and bank balances were stated at nominal value.

Prepaid expenses were recorded for costs before the balance sheet date that constitute expenses for a certain period of time after that date.

Treasury shares have been openly deducted from issued capital in accordance with Sec. 272 (1a) HGB.

Other provisions cover all contingent liabilities. They have been stated at necessary settlement value according to sound business judgement (i.e. including future costs and price increases).

Liabilities have been recognised at settlement value.

Differences between the amounts recognised under German commercial law and tax law are recognised under provisions and for tax loss carryforwards. This results in deferred tax assets, which are determined using the specific tax rates of the Company of 15% for corporate income tax and 13% for municipal trade tax. The Company exercised the option not to capitalise deferred tax assets as conferred under Sec. 274 HGB.

As at the balance sheet date, the Company has an unused loss carryforward under corporate income tax of kEUR 1,715 and an unused loss carryforward under municipal trade tax of kEUR 1,661.

Notes to the balance sheet**Fixed assets**

The movements in the individual fixed asset items are presented in the statement of movements in fixed assets, stating amortisation, depreciation and write-downs of the reporting year (appendix to the notes).

Receivables and other current assets

As in the prior year, all trade receivables and other assets have a residual term of up to one year. The receivables from affiliated companies include cash pool receivables of kEUR 4,596 (prior year: kEUR 0).

Equity

The subscribed capital of the Company amounts to kEUR 12,528 (prior year: kEUR 12,528). The shareholder is Endurance Technologies Ltd., Aurangabad/India. It holds shares with a nominal value of kEUR 11,757 (prior year: kEUR 11,757). Shares with a nominal value of kEUR 771 (prior year: kEUR 771) are held by the Company itself.

Under Sec. 272 (1a) HGB, the nominal value of the treasury shares of kEUR 771 (prior year: kEUR 771) was deducted from subscribed capital.

Other provisions

Provisions primarily comprise warranty risks (kEUR 211), credit notes to be issued and tool cost allowances (kEUR 2,625) as well as outstanding invoices (kEUR 1,944).

Liabilities

The residual terms of liabilities are specified in the statement of changes in liabilities.

	31 March 2025				31 March 2024			
	Residual term of up to 1 year	Residual term of more than 1 year	of which residual term of more than 5 years	Total	Residual term of up to 1 year	Residual term of more than 1 year	of which residual term of more than 5 years	Total
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
1. Liabilities to banks	285.7	1,375.1	214.3	1,642.8	1,085.7	1,642.8	500.0	2,728.6
2. Payments received on account of orders	550.3			550.3	0.0			0.0
3. Trade payables	4,577.8			4,577.8	5,414.7			5,414.7
4. Liabilities to affiliated companies	411.0			411.0	2,964.9			2,964.9
5. Other liabilities	710.5			710.5	719.9			719.9
- of which taxes	304.9			304.9	477.5			477.5
- of which relating to social security and similar obligations	25.5			25.5	12.9			12.9
	6,535.3	1,375.1	214.3	7,892.4	10,185.3	1,642.8	500.0	11,828.1

There are the following collaterals for liabilities to banks:

- a kEUR 4,000 land charge registered for the plant located Daimler-Straße 31.

Trade payables have been collateralised through suppliers' customary retention of title. Liabilities to affiliated companies result from trade (prior year: kEUR 503 from trade and kEUR 2,462 from cash pool).

Other financial commitments as at 31 March 2025:

Amounts stated in EUR	31 March 2025			
	Total	of which residual term of up to 1 year	of which residual term between 1 and 5 years	of which residual term of more than 5 years
Rental agreements and leases	228,582	104,132	124,450	-

Notes to off-balance-sheet transactions

Operating lease	Purpose	Lowering of cash outflow on account of reduction in capital investment volume
	Risks	Charge of rentals during the contract term of up to 5 years
	Advantages	Modernisation of machinery and office equipment without appropriating investment funds
Consignment stock agreements	Purpose	Optimum handling of sales transactions
	Risks	None
	Advantages	Increase in customer satisfaction
Outsourcing of operational functions (legal function)	Purpose	Optimised addressing of imminent litigation
	Risks	Timely availability of external legal advice by lawyers ensured
	Advantages	Cost saving in comparison with maintenance of internal legal function

Overall, the financial effects are immaterial.

Notes to the statement of profit and loss

Revenue	2024/2025	2023/2024
	kEUR	kEUR
Aluminium pressure die casting	46,158	45,301
Zinc pressure die casting	395	337
Moulds	9,204	8,870
Other	929	744
	56,687	55,253
Sales deductions	-37	-44
	56,650	55,209

Revenue is almost exclusively realised in Germany.

Other revenue mainly relates to income from scrap sales.

Other operating income

Other operating income includes off-period income of exceptional incidence resulting from the sale of the Company's shareholding in Endurance Overseas of kEUR 3,884.

Other operating expenses

Other operating expenses include one-time expenses of exceptional incidence resulting from severance pays to employees of kEUR 393.

Other disclosures**Number of employees**

The average headcount during the reporting year was:

	2024/2025	2023/2024
Industrial employees	173	180
Salaried employees	55	52
	228	232
Apprentices	7	6
	235	238

Management

In the reporting year, management functions were performed by:

- Mr Rinze Dijkstra
- Mr Massimo Venuti, Managing Director Endurance Overseas Srl., Italy

In accordance with Sec. 286 (4) HGB, the Company did not disclose the remuneration of the managing directors.

Advisory board

The members of the advisory board are:

- Mr Anurang Jain – Managing Director Endurance Technologies Limited, Aurangabad/India

The total remuneration paid to the advisory board for the financial year 2024/2025 amounted to kEUR 0.

Audit and consulting fees

The total fees charged by the auditors of the annual financial statements for the reporting year amount to:

	kEUR
Audit services	37
Other assurance services	35
Tax consultancy	16
<u>Total</u>	<u>88</u>

Related party transactions

In addition to the usual trading relationships, the Company's shareholding in Endurance Overseas were sold to Endurance Overseas. There were no further related party transactions.

Group affiliation

The Company is included in the consolidated financial statements of Endurance Technologies Limited, Aurangabad/India, which prepares the consolidated financial statements for the smallest and largest group of consolidated entities. These consolidated financial statements are disclosed at the place of the parent company.

Subsequent events

There were no major post-balance-sheet-date events which have been taken into account neither in the statement of profit and loss nor in the balance sheet.

Proposed appropriation of profits

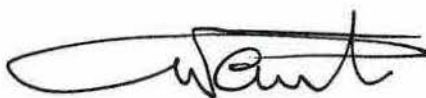
The General Management proposes (in conformity with the advisory board) to carry forward the profit for the year of EUR 1,983,935.63 onto new account.

Massenbachhausen/Germany, 9 May 2025

– The General Management –



Rinze Dijkstra



Massimo Venuti

Endurance GmbH, Massenbachhausen/Germany 31 March 2025

Movements in fixed assets

	Acquisition cost	Addition	Reclassi- fications	Disposal	Acquisition cost	Accumulated amortisation/ depreciation/ write-downs	Addition	Disposal	Accumulated amortisation/ depreciation/ write-downs	Book value	Book value
	1 Apr. 2024				31 Mar. 2025	1 Apr. 2024			31 Mar. 2025	31 Mar. 2025	31 Mar. 2024
I. Intangible fixed assets											
Software and licences acquired for a consideration	534,624.46	21,757.85	0.00	0.00	556,382.31	366,455.46	69,984.85	0.00	436,440.31	119,942.00	168,169.00
	534,624.46	21,757.85	0.00	0.00	556,382.31	366,455.46	69,984.85	0.00	436,440.31	119,942.00	168,169.00
II. Property, plant and equipment											
1. Land and buildings including buildings on third-party land	12,446,413.92	195,417.17	0.00	0.00	12,641,831.09	2,802,676.34	386,564.17	0.00	3,189,240.51	9,452,590.58	9,643,737.58
2. Technical equipment and machinery	41,611,826.24	851,027.03	2,426,016.84	0.00	44,888,870.11	25,141,756.24	3,108,567.87	0.00	28,250,324.11	16,638,546.00	16,470,070.00
3. Other equipment, operating and office equipment	6,635,653.51	620,249.97	0.00	9,770.79	7,246,132.69	4,690,852.51	492,051.97	9,770.79	5,173,133.69	2,072,999.00	1,944,801.00
4. Prepayments and assets under construction	4,807,963.83	2,968,197.75	-2,426,016.84	0.00	5,350,144.74	0.00	0.00	0.00	0.00	5,350,144.74	4,807,963.83
	65,501,857.50	4,634,891.92	0.00	9,770.79	70,126,978.63	32,635,285.09	3,987,184.01	9,770.79	36,612,698.31	33,514,280.32	32,866,572.41
III. Long-term financial assets											
Shares in affiliated companies	4,616,000.00	0.00	0.00	4,616,000.00	0.00	0.00	0.00	0.00	0.00	0.00	4,616,000.00
	4,616,000.00	0.00	0.00	4,616,000.00	0.00	0.00	0.00	0.00	0.00	0.00	4,616,000.00
	70,652,481.96	4,656,849.77	0.00	4,625,770.79	70,683,360.94	33,001,740.55	4,057,166.86	9,770.79	37,049,138.62	33,634,222.32	37,650,741.41

INDEPENDENT AUDITOR'S REPORT

To Endurance GmbH, Massenbachhausen/Germany

Audit Opinions

We have audited the annual financial statements of Endurance GmbH, Massenbachhausen/Germany, which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss for the financial year from 1 April 2024 to 31 March 2025, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Endurance GmbH, Massenbachhausen/Germany, for the financial year from 1 April 2024 to 31 March 2025.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its financial performance for the financial year from 1 April 2024 to 31 March 2025 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional 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 audit opinions on the annual financial statements and on the management report.

Responsibilities of the Executive Directors for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement 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 of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

Mannheim/Germany, 12 May 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Steffen Schmidt

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Michael Harst

Wirtschaftsprüfer

(German Public Auditor)

ENDURANCE OVERSEAS S.p.A.

Head office: VIA DELL'ARSENALE 33 - TURIN

Tax Code, Turin Chamber of Commerce and Turin Companies Register No. 05754620960

Turin Business Register (REA) no. TO 1101893

Quota capital: Euro 16,105,263.00 subscribed and fully paid

VAT Number: 05754620960

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report on operations

Financial statements at 31/03/2025

Shareholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euro, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

Matters concerning the economy in general and the results of operations

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%. With regards to the automotive sector, in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023).

Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs) achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

In calendar year 2024, the motorcycle market showed a very positive trend with growth of +10.1% in the five main European markets. New registrations reached 1,155,640 compared with 1,049,898 the previous year. The situation by country shows growth in all of the main countries, including Italy +10%, Spain +14.2%, Germany +16.3% and France +3.5%. However, it is worth noting that a significant portion of group's revenues in the two-wheeler sector are linked to the aftermarket, which is not strictly correlated with the trend in production and registration of new motorcycles. The results for the year in the two-wheeler sector were affected by the difficulties faced by the KTM group, a key customer for OEM components.

In light of the new orders acquired by the companies operating in the aluminium car components business, the significant investments made in previous years have allowed them to improve their performances, despite the negative trend in car production in the European Union. It should also be remembered that, even though the prices of energy factors have fallen from the peaks of previous years, they have still levelled out significantly higher than historical averages with the material component of electricity 170% more expensive on average and gas 210% more expensive, impacting performance. Overall the Group's results have been positive and getting better.

Key events

During the year, the company carried out the following extraordinary transactions:

- On 31 May 2024, with a deed executed by Notary Smirne in Turin, rep. 9621/6954, registered on 7 June 2024, the entire capital of Ingenia Automation S.r.l. (located in Volpiano, TO), a company operating mainly in systems and machinery for industrial automation, was acquired for Euro 3 million plus ancillary costs;
- On 15 January 2025, with a deed executed by Notary Agostini in Milan, rep. 89130/19975, the company was transformed from a limited liability company (Srl) into a joint stock company (SpA). In the same deed, the Company also transferred its registered office from Lombardore to Turin;
- On 14 March 2025, the company purchased 805,263 of its own shares from Endurance GmbH by means of an endorsement authenticated by Notary Agostini in Milan.

Management control and coordination activities

Pursuant to para. 5 of art. 2497-bis of the Italian Civil Code, it is confirmed that the Company belongs to the ENDURANCE Group (India) and is subject to management and coordination by ENDURANCE TECHNOLOGIES LIMITED (India), whose shares have been listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE) since October 2016.

The management control and coordination activities carried out have not had any particular impact on the Company's activities or its results. We can also confirm that no decisions were made under the influence of the company that performs management and coordination activities for which we need to give the reasons and the interests that had an impact on them.

Financial position

A reclassified balance sheet is provided below to facilitate a better understanding of the Company's financial position.

Balance Sheet - Assets

Item	FY 2024/2025	%	FY 2023/2024	%	Change	Change %
WORKING CAPITAL	84,792,372	55.97%	43,169,470	39.82%	41,622,902	96.42%
Immediate liquidity	53,156,898	35.09%	12,246,247	11.30%	40,910,651	334.07%
Cash and cash equivalents	53,156,898	35.09%	12,246,247	11.30%	40,910,651	334.07%
Deferred liquidity	31,635,474	20.88%	30,923,223	28.52%	712,251	2.30%
Current receivables included in working capital	9,447,601	6.24%	7,211,166	6.65%	2,236,435	31.01%
Current portion of non-current receivables	600,000	0.40%	600,000	0.55%	-	0.00%
Financial assets	20,600,240	13.60%	22,713,481	20.95%	(2,113,241)	-9.30%
Accrued income and prepaid expenses	987,634	0.65%	398,576	0.37%	589,058	147.79%
FIXED ASSETS	66,700,296	44.03%	65,247,434	60.18%	1,452,863	2.23%
Intangible assets	-	0.00%	1,142,500	1.05%	(1,142,500)	-100.00%
Tangible assets	25,964	0.02%	10,781	0.01%	15,182	140.82%
Long-term financial assets	65,234,044	43.06%	62,306,275	57.47%	2,927,769	4.70%
Non-current receivables in working capital	1,440,289	0.95%	1,787,877	1.65%	(347,588)	-19.44%
CAPITAL EMPLOYED	151,492,669	100.00%	108,416,904	100.00%	43,075,765	39.73%

Balance Sheet - Liabilities and Shareholders' Equity

Item	FY 2024/2025	%	FY 2023/2024	%	Change	Change %
MINORITY INTEREST	87,988,931	58.08%	49,025,267	45.22%	38,963,665	79.48%
Current liabilities	66,389,590	43.82%	48,691,150	44.91%	17,698,439	36.35%
Current payables	66,375,636	43.81%	48,674,425	44.90%	17,701,212	36.37%
Accrued expenses and deferred income	13,953	0.01%	16,726	0.02%	(2,773)	-16.58%
Non-current liabilities	21,599,341	14.26%	334,116	0.31%	21,265,225	6364.62%
Non-current payables	21,278,847	14.05%	-	0.00%	21,278,847	n/a
Provision for risks and charges	297,672	0.20%	294,766	0.27%	2,906	0.99%
Employee termination indemnities	22,822	0.02%	39,350	0.04%	(16,528)	-42.00%
EQUITY	63,503,738	41.92%	59,391,637	54.78%	4,112,100	6.92%
Share capital	16,105,263	10.63%	16,105,263	14.85%	-	0.00%
Reserves	27,717	0.02%	8,117,595	7.49%	(8,089,878)	-99.66%
Retained earnings (accumulated losses)	34,752,174	22.94%	26,836,688	24.75%	7,915,486	29.50%
Net income (loss) for the year	12,618,584	8.33%	8,332,091	7.69%	4,286,493	51.45%
SOURCES OF FINANCE	151,492,669	100.00%	108,416,904	100.00%	43,075,765	39.73%

Key financial indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024	Change %
Fixed asset coverage	96.42%	92.71%	(4.00%)
Banks/Working capital	27.05%	0.00%	(27.05%)
Debt ratio	1.39	0.83	(67.85%)
Financial debt ratio	1.23	0.74	(67.70%)
Equity/Capital employed	41.92%	54.78%	23.48%
Financial charges/Turnover	8.65%	13.93%	37.89%
Current ratio	126.82%	87.43%	(45.05%)
Fixed assets/Equity	(2,356,270)	(4,667,919)	49.52%
Primary coverage ratio	0.96	0.93	(4.00%)
(Equity + non-current liabilities) - Fixed assets	19,243,072	(4,333,803)	544.02%
Secondary coverage ratio	1.29	0.93	(38.59%)
Net working capital	17,802,783	(6,121,680)	390.82%
Acid test margin	17,802,783	(6,121,680)	390.82%
Acid test ratio	126.82%	87.43%	(45.05%)

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results.

Income Statement

Item	FY 2024/2025	%	FY 2023/2024	%	Change	% Change %
VALUE OF PRODUCTION	12,250,150	100.00%	8,473,969	100.00%	3,776,181	44.56 %
- Consumption of raw materials	46,873	0.38%	44,630	0.53%	2,243	5.03 %
- General expenses	1,526,437	12.46%	1,446,544	17.07%	79,894	5.52 %
VALUE ADDED	10,676,840	87.16%	6,982,796	82.40%	3,694,044	52.90 %
- Payroll costs	9,870,841	80.58%	5,933,805	70.02%	3,937,036	66.35 %
- Provisions	-	0.00%	-	0.00%	3,937,036	66.35 %
GROSS OPERATING MARGIN	805,999	6.58%	1,048,991	12.38%	(369,428)	(96.02) %
- Depreciation, amortisation and writedowns	1,148,276	9.37%	1,167,831	13.78%	(19,555)	(1.67) %
- Other operating expenses	140,637	1.15%	83,331	0.98%	57,306	68.77%
INCOME BEFORE FINANCIAL ITEMS	(482,914)	(3.94)%	(202,170)	(2.39)%	(280,744)	138.87%
+ Financial items	13,534,189	110.48%	8,849,304	104.43%	4,684,886	52.94%
INCOME BEFORE TAX	13,051,275	106.54%	8,647,134	102.04%	4,404,141	50.93%
- Taxation	432,691	3.53%	315,042	3.72%	117,649	37.34%
NET INCOME	12,618,584	103.01%	8,332,091	98.33%	4,286,493	51.45%
EBITDA	665,361	5.43%	965,660	11.40%	(300,299)	(31.10)%

Key performance indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2025	FY 2024	Change
R.O.E.	19.87%	14.03%	41.64%
R.O.I.	(1.17%)	(0.38%)	207.15%
R.O.S.	(3.94%)	(2.39%)	65.23%
R.O.A.	(0.32%)	(0.19%)	70.95%

Information required by art. 2428 of the Civil Code

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, a description of the main risks and uncertainties to which the Company is exposed is set out below, taking into account its nature as a provider of services and investment holding company that operates in the automotive sector:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy. Changes in GDP, the cost of raw materials, unemployment, interest rates and the level of confidence shown by consumers and businesses can condition the performance of end customers and, hence, the Company's sales. There are also further elements of uncertainty linked to geopolitical tensions, in particular due to the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. Furthermore, the tightening of international sanctions is affecting uncertainties about the prices of energy commodities, basic materials (metals in particular) and agricultural products with repercussions on consumer prices and the growth prospects for the Euro area. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business conditions.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the metal alloys and metal parts machining sector, in which the Company and its subsidiaries operate, is characterised by heated competition that is partly attributable to the sales trends in the automotive market. As much as the Group has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the company's results and financial position.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector is characterised by continuous product development needed to satisfy the product performance required by car manufacturers and by environmental legislation (governing emissions). Future investment by the Group will seek to develop the portfolio of products and diversify the types of production, thereby increasing the ability to meet the needs of customers. Failure to develop products and meet needs in terms of price, quality and the functionality imposed by end customers could adversely impact the prospects for the Group's operations.

FINANCIAL RISKS: the Company is exposed to the following financial risks in the conduct of its operations:

- credit risk in relation to normal commercial transactions with customers of subsidiaries;
- liquidity risks, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risk, mainly relating to changes in interest rates and, to a lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit risk

Given the main industrial activity of its subsidiaries - the production of components for car makers - the receivables of the Company are structurally concentrated, as the customers of the Group comprise a limited number of industrial groups. The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risk

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that funds currently available, as well as funds generated from operating activities, will allow the Company to meet the needs of investing activities, of working capital management and for the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates.

Risks relating to changes in interest rates

The Company could have recourse to financial resources made available by the banking sector in the form of debt and use the funds to finance operations as well as investment and development initiatives. The Company can also factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges.

To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions.

Lastly, where considered appropriate, the Company could make use of derivatives (interest rate swaps and caps) with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Italian Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the Company's results and financial position, it is not considered meaningful to present non-financial indicators.

Information on the environment

We can confirm that the Company has not applied any particular environmental policies because they are not necessary for our type of business.

Personnel

The workforce amounted to 14 employees at the end of the year.

During the year, the main training activities involved specialisation courses for Supervisory Managers pursuant to Legislative Decree 231/01 and training courses for sustainability reporting and refresher courses for the various professional roles.

Research and development

Pursuant to paragraph 3.1 of Art. 2428 of the Civil Code, we can confirm that no proprietary R&D was carried out during the year.

Transactions with subsidiaries, associates, parent companies and fellow subsidiaries

The Company has had dealings with other Group companies as referred to in paragraph 3.2 of art. 2428 of the Italian Civil Code. Specifically, they refer to the interest-bearing loan granted to the subsidiary Endurance Two Wheelers S.p.A. (following the absorption of New Fren S.r.l., the original beneficiary of the loan) granted as part of the process of optimising group conditions.

Receivables due from affiliates classified as long-term financial assets

Description	FY 2024/2025	FY 2023/2024	Change
due from subsidiaries	600,000	600,000	-
Total	600,000	600,000	-

This item relates to interest-bearing loans granted to New Fren S.r.l. which was merged to become part of Endurance Two Wheelers S.p.A. during the year.

Receivables from affiliates classified as current assets

Description	FY 2024/2025	FY 2023/2024	Change
due from subsidiaries	4,980,086	2,567,160	2,412,926
due from parent companies	-	301,025	(301,025)
due from fellow subsidiaries	54,046	-	54,046
Total	5,034,132	2,868,185	2,165,947

Receivables due from subsidiaries: €4,980,086, of which €4,862,930 refers to trade receivables due from subsidiaries in relation to operational and financial services provided by the Company to investees within the Group's management structure, and for the rest to amounts due from the subsidiary Endurance Engineering S.r.l. as part of the tax consolidation pursuant to arts. 117-129 of the Consolidated Income Tax Act (CITA).

Receivables due from fellow subsidiaries: €54,046, refer to the trade receivables due from Endurance GmbH for the management and financial services performed by the Company for the benefit of the German subsidiary.

Payables to and loans from affiliates

Description	FY 2024/2025	FY 2023/2024	Change
payables due to subsidiaries	50,751,184	43,617,550	7,133,634
payables due to fellow subsidiaries	4,634,354	38,734	4,595,620
Total	55,385,538	43,656,284	11,729,254

Due to subsidiaries within one year (€50,751,184) as analysed below:

- a) €3,000,000 representing a loan from Endurance S.p.A. (classified as a current liability because the contractual conditions envisage repayment on demand);
- b) €45,658,813 for the amount due related to the cash pooling arrangement, of which:
 - €32,315,649 to Endurance S.p.A.
 - €7,188,505 to Endurance Castings S.p.A.
 - €4,039,976 to Endurance Engineering S.r.l.
 - €508,953 to Endurance Adler S.p.A.
 - €1,605,730 to Veicoli S.r.l.
- c) the balance of €2,092,371 to relationships as part of the tax consolidation for €336,120 and to trade relationships for the rest (€1,756,251);

Payables due to fellow subsidiaries: €4,634,354 of which €4,595,620 relate to the amount due under the cash pooling agreement with Endurance GmbH, and for the remainder (€38,734) to trade relationships with it.

Treasury shares

During the year, the company purchased 805,263 of its own shares (representing 5% of the share capital) for Euro 8,503,577 from the associate Endurance GmbH. The transaction was carried out as part of a group reorganisation in anticipation of possible share exchanges in the event of new business combinations.

The purchase of treasury shares pursuant to art. 2357-ter of the Italian Civil Code resulted in a "Negative reserve for treasury shares in portfolio" booked under liabilities and equity.

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, it is hereby confirmed that the Company did not hold any shares or quotas in the parent company during the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import tariffs initiated by the United States against most countries and, in particular, against those with a trade surplus. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions. The automotive sector was one of the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of both finished cars and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct, due to reduced exports of European vehicles to the US (or of powertrain units that car manufacturers supply to their plants in the US or in other countries hit by tariffs, such as Mexico), and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here. The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2% compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

In the automotive sector, S&P Global Mobility (a leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide with a -2.6% reduction in Europe. Added to the potential trade conflicts are the uncertainties linked to the transition to electric vehicles and, in particular, the sanctions that car manufacturers would receive if they failed to reach specific emissions targets. Although the European authorities have introduced changes by extending the observation period - the overruns will no longer be calculated over a one-year period, but over a three-year period - the constraints remain. It will therefore be necessary to understand the strategies that car makers will adopt in light of these changes and the requests made by many to reverse total abandonment of internal combustion engines from 2035. As in previous years, it is even more difficult to outline the

trend in registrations between battery electric vehicles (BEV), plug-in hybrids (PHEV) and mild hybrids (MHEV). Registrations of such vehicles as a proportion of total registrations has grown significantly over the years, in line with car manufacturers' efforts to introduce new ranges of models and innovative solutions. While the growth in electric vehicles still seems to be the main route in the development path of car manufacturers, also due to the significant investments that they have already made, the requests to maintain a certain portion of vehicles that use internal combustion engines in compliance with the principle of technological neutrality are becoming stronger. This is also to take into account consumer preferences towards more economic traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact), while waiting for the technical solutions that will be introduced to increase mileage, speed up charging times and lower the cost of batteries.

Faced with many possible scenarios, it is believed that the preferable option is to monitor all the solutions that car manufacturers think it best to follow, ready to seize any opportunities offered by the demand for new components, regardless of their final destination.

The commercial measures carried out by Group companies during 2024/2025 allowed them to acquire new orders that will generate approximately €30 million in annual turnover at full capacity. These new orders mainly concern components for VW, Magna and BMW and refer to traditional, hybrid and pure electric applications which will go into production from FY 2025-26 onwards.

Based on the information and forecast data that is available, we believe that the company will be in a position to achieve positive results in the future. A positive contribution to the Group's growth is expected from the companies that were acquired recently as they should develop additional turnover of approximately €80 million with positive margins.

The use of financial instruments that should be taken into account when assessing the results and financial position

Pursuant to paragraph 3.6-bis of art. 2428 of the Italian Civil Code, we can confirm that the Company has a policy of hedging the interest-rate risk on medium-term loans by arranging an interest-rate swap contract on one of the m/l term loans. The fair value of these hedging instruments is given in the explanatory notes

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the shareholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to allocate the result for the year in accordance with the proposal made in the explanatory notes.

Turin, 13/05/2025

For the Board of Directors

The Managing Director

Massimo Venuti

General information on the company

Company data

Name:	ENDURANCE OVERSEAS S.P.A.
Registered office:	VIA DELL'ARSENALE 33 - TURIN
Share capital :	16,105,263.00
Share capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	05754620960
Tax code:	05754620960
REA Number:	1101893
Legal form:	JOINT-STOCK COMPANY
Core business (ATECO):	64.21.00
Company in liquidation:	no
Company with sole shareholder:	yes
Company subject to management control and coordination:	yes
Name of the company or entity that exercises management control and coordination:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE TECHNOLOGIES LIMITED
Country of the parent company:	INDIA
Cooperatives register number:	n/a

Financial statements for the year ended 31/03/2025

Balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets		
4) Concessions, licences, trademarks and similar rights	-	1,142,500
<i>Total intangible assets</i>	-	1,142,500
II - Tangible assets		
4) Other assets	25,964	10,781
<i>Total tangible assets</i>	25,964	10,781

	31/03/2025	31/03/2024
III - Long-term financial assets		
1) Equity investments in		
a) subsidiaries	65,234,044	62,306,275
<i>Total equity investments</i>	<i>65,234,044</i>	<i>62,306,275</i>
2) Receivables		
a) from subsidiaries	600,000	600,000
due within one year	600,000	600,000
<i>Total receivables</i>	<i>600,000</i>	<i>600,000</i>
<i>Total long-term financial assets</i>	<i>65,834,044</i>	<i>62,906,275</i>
<i>Total fixed assets (B)</i>	<i>65,860,008</i>	<i>64,059,556</i>
C) Current assets		
II - Receivables		
2) from subsidiaries	4,980,086	2,567,160
due within one year	4,980,086	2,567,160
4) from parent companies	-	301,025
due within one year	-	301,025
5) from fellow subsidiaries	54,046	-
due within one year	54,046	-
5-bis) tax receivables	3,722,751	3,555,727
due within one year	3,722,751	3,555,727
5-ter) deferred tax assets	1,788,369	2,135,958
5-quater) from others	342,637	439,174
due within one year	314,067	410,604
due beyond one year	28,570	28,570
<i>Total receivables</i>	<i>10,887,889</i>	<i>8,999,044</i>
III - Current financial assets		
6) other securities	20,600,240	20,251,260
cash pooling assets	-	2,462,221
<i>Total current financial assets</i>	<i>20,600,240</i>	<i>22,713,481</i>
IV - Cash and cash equivalents		
1) Bank and postal deposits	53,156,859	12,245,616
3) Cash on hand	39	631
<i>Total cash and cash equivalents</i>	<i>53,156,898</i>	<i>12,246,247</i>
<i>Total current assets (C)</i>	<i>84,645,027</i>	<i>43,958,772</i>
D) Accrued income and prepaid expenses	987,634	398,576

	31/03/2025	31/03/2024
<i>Total assets</i>	<i>151,492,669</i>	<i>108,416,904</i>
Liabilities and shareholders' equity		
A) Shareholders' equity	63,503,738	59,391,637
I - Share capital	16,105,263	16,105,263
II - Share premium reserve	304,737	304,737
IV - Legal reserve	2,665,466	2,248,861
VI - Other reserves, shown separately		
Extraordinary reserve	5,563,997	5,563,997
<i>Total other reserves</i>	<i>5,563,997</i>	<i>5,563,997</i>
VII - Cash flow hedging reserve	(2,906)	-
VIII - Retained earnings (accumulated losses)	34,752,174	26,836,688
IX - Net income (loss) for the year	12,618,584	8,332,091
X - Negative reserve for treasury shares in portfolio	(8,503,577)	-
Total shareholders' equity	63,503,738	59,391,637
B) Provision for risks and charges		
2) for current and deferred taxation	293,848	294,766
3) derivatives	3,824	-
<i>Total provisions for risks and charges</i>	<i>297,672</i>	<i>294,766</i>
C) Employee termination indemnities	22,822	39,350
D) PAYABLES		
4) due to banks	22,897,005	-
due within one year	3,744,651	-
due beyond one year	19,152,354	-
7) trade payables	236,961	224,545
due within one year	236,961	224,545
9) due to subsidiaries	50,751,184	43,617,550
due within one year	50,751,184	43,617,550
11-bis) due to fellow subsidiaries	4,634,354	38,734
due within one year	4,634,354	38,734
12) tax payables	624,523	647,972
due within one year	624,523	647,972
13) due to pension and social security institutions	687,968	586,835
due within one year	687,968	586,835
14) other payables	7,822,489	3,558,789
due within one year	5,695,995	3,558,789

	31/03/2025	31/03/2024
due beyond one year	2,126,494	-
<i>Total payables</i>	<i>87,654,484</i>	<i>48,674,425</i>
E) Accrued expenses and deferred income	13,953	16,726
<i>Total liabilities and shareholders' equity</i>	<i>151,492,669</i>	<i>108,416,904</i>

Income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) Revenues from sales of goods and services	10,690,000	7,040,255
5) Other income and revenues		
other	1,560,150	1,433,714
<i>Total other income and revenues</i>	<i>1,560,150</i>	<i>1,433,714</i>
<i>Total value of production</i>	<i>12,250,150</i>	<i>8,473,969</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	46,873	44,630
7) services	1,141,689	1,058,168
8) lease and rental charges	384,748	388,375
9) payroll		
a) wages and salaries	8,700,916	5,075,757
b) social contributions	828,342	531,612
c) employee termination indemnities	297,034	296,205
e) other costs	44,549	30,231
<i>Total payroll costs</i>	<i>9,870,841</i>	<i>5,933,805</i>
10) depreciation, amortisation and writedowns		
a) amortisation of intangible assets	1,142,500	1,162,500
b) depreciation of tangible assets	5,776	5,331
<i>Total depreciation, amortisation and writedowns</i>	<i>1,148,276</i>	<i>1,167,831</i>
14) other operating expenses	140,638	83,330
<i>Total cost of production</i>	<i>12,733,065</i>	<i>8,676,139</i>
Difference between value and cost of production (A - B)	(482,915)	(202,170)
C) Financial income and charges		
15) Income from equity investments		

	FY 2024/2025	FY 2023/2024
from subsidiaries	13,000,000	9,000,000
<i>Total income from equity investments</i>	<i>13,000,000</i>	<i>9,000,000</i>
16) other financial income		
d) income other than the above		
from subsidiaries	25,438	6,151
from fellow subsidiaries	130,046	12,480
other	1,331,525	929,887
<i>Total income other than the above</i>	<i>1,487,009</i>	<i>948,518</i>
<i>Total other financial income</i>	<i>1,487,009</i>	<i>948,518</i>
17) interest and other financial charges		
to subsidiaries	719,188	932,110
to fellow subsidiaries	-	34,213
other	205,781	14,411
<i>Total interest and other financial charges</i>	<i>924,969</i>	<i>980,734</i>
17-bis) exchange gains and losses	(103,742)	(150)
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>13,458,298</i>	<i>8,967,634</i>
D) Adjustments to financial assets and liabilities		
18) revaluations		
c) current financial assets excluding equity investments	76,314	67,423
<i>Total revaluations</i>	<i>76,314</i>	<i>67,423</i>
19) writedowns		
a) equity investments	423	-
c) current financial assets excluding equity investments	-	185,754
<i>Total writedowns</i>	<i>423</i>	<i>185,754</i>
<i>Total adjustments to financial assets and liabilities (18-19)</i>	<i>75,891</i>	<i>(118,331)</i>
Income (loss) before taxes (A-B+-C+-D)	13,051,274	8,647,133
20) Income taxes for the year, current and deferred		
current taxation	150,726	-
deferred taxation	347,588	440,048
income (charges) from tax consolidation/tax transparency	65,624	125,006
<i>Total income taxes for the year, current and deferred</i>	<i>432,690</i>	<i>315,042</i>
21) Net income (loss) for the year	12,618,584	8,332,091

Statement of cash flows (indirect method)

	FY 2024/2025	FY 2023/2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	12,618,584	8,332,091
Taxation	432,690	315,042
Interest expense/(interest income)	(458,298)	32,365
(Dividends)	(13,000,000)	(9,000,000)
<i>1) Net income (loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>(407,024)</i>	<i>(320,502)</i>
Adjustments for non-cash items that had no contra-entry in net working capital		
Provisions	8,506	106,550
Depreciation and amortisation	1,148,276	1,167,831
<i>Total adjustments for non-cash items that had no contra-entry in net working capital</i>	<i>1,156,782</i>	<i>1,274,381</i>
<i>2) Cash flow before changes in net working capital</i>	<i>749,758</i>	<i>953,879</i>
Change in net working capital		
Decrease/(Increase) in trade receivables	(2,165,948)	(957,751)
Increase/(Decrease) in trade payables	11,741,671	7,158,964
Decrease/(Increase) in accrued income and prepaid expenses	(589,058)	(175,015)
Increase/(Decrease) in accrued expenses and deferred income	(2,773)	(24,726)
Other decreases/(Other increases) in net working capital	6,356,046	(7,517,655)
<i>Total changes in net working capital</i>	<i>15,339,938</i>	<i>(1,516,183)</i>
<i>3) Cash flow after changes in net working capital</i>	<i>16,089,697</i>	<i>(562,304)</i>
Other adjustments		
Interest collected/(paid)	458,298	(32,365)
(Income taxes paid)	(59,917)	-
Dividends received	13,000,000	9,000,000
(Use of provisions)	(22,128)	(15,331)
<i>Total other adjustments</i>	<i>13,376,253</i>	<i>8,952,304</i>
Cash flow from operating activities (A)	29,465,950	8,390,000
B) Cash flows from investing activities		
Tangible assets		
(Additions)	(20,958)	(3,469)
Long-term financial assets		
(Additions)	(2,927,769)	(600,000)

	FY 2024/2025	FY 2023/2024
Cash flow from investing activities (B)	(2,948,727)	(603,469)
C) Cash flows from financing activities		
Third-party funds		
Increase (Decrease) in current bank loans	-	-
New loans	22,897,005	-
Own funds		
Sale/(Purchase) of treasury shares	(8,503,577)	-
Cash flow from financing activities (C)	14,393,428	-
Increase (decrease) in cash and cash equivalents (a ± b ± c)	40,910,651	7,786,531
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	12,245,616	4,459,376
Cash on hand	631	340
Total cash and cash equivalents at the beginning of the year	12,246,247	4,459,716
Cash and cash equivalents at the end of the year		
Bank and postal deposits	53,156,859	12,245,616
Cash on hand	39	631
Total cash and cash equivalents at the end of the year	53,156,898	12,246,247

Information on the statement of cash flows

The statement of cash flows for the year is presented on a comparative basis in accordance with OIC 10.

This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities.

Explanatory notes - first part

Shareholders,

These notes are an integral part of the financial statements for the year ended 31 March 2025.

These financial statements, which we submit for your approval, show net income of €12,618,584 after charging current and deferred taxes and adjustments from participation in the group tax consolidation, which produce a negative balance of €432,690, net of depreciation and amortisation of €1,148,276.

Basis of preparation

Preparation of the financial statements

The financial statements for the year ended 31 March 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the Italian Accounting Board (OIC) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.

During the year, the Shareholders' Meeting approved a number of extraordinary transactions, namely:

- On 31 May 2024, with a deed executed by Notary Smirne in Turin, rep. 9621/6954, registered on 7 June 2024, the entire capital of Ingenia Automation S.r.l. (of Volpiano, TO), a company operating mainly in systems and machines for industrial automation, was acquired for Euro 3 million plus ancillary costs;
- On 15 January 2025, with a deed executed by Notary Agostini in Milan, rep. 89130/19975, the company was transformed from a limited liability company (S.r.l.) into a joint stock company (S.p.A.). In the same deed, the Company also transferred its registered office from Lombardore to Turin;
- On 14 March 2025, the company purchased 805,263 of its own shares from Endurance GmbH under the terms and conditions established by the Shareholders' Meeting by means of an endorsement authenticated by Notary Agostini in Milan.

The financial statements comprise the balance sheet, the income statement, the statement of cash flows (prepared in conformity with the respective requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these notes.

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared. The items preceded by

Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. These criteria are consistent with those applied for the preparation of the financial statements of the prior year, having regard for the changes in the relevant regulatory framework described below.

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

The purpose of the explanatory notes is to describe, analyse and, in some cases, supplement the data reported on the face of the financial statements. They contain the information required by arts. 2427 and 2427 bis c.c., other provisions of the civil code and other legislation. In addition, they provide all the complementary information deemed necessary in order to present the most transparent and complete view possible, even if such information is not required by specific legislation.

Amounts are stated in whole Euro, unless specified otherwise.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC (Italian Accounting Board); they have therefore been prepared clearly and give a true and fair view of the Company's financial position and results of operations.

Basis of preparation

The items in the financial statements are measured in accordance with the prudence and materiality concepts on a going concern basis.

The information contained in this document is presented in the order in which the various items are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

Pursuant to Art. 2423-ter of the Civil Code, we can confirm that all of the financial statement items are comparable with the prior year; no restatement of prior year items has been necessary.

Accounting policies

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

Structure and Content of the Financial Statements

The balance sheet, income statement and the accounting disclosures contained in these notes agree with the books of account from which they have been taken directly.

The items preceded by Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. These criteria are consistent with those applied for the preparation of the financial statements of the prior year, having regard for the changes in the relevant regulatory framework described below.

Pursuant to Art. 2424 of the Civil Code, it is hereby confirmed that no balance sheet items have been allocated to more than one balance sheet line.

Evaluation Criteria

The accounting principles applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the Italian Civil Code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board. Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis. Intangible assets are recognised with the consent of the Board of Statutory Auditors where prescribed by law.

The book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful lives of the assets:

Intangible assets	Amortisation period
Start-up and expansion costs	5 years on a straight line basis
Industrial patents and intellectual property rights	3 years on a straight-line basis
Concessions, licences, trademarks and similar rights	5 years on a straight line basis
Goodwill	15 years on a straight line basis
Other intangible assets	5 years on a straight line basis

Start-up and expansion costs are recorded as an asset with the consent of the Board of Statutory Auditors, as they are prudently considered to be of future benefit; these costs are amortised over a period that does not exceed five years.

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

Goodwill, comprising the extra value recognised on the acquisition of businesses and in relation to other corporate transactions, is amortised over its useful life. Useful life is estimated at the time of initial recognition and is not changed in subsequent years. If this estimate cannot be made, goodwill is amortised over 10 years.

In order to determine the useful life of goodwill, the Company applies the information available in order to estimate the likely duration of its economic benefits. Should the useful life of goodwill be found to exceed 10 years, specific analyses are carried out to support the value determined with reference to the longer useful life, as required by OIC 24.70.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible assets"). They are amortised systematically over the period they are expected to benefit (prudently determined to be 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the company.

If permanent impairment is identified, the asset is written down accordingly, regardless of the amortisation already recorded; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs. This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c.

Pursuant to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets recorded in the books have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible assets are only revalued if this is required or allowed by special laws.

Pursuant to Art. 10 of Law 72 of 19 March 1983 and subsequent laws on revaluations of assets, it is hereby confirmed that the tangible assets recorded in the books have never been revalued.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year on a straight-line basis using the following rates:

Tangible asset items	Depreciation rate
Buildings	3%
Buildings – allocation of merger deficit (*)	6.67%
Plant and machinery	10%
Industrial and commercial equipment	15%
Temporary constructions	10%
Alarm systems	30%
Telephone	20%
Motor cars	25%

(*) depreciation based on the estimated residual useful life (15 years) of the assets that were allocated additional value following the merger (the effective date of which for tax purposes was 1 January 2015).

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on tangible assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Start-up grants are recognised when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 “other income and revenues” and then deferred for recognition on an accruals basis via classification as “deferred income”.

Impairment (tangible and intangible assets)

At each reporting date, the company determines if there is any evidence that the value of its tangible and intangible assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

With regard to the above, the Company has looked for evidence that the value of its tangible and intangible assets might be impaired, but did not find any and, accordingly, has not determined the recoverable value of these assets.

Equity investments, securities and financial receivables (classified as long-term financial assets)

The equity investments and debt securities classified as non-current assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment. The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

Intercompany loans

Intercompany loans with a duration of more than 12 months are usually governed by contracts arranged on market terms and conditions; interest-free intercompany loans and those arranged at significantly below market rates are recognised initially at the value of the related future cash flows, as discounted using the market rate (being the average funding rate of the Company or the Group). The difference with respect to the liquidity collected by the parent company is credited to shareholder's equity.

Receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement. Receivables assigned to factors are only derecognised if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement caption C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable. Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Receivables deriving from the cash pooling system are classified separately within current assets, if recoverable in the short term. If this is not the case, they are classified as long-term financial assets.

Equity investments and securities not held as non-current assets

This caption comprises the equity investments and debt securities that will not be held over the long term by the Company. They are recorded at specific cost or, if lower, at their market value that, for listed investments, is determined with reference to their market price on the reporting date, being 31 March 2025. These equity investments are written down to their realisable value case by case, rather than on an overall basis. If the reasons for any adjustments cease to apply, in whole or in part, the adjustments are reversed without exceeding the original cost.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Employee termination indemnities

Employee termination indemnities represent the total amount that would have been payable to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated 296 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortisation cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different from the market rate of interest. The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Finance leases

Finance leases are recognised using the "capital method", charging the instalments paid to the income statement on an accruals basis. A specific section of these explanatory notes contains the supplementary information required by the law on the effect of recognising these contracts using finance lease methodology.

Derivatives

Derivatives consist of financial assets and liabilities measured at fair value.

They are only classified as hedging instruments when, at the time of arrangement, there is a strict, documented correlation between the characteristics of the hedged item and those of the hedging instrument, and that hedging relationship is both formally documented and, based on periodic checks, highly effective.

When derivatives hedge the risk of changes in the fair value of the hedged instruments (fair value hedges), they are measured at fair value through profit or loss; for consistency, the carrying amounts of the hedged items are adjusted to reflect the changes in fair value associated with the hedged risk.

When derivatives hedge the risk of changes in future cash flows of the hedged instruments (cash flow hedges), the effective portion of the profits or losses on the derivative financial instrument is put into suspense in equity (under the Reserve for cash flow hedges, net of tax). The ineffective portion of the profits and losses associated with a hedge is recognised in the income statement. On completion of the transaction, the accumulated profits and losses, previously deferred to shareholders' equity, are released to the income statement (to adjust the income statement items affected by the hedged cash flows).

When hedge accounting is used, the changes in the related fair value of the hedging derivatives are recognised:

- in income statement captions D18 or D19, in the case of a fair value hedge of a reported asset or liability, together with the changes in the fair value of the hedged items (if the change in the fair value of the hedged

item is greater in absolute terms than the change in the fair value of the hedging instrument, the difference is recognised in the income statement caption affected by the hedged item);

- in a specific equity reserve (caption AVII “Reserve for cash flow hedges”) in a way that offsets the effects of the hedged flows (the ineffective portion, like the change in the time value of options and forwards, is classified in captions D18 and D19).

The changes in the fair value of financial instruments that are classified as trading derivatives, either because they do not qualify for treatment as hedging derivatives or because they were not designated as hedges, even though they were arranged operationally to hedge the risk of changes in interest rates and/or exchange rates and/or commodity prices, are recorded in the balance sheet and recognised in income statement captions D18 or D19.

Any derivatives embedded in other financial instruments must also be measured at fair value. In particular, embedded instruments are only separated from the primary contract and recognised as derivatives if, and only if:

- a) the economic characteristics and risks of the embedded derivative are not closely correlated with the economic characteristics and risks of the primary contract. Close correlation exists if hybrid contracts are arranged in accordance with market practice;
- b) all the elements included in the definition of a derivative financial instrument specified in OIC 32.11 are satisfied.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the shareholders' meeting. Dividends are recognised as financial income, regardless of the nature of the reserves that are distributed.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Taxation

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year that the differences will become part of taxable income, i.e. the rates currently in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively under current assets as “deferred tax assets” and under provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the shareholder.

Also for the year in question, the Company maintained the national tax consolidation regime pursuant to art. 117/129 of the Consolidated Income Tax Act (TUIR), involving Endurance S.p.A., Endurance Engineering S.r.l. and, from 2021-22, Endurance Castings S.p.A. and Endurance Adler S.p.A. The Company is the parent of this tax group and calculates just one taxable income for all member companies, with the benefit that taxable income can be offset against tax losses in a single tax declaration. All members of the tax group transfer their taxable income (or loss) to the group parent, which records an amount receivable from them for the IRES to be paid (the consolidated companies record an amount payable to the tax group parent). Conversely, the group parent records an amount payable to the companies that transfer tax losses, representing the IRES actually offset at group level (the consolidated companies record an amount receivable from the tax group parent).

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost. Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

Measurement of components denominated in foreign currency

As at the balance sheet date, the company does not have any assets or liabilities denominated in foreign currency.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes - assets

The assets recorded in the balance sheet are measured in accordance with art. 2426 c.c. and Italian accounting standards. The specific measurement criteria applied are indicated in the individual notes on each item.

Fixed assets

Intangible assets

After booking the amortisation charges for the year, for a total of €1,142,500, the intangible assets are now completely amortised.

Movements in intangible assets

The table shows the movements in fixed assets during the year.

	Start-up and expansion costs	Industrial patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Other intangible assets	Total intangible assets
Balance at the beginning of the year					
Cost	52,430	33,452	5,250,000	1,345	5,337,227
Amortisation (Accumulated amortisation)	52,430	33,452	4,107,500	1,345	4,194,727
Carrying amount	-	-	1,142,500	-	1,142,500
Changes during the year					
Amortisation for the year	-	-	1,142,500	-	1,142,500
<i>Total changes</i>	-	-	<i>(1,142,500)</i>	-	<i>(1,142,500)</i>
Balance at the end of the year					
Cost	52,430	33,452	5,250,000	1,345	5,337,227
Amortisation (Accumulated amortisation)	52,430	33,452	5,250,000	1,345	5,337,227
Carrying amount	-	-	-	-	-

The concessions, licences, trademarks and similar rights completely amortised at 31 March 2025 (€1,142,500 at 31 March 2024), refer to the licence for the exclusive use of patents, know-how, trademarks and other intellectual property rights for the design, manufacture and marketing of innovative clutches, brake discs and braking systems for the motorcycle market. This licence was acquired in two stages: the first part of know-how was purchased from Adler S.p.A. before this company joined the Endurance Group, whereas the second part was acquired in June 2021 and concerns patents and intellectual property rights, technology, know-how and the “G Grimeca” brand for the production and marketing of brake discs and braking systems.

Tangible assets

Tangible assets recorded in the financial statements at 31 March 2025 amounted to €25,964, net of accumulated depreciation of €190,530 and refer entirely to other assets.

Movements in tangible assets

The following table shows the movements in tangible assets during the year.

	Other tangible assets	Total tangible assets
Balance at the beginning of the year		
Cost	195,535	195,535
Depreciation (Accumulated depreciation)	184,754	184,754
Carrying amount	10,781	10,781
Changes during the year		
Additions	20,959	20,959
Depreciation for the year	5,776	5,776
<i>Total changes</i>	<i>15,183</i>	<i>15,183</i>
Balance at the end of the year		
Cost	216,494	216,494
Depreciation (Accumulated depreciation)	190,530	190,530
Carrying amount	25,964	25,964

Finance leases

The Company is not party to any finance lease contracts at the balance sheet date.

Long-term financial assets

The item in question relates to the amount of the investments in subsidiaries held at the end of the financial year. The equity investments recorded in the financial statements are stated at cost, equal to the expense incurred for the purchase, regardless of the manner of payment, comprising any ancillary charges (commissions and bank charges, stamp duty, bank intermediary fees, etc.).

The following table provides details of equity investments in subsidiary companies as well as the additional disclosures required by Art 2427 of the Civil Code.

Name	City or Country	Share capital	Result for FY 2024/25	Shareholders' equity at 31/03/2025	Equity interest held (%)	Equity interest held (amount)	Carrying amount
ENDURANCE S.p.A.	Chivasso (TO)	5,000,000	14,191,741	90,808,572	100.00%	90,808,572	34,054,358
ENDURANCE ENGINEERING S.r.l.	Turin	100,000	757,700	6,284,438	100.00%	6,284,438	2,000,000
ENDURANCE CASTINGS S.p.A.	Bione (BS)	900,000	1,882,115	12,447,297	100.00%	12,447,297	8,182,200
ENDURANCE TWO WHEELERS S.p.A. (*)	Rovereto (TN)	840,000	619,462	9,218,614	100.00%	9,218,614	15,538,439
VEICOLI S.r.l.	Turin	500,000	392,657	2,484,964	100.00%	2,484,964	2,530,855
INGENIA AUTOMATION S.r.l. (**)	Volpiano (TO)	10,330	(161,423)	2,195,607	100.00%	2,195,607	2,928,192
Total							65,234,044

(*) Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.) is the result of the merger during the year of Frenotecnica S.r.l. and Newfren S.r.l. and their absorption by Endurance Adler S.p.A.

(**) The result refers to the tax period from 01/01/2025 – 31/03/2025.

The absence of any evidence of impairment is confirmed by the five-year, economic-financial forecasts prepared by the management of each company, which indicate continued profitability over that period. The theoretical present value of the subsidiaries was calculated using the DCF method (impairment test). The outcome confirmed that the present value of each subsidiary is greater than the related carrying amount.

Changes in and maturity of non-current receivables

The following table shows the movements in long-term financial assets during the year.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Receivables due from subsidiaries	600,000	-	600,000	600,000	-
Total	600,000	-	600,000	600,000	-

This item concerns interest-bearing loans granted to New Fren S.r.l. which was absorbed by Endurance Two Wheelers S.p.A. during the year; the latter therefore took over all of the assets and liabilities of the absorbed company.

Current assets

Current assets are measured in the manner described in paragraphs 8 to 11-bis of art. 2426 of the Civil Code. The accounting policies applied are explained in the notes on the respective financial statement items.

Current receivables

These total €10,887,889 at 31 March 2025, up by €1,888,845 since 31 March 2024 (€8,999,044).

The increase in current receivables is attributable to the increase in receivables due from subsidiaries, as detailed in the following table.

They are shown at their estimated realisable value, as application of the amortised cost or discounting methods would not have been suitable for providing a true and fair view of the financial position and results of operations.

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Receivables due from subsidiaries	2,567,160	2,412,926	4,980,086	4,980,086	-
Receivables due from parent companies	301,025	(301,025)	-	-	-
Receivables due from fellow subsidiaries	-	54,046	54,046	54,046	-
Tax receivables	3,555,727	167,024	3,722,751	3,722,751	-
Deferred tax assets	2,135,958	(347,589)	1,788,369	-	-
Other receivables	439,174	(96,537)	342,637	314,067	28,570
Total	8,999,044	1,888,845	10,887,889	9,070,950	28,570

Receivables due from subsidiaries: €4,980,086, of which €4,862,930 refers to trade receivables due from subsidiaries in relation to operational and financial services provided by the Company to investees within the Group's management structure, and for the rest to amounts due from the subsidiary Endurance Engineering S.r.l. as part of the tax consolidation pursuant to arts. 117-129 of the Consolidated Income Tax Act (CITA).

Receivables due from fellow subsidiaries: €54,046, refer to the trade receivables due from Endurance GmbH for the management and financial services performed by the Company for the benefit of the German subsidiary.

Tax receivables: the amount of €3,722,751 refers for €2,784,140 to the difference between the IRES (corporate income tax) charge for the year and the advances paid as part of the tax consolidation pursuant to arts. 117/129 of the CITA established with Endurance S.p.A., Endurance Engineering s.r.l., Endurance Castings S.p.A. and Endurance Two Wheelers S.p.A., for €149,128 as the difference between the IRAP (Regional Business Tax) charge for the year and the advances paid, for €50,387 to recoverable VAT and for €739,096 to withholdings incurred on income generated abroad and for the balance to other tax credits.

Deferred tax assets: €1,788,369 is the effect due to the valuation of negative income components the deductibility of which is postponed to future years, whereas their recoverability is certain. For more details on this item, see the relevant section below.

Other receivables: €342,637 for various receivables of a non-commercial nature, of which €28,570 due beyond the following financial year as they relate to security deposits.

Breakdown of current receivables by geographical area

In terms of the geographical distribution of payables, the Company's counterparties are all Italian, except for the amounts due to Endurance GmbH (€54,046).

Current financial assets

Movements in current financial assets

The movements in current financial assets are analysed in the following table.

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
other securities	20,251,260	348,980	20,600,240
cash pooling assets	2,462,221	(2,462,221)	-
Total	22,713,481	(2,113,241)	20,600,240

Other securities comprise short-term investments of surplus cash: these include US government bonds, T-Bonds at a nominal rate of 4.5% maturing in 2036 (€4,768,840), bank bonds maturing in 2029 (€6,831,800), BTPs maturing in 2039 (€3,999,600) and Certificates with underlying rate of 3-month Euribor maturing in 2027 (€5,000,000).

At the end of the period there are no credit balances as part of financial management, which includes the balance of the cash pooling agreement with other group companies.

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	12,245,616	40,911,243	53,156,859
cash on hand	631	(592)	39
Total	12,246,247	40,910,651	53,156,898

Cash and cash equivalents include own cash and the balance resulting from the cash pooling system. A receivable is recorded as the contra-entry in the event of a liability, or a payable in the case of an asset, by the other participants in the cash pooling system (Endurance Group companies). The amount has increased as a result of the distribution

of dividends by the subsidiaries for a total of €13,000,000 and taking out new bank loans to support the acquisitions described in the section on significant events that took place after the end of the year.

Accrued income and prepaid expenses

The following table shows the changes in accrued income and prepaid expenses.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued income	186,168	132,243	318,411
Prepaid expenses	212,408	456,815	669,223
Total accrued income and prepaid expenses	398,576	589,058	987,634

Accrued income (€318,411 at 31 March 2025) mainly includes interest on securities in portfolio relating to the year, but not yet paid at the end of the year.

Prepaid expenses (€669,223 at 31 March 2025) mainly include amounts paid in advance by way of insurance premiums and costs pertaining to subsequent years.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes - liabilities and shareholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Shareholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

Changes in shareholders' equity items

With reference to the year just ended, the table below sets out changes in the components of equity, as well as details of other reserves, if any. The changes in the Company's equity items in the year prior to the year under review (as of 31/03/2024) are as follows:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Result for the year	Balance at the end of the year
Share capital	16,105,263	-	-	16,105,263
Share premium reserve	304,737	-	-	304,737
Legal reserve	1,445,449	803,412	-	2,248,861
Extraordinary reserve	5,563,997	-	-	5,563,997
Retained earnings (accumulated losses)	11,571,851	15,264,837	-	26,836,688
Net income (loss) for the year	16,068,249	(16,068,249)	8,332,091	8,332,091
Total	51,059,546	-	8,332,091	59,391,637

The changes in the Company's equity items in the year ended 31/03/2025 are shown below:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Other changes - Decreases	Result for the year	Balance at the end of the year
Share capital	16,105,263	-	-	-	16,105,263
Share premium reserve	304,737	-	-	-	304,737
Legal reserve	2,248,861	416,605	-	-	2,665,466
Extraordinary reserve	5,563,997	-	-	-	5,563,997
Cash flow hedging reserve	-	-	2,906	-	(2,906)
Retained earnings (accumulated losses)	26,836,688	7,915,486	-	-	34,752,174
Net income (loss) for the year	8,332,091	(8,332,091)	-	12,618,584	12,618,584
Negative reserve for treasury shares in portfolio	-	-	8,503,577	-	(8,503,577)
Total	59,391,637	-	8,506,483	12,618,584	63,503,738

The cash flow hedging reserve, which is not available for distribution and cannot be used to cover losses, includes the amount, net of the tax effect, of the effective portion of the changes in fair value recorded in derivative contracts entered into for the purpose of hedging the cash flows associated with planned transactions that are highly probable; in accordance with the applicable standards, at the time of recognition of the asset or liability involved in the highly probable transaction, the Company transfers the equivalent effective amount of the derivative instrument from the reserve, including it directly in the book value of the asset or liability, adjusting the income or cost of the transaction in the income statement.

The negative reserve for treasury shares in portfolio relates to the value of the Company's own shares purchased during the year from Endurance GmbH.

Availability and use of shareholders' equity

The following table provides details of the components of shareholders' equity, including their origin, potential utilisation and whether they are distributable, as well as the utilisation made of them in the previous three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Share capital	16,105,263	Share capital		-
Share premium reserve	304,737	Share capital	A;B;C	304,737
Legal reserve	2,665,466	Revenue	B	-
Extraordinary reserve	5,563,997	Revenue	A;B;C	5,563,997
Cash flow hedging reserve	(2,906)			-
Retained earnings (accumulated losses)	34,752,174	Revenue	A;B;C	34,752,174
Negative reserve for treasury shares in portfolio	(8,503,577)			-
Total	50,885,154			40,620,908
Amount not distributable				10,291,946
Residual amount distributable				30,328,962
Key: A: for increase in capital; B: to cover losses; C: for distribution to the shareholders; D: for other statutory requirements; E: other				

The non-distributable portion, determined in accordance with art. 2426 of the Civil Code, refers for €8,503,577 to the negative reserve for treasury shares in portfolio and, for the remainder, to the tax credit for deferred tax assets which falls within the category of assets not yet realised and for the rest to be allocated to building up the legal reserve.

Provisions for risks and charges

The following table shows the changes in provisions for risks and charges.

Analysis of changes in provisions for risks and charges

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Provision for current and deferred taxation	294,766	-	918	(918)	293,848
Derivatives	-	3,824	-	3,824	3,824
Total	294,766	3,824	918	2,906	297,672

The provision for payable derivatives includes the negative mark to market adjustment made at the end of the year.

Employee termination indemnities

Employee termination indemnities amount to €22,822 at 31 March 2025. The changes during the year are summarised below:

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Employee termination indemnities	39,350	8,507	25,035	(16,528)	22,822
Total	39,350	8,507	25,035	(16,528)	22,822

The item includes the portion of cost present in the financial statements relating to the termination indemnity not allocated to the treasury account with INPS, Previndai and Fondo Cometa.

Payables

Payables are shown in the balance sheet at 31 March 2025 for a total amount of €87,654,484 (€48,674,425 at 31 March 2024).

Pursuant to art. 12, para. 2 of Legislative Decree 139/2015, the Company has elected to measure payables using the amortised cost method. This election was made on a prospective basis and, therefore, only applies to the payables that have arisen subsequent to 1 January 2016.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	-	22,897,005	22,897,005	3,744,651	19,152,354
Trade payables	224,545	12,416	236,961	236,961	-
Payables due to subsidiaries	43,617,550	7,133,634	50,751,184	50,751,184	-
Payables due to fellow subsidiaries	38,734	4,595,620	4,634,354	4,634,354	-
Tax payables	647,972	(23,449)	624,523	624,523	-
Due to pension and social security institutions	586,835	101,133	687,968	687,968	-
Other payables	3,558,789	4,263,700	7,822,489	5,695,995	2,126,494
Total	48,674,425	38,980,059	87,654,484	66,375,636	21,278,848

- Due to banks totalling €22,897,005, of which €3,744,651 due within the following year, refer to loans taken out during the year from leading banking institutions to support the acquisitions described in the section on significant events after the end of the year, as detailed below:

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
BPER	3,000,000	24/09/2024 – 4	3,000,000	809,753.77	2,190,246
BANCA INTESA	20,000,000	07/02/2025 - 7	20,000,000	2,962,962.96	17,037,037
Amortised cost adjustment	-	-	(102,995)	(28,065)	(74,930)
Total	23,000,000		22,897,005	3,744,651	19,152,354

- Trade payables: € 236,961;
- Due to subsidiaries within one year, €50,751,184, as analysed below:
 - €3,000,000 representing a loan from Endurance S.p.A. (classified as a current liability because the contractual conditions envisage repayment on demand);
 - €45,658,813 for the amount due related to the cash pooling arrangement, of which:
 - €32,315,649 to Endurance S.p.A.
 - €7,188,505 to Endurance Castings S.p.A.
 - €4,039,976 to Endurance Engineering S.r.l.
 - € 508,953 to Endurance Adler S.p.A.
 - €1,605,730 to Veicoli S.r.l.
 - the balance of €2,092,371 to relationships as part of the tax consolidation for €336,120 and to trade relationships for the rest (€1,756,251);

- Payables due to fellow subsidiaries: €4,634,354 of which €4,595,620 relate to the amount due to the cash pooling system with the foreign affiliate Endurance GmbH, and for the remainder (€38,734) to commercial relationships with it;
- Tax payables: €624,523 refer to payroll withholdings for employees and co-workers for €623,882 and other tax payables for the difference;
- Due to pension institutions: €687,968, mainly payable to INPS and Previndai;
- Other payables: €7,822,489, of which €5,695,995 within the following year, mainly concern payables due to employees for wages and accruals to be paid, as well as various other minor amounts.

Analysis of payables by geographical area

In terms of the geographical distribution of payables, the Company's counterparties are all Italian, except for the amounts due to Endurance GmbH (€4,634,354).

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Loans from shareholders

The company has not received any loans from its shareholders.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued expenses	16,726	(2,773)	13,953
Total accrued expenses and deferred income	16,726	(2,773)	13,953

This item pertains to accrued expenses calculated on charges pertaining to the year, but which will be paid after the end of the year.

Explanatory notes - income statement

The income statement reports the results for the year.

This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, can be broken down into the following categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

Value of production

The Company has carried on its investment management activity, recording revenues related to the management and coordination services of the group's activities by charging back to the subsidiaries and fellow subsidiaries the costs of the management personnel employed by the Company.

Analysis of revenues from sales and services by category of activity

The following table analyses the operating costs incurred during FY 2024/2025 on a comparative basis:

Description	FY 2024/2025	FY 2023/2024	Change
Revenues from sales of goods and services	10,690,000	7,040,255	3,649,745
Other income and revenues	1,560,150	1,433,714	126,436
Total	12,250,150	8,473,969	3,776,181

Other revenues and income include, among other things, an amount of €1,350,000 which is the share for the year of the proceeds from sub-licensing patents, trademarks, know-how and other intellectual property rights under a contract with the parent company Endurance Technologies Ltd.

Cost of production

The following table analyses the operating costs incurred during FY 2024/2025 on a comparative basis:

The increase in costs during the period mainly refers to personnel costs for the introduction of new professional roles and for the component relating to variable remuneration and retention programmes.

Description	FY 2024/2025	FY 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	46,873	44,630	2,243
Cost of services	1,141,689	1,058,168	83,521
Lease and rental charges	384,748	388,375	(3,627)
Payroll costs			
- Wages and salaries	8,700,916	5,075,757	3,625,159
- Social contributions	828,342	531,612	296,730
- Employee termination indemnities and other costs	297,034	296,205	829
- Other costs	44,549	30,231	14,318
Amortisation of intangible assets	1,142,500	1,162,500	(20,000)
Depreciation of tangible assets	5,776	5,331	445
Other operating expenses	140,638	83,330	57,308
Total	12,733,065	8,676,139	4,056,926

Payroll costs, which represent the bulk of the Company's costs, comprise the entire cost of employees, inclusive of merit increases, changes in labour category, holiday pay and accruals required by law and by collective labour agreements, cost for external collaborators, variable remuneration components, incentives to leave the company, as well as charges deriving from the management retention plan in favour of corporate management, which depends on the economic-financial results achieved in Europe and the continued employment of the personnel concerned for a minimum pre-determined period. The increase during the year is attributable to the inclusion of new professional roles and to the remuneration component relating to retention programmes.

Financial income and charges

The income from equity investments for 2024/2025 (€13,000,000) refers to the dividend distributions made by the subsidiaries during the year.

Financial income for 2024-2025 (€1,487,009) mainly consists of accrued interest and capital gains realised on financial instruments (government securities, bank bonds and time deposits) held during the year.

Financial charges (€924,969) mainly consist of interest due to subsidiaries and fellow subsidiaries on intercompany loans (€172,188), interest on cash pooling deposits (€547,000), interest on bank loans (€161,983) and other charges on borrowing facilities for the rest.

Adjustments to financial assets and liabilities

The revaluation (€76,314) of securities classified as current assets incorporates the adjustment to the market value of the different types of securities held by the company as an interest-bearing use of the liquidity recorded at the end of the year.

The writedown of equity investments for €423 relates to the interest held in GDS Sarl given that it is in liquidation.

Amount and nature of revenues/costs of individual significance

During the current year, no revenues or other positive components deriving from exceptional events were recorded.

During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. The tax charge for the year consists of current taxation, as resulting from the tax returns, of deferred taxation relating to positive or negative components of income, taxable or deductible, respectively, in fiscal years that differ from the year in which the item is accounted for statutory reporting purposes.

The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table:

	FY 2024/2025	FY 2023/2024
Income taxes	432,690	315,042
Current taxation		
of which: IRES for the year (current)	-	-
of which: IRAP for the year (current)	150,726	-
of which: Taxation relating to prior years		
Deferred tax (assets) liabilities	347,588	440,048
Consolidation income (charges)	65,624	125,006

They are detailed in the following tables:

- a description of the temporary differences that have given rise to the recognition of deferred tax liabilities and assets, with details of the rate applied, changes in the year and the amounts credited or debited to the income statement or to equity;

- the amount of deferred tax assets recognised relating to losses for the year or prior years and the reasons for their recognition; the amount not yet recognised and the reasons for the non-recognition;
- the items excluded from the calculation and the reasons for their exclusion.

Recognition of deferred tax assets and liabilities and their impact

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	2,142,517	1,350,000
Total taxable temporary differences	913,607	-
Net temporary differences	(1,228,910)	(1,350,000)
B) Tax effects		
Provision for deferred tax liabilities (assets) at the beginning of the year	(1,788,542)	(52,650)
Deferred tax liabilities (assets) of the year	294,938	52,650
Provision for deferred tax liabilities (assets) at the end of the year	(1,493,604)	-

Deferred tax assets and liabilities have been determined using the rates likely to be in force during the years when the temporary differences are expected to reverse.

The current rates have been used with specific regard to deferred tax assets, being IRES 24% and IRAP 5.57%. The rates applied when the provisions for deferred tax liabilities were made have also been used for their reversal (IRAP rate of 3.9%).

The balance of deferred tax assets shown in the table is the net of provisions for the year less the deferred tax assets and liabilities recognised in previous years and reversed during the period. Specifically, there was a reversal of deferred tax liabilities linked to the demerger and a simultaneous provision made for deferred tax assets.

The changes in deferred tax assets are summarised in the following table:

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Deferred tax assets	2,135,958	81,600	429,189	(347,589)	1,788,369
Total	2,135,958	81,600	429,189	(347,589)	1,788,369

The provisions mainly refer to deferred tax assets calculated on the temporary difference generated by the taxation of the securities write-down. The utilisations mainly concern the temporary differences that became effective during the year in relation to the income for the sub-licensing of patents and know-how that was fully taxed at the time of the sale.

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages.

	Executives	White collar	Total employees
Average number	10	4	14

The workforce at 31 March 2025 (only Company employees) consists of 14 people.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

The following schedule provides the information required by art. 2427, point 16 of the Italian Civil Code., with the clarification that no advances or loans have been granted and no commitments, in the form of guarantees of any kind, have been accepted on behalf of the members of the Board of Directors.

	Directors	Statutory Auditors
Fees	35,178	48,880

Fees of the independent auditor or firm of auditors

During the year, the following amounts (comprising fees and expenses) were paid to the independent auditors (Deloitte & Touche S.p.A)

- €56,700 for the independent audit of the accounts, comprising the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries, as well as for checking the Group Reporting Package, prepared from the consolidated financial statements and submitted for the purpose of consolidating the Endurance Technologies Group;
- €1,050 for the audit work performed in order to sign the tax declarations.

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the ICC.

Details on other financial instruments issued by the company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the ICC.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the ICC.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into during the year.

Information about significant events arising subsequent to the reporting date

With reference to point 22-quater of art. 2427 of the Civil Code, as regards the reporting of the main significant events that occurred after the end of the year that had a significant impact on the equity, financial and economic performance, we would inform you that on 2 April 2025 the company completed the following acquisitions with a view to strengthening the group's presence in the automotive market:

- An interest representing 60% of Stöferle Automotive GmbH, a German company operating in the mechanical processing of components for the automotive sector, for a total of €26,418,000;
- An interest representing 60% of the share capital of the company Stöferle GmbH, a German company operating in the mechanical processing of components for the automotive sector and the construction of machines and equipment for mechanical processing, for a total of €11,322,000;

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the company belongs as a subsidiary

The following information is provided about the company that prepares consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary:

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	n/a
Town (if in Italy) or foreign State	Chhatrapati Sambhajinagar (India)	n/a
Tax code (Italian companies)	-	n/a
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajinagar (India) India Stock Exchange: NSE and BSE	n/a

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivatives pursuant to art. 2427-bis of the Italian Civil Code

Pursuant to art. 2427-bis of the Italian Civil Code and order to present a true and fair view of the Company's commitments, appropriate details are provided below about the fair value, extent and nature of outstanding derivatives (amounts in Euro), grouped by type of instrument:

Type of instrument	Number of contracts at 31/03/2025	Original notional value	Notional at 31/03/2025	Fair value	Number of contracts at 31/03/2024	Original notional value	Notional at 31/03/2024	Fair value
Interest rate swaps	1	10,000,000	10,000,000	(3,824)	-	-	-	-
Total	1	10,000,000	10,000,000	(3,824)	-	-	-	-

Summary financial statements of the company which exercises management control and coordination

The company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Chhatrapati Sambhajanagar (formerly Aurangabad), Maharashtra, India, which directly and indirectly owns the entire share capital of the company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90.1365 (89.399 on 31 March 2023) - (source: European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and shareholder's equity		
Shareholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72

Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and shareholders' equity	46,853.04	41,090.45

Income statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Net income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

The following section describes relations with the company that provides management control and coordination services and with the other affiliates, as well as the effect of those activities on the operations of the company and its results.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that they are recorded in the National Register of State Aid.

Proposed allocation of profits or coverage of losses

Shareholders,

In light of the above, the Board of Directors would like to propose allocating the net income for the year of €12,618,584 as follows:

- €555,587 to the legal reserve;
- €12,062,997 to retained earnings.

Explanatory notes - closing section

Shareholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's financial position and results for the year and agree with the books of account. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Turin, 13/05/2025

For the Board of Directors

The Managing Director

Massimo Venuti

ENDURANCE OVERSEAS SPA

Company with sole shareholder

Head office: VIA DELL'ARSENALE 33 - TURIN

Tax Code, Turin Chamber of Commerce and Turin Companies Register No. 05754620960

Turin Business Register (REA) no. TO 1101893

Share capital: € 16,105,263.00 subscribed and fully paid

VAT Number: 05754620960

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report of the Board of Statutory Auditors

Financial statements at 31/03/2025

To the Shareholders,

Pursuant to the current articles of association, the Board of Statutory Auditors has been assigned the task of administrative supervision by your company, while the legal audit function was assigned to Deloitte & Touche S.p.a. appointed by the Shareholders' meeting of 21/06/2023, this report describes solely the supervisory work carried out in accordance with the law

Report to the Shareholders' Meeting pursuant to art. 2429, para. 2 of the Italian Civil Code - Administrative supervision

During the course of the financial year ended 31/03/2025, our activities were performed in compliance with applicable legislation and the principles of conduct for the Board of Statutory Auditors issued by the Italian Accounting Profession (as represented by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili).

Activities carried out by the Board of Statutory Auditors during the year ended 31/03/2025

We supervised compliance with the law, with the articles of association and with principles of proper administration.

We attended Shareholders' Meetings and Board Meetings, in respect of which, based on information made available, no matters came to our attention to indicate that there had been any infringements of the law or of the articles of association, nor transactions which were clearly imprudent, risky, likely to give rise to a conflict of interest or such as to compromise the integrity of the company's assets.

We acquired information from the directors on the status of capital transactions, with respect to which we have no particular observations to make.

We obtained information from the directors on the company's performance and the likely outlook, as well as on the most significant transactions, in terms of size or characteristics, entered into by the company and by its subsidiaries and, based on the information obtained, we have no particular findings to report.

We met with the independent auditors and, with reference to those meetings, no significant information or data emerged that should be disclosed in this report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's organisational structure by obtaining information from function heads, with respect to which we have no particular findings to report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's administrative-accounting system, as well as on the reliability of the latter in correctly presenting the results of operations, by obtaining information from function heads, from the independent auditors and from an examination of corporate documents, and, with respect thereto, we have no particular findings to report.

No complaints were presented to us as per Art. 2408 of the Italian Civil Code.

During the course of the year, we did not issue any opinions required by law.

During the course of our supervisory activities, as described above, no other significant matters arose that are worthy of inclusion in this report.

This report therefore summarises our activity with regard to the requirements of art. 2429, para. 2 of the Italian Civil Code, namely information on:

- the results for the financial year;
- the work performed in fulfilment of our legal duties; the observations and proposals regarding the financial statements, with particular regard to any use made by the administrative body of the exception permitted by art. 2423, para. 5 of the Italian Civil Code;

In any case, we are at your complete disposal to examine any other aspects during the Shareholders' Meeting.

The work performed by us covered the entire financial year and regular meetings were held during the year pursuant to art. 2404 of the Italian Civil Code.

During our periodic checks, we gained knowledge on how the Company's activities were evolving, paying particular attention to contingent problems in order to identify the economic and financial impact on the result for the year and on the balance sheet, as well as any risks.

Minutes were drawn up of these meetings and duly signed for unanimous approval.

Supervisory activities pursuant to art. 2403 et seq. of the Civil Code

The draft financial statements for the year ended 31/03/2025, provided to us for our examination by the Board of Directors pursuant to art. 2429 of the Italian Civil Code, have been prepared in accordance with the requirements of Legislative Decree no. 127/91 and consist of:

- Balance sheet
- Income statement
- Statement of cash flows
- Explanatory notes

The result for the year is net income of € 12,618,584, as may be seen from the summary figures provided below:

Balance sheet

Description	FY 2024/2025	FY 2023/2024	Difference
FIXED ASSETS	65,860,008	64,059,556	1,800,452
CURRENT ASSETS	84,645,027	43,958,772	40,686,255
ACCRUALS AND DEFERRALS	987,634	398,576	589,058
TOTAL ASSETS	151,492,669	108,416,904	43,075,765

Description	FY 2024/2025	FY 2023/2024	Difference
SHAREHOLDERS' EQUITY	63,503,738	59,391,637	4,112,101
PROVISION FOR RISKS AND CHARGES	297,672	294,766	2,906
PROVISION FOR EMPLOYEE TERMINATION INDEMNITIES	22,822	39,350	(16,528)
PAYABLES	87,654,484	48,674,425	38,980,059
ACCRUALS AND DEFERRALS	13,953	16,726	(2,773)
TOTAL LIABILITIES AND EQUITY	151,492,669	108,416,904	43,075,765

Income statement

Description	FY 2024/2025	FY 2023/2024	Difference
VALUE OF PRODUCTION	12,250,150	8,473,969	3,776,181
REVENUES FROM SALES OF GOODS AND SERVICES	10,690,000	7,040,255	3,649,745
PRODUCTION COST	12,733,065	8,676,139	4,056,926
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	(482,915)	(202,170)	(280,745)
INCOME (LOSS) BEFORE TAXES (A-B+-C+-D)	13,051,274	8,647,133	4,404,141
INCOME TAXES FOR THE YEAR, CURRENT AND DEFERRED	432,690	315,042	117,648
NET INCOME (LOSS) FOR THE YEAR	12,618,584	8,332,091	4,286,493

Due to the fact that we were not appointed as independent auditors of the financial statements, we have limited ourselves to monitoring the overall approach to their preparation and their general compliance with the law as regards their format and structure and we do not have any particular observations to make in this regard.

More precisely, we note that:

- The accounting policies used in preparing the financial statements at 31/03/2025 comply with the Italian Civil Code as amended by Decree Law 139/2015;
- the Directors have provided information on the Company's performance and on the outlook for operations;
- the balance sheet and income statement formats adopted by the Company comply with articles 2424, 2424-bis, 2425 and 2425-bis of the Italian Civil Code;

We have verified compliance with the law regarding the structure of the directors' report on operations and we do not have any particular observations to make thereon.

As far as we are aware, in the preparation of the financial statements, there was no failure by the directors to comply with the law pursuant to paragraph 5 of Art. 2423 para. 5 of the Italian Civil Code.

Result for the year

The net result ascertained by the Directors for the year ended 31/03/2025, as shown in the financial statements, is positive for € 12,618,584. We do not have any observations to make on the allocation of the net result for the year proposed by the Directors.

Conclusion

Considering the results of the work performed by the independent auditors, as explained in their unqualified audit report, issued without any emphasis of matter on 14/05/2025, we unanimously believe that there are no impediments to approval at the Shareholders' Meeting of the draft annual financial statements at 31/03/2025, as prepared and presented by the Directors.

Milan, 14/05/2025

The Board of Statutory Auditors

Fulvio Mastrangelo

Fabio Greco

Massimo Carera

INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

**To the Sole Shareholder of
Endurance Overseas S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Endurance Overseas S.p.A. (the “Company”), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Endurance Overseas S.p.A. does not extend to such data.

Responsibilities of the Directors and the Board of Statutory Auditors 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.

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.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, 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 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.

- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance Overseas S.p.A. are responsible for the preparation of the report on operations of the Company as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Endurance Overseas S.p.A. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Rizzo Santo
Partner

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ENDURANCE OVERSEAS SPA

Head office: VIA DELL'ARSENALE 33 - TURIN

Tax Code, Turin Chamber of Commerce and Turin Companies Register No. 05754620960

Turin Business Register (REA) no.TO 1101893

Quota capital: Euro 16,105,263.00, subscribed and fully paid

VAT Number: IT05754620960

Management and coordination: ENDURANCE TECHNOLOGIES LIMITED - India

Report on operations

Consolidated financial statements for the year ended 31/03/2025

To the Quota holders,

The explanatory notes provide information about the consolidated financial statements for the year ended 31 March 2025; in compliance with art. 2428 of the Italian Civil Code, this document provides information about the situation and performance of the Endurance Group (including the Parent Company, Endurance Overseas S.r.l., and its subsidiaries, Endurance S.p.A., Endurance Engineering S.r.l., Endurance Castings S.p.A., Endurance Two Wheelers S.p.A., Veicoli S.r.l., GDS S.a.r.l. and Ingenia Automation S.r.l., together the "Group"). This report, prepared with amounts shown in whole euro (unless otherwise indicated), accompanies the consolidated financial statements in order to provide information about the Group's earnings, financial position and operations, together, where possible, with historical facts and an assessment of future prospects.

Information on the Company and the Group

Matters concerning the economy in general and the results of operations:

In 2024, the Eurozone economies showed signs of recovery with gradual but modest GDP growth of +0.9% and falling inflation. Germany was in moderate recession (-0.2%), France, Italy and, above all, Spain grew (+1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with a stable unemployment level. Globally, according to data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the US growing by 2.8%, China by 5.0% and India by 6.5%.

Regarding the automotive sector, in the calendar year 2024, according to data published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles worldwide grew by 2.5% year-on-year (74.6 million vehicles in 2024 compared to 72.8 million in 2023). Registrations grew by 0.8% in the European Union (10.6 million compared to 10.5 million in 2023), by 3.1% in the USA (12.7 million compared to 12.3 million in

2023), by 2.6% in China (with 22.9 million compared to 22.4 million in the previous year) and by 4.8% in India (with the market growing from 4.2 million vehicles to 4.4 million). In the European Union, pure electric BEVs achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEVs (including Mild Hybrids) 30.9%. Traditional combustion vehicles dropped to a 45.2% market share (of which petrol 33.3% and diesel 11.9%) from 48.9% in the previous year.

European Union registrations for the period consistent with the financial year (April '24 - March '25) contracted by -0.8% (worse than the calendar year due to the -1.9% contraction in the January-March quarter of 2025). The gap compared to pre-pandemic year volumes remains at a high level of -13.1% (compared to 2019/2020).

According to the S&P Global Mobility findings released by ACEA, global car production declined by a marginal -0.5% with the most significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5% to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany remained the leading car producing country with 3.9 million vehicles, accounting for almost 35% of production in the European Union and a decrease of -0.4% year-on-year.

In the calendar year 2024, the motorbike market showed a very positive trend with +10.1% growth in the five largest European markets. New registrations reached 1,155,640 units compared to 1,049,898 units in the previous year. The situation disaggregated by country shows growth in all major countries, including Italy +10%, Spain +14.2%, Germany +16.3% and France +3.5%. It should be noted, however, that a significant portion of Group revenues in the two-wheeler segment are related to the after-market, which is not closely correlated with the trend in registrations/production of new motorbikes. The results for the year in the two-wheeler segment were affected by the difficulties experienced by the KTM group, a reference customer for OEM components.

The significant investments made in previous years, against the backdrop of the new orders acquired by the Group, made it possible to improve company performance despite the negative trend in car production in the European Union. It must also be remembered that, despite the reductions compared to the peaks of past years, the prices of energy factors have nevertheless levelled out, affecting performance, at values significantly above historical values, with the material component of electricity more expensive by an average of 170% and gas by 210%. Overall, the Group's results were positive and further improved.

Financial position

To facilitate a better understanding of the Group's financial position, a reclassified balance sheet is set out below.

Balance Sheet - Assets

Item	FY 2024-2025	%	FY 2023-2024	%	Change	Change %
WORKING CAPITAL	206,440,389	53.73%	157,557,719	48.42%	48,882,670	31.03%
Immediate liquidity	96,993,656	25.25%	52,908,516	16.26%	44,085,140	83.32%
Cash and cash equivalents	96,993,656	25.25%	52,908,516	16.26%	44,085,140	83.32%
Deferred liquidity	79,933,789	20.80%	72,917,540	22.41%	7,016,249	9.62%
Current receivables included in working capital	47,941,285	12.48%	29,623,603	9.10%	18,317,682	61.83%
Current portion of non current receivables	24,641	0.01%	62,555	0.02%	(37,914)	-60.61%
Financial assets	30,003,733	7.81%	42,038,120	12.92%	(12,034,387)	-28.63%
Accrued income and prepaid expenses	1,964,130	0.51%	1,193,262	0.37%	770,868	64.60%
Inventories	29,512,944	7.68%	31,731,663	9.75%	(2,218,719)	-6.99%
FIXED ASSETS	177,765,907	46.27%	167,843,737	51.58%	9,922,170	5.91%
Intangible assets	9,542,929	2.48%	9,438,093	2.90%	104,836	1.11%
Tangible fixed assets	158,617,400	41.28%	144,623,688	44.44%	13,993,712	9.68%
Financial fixed assets	19,312	0.01%	81,699	0.03%	(62,387)	-76.36%
Non-current portion of receivables included in working capital	9,586,266	2.50%	13,700,257	4.21%	(4,113,991)	-30.03%
CAPITAL EMPLOYED	384,206,296	100.00%	325,401,456	100.00%	58,804,840	18.07%

With reference to the structure of the Company Group's assets, it should be noted in particular:

- as regards current assets:
 - the increase (for a total of Euro 32.1 million,) in cash and cash equivalents and financial assets (represented by investments for liquidity management), recorded in relation to the trend of positive cash flows from operations accrued by the Group, net of investments and repayment of medium/long-term loans, as described below (please also refer to the data concerning the consolidated cash flow statement);
 - the trend of the other elements of working capital, including in particular
 - the increase (approximately Euro 18.3 million) in the value of current receivables, by virtue of, (a) as regards trade receivables, the upward trend in sales volumes in the latter part of the year, as well as the effects of the application of the accounting requirements related to the OIC 34 standard (as well as the change in the scope of consolidation amounting to Euro 3.1 million) and (b) with reference to tax receivables, the recognition of a higher receivable for current VAT.
 - the reduction in the value of inventories (for Euro 2.2 million), determined by the combined effect of the slightly increasing trend in the value of the main raw material (secondary aluminum alloys), and the reduction in inventories of finished products, in connection with the production strategies determined by the plans of the main customers;
- with reference to non-current assets, we note in particular:
 - the increase in the net value of intangible assets (by Euro 0.1 million) and of tangible assets (by Euro 14.0 million) as a result of the combined effect of the following factors:
 - recording of amortization for the period (totaling Euro 25.0 million, including the effect inherent to the revaluation carried out at the end of the previous financial year, pursuant to Article 110 of Decree-Law No. 104 of 14 August 2021, (so-called 'August Decree'), converted into Law 126/2021);

- additions recorded during the year, amounting to Euro 3.2 million among intangible fixed assets, (mainly referring to the capitalization of development costs and the effects of the change in the scope of consolidation, in the amount of Euro 1.4 million) and to Euro 37.7 million among tangible fixed assets, related in particular to:
 - increases in specific production capacity for the implementation of production lines related to the most recently acquired orders mainly with the Volkswagen Group and the Stellantis Group (amounting to about Euro 33 million), as well as capacity increases related to the Volkswagen Zylinderkophhaube project.
 - increases related to the strengthening of the general production capacity for foundry activities, amounting to about Euro 2 million;
 - increases of approximately Euro 3 million related to the expansion of the Group's real estate assets (particularly in the Turin area), as well as the restructuring, improvement and rationalization of owned properties (as part of the reorganization of activities dedicated to the 'two-wheeler' segment);
 - the change in the scope of consolidation, with an effect of approximately Euro 0.5 million (related to the net value of the fixed assets of Ingenia Automation S.r.l.);
- the decrease in financial fixed assets (€ 0.1 million in the current year) mainly related to the change in the fair value of derivative instruments held by the Group;
- the reduction in medium/long-term current assets refers to the combined change in (a) the balance of deferred tax assets (decrease of Euro 1.9 million) recognized with reference to differences in statutory and fiscal values, in particular of fixed assets and provisions for risks and write-downs, and to the effects of extra-deductions related to the enjoyment of the benefits linked to so called "super- amortization" and "hyper-amortization" connected with the significant investments made by the Group over the last few years, and (b) of the value of tax credits (reduced, for the long-term portion, by Euro 2.3 million) accrued with reference to the benefits connected with investments in tangible assets with high technological content (in the context of "Transition 4.0" discipline).

Balance Sheet - Liabilities and Quota holders' Equity

Item	FY 2024-2025	%	FY 2023-2024	%	Change	Change %
CURRENT LIABILITIES	176,108,307	45.84%	138,477,366	42.56%	37,630,941	27.17%
Current payables	174,246,135	45.35%	134,998,161	41.49%	39,247,974	29.07%
Accrued expenses and deferred income	1,862,172	0.48%	3,479,205	1.07%	(1,617,033)	-46.48%
NON-CURRENT LIABILITIES	79,909,808	20.80%	65,522,662	20.14%	14,387,146	21.96%
Non current payables	64,985,516	16.91%	51,777,028	15.91%	13,208,488	25.51%
Provision for risks and charges	5,981,901	1.56%	5,192,024	1.60%	789,877	15.21%
Employee termination indemnity	4,187,990	1.09%	3,650,361	1.12%	537,629	14.73%
Accrued expenses and deferred income	4,754,401	1.24%	4,903,249	1.51%	(148,848)	-3.04%
QUOTAHOLDERS' EQUITY	128,188,181	33.36%	121,401,428	37.31%	6,786,753	5.59%
Shareholders' equity attributable to the Group	128,188,181	33.36%	121,401,428	37.31%	6,786,753	5.59%
Quota capital	16,105,263	4.19%	16,105,263	4.95%	-	0.00%
Reserves	12,860,065	3.35%	21,656,630	6.66%	(8,796,565)	-40.62%
Retained earnings (accumulated losses)	83,042,095	21.61%	72,609,696	22.31%	10,432,399	14.37%
Net income (loss) for the year	16,180,758	4.21%	11,029,839	3.39%	5,150,919	46.70%
Shareholders' equity attributable to minority interest	-	-	-	-	-	-
FINANCING SOURCES	384,206,296	100.00%	325,401,456	100.00%	58,804,840	18.07%

With reference to the structure of the Group's liabilities, we highlight in particular:

- In the context of debt capital, the main changes are referred to:
 - the increase of about Euro 34.4 million in current liabilities, in connection with the following factors:
 - with regard to payables to suppliers and advances received from customers to the trend in business volume recorded in the latter part of the year, in addition to the impact of payables related to the significant tangible investments made (which recorded longer payment terms, correlated to the progress of the installation of production lines);
 - the increase in payables to companies subject to the control of the parent companies (with reference in particular to the negative balance of the centralized treasury relationship existing with the fellow subsidiary Endurance GmbH);
 - the increase in the value of current portions of bank debt (as detailed below) to support the investment plan and recent M&A transactions, as well as potential future opportunities;
 - the increase in non-current liabilities, for a total of Euro 17.6 million, mainly related to the Group's bank debt structure, which in 2024/2025 recorded new loan agreements for approximately Euro 46 million, net of the repayments made on existing contracts, based on contractual obligations. An increase in the value of deferred income was also recorded, in connection with the accrual of tax benefits associated with high-tech investments and related to the respective amortization process);
- For what shareholders' equity is concerned, the increase for a total of Euro 6.8 million, based on (a) the recognition of the positive result for the period (Euro 16.2 million), (b) the recognition, with a direct impact on shareholders' equity (for Euro 0.9 million), of the change in reduction of the Reserve for expected cash flow hedging transactions, which includes the amount, recognized net of the related tax effect, of the effective portion of the fair value changes recorded in existing derivative contracts entered into for the purpose of hedging cash flows connected with highly probable planned transactions, and (c) the recording of the negative reserve for own shares in portfolio, recorded in the amount (Euro 8.5 thousand), equal to the countervalue of

the own shares, previously held by the fellow subsidiary Endurance GmbH, and purchased during the year by the Parent Company..

Key indicators of financial position

On the basis of the above reclassification, indicators of financial position are set out below:

RATIO	FY 2023-2024	FY 2023-2024	% Change
Fixed assets coverage ratio	72.11%	72.33%	-0.30%
Banks on working capital	59.33%	55.85%	6.24%
Indebtedness ratio	3.00	2.68	11.82%
Financial indebtedness ratio	2.00	1.68	18.85%
Equity on invested capital	33.36%	37.31%	-10.57%
Financial charges on turnover	-0.51%	-0.72%	-29.18%
Availability ratio	32.69%	31.29%	4.41%
Primary coverage ratio	0.72	0.72	-0.30%
Secondary coverage ratio	1.17	1.11	6.95%
Net working capital	967,986	(12.651.310)	-106.16%
Primary treasury margin	30,480,930	19.080.353	90.41%
Primary treasury ratio	55.12%	38.21%	100.18%

Consolidated statement of cash flow

Item	FY 2023-24	FY 2023-24	Change	Change %
Cash and cash equivalents at beginning of period	52,908,516	25,201,547	27,706,969	109.94%
a. Cash flows from operating activities	67,811,625	42,993,857	24,817,768	57.72%
b. Cash flows from investing activities	(31,236,921)	(45,847,885)	14,610,963	-31.87%
c. Cash flows from financing activities	7,796,623	30,560,997	(22,764,374)	-74.49%
Increase/(decrease) in cash and cash equivalents (a ± b ± c)	44,371,327	27,706,969	16,664,358	60.15%
d. Cash flow for acquisition of subsidiaries	(2,928,192)	-	(2,928,192)	-
e. Net cash and cash equivalents acquired	2,642,005	-	2,642,005	-
(Acquisition of subsidiaries, net of cash and cash equivalents) (d ± e)	(286,187)	-	(286,187)	-
Cash and cash equivalents at the end of the period (a ± b ± c ± d ± e)	96,993,656	52,908,516	44,085,140	83.32%

With reference to the performance of cash flows for the period, it should be noted that the Group has, during the year recorded an increase in cash and cash equivalents of approximately Euro 44.4 million, determined by the combined effect of the following factors:

- positive performance of operations, resulting in net positive cash flows of Euro 67.8 million, to which the earnings performance (resulting in EBITDA of approximately € 46.5 million), the change in net working capital (by Euro 24.9 million, in particular due to the performance of trade receivables and payables, deferred income and other receivables) and that of provisions, as well as the taxes and interest payments (by Euro (2.8) million) contributed;
- cash outflows related to investments made during the period (for a net cash-out of Euro 31.2 million), mainly related to:

- tangible fixed assets, aimed at increasing production capacity related to ongoing and newly acquired projects (Euro 42.6 million);
- intangible fixed assets (Euro 1.8 million), mainly referring to the capitalization of development costs;
- to non-current financial assets (determining a net cash inflow of Euro 13.1 million);
- cash flows related to financing activities - with an overall positive effect of Euro 7.8 million - which include the effect of the change in long-term debt (increases due to new disbursements of Euro 45.7 million, offset by repayments made during the period from contractual maturities of Euro 29.4 million), as well as for the outlay associated with the purchase of treasury shares during the year (Euro 8.5 million).

Profit & Loss results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results.

Income Statement

	Year 2025-2025	%	Year 2023-2024	%	Change	Change %
VALUE OF PRODUCTION	250,043,076	100.00%	211,741,409	100.00%	38,301,667	18.09%
- Consumption of raw materials	87,198,949	34.87%	87,375,051	41.26%	(176,102)	-0.20%
- General expenses	54,109,400	21.64%	41,378,725	19.54%	12,730,675	30.77%
VALUE-ADDED	108,734,727	43.49%	82,987,633	39.19%	25,747,094	31.03%
- Payroll costs	59,834,966	23.93%	45,796,469	21.63%	14,038,497	30.65%
- Provisions	-	0.00%	-	0.00%	-	-
GROSS OPERATING MARGIN	48,899,761	19.56%	37,191,164	17.56%	11,708,597	31.48%
- Depreciation, amortisation and write-downs	25,147,269	10.06%	20,829,037	9.84%	4,318,232	20.73%
- Other operating expenses	2,441,046	0.98%	2,255,647	1.07%	185,399	8.22%
INCOME BEFORE FINANCIAL ITEMS	21,311,446	8.52%	14,106,480	6.66%	7,204,966	51.08%
+ Financial items	(1,256,745)	-0.50%	(1,492,271)	-0.70%	235,526	-15.78%
+ Adjustments to financial assets	164,356	0.07%	28,640	0.01%	135,716	473.87%
INCOME BEFORE TAX	20,219,057	8.09%	12,642,849	5.97%	7,576,208	59.92%
- Taxation	4,038,299	1.62%	1,613,010	0.76%	2,425,289	150.36%
NET INCOME	16,180,758	6.47%	11,029,839	5.21%	5,150,919	46.70%
EBITDA	46,458,715	18.58%	34,935,517	16.50%	11,523,198	32.98%

From an economic point of view, the 2024/2025 financial year recorded an increase in the value of production (18%, equal to about Euro 38.3 million, of which Euro 4 million represented by the 'contribution' related to the change in the scope of consolidation). This performance - which was higher than the sector's one - was mainly due to the increase in volumes related to the most recent projects launched by the company (particularly with customers of the Volkswagen group and the Stellantis group).

The results described above were achieved in an environment still impacted by inflationary pressure that was only partly reduced compared to the previous year, and by the issues involving supply chains due to the pressure effects on the prices of materials and energy commodities (the price trend of which continued to be high). The positive impact of volumes was spread across all the Group's main customers, with a particular impact - in the automotive sector - on the Volkswagen/AUDI Group and the Stellantis Group.

With reference to the structure of production costs, there was an increase - less than proportional to revenues - in operating costs for the purchase of materials and services, which benefited from the efficiency effects of the saturation of the Group's production capacity.

Actual labor costs for the year increased compared to the previous year (by about Euro 14.0 million, with a 21.6% impact on the value of production), due to the growth recorded in the average number of employees (up by over 5%, including the effect of changes in the scope of consolidation), as well as the inflationary impact determined by the contractual adjustments made (in relation to the application of the National Collective Labor Agreements adopted by group companies, mainly Metal-mechanical), as well as the salary adjustments paid to employees and the variable salary component related to existing retention programs.

The item relative to depreciation, amortization and write-downs recorded a significant increase (of about Euro 4.0 million compared to the previous year) as a result of the entry into depreciation of part of the most recent investments made in the context of the projects that saw the regulation of production during the year. It should be noted, with reference to this cost item, that the Group did not make use of the option to suspend amortization and depreciation (as per Article 3 of Law Decree 198/2022).

The trends described resulted in positive profitability for the year under review, which increased compared to the previous year: consolidated EBITDA, amounting to Euro 46.5 million, equal to 18.6% on value of production (compared to 16.5% recorded in the previous year).

Performance described above testified to the Endurance Group's ability to maintain its business, both in terms of volumes and profitability, at performance levels consistent with (if not better than) the conditions of its main reference market (automotive), confirming its ability to deal with the criticalities in any case present in the production context of the reference sectors, supporting the significant commitments in terms of investment related to the opportunities connected with the new projects acquired, as well as the organizational challenges related to them; the Group confirmed its line of strategic development, also in terms of seeking to improve the efficiency of production factors, in line with development plans linked to customer assignments on diversified platforms and technologies.

Financial items management during the year showed an improvement in performance over the previous year (net charges of Euro 1.3 million including adjustments to the values of financial assets, compared to Euro 1.5 million in the previous year), even so in a context characterized by the persistence, at least for the entire first part of the year, of high interest rate values, correlated with the increase in the value of loan contracts (as a component of the Group's strategy to support investment initiatives). These effects impacted only partially on the market value of the securities/investments, held as an investment of liquidity by the Group, with respect to the carrying value (taking into account that the balance sheet data, on the contrary, do not include un-realized positive valuation changes), and were mitigated by the positive result deriving from the sale of the same during the financial year.

Income taxes - represented by a net charge of Euro 4.0 million - recorded an overall increase of approximately Euro 2.4 million compared to the previous year; the higher taxable income recorded during the current year compared to the previous year was, in continuity with the last few years, reduced due to the significant deductions deriving mainly from the application of the benefits connected to the hyper-amortizations discipline in relation to the technologically advanced investments made in previous years.

The above-described figures led the Endurance Group to record a positive net result of Euro 16.2 million, equal to 6.5% of the value of production (up from Euro 11.0 million - equal to 5.2% of the value of production - in the comparative year).

Key performance indicators

On the basis of the above reclassification, indicators of financial position are set out below:

RATIO	FY 2023-2024	FY 2023-2024	% Change
R.O.E.	12.62%	9.09%	38.93%
R.O.I.	21.88%	13.30%	64.55%
R.O.S.	8.26%	6.57%	25.66%
R.O.A.	5.55%	4.34%	27.95%

Information required by Art. 2428 of the Italian Civil Code

The following is the detailed information specifically required by art. 2428 of the Italian Civil Code.

Main risks and uncertainties that the Group is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, set out below is a description of the main risks and uncertainties to which the Group is exposed:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Group's results are influenced by trends in the domestic and international economies.

Developments in GDP, the cost of raw materials, the unemployment rate, interest rates, and thus the level of consumer and business confidence, may affect the trend in end-customer sales and thus the trend in corporate sales.

Further elements of uncertainty also persisted linked to geopolitical tensions, in particular the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. Moreover, the continuation of international sanctions has continued to fuel uncertainties on the trend of energy commodity prices (which have reached levels far above the historical reference levels prior to the pandemic waves and international market crises), basic materials (especially metals) and agricultural commodities, with repercussions on consumer price pressure and growth prospects for the Eurozone. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business operating conditions, risking undermining the reliability of growth forecasts set for the near future in the Euro area.

RISKS RELATED TO THE SECTOR IN WHICH THE GROUP OPERATES: The metal alloys and metal parts machining sector, as well as the plastic molding sector and “two-wheel” component sector, in which Group companies operate, are characterized by heated competition that is partly attributable to the sales trends in the automotive market. As much as the Endurance Group has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the Group's results and financial position.

What was mentioned previously with regard to the ability to recover from the negative impacts of the pandemic and the effectiveness of the tools made available to the various economies, will undoubtedly have repercussions on the company's business in relation to the customers' propensity to buy in the automotive market, as well as in consideration of the possible impacts on the mobility habits that consumers will adopt in the near future as a result of current technological transitions and changes in final customers behavior.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector, as well as the two-wheel component sector, are characterized by continuous product development needed to satisfy the product performance required by car manufacturers and by environmental legislation (governing emissions). Furthermore, the sector's technological updating in terms of market redistribution with respect to propulsion alternatives (internal combustion, hybrid, electric or alternative) determine and will continue to determine an increase in the centrality of the ability to innovate and undertake diversification initiatives by the supply chain as a distinctive element for market competitiveness.

Future investment by the Group (continuing the activities carried out during the year) will seek to develop the portfolio of products and diversify the types of production, thereby increasing the ability to meet the needs of customers. Failure to develop products and to meet needs in terms of price, quality and functionality imposed by end customers could adversely impact the future prospects of Group companies.

FINANCIAL RISKS: The Group is exposed to the following financial risks in the conduct of its operations:

- credit risks in relation to normal commercial transactions with customers;
- liquidity risks, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risk, mainly relating to changes in interest rates and, to a lesser extent, exchange rates.

The Group constantly monitors its exposure to financial risks, in order to evaluate in advance any potential adverse effects and take appropriate action to mitigate them.

Credit risks

Given the nature of the industrial activities carried out by the operating companies - production of metal and plastic components for engines and gearboxes for car makers, by managing the entire production chain, especially for metal components - the receivables of the Group are structurally concentrated since its customers comprise a limited number of industrial groups. The integration of the activities of the individual companies within the Endurance group results in a better degree of diversification, as the intercompany supply of products results in reaching a wide range of third-party end customers.

The Group monitors constantly the level of outstanding receivables and adjusts the related allowances for collection risks.

Liquidity risks

The two main factors that determine the Group's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Group seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and investment requirements could adversely impact the Group's results and financial position.

Management believes that the funds currently available, the keeping of suitable contacts for access to credit, as well as the funds generated from operating activities, will allow the Group to meet the needs deriving from investing activities, working capital management and the repayment of debt as it falls due.

Market risks

In the conduct of its activities, the Group is exposed to various market risks, particularly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates.

- *Risks related to changes in commodity prices*

The Group carefully plans market opportunities in order to minimize the effects of fluctuations in commodity prices (especially for energy commodities) in relation to the most recent trends in the reference market and taking into account the particularly impactful effects related to the nature of the activities performed.

To face these risks, the Group tends to pursue an adequate monitoring of purchasing opportunities on the market, resorting, where possible, to flexible procurement contracts, which allow it to seize any market opportunities.

Where deemed appropriate, the Group resorts to derivative instruments on commodities (Commodities swaps) to hedge and mitigate the described risks.

- *Risks relating to changes in interest rates*

The Group utilizes financial resources obtained mainly in the form of bank debt and employs the funds to finance operations and investment and development initiatives. The Group can also factor its trade receivables. Changes in market interest rates impact the cost of various forms of financing and factoring and therefore affect the level of the Group's financial charges.

To tackle these risks, the Group strives to maintain a suitable relationship between the financing structure and the structure of capital employed, compatible with the opportunities available under current market conditions.

With this aim, the Group has appropriately structured its financing, mainly at floating rates, with repayment due in the medium/long term at favorable conditions (with the objective of optimizing current conditions and mitigating the high volatility of interest rates).

Lastly, where considered appropriate, the Group makes use of rate derivatives (interest rate swaps and caps) with the aim of hedging the risks described.

- *Risks relating to changes in exchange rates*

The functional currency used by the Group for the majority of its transactions (Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the company's results and financial position, it is not deemed relevant to present non-financial indicators.

Information on the environment and safety

In the context of specific policies adopted, the Endurance group, strives hard to ensure that production and operating activities are carried out in compliance with all applicable regulations. The objective is to introduce and

maintain a broad culture of constantly improved environmental performance, process and product safety, while ensuring the safety of workers and plants.

During the financial year ended 31 March 2025, activities continued to monitor and maintain adequate standards for the protection of the environment as defined by the reference standards ISO 14001:2015 ('Environmental management systems') and ISO 45001:2018 (occupational health and safety standard valid and recognised worldwide).

Staff training sessions were held in connection to:

- updating specific training in accordance with the criteria of the State-Regions Agreement of December 2011;
- update specific training for supervisors on how to exercise control over workers' compliance with the company's legal provisions on health and safety at workplace;
- refresher training for first aid and emergency team members;
- refresher training for self-propelled forklift truck drivers;
- worker safety representant training update.
- training on dangerous goods management in companies (ADR);
- training about the management of waste forms, loading and unloading registers, and support services provided by new law introducing National Electronic Waste Tracking Register (so called RENTRI).

During the year, procedures were also activated - covering more than 60% of employees - to implement software for planning and monitoring:

- of the procedures for managing the training obligations provided for by the regulations (specific and generic timetables and contents);
- the procedures for managing health surveillance, through a system for monitoring deadlines, assessments and the suitability of resources operating within the organization.

Updating of the Risk Assessment Document and of the Environmental Impacts Register was carried out - also with reference to the impacts linked to the pandemic spread - with the identification and analysis of risks and with the procedures for managing emergencies of an environmental or worker safety nature (for the definition of the actions necessary for the prevention of future accidents). The emergency plan was also updated with regard to fire prevention issues.

Operational training sessions were held to emergency scenario simulations, such as fire, evacuation, chemical spillage, outbreak of illness and related first aid intervention, with the participation of employees.

In order to carry out the subsequent planning of specific projects and phases to reduce CO₂ emissions associated directly or indirectly with the organization ("1-2-3 scope" method), a mapping of potential reduction actions that could be implemented and a preliminary estimate of emission savings was also carried out - with a scope that involved the Group's main production companies - starting from energy diagnosis data, preliminary internal discussions and sector best practices; during the year under review, greenhouse gas emissions (so-called "Carbon Footprint") relating to the 2023/24 fiscal year were quantified and reported, with the further aim of future publication of the relative evidence.

In terms of equipment of the facilities, the following main interventions should be noted:

Lombardore plant - Turin (machining process):

- Reduction of the collision risk with the provision of horizontal/vertical road signs to mark danger zones, barriers to mark off pedestrian walkways and parabolic mirrors near crossroads with poor visibility both in the production departments and in outdoor areas;

- Introduction of Visual Management tools for the clear and immediate communication of information on safety and environmental issues at the plant entrances and in the production departments;
- Requalification of LED lighting system in plants 3, 6 and 7 with the aim of optimizing energy efficiency, reducing operating costs and improving lighting quality;
- Installation of the Lagershild machining line centralized air suction system.

Chivasso plant - Turin (machining process):

- Reduction of collision risk with provision of road signs, barriers at intersections with poor visibility in both production departments and outdoor areas;
- Introduction of Visual Management tools;
- Preparation of storage area dedicated to liquid substances with metal shelving complete with containment tanks for any leaks or spills;
- Installation of centralized air suction systems on Stellantis e-transmission lines.

Chivasso plant - Turin (die casting and sandblasting):

- Reduction of collision risk with the provision of road signs, barriers at intersections with poor visibility both in production departments and in outdoor areas; introduction of interactive luminous safety signage to regulate pedestrian and forklift traffic;
- Introduction of Visual Management tools;
- Creation of noise barriers with sound-absorbing panels in the vicinity of the filtering units combined with the recently constructed sandblasting equipment;
- Completion of activities to modify the fume capture hood on all die-casting machines (to optimize the capture of emissions from the mold lubrication phase);
- Installation of a new complete fume extraction station for the scorification of ladles containing liquid aluminum;
- Installation of a new ventilation unit on the perimeter walls of the die-casting departments to enhance the exchange of air in the working environment;
- Installation of a new temporary special waste storage area.

With reference to the management of photovoltaic plants (installed at the Lombardore - 2,972 kWp - Chivasso - 1,188 kWp - and Bione - 366 kWp - plants), it should be noted that total production for the year amounted to 4.2 million kW, with an approx. 97% level of self-consumption.

Information on personnel management

The Group's workforce averaged 650 employees during 2024/2025, up from the previous year's figure (in connection with the change in the scope of consolidation). Details of the types of employment are given below:

Employees	2024/2025	2023/2024
Managers	20	21
White collar	176	151
Blue collar	454	450
Total	650	622

As at March 31st 2025, the overall workforce of the Group amounted to 659 employees.

The main training activities during the year ended 31 March 2025 focused on Manufacturing, Technical Services/Engineering and Quality, with a view to upgrading general and specific skills in relation to the variables that drive the continuous improvement of production and corporate processes.

Particular attention and targeted interventions have been envisaged for the certification of skills in relation to "Customer Specific Requirements", in line with the requirements of IATF 16969:23016, the reference standard for the automotive sector.

Training covered the following types of activity and topics (in addition to what already described concerning Environment and Safety):

Manufacturing/production-related training:

Development of knowledge and specific skills via classroom and on-the-job training sessions covering the start-up of new lines and management of the related procedures. These activities were partly carried out in partnership with the suppliers of the mechanical processing plant and automation lines concerned. They covered, in particular:

- Operational management of the automation and mechanical processing lines with external and on-the-job training to develop the specific skills of the specialized and operational staff and to train up people in new dedicated roles;
- On-the-job activities related to the improvement of production processes and verification of compliance of processed and semi-finished products;
- Problem solving for the independent management of production issues, as part of the process of continuous improvement;
- Continuous on-the-job training of production staff aimed at increasing awareness of the quality characteristics of the product, the requirements requested by customers and updating the specifications of the control charts.

Engineering/quality training:

- Internal quality:
 - Improvement of internal management processes of the conformity variables of finished and semi-finished products;
 - Development and maintenance of control methodologies;
 - Prediction, updating and verification of quality system documentation through on-the-job training;
 - Development of knowledge and skills in the field of metrology (i.e. measurement), with particular attention to the technical details of mechanical drawings of products;
 - Development of specific knowledge and skills in 8D methodology and the tools used in this type of analysis. Ishikawa Diagrams - Pareto Charts - 5WHY - 5WHY and 2H - SPC - Scatter Plots - FMEA
 - The Company System - IATF 9499 Origins - IATF 16949 Requirements - Process Parameters - 4M - 4M Workshop - Definition of controls - Statistical analysis of the process - Process monitoring - Non-conformity (cost) - Non-conformity (flow) - "Logical Thinking" - "San Gen Shugi" - Analysis, Implementation and Transversalities - Special supply states - Customer satisfaction
- Skills certification:

External training related to the certification of skills and regulatory requisites provided by customers, in particular:

 - Automotive 'Core Tools' for Process and System Auditors;
 - CQI 27 - Casting System Assessment
 - DA 6.5 - Qualification 'Product Auditors' VDA;

- Qualification of First and Second Party Auditors according to Quality Management System IATF 16949:2016;

Training for the development of technical and managerial skills

- AUKOM 1 and AUKOM 2 certification on ZEISS installations;
- PMEA, process analysis and risk containment;
- GROB Electromechanical Maintenance;
- Qualification of 'Non-Destructive Control' personnel;
- SPC - Statistical Process Control;
- MSA - Measurement System Analysis
- Development of specific skills on complex technical drawings: analysis, interpretations, applications and rules, symbologies;

Training activities related to the development of transversal skills and related methodological applications, such as English language (low-intermediate and advanced level) Effective Communication, Leadership and team Management.

The overall activities carried out (including what was previously indicated with reference to the environment and safety area) engaged the company staff for a total of more than 7,000 hours with training activities carried out internally and externally (in addition to the hours of on-the-job training for training mentoring).

Research and development activities

In accordance with point 1) of the third paragraph of art. 2428 of the Italian Civil Code, we certify that with reference to the research and development activities applied to the product and the production process, development costs of approximately Euro 1.5 million were recorded during the year (and capitalized under intangible assets). They concerned in particular the costs of technical and production support personnel involved during the year in product and process development activities (referring both to the specific projects subject to grants/co-financing as explained, and to the development carried out by the technical departments in relation to new products for the automotive market), as well as some costs for consultancy and services to support the activities described..

In particular, the principal activities carried out by the Company in its main areas of business are summarized below:

- Die-casting activities

Preliminary feasibility studies were developed including equipment lay-outs, analysis of alternatives for casting feeding with the support of virtual simulations of filling and solidification, with further consolidation of the deliberation criteria based on the comparison of qualitative results obtained on significant batches and mapping of virtual simulations. The PiQ2 software proved to be a reliable simulation tool, and the decision was taken to upgrade the UT Bione site with a dedicated hardware-software workstation.

With a view to product traceability, the reliability of the laser marking integrated in the die-casting cell was established, equipping 5 production presses with systems optimized for the purpose.

The database of materials/casting processes/heat treatment has been supplemented with characteristics of secondary alloys that can be obtained according to cartridge thickness and types of innovative steels for inserts (e.g. DAC I). The T5 heat treatment area was completed, and production started.

Design activities carried out in the process and product fields:

- completed the design, realization and sampling of a complete foundry tooling series (HPDC mold and blanking) for new application on hybrid/EV vehicle inverters. The component requires innovative production solutions (bonding of Alubutile element), which required co-engineering activities with the end customer and system engineers to automate the assembly process.
- New alloy EN43500: activities were completed to define the use and relative casting/treatment equipment of the alloy, which was newly introduced in the Chivasso plant. Defined specifications and characteristics of dedicated melting furnace.

- *Machining activities*

The design and definition of production lines benefited from synergies with Ingenia Automation S.r.l. and leading companies in the machining and automation sectors, integrating technical solutions for in-line control of critical product features such as, for example, innovative QR code marking/scanning systems.

Support activities were completed for the production start-up of strategic customer products (VW - AUDI) such as Oil Module, HV-LE Deckel and Lagershield, and Stellantis (PUNCH transmission box)

Important work was carried out on concept designs for EV platform components. In particular, projects were completed, as part of the IPCEI 1 Batteries project, for the production and assembly of lithium-ion battery modules in cylindrical and prismatic formats.

Innovative dissimilar material joining technologies (FSW - Friction Stir Welding) were applied to produce integrated cooling circuits for batteries and power electronics enclosures.

Design activities carried out in the process and product fields:

- concluded the industrialization phases for VW/AUDI products (Deckel MEB-ECO) and GetriebeGeHause Daimler.
- continuous technical support granted to external foundries for verification and product quality assurance.

- *Applications in the '2-wheeler' sector*

In the '2-wheeler' sector, development activities were carried out during the period under review, applied in particular to the product and focused on optimizing the performance of the APTC EVO and APTC PLUS clutches, aimed at realizing the needs identified in the applications considered for the different target markets. The use of the roller test rig has allowed both the validation of innovative clutch concepts (reducing their time to market) and the start-up of testing activities for solutions applied to 2-wheel drives.

- *Special projects*

The following is an overview of the progress of the special projects developed in the context of larger R&D projects co-financed at national or international level in which the Company is participating:

- **SALEMA Project - Horizon 2020.**

Successfully completed the planned activity and presented outcomes related to 'WP # 4 - Set up of HPDC process, validations of new alloys and production of SALEMA components' Endurance responsibility, during the final General Assembly (March 2024). Provided the project partners with the necessary information for the calculation of the LCA - Life Cycle Assessment for comparison with primary alloys.

This last activity was preparatory to the definition of a new Horizon 2026 funded project proposal whose lead partner (Eurecat) will indicate Endurance as the foundry partner to be involved.

- ***IPCEI 1 Batteries Project - European Union fund (managed through MIMIT - Ministry of Enterprise and Made in Italy)***

The benchmarking of cells, modules and battery systems in the automotive and energy storage fields was further updated with a focus on possible disassembly operations.

Thanks to joint partnerships/strategies for synergetic actions with Italian companies (Podium, Beond), it was possible to participate in the first complete battery pack tender for a European OEM (CNH).

The innovative Endurance container solution (identified as BM-Basic Module) applied to the VDA 390 version passed the functional product deliberation tests and was the subject of a patent application. Expected results by May 2025.

First two concrete examples of second-life batteries realized:

- 1) “21700 type” cylindrical cells: from sub-module batteries for 2-wheelers to single cell power banks;
- 2) BM-VDA 390 compliant: prismatic cells from a 4-wheel module to a wheeled power bank.

- ***EuBatIn Project (IPCEI 2) - European Union fund (managed through MIMIT - Ministry of Enterprise and Made in Italy)***

The design of HPDC swap battery units in secondary aluminum was completed in cooperation with WOW Srl company.

A BM-Basic Module VDA390 for swap use in power bank trolley units was realised in cooperation with the Italian start-up company Reefilla. Set up the first trolley complete with 2 BMs.

Defined implementation strategy for swap units (urban/leisure fleet) with related network and management of charging stations: 2-wheel application identified. Carried out co-design/testing activities on WoW scooters - Made in Italy, realized aluminum swap unit prototype.

The assembly cycle of cylindrical cells and related production unit was defined in collaboration with Reefilla, where a bus-bar spot-welding unit will be installed, an action that complies with the EuBatIn objectives of the Endurance Project Portfolio.

- ***Restore Project – Horizon 2026***

First casting samples were supplied to be subjected to the fine-tuning of aluminum automotive component remanufacturing processes using the L-DED process.

- ***NAARA Project – Ministry of the Environment and Energy Security (MASE)***

Participation in the drafting of the project dossier “NAARA - *iNnovazione circolare dell'Alluminio Automotive per il Recupero ad Alto valore aggiunto*” in collaboration with the lead company Stellantis, aimed at submitting the application for funding to the Energy Department of the competent Ministry, (DM no. 386/2023). The Group is currently awaiting the results of the assessment for the approval of the project.

With reference to the projects indicated, the reporting and interaction activities continued with the bodies in charge for the validation of costs and related authorizations for the disbursement of grants (which totaled Euro 2.1 million in the year under review, relating to the benefits from the costs incurred in the previous financial years).

Transactions with subsidiaries, associates, parent companies and fellow subsidiaries

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis C.C., the information on related-party transactions is provided below.

Transactions were carried out with related parties during the year; these transactions are concluded at market conditions, especially those related to services – both operative and financial – provided to the Parent Company Endurance Technologies Limited (“ETL”) and to other fellow subsidiaries (in particular Endurance GmbH, owned by ETL), as detailed below:

Receivables from affiliates classified as current assets

Description	FY 2024/2025	FY 2023/2024	Change
from parent companies	45,941	325,304	(279,363)
from fellow subsidiaries	611,320	524,807	86,513
Total	657,261	850,111	(192,850)

Receivables from parent companies (Euro 46 thousand as of 31/03/2025) refer to commercial transactions with the Indian parent company Endurance Technologies Limited.

Receivables from fellow subsidiaries (Euro 611 thousand as of 31/03/2025, increased compared to the previous year) refer to commercial receivables - related to the supply of die-cast components, engineering activities and administrative services - existing with the German subsidiary Endurance GmbH (a company participated by Endurance Technologies Limited).

Receivables from affiliates classified as current financial assets

Description	FY 2024/2025	FY 2023/2024	Change
treasury management assets	2,462,221	2,462,221	2,462,221
Total	2,462,221	2,462,221	2,462,221

Treasury Management assets (amounting Euro 2,462 thousands at 31/03/2024) referred to the positive balance of the active cash pooling agreements towards the fellow subsidiary Endurance GmbH, which as at 31/03/2025 represents a negative balance.

Payables due to and loans from affiliates

Description	FY 2024/2025	FY 2023/2024	Change
payables due to parent companies	135,668	262,629	(126,961)
payables due to fellow subsidiaries	4,634,355	38,734	4,595,621
Total	4,770,023	301,363	4,468,660

Payables to parent companies (Euro 136 thousand as at 31/03/2025) refer to commercial transactions (mainly related to 2-wheelers sector) with the parent company Endurance Technologies Limited.

Payables to fellow subsidiaries (Euro 4,634 thousand as of 31/03/2025, an increase of Euro 4,596 thousand compared to the previous year) refer - for Euro 38 thousand - to commercial transactions and for Euro 4,596 thousand, to the balance of the centralized treasury account managed by the parent company, both towards Endurance GmbH.

Business outlook

The international economic situation is marked by diverging phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared to over 3% in the previous year and even higher values in previous years. This led to a gradual reduction in the reference rates applied by the ECB, which fell to 2.4% from their peak of 4.5% a year ago. Consequently, the 3-month Euribor rate (base rate for the cost of debt) has fallen from 3.9% a year ago to 2.15% today. The reduction in inflation is also the consequence of a reflexive economic situation. In the Eurozone, production trends were negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have come to a halt. A factor of uncertainty that has recently emerged is the imposition of import duties initiated by the United States against most countries and in particular those with a trade surplus. The subsequent retaliation, with similar measures of reciprocal duties announced by many states (including China), were in turn followed by further increases in impositions threatened by the US administration in a tensions' escalation.

The automotive sector was one of the first sectors to be affected by this upsurge in international trade relations. If no agreement is reached by the parties soon, duties will be applied on US imports of both finished cars and components. Ongoing talks give hope that agreements can be reached to avert the potential blockage of some trade. As things stand, however, it is difficult to predict the future effects, which could be both direct, in terms of lower exports of European vehicles to the USA (or of powertrain units that car manufacturers supply to their plants in the USA or in other countries affected by the duties, such as Mexico) and indirect, in terms of the effects that a trade war could have on the economy in general. Sectors that are not directly involved would also suffer the repercussions of a generalized drop in the global economy. If China were then no longer able to export to the US at long-established levels, we could see a deflationary impact in Europe for the products that would be dumped on these markets.

The International Monetary Fund (IMF) recently released its updated forecast on the expected development of the world economies, cutting its overall forecast for the risks now described. Global growth is expected to be +2.8%, down -0.5% from the forecast made last January. The situation by region shows +0.8% in the Eurozone (-0.2% compared to the January forecast), +1.8% in the USA (-0.9% compared to January), +4.0% in China (-0.6% compared to January) +6.2% in India (-0.3% compared to January).

With regard to the automotive sector, S&P Global Mobility (leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide, with a -2.6% reduction in Europe. In addition to possible trade conflicts, there are also uncertainties related to the transition to electric vehicles and, in particular, the penalties that car manufacturers would receive if they failed to meet defined emission targets. Although the European authorities have introduced changes by extending the observation period, the overruns will no longer be calculated over one year but over a three-year period, the constraints remain. It will therefore be necessary to understand the strategies that carmakers will adopt in the light of the changes introduced and the demands, put forward by many, to remove the total abandonment of combustion engines from 2035. As in previous years, it is therefore more difficult to delineate registration trends between electric vehicles (BEVs), plug-in hybrids (PHEVs) and Mild Hybrids. The share of these vehicles in total registrations has grown significantly over the years, in step with the efforts of car manufacturers to introduce new model ranges and innovative solutions. While the growth of electric vehicles seems to remain the high road in the development path of car manufacturers, not least because of the substantial investments already made, the calls for maintaining a share of vehicles using combustion engines in accordance with the principle of technological neutrality are growing louder. This is also to consider consumer

preferences for cheaper traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact) and in anticipation of the technical solutions that will be introduced to increase mileage, speed up recharging times, as well as containing the cost of batteries.

In view of the many possible scenarios, it is believed that the preferred option is to preside over all the solutions that carmakers will decide to undertake, ready to seize the opportunities offered by the demand for new components regardless of their final destinations.

The commercial action carried out by the Group during the 2024/2025 financial year enabled it to acquire new orders - particularly in the automotive sector - which are expected to generate approx. Euro 30 million in annual turnover when fully operational. The orders obtained mainly concern components for Volkswagen and BMW end customers and relate to conventional, hybrid and pure electric applications that will go into production from the financial year 2025/26 onwards.

Based on the available information and forecast data, it is believed that the Group will be able to achieve positive results in the future.

The use of financial instruments that should be considered when assessing the results and financial position

Pursuant and consequent to paragraph 3.6-bis of Art. 2428 of the Civil Code, we can confirm that the Group has a policy in place to hedge the interest-rate risks relating to medium-term loans by arranging IRS contracts in relation to some of these loans and Commodity Swaps contracts connected to the purchase of a portion of energetic resources needed by the Group. The fair value of these hedging instruments is discussed in the explanatory notes.

Turin, May 13th, 2025

For the Board of Directors
The Managing Director

Massimo Venuti

General information on the company

Company data

Name:	ENDURANCE OVERSEAS SPA
Registered office:	VIA DELL'ARSENALE 33 – 10121 TURIN
Share capital:	16,105,263.00
Share capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	05754620960
Tax code:	05754620960
REA Number:	1101893
Legal form:	JOINT STOCK COMPANY
Core business (ATECO):	642000
Company in liquidation:	no
Company with sole shareholder:	no
Company subject to management control and coordination activities:	yes
Name of the company or entity that exercises management and coordination activities:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE TECHNOLOGIES LIMITED
Country of the parent company:	INDIA
Cooperatives register number:	n/a

Financial statements at 31/03/2025

Consolidated Balance Sheet

	March 31 st , 2025	March 31 st , 2024
Assets		
B) Fixed assets		
I - Intangible assets	-	-
1) start-up and expansion costs	3,993	6,664
2) development costs	3,750,253	3,776,193
3) industrial patent rights and intellectual property rights	230,897	533,116
4) concessions, licences, trademarks and similar rights	1,896,827	772,930
5) goodwill	3,512,762	4,243,149
6) assets under construction and advance payments	-	15,400
7) other	148,197	90,641
<i>Total intangible assets</i>	<i>9,542,929</i>	<i>9,438,093</i>
II - Tangible fixed assets	-	-

	March 31 st , 2025	March 31 st , 2024
1) land and buildings	31,715,598	30,344,449
2) plant and machinery	116,413,704	93,864,204
3) industrial and commercial equipment	1,818,615	2,557,758
4) other assets	703,007	486,368
5) assets under construction and advance payments	7,966,476	17,370,909
<i>Total tangible fixed assets</i>	<i>158,617,400</i>	<i>144,623,688</i>
III - Financial fixed assets	-	-
1) equity investments in	-	-
d-bis) other companies	3,026	3,026
<i>Total equity investments</i>	<i>3,026</i>	<i>3,026</i>
2) receivables	-	-
d-bis) from others	24,641	62,555
due within one year	24,641	62,555
<i>Total receivables</i>	<i>24,621</i>	<i>62,555</i>
4) derivative financial instruments assets	16,286	78,673
<i>Total financial fixed assets</i>	<i>43,953</i>	<i>144,254</i>
<i>Total fixed assets (B)</i>	<i>168,204,282</i>	<i>154,206,035</i>
C) Current assets		
I - Inventories	-	-
1) raw materials, ancillary materials and consumables	9,185,773	5,925,810
2) work in process and semi-finished products	8,173,817	11,554,063
3) contract work in progress	3,126,918	-
4) finished products and goods	8,494,267	13,350,492
5) advances	532,169	901,298
<i>Total inventories</i>	<i>29,512,944</i>	<i>31,731,663</i>
Non current assets held for sale and discontinued operations	-	-
II - Receivables	-	-
1) from customers	32,240,724	16,998,579
due within one year	32,240,724	16,998,579
5) from parent companies	45,941	325,304
due within one year	45,941	325,304
5) from fellow subsidiaries	611,320	524,807
due within one year	611,320	524,807
5-bis) tax receivables	14,958,017	13,639,858
due within one year	13,750,292	10,086,616
due beyond one year	1,207,725	3,553,242
5-ter) deferred tax assets	8,182,157	10,088,535
5-quater) due from others	1,489,392	1,746,777

	March 31 st , 2025	March 31 st , 2024
due within one year	1,293,008	1,688,297
due beyond one year	196,384	58,480
<i>Total receivables</i>	<i>57,527,551</i>	<i>43,323,860</i>
III - Current financial assets	-	-
6) other securities	30,003,733	39,575,899
7) treasury management assets	-	2,462,221
<i>Total current financial assets</i>	<i>30,003,733</i>	<i>42,038,120</i>
IV - Cash and cash equivalents	-	-
1) bank and postal deposits	96,983,557	52,897,475
3) cash on hand	10,099	11,041
<i>Total cash and cash equivalents</i>	<i>96,993,656</i>	<i>52,908,516</i>
<i>Total current assets (C)</i>	<i>214,037,884</i>	<i>170,002,159</i>
D) Prepaid expenses and accrued income	1,964,130	1,193,262
<i>Total assets</i>	<i>384,206,296</i>	<i>325,401,456</i>
Liabilities and equity		
A) Shareholders' equity	128,188,181	121,401,428
I – Share capital	16,105,263	16,105,263
II - Share premium reserve	304,737	304,737
II – Revaluation reserve	12,795,954	12,615,118
IV - Legal reserve	2,665,466	2,248,861
VI - Other distinctly indicated reserves	-	-
Extraordinary reserve	2,681,395	2,681,395
Paid-in for loss coverage	2,882,602	2,882,602
Currency translation reserve	(592)	(1,183)
Consolidation reserve	19,397	19,397
<i>Total other reserves</i>	<i>5,582,802</i>	<i>5,582,211</i>
VII – Cash Flow Hedge reserve	14,683	905,703
VIII - Retained earnings (accumulated losses)	83,042,095	72,609,696
IX - Net income (loss) for the year	16,180,758	11,029,839
X - Negative reserve for own shares in portfolio	(8,503,577)	-
Total equity attributable to the Group	128,188,181	121,401,428
Equity pertaining to minorities	-	-
Total equity	128,188,181	121,401,428
B) Provision for risks and charges		
1) for pensions and similar obligations	38,702	-
2) for current and deferred taxation	2,157,349	2,173,061
3) derivative financial instruments	74,993	-
4) Other	3,710,857	3,018,963

	March 31 st , 2025	March 31 st , 2024
<i>Total provisions for risks and charges</i>	<i>5,981,901</i>	<i>5,192,024</i>
C) Employee termination indemnities	4,187,990	3,650,361
D) Payables		
4) due to banks	96,145,075	79,144,223
due within one year	33,318,783	27,676,060
due beyond one year	62,826,292	51,468,163
5) Due to other lenders	58,865	483,428
due within one year	32,134	174,563
due beyond one year	26,731	308,865
6) advances	9,680,107	243,793
due within one year	9,680,107	243,793
7) trade payables	105,795,660	89,574,237
due within one year	105,795,660	89,574,237
11) payables due to parent companies	135,668	262,629
due within one year	135,668	262,629
11-bis) due to fellow subsidiaries	4,634,355	38,734
due within one year	4,634,355	38,734
12) taxation payable	1,982,065	1,973,152
due within one year	1,982,065	1,973,152
13) due to pension and social security institutions	3,914,953	3,598,000
due within one year	3,914,953	3,598,000
14) other payables	16,884,903	11,456,993
due within one year	14,752,410	11,456,993
due beyond one year	2,132,493	-
<i>Total payables</i>	<i>239,231,651</i>	<i>186,775,189</i>
E) Accrued expenses and deferred income	6,616,573	8,382,454
<i>Total liabilities and shareholders' equity</i>	<i>384,206,296</i>	<i>325,401,456</i>

Consolidated Income Statement

	Year ended March 31 st , 2025	Year ended March 31 st , 2024
A) Value of production		
1) revenues from sales of goods and services	247,094,889	207,776,761
2) change in inventories of work in progress, semi-finished and finished products	(7,901,793)	(2,806,661)
3) change in contract work in progress	1,924,688	
4) increases in fixed assets for internal production	1,356,868	1,245,892
5) other income and revenues		
operating grants	3,234,938	1,898,516
other	4,333,486	3,626,901
<i>Total other income and revenues</i>	<i>7,568,424</i>	<i>5,525,417</i>
<i>Total value of production</i>	<i>250,043,076</i>	<i>211,741,409</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	90,074,950	88,348,830
7) services	52,008,980	39,254,900
8) lease and rental charges	2,100,420	2,123,825
9) payroll		
a) wages and salaries	47,647,561	35,275,563
b) social contributions	9,751,954	8,384,188
c) termination indemnities	1,653,868	1,531,448
e) other costs	781,583	605,270
<i>Total payroll costs</i>	<i>59,834,966</i>	<i>45,796,469</i>
10) depreciation, amortisation and writedowns		
a) amortisation of intangible fixed assets	3,069,944	2,787,654
b) depreciation of tangible fixed assets	21,920,360	18,024,067
d) writedowns of current receivables and liquid funds	156,965	17,316
<i>Total depreciation, amortisation and writedowns</i>	<i>25,147,269</i>	<i>20,829,037</i>
11) change in inventory of raw and ancillary materials, consumables and goods	(2,876,001)	(973,779)
14) other operating expenses	2,441,046	2,255,647
<i>Total cost of production</i>	<i>228,731,630</i>	<i>197,634,929</i>
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	21,311,446	14,106,480
C) Financial income and charges		
15) income from equity investments	-	-
other	-	-
<i>Total income from equity investments</i>	<i>-</i>	<i>-</i>
16) other financial income	-	-
a) receivables recorded under fixed assets	-	-

	Year ended March 31 st , 2025	Year ended March 31 st , 2024
other	-	-
<i>Total financial income from receivables recorded under fixed assets</i>	-	-
d) income other than the above	-	-
from fellow subsidiaries	130,046	12,480
other	2,860,274	1,998,366
<i>Total income other than the above</i>	<i>2,990,320</i>	<i>2,010,846</i>
<i>Total other financial income</i>	<i>2,990,320</i>	<i>2,010,846</i>
17) interest and other financial charges	-	-
to parent companies	-	-
to fellow subsidiaries	-	34,213
other	4,130,028	3,473,885
<i>Total interest and other financial charges</i>	<i>4,130,028</i>	<i>3,508,098</i>
17-bis) exchange gains and losses	(117,037)	4,981
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>(1,256,745)</i>	<i>(1,492,271)</i>
D) Adjustments to financial assets and liabilities		
18) revaluations	-	-
c) of current financial assets	164,356	214,394
<i>Total revaluations</i>	<i>164,356</i>	<i>214,394</i>
19) writedowns	-	-
c) current financial assets excluding equity investments	-	185,754
<i>Total writedowns</i>	<i>-</i>	<i>185,754</i>
<i>Total adjustments to financial assets and liabilities (18-19)</i>	<i>164,356</i>	<i>28,640</i>
Result before taxes (A-B+-C+-D)	20,219,057	12,642,849
20) Income taxes for the year, current and deferred		
current taxation	1,886,272	1,383,140
prior year taxation	(62)	(99,165)
deferred taxation	2,145,325	329,040
income (expense) from participation in the tax consolidation regime	6,764	(5)
<i>Total income taxes for the year, current and deferred</i>	<i>4,038,299</i>	<i>1,613,010</i>
21) Net income (loss) for the year	16,180,758	11,029,839
Net income (loss) attributable to the Group	16,180,758	11,029,839
Net income (loss) attributable to Minorities	-	-

Consolidated statement of cash flow (indirect method)

	Year ended March 31 st , 2025	Year ended March 31 st , 2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	16,180,758	11,029,839
Taxation	4,038,299	1,613,010
Interest expense/(interest income)	1,256,745	1,492,271
(Dividends)	-	-
(Gains)/losses from disposal of assets	(100,188)	(272,357)
<i>1) Income (loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>21,375,614</i>	<i>13,862,763</i>
Adjustments for non-cash items that had no counterpart in net working capital		
Provisions	973,154	490,751
Depreciation and amortisation of fixed assets	24,990,304	20,811,721
Impairment losses	-	(21,403)
Adjustments to financial assets and liabilities of financial derivatives that do not involve monetary movements	(164,356)	(28,640)
Other adjustments up or (down) for non-cash items	(671,077)	1,701,212
<i>Total adjustments for non-cash items that had no counterpart in net working capital</i>	<i>25,128,025</i>	<i>19,551,217</i>
<i>2) Cash flow before changes in net working capital</i>	<i>46,503,639</i>	<i>33,413,980</i>
Change in net working capital		
Decrease/(Increase) in inventory	3,540,941	983,807
Decrease/(Increase) in trade receivables	(11,255,124)	7,146,232
Increase/(Decrease) in trade payables	31,617,168	5,860,641
Decrease/(Increase) in prepaid expenses and accrued income	(766,110)	(127,427)
Increase/(Decrease) in accrued expenses and deferred income	(1,958,922)	3,916,030
Other decreases/(Other Increases) in net working capital	3,718,689	(4,785,013)
<i>Total changes in net working capital</i>	<i>24,896,642</i>	<i>12,994,270</i>
<i>3) Cash flow after changes in net working capital</i>	<i>70,593,813</i>	<i>46,408,250</i>
Other adjustments		
Interest collected/(paid)	(1,301,594)	(1,385,165)
(Income taxes paid)	(1,333,058)	(363,669)
Cashed-in dividends	-	-
(Use of provisions)	(954,003)	(1,665,559)
Total other adjustments	(3,588,655)	(3,414,393)
Cash flow from operating activities (A)	67,811,625	42,993,857
B) Cash flows from investing activities		
Tangible fixed assets		
(Investments)	(45,028,570)	(44,195,023)
Disposals	2,478,125	312,824
Intangible assets		

	Year ended March 31 st , 2025	Year ended March 31 st , 2024
(Investments)	(1,779,488)	(1,565,383)
Disposals	-	-
Financial fixed assets		
(Investments)	(3,951)	(13,132)
Disposals	41,865	-
Current financial assets		
(Investments)	(109,422)	(15,399,296)
Disposals	13,164,519	15,012,125
(Acquisition of subsidiaries net of cash and cash equivalents)	(286,187)	-
Cash flow from investing activities (B)	(31,523,108)	(45,847,885)
C) Cash flows from financing activities		
Third-party funds		
Increase/(Decrease) in current bank loans	235,362	101,495
New loans	45,700,555	54,882,500
(Repayment of loans)	(29,635,717)	(24,422,998)
Disposal/(Purchase) of own shares	(8,503,577)	-
Cash flow from financing activities (C)	7,796,623	30,560,997
Increase (decrease) in cash and cash equivalents (A ± B ± C)	44,085,140	27,706,969
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	52,897,475	25,190,797
Cash on hand	11,041	10,750
Total cash and cash equivalents at the beginning of the year	52,908,516	25,201,547
Cash and cash equivalents at the end of the year		
Bank and postal deposits	96,983,557	52,897,475
Cash on hand	10,099	11,041
Total cash and cash equivalents at the end of the year	96,993,656	52,908,516
Acquisition or sale of subsidiaries		
Total amounts paid or received	(2,928,192)	-
Portion of amounts in cash and cash equivalents	(2,928,192)	-
Cash and cash equivalents acquired or disbursed with subsidiaries acquisition/disposal transactions	2,642,005	-
Carrying value of assets/liabilities acquired or sold	1,894,694	-

Information on the statement of cash flows

The consolidated statement of cash flows of the Endurance Group (Endurance Overseas S.p.A. and its subsidiaries) for the year is presented on a comparative basis in accordance with OIC 10. This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities.

ENDURANCE OVERSEAS S.P.A.

Head office: VIA DELL'ARSENALE 33 - TURIN

Tax Code, Turin Chamber of Commerce and Turin Companies Register No. 05754620960

Turin Chamber of Commerce No. 1101893

Share capital: Euro 16,105,263.00 subscribed and fully paid

VAT Number: 05754620960

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED – India

Explanatory notes

Consolidated financial statements for the year ended 31/03/2025

Introduction to the explanatory notes

To the Shareholders,

These explanatory notes form an integral part of the consolidated financial statements for the year ended March 31st 2025.

The consolidated financial statements of Endurance Overseas S.r.l. (the "Company" or "Parent Company"), which include the Company and its subsidiaries Endurance S.p.A., Endurance Engineering S.r.l., Endurance Castings S.p.A., Endurance Two Wheelers S.p.A., Veicoli S.r.l., GDS S.a.r.l. and Ingenia Automation S.r.l. (collectively, the "Group") consist of the balance sheet, the income statement and the statement of cash flows (prepared in conformity with the requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these explanatory notes.

The consolidated financial statements for the year ended March 31st 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the OIC (Italian Accounting Board), including those introduced in December 2016, supplemented by amendments published on 29 December 2017, and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

In particular, the financial statement items are stated in accordance with the prudence concept and on a going concern basis.

Although in a general context that is still uncertain - impacted by the continuing high trend of energy utility prices and interest rates, as well as market tensions linked to the continuation of the Russian-Ukrainian and Israeli-Palestinian war conflicts and trade tensions with the US market - it is believed that the Group's current liquidity make it possible to assess as absent, at present, indicators that could undermine the company's ability to operate as

a going concern over the next 12 months and to pursue the business development objectives planned for the near future.

Pursuant to art. 2423-bis, para. 1, point 1-bis c.c., items are recognized and presented having regard for the substance of the operations or contracts concerned. In the preparation of the consolidated financial statements, income and expenses have been recorded on an accrual basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognized, even if they become known after the reporting date.

The Group's results and financial position at March 31st, 2025 give a true and fair view in compliance with the provisions of Legislative Decree 127/91 (as supplemented by the provisions of Legislative Decree 139/2015); where necessary, supplementary disclosures are provided as required by the 3rd paragraph of art. 29 of this decree.

The explanatory notes set out, in addition to the basis of consolidation, the accounting policies applied in the preparation of the consolidated financial statements, in compliance with relevant civil law. They also list the companies included in and excluded from the consolidation and present a reconciliation of the Shareholders' equity of the Parent Company reported in its separate financial statements with the equity reported in the consolidated financial statements.

Furthermore, the consolidated financial statements are accompanied by a Directors' report on the Group's position and the results of its operations.

Information on the composition of the Group

The Group is comprised as follows at March 31st, 2025:

Investee - Name	Held by - Name	Role	Nature of Parent Company control	% of direct control / % of voting rights	consolidation %
ENDURANCE OVERSEAS S.R.L.	-	Parent Company	-	-	-
ENDURANCE S.P.A.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
ENDURANCE ENGINEERING S.R.L.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
ENDURANCE CASTINGS S.P.A.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
ENDURANCE TWO WHEELERS S.P.A. (*)	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
GDS S.A.R.L. (*)	ENDURANCE OVERSEAS S.R.L. ENDURANCE TWO WHEELERS S.P.A.	Subsidiary	Direct / Indirect	1.00 99.00	100.00
VEICOLI S.R.L.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
FRENOTECNICA S.R.L.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
NEW FREN S.R.L.	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00
INGENIA AUTOMATION S.R.L. (**)	ENDURANCE OVERSEAS S.R.L.	Subsidiary	Direct	100.00	100.00

(*) The company (formerly ENDURANCE ADLER S.p.A.) acted as the incorporating company in the merger transaction involving the companies Frenotecnica S.r.l. and New Fren S.r.l., all 100% owned by Endurance Overseas S.p.A.

(**) Company included in the consolidation scope as from 1 July 2024, in connection with the acquisition of the 100% shareholding by Endurance Overseas S.p.A.

Compared to the previous year, the scope of consolidation was impacted by the following changes:

- With no effect on the consolidation perimeter, during the year the merger by incorporation of Frenotecnica S.r.l. and New Fren S.r.l. into Endurance Two Wheelers S.p.A (formerly Endurance Adler S.p.A.) was finalised, effective on January 1st 2025, by notary deed dated November 28th, 2024 drawn up by Notary Agostini in Milan (rep. 89007/19906). The merger by incorporation of the Companies, all fully owned, provided for, in compliance with current regulations, the backdating of the accounting and tax effects to the beginning of the financial year (April 1st, 2024).
- With effect on the Group's scope of consolidation, on 31 May 2024 (registered on June 7th, 2024), by deed drawn up by Notary Smirne in Turin, rep. 9621/6954, the equity investment representing the entire share capital of Ingenia Automation S.r.l. (located in Volpiano - TO), a company operating mainly in the production of plant and machinery for industrial automation, was acquired for Euro 3 million plus accessory charges. Taking into account the significance of the transactions that occurred during the period, the reference of the first consolidation was set to July 1, 2024.

All businesses belonging to the Group at the consolidated balance sheet date have been included in the scope of consolidation and the information required by art. 39 of Legislative Decree 127/91 is set out below:

Investee - Name	Head office	Share Capital (in Euro)
<i>Businesses consolidated on a line-by-line basis:</i>		
ENDURANCE S.P.A.	VIA REGIONE POZZO 26 CHIVASSO (TURIN)	5,000,000
ENDURANCE ENGINEERING S.R.L.	STRADA DEL CASCINOTTO 135/A TURIN	100,000
ENDURANCE CASTINGS S.P.A.	CONCA D'ORO 14 - 14/A BIONE (BRESCIA)	900,000
ENDURANCE TWO WHEELERS S.P.A.	VIA DI VITTORIO 20/22 -- ROVERETO (TN)	840,000
GDS S.A.R.L. (*)	SOUSSE (TUNISIE)	3,010
VEICOLI S.R.L.	VIA ARSENALE 33 - TORINO (TO)	500,000
INGENIA AUTOMATION SRL	VIA BRANDIZZO 436A - 438 -- VOLPIANO TO	10.330

(*) GDS S.a.r.l. share Capital – amounting to 10,000 Tunisian Dinar – is expressed in Euro applying the exchange rate in place at the acquisition date.

Furthermore, with reference to further extraordinary transactions that took place during the year, we would like to point out:

- On January 15th, 2025, by deed drawn up by Notary Agostini in Milan, rep. 89130/19975, the Parent Company was transformed from a limited liability company into a joint-stock company. In the same deed, Endurance Overseas S.p.A. also transferred its registered office from Lombardore to Turin;
- On March 14th, 2025, by means of an endorsement authenticated by the Notary Agostini in Milan, the Parent Company purchased 805,263 own shares - previously held by the subsidiary Endurance GmbH - within the terms and values established by the Shareholders' Meeting.

Basis of preparation and consolidation

Basis of preparation of the consolidated financial statements

It is hereby confirmed that, for the purposes of providing a true and fair presentation of the results and financial position, there were no exceptions to the provisions of Legislative Decree 127/91 (as supplemented by Legislative Decree 139/2015).

The consolidated financial statements for the year ended March 31st, 2025, have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the OIC (Italian Accounting Board) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

In preparing the consolidated financial statements, we made use of the Group companies' financial statements for the year ended March 31st, 2025, as prepared by the Boards of Directors and that will be approved by their respective annual general meetings. The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these explanatory notes agree with the books of account of consolidated companies, from which they have been directly prepared.

The financial statements used for the consolidated financial statements have been prepared in accordance with uniform accounting policies, being those applied by the Parent Company for its financial statements.

The consolidated financial statements have been prepared in Euro, as have the detailed tables presented in these explanatory notes (unless specified otherwise). The comments on items state the consolidated amounts in thousands of Euro (unless specified otherwise).

Consolidation principles

Equity investments in subsidiaries have been consolidated on a line-by-line basis.

In the preparation of the consolidated financial statements, all the receivables and payables due from/to businesses included in the consolidation have been eliminated, as well as income and expenses arising from intercompany transactions and gains and losses on intercompany asset transactions.

Accounting policies

The accounting policies applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the civil code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017 and subsequent modifications.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board. Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian

Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortized systematically each year on a straight-line basis. Intangible assets are recognized with the consent of the Boards of Statutory Auditors of the consolidated companies, where present and when required by law.

Their book value is stated net of accumulated amortization and write-downs.

Amortization is applied starting from the month following the acquisition of the asset as indicated below, in order to allocate the cost over the useful life of the assets:

Intangible assets	Amortization period
Start-up and expansion costs	5 years on a straight-line basis
Development costs	5 years on a straight-line basis
Industrial patent rights and intellectual property rights	3 years on a straight-line basis
Concessions, licenses, trademarks, and similar rights	10 years on a straight-line basis
Goodwill – portion emerging in consolidation – Endurance S.p.A.	10 years on a straight-line basis
Goodwill – portion emerging in consolidation – Endurance Two Wheelers S.p.A. (*)	5 years on a straight-line basis
Goodwill – portion emerging in consolidation – Endurance Two Wheelers S.p.A. (**)	10 years on a straight-line basis
Goodwill – portion emerging in consolidation – Veicoli S.r.l.	5 years on a straight-line basis
Goodwill – portion emerging in consolidation – Ingenia Automation S.r.l.	10 years on a straight-line basis
Other intangible assets (leasehold improvements)	5 years on a straight-line basis

(*) Goodwill portion related to Endurance Adler S.p.A.'s business combination

(**) Goodwill portion related to Frenotecnica S.r.l.'s e New Fren S.r.l.'s business combination

It should be noted that no write-downs of these assets were needed in accordance with paragraph 1.3 of Art. 2426 of the Civil Code.

Any start up and expansion costs are recorded with the consent of the Board of Statutory Auditors. In the event of a distribution of dividends, enough distributable reserves are maintained to cover the unamortized portion of these costs.

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

In exceptional cases in which the useful lives of development costs cannot be estimated reliably, they are in all cases amortized over a period that does not exceed five years. Until these assets are fully amortized, dividends cannot be distributed unless the remaining available reserves are sufficient to cover the unamortized balance.

Concessions, licenses, trademarks and similar rights are amortized on a straight-line basis over the contractual period during which the related rights will be enjoyed.

Goodwill includes the amounts paid for this purpose on the acquisition of companies or other corporate transactions, as well as the differences arising on first-time consolidation between the value of the investments in consolidated companies and the carrying amount of their net assets and is amortized over its useful life.

In order to determine the useful life of the various components of this item, the Group applies the information available in order to estimate the likely duration of its economic benefits. Should the useful life of the various

components of goodwill turn out to exceed 10 years, specific analyses are carried out to support the value determined on the basis of the longer useful life, as required by OIC 24.70. If this estimate cannot be made, goodwill is amortized over 10 years.

Leasehold improvements are capitalized and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognized in the relevant category of "tangible fixed assets"). They are amortized systematically over the period they are expected to benefit (prudently set at 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the Group.

Intangible assets are subject to verification of their recoverable amounts in the event of any indication of possible impairment. In the event of any impairment loss existing at the year end, this is reflected in the financial statements by means of a write-down of the asset and a revision of its remaining expected useful life. The lower carrying amount, should the reasons for the write-down cease to exist, may be written back to the carrying amount that the asset would have had if it had not been subjected to write-down.

Pursuant and consequent to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets reported in the financial statements have never been revalued.

Tangible fixed assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset becomes available for use, without however exceeding its recoverable value. Tangible fixed assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible fixed assets are depreciated systematically each year on a straight-line basis using the following rates:

Tangible fixed asset items	Depreciation rate
Buildings	3% - 5%
Temporary constructions	10%
General plant	7.5% - 10%
Automatic machines	10%
Sundry and minor equipment	25%
Foundry equipment	40%
Mechanical equipment	40%
Furniture and furnishings	12%
Electronic office machines	20%
Motor cars	25%
Transport vehicles	20%
Internal transport vehicles	20%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the fixed assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernize, or improve the structural elements of a tangible fixed asset are capitalized if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Grants are recognized when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accrual basis via classification as "deferred income".

Finance leases are accounted for in accordance with IAS 17.

Impairment (tangible and intangible fixed assets)

At each reporting date, the Group determines if there is any evidence that the value of its tangible and intangible fixed assets might be impaired. If such evidence is found, the Group estimates the recoverable value of each asset concerned and records an impairment write-down if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible fixed assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

Regarding the above, the Group has looked for evidence that the value of its tangible and intangible fixed assets might be impaired, but did not find any and, accordingly, has not determined the recoverable value of the above assets.

Financial fixed assets

The equity investments and debt securities classified as financial fixed assets will be held by the Group over the long term.

Equity investments are measured at cost, as adjusted for any impairment. The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If lasting

impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Group be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Group is exposed. If in future years the reasons for the write-down cease to apply, the equity investment is written back to its original carrying amount.

Inventories

Inventories are stated at the lower of purchase and/or production cost, determined using the weighted average cost method, or the realizable value inferred from market prices.

In particular, the specific criteria used to measure the various categories of inventory (unchanged with respect to the prior year) are summarized below:

- Raw materials: annual weighted average cost (including components purchased from third parties and alloys).
- Work in process (semi-finished products): manufacturing cost based on the stage of completion of the production process, being the cost of production.
- Finished products: manufacturing cost.
- Dies and tooling for resale: purchase cost.
- Consumables: purchase cost, inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

The realizable value of goods, finished products, semi-finished products and work in process inferred from market conditions is deemed to be their net realizable value. Raw and ancillary materials held for the production of finished products are not written down if the finished products in which they will be used are realizable for an amount that is greater than or equal to their production cost.

Inventories are written down when their realizable value estimated with reference to market conditions is lower than their carrying amount. Obsolete and slow-moving inventories are written down with reference to their possible uses or realizable value. If in future years the reasons for any write-down cease to apply, the related inventories are written back to not more than their original cost.

Based on the application of the completed contract criterion for which the Group has opted, contract work in progress is valued at the lower of cost and realisable value inferable from market trends.

Receivables

Receivables are stated at amortized cost, having regard for the time factor and their estimated realizable value. The amortized cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognized initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when

negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognized initially and its maturity value is recognized as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted, when necessary, by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realizable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement.

Receivables assigned to factors are only derecognized if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognized in income statement caption C17). If the assignment does not involve de-recognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognized as a financial payable.

Receivables in the form of bank collection notices (so called "Ri.Ba.") that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Receivables deriving from centralized treasury management activities are classified separately within current assets, if recoverable in the short term. If this is not the case, they are classified as financial fixed assets.

Equity investments and securities not held as fixed assets

This caption comprises the equity investments and debt securities that will not be held over the long term. They are recorded at specific cost or, if lower, at their market value that, for listed investments, is determined with reference to their market price on the reporting date.

These equity investments are written down to their realizable value case by case, rather than on an overall basis. If the reasons for any adjustments cease to apply, in whole or in part, the adjustments are reversed with exceeding original cost.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Employee termination indemnities

Employee termination indemnities represent the total amount that would have been payable to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated December 27th, 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by December 31st, 2006 and those earned from 1 January 2007. Following creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees pursuant to article 2120 of the Civil Code, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the INPS Treasury Fund.

Payables

Payables are stated at amortized cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortization cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, regarding the amortized cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different to the market rate of interest.

The amounts due to employees for unused holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Derivative financial instruments

Derivative financial instruments consist of financial assets and liabilities measured at fair value.

They are only classified as hedging instruments when, at the time of arrangement, there is a strict, documented correlation between the characteristics of the hedged item and those of the hedging instrument, and that hedging relationship is both formally documented and based on periodic checks, highly effective.

When derivatives hedge the risk of changes in the fair value of the hedged instruments (fair value hedges), they are measured at fair value through profit or loss; for consistency, the carrying amounts of the hedged items are adjusted to reflect the changes in fair value associated with the hedged risk.

When derivatives hedge the risk of changes in the future cash flows generated by the hedged instruments (cash flow hedges), the effective portion of the profit or loss on the derivative is deferred to equity. The ineffective portion of the profits and losses associated with a hedge is recognized in the income statement. On completion of the transaction, the accumulated profits and losses, previously deferred to equity, are released to the income statement (to adjust the income statement items affected by the hedged cash flows).

When hedge accounting is used, the changes in the related fair value of the hedging derivatives are recognized:

- in income statement captions D18 or D19, in the case of a fair value hedge of a reported asset or liability, together with the changes in the fair value of the hedged items (if the change in the fair value of the hedged item is greater in absolute terms than the change in the fair value of the hedging instrument, the difference is recognized in the income statement caption affected by the hedged item);
- in a specific equity reserve (caption AVII "Reserve for cash flow hedges") in a manner that offset the effects of the hedged flows (the ineffective portion, like the change in the time value of options and forwards, is classified in captions D18 and D19).

The changes in the fair value of financial instruments that are classified as trading derivatives, either because they do not qualify for treatment as hedging derivatives or because they were not designated as hedges, even though they were arranged operationally to hedge the risk of changes in interest rates and/or exchange rates and/or commodity prices, are recorded in the balance sheet and recognized in income statement captions D18 or D19.

Any derivatives embedded in other financial instruments must also be measured at fair value. In particular, embedded instruments are only separated from the primary contract and recognized as derivative financial instruments if, and only if:

- a) the economic characteristics and risks of the embedded derivative are not closely correlated with the economic characteristics and risks of the primary contract. Close correlation exists if hybrid contracts are arranged in accordance with market practice;
- b) all the elements included in the definition of a derivative financial instrument specified in OIC 32.11 are satisfied.

Revenues

As provided for in OIC 34, the recognition of revenue is subject to the determination of the total price of the contract and after having identified and allocated the price to the individual elementary units of accounting corresponding to the services included in the contract.

Revenues from the sale of goods are recognized when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recorded, in accordance with OIC 34, on the basis of the state of progress being met the conditions of prior agreement between the parties and being able to reliably determine the amount of revenue accruing.

Where there are transactions in which the company acts as an agent on behalf of a third party, the related revenue is recognized net of costs incurred to the third party.

Revenues from the sale of products and goods or the provision of services related to core operations are recognized net of returns, discounts, allowances and premiums, as well as taxes directly related to the sale of products and the provision of services. Transactions with related entities were conducted at arm's length.

With reference to contract work in progress at year-end, the Group has opted to apply the criterion of the completed contract: contract revenue and contract margin are recognised when the contract is completed, i.e. on the date on which the risks and rewards associated with the asset realised are transferred or the services are rendered. The adoption of this criterion therefore entails the valuation of inventories for works executed, but not yet completed, at their production cost.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognized on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognized in the year in which they are declared by the annual general meeting. Dividends are recognized as financial income, regardless of the nature of the reserves that are distributed.

Financial income and charges

Financial income and charges are recognized on an accrual's basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accrual's basis.

Income taxes

Income taxes are recognized with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP).

They are classified respectively among the current assets as "deferred tax assets" and among the provisions for risks and charges as "deferred tax liabilities".

In accordance with the concept of prudence, deferred tax assets are recognized on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognized on all taxable temporary differences.

Deferred tax liabilities are not recognized in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the shareholder.

It should be noted that the domestic tax group contract of the Endurance Group pursuant to arts. 117/129 of the Consolidated Income Tax Code (TUIR) is still valid, having begun in 2015. Its members include the Parent Company, as the consolidating company, and the subsidiaries Endurance S.p.A., Endurance Engineering S.r.l., Endurance Castings S.p.A. and Endurance Two Wheelers S.p.A., whereas Veicoli S.r.l., and the newly acquired Ingenia Automation S.r.l. are not included.

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognized in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognized in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognized in the income statement and any net unrealized gains are allocated to a non-distributable reserve until they have been realized.

Consolidated explanatory notes – Consolidated assets

The following tables detail significant changes in the assets reported in the balance sheet.

Intangible assets

After having charged amortization for the year of Euro 3,070 thousand, the balance of intangible assets is Euro 9,438 thousand.

The following table analyses intangible assets and the changes during 2024/2025:

	Start-up and expansion costs	Development costs	Industrial patent rights and intellectual property rights	Concessions, licences, trademarks and similar rights	Goodwill	Other intangible assets	Assets in process of formation and advance payments	Total intangible assets
Balance at the beginning of the year								
Cost	122,635	11,047,557	3,974,597	1,679,352	30,204,897	3,622,122	15,400	50,666,560
Accumulated amortization	115,971	7,271,364	3,441,481	906,422	25,350,392	3,531,481	-	40,617,111
Write-downs	-	-	-	-	611,356	-	-	611,356
Carrying amount	6,664	3,776,193	533,116	772,930	4,243,149	90,641	15,400	9,438,093
Changes during the year								
Additions	-	1,484,288	205,452	1,390,000	31,308	89,748	-	3,200,796
Amortization for the year	2,671	1,510,228	510,713	262,989	761,695	21,648	-	3,069,944
Other changes	-	-	3,042	(3,114)	-	(10,544)	(15,400)	(26,016)
Total changes	(2,671)	(25,940)	(302,219)	1,123,897	(730,387)	57,556	(15,400)	104,836
Carrying amount at year end								
Cost	122,634	12,531,845	4,184,040	3,062,853	30,236,205	3,818,976	-	53,956,553
Accumulated amortisation	118,641	8,781,592	3,953,143	1,166,026	26,112,087	3,670,779	-	43,802,268
Write-downs	-	-	-	-	611,356	-	-	611,356
Carrying amount	3,993	3,750,253	230,897	1,896,827	3,512,762	148,197	-	9,542,929

The item "Development costs" includes the capitalization of the costs incurred during the year in relation to the activities carried out by the Group for the development of new products and improved and innovative process implementations, carried out in the context of the activities of the technical and industrialization departments, also as part of the research and development projects in which the Group companies participate.

The item "Industrial patent rights and intellectual property rights" mainly includes the value of patents owned by Endurance Two Wheelers S.p.A., including the value recognized to them at the time of acquisition in the previous fiscal year, related to the development of technologies put in place by the company.

The item "Concessions, licenses, trademarks and similar rights" mainly includes the value associated with the "Grimeca" trademark acquired 2020, in the context of the transaction of entry of the business of Endurance Adler S.p.A. (now Endurance Two Wheelers S.p.A.) into the Group's scope of operations, as well as, with regard to the change in the period, the value of "know-how" relating to the activities of the newly consolidated Ingenia Automation S.r.l.

Goodwill at March 31st, 2024 includes:

- the residual value (Euro 148 thousand, net of amortization) of the consolidation difference emerged during the previous year, at first consolidation date of Veicoli S.r.l.;

- the residual value (Euro 3,336 thousand, net of amortization) of the consolidation difference emerged during the current year, at first consolidation date of Frenotecnica S.r.l. and New Fren S.r.l. (now merged into Endurance Two Wheelers S.p.A.);
- the residual value (Euro 28 thousand) of the consolidation difference emerged during the year under review, following the consolidation of Ingenia Automation S.r.l. (as the difference not allocated to assets and liabilities acquired).

The recoverability of the goodwill, which is amortized on the basis indicated above, is checked annually using the Discounted Cash Flows ("DCF") method. Group management has prepared economic-financial five-year forecasts for the individual companies, which indicate positive results over that period. Accordingly, the resulting assessment confirmed that that fair value of the Group's assets (both for Goodwill and other net assets) exceeds their corresponding carrying amounts.

Other intangible assets mainly include leasehold improvements (to rented buildings, in particular).

The overall effect related to the change in the scope of consolidation (including the allocation of the capital gain from the business combination) amounts to approximately Euro 1.5 million.

With specific reference to the assessment of impairment indicators resulting from the health emergency, also in response to the Group's request, the Directors carried out a careful analysis of projected cash flows (as indicated, with specific reference to Goodwill) and, based on currently available information, concluded that the value of fixed assets as of March 31st, 2025 is recoverable through future cash flows and, consequently, it was not necessary to carry out any write-downs pursuant to art. 2426, paragraph 1, no. 3 of the Italian Civil Code.

Tangible fixed assets

Tangible fixed assets, net of accumulated depreciation of Euro 21,920 thousand, total Euro 158,617 thousand compared with Euro 144,647 thousand in the prior year.

Land and buildings include the value of land and buildings relating to the Group's production sites, located in Lombardore, Chivasso, Grugliasco and Ciriè (Turin province), in Bione (Brescia province) and Rovereto (Trento province), including the structures used by Group companies under finance lease contracts redeemed in previous years (for a net amount of Euro 936 thousand at March 31st, 2025).

Plant and machinery and commercial and industrial equipment include all of the assets used by Group companies in the production of components made of non-ferrous metals (mainly aluminium) and plastic, as well as the production/outfitting of components dedicated to the "2-wheeler" market: these are infrastructures used in pressure die casting (melting furnaces, die casting islands), as well as robotized lines and islands used for machining both metal and plastic parts. This item also includes plant and machinery used under finance lease contracts entered into by Group companies (for a total of Euro 345 thousand at March 31st, 2025).

The item "Assets under construction and advances" includes the value of advances paid to suppliers for the purchase, in particular, of plant and machinery and the value of assets purchased but awaiting approval for use in production. The amount posted during the year relates to down payments made to primary suppliers of production systems and installation of die-casting islands and mechanical processing lines in connection with projects to expand production capacity.

The following table analyses tangible fixed assets and the changes during the year:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Assets under construction and advance payments	Total tangible fixed assets
Balance at the beginning of the year						
Cost	57,568,982	248,579,375	32,886,016	5,233,645	17,370,909	361,638,927
Revaluations	-	9,342,485	-	7,200	-	9,349,685
Depreciation (Accumulated depreciation)	26,352,695	162,263,315	30,242,033	4,754,374	-	223,612,417
Write-downs	871,838	1,794,341	86,225	103	-	2,752,507
Carrying amount	30,344,449	93,864,204	2,557,758	486,368	17,370,909	144,623,688
Changes during the year						
Additions	2,864,768	13,175,105	849,755	337,006	20,520,581	37,747,215
Depreciation for the year	1,941,406	18,740,596	1,026,398	211,960	-	21,920,360
Reclassifications (of the carrying amount)	-	30,033,824	(116,208)	7,398	(29,925,014)	-
Disposals (carrying amount)	(9,500)	1,931,299	454,493	1,645	-	2,377,937
Other changes	438,287	12,466	8,201	85,840	-	544,794
Write-downs	-	-	-	-	-	-
Total changes	1,371,149	22,549,500	(739,143)	216,639	(9,404,433)	13,993,712
Carrying amount at the end of the year						
Cost	60,947,255	285,894,106	32,867,804	5,768,385	7,966,476	393,444,026
Revaluations	-	9,342,485	-	7,200	-	9,349,685
Depreciation (Accumulated depreciation)	28,359,819	177,045,041	30,915,094	5,059,433	-	241,379,387
Write-downs	871,838	1,777,846	134,095	13,145	-	2,796,924
Carrying amount	31,715,598	116,413,704	1,818,615	703,007	7,966,476	158,617,400

The main additions of the period refer to:

- investments totalling Euro 38 million, mainly concentrated in the items plant and machinery and fixed assets under construction and payments on account and mainly related to:
 - increases in specific production capacity for the implementation of production lines related to the most recently acquired orders, mainly with the Volkswagen Group and the Stellantis Group (for about Euro 33 million), as well as capacity increases related to the Volkswagen Zylinderkopphaube project.
 - increases related to the strengthening of general production capacity for foundry activities, for about Euro 2 million.
 - increases, for about Euro 3 million, related to the expansion of the Group's real estate assets (particularly in the Turin area), as well as the restructuring, improvement and rationalisation of owned real estate (in the context of the reorganisation of activities dedicated to the 'two-wheeler' segment);
 - the change in the scope of consolidation for about Euro 0.5 million (related to the net value of the fixed assets of Ingenia Automation S.r.l.)
- depreciation and amortisation totalling Euro 21.9 million.

Assets under construction and advances (Euro 7,996 thousand as of March 31st, 2025) include the residual value of advances paid to suppliers for the acquisition of plant and machinery and the value of assets purchased but awaiting completion of installation for use in production, particularly related to projects for Volkswagen/AUDI and Stellantis customers.

It should be noted that no write-downs were deemed necessary pursuant to Article 2426, paragraph 1, no. 3 of the Italian Civil Code. With specific reference to the assessment of the impairment indicators resulting from the pandemic emergency, also in response to the requirements of the Group, the Directors carried out a careful analysis

of the prospective cash flows and, based on the information currently available, concluded that the value of fixed assets as of March 31st, 2025, is recoverable through future cash flows.

In addition, based on the evidence of acceleration of the phase-out process of certain products emerging from the most recent evidences coming from the customers, as well as on the revision of the degree of use of specific plants, the Group has revised the useful life of certain assets (in particular plant and machinery specifically dedicated to the production of the mentioned products), reducing their residual life in a manner consistent with the estimates coming from the most updated information available, with a related impact on depreciation for the period.

Revaluations of tangible fixed assets

Pursuant to Art. 10 of Law No. 72 of 19 March 1983 and subsequent laws on revaluations of assets, it should be noted that certain assets (owned by Endurance S.p.A. and Ingenia Automation S.r.l.) still included in the balance sheet have been revalued, the effect of which (in terms of gross revaluation value) is shown below:

Law	Category	Amount
Law No. 342/2000	Industrial and commercial equipment	106,463
Law No. 266/2005	Specific machineries and furnaces	438,412
Law No. 266/2005	Transport vehicles	7,200
Law No. 126/2020	Buildings	203,691
Law No. 126/2020	Specific machineries	8,904,073

These revaluations have been made by increasing specific equity reserves, which cannot be distributed until such reserves have been reintegrated or reduced accordingly by resolution of an Extraordinary General Meeting (art. 6 of Law 72/83 and subsequent revaluation laws).

Financial fixed assets

This item is summarized in the following table:

Details	Amount at 31/03/2024	Additions / Increases	Write-downs / Decreases	Amount at 31/03/2025
Equity investments in other companies	3,026	-	-	3,026
Receivables from others	49,423	-	(37,914)	24,641
Derivative financial instruments	223,572	-	(62,387)	16,286
Total	276,021	-	(100,301)	43,953

The equity investments recorded in the financial statements as at March 31st, 2025 refer to:

- shares held in Brescia Export (Euro 1,300), Eurofidi in Banca Intesa (Euro 250), Confartigianato Fidi Piemonte e Nord Ovest S.C.p.A. (Euro 155) and in Unionfidi Piemonte S.C. (Euro 129);
- shares in the Conai consortium (Euro 44), in AQM S.r.l. (Euro 516) and the residual in other equity investments.

The Group holds also an equity investment in the CONSAF training consortium in the amount of Euro 258, which has been fully written down as of the balance sheet date and that the investment held in Banca di Credito Valsabbina (Euro 2,442) was sold during the year.

Long-term financial receivables as of March 31st, 2025 include guarantee deposits paid to suppliers for various reasons.

The item "Derivative financial instruments receivable" includes the positive balance represented by the positive fair value (Euro 16 thousand) of derivative contracts, designated as hedging instruments of highly probable transactions, held by the Group as of March 31st, 2025. In particular, these are interest rate swap contracts entered into in previous years, with the purpose of mitigating the risk of fluctuations in variable interest rates underlying some of the loan contracts in place. Described contracts are accounted for in accordance with the cash flow hedge principle. The fair value expressed in the financial statements is based on mark-to-market valuations made available by the leading financial institutions with which the instruments are underwritten.

Inventories

Set out below are details of inventory at 31/03/2025, together with prior year end comparatives:

Description	31/03/2025	31/03/2024	Change	Change %
Raw materials, ancillary materials, and consumables	9,185,773	5,925,810	3,259,963	55%
Work in process and semi-finished products	8,173,817	11,554,063	(3,380,246)	-29%
Contract work in process	3,126,918	-	3,126,918	n/a
Finished products and goods	8,494,267	13,350,492	(4,856,225)	-36%
Advances	532,169	901,298	(369,129)	-41%
Total	29,512,944	31,731,663	(2,218,719)	-7%

Inventories are recorded in the financial statements as at March 31st, 2025, net of an allowance for inventory write-downs, totalling Euro 8,633 thousand, increased by Euro 362 thousand during the current financial year, allocated to take into account obsolete or slow-moving inventories mainly attributable to phase-out products based on the production trends of models affected by the updates of emission regulations.

The decrease recorded compared to the previous year's figure is related to the combined effect of the increase in the value of the main raw material (aluminium alloy) recorded in the 2024/2025 financial year, compared to the trend recorded in the previous year, as well as the trend of production absorption by customers, which, if compared to the previous year (in a context still impacted by the ongoing critical situation on international markets, also related to the geopolitical turmoil and the trade policies of some of the sector's main reference markets), recorded a recovery in terms of both volumes and regularity, despite a market context characterised by the continuing criticality in terms of availability of materials and components and price fluctuations (as well as the maintenance of a high price level for utilities).

It should be noted that the perimeter change determined by the consolidation of Ingenia Automation S.r.l. had an impact of Euro 1,382 thousand on the item "Contract Work in Progress".

Receivables

Set out below are details of receivables at March 31st, 2025, with comparative prior year end amounts:

Description	31/03/2025 within 1 year	31/03/2025 beyond 1 year	31/03/2025 Total	31/03/2024	Change	Change %
Trade receivables	32,240,724	-	32,240,724	16,998,579	15,242,145	90%
Receivables due from parent companies	45,941	-	45,941	325,304	(279,363)	-86%
Receivables due from fellow subsidiaries	611,320	-	611,320	524,807	86,513	16%
Tax receivables	13,750,292	1,207,725	14,958,017	13,639,858	1,318,159	10%
Deferred tax assets	8,182,157	-	8,182,157	10,088,535	(1,906,378)	-19%
Other receivables	1,293,008	196,384	1,489,392	1,746,777	(257,385)	-15%
Total	56,123,442	1,404,109	57,527,551	43,323,860	14,203,691	33%

Trade receivables (Euro 32,241 thousand as of March 31st, 2025, compared to Euro 16,999 thousand as of March 31st, 2024) recorded an increase compared to the previous year mainly due to the increase in sales volumes recorded in the financial year under review (as well as the effect of the change in the consolidation perimeter, which had an impact of about Euro 2.6 million).

The adjustment of the nominal value of trade receivables to their estimated realisable value was obtained by means of a specific provision for bad debts of Euro 1,175 thousand, increased by Euro 215 thousand compared to the previous year (of which Euro 62 thousand due to the change in the consolidation area).

Receivables from parent companies (Euro 46 thousand as at March 31st, 2025) refer to commercial transactions with the Indian parent company Endurance Technologies Limited.

The amounts due from fellow subsidiaries (Euro 611 thousand at March 31st, 2024, recording an increase during the year) are related to commercial transactions – basically related to the supply die casted parts, engineering activities and administrative services – with Endurance GmbH (owned by Endurance Technologies Limited).

Tax receivables (Euro 14,958 thousand at March 31st, 2025, up by Euro 1,318 thousand as compared to March 31st, 2024) mainly comprise IRES and IRAP tax credits representing the excess of advances over the related payables by Euro 3,024 thousand and Euro 279 thousand respectively, VAT receivables totalling Euro 6,875 thousand, the residual value of tax credits linked to R&D activities and investments in tangible fixed assets (for a total of Euro 3,605 thousand), those accrued for withholding taxes on foreign-produced income (Euro 739 thousand), and to other tax receivables. All outstanding tax receivables have counterparts in the Italian State Treasury. The change in the scope of consolidation of Ingenia Automation S.r.l. had an impact of about Euro 0.5 million.

Deferred tax assets (Euro 8,182 thousand as of March 31st, 2025, down Euro 1,906 thousand from the previous year, net of the effect of the change in the scope of consolidation equal to Euro 0.2 million) refer to deductible temporary differences relative, in particular, to the statutory and tax value of tangible fixed assets (due to the different depreciation rates applied) and provisions with deferred deductibility, as well as deferred tax assets recognised, particularly in previous years, on tax losses generated by Group companies. With regard to the latter, the recognition of negative taxable income is the effect of the tax benefits obtained, particularly with reference to the extra-deductions related to the discipline of high-tech investments in tangible and intangible assets (so-called “super-depreciation” and “hyper-depreciation”) connected to the Industry 4.0 discipline.

Such deferred tax assets have been recorded in the financial statements considering their probable future recovery, taking into account future taxable income determined on the basis of results consistent with management's most up-to-date estimates.

Current financial assets

Set out below are details of the item at March 31st, 2025, together with comparative prior year end amounts:

Description	31/03/2025	31/03/2024	Change	Change %
Other securities	30,003,733	39,575,899	(9,572,166)	-24%
Treasury management assets	-	2,462,221	(2,462,221)	-100%
Total	30,003,733	42,038,120	(12,034,387)	-29%

The item Other securities (Euro 30,004 thousand as at March 31st, 2025, down by Euro 9,572 thousand compared to the previous year) includes the amounts destined by the Group for non-durable investments, carried out as part of the policy of available liquidity utilization. These include in particular:

- European and US bonds (for a countervalue of Euro 17,300 thousand); and
- units of bond-based investment funds and units of alternative multi-fund investment funds aimed at asset management (Euro 6,703 thousand, of which Euro 1.0 million related to the change in the scope of consolidation due to the consolidation of Ingenia Automation S.r.l.)
- certificates issued by main banks (Euro 5,000 thousand);
- short-term monetary loans stipulated with the banking sector, so-called 'hot money' (Euro 1,000 thousand).

These instruments, mainly purchased during the previous year, resulted in income (as reversal of prior years adjustment) amounting to Euro 164 thousand. In accordance with the prudence principle, potential capital gains were not recorded. It should be pointed out that, for the portion relating to securities denominated in USD (for a countervalue of Euro 4,769 thousand), the investment is subject to exchange rate risk since it was not deemed necessary to activate specific hedging instruments.

Treasury Management assets (which amounted to Euro 2,462 thousand as of March 31st, 2024) referred to the receivable from the fellow subsidiary GmbH connected to the cash pooling agreement in place, recording a debit balance as of March 31st, 2025.

Cash and cash equivalents

Set out below are details of the item at March 31st, 2025 together with comparative prior year end amounts:

Description	31/03/2025	31/03/2024	Change	Change %
Bank and postal deposits	96,983,557	52,897,475	44,086,082	83%
Cash on hand	10,099	11,041	(942)	-9%
Total	96,993,656	52,908,516	44,085,140	83%

This item principally comprises the balance on bank current accounts at March 31st, 2025.

The increasing trend in the item should be read in conjunction with the change that occurred in the item related to "Current financial assets," in which the accumulated cash investments of the Group are included. The overall increase (Euro 32,051 thousand) was determined by the out-flows related to the significant investments in tangible and intangible fixed assets made during the year (approximately Euro 44.4 million), as well as the combined effect of the repayments of payables to banks and other lenders (for a total of Euro 29.4 million) in connection to the contractual provisions of existing contracts, net of new loan contracted (Euro 45.7 million), and cash generated by operating activities (for Euro 67.8 million). The effect of the change in the scope of consolidation had a net effect on the group's treasury of Euro 2.3 million.

These trends, although considered in a market subject to fluctuations during the year, confirm the Group's strategies focused on maintaining a high level of liquidity (further strengthened as a result of the liquidity provision planned in the months immediately following 31/03/2025), with the objective to ensure that the Group has the resources available to support planned and potential growth and investment strategies, as well as to safeguard the sources of liquidity necessary to address the possible continuation of erratic trends in the continental economy, taking into account the turbulence related to the ongoing inflationary phenomena (and the related effect on capital market conditions), as well as market criticalities in terms of the availability and price of productive resources (also in the uncertainty of the prospective maintenance of current energy commodity prices) up to the consequences of the still unresolved continental geo-political tensions.

Reference should be made to the statement of consolidated cash flows for more complete details of the operating and financial cash flows that have funded the Group's investment activities.

Prepaid expenses and accrued income

Prepaid expenses and accrued income total Euro 1,964 thousand at March 31st, 2025 (compared with previous year Euro 1,193 thousand) and mainly relate to prepaid insurance, INAIL premiums, maintenance charges and other costs pertaining to subsequent years. The change in the scope of consolidation amounts to Euro 4 thousand.

Capitalized financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, it is hereby confirmed that no financial charges have been capitalized.

Explanatory notes – Consolidated liabilities and equity

The most significant changes in liabilities and equity are analysed in the following schedules.

Equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

The following tables covering the past two years present the changes in equity and details of the other reserves reported in the balance sheet. The changes in equity during the prior year are analysed below:

Description	Balance at 31/03/2023	Allocation of the prior year result	Other changes – Cash flow hedge	Other changes – Currency translation	Result for the year	Balance at 31/03/2024
Quota capital	16,105,263	-	-	-	-	16,105,263
Share premium reserve	304,737	-	-	-	-	304,737
Revaluation reserve	12,615,118	-	-	-	-	12,615,118
Legal reserve	1,445,449	803,412	-	-	-	2,248,861
Extraordinary reserve	2,681,395	-	-	-	-	2,681,395
Paid-in for loss coverage	2,882,602	-	-	-	-	2,882,602
Currency translation reserve	357	-	-	(1,540)	-	(1,183)
Consolidation reserve	19,397	-	-	-	-	19,397
Other reserves	-	-	-	-	-	-
Cash flow hedge reserve	2,767,590	-	(1,861,887)	-	-	905,703
Retained earnings (accumulated losses)	65,452,360	7,157,337	-	(1)	-	72,609,696
Net income (loss) for the year	7,960,749	(7,960,749)	-	-	11,029,839	11,029,839
Total equity attributable to the Group	112,235,017	-	(1,861,887)	(1,541)	11,029,839	121,401,428
Equity attributable to minority interest	-	-	-	-	-	-
Total equity	112,235,017	-	(1,861,887)	(1,541)	11,029,839	121,401,428

The changes in equity during the year ended March 31st, 2025 are analysed in the following table:

Description	Balance at 31/03/2024	Allocation of the prior year result	Own shares acquisition	Perimeter variation	Other changes – Cash flow hedge	Other changes – Currency translation	Result for the year	Balance at 31/03/2025
Sharecapital	16,105,263	-	-	-	-	-	-	16,105,263
Share premium reserve	304,737	-	-	-	-	-	-	304,737
Revaluation reserve	12,615,118	-	-	180,836	-	-	-	12,795,954
Legal reserve	2,248,861	416,605	-	-	-	-	-	2,665,466
Extraordinary reserve	2,681,395	-	-	-	-	-	-	2,681,395
Paid-in for loss coverage	2,882,602	-	-	-	-	-	-	2,882,602
Currency translation reserve	(1,183)	-	-	-	-	591	-	(592)
Consolidation reserve	19,397	-	-	-	-	-	-	19,397
Other reserves	-	-	-	-	-	-	-	-
Cash flow hedge reserve	905,703	-	-	-	(891,020)	-	-	14,683
Retained earnings (accumulated losses)	72,609,696	10,613,234	-	(180,836)	-	1	-	83,042,095
Net income (loss) for the year	11,029,839	(11,029,839)	-	-	-	-	16,180,758	16,180,758
Negative reserve for own shares in portfolio	-	-	(8,503,577)	-	-	-	-	(8,503,577)
Total equity attributable to the Group	121,401,428	-	(8,503,577)	-	(891,020)	592	16,180,758	128,188,181
Equity attributable to minority interest	-	-	-	-	-	-	-	-
Total equity	121,401,428	-	(8,503,577)	-	(891,020)	592	16,180,758	128,188,181

With reference to other changes in shareholders' equity, the following should be noted:

- the decrease in the "Cash flow hedge reserve", which includes the amount - recorded net of the related tax effect - of the effective portion of the changes in fair value recorded in outstanding derivative contracts entered into for the purpose of hedging cash flows associated with highly probable planned transactions; in accordance with applicable standards, the Group, at the time of recognition of the asset or liability related to the highly probable transaction, reverses, from the reserve, the corresponding amount of derivative instrument effective portion, including it directly in the book value of the asset or liability, with the effect of adjusting, in the income statement, the income/cost of the underlying transaction.
- the change in the translation reserve, related to the effects of the consolidation of the Tunisian subsidiary GDS S.a.r.l., whose financial statements are denominated in Tunisian dinars;
- the recording of the negative reserve for own shares in portfolio, entered in an amount (Euro 8,504 thousand) corresponding to the value of the treasury shares, held by the fellow subsidiary Endurance GmbH, purchased during the year by the Parent Company;
- the result for the current year, amounting to Euro 16,181 thousand.

The effects of the changes occurred during the year in the Cash flow hedge reserve are detailed below:

	<i>Interest rate swap</i>	<i>Interest rate CAP</i>	<i>Commodity swap</i>	Total
Cash flow hedge reserve - Gross value as of March 31st, 2024	74,117	4,555	1,173,248	1,251,920
Deferred taxes	(17,788)	(1,093)	(327,336)	(346,217)
Cash flow hedge reserve - Net value as of March 31st, 2024	56,329	3,462	845,912	905,703
Change in fair value (effective component) of derivative instruments, net of reversals to the income statement for realization of underlying transactions	(103,088)	(34,293)	(1,091,001)	(1,228,381)
Cash flow hedge reserve - Gross value as of March 31st, 2025	(28,970)	(29,738)	82,247	23,540
Deferred taxes	6,953	7,137	(22,947)	(8,857)
Cash flow hedge reserve - Net value as of March 31st, 2025	(22,017)	(22,601)	59,300	14,683

It should be noted that the reserve for expected cash flow hedging transactions includes the value of contracts in place at the balance sheet date (recorded under financial fixed assets and/or risk provisions in relation to the positive or negative value of the instruments), as well as the value associated with certain instruments that were realised in advance during the year, the effects of which were applied in the equity reserve, in light of the continuity of the underlying risk hedging strategy, to be realized - over the original term of the underlying derivative contracts - through the use of cash flows obtained from the settlement of such instruments.

The following table gives a reconciliation between parent company's equity and result and the Group's equity and result:

Description	Equity Current year	Result Current year	Equity Prior year	Result Prior year
Equity and results in the Parent Company's financial statements	63,503,739	12,618,585	59,391,637	8,332,091
Contribution from consolidated companies	125,673,378	17,637,744	118,318,504	12,465,995
Elimination of carrying value of equity investments	(65,234,044)	42,288	(62,348,140)	-
Consolidation adjustments:				
<i>Recognition of difference on consolidation</i>	2,678,511	(761,695)	4,116,668	(1,030,388)
<i>Distribution of dividends</i>	-	(13,000,000)	-	(9,000,000)
<i>Effect of accounting for leases under IAS 17</i>	849,394	(267,304)	1,116,698	72,524
<i>Elimination of intercompany profits</i>	(670,428)	(197,411)	(473,017)	18,161
<i>Accounting for intercompany leasehold improvements</i>	1,387,630	108,551	1,279,078	171,456
TOTAL	64,684,441	3,562,173	62,009,791	2,697,748
Equity and net income (loss) attributable to the Group	128,188,180	16,180,758	121,401,428	11,029,839
Equity and net income (loss) attributable to minority interest	-	-	-	-
Equity and result in the consolidated financial statements	128,188,180	16,180,758	121,401,428	11,029,839

Provisions for risks and charges

The changes during the year are analysed in the following table:

Description	31/03/2024	Perimeter variation	Increases	Decreases	31/03/2025	Change	Change %
Provision for pensions and similar obligations	-	36,269	2,433	-	38,702	38,702	n/a
Provision for current and deferred taxation	2,173,061	-	78,069	(93,781)	2,157,349	(15,712)	-1%
Derivative financial instruments	-	-	74,993	-	74,993	74,993	n/a
Other provisions for risks and charges	3,018,963	686,298	5,596	-	3,710,857	691,894	23%
Total	5,192,024	722,567	161,091	(93,781)	5,981,901	789,877	15%

The Provisions for risks and charges at March 31st, 2025, include:

- Provision for pensions and similar obligations (Euro 39 thousand as of March 31st, 2025): acquired during the year due to the change in the scope of consolidation that took place;
- Deferred tax liabilities (Euro 2,157 thousand at March 31st, 2025, up by Euro 15 thousand compared with the previous year): the account mainly includes net deferred taxes recognized when allocating the consolidation deficit to assets (to the Group's real estate assets). Given the immateriality for tax purposes of these gains arising from the consolidation process, this provision is used in order to neutralize the higher tax burdens that emerged in the year under review and that will emerge in future years, because of the non-deductibility of incremental costs (depreciation) arising from the change in the book value of assets. The change that occurred during the year mainly refers to the reversal associated with the process of amortization and/or allocation to the income statement of assets and liabilities subject to revaluation, net of the tax effect of the additional main consolidation entries (related to the accounting of improvements on intercompany assets and leasing contracts accounted for according to the financial method);

- Derivative financial instruments (Euro 75 thousand at March 31st, 2025): this item included, in accordance with OIC 32, the negative fair value of certain derivatives contracts (Commodity swaps) arranged by the Group to hedge the risk of fluctuations in certain commodities costs, completely reversed to zero in connection with the extinction of underlying contracts occurred during the year;
- Other provisions for risks and charges (Euro 3711 thousand as at March 31st, 2025, up by Euro 692 thousand compared to the previous financial year, due to some utilizations occurred in the period, almost entirely related to the change in consolidation area): the item includes the residual portion of pre-existing provisions, made to cover liabilities of various kinds (commercial, tax, labour law, etc.), based on the Group's best estimate of their quantification, carried out on the basis of the information available.

Provision for employee termination indemnities

The provision is stated net of advances and amounts paid on the termination of employment during the course of the financial year and represents the actual liability due to employees at the balance sheet date,

Description	31/03/2024	Provision	Utilizations	Other changes	31/03/2025
Provision for employee termination indemnities	3,650,361	812,063	(634,335)	359,901	4,187,990
Total	3,650,361	812,063	(634,335)	359,901	4,187,990

This provision is stated net of the amounts paid to supplementary pension funds, if specified by the employees concerned, and includes the amounts that some employees have decided to leave with their specific employer, The amounts retained by the Group, including the historical provisions not transferred to the INPS Treasury Fund, Previndai, Fondo Cometa or other supplementary pension funds, are re-valued for the effects of inflation in accordance with legal requirements. Other changes refers to the effects of changes in the scope of consolidation.

Payables

Set out below are details of payables at March 31st, 2025, together with prior year end comparatives:

Description	31/03/2025 within 1 year	31/03/2025 beyond 1 year	31/03/2025 Total	31/03/2024 Total	Change	Change %
Due to banks	33,318,783	62,826,292	96,145,075	79,144,223	17,000,852	21%
Due to other lenders	32,134	26,731	58,865	483,428	(424,563)	-88%
Advances	9,680,107	-	9,680,107	243,793	9,436,314	3871%
Trade payables	105,795,660	-	105,795,660	89,574,237	16,221,423	18%
Payables due to parent companies	135,668	-	135,668	262,629	(126,961)	-48%
Payables due to fellow subsidiaries	4,634,355	-	4,634,355	38,734	4,595,621	11865%
Tax payables	1,982,065	-	1,982,065	1,973,152	8,913	0%
Due to pension and social security institutions	3,914,953	-	3,914,953	3,598,000	316,953	9%
Other payables	14,752,410	2,132,493	16,884,903	11,456,993	5,427,910	47%
Total	174,246,135	64,985,516	239,231,651	186,775,189	52,456,462	28%

Amounts due to banks include both the short-term portion (amounting to Euro 33,318 thousand) and the portion beyond 12 months (amounting to Euro 62,826 thousand) of amounts due to primary bank institutions, relating to the balance of liabilities linked to current medium/long-term loan agreements.

During the year, the Group signed 5 unsecured loan agreements for a total nominal amount of Euro 46 million, signed with Intesa San Paolo, Unicredit, BNL, and BPER, with a duration between 4 and 6 financial years.

The following is a breakdown of medium-term loans outstanding at March 31st, 2025:

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2024	Within one year	Beyond one year
Banca Nazionale del Lavoro	5,000,000	01/04/2020 - 5	250,000	250,000	-
MCC - Fondo crescita sostenibile	3,006,099	29/04/2020 - 8	1,391,775	386,990	1,004,785
Unicredit Banca	400,000	31/08/2020 - 6	111,001,00	82,945,00	28,056,00
Unicredit Banca	350,000	30/09/2020 - 6	97,540,00	68,608,00	28,932,00
Unicredit Banca (*)	5,000,000	21/01/2021 - 5	1,000,040	1,000,040	-
Unicredit Banca	30,000	08/03/2021 - 6	14,413,00	7,511,00	6,902,00
Banca Sella	800,000	08/03/2021 - 6	210,709,00	148,395,00	62,314,00
Unicredit Banca (*)	3,000,000	07/05/2021 - 5	750,267,00	750,267,00	-
Unicredit Banca	10,000,000	11/04/2022 - 4	3,125,000	2,500,000	625,000
Intesa San Paolo	10,000,000	27/04/2022 - 4	2,708,333	2,500,000	208,333
BPER Banca	5,000,000	23/06/2022 - 4	1,578,638	1,261,726	316,912
Cassa di Trento	1,000,000	21/07/2022 - 4	354,047	254,958	99,089
Banca Nazionale del Lavoro	7,000,000	27/07/2022 - 4	3,500,000	1,400,000	2,100,000
BPER Banca	5,000,000	15/06/2023 - 4	3,301,516	1,427,290	1,874,226
Intesa San Paolo	15,000,000	26/06/2023 - 4	9,642,856	4,285,714	5,357,142
Credit Agricole	10,000,000	26/06/2023 - 4	5,853,224	2,524,248	3,328,976
Banca Sella	5,000,000	04/07/2023 - 4	3,030,004	1,258,080	1,771,924
Credem	5,000,000	11/12/2023 - 4	3,747,111	1,307,792	2,439,319
Banca Nazionale del Lavoro	5,000,000	11/12/2023 - 4	3,437,500	1,250,000	2,187,500
Gruppo Banco Popolare	10,000,000	25/03/2024 - 4	7,661,325	2,437,229	5,224,096
Unicredit Banca	8,000,000	29/05/2024 - 5	6,915,839	1,505,935	5,409,904
BPER Banca	3,000,000	24/09/2024 - 4	3,000,000	809,753	2,190,247
Banca Nazionale del Lavoro	5,000,000	14/01/2025 - 4	5,000,000	1,000,000	4,000,000
Intesa San Paolo	10,000,000	16/01/2025 - 5	9,666,666	2,000,000	7,666,666
Intesa San Paolo	20,000,000	07/02/2025 - 6	20,000,000	2,962,963	17,037,037
Total nominal value	151,586,099		96,347,804	33,380,444	62,967,360
Amortized cost effect			(202,729)	(61,661)	(141,068)
Total	151,586,099		96,145,075	33,318,783	62,826,292

(*) guaranteed by Medio Credito Centrale

On-going contracts are regulated, for the minor part on the basis of fixed rates (between 0.2% and 2.2%) and, for the most part of active contracts, on the basis of the quarterly EURIBOR rate, with application of spreads varying between 0.002%, for the most recent contracts (in particular for a contract stipulated with the release of the guarantee by Medio Credito Centrale pursuant to Legislative Decree no. 23 dated April 8th, 2020), and 1.35%, in consideration of the market conditions at the time of signing and the duration of the loan. It should be noted that, as at March 31st, 2025, debt with a maturity longer than 5 financial years amount to Euro 5,264 thousand.

The amounts due to other lenders (Euro 58 thousand, of which Euro 32 thousand due within one year) include payables to leasing companies. During the year, the value of payables due to other lenders decreased due to the repayment of contractually agreed instalments, as well as the redemption of assets falling due. No liabilities due beyond 5 years are in place.

Advances (Euro 9,680 thousand as of March 31st, 2025, impacted for Euro 1.3 million by the change in the scope of consolidation) include amounts received from customers in the context of contractual agreements concerning the development of new job orders and related investments.

The amount of trade payables, equal to Euro 105,796 thousand as of March 31st, 2025, increased by Euro 16,221 thousand as compared to the previous financial year, in accordance with the trend of the Group's activities and procurement strategy, as well as with the portion of payables related to investments in progress (about Euro 9 million), in the context of the Group's production capacity increase projects. The impact of the change in the scope of consolidation amounted to approximately Euro 2.7 million.

Payables due to parent companies (Euro 136 thousand at March 31st, 2025) refer to commercial transactions with the parent company Endurance Technologies Limited.

Payables to fellow subsidiaries (Euro 4,634 thousand at March 31st, 2025, up by Euro 4,596 as compared to prior year) refer - for Euro 38 thousand - to commercial transactions and - for Euro 4,596 thousand - to the balance of the centralized treasury account managed by the Parent Company, both towards the company Endurance GmbH.

With reference to tax payables (Euro 1,982 thousand at March 31st, 2025, up by Euro 9 thousand compared to the previous financial year), note that the variation in the item is mainly determined by the accrual of tax liabilities for the period (including the consolidation perimeter variation amounting to Euro 0.4 million) net of corresponding payment to Italian Tax Authorities.

Payables to social security institutions (increasing during the 2024/2025 fiscal year from Euro 3,598 thousand to Euro 3,915 thousand, with an immaterial effect related to the change in the scope of consolidation), are in place towards National Institute for Social Security, Treasury Fund and to other supplementary pension institutions (Previndai, Fondo Cometa as well as other funds).

Other payables (Euro 16,885 thousand, up by Euro 5,427 thousand compared to the previous year) mainly consists of payables to employees (Euro 14,917 thousand) for salaries and payroll accruals to be paid.

Debt secured by collateral

Pursuant to article 2427, paragraph 1, no. 6 of the Italian Civil Code, it is hereby certified that the amounts due to banks recorded in the financial statements as of March 31st, 2025 do not include any amounts secured by collateral on the Company's assets.

Accrued expenses and deferred income

Accrued expenses and deferred income total Euro 6,617 thousand at March 31st, 2025 (down by Euro 1,765 thousand as compared to prior year) and include, among others, the deferral of grants pertaining to future years, referring (for Euro 4,839 thousand) to grant related to the purchase of new capital goods made pursuant to Article 1, paragraphs 184-197, of Law 160/2019, grant connected to R&D costs and other grants (such as so called “Ecobonus”), to be accounted for on the basis of the depreciation of the underlying assets and (for Euro 64 thousand Euro) to portions of grant received in advance in the context of research projects financed, to be linked to future planned expenses.

Explanatory notes - Consolidated income Statement

Value of production

The value of production during 2024/2025 is analysed below on a comparative basis:

Description	Year 2024/2025	Year 2023/2024	Change	Change %
Revenues from sales of goods and services	247,094,889	207,776,761	39,318,128	19%
Changes in inventories of WIP, semi-finished and finished products	(7,901,793)	(2,806,661)	(5,095,132)	182%
Increases in fixed assets for internal production	1,356,868	1,245,892	110,976	9%
Other revenues	7,568,424	5,525,417	2,043,007	37%
Total	248,118,388	211,741,409	36,376,979	17%

Sales revenues for the year (which also include income from the sale to customers of specific equipment used in production, where envisaged by existing contractual agreements) marked an increase over the previous year of approximately 19% (i.e. 17%, net of the effect related to the “contribution” - approximately 4 million euros - linked to the change in the scope of consolidation). This performance was well above the trends in the sector compared to the previous year, which were mainly determined by the increase in volumes related to the most recent projects launched by the company (particularly with respect to customers of the Volkswagen Group and the Stellantis Group).

The upward trend was recorded in a context still characterized by inflationary pressure values that were only partially reduced compared to the previous year, as well as by the difficulties experienced on certain supply chains (both in terms of availability and pressure on the prices of raw materials and components) in relation to the geo-political criticalities existing in international markets, and in a context that has only partially recovered the effects of the pressure on the industrial sector of the trend in energy commodity costs.

The recorded increase in sales affected all the Group's major customers across the board, with particular impact in the automotive sector on the Volkswagen/AUDI Group, driven by the introduction of most new products. The Stellantis Group (FCA and PSA) accounted for about 29% of sales, followed by CNHI (5%), BMW (4%).

This trend occurred in the presence of a slightly increasing trend in the value of the Group's main raw material (secondary aluminium alloys), whose price changes are, based on the main commercial agreements in place, subject to adjustment in the price lists applied to end customers.

The following table provides details of revenues from sales and services by geographical area:

Geographical area	Year 2024/2025	Weight %	Year 2023/2024	Weight %	Change	Change %
ITALY	109,582,039	44%	109,149,036	53%	433,003	0%
GERMANY	62,376,084	25%	43,456,926	21%	18,919,158	44%
HUNGARY	44,738,837	18%	28,973,260	14%	15,765,577	54%
POLAND	1,123,553	0%	9,508,435	5%	(8,384,883)	-88%
ROMANIA	-	0%	154.497	0%	(154.497)	-100%
OTHER EU COUNTRIES	24.240.432	10%	9.827.340	5%	14.413.092	147%
NON-EU COUNTRIES	5,033,945	2%	6,707,267	3%	(1,673,322)	-25%
Total	247,094,889	100%	207,776,761	100%	39,318,128	19%

With reference to the breakdown by category of activity, it should be noted that the Group's revenues from sales and services refer entirely (for more than 80%) to income inherent to the core business, represented by the supply of powertrain components (parts for engines and transmissions), for suspensions and for bodywork destined for the automotive sector and related activities, and aimed at the OEM (Original Equipment Manufacturer) market, operating mainly as a Tier 1 supplier to the main European car makers. Secondary activities refer to the production of die-cast items intended for different customers (with a turnover of about 5 percent of the total), the production and marketing of components (brake and clutch systems) dedicated to the "two-wheeler" market (6% of consolidated turnover) and plastic moulding, also intended for the automotive sector (for about 1% of turnover).

Regarding the change - downward - in inventories, see the comments on inventories in the balance sheet.

The item Increases in fixed assets for internal production includes the effects of the capitalization of costs (mainly personnel costs) incurred by the Company in the context of Research and Development activities carried out during the year for the development of new products and the implementation of process innovations in the current production context.

Other revenues include, inter alia:

- income from recoveries from customers of packaging costs, charges and miscellaneous sales, as well as the Parent Company's income for services provided under the Service Agreement in place with the fellow subsidiary Endurance GmbH, (Euro 800 thousand), and with the ultimate Parent company Endurance Technologies Limited (Euro 1,350 thousand);
- the portion pertaining to the financial year (Euro 1,171 thousand) of grants obtained in the financial year and in previous years in relation to the use of photovoltaic plants, those, in the form of tax credits, relating to investments in plant and machinery in previous financial years, pursuant to the Tremonti-ter Law, research and development and innovation expenses, investments in capital goods made pursuant to L. 160/2019, art.1, paragraph 184-197 (regulations replacing the "super- depreciation" and "hyper-depreciation"), as well as those recognized pursuant to the rules provided for in Decree-Law No. 4 of 2022 et seq;
- income related to grants received from co-funded research and development projects in which the Group took part (Euro 2,064 thousand, related to the recognition of grants based on costs incurred in the year and in previous years, following the approval procedures by the financing bodies);
- other revenues of various kinds, including, in particular, capital gains related to the sale of capital goods no longer used in the production process (for Euro 67 thousand).

Costs of production

Set out below are details of the trend in operating costs together with prior year comparatives:

Description	Year 2024/2025	Year 2023/2024	Change	Change %
Raw materials, ancillary materials and goods for resale	90,074,950	88,348,830	1,726,120	2%
Services	52,008,980	39,254,900	12,754,080	32%
Lease and rental charges	2,100,420	2,123,825	(23,405)	-1%
Payroll costs				
Wages and salaries	47,647,561	35,275,563	12,371,998	35%
Social contributions	9,751,954	8,384,188	1,367,766	16%
Employee termination indemnities and pension	1,653,868	1,531,448	122,420	8%
Other payroll costs	781,583	605,270	176,313	29%
Depreciation, amortization and write-downs				
Amortization of intangible assets	3,069,944	2,787,654	282,290	10%
Depreciation of tangible fixed assets	21,920,360	18,024,067	3,896,293	22%
Write down of receivables included in current assets	-	-	-	-
Write down of receivables included in current assets	156,965	17,316	139,649	806%
Change in inventories of raw materials	(2,876,001)	(973,779)	(1,902,222)	195%
Other operating expenses	2,441,046	2,255,647	185,399	8%
Total	228,731,630	197,634,929	31,096,701	16%

Overall, operating costs for the year increased compared to those reported in the previous year, resulting in a positive impact on margins, compared to the trend in value of production, which overall grew by almost 2%. In fact, the difference between value and cost of production increased from Euro 14.1 million (with an impact of approximately 6.7%) to Euro 21.3 million (equal to 8.5%).

Cost of raw and ancillary materials, consumables and goods for resale and Cost of services

These items (net of change in raw material inventories) increased by 10%, which was less than proportional to the increase in sales volumes recorded in the year under review. It should be noted that production costs were affected by high energy costs.

Lease and rental charges

The item (broadly in line with the previous year) mainly includes costs related to rentals to third parties of operating facilities of Group companies, and for miscellaneous rentals of an operating nature.

Payroll costs

The item includes the entire expense for employees including the effects of merit bonuses, category transitions, the cost of untaken vacations and provisions of the law and collective agreements, as well as charges arising from the retention plan defined in favour of company management, conditional on the economic/financial results achieved in Europe and on remaining with the company until a predefined minimum deadline. The figure also includes the cost of agency labour except for the share relating to the service of temporary employment agencies, which is charged to item B7).

Overall, the item recorded an increase of about 30 percent compared to the previous year, amounting to about Euro 14 million, in connection with the combined effect related to the inclusion of new professional figures (in fact, the group's workforce grew on average by about 5 percent, including the effect of changes in the scope of consolidation) and the variable compensation component related to the retention programs in place, as well as due to the inflationary impacts brought about by the contractual adjustments that took place (in relation to the application of the National Collective Labor Agreements adopted by the group's companies, mainly Metal-mechanical), as well as the compensation adjustments recognized to employees.

The cost of personnel dedicated to research and development activities, for the portion that was capitalized during the year, amounted to Euro 1.4 million, including the activities carried out in the context of on-going process and product innovation projects, as well as those carried out in the context of specific R&D initiatives, partially contributed by national and international institutions.

Depreciation and amortisation

Depreciation of tangible and intangible assets is calculated on the basis of the technical useful life of the asset and its exploitation in the production phase. During the year, the Group recorded depreciation and amortization for a total value of Euro 24,990 thousand, an increase (approximately Euro 4 million) compared to the value of the previous year: this trend was impacted by the effect of the significant investments made by the Group in recent years in relation to the investment initiatives, already described, mainly related to the increase in production capacity consistent with the acquisition of the most recent new orders.

It should also be noted that the item includes the portion of amortization pertaining to the year (approximately Euro 1.5 million) of the higher value emerging, as a result of the revaluation of fixed assets carried out in previous years, pursuant to L.126/20.

Other operating expenses

The item, which includes, among others, penalties charged by customers, local taxes, and in general non-recurring costs that do not belong to core operations, showed a slightly increased trend compared to the previous year, particularly in relation to the impact of costs of a qualitative nature, for related to the regime phase of production activities of the most recently introduced projects.

Financial income and charges

Financial income and charges recorded in the year ended March 31st, 2025, are analysed on a comparative basis in the following table:

Description	Year 2024/2025	Year 2023/2024	Change	Change %
Financial income	2,990,320	2,010,846	979,474	49%
Financial charges	(4,130,028)	(3,508,098)	(621,930)	18%
Exchange gains and losses	(117,037)	4,981	(122,018)	-2450%
Total	(1,256,745)	(1,492,271)	235,526	-16%

Financial income (Euro 2,990 thousand in the year, an increase of Euro 979 thousand as compared to prior year) refers to interest income accrued on positive current bank account balances and long-term financial receivables in

place, as well as capital gains recorded in connection to transactions on securities and bonds operated during the year.

Financial expenses (Euro 4,130 thousand in the year, with an increase over the previous year of about Euro 622 thousand) mainly include interest expenses related to medium-term financing agreements in place during the year and those related to the management of short-term financing transactions (such as, for example, invoice advances, flow advances, factoring and/or cash management transactions).

The increase recorded in the year with reference to both financial income and financial expenses is mainly related to the trend of interest rates rising during the year, which remained at a high level throughout the first part of the year, except for registering a slight reduction in the last part of the year, which impacted both asset and liability items (particularly in relation to the charges emerging in connection with the Group's strategy for financing investment and development initiatives), in addition to the positive effect brought about by the sale of certain financial instruments held in the context of liquidity management policies.

Foreign exchange gains and losses (which recorded net expenses of Euro 117 thousand) include the net balance between income and expenses related to the variability of exchange rates emerging from the realization of assets and liabilities denominated in currencies other than the euro (which in the case of the Group mainly concern transactions in USD), as well as the effect of the adjustment to the period-end exchange rate of receivables and payables denominated in currencies other than the euro.

Adjustments to financial assets

This item (showing a positive net balance of Euro 164 thousand, up by Euro 135 thousand as compared to previous year) includes the economic effects of the net fair value adjustment of the financial instruments and derivative instruments used by the Group, carried out in order to align their value to the market value (where lower). It should also be noted that, in accordance with the principle of prudence, unrealised gains are not expressed for instruments with market prices exceeding the carrying amount. Please also refer to the previous section on Current financial assets.

Current and deferred taxation

The Group has accrued for taxation for the year based on the basis of applicable tax legislation.

Taxes pertaining to the 2024/2025 financial year, represented by a net charge of Euro 4,038 thousand (compared to a net charge of Euro 1,613 thousand in the previous financial year) include:

- current taxes pertaining to the period, amounting to a net charge of Euro 1,893 thousand (including the effects related to tax income from previous years and charges arising from the application of the tax consolidation regime), up compared to the previous financial year, which had recorded a net charge of Euro 1,284 thousand; and
- deferred/prepaid taxes (net charges of Euro 2,145 thousand, compared to Euro 329 thousand in the previous year), relating to positive or negative income components respectively subject to taxation or deduction in different fiscal years compared to those of statutory accounting.

The increase in the tax impact recorded in the year compared to the previous year is mainly attributable to the effect of the increase in taxable income accrued for the year in connection with the lower effect (compared to the

previous year) of accrual of the benefits related to the hyper-depreciation regime, for technologically advanced investments made in previous years, and placing a cap on the recognition of deferred tax assets.

The following table shows details of the amounts described:

	Year 2024/2025	Year 2023/2024
Income taxes	4,031,535	1,613,010
Current taxation		
of which: IRES for the year (current)	266,059	291,062
of which: IRAP for the year (current)	1,620,213	1,092,073
of which: Taxation relating to prior years	(6)	(99,155)
of which: Income (expense) from participation in the tax consolidation regime	6,764	-
Deferred taxation	2,145,269	329,030

Deferred tax assets and liabilities have been calculated using rates that are expected to be in force during the years when it is reckoned that the temporary differences will reverse (24% for IRES tax and the various applicable rates - 2.68%, 3.9% or 5.7% depending on the geographical and activity distribution of the companies - for IRAP tax), Deferred tax assets have been accounted for as there is reasonable certainty that, in the financial years in which the temporary differences will reverse, taxable income will not be less than the amount of the differences that will be reversed.

Participation to the tax consolidation regime

As required by the OIC interpretative document on accounting standard 25, information is provided below regarding adherence to the tax consolidation regime in force within the Group.

In compliance with current legislation, the domestic tax group was renewed in the prior year (until the end of the tax year under review) by the signature of an agreement governing the tax relationships between Endurance Overseas S.r.l. – as the consolidating company – and controlled companies Endurance S.p.A., Endurance Engineering S.r.l. Endurance Castings S.p.A, and Endurance Two Wheelers S.p.A. On the other side, Veicoli S.r.l. and newly acquired Ingenia Automation S.r.l. are not part of the consolidated tax agreement.

The relationship between the parties refers, in particular, to the immediate payment of the consolidation differences arising from group taxation and the deduction on a consolidated basis of the excess non-deductible interest expense (if the conditions under paragraph 7 of article 96 of the Consolidated Income Tax Act are met).

Other information

Average employee numbers

The following table sets out average employee numbers by labour category computed on the basis of the year averages:

Employees	Year 2024/2025	Year 2023/2024
Managers	20	21
White collar	176	151
Blue collar	454	450
Total	650	622

Group companies employ 659 people at March 31st, 2025. The increase from the previous year is mainly related to the change in the scope of consolidation (represented by 36 units).

Remuneration of the Directors and the Board of Statutory Auditors

The fees earned during the year by the directors of Group companies totalled Euro 416 thousand, while the fees of the Boards of Statutory Auditors of the various Group companies amounted to Euro 137 thousand in the 2024/2025 financial year.

Fees payable to independent auditors

During the year, the following amounts (comprising fees and expenses) were paid to the independent auditors (Deloitte & Touche S.p.A., or "Deloitte"):

- Euro 139 thousand for the legal audit of the accounts pursuant to Legislative Decree 39/2010 relating to the financial statements of consolidated companies and to the Group's consolidated financial statements, for the signing of the tax returns, as well as for checking the Group Reporting Package, prepared from the consolidated financial statements and submitted for the purpose of consolidating the ETL Group;
- Euro 18 thousand for additional services provided by the independent auditors, relating to the verification and certification of tax returns and other attestations.

Related party transactions

With regard to the provisions of art. 2428, para. 3, point 2) of the Italian Civil Code, reference is made to the information on related-party transactions provided in the Report on operations,

Off balance sheet agreements

No off-balance sheet agreements were entered into during the year.

Information relating to the fair value of financial instruments

In compliance with the provisions of Art. 2427-bis of the Italian Civil Code, in order to present a true and fair view of the company's commitments, details of the fair value, extent and nature of holdings of financial derivatives are set out below (amounts in thousands of Euro):

Type of contract	Number of contracts at 31/03/2025	Original notional value	Notional at 31/03/2025	Fair value at 31/03/2025	Number of contracts at 31/03/2024	Original notional value	Notional at 31/03/2024	Fair value at 31/03/2024
Interest rate Swap	4	27,000	17,938	(26)	3	17,000	11,588	74
Interest rate CAP	1	5,000	3,125	(33)	1	5,000	2,000	5
Commodity Swap	-	-	-	-	-	-	-	-
Total	5	32,000	21,063	(59)	4	22,000	13,588	79

Information under Article 1, paragraph 125, of Law No. 124 of August 4, 2017

In connection to the provisions of Art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the notes to the financial statements of any sums of money received during the fiscal year by way of grants, subsidies, benefits, contributions or aid, in cash or in kind, not of a general nature and without consideration, remuneration or compensation of any kind, from public administrations and the entities referred to in paragraph 125-bis of the same article, the Group certifies that the same, where disbursed, are registered in the National Register of State Aid.

Information about significant events arising subsequent to the reporting date

With reference to point 22-quater of Article 2427 of the Civil Code, regarding the reporting of the main events that occurred after the end of the fiscal year and that had a significant impact on the financial, financial and economic performance, we inform you that on April 2, 2025, the Parent Company, with a view to strengthening the group in the automotive market, finalized the following acquisitions:

- Share representing 60% of the share capital of Stöferle Automotive GmbH, a German company operating in the field of mechanical processing of automotive components, for a total of € 26,418 thousand;
- Share representing 60% of the share capital of Stöferle GmbH, a German company operating in the field of mechanical machining of automotive components and the construction of machinery and equipment for mechanical machining, totalling € 11,322 thousand.
-

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following information is provided about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Parent Company belongs as a subsidiary:

	Larger group coincident with smaller group
Company name	Endurance Technologies Limited
Town (if in Italy) or foreign State	Chhatrapati Sambhajnagar (India)
Tax code (Italian companies)	-
Place where the consolidated financial statements are filed	Registered office: Aurangabad (India) India Stock Exchange: NSE and BSE (**)

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Summary financial statements of the company which exercises management and coordination activities

The Parent Company (as well as all companies belonging to the Group) is subject to management and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Chhatrapati Sambhajnagar, Maharashtra, India, which, indirectly, wholly owns the Parent Company, The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees, For the sake of clarity, the Rupee/Euro exchange rate at 28th, March 2024 was 90.1365 (86,399 at 31st, March 2023) - (source European Central Bank):

Balance sheet	Financial statements at 31/03/2024	Financial statements at 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Activities held for sale	105.73	-
Total Assets	46,853.04	41,090.45

Balance sheet	Financial statements at 31/03/2024	Financial statements at 31/03/2023
Liabilities and equity		
Equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and equity	46,853.04	41,090.45

Income Statement	Financial statements at 31/03/2024	Financial statements at 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

Please refer to the specific section of the Report on Operations for a description of the relations with those exercising management and coordination activities and with the other companies that are subject to them, as well as the effect that these activities have had on the Company's operations and results.

To the Shareholders,

We confirm that these consolidated financial statements, which comprise the consolidated balance sheet, consolidated income statement, consolidated statement of cash flow and explanatory notes, give a true and fair view of the financial position and Group's results and cash flows for the year and agree with the books of account,

Turin, 13/05/2025

For the Board of Directors

The Managing Director

Massimo Venuti

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Sole Shareholder of
Endurance Overseas S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements Endurance Overseas S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at March 31, 2025, the consolidated statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2025, and of its consolidated financial performance and its consolidated cash flows 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 Consolidated Financial Statements* section of our report. We are independent of Endurance Overseas S.p.A. (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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the consolidated financial statements of Endurance Overseas S.p.A. does not extend to such data.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group'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.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

- 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 Group'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 consolidated 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 Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance Overseas S.p.A. are responsible for the preparation of the report on operations of the Group as at March 31, 2025, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of the Endurance Overseas Group as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Rizzo Santo
Partner

Turin, Italy
June 18, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ENDURANCE SPA

Head office: VIA REGIONE POZZO 26, CHIVASSO (TURIN)

Tax Code, Turin Chamber of Commerce and

Turin Companies Register No. 01782370017

Turin Business Register (REA) no. TO 518048

Share capital: € 5,000,000.00 subscribed and fully paid

VAT Number: 01782370017

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report on operations

Financial statements at 31/03/2025

Shareholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euro, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

Matters concerning the economy in general and the results of operations

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%. With regards to the automotive sector, in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023). Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went

from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs) achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

In light of the new orders acquired by the Company, the significant investments made in previous years have allowed the company to improve its performance, despite the negative trend in car production in the European Union. It should also be remembered that, even though the prices of energy factors have fallen from the peaks of previous years, they have still levelled out significantly higher than historical averages with the material component of electricity 170% more expensive on average and gas 210% more expensive, impacting performance. Overall the Company's results have been positive and getting better.

Management control and coordination activities

Pursuant to para. 5 of art. 2497-bis of the Italian Civil Code, it is confirmed that the Company belongs to the ENDURANCE Group (India) and is subject to management and coordination by ENDURANCE TECHNOLOGIES LIMITED (India), whose shares have been listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE) since October 2016.

The management control and coordination activities carried out have not had any particular impact on the Company's activities or its results. We can also confirm that no decisions were made under the influence of the Company that performs the management control and coordination activities, that might require an indication of the reasons and interests affecting them.

Financial position

A reclassified balance sheet is provided below to facilitate a better understanding of the Company's financial position.

Balance Sheet - Assets

Item	31/03/2025	%	31/03/2024	%	Change	Change %
WORKING CAPITAL (WC)	129,096,362	45.66%	120,406,728	46.16%	8,689,634	7.22%
Immediate liquidity	36,783,485	13.01%	32,661,409	12.52%	4,122,076	12.62%
Cash and cash equivalents	36,783,485	13.01%	32,661,409	12.52%	4,122,076	12.62%
Deferred liquidity	74,989,543	26.53%	68,210,791	26.15%	6,778,752	9.94%
Current receivables included in WC	33,561,650	11.87%	18,940,081	7.26%	14,621,569	77.20%
Financial assets	40,719,483	14.40%	48,674,078	18.66%	(7,954,595)	(16.34%)
Accrued income and prepaid expenses	708,410	0.25%	596,632	0.23%	111,778	18.73%
Inventories	17,323,334	6.13%	19,534,528	7.49%	(2,211,194)	(11.32%)
FIXED ASSETS	153,613,174	54.34%	140,456,893	53.84%	13,156,281	9.37%
Intangible assets	3,870,578	1.37%	3,446,216	1.32%	424,362	12.31%
Tangible assets	141,443,700	50.03%	126,001,061	48.30%	15,442,639	12.26%
Long-term financial assets	3,016,570	1.07%	3,078,957	1.18%	(62,387)	(2.03%)
Non-current portion of receivables included in WC	5,282,326	1.87%	7,930,659	3.04%	(2,648,333)	(33.39%)
Accrued expenses and deferred income - non-current	-	0.00%	-	0.00%	-	-
CAPITAL EMPLOYED	282,709,536	100.00%	260,863,621	100.00%	21,845,915	8.37%

Balance Sheet - Liabilities and Shareholders' Equity

Item	31/03/2025	%	31/03/2024	%	Change	Change %
MINORITY INTEREST	191,900,964	67.88%	174,358,676	66.84%	17,542,288	10.06%
Current liabilities	141,773,044	50.15%	116,787,469	44.77%	24,985,575	21.39%
Current payables	140,805,443	49.81%	114,892,930	44.04%	25,912,513	22.55%
Accrued expenses and deferred income	967,601	0.34%	1,894,539	0.73%	(926,938)	(48.93%)
Non-current liabilities	50,127,920	17.73%	57,571,207	22.07%	(7,443,287)	(12.93%)
Non-current payables	43,448,645	15.37%	50,175,113	19.23%	(6,726,468)	(13.41%)
Accrued expenses and deferred income	2,402,317	0.85%	3,419,313	1.31%	(1,016,996)	(29.74%)
Provision for risks and charges	1,492,997	0.53%	1,421,828	0.55%	71,169	5.01%
Employee termination indemnities	2,783,961	0.98%	2,554,953	0.98%	229,008	8.96%
SHAREHOLDERS' EQUITY	90,808,572	32.12%	86,504,945	33.16%	4,303,627	4.98%
Share capital	5,000,000	1.77%	5,000,000	1.92%	-	-
Reserves	51,509,695	18.22%	52,397,809	20.09%	(888,114)	(1.69%)
Retained earnings (accumulated losses)	20,107,136	7.11%	19,028,142	7.29%	1,078,994	5.67%
Net income (loss) for the year	14,191,741	5.02%	10,078,994	3.86%	4,112,747	40.81%
SOURCES OF FINANCE	282,709,536	100.00%	260,863,621	100.00%	21,845,915	8.37%

Key financial indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024	Change %
Fixed asset coverage	61.22%	65.27%	(6.20%)
Banks/Working capital	53.65%	59.82%	(10.32%)
Debt ratio	211.32%	202.00%	4.62%
Financial debt ratio	92.25%	98.00%	(5.87%)
Equity/Capital employed	32.12%	33.16%	(3.13%)
Financial charges/Turnover	1.88%	2.03%	(7.54%)
Current ratio	91.62%	102.66%	(10.75%)
Fixed assets/Equity	(60,522,276)	(49,021,289)	23.46%
Primary coverage ratio	62.48%	67.00%	(6.74%)
(Equity + non-current liabilities) - Fixed assets	(12,796,673)	5,130,605	(349.42%)
Secondary coverage ratio	91.54%	104.00%	(11.98%)
Net working capital	(12,078,999)	3,199,946	(477.48%)
Acid test margin	(29,402,333)	(16,334,582)	80.00%
Acid test ratio	79.61%	86.41%	(7.87%)

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results.

Income Statement

Item	FY 2024-2025	%	FY 2023-2024	%	Change	Change %
VALUE OF PRODUCTION	197,022,043	100.00%	157,046,224	100.00%	39,975,819	25.45%
- Consumption of raw materials	79,794,990	40.50%	74,536,762	47.46%	5,258,228	7.05%
- General expenses	38,677,584	19.63%	24,686,268	15.72%	13,991,316	56.68%
VALUE ADDED	78,549,469	39.87%	57,823,194	36.82%	20,726,275	35.84%
- Payroll costs	37,188,181	18.88%	28,060,339	17.87%	9,127,842	32.53%
- Provisions	-	-	-	-	-	#DIV/0!
GROSS OPERATING MARGIN	41,361,288	20.99%	29,762,855	18.95%	11,598,433	38.97%
- Depreciation, amortisation and write-downs	20,519,614	10.41%	16,467,707	10.49%	4,051,907	24.61%
- Other operating expenses	1,903,242	0.97%	1,760,599	1.12%	142,643	8.10%
INCOME BEFORE FINANCIAL ITEMS (EBIT)	18,938,432	9.61%	11,534,549	7.34%	7,403,883	64.19%
+ Financial items	(1,554,898)	(0.79%)	(1,224,335)	(0.78%)	(330,563)	27.00%
INCOME BEFORE TAX	17,383,534	8.82%	10,310,214	6.57%	7,073,320	68.60%
- Taxation	3,191,793	1.62%	231,220	0.15%	2,960,573	1280.41%
NET INCOME	14,191,741	7.20%	10,078,994	6.42%	4,112,747	40.81%
EBITDA	39,458,046	20.03%	28,002,256	17.83%	11,455,790	40.91%

Key performance indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024	Change %
R.O.E.	15.63%	11.65%	34.13%
R.O.I.	33.09%	23.49%	40.85%
R.O.S.	9.48%	7.24%	30.94%
R.O.A.	6.70%	4.42%	51.50%

Information required by art. 2428 of the Civil Code

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, the following is a description of the main risks and uncertainties that the Company is exposed to:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy. Changes in GDP, raw material costs, unemployment, interest rates, the inflation trend and their effects on the level of confidence shown by consumers and businesses can condition the performance of end customers and hence the Company's sales.

There are also further elements of uncertainty linked to geopolitical tensions, due in particular to the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. The persistence of international sanctions has also continued to fuel uncertainties about the trend in prices for energy commodities (which settled at levels much higher than the historical reference levels prior to the pandemic and international market crises), raw materials (especially metals) and agricultural produce with repercussions on consumer prices and growth prospects for the Eurozone. These elements of uncertainty could alter normal market dynamics and, more generally, business operating conditions, with the risk of undermining the reliability of the growth forecasts for the Eurozone in the near future.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the metal alloys casting and metal parts machining sectors, in which the Company operates, are characterised by heated competition that is partly attributable to the sales trends in the automotive market. As much as the Company has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the Company's results and financial position.

What was mentioned previously with regard to the ability to recover from the negative impacts of the pandemic and the effectiveness of the tools made available to the various economies, will undoubtedly have repercussions on the Company's business in relation to the customers' propensity to buy in the automotive market, as well as in consideration of the possible impacts on the mobility habits that consumers will adopt in the near future as a result of current technological transitions and changes on the purchasing power and buying decisions of end consumers.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector is characterised by continuous product development needed to satisfy the product performance required by car manufacturers and by environmental legislation (which regulates emissions). Furthermore, the sector's technological updating in terms of market redistribution with respect to propulsion alternatives (internal combustion, hybrid, electric or alternative) determine and will continue to determine an increase in the centrality of

the ability to innovate and undertake diversification initiatives by the supply chain as a distinctive element for market competitiveness.

Future investment by the Company will seek to increase the portfolio of products and diversify the types of production - according to the lines of development that are currently applicable in our sector - thereby increasing our ability to meet the needs of our customers. Any failure to follow (or in certain cases anticipate) the development of products and to meet needs in terms of price, quality and functionality imposed by end customers could adversely affect the Company's prospects.

FINANCIAL RISKS: The Company is exposed to the following financial risks in the conduct of its operations:

- credit risks in relation to normal commercial transactions with customers;
- liquidity risks, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risks mainly referring to changes in the value of commodities (energy in particular), interest rates and, to a much lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit risk

Given the nature of its industrial activities - the production of engine and gearbox components for car makers - the Company's receivables are structurally concentrated since customers comprise a limited number of industrial groups. The integration of the Company within the Endurance Group makes possible the indirect diversification of customers, by supplying other group companies with unfinished components for the manufacture of products that are then supplied to multiple end customers.

The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risk

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that the funds currently available, maintaining suitable contacts to ensure access to credit, as well as the funds generated by operations, will allow the Company to meet the needs of investing activities, working capital management and the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in commodity prices (energy in particular), interest rates and, to a much lesser extent, exchange rates.

Risks relating to changes in commodity prices

The Company plans market opportunities carefully to minimise the effects of fluctuations in commodity prices (especially energy) in relation to the most recent trends in the market, taking into account the particularly high impacts given the nature of its activities.

To deal with these risks, the Company monitors the market closely, resorting, where possible, to flexible procurement contracts, which allow it to take advantage of any buying opportunities.

When deemed appropriate, the Company uses commodity swaps to hedge and mitigate these types of risks.

Risks relating to changes in interest rates

The Company uses financial resources made available principally in the form of bank debt and invests the funds to finance operations and investment and development initiatives. The Company can also factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges.

To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions.

For this purpose, the Company arranged for floating-rate loans with medium/long-term repayment terms at a time of favourable conditions (with the aim of managing the current unfavourable conditions and strong volatility of interest rates).

Lastly, when considered appropriate, the Company makes use of interest rate swaps and caps with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Italian Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the Company's results and financial position, it is not considered meaningful to present non-financial indicators.

Environmental and safety information

In the context of specific policies adopted by the Endurance group, the Company strives hard to ensure that production and operating activities are carried out in compliance with all applicable regulations and international agreements. The objective is to introduce and maintain a broad culture of constantly improved environmental performance, process and product safety, while ensuring the safety of workers and installations.

Work continued during the year ended 31 March 2025 on the monitoring and maintenance of adequate environmental protection standards (Certification of the Multisite Safety and Environmental Management System),

in compliance with the requirements of ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health and Safety), which is recognised and accepted throughout the world.

Employee training sessions covered the following topics:

- specific refresher course in accordance with the State-Regions Agreement of December 2011;
- specific refresher course for those who have to monitor workers' compliance with the rules on health and safety at work;
- refresher course for first aid and emergency team workers;
- training and refresher courses for drivers of fork lift trucks and users of electric and manual pallet jacks;
- refresher course on radio protection;
- refresher course for Workers' Safety Representatives;
- training/refresher course on the handling of dangerous goods on company premises;
- training in waste management, scrap registers and support services made available by RENTRI (National Electronic Register for the Tracing of Refuse).

During the year, the Company started the implementation procedures for planning and monitoring software:

- procedures for managing the training obligations required by law (specific and generic timetable and contents);
- health surveillance management procedures, using a system that controls deadlines, assessments and suitability of the resources operating within the organisation.

The Risk Assessment Document and the Environmental Impacts Register were updated with the identification and analysis of risks and procedures for the management of environmental and worker safety emergencies (including the action to be taken to prevent future incidents).

Practical training sessions were held to simulate fire emergencies, evacuations, chemical spillages, sudden illnesses and related first-aid procedures, with the participation of employees.

With a view to subsequently planning specific projects to reduce the CO₂ emissions associated directly or indirectly with the organisation (so-called Scope 1-2-3 emissions), we mapped the potential reduction measures that could be implemented, with a preliminary estimate of the emission savings, starting from the energy diagnosis figures, initial in-house discussions and sector best practices; during the year, we quantified and reported our greenhouse gas emissions ("carbon footprint") for the year 2023/2024, with the further objective of publishing the results in the future.

Work on installations and the infrastructure included the following principal actions:

- Lombardore plant (machining processing):
 - a) Reducing the risk of collision by installing vertical and horizontal road signs to indicate danger zones, barriers to delimit pedestrian crossings and parabolic mirrors near crossroads with poor visibility both inside and outside the factory;
 - b) Introduction to Visual Management tools for clear and immediate communication of information regarding safety and environmental topics at points of entry to the factory and the production facilities.
 - c) Refurbishment of the LED lighting system in plants 3, 6 and 7 with the aim of optimising energy efficiency, reducing management costs and improving lighting quality;
 - d) Installation of a Lagerschild central vacuum system;

- Chivasso plant (machining processing):
 - a) Reducing the risk of collisions by installing vertical and horizontal road signs and barriers at crossroads with poor visibility both inside and outside the factory;
 - b) Introduction of Visual Management Tools;
 - c) Preparation of area for storage of liquid substances with metal shelving complete with containment tanks for any leaks or spills.
 - d) Installation of central vacuum systems for Stellantis e-transmission lines.
- Chivasso plant (die-casting and sandblasting):
 - a) Reducing the risk of collisions by installing vertical and horizontal road signs and barriers at crossroads with poor visibility both inside and outside the factory; introduction of interactive luminous safety sign projection to regulate pedestrian and forklift traffic;
 - b) Introduction of Visual Management Tools;
 - c) Construction of noise barriers with sound-absorbing panels near the filter units combined with the recently built sandblasting systems;
 - d) Completion of the modification of the smoke collection hood on all die-casting machines (to optimise the collection of emissions from the die lubrication phase);
 - e) Provision of a new station complete with fume extraction for the slagging of ladles containing liquid aluminium;
 - f) Installation of new ventilation units on the perimeter walls of the die-casting departments to improve air exchange in the work environments;
 - g) Setting up of a new temporary storage area for special waste.

With reference to the management of photovoltaic systems (installed at the Lombardore plants - installed power of 2,972 kWp - and Chivasso - 1,188 kWp) it should be noted that the overall output for the year was equal to 3.7 million kW with self-consumption of 97%.

Personnel

The Company has 427 employees at the end of FY 2024-2025, up by 34 on the previous year. The average headcount during the year was 404 people.

The main training activities during the year ended 31 March 2025 focused on Manufacturing, Technical Services/Engineering and Quality, with a view to upgrading general and specific skills in relation to the variables that drive the continuous improvement of production and corporate processes.

Particular attention and targeted interventions have been envisaged for the certification of skills in relation to "Customer Specific Requirements", in line with the requirements of IATF 16969:23016, the reference standard for the automotive sector.

Training covered the following types of activity and topics (in addition to what already described concerning Environment and Safety):

Manufacturing/production-related training:

Development of knowledge and specific skills via classroom and on-the-job training sessions covering the start-up of new lines and management of the related procedures. These activities were partly carried out in partnership with the suppliers of the mechanical processing plant and automation lines concerned. They covered, in particular:

- Operational management of the automation and mechanical processing lines with external and on-the-job training to develop the specific skills of the specialised and operational staff and to train up people in new dedicated roles;
- On-the-job activities related to the improvement of production processes and verification of compliance of processed and semi-finished products;
- Problem solving for the independent management of production issues, as part of the process of continuous improvement;
- Continuous on-the-job training of production staff aimed at increasing awareness of the quality characteristics of the product, the requirements requested by customers and updating the specifications of the control charts.

Quality/Engineering Training:Internal quality:

- Improvement of internal management processes of the conformity variables of finished and semi-finished products;
- Development and maintenance of control methodologies;
- Prediction, updating and verification of quality system documentation through on-the-job training;
- Development of knowledge and skills in the field of metrology (i.e. measurement), with particular attention to the technical details of mechanical drawings of products;
- Development of specific knowledge and skills in 8D methodology and the tools used in this type of analysis. Ishikawa Diagrams - Pareto Charts - 5WHY - 5WHY and 2H - SPC - Scatter Plots - FMEA
- The Company System - IATF 9499 Origins - IATF 16949 Requirements - Process Parameters - 4M - 4M Workshop - Definition of controls - Statistical analysis of the process - Process monitoring - Non-conformity (cost) - Non-conformity (flow) - "Logical Thinking" - "San Gen Shugi" - Analysis, Implementation and Transversalization - Special supply states - Customer satisfaction

Skills certification:

External training related to the certification of skills and regulatory requisites provided by customers, in particular:

- Automotive Core Tools for Process and System Auditors;
- CQI 27 – Casting System Assessment
- VDA 6.5 – VDA “Product Auditors” qualification;
- Qualification of First and Second Party Auditors in accordance with the IATF 16949:2016 Quality Management System;

Training for the development of technical and managerial skills

- AUKOM 1 and AUKOM 2 certification on ZEISS systems;
- PMEA, process analysis and risk limitation;
- GROB Electromechanical Maintenance;

- Qualification of the personnel assigned to non-destructive checks;
- SPC – Statistical Process Control;
- MSA - Measurement System Analysis
- Development of specific skills for complex technical drawings: analysis, interpretations, applications, rules and symbologies;

Training activities related to the development of transversal skills and related methodological applications:

- English language (basic – intermediate – advanced);
- Effective communication,
- Leadership in people management.

The overall activities carried out (including those mentioned previously when talking about the environment and training) involved the Company's staff in a total of around 4,250 hours with training activities carried out internally, externally and on the job.

Research and development

In accordance with point 1) of the third paragraph of art. 2428 of the Italian Civil Code, we certify that with reference to the research and development activities applied to the product and the production process, development costs of approximately €1.36 million were recorded during the year (and capitalised under intangible assets). They concerned in particular the costs of technical and production support personnel involved during the year in product and process development activities (referring both to the specific projects subject to grants/co-financing as explained, and to the development carried out by the technical departments in relation to new products for the automotive market).

In particular, the principal activities carried out by the Company in its main areas of business are summarised below:

- Die-casting

Preliminary feasibility studies have been developed including equipment layout, analysis of alternatives for the casting feed with the support of virtual simulations of filling and solidification, with further consolidation of the approval criteria based on a comparison of qualitative results obtained on significant batches and virtual simulation mappings. The PiQ2 software has proven to be a reliable simulation tool with the decision to strengthen the UT located in Bione with a dedicated hardware-software station.

From a product traceability perspective, the reliability of the laser marking integrated into the die-casting cell was assessed by equipping 5 production presses with systems optimised for this purpose.

The database of materials/casting/heat treatment processes has been integrated with characteristics of secondary alloys obtainable as a function of the folder thickness and types of innovative steels for the inserts (e.g. DAC I). The T5 heat treatment area has been completed and production has started.

Design activities carried out in the process and product fields:

- We completed the design, manufacturing and sampling of complete sets of foundry equipment (HPDC die and cutting) for new application on hybrid/EV car inverters. The component requires innovative production solutions (glueing of Albutylic element) which required co-engineering activities with the end customer and systems engineers to automate the assembly process.
- New EN43500 alloy: we completed the activities for defining the use and related melting/treatment plants for the alloy, recently introduced to the Chivasso plant. Define specifications and characteristics of dedicated melting furnace.

- **Machining**

The design and definition of production lines have benefited from synergies with Ingenia Automation and leading companies in the processing and automation sectors, integrating technical solutions for the in-line control of critical product characteristics such as innovative QR code marking/scanning systems.

We completed the support activities for the production start-up of strategic customer products (VW - AUDI) such as the Oil Module, HV-LE Deckel and Lagershield and Stellantis (PUNCH transmission box).

We continued to do important work on creating concept designs for EV platform components: in particular, we completed the projects forming part of the IPCEI 1 Batteries project, relating to the production and assembly of lithium-ion battery modules in cylindrical and prismatic formats.

Innovative dissimilar material joining technologies (FSW - Friction Stir Welding) have been applied to integrated cooling circuits for batteries and power electronics containers.

Design activities carried out in the process and product fields:

We completed the industrialisation of VW/AUDI products (MEB-ECO deck) and the Daimler GetriebeGeHause.

We provided continuous technical support to external foundries for product quality verification and assurance.

- **Special projects**

The following is an overview of the progress of the special projects developed in the context of larger R&D projects co-financed at national or international level in which the Company is participating:

▪ *SALEMA Project - Horizon 2020.*

We successfully completed the work assigned to Endurance as planned and presented the results of the “WP # 4 - Set up of HPDC process, validations of new alloys and production of SALEMA components” during the final General Assembly (March 2024). We collected and provided to the project partners the information needed to calculate the Life Cycle Assessment (LCA) for comparison with primary alloys. This last activity was preparatory to the definition of a new project proposal funded by Horizon 2026 whose leader (Eurecat) will indicate Endurance as the foundry partner to be involved.

▪ *IPCEI 1 Batteries Project – European Union (through MIMIT)*

The benchmark for cells, modules and battery systems in the automotive and energy storage fields was further updated with particular attention to the possibilities of disassembly.

Thanks to partnerships/common strategies for synergic actions with Italian companies (Podium, Beond) it was possible to participate in the first tender for the assignment of a complete battery pack for a European OEM (CNH).

The innovative Endurance container solution (identified as BM-Basic Module) applied to the VDA 390 version has passed the product approval functional tests and is the subject of a patent application. Results expected by the end of May 2025.

We made the first two concrete examples of second-life batteries:

- 1) 21700 cylindrical cells: from 2-wheel battery sub-modules to single-cell power banks;
- 2) BM-VDA 390 compliant: prismatic cells from 4-wheel module to trailer-mounted power bank.

- *EuBatIn Project (IPCEI 2) – European Union (through MIMIT).*

The design of secondary aluminium HPDC swap battery units was completed in collaboration with WOW.

We created a BM-Basic Module VDA390 in collaboration with Reefilla (an Italian start-up) for swap use in trolley power bank units. The first trolley complete with 2 BMs has been prepared.

We defined the strategy for the implementation of swap units (urban/leisure fleet) with related network and management of charging stations: a 2 wheel application has been identified. We performed co-design/testing on a WoW scooter – Made in Italy and created a prototype of an aluminium swap unit.

The assembly cycle of cylindrical cells and the related production unit was defined in collaboration with Reefilla, where a bus-bar spot welding unit will be installed, an action compliant with the EuBatIn objectives of the Endurance Project Portfolio.

- *Restore Project – Horizon 2026*

We provided the first samples to be subjected to the regeneration of aluminium automotive components using the L-DED process.

With reference to these various projects, we continued the reporting and interaction with the bodies responsible for validating the costs and authorising payment of the grants (which in the year under review amounted to a total of €2,064 thousand, based on the costs incurred over the years).

Transactions with subsidiaries, associates, parent companies and fellow subsidiaries

With regard to the provisions of paragraph 3.2 of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have any controlling equity investments and, accordingly, has not entered into any transactions with subsidiaries.

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis c.c., we point out that relations with related parties comprise transactions with the parent company and fellow subsidiaries (together referred to as “affiliates”), as summarised below:

Receivables due from affiliates classified as long-term financial assets

Description	FY 2024/2025	FY 2023/2024	Change
due from parent companies	3,000,000	3,000,000	-
<i>Total</i>	<i>3,000,000</i>	<i>3,000,000</i>	<i>-</i>

Non-current financial receivables due from parent companies, with no changes during the year, represent the balance of the loan granted to Endurance Overseas S.p.A. in prior years, which earns interest at market rates.

Receivables from affiliates classified as current assets

Description	FY 2024/2025	FY 2023/2024	Change
due from parent companies	1,505,174	1,910,721	(405,547)
due from fellow subsidiaries	823,063	801,017	22,046
<i>Total</i>	<i>2,328,237</i>	<i>2,711,738</i>	<i>(383,501)</i>

Receivables due from the parent company (€1,505,174) relate to trade relationships with the parent company Endurance Overseas S.p.A. (€19,002), interest accrued on the balance under centralised treasury management (€377,733) and the interest accrued on the loan made to the parent company (€172,188), as well as the balance (€936,011) owed by it for the amount accrued as part of the group tax consolidation pursuant to articles 117–129 of the Consolidated Law on Income Tax.

Receivables due from fellow subsidiaries (€823,063) comprise trade receivables due from Endurance Castings S.p.A. (€137,804), Endurance Engineering S.r.l. (€21,676) and Ingenia Automation S.r.l. (€566,434), direct subsidiaries of Endurance Overseas S.p.A., and from Endurance GmbH (€107,148), a German subsidiary of the indirect parent company Endurance Technologies Limited.

Payables to and loans from affiliates

Description	FY 2024/2025	FY 2023/2024	Change
due to parent companies	3,894,171	1,268,488	2,625,683
due to fellow subsidiaries	8,163,043	7,459,039	704,004
<i>Total</i>	<i>12,057,214</i>	<i>8,727,527</i>	<i>3,329,687</i>

Payables due to parent companies total €3,894,171 and relate mainly to trade payables for administrative, financial services and support provided by the parent company Endurance Overseas S.p.A. to Group companies (based on specific service agreements), which have been entered into on an arm's length basis.

Payables due to fellow subsidiaries (€8,163,043 at 31 March 2025) mainly include trade payables due to Endurance Castings S.p.A. (€5,243,259), Ingenia Automation S.r.l. (€2,843,450), Endurance Engineering S.r.l. (€7,570) and Veicoli S.r.l. (€18,764), which are direct subsidiaries of Endurance Overseas S.p.A.

Treasury shares

Pursuant to Arts. 2435-bis and 2428 of the Italian Civil Code, we can confirm that the Company did not hold any treasury shares at the year end.

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, we can confirm that the Company did not hold any shares or quotas in the parent company during the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import tariffs initiated by the United States against most countries, particularly those with a trade surplus. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions. The automotive sector was one of the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of both finished cars and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct, due to reduced exports of European vehicles to the US (or of powertrain units that car manufacturers supply to their plants in the US or in other countries hit by tariffs, such as Mexico), and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here.

The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2% compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

In the automotive sector, S&P Global Mobility (a leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide with a -2.6% reduction in Europe. Added to the potential trade conflicts are the uncertainties linked to the transition to electric vehicles and, in particular, the sanctions that car manufacturers would receive if they failed to reach specific emissions targets. Although the European authorities have introduced changes by extending the observation period - the overruns will no longer be calculated over a one-year period, but over a three-year period - the constraints remain. It will therefore be necessary to understand the strategies that car makers will adopt in light of these changes and the requests made by many to reverse total abandonment of internal combustion engines from 2035. As in previous years, it is even more difficult to outline the trend in registrations between battery electric vehicles (BEV), plug-in hybrids (PHEV) and mild hybrids (MHEV). Registrations of such vehicles as a proportion of total registrations has grown significantly over the years, in line with car manufacturers' efforts to introduce new ranges of models and innovative solutions. While the growth in electric vehicles still seems to be the main route in the development path of car manufacturers, also due to the significant investments that they have already made, the requests to maintain a certain portion of vehicles that use internal combustion engines in compliance with the principle of technological neutrality are becoming stronger. This is also to take into account consumer preferences towards more economic traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact), while waiting for the technical solutions that will be introduced to increase mileage, speed up charging times and lower the cost of batteries.

Faced with many possible scenarios, it is believed that the preferable option is to monitor all the solutions that car manufacturers think it best to follow, ready to seize any opportunities offered by the demand for new components, regardless of their final destination.

The commercial measures carried out by the company during 2024/2025 allowed it to acquire new orders that will generate approximately €20 million in annual turnover at full capacity. These new orders mainly concern components for VW and BMW and refer to ICE, hybrid and pure electric applications which will go into production from FY 2025-26 onwards.

Based on the information and forecast data that is available, we believe that the company will be in a position to achieve positive results in the future.

The use of financial instruments that should be taken into account when assessing the results and financial position

Pursuant to paragraph 3.6-bis of art. 2428 of the Italian Civil Code, we can confirm that the Company has a policy in place to hedge the interest-rate risk on medium-term loans by arranging four IRS contracts and a cap contract for some of these loans. Furthermore, with the aim of mitigating the risk of fluctuations in the price of certain commodities, the Company has signed commodity swap contracts for a part of its natural gas requirements for use in production. The fair value of these hedging instruments is provided in the notes.

Secondary locations

In accordance with Art. 2428 of the Italian Civil Code, details are provided below of the secondary locations used by the Company:

Address	Location
VIA REGIONE POZZO 26	CHIVASSO
VIA F.LLI BONAUDO 7	CHIVASSO
VIA F.LLI BONAUDO 11	CHIVASSO
VIA F.LLI BONAUDO 11	CHIVASSO
VIA MORANDI 9	GRUGLIASCO
VIA DEL BOSCHETTO 2/43	LOMBARDORE

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the shareholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to allocate the result for the year in accordance with the proposal made in the notes.

Chivasso, 13/05/2025

For the Board of Directors

The Managing Director

Samuele Gabutto

General information on the company

Company data

Name:	ENDURANCE SPA
Registered office:	VIA REGIONE POZZO 26 CHIVASSO (TURIN)
Share capital:	5,000,000.00
Share capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	01782370017
Tax code:	01782370017
REA Number:	518048
Legal form:	JOINT-STOCK COMPANY
Core business (ATECO):	255300
Company in liquidation:	no
Company with sole shareholder:	yes
Company subject to management control and coordination:	yes
Name of the company or entity that exercises management control and coordination:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE OVERSEAS SPA
Country of the parent company:	ITALY
Cooperatives register number:	n/a

Financial statements for the year ended 31/03/2025

Balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets	-	-
2) development costs	3,542,339	3,270,475
3) industrial patents and intellectual property rights	206,982	114,343
7) other	121,257	61,398
<i>Total intangible assets</i>	<i>3,870,578</i>	<i>3,446,216</i>
II - Tangible assets	-	-
1) land and buildings	21,498,456	21,338,304

	31/03/2025	31/03/2024
2) plant and machinery	106,808,544	85,248,054
3) industrial and commercial equipment	1,437,348	2,055,267
4) other assets	298,776	241,399
5) assets under construction and advance payments	11,400,576	17,118,037
<i>Total tangible fixed assets</i>	<i>141,443,700</i>	<i>126,001,061</i>
III - Long-term financial assets	-	-
1) equity investments in	-	-
d-bis) other companies	284	284
<i>Total equity investments</i>	<i>284</i>	<i>284</i>
2) receivables	-	-
c) from parent companies	3,000,000	3,000,000
due within one year	3,000,000	3,000,000
<i>Total receivables</i>	<i>3,000,000</i>	<i>3,000,000</i>
4) derivatives	16,286	78,673
<i>Total long-term financial assets</i>	<i>3,016,570</i>	<i>3,078,957</i>
<i>Total fixed assets (B)</i>	<i>148,330,848</i>	<i>132,526,234</i>
C) Current assets		
I - Inventories	-	-
1) raw materials, ancillary materials and consumables	5,691,477	2,718,119
2) work in process and semi-finished products	6,083,410	8,960,640
4) finished products and goods	5,356,447	7,715,312
5) advances	192,000	140,457
<i>Total inventories</i>	<i>17,323,334</i>	<i>19,534,528</i>
II - Receivables	-	-
1) from customers	23,443,418	10,242,316
due within one year	23,443,418	10,242,316
4) from parent companies	1,505,174	1,910,721
due within one year	1,505,174	1,910,721
5) from fellow subsidiaries	823,063	801,017
due within one year	823,063	801,017
5-bis) tax receivables	8,042,837	7,732,280
due within one year	6,915,379	5,110,731
due beyond one year	1,127,458	2,621,549
5-ter) deferred tax assets	4,061,216	5,309,110
5-quater) from others	968,268	875,296
due within one year	874,616	875,296
due beyond one year	93,652	-
<i>Total receivables</i>	<i>38,843,976</i>	<i>26,870,740</i>

	31/03/2025	31/03/2024
III - Current financial assets	-	-
6) other securities	8,403,496	19,324,639
cash pooling assets	32,315,987	29,349,439
<i>Total current financial assets</i>	<i>40,719,483</i>	<i>48,674,078</i>
IV - Cash and cash equivalents	-	-
1) bank and postal deposits	36,781,013	32,658,040
3) cash on hand	2,472	3,369
<i>Total cash and cash equivalents</i>	<i>36,783,485</i>	<i>32,661,409</i>
<i>Total current assets (C)</i>	<i>133,670,278</i>	<i>127,740,755</i>
D) Accrued income and prepaid expenses	708,410	596,632
<i>Total assets</i>	<i>282,709,536</i>	<i>260,863,621</i>
Liabilities and shareholders' equity		
A) Shareholders' equity	90,808,572	86,504,945
I - Share capital	5,000,000	5,000,000
III - Revaluation reserves	11,118,617	11,118,617
IV - Legal reserve	1,000,000	1,000,000
VI - Other reserves, shown separately	-	-
Extraordinary reserve	4,962,658	4,962,658
Merger surplus reserve	12,510,339	12,510,339
Sundry other reserves	21,900,492	21,900,492
<i>Total other reserves</i>	<i>39,373,489</i>	<i>39,373,489</i>
VII - Cash flow hedging reserve	17,589	905,703
VIII - Retained earnings (accumulated losses)	20,107,136	19,028,142
IX - Net income (loss) for the year	14,191,741	10,078,994
<i>Total shareholders' equity</i>	<i>90,808,572</i>	<i>86,504,945</i>
B) Provision for risks and charges		
3) derivatives	71,169	-
4) other	1,421,828	1,421,828
<i>Total provisions for risks and charges</i>	<i>1,492,997</i>	<i>1,421,828</i>
C) Employee termination indemnities	2,783,961	2,554,953
D) Payables		
4) due to banks	71,710,093	76,411,024
due within one year	26,261,448	26,235,911
due beyond one year	45,448,645	50,175,113
6) advances	8,000,000	-
due within one year	8,000,000	-
7) trade payables	83,008,522	71,627,721
due within one year	83,008,522	71,627,721

	31/03/2025	31/03/2024
11) due to parent companies	3,894,171	1,268,488
due within one year	3,894,171	1,268,488
11-bis) due to fellow subsidiaries	8,163,043	7,459,039
due within one year	8,163,043	7,459,039
12) tax payables	747,366	566,725
due within one year	747,366	566,725
13) due to pension and social security institutions	2,536,770	2,196,750
due within one year	2,536,770	2,196,750
14) other payables	6,194,124	5,538,296
due within one year	6,194,124	5,538,296
<i>Total payables</i>	<i>184,254,088</i>	<i>165,068,043</i>
E) Accrued expenses and deferred income	3,369,918	5,313,852
<i>Total liabilities and shareholders' equity</i>	<i>282,709,536</i>	<i>260,863,621</i>

Income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) revenues from sales of goods and services	197,142,075	156,102,957
2) change in inventories of work in progress, semi-finished and finished products	(5,425,306)	(2,829,605)
4) increases in non-current assets from in-house production	1,289,868	1,245,892
5) other income and revenues	-	-
Operating grants	3,031,176	1,503,900
other	984,230	1,023,080
<i>Total other income and revenues</i>	<i>4,015,406</i>	<i>2,526,980</i>
<i>Total value of production</i>	<i>197,022,043</i>	<i>157,046,224</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	82,957,559	76,640,666
7) services	37,580,787	23,572,696
8) lease and rental charges	1,096,797	1,113,572
9) payroll		
a) wages and salaries	29,503,466	21,314,552
b) social contributions	6,246,186	5,547,305
c) employee termination indemnities	972,379	868,497
e) other costs	466,150	329,985
<i>Total payroll costs</i>	<i>37,188,181</i>	<i>28,060,339</i>

	FY 2024/2025	FY 2023/2024
10) depreciation, amortisation and writedowns	-	-
a) amortisation of intangible assets	1,214,656	880,835
b) depreciation of tangible assets	19,304,958	15,586,872
<i>Total depreciation, amortisation and writedowns</i>	<i>20,519,614</i>	<i>16,467,707</i>
11) change in inventory of raw and ancillary materials, consumables and goods	(3,162,569)	(2,103,904)
14) other operating expenses	1,903,242	1,760,599
<i>Total cost of production</i>	<i>178,083,611</i>	<i>145,511,675</i>
Difference between value and cost of production (A - B)	18,938,432	11,534,549
C) Financial income and charges		
16) other financial income	-	-
d) income other than the above	-	-
from parent companies	549,921	754,312
other	1,508,244	1,045,937
<i>Total income other than the above</i>	<i>2,058,165</i>	<i>1,800,249</i>
<i>Total other financial income</i>	<i>2,058,165</i>	<i>1,800,249</i>
17) interest and other financial charges	-	-
other	3,700,371	3,172,089
<i>Total interest and other financial charges</i>	<i>3,700,371</i>	<i>3,172,089</i>
17-bis) exchange gains and losses	(734)	534
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>(1,642,940)</i>	<i>(1,371,306)</i>
D) Adjustments to financial assets and liabilities		
18) revaluations	-	-
c) current financial assets excluding equity investments	88,042	146,971
<i>Total revaluations</i>	<i>88,042</i>	<i>146,971</i>
<i>Total adjustments to financial assets and liabilities (18-19)</i>	<i>88,042</i>	<i>146,971</i>
Income (loss) before taxes (A-B+-C+-D)	17,383,534	10,310,214
20) Income taxes for the year, current and deferred		
current taxation	1,291,563	863,619
taxation relating to prior years	-	(68,256)
deferred taxation	1,584,336	(647,722)
income (charges) from tax consolidation/tax transparency	(315,894)	(83,579)
<i>Total income taxes for the year, current and deferred</i>	<i>3,191,793</i>	<i>231,220</i>
21) Net income (loss) for the year	14,191,741	10,078,994

Statement of cash flows (indirect method)

	FY 2024/2025	FY 2023/2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	14,191,741	10,078,994
Taxation	3,191,793	231,220
Interest expense/(interest income)	1,642,940	1,371,306
(Gains)/losses from disposal of assets	(63,346)	(252,756)
<i>1) Net income/(loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>18,963,128</i>	<i>11,428,764</i>
Adjustments for non-cash items that had no contra-entry in net working capital		
Provisions	395,644	322,216
Depreciation and amortisation	20,519,614	16,467,707
Adjustments to financial assets and liabilities of financial derivatives that do not involve monetary movements	(88,042)	(146,971)
Other adjustments up or (down) for non-cash items	(754,558)	(2,660,584)
<i>Total adjustments for non-monetary items with no contra-entry in net working capital</i>	<i>20,072,658</i>	<i>13,982,368</i>
<i>2) Cash flow before changes in net working capital</i>	<i>39,035,786</i>	<i>25,411,132</i>
Change in net working capital		
Decrease/(Increase) in inventory	2,211,194	628,645
Decrease/(Increase) in trade receivables	(12,817,601)	8,314,542
Increase/(Decrease) in trade payables	26,981,755	14,285,147
Decrease/(Increase) in accrued income and prepaid expenses	(111,778)	(58,402)
Increase/(Decrease) in accrued expenses and deferred income	(1,919,562)	2,837,633
Other decreases/(Other Increases) in net working capital	(524,173)	(5,003,190)
<i>Total changes in net working capital</i>	<i>13,819,835</i>	<i>21,004,375</i>
<i>3) Cash flow after changes in net working capital</i>	<i>52,855,620</i>	<i>46,415,507</i>
Other adjustments		
Interest collected/(paid)	(1,667,312)	(1,343,637)
(Income taxes paid)	(646,767)	(222,744)
(Use of provisions)	(166,636)	(282,693)
<i>Total other adjustments</i>	<i>(2,480,715)</i>	<i>(1,849,074)</i>
Cash flow from operating activities (A)	50,374,905	44,566,433
B) Cash flows from investing activities		
Tangible assets		
(Additions)	(41,288,842)	(43,059,564)
Disposals	2,333,324	45,000
Intangible assets		

	FY 2024/2025	FY 2023/2024
(Additions)	(1,639,018)	(1,424,365)
Current financial assets		
(Additions)	(919,815)	(6,119,496)
Disposals	11,929,000	12,942,396
Cash flow from investing activities (B)	(29,585,350)	(37,616,029)
C) Cash flows from financing activities		
Third-party funds		
Increase (Decrease) in current bank loans	(2,966,548)	(11,991,822)
New loans	22,925,000	54,882,500
(Repayment of loans)	(27,625,931)	(22,396,642)
Own funds		
(Dividends and interim dividends paid)	(9,000,000)	(9,000,000)
Cash flow from financing activities (C)	(16,667,479)	11,494,036
Increase (decrease) in cash and cash equivalents (A ± B ± C)	4,122,076	18,444,440
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	32,658,040	14,213,434
Cash on hand	3,369	3,535
Total cash and cash equivalents at the beginning of the year	32,661,409	14,216,969
Cash and cash equivalents at the end of the year		
Bank and postal deposits	36,781,013	32,658,040
Cash on hand	2,472	3,369
Total cash and cash equivalents at the end of the year	36,783,485	32,661,409

Information on the statement of cash flows

The statement of cash flows for the year is presented on a comparative basis in accordance with OIC 10. This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities. Note that the "Increase (decrease) in current bank loans and amounts due to other sources of finance" includes the change in the positive balance of the cash pooling accounts managed by Endurance Overseas S.p.A.

Explanatory notes - first part

Shareholders,

These explanatory notes are an integral part of the financial statements for the year ended 31/03/2025.

The financial statements submitted for your approval show net income of €14,191,741, after current and deferred taxes that give a positive balance of €3,191,793 and depreciation and amortisation of €20,519,614.

Preparation of the financial statements

The financial statements for the year ended 31 March 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the Italian Accounting Board (OIC) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.

Even though the general context is uncertain, the current liquidity of the Company together with that of the Group means that, at present, there are no threats to the ability of the business to continue operations over the next 12 months.

The financial statements comprise the balance sheet, the income statement, the statement of cash flows (prepared in conformity with the respective requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these explanatory notes.

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared. The items preceded by Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. The financial statements have been prepared on a consistent basis with the previous year.

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

The purpose of the notes is to describe, analyse and, in some cases, supplement the figures reported on the face of the financial statements. They contain the information required by arts. 2427 and 2427 bis c.c., other provisions of the civil code and other legislation. In addition, they provide all the complementary information deemed necessary in order to present the most transparent and complete view possible, even if such information is not required by specific legislation.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC (Italian Accounting Board); they have thus been prepared clearly and give a true and fair view of the company's financial position and results of operations.

Basis of preparation

The information contained in this document is presented in the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the notes, we can confirm that, pursuant to paragraph 3 of Art. 2423 of the Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

No exceptional cases have arisen that have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 and paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

Pursuant to Art. 2423 ter of the Civil Code, we can confirm that all of the financial statement items are comparable with the prior year; no restatement of prior year items has been necessary.

Accounting policies

The accounting policies applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the Italian Civil Code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis. Intangible assets are recognised with the consent of the Board of Statutory Auditors where prescribed by law.

The book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful life of the assets:

Intangible asset items	Amortisation period
Start-up and expansion costs	5 years on a straight-line basis
Development costs	5 years on a straight-line basis
Industrial patents and intellectual property rights	3 years on a straight-line basis
Concessions, licences, trademarks and similar rights	10 years on a straight line basis
Goodwill	5 years on a straight-line basis
Other intangible assets	5 years on a straight-line basis/based on the duration of underlying contracts

In exceptional cases in which the useful lives of development costs cannot be estimated reliably, they are in all cases amortised over a period that does not exceed five years. Until these assets are fully amortised, dividends cannot be distributed unless the remaining available reserves are sufficient to cover the unamortised balance.

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible assets"). They are amortised systematically over the period they are expected to benefit (prudently determined to be 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the company.

If permanent impairment is identified, the asset is written down accordingly, regardless of the amortisation already recorded; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c.

Pursuant to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets recorded in the books have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year. The rates applied are summarised in the following table:

Tangible asset items	Depreciation rate
Industrial buildings	3.00% - 6.67% (*)
Light constructions	10.00%
General plant	10.00%
Specific machinery / Automatic machines	10.00%
Furnaces and appurtenances	15.00%
Dies and shears	20.00%
Tools and equipment	25.00%
Mechanical equipment	40.00%
Foundry equipment	40.00%
Electronic office machines	20.00%
Ordinary office machines and furniture and furnishings	12.00%
Motor cars	25.00%
Vehicles and lifting equipment	20.00%
Assets costing less than €516.46	100.00%

(*) depreciation defined on the basis of the estimated residual useful life - 15 years - of the assets subject to allocation of the surplus value at the time of the corporate operations (starting date set as 01/01/2015) that took place in the parent company Endurance Overseas S.p.A. and subject to a partial demerger in favour of the Company occurred during 2022/2023.

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible fixed asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Equipment grants are recognised when there is reasonable certainty that the conditions for the grant are met and that the grants will be disbursed. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accruals basis via classification as "deferred income".

It should also be noted that during the previous year, the Company made use of the option available under article 110 of Legislative Decree 104 of 14 August 2020 (the so-called 'August Decree'), converted into Law 120 of 13 October 2020 (G.U. 253 of 13 October 2020, Suppl. Ord. 37), to revalue its assets.

Impairment (tangible and intangible assets)

At each reporting date, the Company determines if there is any evidence that the value of its tangible and intangible assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible fixed assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

With regard to the above, the Company has looked for evidence that the value of its tangible and intangible assets might be impaired, but did not find any and, accordingly, has not determined the recoverable value of these assets.

Equity investments and securities (classified as long-term financial assets)

The equity investments and debt securities classified as non-current assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment.

The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

Debt securities are measured using the amortised cost method, being their original carrying amount net of any redemptions of principal, as increased or decreased by the accumulated amortisation, calculated using the effective interest method, of any difference between its initial and maturity values after deducting any impairment (recognised directly or by a provision) following a loss in value; the original carrying amount is represented by purchase or subscription cost, net of any commissions.

Intercompany loans

Intercompany loans with a duration of more than 12 months are usually governed by contracts arranged on market terms and conditions; interest-free intercompany loans and those arranged at significantly below market rates are recognised initially at the value of the related future cash flows, as discounted using the market rate (being the average funding rate of the Company or the Group). The difference with respect to the liquidity collected by the parent company is credited to shareholder's equity.

Inventories

Inventories are stated at the lower of purchase and/or production cost and realisable value, based on market prices. In particular, set out below are details of the specific accounting policies used for the valuation of each inventory category (consistent with those used for the prior year):

- Raw materials: annual weighted average cost (including components purchased from third parties and alloys).
- Work in process (semi-finished products): manufacturing cost based on the stage of completion of the production process, being the cost of production.
- Finished products: manufacturing cost.
- Dies for resale: purchase cost.
- Consumables: purchase cost, inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

The realisable value of goods, finished products, semi-finished products and work in process inferred from market conditions is deemed to be their net realisable value. Raw and ancillary materials held for the production of finished products are not written down if the finished products in which they will be used are realisable for an amount that is greater than or equal to their production cost.

Inventories are written down when their realisable value estimated with reference to market conditions is lower than their carrying amount. Obsolete and slow-moving inventories are written down with reference to their possible uses or realisable value. If in future years the reasons for any writedown cease to apply, the related inventories are written back to not more than their original cost.

Receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The allowance (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement. Receivables assigned to factors are only derecognised if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement caption C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Receivables deriving from the cash pooling system are classified separately within current assets, if recoverable in the short term. If this is not the case, they are classified as long-term financial assets.

Equity investments and securities not held as non-current assets

This caption comprises the equity investments and debt securities that will not be held over the long term by the Company. They are recorded at specific cost or, if lower, at their market value that, for listed investments, is determined with reference to their market price on the reporting date.

These equity investments are written down to their realisable value case by case, rather than on an overall basis. If the reasons for any adjustments cease to apply, in whole or in part, the adjustments are reversed without exceeding the original cost.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Employee termination indemnities

Employee termination indemnities represent the total amount that would have been payable to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated 27 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following the creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c. Payables are however stated at their nominal amount if application of the amortised cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different from the market rate of interest.

The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Finance Leases

Finance leases are recognised using the "capital method", charging the instalments paid to the income statement on an accruals basis. A specific section of these explanatory notes contains the supplementary information required by the law on the effect of recognising these contracts using finance lease methodology.

Derivatives

Derivatives consist of financial assets and liabilities measured at fair value.

They are only classified as hedging instruments when, at the time of arrangement, there is a strict, documented correlation between the characteristics of the hedged item and those of the hedging instrument, and that hedging relationship is both formally documented and, based on periodic checks, highly effective.

When derivatives hedge the risk of changes in the fair value of the hedged instruments (fair value hedges), they are measured at fair value through profit or loss; for consistency, the carrying amounts of the hedged items are adjusted to reflect the changes in fair value associated with the hedged risk.

When derivatives hedge the risk of changes in future cash flows of the hedged instruments (cash flow hedges), the effective portion of the profits or losses on the derivative financial instrument is put into suspense in equity (under the Reserve for cash flow hedges, net of tax). The ineffective portion of the profits and losses associated with a hedge is recognised in the income statement. On completion of the transaction, the accumulated profits and losses, previously deferred to shareholders' equity, are released to the income statement (to adjust the income statement items affected by the hedged cash flows).

When hedge accounting is used, the changes in the related fair value of the hedging derivatives are recognised:

- in income statement captions D18 or D19, in the case of a fair value hedge of a reported asset or liability, together with the changes in the fair value of the hedged items (if the change in the fair value of the hedged item is greater in absolute terms than the change in the fair value of the hedging instrument, the difference is recognised in the income statement caption affected by the hedged item);
- in a specific equity reserve (caption AVII "Reserve for cash flow hedges") in a way that offsets the effects of the hedged flows (the ineffective portion, like the change in the time value of options and forwards, is classified in captions D18 and D19).

The changes in the fair value of financial instruments that are classified as trading derivatives, either because they do not qualify for treatment as hedging derivatives or because they were not designated as hedges, even though they were arranged operationally to hedge the risk of changes in interest rates and/or exchange rates and/or commodity prices, are recorded in the balance sheet and recognised in income statement captions D18 or D19.

Any derivatives embedded in other financial instruments must also be measured at fair value. In particular, embedded instruments are only separated from the primary contract and recognised as derivatives if, and only if:

- a) the economic characteristics and risks of the embedded derivative are not closely correlated with the economic characteristics and risks of the primary contract. Close correlation exists if hybrid contracts are arranged in accordance with market practice;
- b) all the elements included in the definition of a derivative financial instrument specified in OIC 32.11 are satisfied.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Where there are transactions in which the company acts as an agent on behalf of a third party, the related revenue is accounted for net of costs incurred towards the third party.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the shareholders' meeting. Dividends are recognised as financial income, regardless of the nature of the reserves that are distributed.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Taxation

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year that the differences will become part of taxable income, i.e. the rates currently in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively under current assets as “deferred tax assets” and under provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the shareholder.

As in the past, the Company continues to be a member of the Endurance domestic tax group pursuant to arts. 117/129 of the Consolidated Tax Act (T.U.I.R.) and the renewed contract with the parent company covering the financial year ended on 31/03/2024.

Endurance Overseas S.p.A. is the parent of this tax group and calculates just one taxable income for all member companies, with the benefit that taxable income can be offset against tax losses in a single tax declaration.

All members of the tax group transfer their taxable income (or loss) to the group parent, which records an amount receivable from them for the IRES to be paid (the consolidated companies record an amount payable to the tax group parent). Conversely, the group parent records an amount payable to the companies that transfer tax losses, representing the IRES actually offset at group level (the consolidated companies record an amount receivable from the tax group parent).

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes - assets

Changes in the individual items are analysed in detail below, where required by current legislation.

Fixed assets

Intangible assets

"Intangible assets" total €3,870,578 at 31 March 2025, after charging amortisation of €1,214,656 to the income statement. They are analysed in detail below.

"Development costs" include the capitalisation of costs incurred during the year and in previous years, in relation to the activities carried on by the Company for the development of new products and the implementation of improvements and innovative processes, carried out in the context of the activities of the technical and industrialisation offices, also in the context of research and development projects in which the Company participates. Industrial patents and intellectual property rights mainly include the residual value of software used for business activities.

The item "Other intangible assets" includes the value of long-term costs mainly associated with supply contracts.

No evidence was found during the year based on the latest forward-looking scenarios to indicate the possible impairment of intangible assets and, accordingly, no write-downs have been recorded pursuant to art. 2426, para. 1, point 3, of the Italian Civil Code and the requirements of OIC 9. Considering the accelerated receipt of the benefits linked to the capitalisation of development costs, the Company has reduced the expected useful lives of those intangible assets to reflect the revised estimate of the related residual benefits based on the latest information available when preparing the financial statements (with consequent impact on the amortisation charge for the year).

Movements in intangible assets

The table shows the movements in intangible assets during the year.

	Develop- ment costs	Industrial patents and intellectual property rights	Goodwill	Other intangible assets	Total intangible assets
Balance at the beginning of the year					
Cost	8,409,692	809,532	1,626,472	2,995,609	13,841,305
Amortisation (Accumulated amortisation)	5,139,217	695,189	1,260,516	2,934,211	10,029,133
Writedowns	-	-	365,956	-	365,956

	Develop- ment costs	Industrial patents and intellectual property rights	Goodwill	Other intangible assets	Total intangible assets
Carrying amount	3,270,475	114,343	-	61,398	3,446,216
Changes during the year					
Additions	1,357,948	204,648	-	76,422	1,639,018
Amortisation for the year	1,086,462	112,009	-	16,563	1,214,656
<i>Total changes</i>	<i>271,864</i>	<i>92,639</i>	<i>-</i>	<i>59,859</i>	<i>424,362</i>
Balance at the end of the year					
Cost	9,767,641	1,012,920	1,626,472	3,072,031	15,479,064
Amortisation (Accumulated amortisation)	6,225,302	805,938	1,260,516	2,950,774	11,242,530
Writedowns	-	-	365,956	-	365,956
Carrying amount	3,542,339	206,982	-	121,257	3,870,578

The additions recorded during the year mainly refer to development costs incurred with a view to acquiring knowledge and skills to develop new products and increase the efficiency of production processes and lines: the costs subject to capitalisation mainly refer to the costs for personnel involved in development activities, as well as external costs to support these activities. Further investments during the year concerned the updating of the Company's software equipment and improvements to third-party assets and other multi-year costs.

Tangible assets

This category comprises assets that will be employed over the long term, forming part of the permanent organisation of the company. This statement reflects their intended use by the company, rather than their intrinsic life. These assets are normally employed in the production of income in the ordinary course of business, which means that they are not held for sale or for transformation into products of the company.

Tangible assets, gross of accumulated depreciation at 31 March 2025, amount to €316,315,748, the depreciation funds are equal to €174,872,048, including the depreciation charge for the year of €19,304,958.

The main categories are as follows:

- Land and buildings (for a net amount of €21,498,456 at 31 March 2025) include the net carrying amount of the Company's industrial buildings;
- Plant and machinery (recognised in the financial statements for a net carrying amount of €106,808,544 at 31 March 2025), used in the Company's production activities at the industrial complexes of Chivasso (TO) and Lombardore (TO).

Assets under construction and advance payments (€11,400,576 at 31 March 2025) include the residual amount of advances paid to suppliers for the purchase of plant and machinery and of goods purchased but awaiting installation for use in production, with particular reference to projects for Volkswagen/AUDI (capacity increase for

Zylinderkopfhaube and Deckel, new Deckel line MEB-ECO, Halter) and Stellantis (capacity increase for EDCT e-transmission housing).

Movements in tangible assets

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Assets under construction and advance payments	Total tangible assets
Balance at the beginning of the year						
Cost	36,015,045	199,682,524	20,995,938	2,204,460	17,118,037	276,016,004
Revaluations	-	9,342,485	-	7,200	-	9,349,685
Depreciation (Accumulated depreciation)	14,676,741	123,712,955	18,940,671	1,970,261	-	159,300,628
Writedowns	-	64,000	-	-	-	64,000
Carrying amount	21,338,304	85,248,054	2,055,267	241,399	17,118,037	126,001,061
Changes during the year						
Additions	1,603,034	10,664,926	652,081	142,852	23,954,682	37,017,575
Reclassifications (of the carrying amount)	-	29,672,143	-	-	(29,672,143)	-
Disposals	(9,500)	1,823,931	454,355	1,192	-	2,269,978
Depreciation for the year	1,452,382	16,952,648	815,645	84,283	-	19,304,958
<i>Total changes</i>	<i>160,152</i>	<i>21,560,490</i>	<i>(617,919)</i>	<i>57,377</i>	<i>(5,717,461)</i>	<i>15,442,639</i>
Balance at the end of the year						
Cost	37,618,078	229,699,960	20,921,203	2,408,105	11,400,576	302,047,922
Revaluations	-	9,342,485	-	7,200	-	9,349,685
Depreciation (Accumulated depreciation)	16,119,622	132,169,901	19,483,855	2,116,529	-	169,889,907
Writedowns	-	64,000	-	-	-	64,000
Carrying amount	21,498,456	106,808,544	1,437,348	298,776	11,400,576	141,443,700

The changes that took place during the year were as follows:

- additions for a total of €37 million, mainly in plant and machinery and assets under construction and advance payments, pertaining to
 - o the increases in production capacity, mainly concerning mechanical processing activities (for €35 million) and dedicated to ongoing projects for Volkswagen (in particular AUDI Oil Module, VW Deckel LE/HV, VW Halter, Lagerschild) and Stellantis (mainly the EDCT e-transmission housing, Ducato 2.2 Valve Casing), as well as for the implementation of production lines relating to the most recently acquired orders from the Volkswagen Group (Deckel MEB-ECO, as well as the capacity increases for the VW Zylinderkopfhaube project).
 - o Increases to raise production capacity of foundry activities for approximately €1.6 million;

- Depreciation for a total of €19.3 million.

With specific reference to the assessment of any sign of losses attributable to tangible assets, the directors responded to a Group-level requirement by analysing carefully the cash flows forecast on the basis of current information, concluding that the value of tangible assets at 31 March 2025 will be recoverable from future cash flows.

Finance leases

At the balance sheet date the company is not party to any finance lease contracts.

The tables which follow provide the information required by law on contracts that have reached their natural expiry date in order to present, in the form of a disclosure, the impact of the difference that would arise from accounting for finance leases, under which the lessee would record the interest on the capital and depreciation on the asset, with the leased asset shown as a fixed asset, at the same time recognising the lease liability for the principal portion of the residual instalments still to be paid.

If the company had adopted finance lease accounting, the effects shown in the following table would have occurred in relation to the contracts that reached their natural expiry date in previous years:

Effects on Shareholders' Equity - Assets	
a) Outstanding contracts	
b) Redeemed assets	
b.1) Higher/lower total value of redeemed assets, determined using finance lease methodology, with respect to their carrying amounts at year end	(503,342)
TOTAL [a.6+(a.7-a.8)+b.1]	(503,342)
Effects on Shareholders' Equity - Liabilities	
c) Lease liabilities (implicit payables)	
d) Total gross effect at the end of the year [a.6+(a.7-a.8)+b.1-c.4+(c.5-c.6)]	-
e) Tax effect	140,432
f) Effect on Shareholders' Equity at the end of the year (d-e)	(362,910)
Effects on the Income Statement	
g) Effect on income before taxes (lower/higher costs) (g.1+g.2+g.3+g.4+g.5)	(49,424)
g.1) Reversal of instalments on finance lease transactions	-
g.2) Recognition of financial charges on finance lease transactions	-
g.3) Recognition of depreciation charges on outstanding contracts	-
g.4) Recognition of depreciation charges on redeemed assets	(49,424)
g.5) Recognition of adjustments/write-backs on leased assets	-
h) Recognition of the tax effect	13,789
i) Net effect on the result for the year of accounting for leases using the financial method (g-h)	(35,635)

Long-term financial assets

Long-term financial assets total € 3,016,570 at 31 March 2025 and comprise equity investments, € 284, and amounts due from parent companies, € 3,000,000, as well derivatives with a positive fair value at the balance sheet date (€ 16,286). Equity investments comprise:

- € 129 representing shares held in Unionfidi Piemonte S.C.;
- € 155 representing shares held in Confartigianato Fidi Piemonte e Nord Ovest S.p.A.

Non-current financial receivables, with no changes during the year, represent the residual balance (€ 3,000,000) of the loan granted to Endurance Overseas S.p.A. in prior years, which earns interest at market rates. The Company does not apply the amortised cost method to measure this loan, as the contract was arranged prior to 1 April 2016 and because the effect would be insignificant given the immateriality of the transaction costs and the application of market interest rates. The positive balance represented by the fair value of the derivative contracts, designated as hedging instruments for highly probable transactions, entered into by the Company, is included in "Derivatives".

In particular, these are interest rate swaps entered into in previous years and the one under review, with the aim of mitigating the risk of fluctuations in floating interest rates underlying some of the existing loan agreements. These contracts are accounted for according to the cash flow hedge principle. The fair value expressed in the financial statements is based on the mark-to-market valuations made available by the leading financial institutions with which the instruments are taken out.

Current assets

Current assets are measured in the manner described in paragraphs 8 to 11-bis of art. 2426 of the Civil Code. The accounting policies applied are explained in the notes on the respective financial statement items.

Inventories

Inventories amount to € 17,323,334 at 31 March 2025 and are stated net of an allowance for obsolete and slow-moving items for a total of € 4,933,870.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
raw materials, ancillary materials and consumables	2,718,119	2,973,358	5,691,477
work in process and semi-finished products	8,960,640	(2,877,230)	6,083,410
finished products and goods	7,715,312	(2,358,865)	5,356,447
advances	140,457	51,543	192,000
Total	19,534,528	(2,211,194)	17,323,334

The decrease compared with the prior year figure is related to the combined effect of the increase in the value of the main raw material (aluminium alloy) recorded in 2024/2025, compared with the previous year's trend, as well as the trend in production absorption by customers. Compared with the previous year (in a context still feeling the impact of critical issues on international markets, also linked to geopolitical turbulence and the commercial policies of some of the main markets in the sector), it saw a recovery in terms of both volumes and regularity, despite a market situation that still featured critical issues in terms of the availability of materials and components and price fluctuations (as well as the persistently high level of utilities costs).

Current receivables

They total € 38,843,976 at 31 March 2025. They are shown at their estimated realisable value, as application of the amortised cost or discounting methods would not have been suitable for providing a true and fair view of the financial position and results of operations.

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	10,242,316	13,201,102	23,443,418	23,443,418	-
Receivables due from parent companies	1,910,721	(405,547)	1,505,174	1,505,174	-
Receivables due from fellow subsidiaries	801,017	22,046	823,063	823,063	-
Tax receivables	7,732,280	310,557	8,042,837	6,915,379	1,127,458
Deferred tax assets	5,309,110	(1,247,894)	4,061,216	-	-
Other receivables	875,296	92,972	968,268	874,616	93,652
Total	26,870,740	11,973,236	38,843,976	33,561,650	1,221,110

Trade receivables (€23,433,418 at 31 March 2025) posted an increase compared with the previous year, mainly because of the increase in sales volumes during the year under review. Trade receivables are adjusted to their estimated realisable value by the allowance for doubtful accounts of €740,935, the same as last year.

Receivables due from the parent company (€1,505,174) relate to trade relationships with the parent company Endurance Overseas S.p.A. (€19,002), interest accrued on the balance under centralised treasury management (€377,733) and the interest accrued on the loan made to the parent company (€172,188), as well as the balance (€936,011) owed by it for the amount accrued as part of the group tax consolidation pursuant to articles 117–129 of the Consolidated Law on Income Tax.

Receivables due from fellow subsidiaries (€823,063) comprise trade receivables due from Endurance Castings S.p.A. (€137,804), Endurance Engineering S.r.l. (€21,676) and Ingenia Automation S.r.l. (€566,434), direct subsidiaries of Endurance Overseas S.p.A., and from Endurance GmbH (€107,148), a German subsidiary of the indirect parent company Endurance Technologies Limited.

Tax receivables are made up principally of a VAT credit (for a total of €5,392,648) and the unused sums of tax credits accrued in previous years and in the current one in relation to the purchase of new capital goods - both ordinary and "assets 4.0" - carried out in previous and current years, pursuant to Laws 160/2019 and 178/2020 and the tax credit for Research and Development pursuant to art. 1, paragraph 35, Law no.190 of 23 December 2014 (for a total of €2,644,931, of which €1,127,458 can be used beyond the next financial year).

Deferred tax assets at 31 March 2025 amount to €4,061,216 and mainly relate to differences between the carrying amount of goodwill for statutory and tax purposes, the deferred deductibility of risk provisions and the tax loss recorded during the year. This was due to the deduction for tax purposes of the benefit due on the super- and hyper-accelerated depreciation on capital goods bought in previous years. These deferred tax assets have been recognised as they are likely to be recoverable against expected future taxable income, as reflected in management's latest forecasts.

Other receivables (€968,268 at 31 March 2025, of which €93,652 with a maturity of more than 12 months) include, among others, receivables for security deposits granted to suppliers (€93,652), interest receivable (€40,894), advances paid to suppliers (€32,393), receivables from INAIL (€7,596), as well as various other non-trade receivables.

Breakdown of current receivables by geographical area

It is not considered meaningful to give a breakdown of receivables by geographical area because of the nature of the customers, which are multinationals operating in the automotive industry with legal entities and plants in various countries. As regards the geographical distribution of the Company's business, please refer to what is stated in relation to sales revenues.

Current financial assets

Movements in current financial assets

The movements in current financial assets are analysed in the following table.

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
other securities	19,324,639	(10,921,143)	8,403,496
cash pooling assets	29,349,439	2,966,548	32,315,987
Total	48,674,078	(7,954,595)	40,719,483

Other securities comprise short-term investments of surplus cash: they mainly involve shares in investment funds oriented towards bond investments (for a total value of €5.8 million), bonds issued by banking entities (for €1.7 million) and funds transferred to very short-term loan accounts, so-called “cold money” (for €1.0 million). These instruments are shown at the lower value of cost and market value, net of a writedown provision of €2 thousand, which decreased during the year by €88 thousand, after restoring the value of some securities that had been written down in previous years. No unrealised gains on these instruments have been recognised in accordance with the accounting standards.

Pursuant to art. 2423-ter, para. 3, of the Italian Civil Code and after checking the short-term recoverability of cash pooling assets pursuant to OIC 14, the Company has classified the related amount due from Endurance Overseas S.p.A. (increased during the year by €2,967 thousand), which manages the treasury activities of the Group, in asset caption C.3.7) under “Current financial assets”.

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	32,658,040	4,122,973	36,781,013
cash on hand	3,369	(897)	2,472
Total	32,661,409	4,122,076	36,783,485

This item principally comprises the balance on bank current accounts at 31 March 2025.

This item saw an increase during the year attributable to flows linked to financing activities (for a net flow between new loans and repayments of €11.5 million) and those linked to operating activities (€44.6 million) to support the net disbursements linked to investment activities (€37.6 million).

Please make reference to the statement of cash flows for further analysis of the changes occurred during the year.

Accrued income and prepaid expenses

The following table shows the changes in accrued income and prepaid expenses.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued income	43,675	(7,030)	36,645
Prepaid expenses	552,957	118,808	671,765
Total accrued income and prepaid expenses	596,632	111,778	708,410

Accrued income includes portions of revenues pertaining to the current year which will be received in subsequent periods.

Prepaid expenses mainly include the portions relating to future years of insurance premiums and other costs that cover more than one accounting period (such as maintenance, lease instalments, subscriptions), as well as interest and bank charges debited in advance.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes - liabilities and shareholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Shareholders' equity

The various components of shareholders' equity are shown at their carrying amount in accordance with OIC 28.

Changes in shareholders' equity items

With reference to the year just ended, the table below sets out changes in the components of equity, as well as details of other reserves, if any.

The changes in shareholders' equity during the prior year are analysed below:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Allocation of the prior year result - Distribution of dividends	Other changes - Decreases	Result for the year	Balance at the end of the year
Share capital	5,000,000	-	-	-	-	5,000,000
Revaluation reserves	11,118,617	-	-	-	-	11,118,617
Legal reserve	1,000,000	-	-	-	-	1,000,000
Extraordinary reserve	4,962,658	-	-	-	-	4,962,658
Merger surplus reserve	12,510,339	-	-	-	-	12,510,339
Other reserves	21,900,492	-	-	-	-	21,900,492
Cash flow hedging reserve	2,767,445	-	-	(1,861,742)	-	905,703
Retained earnings (accum. losses)	23,979,074	4,049,068	(9,000,000)	-	-	19,028,142
Net income (loss) for the year	4,049,068	(4,049,068)	-	-	10,078,994	10,078,994
Total	87,287,693	-	(9,000,000)	(1,861,742)	10,078,994	86,504,945

The changes in shareholders' equity during the year are analysed below:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Allocation of the prior year result - Distribution of dividends	Other changes - Decreases	Result for the year	Balance at the end of the year
Share capital	5,000,000	-	-	-	-	5,000,000
Revaluation reserves	11,118,617	-	-	-	-	11,118,617
Legal reserve	1,000,000	-	-	-	-	1,000,000
Extraordinary reserve	4,962,658	-	-	-	-	4,962,658
Merger surplus reserve	12,510,339	-	-	-	-	12,510,339
Other reserves	21,900,492	-	-	-	-	21,900,492
Cash flow hedging reserve	905,703	-	-	(888,114)	-	17,589
Retained earnings (accumulated losses)	19,028,142	10,078,994	(9,000,000)	-	-	20,107,136
Net income (loss) for the year	10,078,994	(10,078,994)	-	-	14,191,741	14,191,741
Total	86,504,945	-	(9,000,000)	(888,114)	14,191,741	90,808,572

Share capital at 31 March 2025 amounts to €5,000,000, represented by 5,000,000 shares with a nominal value of €1.00 each. With reference to the other items, it should be noted that shareholders' equity includes the following reserves, among others:

- Reserves or other provisions that, in the event of distribution, would form part of the Company's taxable income, regardless of when they arose, comprising the Revaluation reserve pursuant to Law 342/00 of €1,551,755 and the Revaluation reserve pursuant to Law 126/20 of €8,636,951, both net of the flat-rate substitute tax;

- Reserves or other provisions that, in the event of distribution, would form part of the Company's taxable income, regardless of when they arose, which were used for the bonus increase in capital authorised at the extraordinary shareholders' meeting held on 20/11/2000 (using €170,471 from the pre-existing revaluation reserve created pursuant to Law 72/83);
- The Demerger surplus reserve of €12,510,339 (an equity reserve that is freely available for use) recorded as a result of the partial demerger that took place during the previous year by the parent company Endurance Overseas S.p.A. with Endurance S.p.A. as the beneficiary.
- Reserve for the coverage of expected cash flows, not available and not usable to cover losses. In particular, the item includes the amount, recognised net of tax, of the effective portion of the changes in fair value of the derivatives taken out to hedge the financial flows involved in planned transactions that are highly probable; in accordance with the applicable standards, at the time of recognition of the asset or liability involved in the highly probable transaction, the Company transfers the equivalent effective amount of the derivative instrument from the reserve, including it directly in the book value of the asset or liability, adjusting the income or cost of the transaction in the income statement.

Changes in the cash flow hedging reserve during the year are detailed below:

	Interest rate swaps	Interest rate caps	Commodity swaps	Total
Gross amount of the reserve at 31 March 2024	74,117	4,555	1,173,248	1,251,920
Deferred tax liabilities	(17,788)	(1,093)	(327,336)	(346,217)
Net amount of the reserve at 31 March 2024	56,329	3,462	845,912	905,703
Fair value change in derivatives (effective component), net of reversals to the income statement on closure of the underlying transactions	(96,113)	(37,442)	(1,091,001)	(1,224,556)
Gross amount of the reserve at 31 March 2025	(21,996)	(32,887)	82,247	27,364
Deferred tax liabilities	5,279	7,893	(22,947)	(9,775)
Net amount of the reserve at 31 March 2025	(16,717)	(24,994)	59,300	17,589

Note that the cash flow hedging reserve includes the contracts existing at the date of the financial statements (in long-term financial assets or provisions for risks depending on the positive or negative value of the instruments). It also contains the value of certain instruments subject to early realisation during the current and previous years, the effects of which have found continuity of application in the equity reserve. This in consideration of the underlying risk hedging strategy to be implemented - in the period of the original duration of the contracts underlying the derivatives - through the use of the cash flows obtained from liquidation of the instruments.

Availability and use of shareholders' equity

The following table provides details of the components of shareholders' equity, including their origin, their potential utilisation and whether they are distributable, as well as the utilisation thereof in the prior three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Share capital	5,000,000	Share capital		-
Revaluation reserves	11,118,617	Share capital	A;B	-
Legal reserve	1,000,000	Revenue	B	-
Extraordinary reserve	4,962,658	Revenue	A;B;C	4,962,658
Merger surplus reserve	12,510,339	Share capital	A;B;C	12,510,339
Other reserves	21,900,492	Revenue	A;B;C	21,900,492
Cash flow hedging reserve	17,589			-
Retained earnings (accumulated losses)	20,107,136	Revenue	A;B;C	20,107,136
Total	76,616,831			59,480,625
Amount not distributable				7,603,555
Residual amount distributable				51,877,070
Key: A: for increase in capital; B: to cover losses; C: for distribution to the shareholders; D: for other statutory requirements; E: other				

The amount not distributable, determined in accordance with art. 2426 c.c., covers unamortised development costs totalling €3,542,339 and deferred tax assets of €4,061,216, which are also deemed to represent unrealised assets.

Provisions for risks and charges

The provisions for risks and charges have been created to cover known or likely liabilities, the timing or extent of which cannot be determined at the reporting date.

These provisions were recognised on a prudence and accrual basis, in accordance with the instructions contained in accounting principle OIC 31. The related provisions are charged to the income statement in the year to which they refer and classified according to the nature of the costs.

The following table shows the changes in provisions for risks and charges.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Total	Balance at the end of the year
Derivatives	-	71,169	71,169	71,169
Other provisions	1,421,828	-	-	1,421,828
Total	1,421,828	71,169	71,169	1,492,997

The Derivatives provision refer to the hedging instruments subscribed to mitigate the risk of fluctuations in interest rates on loans taken out during the year, which had a negative mark to market value at the end of the year.

Other provisions relate to provisions made in previous years, made to cover liabilities of various kinds - trade, tax, employment and corporate - and reflect the best estimate of the amounts likely to be payable, based on the information available when preparing the financial statements.

Employee termination indemnities

Changes in the provision for employee termination indemnities are shown in the following table.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Provision for employee termination indemnities	2,554,953	395,644	166,636	229,008	2,783,961
Total	2,554,953	395,644	166,636	229,008	2,783,961

This provision includes the period revaluation of the liability concerned in accordance with current legislation. The uses recorded during the year reflect the indemnities paid in advance to employees (€166,636).

The charge for the year (provision for termination indemnities classified in income statement caption B9 c) includes the provision retained by the Company and the payments made to the INPS Treasury Fund, Previndai, the Cometa Fund or the supplementary pension fund specified by each employee, where applicable.

Payables

Payables at 31 March 2025 come to a total of €184,254,088.

Pursuant to art. 12, para. 2, of Decree 139/2015, the company elected to measure payables using the amortised cost method. This election was made on a prospective basis and, therefore, only applies to eligible payables that have arisen subsequent to 1 April 2016.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	76,411,024	(4,700,931)	71,710,093	28,261,448	43,448,645
Advances	-	8,000,000	8,000,000	8,000,000	-
Trade payables	71,627,721	11,380,801	83,008,522	83,008,522	-
Payables due to parent companies	1,268,488	2,625,683	3,894,171	3,894,171	-
Payables due to fellow subsidiaries	7,459,039	704,004	8,163,043	8,163,043	-
Tax payables	566,725	180,641	747,366	747,366	-
Due to pension and social security institutions	2,196,750	340,020	2,536,770	2,536,770	-
Other payables	5,538,296	655,827	6,194,123	6,194,123	-
Total	165,068,043	19,186,045	184,254,088	140,805,443	43,448,645

Amounts due to banks include both the current portion of loans obtained from major banks (€28,261,448) and the portion due beyond 12 months (€43,448,645).

Amounts due to banks show a significant increased compared with the previous year due to the arrangement of new loans to support the production investments put in place by the company. .

The following is a breakdown of medium-term loans outstanding at 31 March 2025 (for which the liabilities are accounted for using the amortised cost approach):

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
Banca Nazionale del Lavoro	5,000,000	01/04/2020 - 5	250,000	250,000	-
MCC – “Fondo Crescita sostenibile”	3,006,099	29/04/2020 - 8	1,391,775	386,990	1,004,785
Unicredit (*)	5,000,000	21/01/2021 - 5	1,000,040	1,000,040	-
Unicredit	10,000,000	11/04/2022 - 4	3,125,000	2,500,000	625,000
Intesa San Paolo	10,000,000	27/04/2022 - 4	2,708,333	2,500,000	208,333
BPER	5,000,000	23/06/2022 - 4	1,578,638	1,261,726	316,912
Banca Nazionale del Lavoro	7,000,000	27/07/2022 - 4	3,500,000	1,400,000	2,100,000
BPER	5,000,000	15/06/2023 - 4	3,301,516	1,427,290	1,874,226
Intesa San Paolo	15,000,000	26/06/2023 - 4	9,642,856	4,285,714	5,357,142
Crédit Agricole	10,000,000	26/06/2023 - 4	5,853,224	2,524,248	3,328,976
Banca Sella	5,000,000	04/07/2023 - 4	3,030,004	1,258,080	1,771,924
Credem	5,000,000	11/12/2023 - 4	3,747,111	1,307,792	2,439,319
Banca Nazionale del Lavoro	5,000,000	11/12/2023 - 4	3,437,500	1,250,000	2,187,500
Gruppo Banco Popolare	10,000,000	25/03/2024 - 4	7,661,325	2,437,229	5,224,096
Unicredit	8,000,000	29/05/2024 - 5	6,915,839	1,505,935	5,409,904
Banca Nazionale del Lavoro	5,000,000	14/01/2025 - 4	5,000,000	1,000,000	4,000,000
Intesa San Paolo	10,000,000	16/01/2025 - 5	9,666,666	2,000,000	7,666,666
Amortised cost adjustment	-	-	(99,734)	(33,596)	(66,138)
Total	123,006,099		71,710,093	28,261,448	43,448,645

(*) contract with an MCC guarantee

The contracts are at fixed interest rates (0.8%) or at the 3-month Euribor rate plus a spread of between 0.002%, for loans that are guaranteed, and 1.35%, taking into consideration market conditions at the time the contract is signed and the duration of the loan.

As regards trade payables (€83,008,522 at 31 March 2025), the increase recorded during the year is consistent with the increase in the volume of sales and the huge investments in capital goods under construction to meet the significant new orders acquired in previous years.

Payables due to parent companies total €3,894,171 and relate mainly to trade payables for administrative, financial services and support provided by the parent company Endurance Overseas S.p.A. to Group companies (based on specific service agreements), which have been entered into on an arm's length basis.

Payables due to fellow subsidiaries (€8,163,043 at 31 March 2025) mainly include trade payables due to Endurance Castings S.p.A. (€5,243,259), Ingenia Automation (€2,843,450), Endurance Engineering S.r.l. (€7,570) and Veicoli S.r.l. (€18,764), which are direct subsidiaries of Endurance Overseas S.p.A.

Tax payables, totalling €747,366, refer to payroll withholdings for €318,662 and to the IRAP balance for the year of €428,704, net of advances paid.

Other payables, totalling €6,194,124 mainly concern amounts due to employees for payroll and related accruals (€5,513,506), insurance premiums due (€185,832) and other amounts due.

Analysis of payables by geographical area

It is not meaningful to analyse payables by geographical area, as most of them are due to domestic suppliers and counterparties.

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Loans from shareholders

The company has not received any loans from its shareholders.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Deferred income	5,313,852	(1,943,934)	3,369,918
Total accrued expenses and deferred income	5,313,852	(1,943,934)	3,369,918

Deferred income (€3,369,918, of which €2,402,317 pertaining to years beyond the next one) includes income mainly of a commercial nature and other income for grants relating to future years. The latter refer (€3,073 thousand) to the portions relating to future years of concessions for the purchase of new capital goods pursuant to art. 1, paragraphs 184-197, of Law 160/2019, as well as those related to tax credits for research and development to be accounted for on the basis of the depreciation of the underlying assets and portions of advances on grants received for research projects against expenses planned in future years (€64 thousand).

Explanatory notes - income statement

The income statement reports the results for the year. This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, can be broken down into the following categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

Value of production

The value of production in 2024-2025 is analysed below with comparative figures:

Description	FY 2024/2025	FY 2023/2024	Change
Revenues from sales of goods and services	197,142,075	156,102,957	41,039,118
Change in inventories of work in progress, semi-finished and finished products	(5,425,306)	(2,829,605)	(2,595,701)
Additions to non-current assets from in-house production	1,289,868	1,245,892	43,976
Other income and revenues			
Operating grants	3,031,176	1,503,900	1,527,276
Other	984,230	1,023,080	(38,850)
Total	197,022,043	157,046,224	39,975,819

Sales revenues for the year (including income from the sale to customers of specific equipment used in production, when envisaged by contracts) increased compared with the previous year by around 21%, far more than the sector trend. This was due in particular to the increase in volumes for the most recent projects launched by the company (in particular towards customers of the Volkswagen and Stellantis groups).

The rising trend was still in a context of high inflation only partially down on the previous year, with difficulties in certain supply chains (in terms of availability and pressure on the prices of raw materials and components), in relation to the geopolitical critical issues existing on international markets. This in a situation that has only partially recovered the effects of the pressure on the industrial sector of the rising cost of energy commodities.

The increase in sales affected all of the company's main customers across the board, with a particular impact on the Volkswagen/AUDI Group, driven by the introduction of most of the new products (which represented 49% of revenues). The Stellantis Group (FCA and PSA) represented approximately 33% of turnover, followed by CNHI (6%) and BMW (5%).

Additions to non-current assets from in-house production include the capitalisation of costs (mainly payroll costs) incurred by the Company as part of its R&D activities during the year for the development of new products and the implementation of process innovations in the current production situation.

Other revenues include:

- the portion for the year of operating grants related to, in particular:
 - use of photovoltaic systems (€99,597);
 - those, in the form of tax credits (for a total of €867,759), relating to investments in plant and machinery in previous years, pursuant to the Tremonti-ter Law, research and development and innovation expenses, investments in capital assets carried out pursuant to Law 160/2019, art.1, paragraph 184-197 (substitutive regulation of super- and hyper-accelerated depreciation), as well as those recognised pursuant to the rules established by Legislative Decree no. 4 of 2022 et seq.;
- proceeds from research and development projects in which the company took part (€2,063,820);

- proceeds from the lease of the Grugliasco industrial site (€202,931) to the subsidiary Endurance Engineering S.r.l.
- capital gains deriving from the sale of assets (€63,346);
- charges to suppliers for contractual penalties (€350,766)
- insurance compensation received (€3,999);
- income of different nature (€355,734).

Analysis of revenues from sales and services by category of activity

Revenues from sales and services relate entirely (€197,142,075) to income from the core business of the Company, comprising the engineering of precision and die-cast components for the automotive market, as well as related activities.

Analysis of revenue from sales of goods and services by geographical area

The following table gives a breakdown of revenue from sales of goods and services by geographical area:

Geographical area	FY 2024/2025	Weight %	FY 2023/2024	Weight %
ITALY	70,083,829	36%	74,150,285	48%
GERMANY	59,960,430	30%	40,299,980	26%
HUNGARY	44,717,267	23%	28,946,047	19%
POLAND	1,014,581	1%	9,261,485	6%
OTHER EUROPEAN COUNTRIES	20,614,065	10%	2,839,699	2%
OTHER NON-EU COUNTRIES	751,903	0%	605,461	0%
Total	197,142,075	100%	156,102,957	100%

Cost of production

In accordance with the matching principle, costs and charges are recognised on an accruals basis by type of expenditure; they are stated net of returns, allowances, discounts and rebates and classified in the respective captions pursuant to OIC 12. As regards purchases of goods, the costs are recorded when the transfer of ownership has taken place, in substance and not just in form, assuming the transfer of all risks and benefits as a parameter. In the case of the purchase of services, the costs are recorded when the service has been received, or when provision of the service has been completed; if the services are provided on a continuous basis, the costs are recorded for the amount accrued.

Description	FY 2024/2025	FY 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	82,957,559	76,640,666	6,316,893
Cost of services	37,580,787	23,572,696	14,008,091
Lease and rental charges	1,096,797	1,113,572	(16,775)
Payroll costs			
Wages and salaries	29,503,466	21,314,552	8,188,914
Social contributions	6,246,186	5,547,305	698,881
Employee termination indemnities	972,379	868,497	103,882
Other costs	466,150	329,985	136,165
Amortisation of intangible assets	1,214,656	880,835	333,821
Depreciation of tangible assets	19,304,958	15,586,872	3,718,086
Change in inventory of raw and ancillary materials, consumables and goods	(3,162,569)	(2,103,904)	(1,058,665)
Other operating expenses	1,903,242	1,760,599	142,643
Total	178,083,611	145,511,675	32,571,936

Cost of raw and ancillary materials, consumables and goods for resale and Cost of services

These items have increased overall by 20%, substantially in proportion to the increase in sales volumes during the year. It should be noted that the high costs of energy and materials had an impact on production costs.

Payroll costs

This item (whose value increased during the year by over 30% compared with the previous year, in relation to the strengthening of the workforce to work on the new projects, the inflationary effects linked to recent contractual adjustments, as well as the salary adjustments awarded to personnel) includes the entire expenditure for employees, including the effects of merit bonuses, promotions, unused holidays and provisions required by law and collective agreements. It also includes the cost of temporary workers, except for the cost of interim employment agencies that has been charged to income statement line B7.

Lease and rental charges

This item includes car rental fees for vehicles assigned to employees and for equipment used in production.

Depreciation and amortisation and writedown of receivables included in current assets

Depreciation is provided over the technical useful lives of assets, considering how they are used in production. Note that the closing balance is higher than the previous year's, both as regards the amortisation of intangible assets (particularly for the increases in development costs) and as regards the depreciation of tangible assets, in line with the trend of the investments made during the year, as well as the revision of the useful lives of the projects and/or of the phase-out of certain specific products. The item includes the depreciation for the year (approximately €1.5 million) on the higher value that emerged following the revaluation of fixed assets carried out in previous years, pursuant to Law 126/20.

Other operating expenses

This item (slightly up on last year at €142 thousand) includes, among other things, penalties charged by customers, local taxes and, in general, non-recurring costs not pertaining to the core business.

Financial income and charges

Financial income and charges are recorded on an accruals basis.

Financial income from the parent company (€549,921) comprises the interest recognised by Endurance Overseas S.p.A. in relation to the outstanding loan (€3,000,000 at 31 March 2025) and the positive balance on the cash pooling account.

Other financial income (€1,508,244) mainly includes the interest income accrued and the gains recognised on the purchase and sale of securities and financial investments, in the context of liquidity management by the Company.

Financial charges (€3,700,371) principally include the interest charged on the various loans obtained from third-party lenders. The significant increase during the year compared with the previous year is mainly linked to higher borrowing (to support capital investment) with respect to loan repayments.

The net exchange losses (€ 734 in 2024/2025) were almost entirely realised on transactions in currencies other than the euro, which is identified as the functional currency.

Adjustments to financial assets and liabilities

The adjustments to financial assets and liabilities refer to the write-down of securities shown under financial assets. These are adjustments made to align the carrying amount with the market value of securities for which prices are quoted below par and which will therefore not give rise to actual losses if held to maturity.

A comparison with the prior year is presented in the following table:

Description	FY 2024/2025	FY 2023/2024	Change
Revaluation of securities classified as current assets	88,042	146,971	(58,929)
	88,042	146,971	(58,929)

Amount and nature of revenues/costs of individual significance

During the current year, no revenues or other positive components deriving from exceptional events were recorded.

During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. The tax charge for the year consists of current taxation, as resulting from the tax returns, of deferred taxation relating to positive or negative components of income, taxable or deductible, respectively, in fiscal years that differ from the year in which the item is accounted for statutory reporting purposes.

The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table.

	FY 2024/2025	FY 2023/2024
Income taxes	3,191,793	231,220
Current taxation		
of which: IRES for the year (current)	-	-
of which: IRAP for the year (current)	1,291,563	863,619
of which: Taxation relating to prior years	-	(68,256)
Deferred tax assets and liabilities	1,584,336	(647,722)
income (charges) from tax consolidation	(315,894)	(83,579)

Recognition of deferred tax assets and liabilities and their impact

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	7,034,525	745,796
Total taxable temporary differences	632,654	555,693
Net temporary differences	(6,401,871)	(190,103)
B) Tax effects		
Provision for deferred tax liabilities (assets) at the beginning of the year	(4,745,215)	(563,895)
Deferred tax liabilities (assets) of the year	1,240,480	7,414
Provision for deferred tax liabilities (assets) at the end of the year	(3,504,735)	(556,481)

Deferred tax assets and liabilities have been calculated using the following rates, which are expected to be in force during the years when it is reckoned that the temporary differences will reverse (IRES at 24% and IRAP at 3.9%).

Deductible temporary differences mainly include:

- the release of deferred tax assets set aside in previous years for tax losses that arose because of the hyper-accelerated depreciation generated by the significant "Industry 4.0" capital investments made by the company;
- the release of deferred tax assets on ACE that was not used for the same reasons;
- deferred tax liabilities set aside on the difference between the estimated useful life of the assets and the useful life recognised for tax purposes;

The consolidation charge reflects the cancellation of the IRES taxable base for the year following uses of excess ACE transferred by group companies taking part in the tax consolidation pursuant to arts. 117-129.

Notes to the financial statements, statement of cash flows

The Company has prepared a statement of cash flows, which is a summary document that links the changes that took place during the year in the Company's equity with the changes in its financial position; it shows the financial resources that the Company needed during the year, as well as how they were used.

As regards the method used, the Company has adopted the indirect method on the basis of which the liquidity flow is reconstructed by adjusting the operating result for non-monetary components, in accordance with OIC 10.

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages:

	Executives	White collar	Blue collar	Total employees
Average number	8	82	314	404

The workforce at 31 March 2025 (only company employees) consists of 427 people.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

The following schedule provides the information required by art. 2427, point 16 of the Italian Civil Code., with the clarification that no advances or loans have been granted and no commitments, in the form of guarantees of any kind, have been accepted on behalf of the members of the Board of Directors.

	Directors	Statutory Auditors
Fees	8,864	39,520

Fees of the independent auditor or firm of auditors

As required by art. 2427 c.c., the following table analyses the total fees earned by the legal auditor (or firm of legal auditors) for the legal audit of the annual financial statements, the total fees earned for other auditing services, the total fees earned for tax advisory services and the total fees earned for other non-audit services.

	Independent audit of the annual financial statements	Other non-audit services	Total fees earned by the independent auditor or firm of auditors
Amount	30,250	11,567	41,817

Deloitte & Touche S.p.A. has been engaged to perform the independent audit. The cost of auditing the annual accounts includes the fees for checking that the books of account have been kept properly, while the other non-audit services relate to signing off the company's tax returns and certification of its R&D costs to obtain the related tax credits, as well as other assurance services.

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the Civil Code.

Details on other financial instruments issued by the company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the ICC.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the ICC.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into in the year.

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., we can confirm that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following information is provided about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary:

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	Endurance Overseas S.p.A.
Town (if in Italy) or foreign State	Chhatrapati Sambhajnagar (India)	Turin
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajnagar (India) India Stock Exchange: NSE and BSE	Registered office: Turin Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivatives pursuant to art. 2427-bis of the Italian Civil Code

Pursuant to art. 2427-bis of the Italian Civil Code and in order to present a true and fair view of the Company's commitments, appropriate details are provided below about the fair value, extent and nature of outstanding derivatives (amounts in Euro), grouped by type of instrument:

Type of instrument	Number of contracts at 31/03/2025	Original notional value	Notional at 31/03/2025	Fair value	Number of contracts at 31/03/2024	Original notional value	Notional at 31/03/2024	Fair value
Interest rate swaps	3	17,000,000	7,937,540	(21,996)	3	17,000,000	11,587,560	74,118
Interest rate caps	1	5,000,000	3,125,000	(32,887)	1	5,000,000	2,000,060	4,555
Total	4	22,000,000	11,062,540	(54,883)	4	22,000,000	13,587,620	78,673

Summary financial statements of the company which exercises management control and coordination

The Company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Chhatrapati Sambhajnagar, Maharashtra, India, which directly and indirectly owns the entire share capital of the Company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90.1365 (89.399 on 31 March 2023) - (source: European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and shareholders' equity		
Shareholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and shareholders' equity	46,853.04	41,090.45

Income statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Net income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

The following section describes relations with the company that provides management control and coordination services and with the other affiliates, as well as the effect of those activities on the operations of the company and its results.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that they are recorded in the National Register of State Aid.

Proposed allocation of profits or coverage of losses

To the Shareholders,

In light of the matters explained above, the Board of Directors proposes to allocate the net income for the year of €14,191,741 to "retained earnings".

Explanatory notes - closing section

Shareholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's financial position and results for the year and agree with the books of account. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Chivasso, 13/05/2025

For the Board of Directors

The Managing Director

Samuele Gabutto

ENDURANCE SPA

Company with sole shareholder:

Head office: VIA REGIONE POZZO 26, CHIVASSO (TURIN)

Tax Code and Turin Companies Register No. 01782370017

Turin Chamber of Commerce no. 518048

Share capital: € 5,000,000.00 subscribed and fully paid

VAT Number: 01782370017

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report of the Board of Statutory Auditors

Financial statements at 31/03/2025

To the Shareholder,

Pursuant to the current articles of association, the Board of Statutory Auditors has been assigned the task of administrative supervision by your company, while the legal audit function was assigned to Deloitte & Touche S.p.a. appointed by the Shareholders' meeting of 21/06/2023, this report describes solely the supervisory work carried out in accordance with the law

Report to the Shareholder's Meeting pursuant to art. 2429, para. 2 of the Italian Civil Code - Administrative supervision

During the course of the financial year ended 31/03/2025, our activities were performed in compliance with applicable legislation and the principles of conduct for the Board of Statutory Auditors issued by the Italian Accounting Profession (as represented by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*).

Activities carried out by the Board of Statutory Auditors during the year ended 31/03/2025

We supervised compliance with the law, with the articles of association and with principles of proper administration.

We attended Shareholders' Meetings and Board Meetings, in respect of which, based on information made available, no matters came to our attention to indicate that there had been any infringements of the law or of the articles of

association, nor transactions which were clearly imprudent, risky, likely to give rise to a conflict of interest or such as to compromise the integrity of the company's assets.

We acquired information from the directors on the status of capital transactions, with respect to which we have no particular observations to make.

We obtained information from the directors on the company's performance and the likely outlook, as well as on the most significant transactions, in terms of size or characteristics, entered into by the company and by its subsidiaries and, based on the information obtained, we have no particular findings to report.

We met with the independent auditors and, with reference to those meetings, no significant information or data emerged that should be disclosed in this report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's organisational structure by obtaining information from function heads, with respect to which we have no particular findings to report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's administrative-accounting system, as well as on the reliability of the latter in correctly presenting the results of operations, by obtaining information from function heads, from the independent auditors and from an examination of corporate documents, and, with respect thereto, we have no particular findings to report.

No complaints were presented to us as per Art. 2408 of the Italian Civil Code.

During the year, a favourable opinion was issued on the capitalisation of development costs pursuant to art. 2426, para. 1, no. 5, of the Italian Civil Code.

During the course of our supervisory activities, as described above, no other significant matters arose that are worthy of inclusion in this report.

This report therefore summarises our activity with regard to the requirements of art. 2429, para. 2 of the Italian Civil Code, namely information on:

- the results for the financial year;
- the work performed in fulfilment of our legal duties; the observations and proposals regarding the financial statements, with particular regard to any use made by the administrative body of the exception permitted by art. 2423, para. 5 of the Italian Civil Code;

In any case, we are at your complete disposal to examine any other aspects during the Shareholders' Meeting.

During our periodic checks, we gained knowledge on how the Company's activities were evolving, paying particular attention to contingent problems in order to identify the economic and financial impact on the result for the year and on the balance sheet, as well as any risks.

Minutes were drawn up of these meetings and duly signed for unanimous approval.

Supervisory activities pursuant to art. 2403 onwards of the Civil Code

The draft financial statements for the year ended 31/03/2025, provided to us for our examination by the Board of Directors pursuant to art. 2429 of the Italian Civil Code, have been prepared in accordance with the requirements of Legislative Decree no. 127/91 and consist of:

- Balance sheet
- Income statement
- Statement of cash flows
- Explanatory notes

The result for the year is net income of € 14,191,741, as may be seen from the summary figures provided below.

Balance sheet

Description	FY 2024/2025	FY 2023/2024	Difference
FIXED ASSETS	148,330,848	132,526,234	15,804,614
CURRENT ASSETS	133,670,278	127,740,755	5,929,523
ACCRUALS AND DEFERRALS	708,410	596,632	111,778
TOTAL ASSETS	282,709,536	260,863,621	21,845,915

Description	FY 2024/2025	FY 2023/2024	Difference
SHAREHOLDERS' EQUITY	90,808,572	86,504,945	4,303,627
PROVISION FOR RISKS AND CHARGES	1,492,997	1,421,828	71,169
PROVISION FOR EMPLOYEE TERMINATION INDEMNITIES	2,783,961	2,554,953	229,008
PAYABLES	184,254,088	165,068,043	19,186,045
ACCRUALS AND DEFERRALS	3,369,918	5,313,852	(1,943,934)
TOTAL LIABILITIES AND EQUITY	282,709,536	260,863,621	21,845,915

Income statement

Description	FY 2024/2025	FY 2023/2024	Difference
VALUE OF PRODUCTION	197,022,043	157,046,224	39,975,819
REVENUES FROM SALES OF GOODS AND SERVICES	197,142,075	156,102,957	41,039,118
PRODUCTION COST	178,083,611	145,511,675	32,571,936
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	18,938,432	11,534,549	7,403,883

Description	FY 2024/2025	FY 2023/2024	Difference
Income (loss) before taxes (A-B+-C+-D)	17,383,534	10,310,214	7,073,320
INCOME TAXES FOR THE YEAR, CURRENT AND DEFERRED	3,191,793	231,220	2,960,573
NET INCOME (LOSS) FOR THE YEAR	14,191,741	10,078,994	4,112,747

We have examined the draft financial statements for the year ended 31/03/2025, including the Report on Operations, in relation to which we point out the following.

Due to the fact that we were not appointed as independent auditors of the financial statements, we have limited ourselves to monitoring the overall approach to their preparation and their general compliance with the law as regards their format and structure and we do not have any particular observations to make in this regard.

More precisely, we note that:

- The accounting policies used in preparing the financial statements at 31/03/2025 comply with the Italian Civil Code as amended by Decree Law 139/2015;
- the Directors have provided information on the Company's performance and on the outlook for operations;
- the balance sheet and income statement formats adopted by the Company comply with articles 2424, 2424-bis, 2425 and 2425-bis of the Italian Civil Code;
- Pursuant to art. 2426, para. 5 of the Italian Civil Code, we acknowledge that, with our consent, development costs have been recognised in balance sheet assets and we have verified that they met the recognition criteria of ascertainable future economic benefits;
- pursuant to OIC 25, deferred tax assets have been allocated on the tax loss for the year as there is a reasonable certainty of their future recovery.

We have verified compliance with the law regarding the structure of the directors' report on operations and we do not have any particular observations to make thereon.

As far as we are aware, in the preparation of the financial statements, there was no failure by the directors to comply with the law pursuant to paragraph 5 of Art. 2423 para. 5 of the Italian Civil Code.

Result for the year

The net result ascertained by the Directors for the year ended 31/03/2025, as shown in the financial statements, is positive for € 14,191,741. The Board does not have any observations to make on the allocation of the net result for the year proposed by the Directors

Conclusion

Considering the results of the work performed by the independent auditors, as explained in their unqualified audit report, issued without any emphasis of matter on 14/05/2025, we unanimously believe that there are no impediments to approval at the Shareholder's Meeting of the draft annual financial statements at 31/03/2025, as prepared and presented by the Directors.

Milan, 14/05/2025

The Board of Statutory Auditors

Fulvio Mastrangelo

Fabio Greco

Massimo Carera

INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

**To the Sole Shareholder of
Endurance S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Endurance S.p.A. (the “Company”), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Endurance S.p.A. does not extend to such data.

Responsibilities of the Directors and the Board of Statutory Auditors 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.

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.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, 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 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.

- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance S.p.A. are responsible for the preparation of the report on operations of the Company as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Endurance S.p.A. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ENDURANCE ENGINEERING SRL

Head office: VIA MORANDI 9 GRUGLIASCO (Turin)

Turin Chamber of Commerce and Turin Companies Register

Tax Code and registration number 11081890011

Turin Business Register (REA) no. TO 1186114

Quota capital: € 100,000.00 subscribed and fully paid

VAT Number: 11081890011

Sole quotaholder company

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report on operations

Financial statements at 31/03/2025

Quotaholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euro, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

Matters concerning the economy in general and the results of operations

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%.

With regards to the automotive sector, in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023). Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs) achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

During the financial year, turnover decreased by more than 25%, mainly due to the reduction in sales to customers Tyco and Hanon. Given the lower level of activity, production was reorganised to adapt to new short-term requirements, while still managing to obtain positive results over the period.

Key events

During the financial year, the industrial warehouse adjacent to the company's headquarters in Grugliasco was purchased for €0.5 million. The site will be used for production activities as soon as it is available, upon completion of the renovation works.

Management control and coordination activities

Pursuant to para. 5 of art. 2497-bis of the Italian Civil Code, it is confirmed that the Company belongs to the ENDURANCE Group (India) and is subject to management and coordination by ENDURANCE TECHNOLOGIES LIMITED (India), whose shares have been listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE) since October 2016.

The management control and coordination activities carried out have not had any particular impact on the Company's activities or its results. We can also confirm that no decisions were made under the influence of the Company that performs the management control and coordination activities, that might require an indication of the reasons and interests affecting them.

Financial position

A reclassified balance sheet is provided below to facilitate a better understanding of the Company's financial position.

Balance Sheet - Assets

Item	FY 2025	%	FY 2024	%	Change	Change %
WORKING CAPITAL (WC)	7,514,104	76.63%	10,095,816	83.56%	(2,581,712)	(25.57%)
Immediate liquidity	832,792	8.49%	2,075,842	17.18%	(1,243,050)	(59.88%)
Cash and cash equivalents	832,792	8.49%	2,075,842	17.18%	(1,243,050)	(59.88%)
Deferred liquidity	5,640,643	57.53%	5,086,027	42.09%	554,616	10.90%
Current receivables included in WC	1,509,929	15.40%	1,555,874	12.88%	(45,945)	(2.95%)
Financial assets	4,039,976	41.20%	3,439,372	28.47%	600,604	17.46%
Accrued income and prepaid expenses	90,738	0.93%	90,781	0.75%	(43)	(0.05%)
Inventories	1,040,669	10.61%	2,933,947	24.28%	(1,893,278)	(64.53%)
FIXED ASSETS	2,291,392	23.37%	1,986,506	16.44%	304,886	15.35%
Intangible assets	270,892	2.76%	472,405	3.91%	(201,513)	(42.66%)
Tangible assets	1,675,484	17.09%	1,021,240	8.45%	654,244	64.06%
Long-term financial assets	5	0.00%	5	0.00%	-	-
Non-current portion of receivables included in WC	345,011	3.52%	492,856	4.08%	(147,845)	(30.00%)
CAPITAL EMPLOYED	9,805,496	100.00%	12,082,322	100.00%	(2,276,826)	(18.84%)

Balance Sheet - Liabilities and Equity

Item	FY 2025	%	FY 2024	%	Change	Change %
MINORITY INTEREST	3,521,058	35.91%	5,555,584	45.98%	(2,034,526)	(36.62%)
Current liabilities	3,012,827	30.73%	5,074,868	42.00%	(2,062,041)	(40.63%)
Current payables	2,920,607	29.79%	4,959,978	41.05%	(2,039,371)	(41.12%)
Accrued expenses and deferred income	92,220	0.94%	114,890	0.95%	(22,670)	(19.73%)
Non-current liabilities	508,231	5.18%	480,716	3.98%	27,515	5.72%
Non-current payables	-	-	-	-	-	-
Accrued expenses and deferred income	307,290	3.13%	283,224	2.34%	24,066	8.50%
Provision for risks and charges	-	-	-	-	-	-
Employee termination indemnities	200,941	2.05%	197,492	1.63%	3,449	1.75%
EQUITY	6,284,438	64.09%	6,526,738	54.02%	(242,300)	(3.71%)
Quota capital	100,000	1.02%	100,000	0.83%	-	-
Reserves	1,920,000	19.58%	1,920,000	15.89%	-	-
Retained earnings (accumulated losses)	3,506,738	35.76%	3,660,009	30.29%	(153,271)	(4.19%)
Net income (loss) for the year	757,700	7.73%	846,729	7.01%	(89,029)	(10.51%)
SOURCES OF FINANCE	9,805,496	100.00%	12,082,322	100.00%	(2,276,826)	(18.84%)

Key financial indicators

On the basis of the above reclassification, the following economic indicators have been determined:

RATIO	FY 2024/2025	FY 2023/2024	% Change
Fixed asset coverage	322.88%	436.97%	26.11%
Debt ratio	0.00%	0.00%	-
Financial debt ratio	0.56	0.85	34.18%
Equity/Capital employed	0.03	0.11	71.22%
Financial charges/Turnover	64.09%	54.02%	(18.65%)
Current ratio	0.26%	0.25%	(2.63%)
Fixed assets/Equity	226.32%	188.42%	(20.11%)
Primary coverage ratio	4,338,057	5,033,087	13.81%
(Equity + non-current liabilities) - Fixed assets	3.23	4.37	26.11%
Secondary coverage ratio	4,538,998	5,230,579	13.22%
Net working capital	3.33	4.50	25.99%
Acid test margin	4,193,987	4,737,724	11.48%
Acid test ratio	3,153,318	1,803,777	(74.82%)

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results.

Income Statement

Item	FY 2025	%	FY 2024	%	Change	Change %
VALUE OF PRODUCTION	9,037,239	100.00%	13,043,215	100.00%	(4,005,976)	(30.71%)
- Consumption of raw materials	3,634,188	40.21%	6,043,137	46.33%	(2,408,949)	(39.86%)
- General expenses	1,523,843	16.86%	1,894,311	14.52%	(370,468)	(19.56%)
VALUE ADDED	3,879,208	42.92%	5,105,767	39.15%	(1,226,559)	(24.02%)
- Payroll costs	2,447,405	27.08%	3,028,419	23.22%	(581,014)	(19.19%)
- Provisions	-	-	-	-	-	#DIV/0!
GROSS OPERATING MARGIN	1,431,803	15.84%	2,077,348	15.93%	(645,545)	(31.08%)
- Depreciation, amortisation and writedowns	486,462	5.38%	412,544	3.16%	73,918	17.92%
- Other operating expenses	17,266	0.19%	15,316	0.12%	(268,392)	(86.86%)
INCOME BEFORE FINANCIAL ITEMS	904,729	10.01%	1,355,800	10.39%	(451,071)	(33.27%)
+ Financial items	17,266	0.19%	15,316	0.12%	1,950	12.73%
INCOME BEFORE TAX	921,995	10.20%	1,371,116	10.51%	(449,121)	(32.76%)
- Taxation	164,295	1.82%	524,387	4.02%	(360,092)	(68.67%)
NET INCOME	757,700	8.38%	846,729	6.49%	(89,029)	(10.51%)
EBITDA	1,391,191	15.39%	1,768,344	13.56%	(377,153)	(21.33%)

Key performance indicators

On the basis of the above reclassification, the following economic indicators have been determined:

RATIO	FY 2025	FY 2024	Change %
R.O.E.	12.06%	12.97%	(7.06%)
R.O.I.	44.96%	45.24%	(0.62%)
R.O.S.	9.01%	10.81%	(16.67%)
R.O.A.	9.23%	11.22%	(17.78%)

Information required by art. 2428 of the Civil Code.

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, a description of the main risks and uncertainties to which the Company is exposed is set out below, taking into account its nature as a provider of services and investment holding company that operates in the automotive sector:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy. Developments regarding GDP, the cost of raw materials, the unemployment rate, interest rates and the level of confidence shown by consumers and businesses can condition the sales performance of end customers and, thus, the Company's sales performance. There are also further elements of uncertainty linked to geopolitical tensions, in particular due to the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. Furthermore, the tightening of international sanctions is affecting uncertainties about the prices of energy commodities, basic materials (metals in particular) and agricultural products with repercussions on consumer prices and the growth prospects for the Euro area. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business conditions.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the plastic components moulding sector in which the Company operates is characterised by heated competition, also attributable to sales trends in the automotive market. As much as the company and the group it belongs to has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the company's results and financial position.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector is characterised by continuous product development needed to satisfy the product performance required by car manufacturers and by environmental legislation (governing emissions). Future investment by the Group will seek to develop the portfolio of products and diversify the types of production, thereby increasing the ability to meet the needs of customers. Failure to develop products and meet needs in terms of price, quality and the functionality imposed by end customers could adversely impact the prospects for the Group's operations.

FINANCIAL RISKS: the Company is exposed to the following financial risks in the conduct of its operations:

- credit risks in relation to normal commercial transactions with customers;
- liquidity risk, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risk, mainly relating to changes in interest rates and, to a lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit Risk

Given the main industrial activity of its subsidiaries - the production of components for car makers - the receivables of the Company are structurally concentrated, as the customers of the Group comprise a limited number of industrial groups. The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risks

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that funds currently available, as well as funds generated from operating activities, will allow the Company to meet the needs of investing activities, of working capital management and for the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates.

Risks relating to changes in interest rates

The Company could have recourse to financial resources made available by the banking sector in the form of debt and use the funds to finance operations as well as investment and development initiatives. The Company can also factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges.

To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions.

Lastly, where considered appropriate, the Company could make use of derivatives (interest rate swaps and caps) with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Italian Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the Company's results and financial position, it is not considered meaningful to present non-financial indicators.

Information on the environment

In the context of specific policies adopted by Endurance group, the Company strives hard to ensure that production and operating activities are carried out in compliance with all applicable regulations and international agreements. The objective is to introduce and maintain a broad culture of constantly improved environmental performance, process and product safety, while ensuring the safety of workers and installations.

Work continued during the year ended 31 March 2025 on the monitoring and maintenance of adequate environmental protection standards, in compliance with the requirements of ISO 14001:2015 on environmental management systems, and of occupational health and safety pursuant to ISO 45001:2018.

Employee training sessions covered the following topics: specific job training in compliance with the criteria of the State-Regions Agreement of December 2011, updating and specific training for the persons in charge of safety at work on the methods of exercising control over workers' compliance with legal provisions on health and safety at work, update for First Aid and Emergency Teams staff, use of overhead cranes and Workers' Safety Representative training update.

Simulations were carried out of emergency scenarios, such as fire, evacuation and sickness, with the participation of the staff.

Information on personnel management

The Company's average workforce during the year decreased to 50 employees from the prior year figure of 53. The workforce at the end of the year consisted of 45 people.

The courses delivered - covering the environment, safety and other topics - involved the workforce in a total of 150 hours of activities, carried out both internally and externally (in addition to the OTJ training support provided). The main training activities involved courses on safety and first aid and professional development courses (e.g. VDA/VMM and PCDMIS).

Research and development activities

Pursuant to paragraph 3.1 of Art. 2428 of the Italian Civil Code, we can confirm that no proprietary R&D was carried out during the year.

Transactions with subsidiaries, associates, parent companies and fellow companies

With regard to the provisions of paragraph 3.2 of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have any controlling equity investments and, accordingly, has not entered into any transactions with subsidiaries.

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis of the Italian Civil Code, it is confirmed that relations with related parties comprise transactions with the parent company and its subsidiaries (together referred to as "affiliates"), as summarised below: Receivables from affiliates classified as current assets.

Receivables from affiliates classified as current assets

Description	FY 2025	FY 2024	Change
from parent companies	42,249	46,654	(4,405)
from fellow subsidiaries	57,570	155,657	(98,087)
Total	99,819	202,311	(102,492)

Receivables from parent companies (€42,249 at 31 March 2025) refer to the financial income accrued from the parent company Endurance Overseas S.p.A. in relation to the positive balance of the centralised treasury account with the latter.

Receivables from fellow subsidiaries (€57,570 at 31 March 2025) refer, for the short-term portion, to trade receivables mainly due from Endurance S.p.A. and for the long-term portion to guarantees paid again in favour of Endurance S.p.A. in relation to the lease contract for the Grugliasco plant (owned by the subsidiary).

Payables to and loans from affiliates

Description	FY 2025	FY 2024	Change
due to parent companies	183,838	483,838	(300,000)
due to fellow subsidiaries	21,638	257,619	(235,981)
Total	205,476	741,457	(535,981)

Payables due to parent companies at 31 March 2025 (€183,838) include payables to Endurance Overseas S.p.A. for commercial relationships involving administrative, financial and support services carried out by the parent company in favour of Group companies (on the basis of specific service agreements), regulated at market conditions and payables relating to membership of the tax consolidation in accordance with arts 117-129 of the TUIR (consolidated income tax act).

Payables due to fellow subsidiaries comprise trade payables due to Endurance S.p.A.

Treasury shares

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, we can confirm that the Company did not hold any shares or quotas in the parent company during the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import

tariffs initiated by the United States against most countries, particularly those that have a trade surplus with America. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions. The automotive sector was one of the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of both finished cars and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct, due to reduced exports of European vehicles to the US (or of powertrain units that car manufacturers supply to their plants in the US or in other countries hit by tariffs, such as Mexico), and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here. The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2% compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

In the automotive sector, S&P Global Mobility (a leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide with a -2.6% reduction in Europe. Added to the potential trade conflicts are the uncertainties linked to the transition to electric vehicles and, in particular, the sanctions that car manufacturers would receive if they failed to reach specific emissions targets. Although the European authorities have introduced changes by extending the observation period - the overruns will no longer be calculated over a one-year period, but over a three-year period - the constraints remain. It will therefore be necessary to understand the strategies that car makers will adopt in light of these changes and the requests made by many to reverse total abandonment of internal combustion engines from 2035. As in previous years, it is even more difficult to outline the trend in registrations between battery electric vehicles (BEV), plug-in hybrids (PHEV) and mild hybrids (MHEV). Registrations of such vehicles as a proportion of total registrations has grown significantly over the years, in line with car manufacturers' efforts to introduce new ranges of models and innovative solutions. While the growth in electric vehicles still seems to be the main route in the development path of car manufacturers, also due to the significant investments that they have already made, the requests to maintain a certain portion of vehicles that use internal combustion engines in compliance with the principle of technological neutrality are becoming stronger. This is also to take into account consumer preferences towards more economic traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact), while waiting for the technical solutions that will be introduced to increase mileage, speed up charging times and lower the cost of batteries.

Faced with many possible scenarios, it is believed that the preferable option is to monitor all the solutions that car manufacturers think it best to follow, ready to seize any opportunities offered by the demand for new components, regardless of their final destination.

Based on the information and forecast data that is available, we believe that the company will be in a position to achieve positive results in the future.

The use of financial instruments that should be taken into account when assessing the results and financial position

In accordance with art. 2428, paragraph 3, point 6-bis of the Italian Civil Code, we can attest that the Company has not undertaken any particular policies of financial risk management, as not considered relevant to the Company's circumstances.

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the quotaholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to allocate the result for the year in accordance with the proposal made in the explanatory notes.

Grugliasco, 12/05/2025

For the Board of Directors

The Managing Director

Massimo Venuti

General information on the company

Company data

Name:	ENDURANCE ENGINEERING SRL
Registered office:	VIA MORANDI 9, GRUGLIASCO TO
Quota capital:	100,000.00
Quota capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	11081890011
Tax code:	11081890011
REA Number:	1186114
Legal form:	LIMITED LIABILITY COMPANY
Core business (ATECO):	22.2
Company in liquidation:	no
Company with sole quotaholder:	yes
Company subject to management control and coordination:	yes
Name of the company or entity that exercises management control and coordination:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE OVERSEAS SPA
Country of the parent company:	ITALY
Cooperatives register number:	n/a

Financial statements at 31/03/2025

Balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets		
3) Industrial patents and intellectual property rights	16,810	23,885
7) Other	254,082	448,520
<i>Total intangible assets</i>	<i>270,892</i>	<i>472,405</i>

	31/03/2025	31/03/2024
II - Tangible assets		
1) Land and buildings	521,740	4,428
2) Plant and machinery	991,498	838,620
3) Industrial and commercial equipment	101,966	114,535
4) Other assets	60,280	63,657
<i>Total tangible assets</i>	<i>1,675,484</i>	<i>1,021,240</i>
III - Long-term financial assets		
1) Equity investments in		
d-bis) other companies	5	5
<i>Total equity investments</i>	<i>5</i>	<i>5</i>
<i>Total long-term financial assets</i>	<i>5</i>	<i>5</i>
<i>Total fixed assets (B)</i>	<i>1,946,381</i>	<i>1,493,650</i>
C) Current assets		
I - Inventories		
1) Raw materials, ancillary materials and consumables	731,113	751,476
2) Work in process and semi-finished products	82,839	90,059
4) Finished products and goods	206,292	1,355,571
5) Advances	20,425	736,841
<i>Total inventories</i>	<i>1,040,669</i>	<i>2,933,947</i>
II - Receivables		
1) from customers	958,099	1,130,209
due within one year	958,099	1,130,209
4) from parent companies	42,249	46,654
due within one year	42,249	46,654
5) from fellow subsidiaries	57,570	155,657
due within one year	7,570	105,657
due beyond one year	50,000	50,000
5-bis) tax receivables	499,954	390,459
due within one year	499,954	269,280
due beyond one year	-	121,179
5-ter) deferred tax assets	295,011	321,677
5-quater) due from others	2,057	4,074
due within one year	2,057	4,074
<i>Total receivables</i>	<i>1,854,940</i>	<i>2,048,730</i>

	31/03/2025	31/03/2024
III - Current financial assets		
cash pooling assets	4,039,976	3,439,372
<i>Total current financial assets</i>	<i>4,039,976</i>	<i>3,439,372</i>
IV - Cash and cash equivalents		
1) Bank and postal deposits	832,775	2,075,823
3) Cash on hand	17	19
<i>Total cash and cash equivalents</i>	<i>832,792</i>	<i>2,075,842</i>
<i>Total current assets (C)</i>	<i>7,768,377</i>	<i>10,497,891</i>
D) Prepaid expenses and accrued income	90,738	90,781
<i>Total assets</i>	<i>9,805,496</i>	<i>12,082,322</i>
Liabilities and quotaholders' equity		
A) Quotaholders' equity	6,284,438	6,526,738
I - Quota capital	100,000	100,000
IV - Legal reserve	20,000	20,000
VI - Other reserves, shown separately		
Paid in for future capital increase	1,900,000	1,900,000
<i>Total other reserves</i>	<i>1,900,000</i>	<i>1,900,000</i>
VIII - Retained earnings (accumulated losses)	3,506,738	3,660,009
IX - Net income (loss) for the year	757,700	846,729
Total quotaholders' equity	6,284,438	6,526,738
C) Employee termination indemnities	200,941	197,492
D) PAYABLES		
7) Trade payables	2,075,506	3,118,616
due within one year	2,075,506	3,118,616
11) due to parent companies	183,838	483,838
due within one year	183,838	483,838
11-bis) due to fellow subsidiaries	21,638	257,619
due within one year	21,638	257,619
12) tax payables	104,258	126,515
due within one year	104,258	126,515
13) due to pension and social security institutions	144,452	176,346
due within one year	144,452	176,346
14) other payables	390,915	797,044
due within one year	390,915	797,044

	31/03/2025	31/03/2024
<i>Total payables</i>	2,920,607	4,959,978
E) Accrued expenses and deferred income	399,510	398,114
<i>Total liabilities and quotaholders' equity</i>	<i>9,805,496</i>	<i>12,082,322</i>

Income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) Revenues from sales of goods and services	9,889,120	12,414,263
2) Change in inventories of work in progress, semi-finished and finished products	(1,007,369)	499,855
4) Increases in non-current assets from in-house production	67,000	-
5) Other income and revenues		
Operating grants	-	6,138
other	88,488	122,959
<i>Total other income and revenues</i>	<i>88,488</i>	<i>129,097</i>
<i>Total value of production</i>	<i>9,037,239</i>	<i>13,043,215</i>
B) Cost of Production		
6) raw and ancillary materials, consumables and goods for resale	3,464,695	5,134,799
7) services	1,183,842	1,567,833
8) lease and rental charges	340,001	326,479
9) payroll		
a) wages and salaries	1,771,903	2,294,026
b) social contributions	546,603	600,166
c) employee termination indemnities	128,417	133,233
e) other costs	482	994
<i>Total payroll costs</i>	<i>2,447,405</i>	<i>3,028,419</i>
10) Depreciation, amortisation and writedowns		
a) amortisation of intangible assets	201,512	201,311
b) depreciation of tangible assets	232,252	211,233
d) writedowns of current receivables and liquid funds	52,698	-
<i>Total depreciation, amortisation and writedowns</i>	<i>486,462</i>	<i>412,544</i>
11) change in inventory of raw and ancillary materials, consumables and goods	169,493	908,338

	FY 2024/2025	FY 2023/2024
14) other operating expenses	40,612	309,003
<i>Total cost of production</i>	<i>8,132,510</i>	<i>11,687,415</i>
Difference between production value and cost (A - B)	904,729	1,355,800
C) Financial income and charges		
16) Other financial income		
d) Income other than the above		
from parent companies	42,249	46,652
Other	656	26
<i>Total income other than the above</i>	<i>42,905</i>	<i>46,678</i>
<i>Total other financial income</i>	<i>42,905</i>	<i>46,678</i>
17) Interest and other financial charges		
other	25,639	31,362
<i>Total interest and other financial charges</i>	<i>25,639</i>	<i>31,362</i>
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>17,266</i>	<i>15,316</i>
Income (loss) before taxes (A-B+-C+-D)	921,995	1,371,116
20) Income taxes for the year, current and deferred		
current taxation	26,249	82,688
taxation relating to prior years	(62)	(411)
deferred taxation	26,666	44,482
income (charges) from tax consolidation/tax transparency	(111,442)	(397,628)
<i>Total income taxes for the year, current and deferred</i>	<i>164,295</i>	<i>524,387</i>
21) Net income (loss) for the year	757,700	846,729

Statement of cash flows (indirect method)

	FY 2024/2025	FY 2023/2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	757,700	846,729
Taxation	164,295	524,387
Interest expense/(interest income)	(17,266)	(15,316)
<i>1) Income (loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>904,729</i>	<i>1,355,800</i>

	FY 2024/2025	FY 2023/2024
Adjustments for non-cash items that had no contra-entry in net working capital		
Provisions	5,443	5,098
Depreciation and amortisation	433,764	412,544
Writedowns for permanent losses	52,698	-
<i>Total adjustments for non-cash items that had no contra-entry in net working capital</i>	<i>491,905</i>	<i>417,642</i>
<i>2) Cash flow before changes in net working capital</i>	<i>1,396,634</i>	<i>1,773,442</i>
Change in net working capital		
Decrease/(Increase) in inventory	1,893,278	(328,358)
Decrease/(Increase) in trade receivables	217,499	268,480
Increase/(Decrease) in trade payables	(1,346,056)	934,632
Decrease/(Increase) in accrued income and prepaid expenses	43	(6,193)
Increase/(Decrease) in accrued expenses and deferred income	1,396	
Other decreases/(Other Increases) in net working capital	(451,236)	(17,608)
<i>Total changes in net working capital</i>	<i>314,924</i>	<i>850,953</i>
<i>3) Cash flow after changes in net working capital</i>	<i>1,711,558</i>	<i>2,624,395</i>
Other adjustments		
Interest collected/(paid)	17,266	15,316
(Income taxes paid)	(482,780)	(56,097)
(Use of provisions)	(1,994)	(60,968)
<i>Total other adjustments</i>	<i>(467,508)</i>	<i>(101,749)</i>
Cash flow from operating activities (A)	1,244,050	2,522,646
B) Cash flows from investing activities		
Tangible assets		
(Additions)	(886,496)	(370,896)
Intangible assets		
(Additions)		(14,551)
Current financial assets		
(Additions)	(600,604)	(1,985,409)
Cash flow from investing activities (B)	(1,487,100)	(2,370,856)
C) Cash flows from financing activities		
Third-party funds		
Increase (Decrease) in current bank loans	-	(63,896)
Own funds		
(Dividends and interim dividends paid)	(1,000,000)	-

	FY 2024/2025	FY 2023/2024
Cash flow from financing activities (C)	(1,000,000)	(63,896)
Increase (decrease) in cash and cash equivalents (a ± b ± c)	(1,243,050)	87,894
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	2,075,823	1,987,673
Cash on hand	19	275
Total cash and cash equivalents at the beginning of the year	2,075,842	1,987,948
Cash and cash equivalents at the end of the year		
Bank and postal deposits	832,775	2,075,823
Cash on hand	17	19
Total cash and cash equivalents at the end of the year	832,792	2,075,842

Information on the statement of cash flows

The statement of cash flows for the year is presented on a comparative basis in accordance with OIC 10.

This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities.

The "Increase (Decrease) in non-current financial assets" relates to the change in the treasury management (cash pooling) account managed by Endurance Overseas S.p.A., which increased during the year by € 600,604.

Explanatory notes - first part

Quotaholders,

These notes are an integral part of the financial statements for the year ended 31 March 2025.

The financial statements submitted for your approval report net income of €757,700, after taxes of €164,295 and depreciation and amortisation of €433,764

Form and content of the financial statements

The financial statements for the year ended 31 March 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the Italian Accounting Board (OIC) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.

The current liquidity of the Company, together with that of the Group, means that, at present, there are no threats to the ability of the business to continue operations over the next 12 months.

The financial statements comprise the balance sheet, the income statement, the statement of cash flows (prepared in conformity with the respective requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these explanatory notes.

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared. The items preceded by Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. The financial statements have been prepared on a consistent basis with the previous year.

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

The purpose of the explanatory notes is to describe, analyse and, in some cases, supplement the data reported on the face of the financial statements. They contain the information required by arts. 2427 and 2427 bis c.c., other provisions of the civil code and other legislation. In addition, they provide all the complementary information deemed necessary in order to present the most transparent and complete view possible, even if such information is not required by specific legislation.

Amounts are stated in whole euro, unless specified otherwise.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC; they have thus been prepared clearly and give a true and fair view of the company's financial position and results of operations.

Basis of preparation

The information contained in this document is presented in the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Italian Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

Pursuant to Art. 2423 ter of the Italian Civil Code, we can confirm that all of the financial statement items are comparable with the prior year; no restatement of prior year items has been necessary.

Accounting policies

The accounting policies applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the civil code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis. Intangible assets are recognised with the consent of the Board of Statutory Auditors where prescribed by law.

Their book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful lives of the relevant assets:

Intangible assets	Amortisation period
Start-up and expansion costs	5 years on a straight-line basis
Industrial patents and intellectual property rights	3 years on a straight-line basis
Concessions, licences, trademarks and similar rights	5 years on a straight-line basis
Other intangible assets	5 years on a straight-line basis

Start-up and expansion costs have been capitalised as they involve long-term benefits; these costs are amortised over a period that does not exceed five years.

"Concessions, licences, trademarks and similar rights" mainly include capitalised costs for the purchase of software.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible assets"). They are amortised systematically over the period they are expected to benefit (prudently set at 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the Company.

If permanent impairment is identified regardless of the amortisation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs. This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c.

Pursuant to Art. 10 of Law 72 of 19 March 1983 and subsequent laws on revaluations of assets, it is hereby confirmed that the intangible assets recorded in the books have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible assets are only revalued if this is required or allowed by special laws.

Pursuant to Art. 10 of Law 72 of 19 March 1983 and subsequent laws on revaluations of assets, it is hereby confirmed that the tangible assets recorded in the books have never been revalued.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible fixed assets are depreciated systematically each year on a straight-line basis using the following rates:

Tangible asset items	Depreciation rate
Temporary constructions	10.00%
General plant	7.50%
Specific machinery	12.50%
Tools and equipment	12.50%
Motor cars	25.00%
Internal transport vehicles	20.00%
Electronic office machines	20.00%
Furniture and shelving	12.00% - 12.50%
Assets costing less than € 516.46	100.00%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the fixed assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible fixed asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Impairment (tangible and intangible assets)

At each reporting date, the Company determines if there is any evidence that the value of its tangible and intangible fixed assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

With regard to the above, the Company has looked for evidence that the value of its tangible and intangible assets might be impaired, but did not find any and, accordingly, has not determined the recoverable value of the above assets.

Equity investments and securities (classified as long-term financial assets)

The equity investments and debt securities classified as non-current assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment. Debt securities are measured using the amortised cost method.

The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If lasting impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by

an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

The amortised cost of a security is its original carrying amount, net of any redemptions of principal, as increased or decreased by the accumulated amortisation, calculated using the effective interest method, of any difference between its initial and maturity values after deducting any impairment (recognised directly or by a provision) following a loss in value. The original carrying amount is represented by purchase or subscription cost, net of any commissions.

Intercompany loans

Intercompany loans with a duration of more than 12 months are usually governed by contracts arranged on market terms and conditions; interest-free intercompany loans and those arranged at significantly below market rates are recognised initially at the value of the related future cash flows, as discounted using the market rate (being the average funding rate of the Company or the Group). The difference with respect to the liquidity collected by the parent company is credited to quotaholders' equity.

Inventories

Inventories are stated at the lower of purchase and/or production cost, determined using the weighted average cost method, or the realisable value inferred from market prices.

In particular, the specific criteria used to measure the various categories of inventory (unchanged with respect to the prior year) are summarised below:

- Raw materials: annual weighted average cost.
- Work in process (semi-finished products): specific cost with the weighted average cost approach based on the stage of completion of the production process, which represents the cost of production.
- Finished products: specific cost with the weighted average cost approach.
- Dies for resale: purchase cost
- Consumables: purchase cost, inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

The realisable value of goods, finished products, semi-finished products and work in process inferred from market conditions is deemed to be their net realisable value. Raw and ancillary materials held for the production of finished products are not written down if the finished products in which they will be used are realisable for an amount that is greater than or equal to their production cost.

Inventories are written down when their realisable value estimated with reference to market conditions is lower than their carrying amount. Obsolete and slow-moving inventories are written down with reference to their possible uses or realisable value. If in future years the reasons for any writedown cease to apply, the related inventories are written back to not more than their original cost.

Receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement.

Receivables assigned to factors are only derecognised if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement caption C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Receivables deriving from centralised treasury management activities are classified separately within current assets, if recoverable in the short term. If this is not the case, they are classified as financial fixed assets.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Employee termination indemnities

Employee termination indemnities represent the total amount that would have been payable to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated 27 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following the creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortisation cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different from the market rate of interest.

Finance Leases

Finance leases are recognised using the payments method, by charging the instalments paid to the income statement on an accruals basis. A specific section of these explanatory notes contains the supplementary information required by the law on the effect of recognising these contracts using finance lease methodology.

Derivative financial instruments

Derivative financial instruments consist of financial assets and liabilities measured at fair value.

They are only classified as hedging instruments when, at the time of arrangement, there is a strict, documented correlation between the characteristics of the hedged item and those of the hedging instrument, and that hedging relationship is both formally documented and, based on periodic checks, highly effective.

When derivatives hedge the risk of changes in the fair value of the hedged instruments (fair value hedges), they are measured at fair value through profit or loss; for consistency, the carrying amounts of the hedged items are adjusted to reflect the changes in fair value associated with the hedged risk.

When derivatives hedge the risk of changes in future cash flows of the hedged instruments ("cash flow hedges"), the effective portion of the profits or losses on the derivative financial instrument is put into suspense in equity (under the "Reserve for cash flow hedges", net of tax). The ineffective portion of the profits and losses associated with a hedge is recognised in the income statement. On completion of the transaction, the accumulated profits and losses, previously deferred to quotaholder's equity, are released to the income statement (to adjust the income statement items affected by the hedged cash flows).

When hedge accounting is used, the changes in the related fair value of the hedging derivatives are recognised:

- in income statement captions D18 or D19, in the case of a fair value hedge of a reported asset or liability, together with the changes in the fair value of the hedged items (if the change in the fair value of the hedged item is greater in absolute terms than the change in the fair value of the hedging instrument, the difference is recognised in the income statement caption affected by the hedged item);
- in a specific equity reserve (caption AVII "Reserve for cash flow hedges") in a manner that offset the effects of the hedged flows (the ineffective portion, like the change in the time value of options and forwards, is classified in captions D18 and D19).

The changes in the fair value of financial instruments that are classified as trading derivatives, either because they do not qualify for treatment as hedging derivatives or because they were not designated as hedges, even though they were arranged operationally to hedge the risk of changes in interest rates and/or exchange rates and/or commodity prices, are recorded in the balance sheet and recognised in income statement captions D18 or D19.

Any derivatives embedded in other financial instruments must also be measured at fair value. In particular, embedded instruments are only separated from the primary contract and recognised as derivative financial instruments if, and only if:

- a) the economic characteristics and risks of the embedded derivative are not closely correlated with the economic characteristics and risks of the primary contract. Close correlation exists if hybrid contracts are arranged in accordance with market practice;
- b) all the elements included in the definition of a derivative financial instrument specified in OIC 32.11 are satisfied.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the quotaholders' meeting.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Taxation

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively among the current assets as “deferred tax assets” and among the provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the quotaholder.

Also for the year under review the Company forms part of the Endurance domestic tax group pursuant to arts. 117/129 of the Consolidated Tax Act (T.U.I.R.)

Endurance Overseas S.p.A. is the parent of this tax group and calculates just one taxable income for all member companies, with the benefit that taxable income can be offset against tax losses in a single tax declaration.

All members of the tax group transfer their taxable income (or loss) to the group parent, which records an amount receivable from them for the IRES to be paid (the consolidated companies record an amount payable to the tax group parent). Conversely, the group parent records an amount payable to the companies that transfer tax losses, representing the IRES actually offset at group level (the consolidated companies record an amount receivable from the tax group parent).

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

However, the Company does not have any assets or liabilities denominated in foreign currency at the balance sheet date.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes, assets

The assets recorded in the balance sheet are measured in accordance with art. 2426 c.c. and Italian accounting standards. The specific measurement criteria applied are indicated in the individual notes on each item.

Fixed assets

Intangible assets

Intangible assets total €270,892 at 31 March 2025, after charging amortisation of €201,512 to the income statement.

Movements in intangible assets

The table shows the movements in fixed assets during the year:

	Start-up and expansion costs	Concessions, licences, trademarks and similar rights	Goodwill	Other intangible assets	Total intangible assets
Balance at the beginning of the year					
Cost	2,788	86,011	1,800,000	1,096,149	2,984,948
Amortisation (accumulated amortisation)	2,788	62,126	1,620,000	647,629	2,332,543
Writedowns	-	-	180,000	-	180,000
Carrying amount	-	23,885	-	448,520	472,405
Changes during the year					
Amortisation for the year	-	7,075	-	194,437	201,512
<i>Total changes</i>	-	<i>(7,075)</i>	-	<i>(194,437)</i>	<i>(201,512)</i>
Balance at the end of the year					
Cost	2,788	86,011	1,800,000	1,096,149	2,984,948
Amortisation (accumulated amortisation)	2,788	69,201	1,620,000	842,067	2,534,056
Writedowns	-	-	180,000	-	180,000
Carrying amount	-	16,810	-	254,082	270,892

Considering the latest forward-looking scenarios and the current situation, no evidence of possible impairment of intangible assets has been found and, accordingly, no write-downs have been recorded pursuant to art. 2426, para. 1, point 3, of the Italian Civil Code and the requirements of OIC 9. The adjustment of goodwill in prior years (fully amortised at 31 March 2019), indicated in the above table, was not a reflection of impairment, but rather of a change in its useful life following a revision of the expected time needed to develop the business.

Tangible assets

Tangible assets, gross of the related accumulated depreciation total €4,452,316 at 31 March 2025; The related accumulated depreciation totals €2,776,833, including the depreciation charge for the year of €232,252.

Movements in tangible assets

The following table shows the movements in tangible assets during the year.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Total tangible assets
Balance at the beginning of the year					
Cost	18,885	2,766,372	537,435	250,834	3,573,526
Depreciation (accumulated depreciation)	14,457	1,927,752	422,900	187,177	2,552,286
Carrying amount	4,428	838,620	114,535	63,657	1,021,240
Changes during the year					
Additions	524,170	331,440	14,392	16,494	886,496
Depreciation for the year	6,858	178,562	26,961	19,871	232,252
<i>Total changes</i>	<i>517,312</i>	<i>152,878</i>	<i>(12,569)</i>	<i>(3,377)</i>	<i>654,244</i>
Balance at the end of the year					
Cost	543,056	3,097,810	544,123	267,327	4,452,316
Depreciation (accumulated depreciation)	21,316	2,106,312	442,157	207,047	2,776,832
Carrying amount	521,740	991,498	101,966	60,280	1,675,484

The increases during the financial year mainly relate to the purchase of an industrial warehouse in Grugliasco (TO), as well as investments and improvements to the production lines.

With specific reference to the assessment of the impairment indicators resulting from the health emergency, in response also to the request of the group to which they belong, a careful analysis of the prospective financial flows was made and, on the basis of the information currently available, we reached the conclusion that it was not necessary to make any write-downs pursuant to art. 2426 paragraph 1.3 of the Italian Civil Code as the presence of indicators of potential impairment of tangible fixed assets was assessed, without identifying any, as required by OIC 9.

Finance leases

At the balance sheet date the company is not party to any finance lease contracts.

Long-term financial assets

All the equity investments recorded in the financial statements are stated at cost, where cost is understood as the expense incurred for the purchase, regardless of the manner of payment, including any ancillary charges (commissions and bank charges, stamp duty, bank intermediary fees, etc.).

The value of the investments recorded in the financial statements, equal to €5 (unchanged with respect to the previous year) refers to consortium shares.

Current assets

Current assets are measured in the manner described in paragraphs 8 to 11-bis of art. 2426 of the Civil Code. The accounting policies applied are illustrated in the respective financial statements items

Inventories

Inventories amount to €1,040,669 at 31 March 2025 (€2,933,947 at 31 March 2024) and are stated net of an allowance for obsolete and slow-moving items totalling €220,035, which was utilised for €23,506 during the year:

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
raw materials, ancillary materials and consumables	751,476	(20,363)	731,113
work in process and semi-finished products	90,059	(7,220)	82,839
finished products and goods	1,355,571	(1,149,279)	206,292
advances	736,841	(716,416)	20,425
Total	2,933,947	(1,893,278)	1,040,669

The market value of inventories has not fallen below their carrying amounts as a result of cancellation of sales orders.

Current receivables

Current receivables total €1,854,940 at 31 March 2025 and have decreased since 31 March 2024 (€2,048,730), as shown in the following table.

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	1,130,209	(172,110)	958,099	958,099	-
Receivables due from parent companies	46,654	(4,405)	42,249	42,249	-
Receivables due from fellow subsidiaries	155,657	(98,087)	57,570	7,570	50,000
Tax receivables	390,459	109,495	499,954	499,954	-
Deferred tax assets	321,677	(26,666)	295,011	-	-
Other receivables	4,074	(2,017)	2,057	2,057	-
Total	2,048,730	(193,790)	1,854,940	1,509,929	50,000

These receivables are stated at their estimated realisable value as application of the amortisation cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations.

The nominal amount of trade receivables is adjusted to reflect their expected realisable value by the allowance for doubtful accounts of €72,269, which recorded utilisations for the year of €200 and provisions for €52,698.

Receivables from parent companies (€42,249 at 31 March 2025) refer to the financial income accrued from the parent company Endurance Overseas S.p.A. in relation to the positive balance of the centralised treasury account with the latter.

Receivables from fellow subsidiaries (€57,570 at 31 March 2025) refer, for the short-term portion, to trade receivables mainly due from Endurance S.p.A. and for the long-term portion to guarantees paid again in favour of Endurance S.p.A. in relation to the lease contract for the Grugliasco plant (owned by the subsidiary).

Tax receivables (€499,954 at 31 March 2025) refer, for €56,398, to the IRAP credit for the financial year, deriving from advance payments made in excess of the amount actually due, for €363,536 to credits for investments in new capital goods, both ordinary and technologically advanced (Industry 4.0) and to various tax credits for the rest.

Deferred tax assets (€295,011 at 31 March 2025) mainly relate to temporary differences between the statutory accounts bases and the tax bases of the carrying amount of goodwill and the deductibility of provisions for risks and writedowns recognised in prior years and in the current year.

Other receivables (€2,057 at 31 March 2025) mainly refer to miscellaneous non-trade receivables.

Breakdown of current receivables by geographical area

A breakdown by geographical area of receivables has not been provided as the information is not significant, given that almost all receivables are due from domestic customers.

Current financial assets

Movements in current financial assets

Pursuant to article 2423-ter, paragraph 3 of the Italian Civil Code, and having verified the short-term due dates as foreseen in OIC 14, the Company recorded the receivable from Endurance Overseas S.p.A., the company that manages the Group's cash pooling system on the basis of an agreement that the Company signed during the year, under item C.3.7. Current financial assets.

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
cash pooling assets	3,439,372	600,604	4,039,976
Total	3,439,372	600,604	4,039,976

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	2,075,823	(1,243,048)	832,775
cash on hand	19	(2)	17
Total	2,075,842	(1,243,050)	832,792

This item principally comprises the balance on bank current accounts at 31 March 2025.

See the statement of cash flows for further analysis of the changes during the year.

Accrued income and prepaid expenses

The following table shows the changes in prepaid expenses and accrued income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Prepaid expenses	90,781	(43)	90,738
Total	90,781	(43)	90,738

This item relates to prepaid rentals, services and insurance premiums.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes, liabilities and quotaholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Quotaholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28. The changes in the Company's equity items in the year prior to the year under review (as of 31/03/2024) are as follows:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Other changes - Decreases	Result for the year	Balance at the end of the year
Quota capital	100,000	-	-	-	100,000
Legal reserve	20,000	-	-	-	20,000
Paid in for future capital increase	1,900,000	-	-	-	1,900,000
Cash flow hedging reserve	145	-	145	-	-
Retained earnings (accumulated losses)	2,966,828	693,181	-	-	3,660,009
Net income (loss) for the year	693,181	(693,181)	-	846,729	846,729
Total	5,680,154	-	145	846,729	6,526,738

The changes in the Company's equity items in the year ended 31/03/2025 are shown below:

	Balance at the beginning of the year	Allocation of the prior year result - distribution of dividends	Allocation of the prior year result - Other allocations	Result for the year	Balance at the end of the year
Quota capital	100,000	-	-	-	100,000
Legal reserve	20,000	-	-	-	20,000
Paid in for future capital increase	1,900,000	-	-	-	1,900,000
Retained earnings (accumulated losses)	3,660,009	(1,000,000)	846,729	-	3,506,738
Net income (loss) for the year	846,729	-	(846,729)	757,700	846,729
Total	6,526,738	-	-	757,700	6,284,438

Availability and use of quotaholder's equity

The following table provides details of the components of quotaholders' equity, including their origin, their potential utilisation and whether they are distributable, as well as their utilisation in the prior three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Quota capital	100,000	Quota capital		-
Legal reserve	20,000	Revenue	B	-
Paid in for future capital increase	1,900,000	Quota capital	A; B	-
Retained earnings (accumulated losses)	3,506,738	Capital	A; B; C	3,506,738
Total	5,526,738			3,506,738
Amount not distributable				295,011
Residual amount distributable				3,211,727
Key: A: for increase in capital; B: to cover losses; C: for distribution to quotaholders; D: for other statutory requirements; E: other				

The non-distributable portion relates to the deferred tax asset that falls into the category of positive elements that are still to be realised.

Employee termination indemnities

Changes in the provision for employee termination indemnities are shown in the following table.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Provision for employee termination indemnities	197,492	5,443	1,994	3,449	200,941
Total	197,492	5,443	1,994	3,449	200,941

The provision shown in the table relates entirely to revaluation of the employee termination indemnities still held by the Company. The majority of the charge to the income statement (item B9 c)) relates to current termination indemnities earned and allocated to the INPS treasury fund, Previndai, Fondo Cometa and the supplementary pension funds chosen, where applicable, by the employees concerned.

Payables

Payables are shown in the balance sheet at 31 March 2025 for a total amount of €2,920,607 (€4,959,978 at 31 March 2024). Pursuant to art. 12, para. 2 of Decree 139/2015, the Company has elected to measure payables using

the amortised cost method. This election was made on a prospective basis and, therefore, only applies to the payables that have arisen subsequent to 1 April 2016.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year
Trade payables	3,118,616	(1,043,110)	2,075,506	2,075,506
Payables due to parent companies	483,838	(300,000)	183,838	183,838
Payables due to fellow subsidiaries	257,619	(235,981)	21,638	21,638
Tax payables	126,515	(22,257)	104,258	104,258
Due to pension and social security institutions	176,346	(31,894)	144,452	144,452
Other payables	797,044	(406,129)	390,915	390,915
Total	4,959,978	(2,039,371)	2,920,607	2,920,607

Payables due to parent companies at 31 March 2025 (€183,838) include payables to Endurance Overseas S.p.A. for commercial relationships involving administrative, financial and support services carried out by the parent company in favour of Group companies (on the basis of specific service agreements), regulated at market conditions and payables relating to membership of the tax consolidation in accordance with arts 117-129 of the TUIR (consolidated income tax act).

Payables due to fellow subsidiaries comprise trade payables due to Endurance S.p.A.

Tax payables include the balance of VAT due for the period for €31,340, while the rest is for withholdings to be paid in connection with the services of employed and self-employed workers.

Other payables mainly include amounts due to personnel, for payroll to be paid and for deferred salary instalments (€380,016), as well as other payables of various kinds.

There have been no changes in the amount or conditions of payment of liabilities, nor violations of contractual clauses linked to the ongoing conflicts in Ukraine and the Middle East, as the Company's customers and/or suppliers are not directly involved in these areas.

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Loans from quotaholders

The company has not received any loans from its quotaholders.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued expenses	-	1,396	1,396
Deferred income	398,114	-	398,114
Total	398,114	1,396	399,510

Accrued expenses include costs pertaining to the financial year, but which will be paid the following year.

Deferred income, with no change since the previous year, includes the portions of income accruing from subsequent years, including the portions (of which €307,290 pertaining to years beyond the next 4 months) relating to tax credits accrued in relation to the Ecobonus and for investments in technologically advanced capital goods (Industry 4.0).

Explanatory notes - income statement

The income statement reports the results for the year.

This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, can be broken down into the following categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

VALUE OF PRODUCTION

The value of production in 2024-2025 is analysed below with comparative figures:

Description	FY 2024/2025	FY 2023/2024	Change
Revenues from sales of goods and services	9,889,120	12,414,263	(2,525,143)
Changes in inventories of work in progress, semi-finished and finished products	(1,007,369)	499,855	(1,507,224)
Additions to non-current assets from in-house production	67,000		67,000
Other revenues	88,488	129,097	(40,609)
Total	9,037,239	13,043,215	(4,005,976)

Turnover decreased by more than 25%, mainly due to the reduction in sales to customers of the Tyco and Hanon groups, only partially offset by new orders from other customers.

Analysis of revenue from sales of goods and services by geographical area

The following table provides a breakdown of revenue from sales of goods and services by geographical area in the automotive sector:

Geographical area	FY 2024/2025	Weight %	FY 2023/2024	Weight %
ITALY	7,709,968	78%	11,515,062	93%
OTHER EUROPEAN COUNTRIES	2,116,570	21%	804,337	6%
NON-EU COUNTRIES	62,582	1%	94,864	1%
Total	9,889,120		12,414,263	

Production cost

The following table provides a breakdown of production cost with comparative figures from the previous year:

Description	FY 2024/2025	FY 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	3,464,695	5,134,799	(1,670,104)
Cost of services	1,183,842	1,567,833	(383,991)
Lease and rental charges	340,001	326,479	13,522
Payroll costs			
Wages and salaries	1,771,903	2,294,026	(522,123)
Social contributions	546,603	600,166	(53,563)
Employee termination indemnities	128,417	133,233	(4,816)
Other costs	482	994	(512)
Amortisation of intangible assets	201,512	201,311	201
Depreciation of tangible assets	232,252	211,233	21,019
Writedown of receivables included in current assets	52,698	-	52,698
Change in inventory of raw and ancillary materials, consumables and goods	169,493	908,338	(738,845)
Other operating expenses	40,612	309,003	(268,391)
Total	8,132,510	11,687,415	(3,554,905)

Cost of raw and ancillary materials, consumables and goods for resale and Cost of services

The items in question have undergone a significant reduction (almost -40%) both as a consequence of the reduction in sales volume that occurred during the year and because of a different production mix.

Payroll costs

This item (which has gone down by 19% compared with the previous year) comprises the entire cost of employees, inclusive of merit increases, changes in labour category, holiday pay and accruals required by law and by collective

labour agreements. This item also includes the cost of temporary work. The decrease during the year is due to a reduction in personnel resulting from the reorganisation of the production structure.

Depreciation, amortisation and provisions

Depreciation and amortisation, which rose by 5% on the previous financial year, in relation to the investments made over the last 2 financial years, are calculated on the basis of the useful life of the asset and its wear and tear in production. The provisions to the allowance for doubtful accounts are based on an assessment of the individual trade receivables.

Other operating expenses

The item shows a significant reduction compared with the previous year, mainly due to a lower proportion of penalties and compensation paid to customers.

Financial income and charges

Financial income and charges are recorded on an accruals basis. The net balance for the year is positive and equal to €17,266, due to the remuneration received from Endurance Overseas S.p.A. on positive balances on the cash pooling account.

Composition of income from equity investments

There has been no income from equity investments as indicated by paragraph 15 of Art. 2425 of the Italian Civil Code.

Breakdown of interest and other financial charges by type of payable

The following table provides details of interest and other financial charges as required by paragraph 17 of Art. 2425 of the Italian Civil Code, with specific details of costs relating to bonds, to amounts due to banks and to other charges.

	Due to banks	Other	Total
Interest and other financial charges	19,878	5,761	25,639

Amount and nature of revenues/costs of individual significance

During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table:

	FY 2024/2025	FY 2023/2024
Income taxes	164,295	524,387
Current taxation		
of which: IRES for the year (current)	-	-
of which: IRAP for the year (current)	26,249	82,688
Taxation relating to prior years	(62)	(411)
Deferred taxation	26,666	44,482
(Income)/charges from tax consolidation	111,442	397,628

Deferred tax assets have been set aside to sterilise the temporary differences that arose during the year.

The principal temporary differences giving rise to the recognition of deferred taxation are presented in the following table together with their related effects. These were determined using the tax rates expected to be applicable in the years in which the temporary differences reverse (24% for IRES and 3.9% for IRAP).

The charge for joining the tax consolidation highlights the effects of the Company's adhesion to the group taxation regime under arts. 117-129 of the Consolidated Income Tax Act.

Recognition of deferred tax assets and liabilities and their impact

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	155,952	155,952
Total taxable temporary differences	66,365	23,507
Net temporary differences	(89,587)	(132,445)
B) Tax effects		
Provision for deferred tax liability (assets) at the beginning of the year	(278,513)	(43,164)
Deferred tax liability (assets) of the year	21,501	5,165
Provision for deferred tax liability (assets) at the end of the year	(257,012)	(37,999)

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages

	Executives	White collar	Blue collar	Total employees
FY 2024/25	1	14	35	50

The Company employed 45 persons at 31 March 2025.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

No fees were paid to directors in the financial year 2024/2025.

Fees of the independent auditor or firm of auditors

As required by art. 2427 c.c., the following table analyses the total fees earned by the legal auditor (or firm of legal auditors) for the legal audit of the annual financial statements, the total fees earned for other auditing services, the total fees earned for tax advisory services and the total fees earned for other non-audit services.

	Independent audit of the annual financial statements	Other non-audit services	Total fees earned by the independent auditor or firm of auditors
Amount	7,350	1,050	8,400

Deloitte & Touche S.p.A. has been engaged to perform the independent audit. The costs for auditing the annual accounts also include the fees for checking that the books of account have been kept regularly, while the other services performed refer to activities required prior to signing the tax return

Classes of shares issued by the Company

This paragraph of the notes is not pertinent, as the Company's capital does not consist of shares.

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the Civil Code.

Details on other financial instruments issued by the Company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the Italian Civil Code.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the Italian Civil Code.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into during the year.

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., it is confirmed that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following information is provided about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary:

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	Endurance Overseas S.p.A.
Town (if in Italy) or foreign State	Aurangabad (India)	Lombardore (Turin)
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Aurangabad (India) India Stock Exchange: NSE and BSE	Registered office: Lombardore (Turin) Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivative financial instruments pursuant to art. 2427-bis of the Italian Civil Code

We can confirm that the company is not party to any derivatives.

Summary financial statements of the company which exercises management control and coordination

The Company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Aurangabad, Maharashtra, India, which directly and indirectly owns the entire capital of the Company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90.1365 (89.399 on 31 March 2023) - (source: European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and quotaholders' equity		
Quotaholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and quotaholders' equity	46,853.04	41,090.45

Income statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

The following section describes relations with the company that provides management control and coordination services and with the other affiliates, as well as the effect of those activities on the operations of the Company and its results.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies,

advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that they are recorded in the National Register of State Aid.

Proposed allocation of profits or coverage of losses

Quotaholders,

In light of the matters explained above, the Board of Directors proposes to allocate the net income for the year of € 757,700 to "retained earnings (accumulated losses)".

Explanatory notes - closing section

Quotaholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's assets and liabilities, financial position and results for the year and agree with the accounting records. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors. The financial statements are true and fair and agree with the accounting records.

Grugliasco, 12 May 2025

For the Board of Directors

The Managing Director

Massimo Venuti

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010****To the Sole Quotaholder of
Endurance Engineering S.r.l.****REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of Endurance Engineering S.r.l. (the "Company"), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Endurance Engineering S.r.l. does not extend to such data.

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.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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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.
- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance Engineering S.r.l. are responsible for the preparation of the report on operations of the Company as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Endurance Engineering S.r.l. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ENDURANCE CASTINGS SPA

Company with sole shareholder:

Head office: VIA CONCA D'ORO 14 - 14/A BIONE (BRESCIA)

Tax Code and Brescia Companies Register no. 00293110177

Brescia Chamber of Commerce (REA) no. 55600

Share capital: € 900,000.00 subscribed and fully paid

VAT Number: 00551150980

Management control and coordination: ENDURANCE TECHNOLOGIES PRIVATE LTD

Report on operations

Financial statements at 31/03/2025

Shareholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euro, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%.

With regards to the automotive sector, in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023). Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs)

achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

In light of the new orders acquired by the group, the significant investments made in previous years have allowed the company to improve its performance, despite the negative trend in car production in the European Union. It should also be remembered that, even though the prices of energy factors have fallen from the peaks of previous years, they have still levelled out significantly higher than historical averages with the material component of electricity 170% more expensive on average and gas 210% more expensive, impacting performance. Overall, the results have been positive and getting better.

Key events

No particularly significant events took place during the year.

Management control and coordination activities

Pursuant to para. 5 of art. 2497-bis of the Italian Civil Code, it is confirmed that the company belongs to the ENDURANCE Group (India) and is subject to management and coordination by ENDURANCE TECHNOLOGIES LIMITED (India), whose shares have been listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE) since October 2016.

The management control and coordination activities carried out have not had any particular impact on the Company's activities or its results. We can also confirm that no decisions were made under the influence of the Company that performs the management control and coordination activities, that might require an indication of the reasons and interests affecting them.

Financial position

A reclassified balance sheet is provided below to facilitate a better understanding of the Company's financial position.

Balance Sheet - Assets

Item	FY 2024/2025	%	FY 2023/2024	%	Change	Change %
WORKING CAPITAL (WC)	23,032,048	69.51%	21,413,529	67.79%	1,618,519	7.56%
Immediate liquidity	653,494	1.97%	1,869,398	5.92%	(1,215,904)	-65.04%
Cash and cash equivalents	653,494	1.97%	1,869,398	5.92%	(1,215,904)	-65.04%
Deferred liquidity	16,988,125	51.27%	13,770,821	43.60%	3,217,304	23.36%
Current receivables included in WC	9,695,712	29.26%	10,293,910	32.59%	(598,198)	-5.81%
Current portion of non-current receivables	24,641	0.07%	18,077	0.06%	6,564	36.31%
Financial assets	7,188,754	21.70%	3,433,315	10.87%	3,755,439	109.38%
Accrued income and prepaid expenses	79,018	0.24%	25,519	0.08%	53,499	209.64%
Inventories	5,390,429	16.27%	5,773,310	18.28%	(382,881)	-6.63%
FIXED ASSETS	10,101,384	30.49%	10,174,039	32.21%	(72,655)	-0.71%
Intangible assets	2,460	0.01%	3,690	0.01%	(1,230)	-33.33%
Tangible assets	9,476,127	28.60%	8,782,094	27.80%	694,033	7.90%
Long-term financial assets	2,088	0.01%	2,088	0.01%	-	0.00%
Non-current portion of receivables included in WC	620,709	1.87%	1,386,167	4.39%	(765,458)	-55.22%
CAPITAL EMPLOYED	33,133,432	100.00%	31,587,568	100.00%	1,545,864	4.89%

Balance Sheet - Liabilities and Equity

Item	FY 2024/2025	%	FY 2023/2024	%	Change	Change %
MINORITY INTEREST	20,686,135	62.43%	18,022,386	57.06%	2,663,749	14.78%
Current liabilities	19,062,511	57.53%	15,720,882	49.77%	3,341,629	21.26%
Current payables	16,921,257	51.07%	13,978,414	44.25%	2,942,843	21.05%
Accrued expenses and deferred income	2,141,254	6.46%	1,742,468	5.52%	398,786	22.89%
Non-current liabilities	1,623,624	4.90%	2,301,504	7.29%	(677,880)	-29.45%
Non-current payables	-	0.00%	750,267	2.38%	(750,267)	-100.00%
Provision for risks and charges	1,432,606	4.32%	1,354,537	4.29%	78,069	5.76%
Employee termination indemnities	191,018	0.58%	196,700	0.62%	(5,682)	-2.89%
EQUITY	12,447,297	37.57%	13,565,182	42.94%	(1,117,885)	-8.24%
Share capital	900,000	2.72%	900,000	2.85%	-	0.00%
Reserves	6,973,062	21.05%	6,973,062	22.08%	-	0.00%
Retained earnings (accumulated losses)	2,692,120	8.13%	4,984,545	15.78%	(2,292,425)	-45.99%
Net income (loss) for the year	1,882,115	5.68%	707,575	2.24%	1,174,540	166.00%
SOURCES OF FINANCE	33,133,432	100.00%	31,587,568	100.00%	1,545,864	4.89%

Key financial indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024	% Change
Fixed asset coverage	130.95%	154.05%	14.99%
Banks/Working capital	3.19%	5.93%	46.31%
Debt ratio	1.66	1.33	(25.09%)
Financial debt ratio	0.10	0.11	7.08%
Equity/Capital employed	37.57%	42.94%	12.52%
Financial charges/Turnover	0.25%	0.37%	30.68%
Current ratio	120.82%	136.21%	11.30%
Fixed assets/Equity	2,917,340	4,741,156	38.47%
Primary coverage ratio	1.31	1.54	14.95%
(Equity + non current liabilities) - Fixed assets	4,540,964	7,042,660	35.52%
Secondary coverage ratio	1.48	1.80	17.89%
Net working capital	3,969,537	5,692,647	30.27%
Acid test margin	(1,420,892)	(80,663)	(1661.52%)
Acid test ratio	92.55%	99.49%	6.98%

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results.

Income Statement

Item	FY 2024/2025	%	FY 2023/2024	%	Change	Change %
VALUE OF PRODUCTION	46,470,972	100.00 %	40,680,837	100.00 %	5,790,135	14.23 %
- Consumption of raw materials	22,470,553	48.35 %	19,407,394	47.71 %	3,063,159	15.78 %
- General expenses	15,346,200	33.02 %	14,366,088	35.31 %	980,112	6.82 %
VALUE ADDED	8,654,219	18.62 %	6,907,355	16.98 %	1,746,864	25.29 %
- Payroll costs	5,085,756	10.94 %	4,822,575	11.85 %	263,181	5.46 %
- Provisions	1,134,949	2.44 %	972,780	2.39 %	162,169	16.67 %
GROSS OPERATING MARGIN	2,287,513	4.92 %	649,238	1.60 %	1,638,275	252.34 %
- Depreciation, amortisation and writedowns	1,134,949	2.44 %	972,780	2.39 %	162,169	16.67 %
- Other operating expenses	151,121	0.33 %	194,338	0.48 %	(43,217)	(22.24) %
INCOME BEFORE FINANCIAL ITEMS	2,282,393	4.91 %	917,662	2.26 %	1,364,731	148.72 %
+ Financial items	(119,044)	(0.26) %	(148,605)	(0.37) %	29,561	19.89 %
INCOME BEFORE TAX	2,252,335	4.85 %	864,525	2.13 %	1,387,810	160.53 %
- Taxation	2,252,335	4.85 %	864,525	2.13 %	1,387,810	160.53 %
NET INCOME	1,882,115	4.05 %	707,575	1.74 %	1,174,540	166.00 %
EBITDA	3,417,342	7.35 %	1,890,442	4.65 %	1,526,900	80.77 %

Key performance indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024	Change %
R.O.E.	15.12%	5.22%	189.88%
R.O.I.	25.05%	9.55%	162.42%
R.O.S.	4.87%	2.24%	117.01%
R.O.A.	6.89%	2.91%	137.11%

Information required by art. 2428 of the Civil Code

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, the following is a description of the main risks and uncertainties that the Company is exposed to:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy.

Changes in GDP, the cost of raw materials, unemployment, interest rates and the level of confidence shown by consumers and businesses can condition the performance of end customers and, hence, the Company's sales.

There are also further elements of uncertainty linked to geopolitical tensions, particularly the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. Furthermore, the tightening of international sanctions is affecting uncertainties about the trend in prices of energy commodities, basic materials (metals in particular) and agricultural products with repercussions on consumer prices and the growth prospects for the Euro area. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business conditions.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the metal alloys and metal parts machining sector, in which the Company operates, is characterised by heated competition that is partly attributable to the sales trends in the automotive market. As much as the Company has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the Company's results and financial position.

What was mentioned previously with regard to the ability to recover from the negative impacts of the pandemic and the effectiveness of the tools made available to the various economies, will undoubtedly have repercussions on the company's business in relation to the customers' propensity to buy in the automotive market, as well as in consideration of the possible impacts on the mobility habits that consumers will adopt in the near future as a result of current technological transitions and changes in behaviour caused by the pandemic.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector is characterised by continuous product development needed to satisfy the product performance required by car manufacturers and by environmental legislation (which regulates emissions).

Furthermore, the sector's technological updating in terms of market redistribution with respect to propulsion alternatives (internal combustion, hybrid, electric or alternative) determine and will continue to determine an increase in the centrality of the ability to innovate and undertake diversification initiatives by the supply chain as a distinctive element for market competitiveness.

Future investment by the Company will seek to increase the portfolio of products and diversify the types of production - according to the lines of development that are currently applicable in our sector - thereby increasing our ability to meet the needs of our customers. Any failure to follow (or in certain cases anticipate) the development of products and to meet needs in terms of price, quality and functionality imposed by end customers could adversely affect the Company's prospects.

FINANCIAL RISKS: The Company is exposed to the following financial risks in the conduct of its operations:

- credit risks in relation to normal commercial transactions with customers;
- liquidity risks, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risk, mainly relating to changes in interest rates and, to a lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit risk

Given the nature of its industrial activities - the production of engine and gearbox components for car makers - the Company's receivables are structurally concentrated since customers comprise a limited number of industrial groups. The integration of the Company within the Endurance Group makes possible the indirect diversification of customers, by supplying other group companies with unfinished components for the manufacture of products that are then supplied to multiple end customers.

The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risk

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that the funds currently available, maintaining suitable contacts to ensure access to credit, as well as the funds generated by operations, will allow the Company to meet the needs of investing activities, working capital management and the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates.

Risks relating to changes in interest rates

The Company uses financial resources made available principally in the form of bank debt and invests the funds to finance operations and investment and development initiatives. The Company can also factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges. To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions. For this purpose, the Company arranged for floating-rate loans with medium/long-term repayment terms at a time of favourable conditions (with the aim of managing the current unfavourable conditions and strong volatility of interest rates). Lastly, when considered appropriate, the Company makes use of interest rate swaps and caps with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Italian Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the Company's results and financial position, it is not considered meaningful to present non-financial indicators.

Information on the environment

The Company makes sure that production and operating activities comply with the applicable regulations and international agreements, seeking to introduce and maintain a culture that continuously improves environmental performance and the safety of products and processes, while also safeguarding personnel and installations, principally through prevention.

In this context, staff training sessions have focused on safety, operating overhead cranes, refresher courses for Workers' Safety Representatives, forklift truck operators and safety regulations as per art. 2 of Legislative Decree 81/08, as well as planning and periodic evacuation simulations to check that prevention procedures functioned properly.

Furthermore, all preparatory activities were carried out for the audit activities to confirm that the company qualified for environmental certification.

Personnel

The number of staff at 31/03/2025 came to 65 employees with an average of 68 people during the period under review.

Training covered the following types of activity and topics (in addition to what has already been explained concerning Environment and Safety):

- General training course and support for new hires
- Forklift truck refresher course
- Workers' Safety Representative refresher course
- Apprenticeship course
- BLS basic cardiopulmonary resuscitation course with early defibrillation

All of these courses, including the ones listed in the paragraph on environment and safety and the new hire induction course, engaged the staff for a total of around 2,000 hours, with training activities carried out internally, externally and on the job.

Research and development

Pursuant to art. 2428, paragraph 3, point 1 of the Civil Code, we can confirm that no capitalisable R&D was carried out during the year.

In the latter part of the year, the company contributed to the drafting of the NAARA project – Circular Innovation of Automotive Aluminium for High Added Value Recovery – for which Stellantis, the lead company, submitted a funding application to the Ministry of the Environment and Energy Security – Energy Department, in the context of the Public Notice pursuant to Article 4, paragraph 1, of Ministerial Decree no. 386/2023.

Transactions with subsidiaries, associates, parent companies and fellow subsidiaries

With regard to the provisions of paragraph 3.2 of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have any controlling equity investments and, accordingly, has not entered into any transactions with subsidiaries.

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis c.c., we point out that relations with related parties comprise transactions with the parent company and fellow subsidiaries (together referred to as “affiliates”), as summarised below.

Receivables from affiliates classified as current assets

Description	FY 2024/2025	FY 2023/2024	Change
due from parent companies	174,628	95,090	79,538
due from fellow subsidiaries	5,243,299	7,315,031	(2,071,732)
Total	5,417,927	7,410,121	(1,992,194)

Receivables due from parent companies (€174,628 at 31 March 2025) mainly concern receivables relating to interest income due from the direct parent Endurance Overseas S.p.A. on the company's positive balance on the cash pooling account.

The amount receivable from fellow subsidiaries (€5,243,299 at 31 March 2025) relates to the trade receivables due from Endurance S.p.A.

Payables to and loans from affiliates

Description	FY 2024/2025	FY 2023/2024	Change
due to parent companies	416,742	160,180	256,562
due to fellow subsidiaries	137,804	19,750	118,054
Total	554,546	179,930	374,616

Payables due to parent companies (€416,742 at 31 March 2025) relate mainly to trade payables for administrative, financial services and support provided by the parent company Endurance Overseas S.p.A. to Group companies (based on specific service agreements), which are settled on an arm's length basis.

Payables due to fellow subsidiaries (€137,804 at 31 March 2025) include trade payables to Endurance S.p.A.

Treasury shares

Pursuant to Arts. 2435-bis and 2428 of the Italian Civil Code, we can confirm that the Company did not hold any treasury shares at the year end.

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, we can confirm that the Company did not hold any shares or quotas in the parent company during the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import tariffs initiated by the United States against most countries, particularly those with a trade surplus. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions.

The automotive sector was one of the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of both finished cars and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct, due to reduced exports of European vehicles to the US (or of powertrain units that car manufacturers supply to their plants in the US or in other countries hit by tariffs, such as Mexico), and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here. The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2% compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

In the automotive sector, S&P Global Mobility (a leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide with a -2.6% reduction in Europe. Added to the potential trade conflicts are the uncertainties linked to the transition to electric vehicles and, in particular, the sanctions that car manufacturers would receive if they failed to reach specific emissions targets. Although the European authorities have introduced changes by extending the observation period - the overruns will no longer be calculated over a one-year period, but over a three-year period - the constraints remain. It will therefore be necessary to understand the strategies that car makers will adopt in light of these changes and the requests made by many to reverse total

abandonment of internal combustion engines from 2035. As in previous years, it is even more difficult to outline the trend in registrations between battery electric vehicles (BEV), plug-in hybrids (PHEV) and mild hybrids (MHEV). Registrations of such vehicles as a proportion of total registrations has grown significantly over the years, in line with car manufacturers' efforts to introduce new ranges of models and innovative solutions. While the growth in electric vehicles still seems to be the main route in the development path of car manufacturers, also due to the significant investments that they have already made, the requests to maintain a certain portion of vehicles that use internal combustion engines in compliance with the principle of technological neutrality are becoming stronger. This is also to take into account consumer preferences towards more economic traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact), while waiting for the technical solutions that will be introduced to increase mileage, speed up charging times and lower the cost of batteries.

Faced with many possible scenarios, it is believed that the ideal option can only be to monitor all the solutions that car manufacturers think it best to follow, ready to seize any opportunities offered by the demand for new components, regardless of their final destination.

The company will benefit from the commercial action taken directly and by the group during 2024/2025, which has led to the acquisition of new orders that will generate approximately €30 million in annual turnover at full capacity. The orders obtained by the group mainly concern components intended for various end customers and refer to traditional, hybrid and pure electric applications that will enter production from 2025/26 onwards.

Based on the information and forecast data that is available, we believe that the company will be in a position to achieve positive results in the future.

The use of financial instruments that should be taken into account when assessing the results and financial position

In accordance with art. 2428, paragraph 3, point 6-bis of the Civil Code, we can attest that, taking into account the current operating conditions and in the context of financial risk management policies, the company does not have any derivatives outstanding.

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the shareholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to allocate the result for the year in accordance with the proposal made in the explanatory notes.

Bione, 13/05/2025

For the Board of Directors

The Managing Director

Samuele Gabutto

General information on the company

Company data

Name:	ENDURANCE CASTINGS SPA
Registered office:	VIA CONCA D'ORO 14 - 14/A BIONE (BRESCIA)
Share capital:	900,000.00
Share capital fully paid in:	yes
Chamber of Commerce:	BS
VAT Number:	00551150980
Tax code:	00293110177
REA Number:	55600
Legal form:	JOINT-STOCK COMPANY
Core business (ATECO):	24.53.01
Company in liquidation:	no
Company with sole shareholder:	yes
Company subject to management control and coordination:	yes
Name of the company or entity that exercises management control and coordination:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE OVERSEAS S.P.A.
Country of the parent company:	ITALY
Cooperatives register number:	n/a

Financial statements for the year ended 31/03/2025

Balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets		
4) Concessions, licences, trademarks and similar rights	2,460	3,690
<i>Total intangible assets</i>	<i>2,460</i>	<i>3,690</i>
II - Tangible assets		
1) Land and buildings	3,155,315	3,304,223
2) Plant and machinery	5,684,565	5,147,547

	31/03/2025	31/03/2024
3) Industrial and commercial equipment	61,858	5,574
4) Other assets	107,989	71,878
5) Assets under construction and advance payments	466,400	252,872
<i>Total tangible fixed assets</i>	<i>9,476,127</i>	<i>8,782,094</i>
III - Long-term financial assets		
1) Equity investments in		
d-bis) other companies	2,088	2,088
<i>Total equity investments</i>	<i>2,088</i>	<i>2,088</i>
2) Receivables		
d-bis) from others	24,641	18,077
due within one year	24,641	18,077
<i>Total receivables</i>	<i>24,641</i>	<i>18,077</i>
<i>Total long-term financial assets</i>	<i>26,729</i>	<i>20,165</i>
<i>Total fixed assets (B)</i>	<i>9,505,316</i>	<i>8,805,949</i>
C) Current assets		
I - Inventories	-	-
1) Raw materials, ancillary materials and consumables	1,845,570	1,260,526
2) Work in process and semi-finished products	1,275,425	1,052,288
4) Finished products and goods	2,269,434	3,436,496
5) Advances	-	24,000
<i>Total inventories</i>	<i>5,390,429</i>	<i>5,773,310</i>
II - Receivables		
1) from customers	2,748,441	2,396,194
due within one year	2,748,441	2,396,194
4) from parent companies	174,628	95,090
due within one year	174,628	95,090
5) from fellow subsidiaries	5,243,299	7,315,031
due within one year	5,243,299	7,315,031
5-bis) tax receivables	1,578,422	974,018
due within one year	1,505,008	383,618
due beyond one year	73,414	590,400
5-ter) deferred tax assets	547,295	795,767
5-quater) from others	23,875	103,977
due within one year	23,875	103,977
<i>Total receivables</i>	<i>10,315,960</i>	<i>11,680,077</i>
III - Current financial assets		

	31/03/2025	31/03/2024
cash pooling assets	7,188,754	3,433,315
<i>Total current financial assets</i>	<i>7,188,754</i>	<i>3,433,315</i>
IV - Cash and cash equivalents		
1) Bank and postal deposits	653,071	1,869,116
3) Cash on hand	423	282
<i>Total cash and cash equivalents</i>	<i>653,494</i>	<i>1,869,398</i>
<i>Total current assets (C)</i>	<i>23,548,637</i>	<i>22,756,100</i>
D) Accrued income and prepaid expenses	79,479	25,519
<i>Total assets</i>	<i>33,133,432</i>	<i>31,587,568</i>
Liabilities and shareholder's equity		
A) Shareholder's equity	12,447,297	13,565,182
I - Share capital	900,000	900,000
III - Revaluation reserves	1,339,901	1,339,901
IV - Legal reserve	180,000	180,000
VI - Other reserves, shown separately		
Extraordinary reserve	4,693,035	4,693,035
Payments towards increase in capital	760,126	760,126
<i>Total other reserves</i>	<i>5,453,161</i>	<i>5,453,161</i>
VIII - Retained earnings (accumulated losses)	2,692,120	4,984,545
IX - Net income (loss) for the year	1,882,115	707,575
Total shareholder's equity	12,447,297	13,565,182
B) Provision for risks and charges		
2) for current and deferred taxation	310,549	232,480
4) other	1,122,057	1,122,057
<i>Total provisions for risks and charges</i>	<i>1,432,606</i>	<i>1,354,537</i>
C) Employee termination indemnities	191,018	196,700
D) Payables		
4) Due to banks	750,267	1,350,353
due within one year	750,267	600,086
due beyond one year	-	750,267
6) Advances	-	47,000
due within one year	-	47,000
7) Trade payables	14,039,051	11,569,935
due within one year	14,039,051	11,569,935
11) Due to parent companies	416,742	160,180
due within one year	416,742	160,180

	31/03/2025	31/03/2024
11-bis) Due to fellow subsidiaries	137,804	19,750
due within one year	137,804	19,750
12) Tax payables	90,295	252,467
due within one year	90,295	252,467
13) Due to pension and social security institutions	212,448	228,537
due within one year	212,448	228,537
14) Other payables	1,274,650	1,100,459
due within one year	1,274,650	1,100,459
<i>Total payables</i>	<i>16,921,257</i>	<i>14,728,681</i>
E) Accrued expenses and deferred income	2,141,254	1,742,468
<i>Total liabilities and shareholder's equity</i>	<i>33,133,432</i>	<i>31,587,568</i>

Income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) Revenues from sales of goods and services	46,716,809	40,425,714
2) Change in inventories of work in progress, semi-finished and finished products	(391,838)	(207,639)
5) Other income and revenues		
Operating grants	114,813	222,425
other	31,188	240,337
<i>Total other income and revenues</i>	<i>146,001</i>	<i>462,762</i>
<i>Total value of production</i>	<i>46,470,972</i>	<i>40,680,837</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	22,503,510	19,553,051
7) services	15,241,305	13,768,206
8) lease and rental charges	104,895	597,882
9) payroll		
a) wages and salaries	3,848,623	3,585,034
b) social contributions	1,011,739	1,020,544
c) employee termination indemnities	51,223	47,496
e) other costs	174,171	169,501
<i>Total payroll costs</i>	<i>5,085,756</i>	<i>4,822,575</i>
10) depreciation, amortisation and writedowns		
a) amortisation of intangible assets	1,230	1,230

	FY 2024/2025	FY 2023/2024
b) depreciation of tangible assets	1,116,403	954,234
d) writedowns of current receivables and liquid funds	17,316	17,316
<i>Total depreciation, amortisation and writedowns</i>	<i>1,134,949</i>	<i>972,780</i>
11) change in inventory of raw and ancillary materials, consumables and goods	(32,957)	(145,657)
14) other operating expenses	151,121	194,338
<i>Total cost of production</i>	<i>44,188,579</i>	<i>39,763,175</i>
Difference between value and cost of production (A - B)	2,282,393	917,662
C) Financial income and charges		
16) Other financial income		
d) Income other than the above		
from parent companies	88,690	95,090
Other	296	378
<i>Total income other than the above</i>	<i>88,986</i>	<i>95,468</i>
<i>Total other financial income</i>	<i>88,986</i>	<i>95,468</i>
17) interest and other financial charges	-	-
other	119,044	148,605
<i>Total interest and other financial charges</i>	<i>119,044</i>	<i>148,605</i>
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>(30,058)</i>	<i>(53,137)</i>
Income (loss) before taxes (A-B+-C+-D)	2,252,335	864,525
20) Income taxes for the year, current and deferred		
current taxation	129,881	90,031
taxation relating to prior years	-	2,618
deferred taxation	326,541	64,301
income (charges) from tax consolidation/tax transparency	86,202	-
<i>Total income taxes for the year, current and deferred</i>	<i>370,220</i>	<i>156,950</i>
21) Net income (loss) for the year	1,882,115	707,575

Statement of cash flows (indirect method)

	FY 2024/2025	FY 2023/2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	1,882,115	707,575
Taxation	370,220	156,950
Interest expense/(interest income)	30,058	53,137
<i>1) Net income (loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>2,282,393</i>	<i>917,662</i>
Adjustments for non-cash items that had no contra-entry in net working capital		
Provisions	78,069	47,496
Depreciation and amortisation	1,117,633	955,464
Adjustments to financial assets and liabilities of financial derivatives that do not involve monetary movements	-	(1,309)
<i>Total adjustments for non-cash items that had no contra-entry in net working capital</i>	<i>1,195,702</i>	<i>1,001,651</i>
<i>2) Cash flow before changes in net working capital</i>	<i>3,478,095</i>	<i>1,919,313</i>
Change in net working capital		
Decrease/(Increase) in inventory	382,881	37,981
Decrease/(Increase) in trade receivables	(352,247)	1,278,991
Increase/(Decrease) in trade payables	2,469,116	(2,585,921)
Decrease/(Increase) in accrued income and prepaid expenses	(142,189)	169,699
Increase/(Decrease) in accrued expenses and deferred income	398,786	1,015,835
Other decreases/(Other increases) in net working capital	1,842,513	(1,574,588)
<i>Total changes in net working capital</i>	<i>4,598,860</i>	<i>(1,658,003)</i>
<i>3) Cash flow after changes in net working capital</i>	<i>8,076,955</i>	<i>261,310</i>
Other adjustments		
Interest collected/(paid)	(30,058)	(53,137)
(Income taxes paid)	(84,594)	(83,335)
(Use of provisions)	(5,682)	(212,039)
<i>Total other adjustments</i>	<i>(120,334)</i>	<i>(348,511)</i>
Cash flow from operating activities (A)	7,956,621	(87,201)
B) Cash flows from investing activities		
Tangible assets		
(Additions)	(1,810,436)	(1,755,614)
Long-term financial assets		
(Additions)	(6,564)	(5,746)
Current financial assets		
(Additions)	(3,755,439)	
Disposals		2,069,729

	FY 2024/2025	FY 2023/2024
Cash flow from investing activities (B)	(5,572,439)	308,369
C) Cash flows from financing activities		
Third-party funds		
(Repayment of loans)	(600,086)	(599,971)
Own funds		
(Dividends and interim dividends paid)	(3,000,000)	-
Cash flow from financing activities (C)	(3,600,086)	(599,971)
Increase (decrease) in cash and cash equivalents (a ± b ± c)	(1,215,904)	(378,803)
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	1,869,116	2,247,662
Cash on hand	282	539
Total cash and cash equivalents at the beginning of the year	1,869,398	2,248,201
Cash and cash equivalents at the end of the year		
Bank and postal deposits	653,071	1,869,116
Cash on hand	423	282
Total cash and cash equivalents at the end of the year	653,494	1,869,398

Information on the statement of cash flows

The statement of cash flows for the year is presented on a comparative basis in accordance with OIC 10.

This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities.

The increase (decrease) in non-current financial assets relates to the change in the cash pooling account managed by Endurance Overseas S.p.A., which increased during the year by €3,755,439.

Explanatory notes - first part

Shareholders,

These explanatory notes form an integral part of the financial statements for the year ended 31 March 2025.

The financial statements submitted for your approval report net income of €1,882,115, after current and deferred income taxes of €370,220 and depreciation and amortisation of €1,116,403.

Basis of preparation

Preparation of the financial statements

The information contained in the present document is presented following the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Italian Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

The financial statements, as these explanatory notes, have been drawn up in Euro.

Form and content of the financial statements

The financial statements for the year ended 31 March 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the OIC (Italian Accounting Board) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.

Even though the general context is uncertain, taking into account the upward trend in energy prices (partly offset by external support) and despite the rise in interest rates, aimed at contrasting inflation which reached extremely significant levels in recent months, we are of the opinion that the Company's current liquidity, together with that of the group, makes it reasonable to assume that the Company can continue to operate as a going concern for at least the next 12 months.

The financial statements comprise the balance sheet, the income statement, the statement of cash flows (prepared in conformity with the respective requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these notes.

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared. The items preceded by Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. These criteria are consistent with those applied for the preparation of the financial statements of the prior year, having regard for the changes in the relevant regulatory framework described below.

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

The purpose of the explanatory notes is to describe, analyse and, in some cases, supplement the data reported on the face of the financial statements. They contain the information required by arts. 2427 and 2427 bis c.c., other provisions of the civil code and other legislation. In addition, they provide all the complementary information deemed necessary in order to present the most transparent and complete view possible, even if such information is not required by specific legislation. Amounts are stated in whole Euro, unless specified otherwise.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC (Italian Accounting Board); they have therefore been prepared clearly and give a true and fair view of the Company's financial position and results of operations.

Basis of preparation

The information contained in this document is presented in the order in which the various items are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the notes, we can confirm that, pursuant to paragraph 3 of Art. 2423 of the Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

Pursuant to Art. 2423 ter of the Civil Code, we can confirm that all of the financial statement items are comparable with the prior year; no restatement of prior year items has been necessary.

Accounting policies

The accounting policies applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the Italian Civil Code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis. Intangible assets are recognised with the consent of the Board of Statutory Auditors where prescribed by law.

The book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful life of the assets:

Intangible asset items	Amortisation period
Concessions, licences, trademarks and similar rights	5 years on a straight-line basis
Other intangible assets	Based on the length of the underlying contracts

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible assets"). They are amortised systematically over the period they are expected to benefit (prudently determined to be 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the Company.

If permanent impairment is identified, the asset is written down accordingly, regardless of the amortisation already recorded; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs. This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c.

Pursuant to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets recorded in the books have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year on the basis of their estimated useful life. The depreciation rates applied are summarised in the following table:

Tangible asset items	Depreciation rate
Industrial buildings	3%
Temporary constructions	10%
Plant and machinery	10% - 15.5%
Industrial and commercial equipment	20%
Furnaces and appurtenances	15%
Furniture and furnishings	12%
Electronic office machines	20%
Commercial vehicles	20%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis calculated on the actual number of days.

Depreciation is also charged on tangible assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Start-up grants are recognised when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accruals basis via classification as "deferred income".

Impairment (tangible and intangible assets)

At each reporting date, the company determines if there is any evidence that the value of its tangible and intangible assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

Equity investments and securities (classified as long-term financial assets)

The equity investments and debt securities classified as non-current assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment.

The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

Debt securities are measured using the amortised cost method, being their original carrying amount net of any redemptions of principal, as increased or decreased by the accumulated amortisation, calculated using the effective interest method, of any difference between its initial and maturity values after deducting any impairment (recognised directly or by a provision) following a loss in value; the original carrying amount is represented by purchase or subscription cost, net of any commissions.

Inventories

Inventories are stated at the lower of purchase and/or production cost and realisable value, based on market prices.

In particular, set out below are details of the specific accounting policies used for the valuation of each inventory category (consistent with those used for the prior year):

- Raw materials: annual weighted average cost (including components purchased from third parties and alloys).
- Work in process (semi-finished) and finished products: specific production cost including all costs directly attributable to the product, as well as a reasonable share of manufacturing overheads.
- Goods and consumables: purchase cost, also inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

Receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement.

Receivables assigned to factors are only derecognised if they are sold without recourse, collected and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement item C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Provision for pensions and similar commitments

They represent the liabilities for supplementary pension benefits and for the "one-off" indemnities due to employees, self-employed workers and other collaborators, in force of law and contract, on termination of the relationship.

Employee termination indemnities

Employee termination indemnities represent the total amount that the company would have to pay to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated 27 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following the creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons

concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortisation cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different to the market rate of interest.

The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Finance Leases

Finance leases are recognised using the payments method, by charging the instalments paid to the income statement on an accruals basis. A specific section of these explanatory notes contains the supplementary information required by the law on the effect of recognising these contracts using finance lease methodology.

Derivatives

Derivatives consist of financial assets and liabilities measured at fair value.

They are only classified as hedging instruments when, at the time of arrangement, there is a strict, documented correlation between the characteristics of the hedged item and those of the hedging instrument, and that hedging relationship is both formally documented and, based on periodic checks, highly effective.

When derivatives hedge the risk of changes in the fair value of the hedged instruments (fair value hedges), they are measured at fair value through profit or loss; for consistency, the carrying amounts of the hedged items are adjusted to reflect the changes in fair value associated with the hedged risk.

When derivatives hedge the risk of changes in future cash flows of the hedged instruments (cash flow hedges), the effective portion of the profits or losses on the derivative financial instrument is put into suspense in equity (under the Reserve for cash flow hedges, net of tax). The ineffective portion of the profits and losses associated with a hedge is recognised in the income statement. On completion of the transaction, the accumulated profits and losses,

previously deferred to shareholder's equity, are released to the income statement (to adjust the income statement items affected by the hedged cash flows).

When hedge accounting is used, the changes in the related fair value of the hedging derivatives are recognised:

- in income statement captions D18 or D19, in the case of a fair value hedge of a reported asset or liability, together with the changes in the fair value of the hedged items (if the change in the fair value of the hedged item is greater in absolute terms than the change in the fair value of the hedging instrument, the difference is recognised in the income statement caption affected by the hedged item);
- in a specific equity reserve (caption AVII "Reserve for cash flow hedges") in a way that offsets the effects of the hedged flows (the ineffective portion, like the change in the time value of options and forwards, is classified in captions D18 and D19).

The changes in the fair value of financial instruments that are classified as trading derivatives, either because they do not qualify for treatment as hedging derivatives or because they were not designated as hedges, even though they were arranged operationally to hedge the risk of changes in interest rates and/or exchange rates and/or commodity prices, are recorded in the balance sheet and recognised in income statement captions D18 or D19.

Any derivatives embedded in other financial instruments must also be measured at fair value. In particular, embedded instruments are only separated from the primary contract and recognised as derivative financial instruments if, and only if:

- a) the economic characteristics and risks of the embedded derivative are not closely correlated with the economic characteristics and risks of the primary contract. Close correlation exists if hybrid contracts are arranged in accordance with market practice;
- b) all the elements included in the definition of a derivative financial instrument specified in OIC 32.11 are satisfied.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the shareholders' meeting.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Taxation

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively among the current assets as “deferred tax assets” and among the provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed. By contrast, deferred tax liabilities are recognised on all taxable temporary differences. Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the shareholder.

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

The company does not have any assets or liabilities denominated in foreign currency at the balance sheet date.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes - assets

Changes in the individual items are analysed in detail below, where required by current legislation.

Fixed assets

Intangible assets

After having charged amortisation for the year of € 1,230, the balance of intangible assets at 31 March 2025 is € 2,460.

Movements in intangible assets

The table shows the movements in fixed assets during the year.

	Start-up and expansion costs	Concessions, licences, trademarks and similar rights	Goodwill	Other intangible assets	Total intangible assets
Balance at the beginning of the year					
Cost	16,017	430,570	327,000	287,915	1,061,502
Amortisation (Accumulated amortisation)	16,017	426,880	261,600	287,915	992,412
Writedowns	-	-	65,400	-	65,400
Carrying amount	-	3,690	-	-	3,690
Changes during the year					
Amortisation for the year	-	1,230	-	-	1,230
<i>Total changes</i>	-	<i>(1,230)</i>	-	-	<i>(1,230)</i>
Balance at the end of the year					
Cost	16,017	430,570	327,000	287,915	1,061,502
Amortisation (Accumulated amortisation)	16,017	428,110	261,600	287,915	993,642
Writedowns	-	-	65,400	-	65,400
Carrying amount	-	2,460	-	-	2,460

Intangible assets not yet amortised relate to management software with a long-term useful life.

Tangible assets

This category comprises assets that will be employed over the long term, forming part of the permanent organisation of the company. This statement reflects their intended use by the company, rather than their intrinsic life. These assets are normally employed in the production of income in the ordinary course of business, which means that they are not held for sale or for transformation into products of the company.

Gross tangible assets total €23,761,761, accumulated depreciation amounts to €14,285,634 including the charge for the year of €1,116,403.

"Assets under construction and advance payments" amount to €466,400 (€252,872 at 31 March 2024) and comprise the residual value of advances paid to suppliers for the purchase of plant and machinery, together with the value of assets purchased but not completely ready for inclusion in the production cycle.

Movements in tangible assets

Tangible assets are analysed below, together with the related accumulated depreciation and information about the changes that took place during the year.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Assets under construction and advance payments	Total tangible assets
Balance at the beginning of the year						
Cost	5,938,963	14,839,012	384,803	1,091,861	252,872	22,507,511
Depreciation (Accumulated depreciation)	2,634,740	9,257,810	379,229	1,019,911	-	13,291,690
Writedowns	-	433,655	-	72	-	433,727
Carrying amount	3,304,223	5,147,547	5,574	71,878	252,872	8,782,094
Changes during the year						
Additions	8,800	1,222,021	64,532	68,698	466,400	1,830,451
Reclassifications (of the carrying amount)	-	252,872	-	-	(252,872)	-
Depreciation for the year	157,707	917,859	8,248	32,589	-	1,116,403
<i>Total changes</i>	<i>(148,907)</i>	<i>557,034</i>	<i>56,284</i>	<i>36,109</i>	<i>213,528</i>	<i>714,048</i>
Balance at the end of the year						
Cost	5,947,763	16,249,431	371,335	1,160,559	466,400	24,195,488
Depreciation (Accumulated depreciation)	2,792,448	10,131,211	309,477	1,052,498	-	14,285,634
Writedowns	-	433,655	-	72	-	433,727
Carrying amount	3,155,315	5,684,565	61,858	107,989	466,400	9,476,127

The additions made during the year, particularly plant and machinery, are to continue modernising the production lines and increase their capacity. With specific reference to the signs of impairment, the directors responded to a Group-level requirement by analysing carefully the cash flows forecast on the basis of current information, concluding that the value of tangible assets at 31 March 2025 will be recoverable from future cash flows.

Finance leases

At the balance sheet date the company is not party to any finance lease contracts, having completed payment of the instalments and arranged for the final redemption of the machines. If the Company had adopted the financial method of accounting for lease contracts, tangible assets at 31 March 2025 would have been €1,060 thousand higher for Land and Buildings and €378 thousand higher for Plant and Machinery.

Long-term financial assets

Long-term financial assets amount to €26,729 at 31 March 2025.

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

The following table shows the movements in long-term financial assets during the year.

	Equity investments in other businesses	Total equity investments
Balance at the beginning of the year		
Cost	2,088	2,088
Carrying amount	2,088	2,088
Balance at the end of the year		
Cost	2,088	2,088
Carrying amount	2,088	2,088

These equity investments refer to holdings in consortia (CONAI, Brescia Export) and membership fees related to financing transactions carried out in previous years.

Changes in and maturity of non-current receivables

The following table shows the movements in long-term financial assets during the year.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Other receivables	18,077	6,564	24,641	24,641	-
Total	18,077	6,564	24,641	24,641	-

The item relates to security deposits referring to multi-year contracts such as car rental and customs warehouse for the electric workshop licence.

Current assets

Current assets are measured in the manner described in paragraphs 8 to 11-bis of art. 2426 of the Civil Code. The accounting policies applied are explained in the notes on the respective financial statement items.

Inventories

The inventories reported in the balance sheet at 31/03/2025 total €5,390,429, net of an allowance amounting to €774,308, the same as last year based on an assessment of the potential risks associated with obsolete and slow-moving items. The following table shows the changes in inventories.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
raw materials, ancillary materials and consumables	1,260,526	585,044	1,845,570
work in process and semi-finished products	1,052,288	223,137	1,275,425
finished products and goods	3,436,496	(1,167,062)	2,269,434
advances	24,000	(24,000)	-
Total	5,773,310	(382,881)	5,390,429

The amount of inventories is substantially the same as last year, in line with the trend in sales volumes.

Current receivables

They total €11,375,301 at 31 March 2025. They are shown at their estimated realisable value, as application of the amortised cost or discounting methods would not have been suitable for providing a true and fair view of the financial position and results of operations.

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	2,396,194	352,247	2,748,441	2,748,441	-
Receivables due from parent companies	95,090	79,538	174,628	174,628	-
Receivables due from fellow subsidiaries	7,315,031	(2,071,732)	5,243,299	5,243,299	-
Tax receivables	974,018	604,404	1,578,422	1,505,008	73,414
Deferred tax assets	795,767	(248,472)	547,295	-	-
Other receivables	103,977	(80,102)	23,875	23,875	-
Total	11,680,077	(1,364,117)	10,315,960	9,695,251	73,414

Trade receivables (€2,396,194 at 31 March 2025) are expressed at their presumed realization value, given the irrelevance of the application of the amortized cost approach. The nominal value of trade receivables has been

adjusted to their estimated realisable value by means of a specific allowance for doubtful accounts of €134,635, including the provision made during the year for a total of € 17,316 without any utilisations.

Receivables due from parent companies (€174,629 at 31 March 2025) refer to the accrual of interest income on positive balances on the cash pooling account.

Receivables due from fellow subsidiaries (€5,243,299 at 31 March 2025) concern commercial relationships with Endurance S.p.A. for €5,243,260 and trade receivables from Endurance Engineering S.r.l. for the balance.

Tax receivables (€1,578,422 at 31 March 2025) mainly consist of IRES credits (€35,360), the credit connected to investments in new capital goods (€246,307, of which €77,314 long term) made pursuant to Law 160/2019 and Law 178/2020, the net VAT credit (€1,019,299) and sundry tax receivables for the balance.

Deferred tax assets amount to € 547,295 at 31 March 2025 and mainly relate to tax losses not yet used and differences between the carrying amount of goodwill in the statutory accounts and fiscal accounts, as well as in the deferred deductibility of risk provisions and writedowns. These deferred tax assets have been recognised as they are likely to be recoverable against expected future taxable income, as reflected in management's most recent forecasts.

Other receivables (€23,875 at 31 March 2025) consist of miscellaneous non-trade receivables.

Breakdown of current receivables by geographical area

It is not deemed meaningful to analyse receivables by geographical area, given that all receivables other than the amounts due from customers are due from Italian counterparties, while trade receivables are due from multinationals operating in the automotive sector that have legal entities and factories located in several countries.

Current financial assets

Movements in current financial assets

Pursuant to art. 2423-ter, para. 3 c.c. and after ensuring recoverability in the short term, as required by OIC 14, the company has classified separately the amount due from the company that manages the cash pooling activities of the group in asset caption C.3.7) under "Current financial assets"; this caption is additional to those envisaged in art. 2424 of the Italian Civil Code.

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
cash pooling assets	3,433,315	3,755,439	7,188,754
Total	3,433,315	3,755,439	7,188,754

This balance represents the amounts due from Endurance Overseas S.p.A. under the agreed cash pooling arrangements.

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	1,869,116	(1,216,045)	653,071
cash on hand	282	141	423
Total	1,869,398	(1,215,904)	653,494

This item principally comprises the balance on bank current accounts at 31 March 2025.

As regards the movement of cash flows for the year in question, please make reference to cash flow statement.

Accrued income and prepaid expenses

The following table shows the changes in accrued income and prepaid expenses.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued income	134	-	134
Prepaid expenses	25,385	53,960	79,345
Total accrued income and prepaid expenses	25,519	53,960	79,479

Prepaid expenses mainly include portions of various costs that relate to future years.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes - liabilities and shareholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Shareholders' equity

The components are stated at carrying amount in accordance with accounting standard OIC 28.

Changes in shareholders' equity items

With reference to the year just ended, the table below sets out changes - with reference to the years ended 31/03/2024 and 31/03/2025 - in the components of shareholder's equity, as well as details of other reserves, if any.

The following table summarises the changes in shareholders' equity with respect to the previous year (01/04/2023 – 31/03/2024):

	Balance at the beginning of the year	Allocation of the prior year result - Distribution of dividends	Other changes - Decreases	Result for the year	Balance at the end of the year
Share capital	900,000	-	-	-	900,000
Revaluation reserves	1,339,901	-	-	-	1,339,901
Legal reserve	180,000	-	-	-	180,000
Extraordinary reserve	4,693,035	-	-	-	4,693,035
Payments towards increase in capital	760,126	-	-	-	760,126
Retained earnings (accumulated losses)	2,277,501	2,707,045	1	-	4,984,545
Net income (loss) for the year	2,707,045	(2,707,045)	-	707,575	707,575
Total	12,857,608	-	1	707,575	13,565,182

The following table shows the changes in shareholders' equity during the year:

	Balance at the beginning of the year	Allocation of the prior year result - Distribution of dividends	Allocation of the prior year result - Other allocations	Result for the year	Balance at the end of the year
Share capital	900,000	-	-	-	900,000
Revaluation reserves	1,339,901	-	-	-	1,339,901
Legal reserve	180,000	-	-	-	180,000
Extraordinary reserve	4,693,035	-	-	-	4,693,035
Payments towards increase in capital	760,126	-	-	-	760,126
Retained earnings (accumulated losses)	4,984,545	(3,000,000)	707,575	-	2,692,120
Net income (loss) for the year	707,575	-	(707,575)	1,882,115	1,882,115
Total	13,565,182	(3,000,000)	-	1,882,115	12,447,297

Share capital, which consists of 900,000 shares with a par value of € 1.00 each, is fully subscribed and paid in.

Availability and use of shareholder's equity

The following table provides details of the components of shareholders' equity, including their origin, their potential utilisation and whether they are distributable, as well as the utilisation thereof in the prior three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Share capital	900,000	Share capital		-
Revaluation reserves	1,339,901	Share capital	A; B	-
Legal reserve	180,000	Revenue	B	-
Extraordinary reserve	4,693,035	Revenue	A; B; C	4,693,035
Payments towards increase in capital	760,126	Share capital	A; B; C	760,126
Retained earnings (accumulated losses)	2,692,120	Revenue	A; B; C	2,692,120
Total	10,565,182			8,145,281
Amount not distributable				547,295
Residual amount distributable				7,597,986
Key: A: for increase in capital; B: to cover losses; C: for distribution to the shareholders; D: for other statutory requirements; E: other				

With reference to the use made by the company of the revaluation reserves, as shown in the statement of changes in equity, we would like to point out that the company will not be able to distribute profits until these reserves have been reinstated for the same amount or reduced accordingly with a shareholders' resolution (pursuant to article 6 of Law 72/83 and subsequent revaluation laws).

The non-distributable portion of available equity reserves, determined in accordance with art. 2426 c.c., covers the deferred tax assets recognised in the balance sheet, which are deemed to represent unrealised amounts.

Provisions for risks and charges

The provisions for risks and charges have been created to cover known or likely liabilities, the timing or extent of which cannot be determined at the reporting date.

These provisions were recognised on a prudence and accrual basis, in accordance with the instructions contained in accounting principle OIC 31. The related provisions are charged to the income statement in the year to which they refer and classified according to the nature of the costs.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Total	Balance at the end of the year
Provision for current and deferred taxation	232,480	78,069	78,069	310,549
Other provisions	1,122,057	-	-	1,122,057
Total	1,354,537	78,069	78,069	1,432,606

Provision for current and deferred taxation

This item refers entirely to deferred taxes set aside during the year to give an idea of the amount of temporary differences that required the use of deferred taxation. The provision made during the year refers to the tax effect of the difference between the depreciation and amortisation rates used for accounting purposes and those applied for tax purposes.

Other provisions

Provisions recorded in the financial statements at 31/03/2025 were made in the year to cover various liabilities (trade, tax, employment, etc), and were based on the best estimate with reference to the information available. The uses recorded during the year relate to the settlement of a labour dispute.

The following table shows the composition of the item in question, as it is recorded in the balance sheet, pursuant to art. 2427 paragraph 1 of the Civil Code.

Employee termination indemnities

Employee termination indemnities amount to € 191,018 at 31 March 2025 (€ 196,700 at 31 March 2024). The changes during the year are summarised below.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Provision for employee termination indemnities	196,700	25,571	31,253	(5,682)	191,018
Total	196,700	25,571	31,253	(5,682)	191,018

This provision includes the revaluation of the liability in accordance with current legislation. The uses recorded in the period are related to advances paid to employees on termination of employment. The portion of cost shown in the financial statements (allocation to the termination indemnities recorded under item B9 c) of the income statement) includes the accrual for employee termination indemnities held by the company, while the payments

made to the INPS Treasury Fund, Previndai and Fondo Cometa or to supplementary pension funds, if chosen by employees, are reclassified to item B9 e) of the income statement.

Payables

Payables at 31 March 2025 come to a total of €17,045,553.

Pursuant to art. 12, para. 2, of Decree 139/2015, the company elected to measure payables using the amortised cost method. This election was made on a prospective basis and, therefore, only applies to eligible payables that have arisen subsequent to 1 April 2016.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	1,350,353	(600,086)	750,267	750,267	-
Advances	47,000	(47,000)	-	-	-
Trade payables	11,569,935	2,469,116	14,039,051	14,039,051	-
Payables due to parent companies	160,180	256,562	416,742	416,742	-
Payables due to fellow subsidiaries	19,750	118,054	137,804	137,804	-
Tax payables	252,467	(162,172)	90,295	90,295	-
Due to pension and social security institutions	228,537	(16,089)	212,448	212,448	-
Other payables	1,100,459	174,191	1,274,650	1,274,650	-
Total	14,728,681	2,192,576	16,921,257	16,921,257	-

The amounts due to banks include the short-term portion (€750,267) of the loan taken out in previous years from Unicredit Banca for a total of €3,000,000.

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
UNICREDIT (*)	3,000,000	07/05/2021 - 5 years	750,267	750,267	-
Amortised cost adjustment	-	-	-	-	-
Total	3,000,000		750,267	750,267	-

(*) the payable relates to a contract stipulated with an MCC guarantee

Trade payables (€14,039,051 at 31 March 2025) show an increase related to the growth in revenues in the financial year under review.

Payables due to parent companies (€416,742 at 31 March 2025) relate mainly to trade payables for administrative, financial services and support provided by the parent company Endurance Overseas S.p.A. to Group companies (based on specific service agreements), which are settled on an arm's length basis.

Payables due to fellow subsidiaries (€137,804 at 31 March 2025) include trade payables to Endurance S.p.A.

Tax payables, €90,295, refer for €49,672 to withholdings due for various reasons on staff payroll and self-employed fees, for €39,850 to IRAP due for the period, net of advance payments, and the rest to miscellaneous tax payables.

Other payables totalling €1,274,650 principally include amounts due to employees for payroll and related accruals (€1,263,410) and other amounts due.

Analysis of payables by geographical area

It is not meaningful to analyse payables by geographical area, as most of them are due to domestic suppliers and counterparties.

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Loans from shareholders

The company has not received any loans from its shareholders.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued expenses	15,545	2,503	18,048
Deferred income	1,726,923	396,283	2,123,206
Total accrued expenses and deferred income	1,742,468	398,786	2,141,254

Deferred income relates entirely to operating grants and income linked to investments in new capital assets that will accrue in future years.

Explanatory notes - income statement

The income statement reports the results for the year.

This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, are broken down according to their various categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

Value of production

The value of production in 2024-2025 is analysed below with comparative figures:

Description	FY 2024-2025	FY 2023/2024	Change
Revenues from sales of goods and services	46,716,809	40,425,714	6,291,095
Change in inventories of work in progress, semi-finished and finished products	(391,838)	(207,639)	(184,199)
Other income and revenues			
Operating grants	114,813	222,425	(107,612)
Other	31,188	240,337	(209,149)
Total	46,470,972	40,680,837	5,790,135

The value of production as a whole posted an increase on the previous year of approximately 14%. Compared with the general trend of the automotive market, the analysis shows an appreciable increase in revenues from the core business (+16%). These increases benefit from the growth in captive supplies resulting from the significant investments made.

Cost of production

The following table provides a breakdown of production cost with comparative figures from the previous year:

Description	FY 2024/2025	FY 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	22,503,510	19,553,051	2,950,459
Cost of services	15,241,305	13,768,206	1,473,099
Lease and rental charges	104,895	597,882	(492,987)
Payroll costs			
Wages and salaries	3,848,623	3,585,034	263,589
Social contributions	1,011,739	1,020,544	(8,805)
Employee termination indemnities	51,223	47,496	3,727
Other costs	174,171	169,501	4,670
Amortisation of intangible assets	1,230	1,230	-
Depreciation of tangible assets	1,116,403	954,234	162,169
Writedown of receivables included in current assets	17,316	17,316	-
Change in inventory of raw and ancillary materials, consumables and goods	(32,957)	(145,657)	112,700
Other operating expenses	151,121	194,338	(43,217)
Total	44,188,579	39,763,175	4,425,404

The increase in production costs is consistent with the increase in sales volume.

The cost of labour, which has gone up by 5.5% compared with the previous year, comprises the entire cost of employees, inclusive of merit increases, promotions, holiday pay and accruals required by law and by collective labour agreements. It also includes the cost of temporary workers (around €0.64 million), except for the fees paid to the interim employment agencies which have been charged to income statement line B7.

The reduction in lease and rental charges is related to the lack of finance leases during the year.

Depreciation shows an increase linked to the capital investments made in previous years and in the current one.

Financial income and charges

Financial income and charges are recorded on an accruals basis.

Financial income, equal to €88,986, refers (for €88,690) to the remuneration received from Endurance Overseas S.p.A. on positive balances on the cash pooling account and bank interest for the balance.

Financial charges (€119,044) mainly relate to the financing of working capital and interest paid on the outstanding loan.

Amount and nature of revenues/costs of individual significance

During the current year, no revenues or other positive components deriving from exceptional events were recorded. Nor were there any costs deriving from exceptional events.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. The tax charge for the year consists of current taxation, as resulting from the tax returns, of deferred taxation relating to positive or negative components of income, taxable or deductible, respectively, in fiscal years that differ from the year in which the item is booked for statutory reporting purposes.

The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table:

	FY 2024/2025	FY 2023/2024
Income taxes	370,220	156,950
Current taxation		
of which: IRES for the year (current)	-	-
of which: IRAP for the year (current)	129,881	90,031
of which: Taxation relating to prior years	-	2,618
Deferred tax assets and liabilities	326,541	64,301

Recognition of deferred tax assets and liabilities and their impact

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	1,367,884	11,333
Total taxable temporary differences	9,067	-
Net temporary differences	(1,358,817)	(11,333)
B) Tax effects		
Provision for deferred tax liabilities (assets) at the beginning of the year	(512,011)	(51,276)
Deferred tax liabilities (assets) of the year	326,116	441
Provision for deferred tax liabilities (assets) at the end of the year	(185,895)	(50,835)

Deferred tax assets and liabilities have been calculated using the following rates, which are expected to be in force during the years when it is reckoned that the temporary differences will reverse (IRES at 24% and IRAP at 3.9%).

The balance of deferred tax assets and liabilities shown in the table reflects the reversal of deferred tax assets and liabilities recognised in prior years.

Specifically, the following items have been recorded: i) a provision for deferred tax liabilities relating to the difference between the depreciation and amortisation rates used for accounting purposes and those applied for tax purposes. ii) the release of taxes on unused ACE accrued in previous years, iii) the release of deferred tax assets on tax losses set aside in previous years.

Notes to the financial statements, statement of cash flows

The Company has prepared a statement of cash flows, which is a summary document that links the changes that took place during the year in the Company's equity with the changes in its financial position; it shows the financial resources that the Company needed during the year, as well as how they were used.

As regards the method used, the Company has adopted the indirect method on the basis of which the liquidity flow is reconstructed by adjusting the operating result for non-monetary components, in accordance with OIC 10.

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category calculated on the basis of daily averages.

	Executives	White collar	Blue collar	Total employees
Average number	1	15	52	65

The workforce at 31 March 2025 (only company employees) consists of 65 people.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

The following schedule provides the information required by art. 2427, point 16 of the Italian Civil Code., with the clarification that no advances or loans have been granted and no commitments, in the form of guarantees of any kind, have been accepted on behalf of the members of the Board of Directors.

	Directors	Statutory Auditors
Fees	62,189	32,580

Directors' and statutory auditors' fees are shown gross of social security contributions.

Fees of the independent auditor or firm of auditors

The following table shows the fees due to the firm of auditors, divided by type of services provided.

	Independent audit of the annual financial statements	Other non-audit services	Total fees earned by the independent auditor or firm of auditors
Amount	12,600	1,050	13,650

Deloitte & Touche S.p.A. has been engaged to perform the independent audit. The costs for auditing the annual accounts also include the fees for checking that the books of account have been kept regularly, while the other services performed refer to activities required prior to signing the tax return.

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the ICC.

Details on other financial instruments issued by the company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the ICC.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the ICC.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into in the year.

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., it is confirmed that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the company belongs as a subsidiary

The following table shows the information about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary, as per art. 2427, points 22-quinquies and 22-sexies of the Italian Civil Code.

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	ENDURANCE OVERSEAS S.P.A.
Town (if in Italy) or foreign State	Chhatrapati Sambhajinagar (India)	Turin
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajinagar (India) India Stock Exchange: NSE and BSE	Registered office: Turin Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivatives pursuant to art. 2427-bis of the Italian Civil Code

We can confirm that the company is not party to any derivatives.

Summary financial statements of the company which exercises management control and coordination

The company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Chhatrapati Sambhajnagar (formerly Aurangabad), Maharashtra, India, which directly and indirectly owns the entire share capital of the company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90.1365 (89.399 on 31 March 2023) - (source: European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and shareholder's equity		
Shareholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and shareholders' equity	46,853.04	41,090.45

Income statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Net income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

The following section describes relations with the company that provides management control and coordination services and with the other affiliates, as well as the effect of those activities on the operations of the company and its results.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that they are recorded in the National Register of State Aid.

Proposed allocation of profits or coverage of losses

Shareholders,

In light of the matters explained above, the Board of Directors proposes to allocate the net income for the year of €1,882,115 to retained earnings.

Explanatory notes - closing section

Shareholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's financial position and results for the year and agree with the books of account. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Bione, 13 May 2025

For the Board of Directors

The Managing Director

Samuele Gabutto

ENDURANCE CASTINGS SPA

Company with sole shareholder:

Head office: VIA CONCA D'ORO 14 - 14/A BIONE (BRESCIA)

Tax Code and Brescia Companies Register no. 00293110177

Brescia Chamber of Commerce (REA) no. 55600

Share capital: € 900,000.00 subscribed and fully paid

VAT Number: 00551150980

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report of the Board of Statutory Auditors

Financial statements at 31/03/2025

Pursuant to the current articles of association, the Board of Statutory Auditors has been assigned the task of administrative supervision, while the independent audit was assigned to Deloitte & Touche S.p.a. by the Shareholders' Meeting of 20/06/2023. Accordingly, this report only explains the supervisory work that we performed in accordance with the law.

Report to the Shareholders' Meeting pursuant to art. 2429, para. 2 of the Italian Civil Code - Administrative supervision

During the course of the financial year ended 31/03/2025, our activities were performed in compliance with applicable legislation and the principles of conduct for the Board of Statutory Auditors issued by the Italian Accounting Profession (as represented by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili).

Activities carried out by the Board of Statutory Auditors during the year ended 31/03/2025

We supervised compliance with the law, with the articles of association and with principles of proper administration.

We attended Shareholders' Meetings and Board Meetings, in respect of which, based on information made available, no matters came to our attention to indicate that there had been any infringements of the law or of the articles of association, nor transactions which were clearly imprudent, risky, likely to give rise to a conflict of interest or such as to compromise the integrity of the company's assets.

We acquired information from the directors on the status of capital transactions, with respect to which we have no particular observations to make.

We obtained information from the directors on the company's performance and the likely outlook, as well as on the most significant transactions, in terms of size or characteristics, entered into by the company and by its subsidiaries and, based on the information obtained, we have no particular findings to report.

We met with the independent auditors and, with reference to those meetings, no significant information or data emerged that should be disclosed in this report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's organisational structure by obtaining information from function heads, with respect to which we have no particular findings to report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's administrative-accounting system, as well as on the reliability of the latter in correctly presenting the results of operations, by obtaining information from function heads, from the independent auditors and from an examination of corporate documents, and, with respect thereto, we have no particular findings to report.

No complaints were presented to us as per Art. 2408 of the Italian Civil Code.

During the course of the year, we did not issue any opinions required by law.

During the course of our supervisory activities, as described above, no other significant matters arose that are worthy of inclusion in this report.

This report therefore summarises our activity with regard to the requirements of art. 2429, para. 2 of the Italian Civil Code, namely information on:

- the results for the financial year;
- the work performed in fulfilment of our legal duties; the observations and proposals regarding the financial statements, with particular regard to any use made by the administrative body of the exception permitted by art. 2423, para. 5 of the Italian Civil Code;

In any case, we are at your complete disposal to examine any other aspects during the Shareholders' Meeting.

The work performed by us covered the entire financial year and regular meetings were held during the year pursuant to art. 2404 of the Italian Civil Code.

During our periodic checks, we gained knowledge on how the Company's activities were evolving, paying particular attention to contingent problems in order to identify the economic and financial impact on the result for the year and on the balance sheet, as well as any risks.

Minutes were drawn up of these meetings and duly signed for unanimous approval.

Supervisory activities pursuant to art. 2403 et seq. of the Civil Code

The draft financial statements for the year ended 31/03/2025, provided to us for our examination by the Board of Directors pursuant to art. 2429 of the Italian Civil Code, have been prepared in accordance with the requirements of Legislative Decree no. 127/91 and consist of:

- Balance sheet
- Income statement
- Statement of cash flows
- Explanatory notes

The result for the year is net income of € 1,882,115, as may be seen from the summary figures provided below:

Balance sheet

Description	FY 2024/2025	FY 2023/2024	Difference
FIXED ASSETS	9,505,316	8,805,949	699,367
CURRENT ASSETS	23,548,637	22,756,100	792,537
ACCRUALS AND DEFERRALS	79,479	25,519	53,960
TOTAL ASSETS	33,133,432	31,587,568	1,545,864

Description	FY 2024/2025	FY 2023/2024	Difference
SHAREHOLDERS' EQUITY	12,447,297	13,565,182	(1,117,885)
PROVISION FOR RISKS AND CHARGES	1,432,606	1,354,537	78,069
PROVISION FOR EMPLOYEE TERMINATION INDEMNITIES	191,018	196,700	(5,682)
PAYABLES	16,921,257	14,728,681	2,192,576
ACCRUALS AND DEFERRALS	2,141,254	1,742,468	398,786
TOTAL LIABILITIES AND EQUITY	33,133,432	31,587,568	1,545,864

Income statement

Description	FY 2024/2025	FY 2023/2024	Difference
VALUE OF PRODUCTION	46,470,972	40,680,837	5,790,135
REVENUES FROM SALES OF GOODS AND SERVICES	46,716,809	40,425,714	6,291,095
PRODUCTION COST	44,188,579	39,763,175	4,425,404
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	2,282,393	917,662	1,364,731
INCOME (LOSS) BEFORE TAXES (A-B+C+D)	2,252,335	864,525	1,387,810
INCOME TAXES FOR THE YEAR, CURRENT AND DEFERRED	370,220	156,950	213,270
NET INCOME (LOSS) FOR THE YEAR	1,882,115	707,575	1,174,540

We have examined the draft financial statements for the year ended 31/03/2025, including the Report on Operations, in relation to which we point out the following.

Due to the fact that we were not appointed as independent auditors of the financial statements, we have limited ourselves to monitoring the overall approach to their preparation and their general compliance with the law as regards their format and structure and we do not have any particular observations to make in this regard.

More precisely, we note that:

- The accounting policies used in preparing the financial statements at 31/03/2025 comply with the Italian Civil Code as amended by Decree Law 139/2015;
- the Directors have provided information on the Company's performance and on the outlook for operations;
- the balance sheet and income statement formats adopted by the Company comply with articles 2424, 2424-bis, 2425 and 2425-bis of the Italian Civil Code;

We have verified compliance with the law regarding the structure of the directors' report on operations and we do not have any particular observations to make thereon.

As far as we are aware, in the preparation of the financial statements, there was no failure by the directors to comply with the law pursuant to paragraph 5 of Art. 2423 para. 5 of the Italian Civil Code.

Result for the year

The net result ascertained by the Directors for the year ended 31/03/2025, as shown in the financial statements, is positive for € 1,882,115. The Board does not have any observations to make on the allocation of the net result for the year proposed by the Directors.

Conclusion

Considering the results of the work performed by the independent auditors, as explained in their unqualified audit report, issued without any emphasis of matter on 14/05/2025, we unanimously believe that there are no impediments to approval at the Shareholders' Meeting of the draft annual financial statements at 31/03/2025, as prepared and presented by the Directors.

Milan, 14/05/2025

The Board of Statutory Auditors

Fulvio Mastrangelo

Massimo Carera

Mattia Doria

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010****To the Sole Shareholder of
Endurance Castings S.p.A.****REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of Endurance Castings S.p.A. (the "Company"), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Endurance Castings S.p.A. does not extend to such data.

Responsibilities of the Directors and the Board of Statutory Auditors 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.

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.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, 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 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.

- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance Castings S.p.A. are responsible for the preparation of the report on operations of the Company as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Endurance Castings S.p.A. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ENDURANCE TWO WHEELERS SPA

Head office: VIA DI VITTORIO 20/22, ROVERETO (TN)

Trento Companies Register of the Trento Chamber of Commerce

Tax Code and Registration no. 00106120223

Trento Business Register (REA) no.TN 53464

Share capital: € 840,000.00 subscribed and fully paid

VAT Number: 00106120223

Sole shareholder company

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report on operations

Financial statements at 31/03/2025

Shareholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euros, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

Key events

During the year, we completed the merger by absorption of Frenotecnica S.r.l. and New Fren S.r.l. by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.), which became effective on 01/01/2025, with a deed dated 28/11/2024 executed by Notary Agostini in Milan (rep. 89007 and file no. 19906).

Given that both of these companies were wholly owned, current legislation allowed us to backdate the merger for tax and accounting purposes to the beginning of the financial year (01/04/2024).

Matters concerning the economy in general and the results of operations

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%.

In calendar year 2024, the motorcycle market showed a very positive trend with growth of +10.1% in the five main European markets. New registrations reached 1,155,640 compared with 1,049,898 the previous year. The situation by country shows growth in all of the main countries, including Italy +10%, Spain +14.2%, Germany +16.3% and France +3.5%. However, it is worth noting that a significant portion of revenues in the two-wheeler sector are linked to the aftermarket, which is not strictly correlated with the trend in production and registration of new motorcycles. The results for the year in the two-wheeler sector were affected by the difficulties faced by the KTM group, a key customer for OEM components.

With regards to the automotive sector, in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers' Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023). Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs) achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9

million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

The reorganisation of the two-wheeler sector, which led to the "birth" of Endurance Two Wheelers, also involved the centralisation of production of the pre-existing companies at the plant in Via Di Vittorio, Rovereto (TN). As part of the project, and explained in greater detail in the notes, we completely renovated the company's industrial warehouse, which also involved installing a new photovoltaic system. Production had to be interrupted to complete the transfer activities, which had an impact on sales of spare parts components for the aftermarket; this in turn played a role in the lower results achieved during the year compared with the previous year's pro-forma figures. Despite these effects and the lower production volumes for KTM (in addition to the required value adjustments), the company was able to close the year with a positive net result.

Management control and coordination activities

Pursuant to para. 5 of art. 2497-bis of the Italian Civil Code, it is confirmed that the Company belongs to the ENDURANCE Group (India) and is subject to management and coordination by ENDURANCE TECHNOLOGIES LIMITED (India), whose shares have been listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE) since October 2016.

The management control and coordination activities carried out have not had any particular impact on the Company's activities or its results. We can also confirm that no decisions were made under the influence of the Company that performs the management control and coordination activities, that might require an indication of the reasons and interests affecting them.

Financial position

In order to better understand the company's financial situation, a reclassification of the balance sheet is provided below showing the figures at 31/03/2025 and comparative pro-forma figures at 31/03/2024 with the effects of the merger shown on a consistent basis.

Balance Sheet - Assets

Item	31/03/2025	%	31/03/2024 (pro-forma)	%	Change	Change %
WORKING CAPITAL	9,663,367	58.88%	12,144,357	63.69%	(2,480,990)	(20.43%)
Immediate liquidity	1,521,372	9.27%	3,610,508	18.93%	(2,089,136)	(57.86%)
Cash and cash equivalents	1,521,372	9.27%	3,610,508	18.93%	(2,089,136)	(57.86%)
Deferred liquidity	4,731,753	28.83%	4,897,896	25.68%	(166,143)	(3.39%)
Current receivables included in working capital	4,113,581	25.07%	4,481,956	23.50%	(368,375)	(8.22%)
Financial assets	508,965	3.10%	323,349	1.70%	185,616	57.40%
Accrued income and prepaid expenses	109,207	0.67%	92,591	0.49%	16,616	17.95%
Inventories	3,410,242	20.78%	3,635,953	19.07%	(225,711)	(6.21%)
FIXED ASSETS	6,747,434	41.12%	6,924,936	36.31%	(177,502)	(2.56%)
Intangible assets	680,250	4.15%	1,248,839	6.55%	(568,589)	(45.53%)
Tangible assets	5,162,326	31.46%	4,141,050	21.72%	1,021,276	24.66%
Long-term financial assets	649	0.00%	299,188	1.57%	(298,539)	(99.78%)
Non-current portion of receivables included in working capital	904,209	5.51%	1,235,859	6.48%	(331,650)	(26.84%)
CAPITAL EMPLOYED	16,410,801	100.00%	19,069,293	100.00%	(2,658,492)	(13.94%)

Balance Sheet - Liabilities and Equity

Item	31/03/2025	%	31/03/2024 (pro-forma)	%	Change	Change %
MINORITY INTEREST	7,192,187	43.83%	10,479,028	54.95%	(3,286,841)	(31.37%)
Current liabilities	5,390,268	32.85%	7,981,682	41.86%	(2,591,414)	(32.47%)
Current payables	4,922,746	30.00%	6,050,355	31.73%	(1,127,609)	(18.64%)
Accrued expenses and deferred income	467,522	2.85%	1,931,327	10.13%	(1,463,805)	(75.79%)
Non-current liabilities	1,801,919	10.98%	2,497,346	13.10%	(695,427)	(27.85%)
Non-current payables	762,077	4.64%	1,437,236	7.54%	(675,159)	(46.98%)
Provision for risks and charges	390,674	2.38%	422,070	2.21%	(31,396)	(7.44%)
Employee termination indemnities	649,168	3.96%	638,040	3.35%	11,128	1.74%
EQUITY	9,218,614	56.17%	8,590,265	45.05%	628,349	7.31%
Share capital	840,000	5.12%	840,000	4.40%	-	-
Reserves	8,849,504	53.92%	8,609,504	45.15%	240,000	2.79%
Retained earnings (accumulated losses)	(1,090,352)	(6.64%)	(1,730,122)	(9.07%)	639,770	(36.98%)
Net income (loss) for the year	619,462	3.77%	870,883	4.57%	(251,421)	(28.87%)
SOURCES OF FINANCE	16,410,801	100.00%	19,069,293	100.00%	(2,658,492)	(13.94%)

Key financial indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024-2025	FY 2023/2024 (Pro-forma)	Change
Fixed asset coverage	157.77%	151.00%	(4.48%)
Banks/Working capital	5.38%	10.24%	47.48%
Debt ratio	0.78	2.12	63.28%
Financial debt ratio	0.11	0.24	52.98%
Equity/Capital employed	56.17%	54.85%	(2.42%)
Financial charges/Turnover	0.64%	0.06%	(903.78%)
Current ratio	179.27%	152.15%	(17.83%)
Fixed assets/Equity	3,375,389	1,443,696	(133.80%)
Primary coverage ratio	1.58	1.31	(20.44%)
(Equity + non current liabilities) - Fixed assets	5,177,308	2,503,806	(106.78%)
Secondary coverage ratio	1.76	1.42	(24.00%)
Net working capital	4,273,099	1,723,150	(147.98%)
Acid test margin	862,857	464,288	(85.85%)
Acid test ratio	116.01%	110.25%	(5.22%)

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results. The pro-forma comparative figures have been adjusted to reflect the merger impact on PY's data and to make the figures comparable.

Income Statement

Item	FY 2024/2025	%	FY 2023/2024 (pro-forma)	%	Change	Change %
VALUE OF PRODUCTION	15,976,388	100.00%	18,707,964	100.00%	(2,731,576)	(14.60%)
- Consumption of raw materials	6,565,618	41.10%	7,209,695	38.54%	(644,077)	(8.93%)
- General expenses	4,043,097	25.31%	5,181,734	27.70%	(1,138,637)	(21.97%)
VALUE ADDED	5,367,673	33.60%	6,316,535	33.76%	(948,862)	(15.02%)
- Payroll costs	3,352,154	20.98%	3,647,102	19.49%	(294,948)	(8.09%)
- Provisions	-	-	-	-	-	n/a
GROSS OPERATING MARGIN	2,015,519	12.62%	2,669,433	14.27%	(653,914)	(24.50%)
- Depreciation, amortisation and writedowns	1,216,477	7.61%	1,293,946	6.92%	(77,469)	(5.99%)
- Other operating expenses	200,975	1.26%	99,625	0.53%	101,350	101.73%
INCOME BEFORE FINANCIAL ITEMS (EBIT)	598,067	3.74%	1,275,862	6.82%	(677,795)	(53.12%)
+ Financial items	(121,653)	(0.76%)	(82,169)	(0.44%)	(39,484)	48.05%
INCOME BEFORE TAX	476,414	2.98%	1,193,693	6.38%	(717,279)	(60.09%)
- Taxation	(143,048)	(0.90%)	322,810	1.73%	(465,858)	(144.31%)
NET INCOME	619,462	3.88%	870,883	4.66%	(251,421)	(28.87%)
EBITDA	1,814,544	11.36%	2,569,808	13.74%	(755,264)	(29.39%)

Key performance indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2024/2025	FY 2023/2024 (pro-forma)	Change
R.O.E.	6.72%	10.14%	(33.72%)
R.O.I.	7.72%	21.20%	(63.61%)
R.O.S.	3.54%	6.73%	(47.35%)
R.O.A.	3.64%	6.69%	(45.53%)

Information required by art. 2428 of the Italian Civil Code

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, the following is a description of the main risks and uncertainties that the Company is exposed to:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy.

Changes in GDP, raw material costs, unemployment, interest rates, the inflation trend and their effects on the level of confidence shown by consumers and businesses can condition the performance of end customers and hence the Company's sales.

There are also further elements of uncertainty linked to geopolitical tensions, due in particular to the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. The persistence of international sanctions has also continued to fuel uncertainties about the trend in prices for energy commodities (which settled at levels much higher than the historical reference levels prior to the pandemic and international market crises), raw materials (especially metals) and agricultural produce with repercussions on consumer prices and growth prospects for the Eurozone. These elements of uncertainty could alter normal market dynamics and, more generally, business operating conditions, with the risk of undermining the reliability of the growth forecasts for the Eurozone in the near future.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the two-wheeler components sector in which the Company operates is characterised by fierce competition, also in relation to the trend in sales volumes in the motorcycle market. As much as the Company has taken action deemed necessary to improve its level of flexibility, a significant fall in end customers' needs and consequent further pressure on prices caused by heated competition could adversely impact the Company's results and financial position.

What was mentioned previously with regard to the ability to recover from the negative impacts of the pandemic and the effectiveness of the tools made available to the various economies, will undoubtedly have repercussions on the Company's business in relation to the customers' propensity to buy in the automotive market, as well as in consideration of the possible impacts on the mobility habits that consumers will adopt in the near future as a result of current technological transitions and changes in the purchasing power and buying decisions of end consumers.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the two-wheeler components sector is characterised by continuous product development needed to satisfy product performance required by manufacturers and by environmental legislation (governing emissions).

Furthermore, the sector's technological updating in terms of market redistribution with respect to propulsion alternatives (internal combustion, hybrid, electric or alternative) determine and will continue to determine an increase in the centrality of the ability to innovate and undertake diversification initiatives by the supply chain as a distinctive element for market competitiveness.

Future investment by the Company will seek to increase the portfolio of products and diversify the types of production - according to the lines of development that are currently applicable in our sector - thereby increasing our ability to meet the needs of our customers. Any failure to follow (or in certain cases anticipate) the development of products and to meet needs in terms of price, quality and functionality imposed by end customers could adversely affect the Company's prospects.

FINANCIAL RISKS: The Company is exposed to the following financial risks in the conduct of its operations:

- credit risks in relation to normal commercial transactions with customers;
- liquidity risks, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risks mainly referring to changes in the value of commodities (energy in particular), interest rates and, to a much lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit risk

Given the nature of its industrial activities - the production of engine and gearbox components for car makers - the Company's receivables are structurally concentrated since customers comprise a limited number of industrial groups. The integration of the Company within the Endurance Group makes possible the indirect diversification of customers, by supplying other group companies with unfinished components for the manufacture of products that are then supplied to multiple end customers.

The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risk

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that the funds currently available, maintaining suitable contacts to ensure access to credit, as well as the funds generated by operations, will allow the Company to meet the needs of investing activities, working capital management and the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in commodity prices (energy in particular), interest rates and, to a much lesser extent, exchange rates.

Risks relating to changes in commodity prices

The Company plans market opportunities carefully to minimise the effects of fluctuations in commodity prices (especially energy) in relation to the most recent trends in the market, taking into account the particularly high impacts given the nature of its activities.

To deal with these risks, the Company monitors the market closely, resorting, where possible, to flexible procurement contracts, which allow it to take advantage of any buying opportunities.

When deemed appropriate, the Company uses commodity swaps to hedge and mitigate these types of risks.

Risks relating to changes in interest rates

The Company uses financial resources made available principally in the form of bank debt and invests the funds to finance operations and investment and development initiatives. The Company can also factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges.

To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions.

For this purpose, the Company arranged for floating-rate loans with medium/long-term repayment terms at a time of favourable conditions (with the aim of managing the current unfavourable conditions and strong volatility of interest rates).

Lastly, when considered appropriate, the Company makes use of interest rate swaps and caps with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Key non-financial indicators

Pursuant to Art. 2428 of the Italian Civil Code, we can confirm that, due to the specific activities performed and for a better understanding of the Company's results and financial position, it is not considered meaningful to present non-financial indicators.

Information on the environment

The Company dedicates special attention to ensuring that production and operating activities comply with the applicable regulations and international agreements, seeking to introduce and disseminate a culture that

continuously improves environmental performance and the safety of products and processes, while also safeguarding personnel and installations.

General training on the environment and safety has been provided, as well as specific job-related safety sessions for employees and managers.

Information on personnel management

The workforce totals 66 employees in the financial year ending on 31/03/2025; the average figure during the year was also 66.

The principal training activities during the twelve months ended 31/03/2025 covered both manufacturing and staff functions, in order to pursue the continuous improvement of production processes and business processes as a whole.

Research and development

In accordance with point 1) of the third paragraph of art. 2428 of the Italian Civil Code, we can confirm that development activities were carried out during the year, applied in particular to the product and focused on optimising the performance of the APTC EVO and APTC PLUS clutches, aimed at solving the needs identified in the applications used in the various target markets.

The use of the roller test bench system has allowed us to validate innovative clutch concepts (reducing their time to market) and to start testing solutions applied to electric 2-wheelers.

In support of Endurance S.p.A., the company has also taken part in testing and development activities for cells, modules and battery systems in the automotive and two-wheeler fields, aimed at energy storage, with particular attention to possible disassembly operations, also with regard to swap unit solutions to be applied to scooters, in the context of projects developed at a European level (so-called IPCEI - Important Project of Common European Interest). It is worth mentioning that the conditions for capitalising the costs involved in these activities were not satisfied.

Transactions with subsidiaries, associates, parent companies and fellow subsidiaries

With regard to the provisions of paragraph 3.2 of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have any controlling equity investments and, accordingly, has not entered into any transactions with subsidiaries.

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis c.c., we point out that relations with related parties comprise transactions with the parent company and fellow subsidiaries (together referred to as “affiliates”), as summarised below:

Receivables from affiliates classified as current assets

Description	FY 2024/2025	FY 2023/2024	Change
from subsidiaries	6,150	-	6,150
from parent companies	338,263	403,569	(65,306)
from fellow subsidiaries	-	11,497	(11,497)
Total	344,413	415,066	(70,653)

Receivables due from subsidiaries (€6,150 at 31/03/2025) refer to the residual dealings with the Tunisian company GDS Sarl, now in liquidation, an investment that was acquired as part of the merger of New Fren S.r.l.

Receivables due from the parent company (€338,263 at 31/03/2025) refer to the receivable due from Endurance Overseas S.p.A. under the group tax election made pursuant to arts. 117-129 of the Consolidated Income Tax Act (€335,923), as well as trade receivables from the parent company Endurance Technologies Limited.

Receivables due from fellow subsidiaries – at the end of the previous financial year – referred to existing relationships with the companies that were merged during the year.

Payables to and loans from affiliates

Description	FY 2024/2025	FY 2023/2024	Change
payables due to subsidiaries	1,270	-	1,270
payables due to parent companies	1,032,463	583,629	448,834
payables due to fellow subsidiaries	-	37,043	(37,043)
Total	1,033,733	620,672	413,061

Payables to subsidiaries (€1,270 at 31/03/2025) refer to residual trade payables with GDS Sarl in liquidation.

Payables due to the parent company refer entirely to trade payables to the direct parent company Endurance Overseas S.p.A. (€296,795) and to the parent company Endurance Technologies Limited (€135,668), as well as the balance (€600,000), classified as maturing beyond one year of the loan granted in previous years by Endurance Overseas S.p.A. to New Fren S.r.l. and acquired in the context of the merger.

Payables to fellow subsidiaries at the end of the previous year, referred to trade relationships with the companies involved in the merger.

Treasury shares

Pursuant to Arts. 2435-bis and 2428 of the Italian Civil Code, we can confirm that the Company did not hold any treasury shares at the year end.

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, we can confirm that the Company did not hold any shares or quotas in the parent company during the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import tariffs initiated by the United States against most countries, particularly those with a trade surplus. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions. The automotive and motorcycle sectors were among the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of finished vehicles and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here. The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2%

compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

The future will depend largely on KTM's recovery. Based on communications from the customer and current expectations, we are of the opinion that the production block that is still underway will only be temporary. However, should there be a material reduction in production requirements, more significant interventions may be necessary. Based on the information and forecasts currently available, we believe that the company will be in a position to achieve positive results in the future. The use of financial instruments that should be taken into account when assessing the results and financial position

In accordance with paragraph 3.6-bis of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have a policy of hedging interest-rate risk on medium-term loans by means of specific hedging contracts.

Secondary locations

In accordance with Art. 2428 of the Italian Civil Code, details are provided below of the secondary locations used by the Company:

Address	Location
VIA SANDRO PERTINI 1	CIRIE'

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the shareholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to allocate the result for the year in accordance with the proposal made in the explanatory notes.

Rovereto, 12/05/2025

For the Board of Directors
The Managing Director

Silvio Barbieri

General information on the company

Company data

Name: ENDURANCE TWO WHEELERS SPA
 Registered office: VIA DI VITTORIO, 20/22 ROVERETO (TN)
 Share capital: 840,000.00
 Share capital fully paid in: yes
 Chamber of Commerce: TN
 VAT Number: 00106120223
 Tax code: 00106120223
 REA Number: 53464
 Legal form: JOINT-STOCK COMPANY
 Core business (ATECO): 293200
 Company in liquidation: no
 Company with sole shareholder: yes
 Company subject to management control and coordination: yes
 Name of the company or entity that exercises management control and coordination: ENDURANCE TECHNOLOGIES LIMITED
 Belonging to a Group: yes
 Name of the parent company: ENDURANCE OVERSEAS SPA
 Country of the parent company: ITALY
 Cooperatives register number: n/a

Financial statements at 31/03/2025

Balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets		
1) Start-up and expansion costs	3,993	1,139
2) Development costs	5,000	35,000
3) Industrial patents and intellectual property rights	13,542	401,073
4) Concessions, licences, trademarks and similar rights	643,367	750,847
6) Assets in process of formation and advance payments	-	15,400

	31/03/2025	31/03/2024
7) Other	14,348	4,401
<i>Total intangible assets</i>	<i>680,250</i>	<i>1,207,860</i>
II - Tangible assets		
1) Land and buildings	2,361,415	1,744,747
2) Plant and machinery	2,508,629	1,581,981
3) Industrial and commercial equipment	143,827	109,805
4) Other assets	105,455	14,448
5) Assets under construction and advance payments	43,000	-
<i>Total tangible assets</i>	<i>5,162,326</i>	<i>3,450,981</i>
III - Long-term financial assets		
1) Equity investments in		
d-bis) other companies	649	22
<i>Total equity investments</i>	<i>649</i>	<i>22</i>
<i>Total long-term financial assets</i>	<i>649</i>	<i>22</i>
<i>Total fixed assets (B)</i>	<i>5,843,225</i>	<i>4,658,863</i>
C) Current assets		
I - Inventories		
1) Raw materials, ancillary materials and consumables	917,613	614,859
2) Work in process and semi-finished products	1,542,010	284,580
4) Finished products and goods	630,875	359,423
5) Advances	319,744	-
<i>Total inventories</i>	<i>3,410,242</i>	<i>1,258,862</i>
II - Receivables		
1) from customers	2,886,194	523,115
due within one year	2,886,194	523,115
2) from subsidiaries	6,150	-
due within one year	6,150	-
4) from parent companies	338,263	403,569
due within one year	338,263	403,569
5) from fellow subsidiaries	-	11,497
due within one year	-	11,497
5-bis) tax receivables	834,992	891,259
due within one year	834,992	694,370
due beyond one year	-	196,889
5-ter) deferred tax assets	831,447	736,827
5-quater) from others	120,745	231,952
due within one year	47,983	214,542
due beyond one year	72,762	17,410

	31/03/2025	31/03/2024
<i>Total receivables</i>	5,017,791	2,798,219
III - Current financial assets		
cash pooling assets	508,965	323,349
<i>Total current financial assets</i>	508,965	323,349
IV - Cash and cash equivalents		
1) Bank and postal deposits	1,514,334	2,037,983
3) Cash on hand	7,038	2,224
<i>Total cash and cash equivalents</i>	1,521,372	2,040,207
<i>Total current assets (C)</i>	10,458,370	6,420,637
D) Accrued income and prepaid expenses	109,207	46,624
<i>Total assets</i>	16,410,802	11,126,124
Liabilities and shareholders' equity		
A) Shareholders' equity	9,218,614	6,102,559
I - Share capital	840,000	840,000
II - Share premium reserve	4,829,457	3,599,457
III - Revaluation reserves	156,600	-
IV - Legal reserve	193,447	168,000
VI - Other reserves, shown separately	-	-
Extraordinary reserve	3,430,000	3,000,000
Merger surplus reserve	240,000	-
<i>Total other reserves</i>	3,670,000	3,000,000
VIII - Retained earnings (accumulated losses)	(1,090,352)	(1,924,418)
IX - Net income (loss) for the year	619,462	419,520
Total shareholders' equity	9,218,614	6,102,559
B) Provision for risks and charges		
1) for pensions and similar commitments	38,702	-
4) other	351,972	320,682
<i>Total provisions for risks and charges</i>	390,674	320,682
C) Employee termination indemnities	649,168	173,071
D) Payables		
4) due to banks	562,588	-
due within one year	562,588	-
6) advances	-	189,952
due within one year	-	189,952
7) trade payables	2,766,820	1,391,497
due within one year	2,766,820	1,391,497
9) due to subsidiaries	1,270	-
due within one year	1,270	-

	31/03/2025	31/03/2024
11) due to parent companies	1,032,463	583,629
due within one year	432,463	583,629
due beyond one year	600,000	-
11-bis) due to fellow subsidiaries	-	37,043
due within one year	-	37,043
12) tax payables	80,854	79,603
due within one year	80,854	79,603
13) due to pension and social security institutions	256,085	332,343
due within one year	256,085	332,343
14) other payables	984,744	238,461
due within one year	984,744	238,461
<i>Total payables</i>	<i>5,684,824</i>	<i>2,852,528</i>
E) Accrued expenses and deferred income	467,522	1,677,284
<i>Total liabilities and shareholder's equity</i>	<i>16,410,802</i>	<i>11,126,124</i>

Income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) Revenues from sales of goods and services	15,477,062	9,449,448
2) Change in inventories of work in progress, semi-finished and finished products	(911,518)	(445,345)
5) Other income and revenues		
Operating grants	87,484	147,288
Other	1,323,360	258,042
<i>Total other income and revenues</i>	<i>1,410,844</i>	<i>405,330</i>
<i>Total value of production</i>	<i>15,976,388</i>	<i>9,409,433</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	6,807,475	3,327,631
7) services	3,707,115	2,484,130
8) lease and rental charges	335,982	72,302
9) payroll		
a) wages and salaries	2,409,222	1,213,616
b) social contributions	741,210	368,120
c) employee termination indemnities	116,673	78,344
e) other costs	85,049	25,662

	FY 2024/2025	FY 2023/2024
<i>Total payroll costs</i>	3,352,154	1,685,742
10) depreciation, amortisation and writedowns		
a) amortisation of intangible assets	557,294	550,300
b) depreciation of tangible assets	579,492	428,948
d) writedowns of current receivables and liquid funds	79,691	-
<i>Total depreciation, amortisation and writedowns</i>	1,216,477	979,248
11) change in inventory of raw and ancillary materials, consumables and goods	(241,857)	247,183
14) other operating expenses	200,975	65,952
<i>Total cost of production</i>	15,378,321	8,862,188
Difference between production value and cost (A - B)	598,067	547,245
C) Financial income and charges		
16) other financial income		
d) income other than the above		
from parent companies	18,454	6,493
other	9,500	18,163
<i>Total income other than the above</i>	27,954	24,656
<i>Total other financial income</i>	27,954	24,656
17) interest and other financial charges		
other	99,776	8,141
<i>Total interest and other financial charges</i>	99,776	8,141
17-bis) exchange gains and losses	(7,966)	12,143
<i>Total financial income and charges (15+16-17+-17-bis)</i>	(79,788)	28,658
D) Adjustments to financial assets and liabilities		
19) writedowns		
a) equity investments	41,865	-
<i>Total writedowns</i>	41,865	-
<i>Total adjustments to financial assets and liabilities (18-19)</i>	(41,865)	-
Income (loss) before taxes (A-B+-C+-D)	476,414	575,903
20) Income taxes for the year, current and deferred		
current taxation	9,785	-
deferred taxation	115,913	512,589
income (charges) from tax consolidation/tax transparency	268,746	356,206
<i>Total income taxes for the year, current and deferred</i>	(143,048)	156,383
21) Net income (loss) for the year	619,462	419,520

Statement of cash flows (indirect method)

	FY 2024-2025	FY 2023/2024
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	619,462	419,520
Taxation	(143,048)	156,383
Interest expense/(interest income)	79,788	(28,658)
(Gains)/losses from disposal of assets	(52,242)	(19,602)
<i>1) Income (loss) for the year before taxes, interest, dividends and gains/losses from disposals</i>	<i>503,960</i>	<i>527,643</i>
Adjustments for non-monetary items with no contra-entry in net working capital		
Provisions	(416,961)	78,344
Depreciation and amortisation	1,136,786	979,248
Adjustments to financial assets and liabilities of financial derivatives that do not involve monetary movements	41,865	-
Other adjustments up or (down) for non-cash items	89,550	-
<i>Total adjustments for non-monetary items with no contra-entry in net working capital</i>	<i>851,240</i>	<i>1,057,592</i>
<i>2) Cash flow before changes in net working capital</i>	<i>1,355,200</i>	<i>1,585,235</i>
Change in net working capital		
Decrease/(Increase) in inventory	225,711	692,529
Decrease/(Increase) in trade receivables	204,364	456,071
Increase/(Decrease) in trade payables	(769,275)	(354,888)
Decrease/(Increase) in accrued income and prepaid expenses	25,850	3,207
Increase/(Decrease) in accrued expenses and deferred income	(1,463,805)	(1,151,809)
Other decreases/(Other increases) in net working capital	927,699	(153,967)
<i>Total changes in net working capital</i>	<i>(849,456)</i>	<i>(508,857)</i>
<i>3) Cash flow after changes in net working capital</i>	<i>505,744</i>	<i>1,076,378</i>
Other adjustments		
Interest collected/(paid)	(79,788)	28,658
(Income taxes paid)	(59,000)	(1,493)
(Use of provisions)	433,685	(189,669)
<i>Total other adjustments</i>	<i>294,897</i>	<i>(162,504)</i>
Cash flow from operating activities (A)	800,641	913,874
B) Cash flows from investing activities		

	FY 2024-2025	FY 2023/2024
Tangible assets		
(Additions)	(1,852,677)	(153,012)
Disposals	53,901	35,035
Intangible assets		
(Additions)	(4,105)	-
Disposals	15,400	-
Long-term financial assets		
Disposals	41,865	-
Current financial assets		
Disposals	214,809	-
Cash flow from investing activities (B)	(1,530,807)	(117,977)
C) Cash flows from financing activities		
Third-party funds		
Increase (Decrease) in current bank loans	(560,616)	43,427
(Repayment of loans)	(798,354)	
Cash flow from financing activities (C)	(1,358,970)	43,427
Increase (decrease) in cash and cash equivalents (a ± b ± c)	(2,089,136)	839,324
Cash and cash equivalents at the beginning of the year (*)		
Bank and postal deposits (*)	3,603,936	1,198,230
Cash on hand (*)	6,572	2,653
Total cash and cash equivalents at the beginning of the year (*)	3,610,508	1,200,883
Cash and cash equivalents at the end of the year		
Bank and postal deposits	1,514,334	2,037,983
Cash on hand	7,038	2,224
Total cash and cash equivalents at the end of the year	1,521,372	2,040,207

(*) note that the balance of liquid assets at the beginning of the year increased by €1,570,301 due to the acquisition of the balances of Frenotecnica S.r.l. and New Fren S.r.l., the companies merged and then absorbed by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.).

Information on the statement of cash flows

The statement of cash flows for the year is presented on a comparative basis in accordance with OIC 10. This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities. Note that the item "Increase (decrease) in short-term due to banks" includes the change in the positive balance of the cash pooling accounts managed by Endurance Overseas S.p.A. (with a total increase of € 185,616 during the year).

Key events

During the year, we completed the merger by absorption of Frenotecnica S.r.l. and New Fren S.r.l. by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.), which became effective on 01/01/2025, with a deed dated 28/11/2024 executed by Notary Agostini in Milan (rep. 89007 and file no. 19906). Given that both of these companies were wholly owned, current legislation allowed us to backdate the merger for tax and accounting purposes to the beginning of the financial year (1 April 2024).

The table below summarises the assets acquired as part of the above merger (figures shown in thousands of Euro):

	Figures acquired
Assets	
B) Fixed assets	
Intangible assets	41
Tangible assets	440
Long-term financial assets	299
Total fixed assets (B)	780
C) Current assets	
Inventories	2,377
Receivables	2,920
Cash and cash equivalents	1,570
Total current assets (C)	6,867
D) Accrued income and prepaid expenses	88
Total assets	7,735

Liabilities and shareholders' equity	
A) Shareholders' equity	2,407
B) Provision for risks and charges	64
C) Employee termination indemnities	465
D) Payables	4,545
E) Accrued expenses and deferred income	254
Total liabilities and shareholders' equity	7,735

Explanatory notes - first part

Shareholders,

These explanatory notes are an integral part of the financial statements for the year ended 31/03/2025.

The financial statements that we are submitting for your approval close with net income of € 619,462 after providing for current and deferred taxes and consolidation adjustments which resulted in charges of €143,048 and net of depreciation and amortisation of €1,136,786.

This document reflects the merger by absorption of Frenotecnica S.r.l. and New Fren S.r.l. by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.), which became effective for legal purposes on 01/01/2025, with a deed dated 28/11/2025 executed by Notary Agostini in Milan (rep. 89007 and file no. 19906).

Given that both of these companies were wholly owned, current legislation allowed us to backdate the merger for tax and accounting purposes to the beginning of the financial year (01/04/2024).

So, in light of the above, while the basis of preparation and the accounting policies and methods applied have been consistent in the two periods, the figures cannot be considered comparable.

Preparation of the financial statements

The financial statements for the year ended 31 March 2025 have been prepared in compliance with the Italian Civil Code, as interpreted and supplemented by the accounting standards issued by the Italian Accounting Board (OIC) and, if these are unavailable and to the extent not in conflict with Italian Accounting Standards, by those issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.

However, the ongoing conflict in Ukraine had serious consequences on the cost and supply of raw materials during the year. These are all indirect effects as the Company does not have direct relationships with customers and

suppliers in the territories affected by the conflict, nor does it have any production facilities there. The sharp rise in energy costs was only partially mitigated by the measures put in place.

Despite the continuation of generalised uncertainty, the current liquidity of the Company together with that of the Group means that, at present, there are no threats to the ability of the business to continue operations over the next 12 months.

The financial statements comprise the balance sheet, the income statement, the statement of cash flows (prepared in conformity with the respective requirements of arts. 2424 and 2424 bis of the Italian Civil Code (c.c.), arts. 2425 and 2425 bis c.c. and art. 2425 ter c.c.) and these explanatory notes.

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared. The items preceded by Arabic numerals in the balance sheet and income statement have not been grouped together, which is optional under art. 2423 ter of the Italian Civil Code.

The accounting policies adopted for the various items comply with those specified in art. 2426 c.c. and the relevant accounting standards. These criteria are consistent with those applied for the preparation of the financial statements of the prior year, having regard for the changes in the relevant regulatory framework described below.

The financial statement items are stated in accordance with the prudence concept and on a going concern basis. Pursuant to art. 2423-bis, para. 1, point 1-bis c.c., items are recognised and presented having regard for the substance of the transactions or contracts concerned.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

In the preparation of the financial statements, income and expenses are recorded on an accruals basis, regardless of the timing of collection and expenditure. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

The purpose of the explanatory notes is to describe, analyse and, in some cases, supplement the data reported on the face of the financial statements. They contain the information required by arts. 2427 and 2427 bis c.c., other provisions of the civil code and other legislation. In addition, they provide all the complementary information deemed necessary in order to present the most transparent and complete view possible, even if such information is not required by specific legislation.

Amounts are stated in whole euro, unless specified otherwise.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC (Italian Accounting Board); they have thus been prepared clearly and give a true and fair view of the company's financial position and results of operations.

Basis of preparation

The information contained in this document is presented following the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Italian Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

No exceptional cases have arisen that have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 and paragraph 2 of art. 2423-bis of the Italian Civil Code.

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

As mentioned in the introduction, the financial statements for the current financial year include the accounting effects of the merger and absorption of Frenotecnica S.r.l. and Newfren S.r.l. by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.), which involved backdating the merger for tax and accounting purposes to the beginning of the financial year.

For this reason, the two columns of figures in these financial statements are not directly comparable. We would also point out that certain items in the previous year's financial statements have been reclassified - without any impact on the result or on shareholders' equity - with the view to achieving greater consistency with the year under review. Each component of every asset and liability caption is measured separately, in order to prevent any gains in one area from offsetting losses in another.

Accounting principles

The accounting principles applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the civil code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the OIC in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017. The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Civil Code and with the indications included in the Italian accounting standards reformulated by the Accounting Board.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis. Intangible assets are recognised with the consent of the Board of Statutory Auditors where prescribed by law.

Their book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful life of the assets:

Intangible asset items	Amortisation period
Start-up and expansion costs	5 years on a straight-line basis
Development costs / Know-how	5 years on a straight-line basis
Industrial patents	5 years on a straight-line basis
Concessions, licences and similar rights	5 years on a straight-line basis
Trademarks	10 years on a straight line basis
Other intangible assets	5 years / 3 years on a straight-line basis

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible fixed assets"). They are amortised systematically over the period they are expected to benefit (prudently determined to be 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the Company.

If permanent impairment is identified, the asset is written down accordingly, regardless of the amortisation already recorded; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated

without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs. This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c. Pursuant and consequent to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets reported in the financial statements have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible fixed assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year, using the following rates:

Tangible asset items	Depreciation rate
Industrial buildings	3%
Temporary constructions	10%
Plant and machinery	10%
Industrial and commercial equipment	25%
Furnaces and appurtenances	15%
Furniture and furnishings	12%
Electronic office machines	20%
Cars/motor vehicles	25%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis calculated on the actual number of days.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the fixed assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible fixed asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Start-up grants are recognised when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accruals basis via classification as "deferred income".

Impairment (tangible and intangible assets)

At each reporting date, the Company determines if there is any evidence that the value of its tangible and intangible assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

Equity investments and securities (classified as long-term financial assets)

The equity investments and debt securities classified as non-current assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment.

The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

Debt securities are measured using the amortised cost method, being their original carrying amount net of any redemptions of principal, as increased or decreased by the accumulated amortisation, calculated using the effective interest method, of any difference between its initial and maturity values after deducting any impairment (recognised directly or by a provision) following a loss in value; the original carrying amount is represented by purchase or subscription cost, net of any commissions.

Inventories

Inventories are stated at the lower of purchase and/or production cost and realisable value, based on market prices. In particular, set out below are details of the specific accounting policies used for the valuation of each inventory category (consistent with those used for the prior year):

- Raw materials: annual weighted average cost (including components purchased from third parties and alloys).
- Work in process (semi-finished) and finished products: specific production cost including all costs directly attributable to the product, as well as a reasonable share of manufacturing overheads.
- Goods and Consumables: purchase cost, also inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

Receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement. Receivables assigned to factors are only derecognised if they are sold without recourse, collected and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement item C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Cash and cash equivalents

Cash and cash equivalents at the reporting date are measured at their nominal value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accruals and deferrals

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Provision for pensions and similar commitments

They represent the liabilities for supplementary pension benefits and for the "one-off" indemnities due to employees, self-employed workers and other collaborators, in force of law and contract, on termination of the relationship.

Employee termination indemnities

Employee termination indemnities represent the total amount that the company would have to pay to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to regulations governing termination indemnities by Law 296 dated 27 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following the creation of the INPS

Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore stated net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortisation cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different to the market rate of interest.

The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Finance leases

Finance leases are recognised using the payments method, by charging the instalments paid to the income statement on an accruals basis. A specific section of these explanatory notes contains the supplementary information required by the law on the effect of recognising these contracts using finance lease methodology.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Where there are transactions in which the company acts as an agent on behalf of a third party, the related revenue is accounted for net of costs incurred towards the third party.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the shareholders' meeting. Dividends are recognised as financial income, regardless of the nature of the reserves that are distributed.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Taxation

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively among the current assets as “deferred tax assets” and among the provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the shareholder.

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

However, the Company does not have any assets or liabilities denominated in foreign currency at the balance sheet date.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes, assets

Changes in the individual items are analysed in detail below, where required by current legislation.

Fixed assets

Intangible assets

"Intangible assets" total € 683,592 at 31/03/2025, after charging amortisation of € 1,323,360 to the income statement.

Movements in intangible assets

Intangible assets are analysed below, together with the related accumulated amortisation and information about the changes that took place during the year:

	Start-up and expansion costs	Develop- ment costs	Industrial patents and intellectual property rights	Concession s, licences, trademarks and similar rights	Goodwill	Intangible assets in process of formation and advance payments	Other intangible assets	Total intangible assets
Balance at the beginning of the year								
Cost	10,061	580,280	3,037,960	1,214,962	228,459	15,400	118,422	5,205,544
Amortisation (accumulated amortisation)	8,922	545,280	2,636,887	464,115	228,459	-	114,021	3,997,684
Carrying amount	1,139	35,000	401,073	750,847	-	15,400	4,401	1,207,860
Changes during the year								
Additions	-	-	840	-	-	-	-	840
Disposals (at carrying amount)	-	-	-	-	-	15,400	-	15,400
Amortisation for the year	2,671	30,000	391,450	122,759	-	-	10,414	557,294
Other changes	5,525	-	3,115	15,279	-	-	17,061	40,980
<i>Total changes</i>	<i>2,854</i>	<i>(30,000)</i>	<i>(387,495)</i>	<i>(107,480)</i>	<i>-</i>	<i>(15,400)</i>	<i>6,647</i>	<i>(530,874)</i>
Balance at the end of the year								
Cost	17,723	580,280	3,009,746	1,242,283	327,741	-	133,162	5,310,935
Amortisation (accumulated amortisation)	13,730	575,280	2,996,204	598,916	327,741	-	115,472	4,627,343
Writedowns	-	-	-	-	-	-	3,342	3,342
Carrying amount	3,993	5,000	13,542	643,367	-	-	14,348	680,250

As detailed in the table below, "Other changes" include the fixed assets acquired following the merger of Frenotecnica S.r.l. and New Fren S.r.l..

Merger increases	Start-up and expansion costs	Industrial patents and intellectual property rights	Concessions, licences, trademarks	Goodwill	Other intangible assets	Total intangible assets
Cost	7,662	19,331	27,321	99,282	58,310	211,906
Accumulated amortisation	2,137	16,216	12,042	99,282	37,907	167,584
Writedown provision	-	-	-	-	3,342	3,342
Total merger increases	5,525	3,115	15,279	-	17,061	40,980

"Start-up and expansion costs" include the capitalisation of costs incurred by the company in previous years for business combinations.

"Development costs" include the capitalisation of costs incurred during previous years for the development of new products and the implementation of improvements and innovative processes, carried out in the context of the activities of the technical and industrialisation offices.

"Industrial patents and intellectual property rights" principally include the value recognised by the Company of the patents and know-how relating to the production of clutches and braking systems for motorcycles.

"Concessions, licences, trademarks and similar rights" principally include trademarks registered by the Company as distinctive signs.

"Other intangible assets" relate to improvements and maintenance to leasehold properties.

No evidence was found during the year based on the latest forward-looking scenarios to indicate the possible impairment of intangible assets and, accordingly, no write-downs have been recorded pursuant to art. 2426, para. 1, point 3, of the Italian Civil Code and the requirements of OIC 9.

Tangible assets

Gross tangible assets, including assets under construction and advances, prior to accumulated depreciation, amount to €28,805,814 at 31/03/2025, taking into consideration the write-downs made in previous years for a total of €1,675,078; Accumulated depreciation totals € 22,014,753 at 31/03/2025, including the depreciation charge for the year of € 580,140.

The principal assets in this category comprise land and buildings (a net amount of € 1,534,217 at 31 March 2025), including the net carrying amount of portion of the industrial complex located in Rovereto (TN), and those of plant and machinery (booked with a net value of € 2,499,014 at 31/03/2025) used in the Company's production activities.

Movements in tangible assets

Tangible assets are analysed below, together with the related accumulated depreciation and information about the changes that took place during the year:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Assets under construction and advance payments	Total tangible assets
Balance at the beginning of the year						
Cost	4,939,223	10,016,739	9,165,210	993,141	-	25,114,313
Depreciation (accumulated depreciation)	2,322,638	7,139,564	8,969,185	978,693	-	19,410,080
Writedowns	871,838	1,295,194	86,220	-	-	2,253,252
Carrying amount	1,744,747	1,581,981	109,805	14,448	-	3,450,981
Changes during the year						
Additions	728,765	958,430	72,497	49,985	43,000	1,852,677
Disposals (at carrying amount)	-	1,659	-	-	-	1,659
Depreciation for the year	112,097	299,235	126,558	41,602	-	579,492
Other changes	-	269,112	88,083	82,624	-	439,819
<i>Total changes</i>	<i>616,668</i>	<i>926,648</i>	<i>34,022</i>	<i>91,007</i>	<i>43,000</i>	<i>1,711,345</i>
Balance at the end of the year						
Cost	5,042,055	11,896,949	10,817,485	1,529,488	43,000	29,328,977
Depreciation (accumulated depreciation)	2,434,735	8,109,621	10,539,568	1,410,991	-	22,494,915
Writedowns	245,905	1,278,699	134,090	13,042	-	1,671,736
Carrying amount	2,361,415	2,508,629	143,827	105,455	43,000	5,162,326

As detailed in the table below, "Other changes" include the fixed assets acquired following the merger of Frenotecnica S.r.l. and New Fren S.r.l.

Merger increases	Land and buildings	Plant and machinery	Tools and equipment	Other tangible assets	Total tangible assets
Cost	-	960,125	1,582,474	496,637	3,039,236
Accumulated depreciation	-	691,013	1,446,521	400,971	2,538,505
Writedown provision	-	-	47,870	13,042	60,912
Total merger increases	-	269,112	88,083	82,624	439,819

The additions to "Land and buildings" refer (for approximately €730 thousand) to the costs involved in restructuring the Rovereto location to accommodate the production facilities transferred from the ex-Frenotecnica S.r.l. to the Company's headquarters, as part of the merger.

With reference to "Plant and machinery", we would highlight in particular (for approximately €605 thousand) the new photovoltaic system installed as part of the Group's energy management optimisation strategy and, among

others (for a total of €253 thousand), the costs involved in installing a revamped vertical warehouse and the air extraction system, again at the Rovereto site.

Finance leases

Italian law requires finance leases to be presented in a particular way, the so-called "capital method", whereby lease instalments for the year are charged to the income statement (€68,287 of which €54,969 for plant and machinery and €13,318 for motor cars) in 2024/2025.

The tables which follow provide the information required by law in order to present, in the form of a disclosure, the impact of the difference that would arise from accounting for finance leases according to IFRS, under which the lessee would record the interest on the capital and depreciation on the asset, with the leased asset shown as a fixed asset, at the same time recognising the lease liability for the principal portion of the residual instalments still to be paid. Had the Company adopted the above finance lease methodology, the accounting effects would have been as follows (amounts in thousands of Euro):

Leases - Effect of lease accounting	Amount
Total amount of leased assets at the end of the year (net carrying amount)	208
Depreciation that would have been charged for the year	42
Current value of unexpired lease instalments at the end of the year	(59)
Financial charges for the year based on the effective interest rate	2

Long-term financial assets

Long-term financial assets at 31/03/2025 amount to € 649 and consist of equity investments in other companies. Note that long-term financial assets also include an amount of €258,575 (completely written down) for the investment held in the Tunisian company GDS Sarl. During the financial year under review, this company substantially completed its liquidation as part of the Group's disengagement from the production site that it had in North Africa.

Current assets

Current assets are measured in the manner described in paragraphs 8 to 11-bis of art. 2426 of the Civil Code. The accounting policies applied are explained in the notes on the respective financial statement items.

Inventories

The inventories reported in the balance sheet at 31/03/2025 total € 3,410,242, net of an allowance amounting to € 2,645,127, set aside in previous years and inclusive of the additional adjustment made during the year of € 431,511, based on an assessment of the potential risks involved in obsolete and slow-moving items.

The following table shows the changes in inventories.

Change in inventories

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
raw materials, ancillary materials and consumables	614,859	302,754	917,613
work in process and semi-finished products	284,580	1,257,430	1,542,010
finished products and goods	359,423	271,452	630,875
advances	-	319,744	319,744
Total	1,258,862	2,151,380	3,410,242

In order to understand the effects of the merger, the following table illustrates the effect on the individual items in question:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year
raw materials, ancillary materials and consumables	614,859	276,698	26,056	917,613
work in process and semi-finished products	284,580	1,783,884	(526,454)	1,542,010
finished products and goods	359,423	440,713	(169,261)	630,875
advances	-	-	319,744	319,744
Total	1,258,862	2,501,295	(349,915)	3,410,242

The “Increases due to the merger” include the contribution relating to the balance of inventories of the merged companies at 1 April 2014 (the effective date of the merger for accounting purposes), net of the effects of eliminating intercompany profits on transactions between the merging company and the merged companies at the effective date of the transaction (carried out in order to show the transaction as being similar to the consolidation of the merged companies by the merging company).

Current receivables

The receivables booked to current assets amount to €5,017,791 at 31/03/2025. They are shown at their estimated realisable value as application of the amortised cost or discounting methods would not have been suitable for providing a true and fair view of the financial position and results of operations.

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	523,115	2,363,079	2,886,194	2,886,194	-
Receivables due from subsidiaries	-	6,150	6,150	6,150	-
Receivables due from parent companies	403,569	(65,306)	338,263	338,263	-
Receivables due from fellow subsidiaries	11,497	(11,497)	-	-	-
Tax receivables	891,259	(56,267)	834,992	834,992	-
Deferred tax assets	736,827	94,620	831,447	-	-
Other receivables	231,952	(111,207)	120,745	47,983	72,762
Total	2,798,219	2,219,572	5,017,791	4,113,582	72,762

To understand the changes in receivables better, the following table highlights the effects of the merger for the items in question:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	523,115	2,308,766	54,313	2,886,194	2,886,194	-
Receivables due from subsidiaries	-	199,521	(193,371)	6,150	-	-
Receivables due from parent companies	403,569	-	(65,306)	338,263	338,263	-
Receivables due from fellow subsidiaries	11,497	154,632	(166,129)	-	-	-
Tax receivables	891,259	96,109	(152,376)	834,992	834,992	-
Deferred tax assets	736,827	214,355	(119,735)	831,447	-	-
Other receivables	231,952	77,689	(188,897)	120,744	47,982	72,762
Total	2,798,219	3,051,072	(831,501)	5,017,790	4,107,431	72,762

Trade receivables (€2,886,194 at 31/03/2025) posted a trend substantially in line with the previous year, taking into account the effects of the merger. The nominal amount of trade receivables is adjusted to reflect their expected realisable value by the allowance for doubtful accounts of €157,733, including a provision of €79,691 made during the year.

Receivables due from subsidiaries (€6,150 at 31/03/2025) refer to the residual dealings with the Tunisian company GDS Sarl, now in liquidation, an investment that was acquired as part of the merger of New Fren S.r.l.

Receivables due from the parent company (€338,263 at 31/03/2025) refer to the receivable due from Endurance Overseas S.p.A. under the group tax election made pursuant to arts. 117-129 of the Consolidated Income Tax Act (€335,923), as well as trade receivables from the parent company Endurance Technologies Limited.

Receivables due from fellow subsidiaries – at the end of the previous financial year – referred to existing relationships with the companies that were merged during the year.

Tax receivables (€ 834,992 at 31/03/2025) mainly refer to VAT credits owed by the Italian tax authorities (€178,186), the tax credit for high-tech capital goods under Law no. 232 of 11 December 2016 (€350,431) and sundry receivables for the remainder.

Deferred tax assets total € 831,447 at 31/03/2025 and mainly relate to tax losses not yet used and the deferred deductibility of certain provisions and impairment adjustments. These deferred tax assets have been recognised as they are likely to be recoverable against expected future taxable income, as reflected in management's most recent forecasts.

Other receivables (€ 120,744 at 31/03/2025) comprise various non-trade receivables including € 72,762 due from suppliers for guarantee deposits.

Breakdown of current receivables by geographical area

It is not deemed meaningful to analyse receivables by geographical area, given that all receivables other than the amounts due from customers are due from Italian counterparties, while the trade receivables are due from multinationals operating in the motorcycle and automotive sectors and that they have legal entities and factories located in several countries.

Current financial assets

Movements in current financial assets

Pursuant to art. 2423-ter, para. 3 of the c.c. and after ensuring recoverability in the short term, as required by OIC 14, the Company has classified separately the amount due from the Endurance Overseas S.p.A. that manages the central treasury activities of the group in asset caption C.3.7) within "Current financial assets".

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
cash pooling assets	323,349	185,616	508,965
Total	323,349	185,616	508,965

For the item in question there were no effects as a result of the merger.

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	2,037,983	(523,649)	1,514,334
cash on hand	2,224	4,814	7,038
Total	2,040,207	(518,835)	1,521,372

The following table shows the effect of the merger on cash and cash equivalents:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year
bank and postal deposits	2,037,983	1,565,953	(2,089,602)	1,514,334
cash on hand	2,224	4,348	466	7,038
Total	2,040,207	1,570,301	(2,089,136)	1,521,372

This item principally comprises the balance on bank current accounts at 31 March 2025.

The changes in cash and cash equivalents are analysed in the statement of cash flows.

Accrued income and prepaid expenses

The following table shows the changes in prepaid expenses and accrued income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Prepaid expenses	46,624	62,583	109,207
Total accrued income and prepaid expenses	46,624	62,583	109,207

The following table shows the effect of the merger on prepaid expenses:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year
Prepaid expenses	46,624	88,433	(25,850)	109,207
Total accrued income and prepaid expenses	46,624	88,433	(25,850)	109,207

Prepaid expenses mainly include the portions of lease instalments, insurance premiums and other costs relating to future years.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes, liabilities and shareholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Shareholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

Changes in shareholders' equity items

With reference to the year just ended, the table below sets out changes - with reference to the years ended 31/03/2024 and 31/03/2025 - in the components of shareholder's equity, as well as details of other reserves, if any.

Year ended 31/03/2024:

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Result for the year	Balance at the end of the year
Capital	840,000	-	-	840,000
Share premium reserve	3,599,457	-	-	3,599,457
Legal reserve	-	168,000	-	168,000
Extraordinary reserve	3,000,000	-	-	3,000,000
Retained earnings (accumulated losses)	(1,938,170)	13,752	-	(1,924,418)
Net income (loss) for the year	181,752	(181,752)	419,520	419,520
Total	5,683,039	-	419,520	6,102,559

The following table shows the changes in shareholders' equity during the year, which also include the effects of the merger:

	Balance at the beginning of the year	Allocation of the prior year result - Distribution of dividends	Other changes - Increases	Result for the year	Balance at the end of the year
Share capital	840,000	-	-	-	840,000
Share premium reserve	3,599,457	-	1,230,000	-	4,829,457
Revaluation reserves	-	-	156,600	-	156,600
Legal reserve	168,000	-	25,447	-	193,447
Extraordinary reserve	3,000,000	-	430,000	-	3,430,000
Merger surplus reserve	-	-	240,000	-	240,000
Retained earnings (accumulated losses)	(1,924,418)	419,520	414,546	-	(1,090,352)
Net income (loss) for the year	419,520	(419,520)	-	619,462	619,462
Total	6,102,559	-	2,496,593	619,462	9,218,614

The column entitled "Other changes - increases" includes the effects of the merger on shareholders' equity.

Availability and use of shareholder's equity

The following table provides details of the components of shareholders' equity, including their origin, potential use and whether they are distributable, as well as their utilisation in the previous three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Share capital	840,000	Share capital	-	-
Share premium reserve	4,829,457	Share capital	A; B; C	4,829,457
Revaluation reserves	156,600	Share capital	A; B	-
Legal reserve	193,447	Revenue	B	-
Extraordinary reserve	3,430,000	Revenue	A; B; C	3,430,000
Merger surplus reserve	240,000	Share capital	A; B; C	240,000
Total	9,689,504			8,499,457
Amount not distributable				1,930,792
Residual amount distributable				6,568,665
Key: A: for increase in capital; B: to cover losses; C: for distribution to shareholders; D: for other statutory requirements; E: other				

The non-distributable portion shown in the table above refers to a combination of carry forward losses, start-up and expansion costs which have not yet completed their amortisation, and deferred tax assets which fall within the category of assets not yet realised.

Provisions for risks and charges

The provisions for risks and charges have been created to cover known or likely liabilities, the timing or extent of which cannot be determined at the reporting date.

These provisions were recognised on a prudence and accrual basis, in accordance with the instructions contained in accounting principle OIC 31. The related provisions are charged to the income statement in the year to which they refer and classified according to the nature of the costs.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Other changes	Changes during the year - Total	Balance at the end of the year
Provision for pensions and similar commitments	-	2,433	36,269	38,702	38,702
Other provisions	320,682	-	31,290	31,290	351,972
Total	320,682	2,433	67,559	69,992	390,674

Other provisions

The column entitled "Other changes" in the above table shows the effects of the merger on this item.

The provision for pensions and similar commitments concerns the provisions made for the indemnities paid to agents on termination of their employment.

"Other provisions" refers to potential liabilities of various nature (trade, tax, employment, etc.). The utilisations are to cover liabilities under labour law as part of the corporate reorganisation.

Employee termination indemnities

Changes in the provision for employee termination indemnities are shown in the following table.

	Balance at the beginning of the year	Changes during the year – Provision	Changes during the year - Utilisation	Changes during the year - Other changes	Changes during the year - Total	Balance at the end of the year
Provision for employee termination indemnities	173,071	310,755	266,521	431,863	476,097	649,168
Total	173,071	310,755	266,521	431,863	476,097	649,168

The column "Other changes" in the above table shows the effects of the merger on this item.

This provision includes the period revaluation of the liability concerned in accordance with current legislation. The uses recorded in the period are related to advances paid to employees on termination of employment. The amount shown in the financial statements (provision for termination indemnities classified in income statement caption B9

c) includes the provision retained by the Company and the payments made to the INPS Treasury Fund, Previndai, the Cometa Fund or the supplementary pension fund specified by each employee, where applicable, which are illustrated in the other change column. The significant reduction in the provision for severance indemnities is attributable to utilisations for staff departures, mainly to implement the mobility plan agreed with the social partners.

Payables

Payables total € 5,684,824 at 31/03/2025.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	-	562,588	562,588	406,511	156,077
Advances	189,952	(189,952)	-	-	-
Trade payables	1,391,497	1,375,323	2,766,820	2,766,820	-
Payables due to subsidiaries	-	1,270	1,270	1,270	-
Payables due to parent companies	583,629	448,834	1,032,463	432,463	600,000
Payables due to fellow subsidiaries	37,043	(37,043)	-	-	-
Tax payables	79,603	1,251	80,854	80,854	-
Due to pension and social security institutions	332,343	(76,258)	256,085	256,085	-
Other payables	238,461	746,283	984,744	978,744	6,000
Total	2,852,528	2,832,296	5,684,824	4,922,747	762,077

In order to understand the effects of the merger, the following table illustrates the effect on the individual items:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	-	1,360,942	(798,354)	562,588	406,511	156,077
Due to other lenders	-	375,000	(375,000)	-	-	-
Advances	189,952	6,841	(196,793)	-	-	-
Trade payables	1,391,497	1,526,123	(150,800)	2,766,820	2,766,820	-
Payables due to subsidiaries	-	-	1,270	1,270	1,270	-
Payables due to parent companies	583,629	838,651	(389,817)	1,032,463	432,463	600,000
Payables due to fellow subsidiaries	37,043	162,221	(199,264)	-	-	-
Tax payables	79,603	193,672	(192,421)	80,854	80,854	-
Due to pension and social security institutions	332,343	63,561	(139,819)	256,085	256,085	-
Other payables	238,461	184,052	562,231	984,744	978,744	6,000
Total	2,852,528	4,711,063	(1,878,767)	5,684,824	4,922,747	762,077

Payables due to banks relate to the residual debt on the loans taken out by the company or acquired as part of the merger ; the decrease reflects repayment of the contractually envisaged instalments. Details are as follows:

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
Unicredit Bank	400,000	31/08/2020 - 6	111,001	82,945	28,056
Unicredit Bank	350,000	30/09/2020 - 6	97,540	68,608	28,932
Cassa di Trento	1,000,000	21/07/2022 - 4	354,047	254,958	99,089
Amortised cost adjustment	-	-	-	-	-
Total	1,750,000		562,588	406,511	156,077

Considering the effects of the merger (€293,304), trade payables (€ 2,766,820 at 31/03/2025) posted a slight decrease during the year, reflecting the trend in payments during the period just prior to the end of the year.

Payables due to subsidiaries (€1,270 at 31/03/2025) refer to residual trade payables with GDS Sarl in liquidation.

Payables due to the parent company refer entirely to trade payables to the direct parent company Endurance Overseas S.p.A. (€296,795) and to the parent company Endurance Technologies Limited (€135,668), as well as the balance (€600,000), classified as maturing beyond one year of the loan granted in previous years by Endurance Overseas S.p.A. to New Fren S.r.l. and acquired in the context of the merger.

Payables due to fellow subsidiaries at the end of the previous year, referred to trade relationships with the companies involved in the merger.

Tax payables of €80,854 at 31/03/2025 refer predominantly to withholding taxes on wages and salaries with the rest being other tax payables.

Other Payables include amounts due to employees for wages and salaries and accruals to be paid (€497,967) and advances received from customers (€418,159), as well as sundry other payables of a non-commercial nature.

Analysis of payables by geographical area

It is not meaningful to analyse payables by geographical area, as most of them are due to domestic suppliers and counterparties.

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Loans from shareholders

The company has not received any loans from its shareholders.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued expenses	85,482	(85,482)	-
Deferred income	1,591,802	(1,124,280)	467,522
Total accrued expenses and deferred income	1,677,284	(1,209,762)	467,522

The following table shows the effect of the merger on accrued expenses and deferred income:

	Balance at the beginning of the year	Increases due to the merger	Changes during the year	Balance at the end of the year
Accrued expenses	85,482	-	(85,482)	-
Deferred income	1,591,802	254,043	(1,378,323)	467,522
Total accrued expenses and deferred income	1,677,284	254,043	(1,463,805)	467,522

Deferred income refers to income collected during the year under but pertaining to future years.

The significant decline in deferred income relates to the release of the portion of revenues for the licence to use patents and know-how for the benefit of the current parent company Endurance Overseas S.p.A. granted in previous

years. This income, fully taxed and deferred, is being recognised as revenue over the residual economic life of the concession.

Explanatory notes - income statement

The income statement reports the results for the year. This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, can be broken down into the following categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives. Financial activities comprise those operations that generate financial income and expense. Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

Value of production

Revenues are recorded in the financial statements on an accrual basis, net of returns, allowances, discounts and bonuses, as well as the taxes directly connected to them.

Increases in non-current assets from in-house production are recognised on the basis of production cost which includes direct costs (material and direct labour, design costs, external supplies, etc.) and production overheads, for the portion reasonably attributable to the asset for the period of its manufacture until the asset is ready for use; using the same criteria, any charges relating to the financing of its manufacture are added.

Operating grants, which are recognised on an accrual basis in the year in which their receipt becomes certain, are included in line item A5 given that they supplement operating revenue and/or are deducted from operating costs.

The value of production in 2024-2025 is analysed below with the previous year's figures, though they are not directly comparable because of the merger:

Description	FY 2024/2025	Period 2023/2024	Change
Revenues from sales of goods and services	15,477,062	9,449,448	6,027,614
Change in inventories of work in progress, semi-finished and finished products	(911,518)	(445,345)	(466,173)
Other income and revenues	1,410,844	405,330	1,005,514
Total	15,976,388	9,409,433	6,566,955

The increase in revenues is attributable to the effects of the merger which allowed the company to expand the range of products and services offered to the market. In comparable terms, the value of production is lower for the reasons indicated in the directors' report.

Other income and revenue refer to; to operating grants (€87,484) relating to credits accrued for "Industry 4.0" investments and €1,201,001 to other non-commercial revenues (mainly relating to the recovery/charge-back of costs).

Production cost

The following table provides a breakdown of production cost with comparative figures from the previous year, though they are not directly comparable because of the merger:

Description	FY 2024/2025	Period 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	6,806,827	3,327,631	3,479,196
Cost of services	3,707,115	2,484,130	1,222,985
Lease and rental charges	335,982	72,302	263,680
Payroll costs			
Wages and salaries	2,409,222	1,213,616	1,195,606
Social contributions	741,210	368,120	373,090
Employee termination indemnities	116,673	78,344	38,329
Other costs	85,049	25,662	59,387
Amortisation of intangible assets	557,294	550,300	6,994
Depreciation of tangible assets	580,140	428,948	151,192
writedown of receivables included in current assets	79,691	-	79,691
Change in inventory of raw and ancillary materials, consumables and goods	(241,857)	247,183	(489,040)
Other operating expenses	200,975	65,952	135,023
Total	15,378,321	8,862,188	6,516,133

The increase in costs is attributable to the merger while, in comparable terms, the value of production is lower for the reasons indicated in the directors' report.

Cost of raw and ancillary materials, consumables and goods for resale and Cost of services

The items in question, whose weighting with respect to the value of production is approximately 70%, are better than those reported in the previous year defined on a consistent basis.

Payroll costs

This item includes the entire expense for employees including the effects of merit bonuses, promotions, unused holidays and provisions for legal and collective labour agreements. It also includes the cost of temporary workers, except for the cost of interim employment agencies that has been charged to income statement line B7.

Lease and rental charges

This item mainly includes the rental of operating facilities used by the Company, as well as rental and leasing charges for cars and other pieces of equipment.

Depreciation and amortisation

Depreciation and amortisation are charged over the useful life of each asset, considering how they are used in production. We note the reduction in amortisation of intangible assets compared with the previous year (also evident in the impact on the value of production), due to the completion of amortisation of certain intangible assets.

Other operating expenses and Other accruals

This item (which includes, among others, penalties charged by customers, local taxes and in general non-recurring costs not pertaining to the core business) posted an increase compared with the previous year on a consistent basis, mainly attributable to cost components of an extraordinary and non-recurring nature.

Financial income and charges

Financial income and charges are recorded on an accruals basis. Financial income from third parties (€9,500) mainly refers to the effect of the extended payment terms granted to customers, while the financial income from the parent company (€ 18,454) relates to the amount accrued on the positive balances on the Group's cash pooling account.

Financial charges (€99,766) mainly refer to loan interest and bank charges.

Composition of income from equity investments

There has been no income from equity investments as indicated by paragraph 15 of Art. 2425 of the Italian Civil Code.

Exchange gains and losses

Information on exchange gains or losses is shown below, distinguishing the realised portion from the portion deriving from valuations of assets and liabilities in foreign currency recorded in the financial statements at the end of the year.

Description	Amount in the financial statements	Valuation portion	Realised portion
<i>Exchange gains and losses</i>	<i>(7,966)</i>		
Exchange gains		-	8,790
Exchange losses		-	(16,756)
Total item		-	(7,966)

Adjustments to financial assets and liabilities

The adjustments of financial assets and liabilities refer entirely to the writedown of the investment previously held by the mergee New Fren S.r.l. in GDS Sarl, in connection with its liquidation.

Amount and nature of revenues/costs of individual significance

During the current year, no revenues or other positive components deriving from exceptional events were recorded.
During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. The tax charge for the year consists of current taxation, as resulting from the tax returns, of deferred taxation relating to positive or negative components of income, taxable or deductible, respectively, in fiscal years that differ from the year in which the item is booked for statutory reporting purposes.

Note that starting from the financial year under review, the Company joined the group taxation regime pursuant to art. 117-129 of the TUIR (tax code), together with its parent company Endurance Overseas S.p.A. The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table:

	FY 2024-2025	FY 2023/2024
Income taxes	(143,048)	156,383
Current taxation		
of which: IRES for the year (current)	-	-
of which: IRAP for the year (current)	9,785	-
Taxation relating to prior years	-	-
Deferred tax (assets) liabilities	115,913	512,589
Income (charges) from tax consolidation	268,746	356,206

The income for joining the tax consolidation highlights the effect of the Company's adhesion to the group taxation regime

Recognition of deferred tax assets and liabilities and their impact

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	2,663,631	1,253,694
Total taxable temporary differences	2,257,602	689,387
Net temporary differences	(406,029)	(564,307)
B) Tax effects		
Provision for deferred tax liability (assets) at the beginning of the year	(681,386)	(55,441)
increase in the provision for deferred tax liabilities (assets) due to the merger	(196,706)	(17,369)
Deferred tax liabilities (assets) at the beginning of the year including the effects of the merger	(878,092)	(72,810)
Deferred tax liability (assets) of the year	97,447	22,008
Provision for deferred tax liability (assets) at the end of the year	(780,645)	(50,802)

The balance of deferred tax assets and liabilities shown in the table reflects the reversal of deferred tax assets recognised in prior years and the current year recognition of new deferred tax assets and liabilities.

For IRES purposes, the main temporary differences that affected deferred taxation relate to the release of the deferred portion of the proceeds on sale of the licence which, for fiscal purposes, was entirely subject to taxation in the year when the sale took place, and to the use of prior year tax losses. For IRAP purposes, the principal temporary differences relate to the release of the deferred portion of the proceeds on sale of the licence which, for fiscal purposes, was entirely subject to taxation in the year which the sale took place, and to the use of prior year tax losses.

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages

	Executives	White collar	Blue collar	Total employees
Average number	-	26	40	66

The workforce at 31 March 2025 (consisting solely of Company employees) comprises 66 persons.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

The following schedule provides the information required by art. 2427, point 16 of the Italian Civil Code., with the clarification that no advances or loans have been granted and no commitments, in the form of guarantees of any kind, have been accepted on behalf of the members of the Board of Directors.

	Directors	Statutory Auditors
Fees	226,421	15,600

Fees of the independent auditor or firm of auditors

As required by art. 2427 c.c., the following table analyses the total fees earned by the legal auditor (or firm of legal auditors) for the legal audit of the annual financial statements, the total fees earned for other auditing services, the total fees earned for tax advisory services and the total fees earned for other non-audit services.

	Independent audit of the annual financial statements	Other non-audit services	Total fees earned by the independent auditor or firm of auditors
Amount	18,000	3,000	21,000

Deloitte & Touche S.p.A. has been engaged to perform the independent audit. The cost of auditing the annual accounts includes the fees for checking that the books of account have been kept properly, while the other non-audit services relate to the signature of tax declarations and other certification activities (concerning the reporting of R&D costs in order to obtain access to the related tax credit).

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the Civil Code.

Details on other financial instruments issued by the Company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the Italian Civil Code.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the Italian Civil Code.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into in the year.

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., it is confirmed that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following table shows the information about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary, as per art. 2427, points 22-quinquies and 22-sexies of the Italian Civil Code.

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	ENDURANCE OVERSEAS S.P.A.
Town (if in Italy) or foreign State	Chhatrapati Sambhajnagar (India)	Turin
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajnagar (India) India Stock Exchange: NSE and BSE	Registered office: Turin Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivative financial instruments pursuant to art. 2427-bis of the Italian Civil Code

We can confirm that the company is not party to any derivatives.

Summary financial statements of the company which exercises management control and coordination

The Company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Aurangabad, Maharashtra, India, which directly and indirectly owns the entire share capital of the Company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90.1365 (89.399 on 31 March 2023) - (source European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and shareholders' equity		
Shareholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and shareholders' equity	46,853.04	41,090.45

Income Statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.70
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.90
Total statement of comprehensive income	5,728.43	4,120.07

The following section describes relations with the company that provides management control and coordination services and with the other affiliates, as well as the effect of those activities on the operations of the Company and its results.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that they are recorded in the National Register of State Aid.

Proposed allocation of profits or coverage of losses

To the Shareholders, In light of the matters explained above, the Board of Directors proposes to allocate the income for the year of € 619,492 to "retained earnings".

Explanatory notes - closing section

Shareholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's assets and liabilities, financial position and results for the year and agree with the accounting records. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Rovereto, 12/05/2025

For the Board of Directors

The Managing Director

Silvio Barbieri

ENDURANCE TWO WHEELERS SPA

Company with sole shareholder:

Head office: VIA DI VITTORIO, 20/22 ROVERETO (TN)

Trento Companies Register of the C.C.I.A.A. (Chamber of Commerce, Industry, Craftsmanship, Tourism and Agriculture)

Tax code and Companies Register no. 00106120223

Trento Business Register (REA) no. TN 53464

Share capital: € 840,000.00 subscribed and fully paid

VAT Number: 00106120223

Management control and coordination: ENDURANCE TECHNOLOGIES LIMITED

Report of the Board of Statutory Auditors

Financial statements at 31/03/2025

Pursuant to the current articles of association, the Board of Statutory Auditors has been assigned the task of administrative supervision, while the independent audit was assigned to Deloitte & Touche S.p.a. by the Shareholders' Meeting of 27/03/2023. Accordingly, this report only explains the supervisory work that we performed in accordance with the law.

Report to the Shareholders' Meeting pursuant to art. 2429, para. 2 of the Italian Civil Code - Administrative supervision

During the course of the financial year ended 31/03/2025, our activities were performed in compliance with applicable legislation and the principles of conduct for the Board of Statutory Auditors issued by the Italian Accounting Profession (as represented by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*).

Activities carried out by the Board of Statutory Auditors during the year ended 31/03/2025

We supervised compliance with the law, with the articles of association and with principles of proper administration.

We attended Shareholders' Meetings and Board Meetings, in respect of which, based on information made available, no matters came to our attention to indicate that there had been any infringements of the law or of the articles of association, nor transactions which were clearly imprudent, risky, likely to give rise to a conflict of interest or such as to compromise the integrity of the company's assets.

We acquired information from the directors on the status of capital transactions, with respect to which we have no particular observations to make.

In particular, during the year we monitored compliance by the administrative body with the provisions of law and the articles of association applicable to the merger by absorption of Frenotecnica S.r.l. and New Fren S.r.l. by Endurance Two Wheelers S.p.A. (formerly Endurance Adler S.p.A.). Pursuant to art. 2504 bis of the Civil Code, the merger was backdated for accounting and tax purposes to 01/04/2024, whereas it took effect for legal purposes from 01/01/2025.

We obtained information from the directors on the company's performance and the likely outlook, as well as on the most significant transactions, in terms of size or characteristics, entered into by the company and by its subsidiaries and, based on the information obtained, we have no particular findings to report.

We met with the independent auditors and, with reference to those meetings, no significant information or data emerged that should be disclosed in this report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's organisational structure by obtaining information from function heads, with respect to which we have no particular findings to report.

We gained knowledge on and supervised, within the scope of our duties, the adequacy of and the operations of the company's administrative-accounting system, as well as on the reliability of the latter in correctly presenting the results of operations, by obtaining information from function heads, from the independent auditors and from an examination of corporate documents, and, with respect thereto, we have no particular findings to report.

No complaints were presented to us as per Art. 2408 of the Italian Civil Code.

During the course of the year, we did not issue any opinions required by law.

During the course of our supervisory activities, as described above, no other significant matters arose that are worthy of inclusion in this report.

This report therefore summarises our activity with regard to the requirements of art. 2429, para. 2 of the Italian Civil Code, namely information on:

- the results for the financial year;
- the work performed in fulfilment of our legal duties; the observations and proposals regarding the financial statements, with particular regard to any use made by the administrative body of the exception permitted by art. 2423, para. 5 of the Italian Civil Code;

In any case, we are at your complete disposal to examine any other aspects during the Shareholders' Meeting.

The work performed by us covered the entire financial year and regular meetings were held during the year pursuant to art. 2404 of the Italian Civil Code.

During our periodic checks, we gained knowledge on how the Company's activities were evolving, paying particular attention to contingent problems in order to identify the economic and financial impact on the result for the year and on the balance sheet, as well as any risks.

Minutes were drawn up of these meetings and duly signed for unanimous approval.

Supervisory activities pursuant to art. 2403 et seq. of the Civil Code

The draft financial statements for the year ended 31/03/2025, provided to us for our examination by the Board of Directors pursuant to art. 2429 of the Italian Civil Code, have been prepared in accordance with the requirements of Legislative Decree no. 127/91 and consist of:

- Balance sheet
- Income statement
- Statement of cash flows
- Explanatory notes

The result for the year is net income of € 619,462, as may be seen from the summary figures provided below.

Balance sheet

Description	FY 2024/2025	FY 2023/2024	Difference
FIXED ASSETS	5,843,225	4,658,863	1,184,362
CURRENT ASSETS	10,458,370	6,420,637	4,037,733
ACCRUALS AND DEFERRALS	109,207	46,624	62,583
TOTAL ASSETS	16,410,802	11,126,124	5,284,678

Description	FY 2024/2025	FY 2023/2024	Difference
SHAREHOLDERS' EQUITY	9,218,614	6,102,559	3,116,055
PROVISION FOR RISKS AND CHARGES	390,674	320,682	69,992
PROVISION FOR EMPLOYEE TERMINATION INDEMNITIES	649,168	173,071	476,097
PAYABLES	5,684,824	2,852,528	2,832,296
ACCRUALS AND DEFERRALS	467,522	1,677,284	(1,209,762)
TOTAL LIABILITIES AND EQUITY	16,410,802	11,126,124	5,284,678

Income statement

Description	FY 2024/2025	FY 2023/2024	Difference
VALUE OF PRODUCTION	15,976,388	9,409,433	6,566,955
REVENUES FROM SALES OF GOODS AND SERVICES	15,477,062	9,449,448	6,027,614
PRODUCTION COST	15,378,321	8,862,188	6,516,133
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	598,067	547,245	50,822
INCOME (LOSS) BEFORE TAXES (A-B+C+D)	476,414	575,903	(99,489)
INCOME TAXES FOR THE YEAR, CURRENT AND DEFERRED	(143,048)	156,383	(299,431)
NET INCOME (LOSS) FOR THE YEAR	619,462	419,520	199,942

We have examined the draft financial statements for the year ended 31/03/2025, including the Report on Operations, in relation to which we point out the following.

Due to the fact that we were not appointed as independent auditors of the financial statements, we have limited ourselves to monitoring the overall approach to their preparation and their general compliance with the law as regards their format and structure and we do not have any particular observations to make in this regard.

More precisely, we note that:

- the accounting policies used in preparing the financial statements at 31/03/2025 comply with the Italian Civil Code as amended by Decree Law 139/2015;
- the Directors have provided information on the Company's performance and on the outlook for operations;
- the balance sheet and income statement formats adopted by the Company comply with articles 2424, 2424-bis, 2425 and 2425-bis of the Italian Civil Code;
- pursuant to art. 2426, para. 5 of the Italian Civil Code, we acknowledge that, with our consent, development costs have been recognised in balance sheet assets and we have verified that they met the recognition criteria of ascertainable future economic benefits;
- pursuant to art. 2426, para. 6, of the Italian Civil Code, the financial statements at 31/03/2025 do not contain any amounts representing goodwill under intangible assets;
- pursuant to OIC 25, deferred tax assets have been allocated on the tax loss for the year as there is a reasonable certainty of their future recovery.

We have verified compliance with the law regarding the structure of the directors' report on operations and we do not have any particular observations to make thereon.

As far as we are aware, in the preparation of the financial statements, there was no failure by the directors to comply with the law pursuant to paragraph 5 of Art. 2423 para. 5 of the Italian Civil Code..

Result for the year

The net result ascertained by the Directors for the year ended 31/03/2025, as shown in the financial statements, is positive for € 619,462. We do not have any observations to make on the allocation of the net result for the year proposed by the Directors.

Conclusion

Considering the results of the work performed by the independent auditors, as explained in their unqualified audit report, issued without any emphasis of matter on 14/05/2025, we unanimously believe that there are no impediments to approval at the Shareholders' Meeting of the draft annual financial statements at 31/03/2025, as prepared and presented by the Directors.

Milan, 14/05/2025

The Board of Statutory Auditors

Fulvio Mastrangelo

Fabio Greco

Massimo Carera

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Sole Shareholder of
Endurance Two Wheelers S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Opinion**

We have audited the financial statements of Endurance Two Wheelers S.p.A. (the "Company"), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, Endurance Two Wheelers S.p.A. has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Endurance Two Wheelers S.p.A. does not extend to such data.

Responsibilities of the Directors and the Board of Statutory Auditors 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.

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.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, 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 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.

- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Endurance Two Wheelers S.p.A. are responsible for the preparation of the report on operations of Endurance Two Wheelers S.p.A. as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Endurance Two Wheelers S.p.A. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

General information on the company

Company data

Name:	VEICOLI SRL
Registered office:	VIA DELL'ARSENALE 33, TURIN TO
Quota capital:	500,000.00
Quota capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	11225130019
Tax code:	11225130019
REA Number:	1197428
Legal form:	LIMITED LIABILITY COMPANY
Core business (ATECO):	621000
Company in liquidation:	no
Company with sole quotaholder:	yes
Company subject to management control and coordination:	yes
Name of the company or entity that exercises management control and coordination:	ENDURANCE TECHNOLOGIES LIMITED
Belonging to a Group:	yes
Name of the parent company:	ENDURANCE OVERSEAS S.P.A.
Country of the parent company:	ITALY
Cooperatives register number:	N/A

Financial statements for the year ended 31/03/2025

Condensed balance sheet

	31/03/2025	31/03/2024
Assets		
B) Fixed assets		
I - Intangible assets	205,834	123,267
II - Tangible assets	72,499	76,463
<i>Total fixed assets (B)</i>	<i>278,333</i>	<i>199,730</i>

	31/03/2025	31/03/2024
C) Current assets		
I - Inventories	48,969	19,668
II - Receivables	612,576	456,185
due within one year	612,576	456,185
III - Current financial assets	1,605,730	1,610,256
IV - Cash and cash equivalents	702,223	388,932
<i>Total current assets (C)</i>	<i>2,969,498</i>	<i>2,475,041</i>
D) Prepaid expenses and accrued income	12,082	28,399
<i>Total assets</i>	<i>3,259,913</i>	<i>2,703,170</i>
Liabilities and quotaholders' equity		
A) Quotaholders' equity		
I - Quota capital	500,000	500,000
II - Share premium reserve	49,929	49,929
IV - Legal reserve	15,506	4,260
VI - Other reserves	1,332,651	1,332,651
VIII - Retained earnings (accumulated losses)	194,221	(19,456)
IX - Net income (loss) for the year	392,657	224,923
<i>Total quotaholders' equity</i>	<i>2,484,964</i>	<i>2,092,307</i>
B) Provision for risks and charges	90,000	90,000
C) Employee termination indemnities	33,830	23,826
D) PAYABLES	547,927	374,570
due within one year	541,025	360,158
due beyond one year	6,902	14,412
E) Accrued expenses and deferred income	103,192	122,467
<i>Total liabilities and quotaholders' equity</i>	<i>3,259,913</i>	<i>2,703,170</i>

Condensed income statement

	FY 2024/2025	FY 2023/2024
A) Value of production		
1) Revenues from sales of goods and services	2,236,666	1,296,538
2/3) Change in inventories of work in progress, semi-finished and finished products, contract work in progress	29,301	(3,094)
2) Change in inventories of work in progress, semi-finished and finished products	11,551	(3,094)
3) Change in contract work in progress	17,750	-
5) Other income and revenues	-	-
Other	6,580	1,989
<i>Total other income and revenues</i>	<i>6,580</i>	<i>1,989</i>
<i>Total value of production</i>	<i>2,272,547</i>	<i>1,295,433</i>
B) COST OF PRODUCTION		
6) raw and ancillary materials, consumables and goods for resale	77,787	111,526
7) services	1,333,727	581,719
8) lease and rental charges	1,564	607
9) payroll	-	-
a) wages and salaries	224,977	182,557
b) social contributions	48,479	45,464
c/d/e) employee termination indemnities, pensions, other payroll costs	25,775	24,850
c) employee termination indemnities	14,593	12,152
e) other costs	11,182	12,698
<i>Total payroll costs</i>	<i>299,231</i>	<i>252,871</i>
10) Depreciation, amortisation and writedowns	-	-
a/b/c) amortisation of intangible assets, depreciation of tangible assets, other writedowns	90,467	64,046
a) amortisation of intangible assets	44,708	32,218
b) depreciation of tangible assets	45,759	31,828
<i>Total depreciation, amortisation and writedowns</i>	<i>90,467</i>	<i>64,046</i>
14) Other operating expenses	4,339	6,198
<i>Total cost of production</i>	<i>1,807,115</i>	<i>1,016,967</i>
DIFFERENCE BETWEEN PRODUCTION VALUE AND COST (A - B)	465,432	278,466
C) FINANCIAL INCOME AND CHARGES		
16) Other financial income	-	-
d) Income other than the above	-	-

	FY 2024/2025	FY 2023/2024
from parent companies	19,874	29,563
Other	72	20
<i>Total income other than the above</i>	<i>19,946</i>	<i>29,583</i>
<i>Total other financial income</i>	<i>19,946</i>	<i>29,583</i>
17) Interest and other financial charges	-	-
Other	46	204
<i>Total interest and other financial charges</i>	<i>46</i>	<i>204</i>
17-bis) Exchange gains and losses	(415)	(128)
<i>Total financial income and charges (15+16-17+-17-bis)</i>	<i>19,485</i>	<i>29,251</i>
Income (loss) before taxes (A-B+-C+-D)	484,917	307,717
20) Income taxes for the year, current and deferred		
current taxation	92,204	82,784
taxation relating to prior years	56	10
<i>Total income taxes for the year, current and deferred</i>	<i>92,260</i>	<i>82,794</i>
21) Net income (loss) for the year	392,657	224,923

Explanatory notes - first part

Quotaholders,

These explanatory notes form an integral part of the financial statements for the year ended 31/03/2025.

The financial statements have been prepared in a condensed format, since the limits set by Art. 2435-bis of the Italian Civil Code have not been exceeded for two consecutive financial years.

The financial statements comply with the requirements of article 2423 onwards of the Italian Civil Code and with Italian accounting standards published by the OIC (Italian Accounting Board); they have thus been prepared clearly and give a true and fair view of the company's financial position and results of operations.

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

The explanatory notes, which have been prepared in accordance with Art. 2427 of the Civil Code, contain all the information needed for a correct interpretation of the financial statements.

This document will also provide the information required by points 3 and 4 of art. 2428 of the Civil Code, given that a directors' report on operations has not been drawn up as permitted by art. 2435-bis of the Civil Code.

The financial statements at 31/03/2025 show net income for the year of €392,657.

Basis of preparation

Preparation of the financial statements

The information contained in this document is presented following the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Italian Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

The financial statements, as well as these explanatory notes, have been prepared in Euro.

Basis of preparation

The items in the financial statements are measured in accordance with the prudence and materiality concepts on a going concern basis.

Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned. In preparing the financial statements, income and expenses have been recorded on an accruals basis, regardless of the timing of collection and expenditure, and only profits that have been realised by the year end have been included. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

Each component of every asset and liability caption is measured separately, in order to prevent any gains in one area from offsetting losses in another.

In cases where offsetting is permitted by law, the gross amounts to be offset are indicated in the notes

Preparation of the financial statements

The balance sheet, income statement and the accounting disclosures contained in these notes agree with the books of account from which they have been taken directly.

In the presentation of the balance sheet and income statement, the items preceded by Arabic numerals have not been grouped, which is optional under Art. 2423 ter of the Italian Civil Code.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

Pursuant to art. 2423 ter of the Civil Code, we can confirm that all financial statement items are comparable with the prior year; no restatement of prior year items has been necessary.

Accounting policies

The accounting policies applied for the preparation of these financial statements, described below, take account of the amendments, additions and new provisions included in the civil code by Decree 139/2015, which transposed Directive 34/2013/EU into Italian law. In particular, the domestic accounting standards were reformulated by the Italian Accounting Board (OIC) in the latest version issued on 22 December 2016, inclusive of the amendments published on 29 December 2017.

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with the indications included in the Italian accounting standards reformulated by the Italian Accounting Board.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis.

Their book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful life of the assets:

Intangible asset items	Amortisation period
Start-up and expansion costs	5 years on a straight-line basis
Development costs	5 years on a straight-line basis

In exceptional cases in which the useful lives of development costs cannot be estimated reliably, they are in all cases amortised over a period that does not exceed five years. Until these assets are fully amortised, dividends cannot be distributed unless the remaining available reserves are sufficient to cover the unamortised balance.

Advertising and research costs are expensed in full in the accounting period in which they are incurred.

Leasehold improvements are capitalised and classified as "other intangible assets" if they cannot be separated from the assets concerned (in which case they are recognised in the relevant category of "tangible fixed assets"). They are amortised systematically over the period they are expected to benefit (prudently determined to be 5 years) or, if shorter, over the residual duration of the lease after taking account of any renewal period available at the discretion of the Company.

If permanent impairment is identified regardless of the amortisation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs. This reinstatement does not apply to goodwill or the deferred charges referred to in point 5 of art. 2426 c.c. Pursuant to Art. 10 of Law 72 of 19 March 1983 and subsequent laws on revaluations of assets, it is hereby confirmed that the intangible assets recorded in the books have never been revalued.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible fixed assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year. The rates applied are summarised in the following table:

Tangible asset items	Depreciation rate
Tools and equipment	20%
Electronic office machines	20%
Ordinary office machines and furniture and furnishings	20%
Motor cars	20%
Assets costing less than € 516.46	100%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the fixed assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible fixed asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Start-up grants are recognised when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accruals basis via classification as "deferred income".

Impairment (tangible and intangible assets)

At each reporting date, the Company determines if there is any evidence that the value of its tangible and intangible fixed assets might be impaired. If such evidence is found, the Company estimates the recoverable value of each asset concerned and records an impairment writedown if it is lower than the corresponding net carrying amount.

Recoverable value is not determined if there is no evidence of possible impairment.

The recoverable value of tangible and intangible assets is deemed to be their value in use (calculated by discounting their future cash flows) or, if greater, their fair value (being the amount obtainable at the reporting date, based on the best available information, from their sale in an arm's-length transaction between knowledgeable and willing parties, net of the related selling costs).

With regard to the above, the Company has looked for evidence that the value of its tangible and intangible assets might be impaired, but did not find any and, accordingly, has not determined the recoverable value of the above assets.

Equity investments and securities (classified as long-term financial assets)

The equity investments and debt securities classified as long-term financial assets will be held by the Company over the long term. Equity investments are measured at cost, as adjusted for any impairment.

The cost recorded in the financial statements is determined with reference to purchase or subscription price, inclusive of related expenses. If impairment is identified, the carrying amount of equity investments is reduced to their recoverable value, which is determined with reference to the future benefits that are expected to accrue to the Company. Should the Company be obliged or intend to cover the (non-permanent) losses incurred by an equity investment, a suitable provision is recorded to cover the liability to which the Company is exposed. If in future years the reasons for the writedown cease to apply, the equity investment is written back to its original carrying amount.

Debt securities are measured using the amortised cost method, being their original carrying amount net of any redemptions of principal, as increased or decreased by the accumulated amortisation, calculated using the effective interest method, of any difference between its initial and maturity values after deducting any impairment (recognised directly or by a provision) following a loss in value; the original carrying amount is represented by purchase or subscription cost, net of any commissions.

Intercompany loans

Intercompany loans with a duration of more than 12 months are usually governed by contracts arranged on market terms and conditions; interest-free intercompany loans and those arranged at significantly below market rates are recognised initially at the value of the related future cash flows, as discounted using the market rate (being the average funding rate of the Company or the Group). The difference with respect to the liquidity collected by the parent company is credited to quotaholders' equity.

Inventories

Inventories are stated at the lower of purchase and/or production cost and realisable value, based on market prices. In particular, set out below are details of the specific accounting policies used for the valuation of each inventory category (consistent with those used for the prior year):

- Raw materials: annual weighted average cost (including components purchased from third parties).
- Work in process (semi-finished products): manufacturing cost based on the stage of completion of the production process, being the cost of production.

- Finished products: manufacturing cost.
- Dies for resale: purchase cost.
- Consumables: purchase cost, inclusive of spare parts.

Purchase cost includes any directly attributable ancillary charges, with the exclusion of borrowing costs. Production cost includes the indirect costs that are reasonably attributable to each asset during the production period until it becomes available for use.

The realisable value of goods, finished products, semi-finished products and work in process inferred from market conditions is deemed to be their net realisable value. Raw and ancillary materials held for the production of finished products are not written down if the finished products in which they will be used are realisable for an amount that is greater than or equal to their production cost.

Inventories are written down when their realisable value estimated with reference to market conditions is lower than their carrying amount. Obsolete and slow-moving inventories are written down with reference to their possible uses or realisable value. If in future years the reasons for any writedown cease to apply, the related inventories are written back to not more than their original cost.

Current receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement. Receivables assigned to factors are only derecognised if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement caption C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to

be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Receivables deriving from centralised treasury management activities are classified separately within current assets, if recoverable in the short term. If this is not the case, they are classified as long-term financial assets.

Current financial assets

This caption comprises the equity investments and debt securities that will not be held over the long term by the Company. They are recorded at specific cost or, if lower, at their market value that, for listed investments, is determined with reference to their market price on the reporting date.

These equity investments are written down to their realisable value case by case, rather than on an overall basis. If the reasons for any adjustments cease to apply, in whole or in part, the adjustments are reversed without exceeding the original cost.

Cash and cash equivalents

Cash and cash equivalents are carried at face value. Amounts denominated in foreign currencies are measured using the closing exchange rates.

Accrued income and prepaid expenses

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B,

C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Quotaholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

Provisions for risks and charges

The provisions for risks and charges have been created to cover known or likely liabilities, the timing or extent of which cannot be determined at the reporting date.

These provisions were recognised on a prudence and accrual basis, in accordance with the instructions contained in accounting principle OIC 31. The related provisions are charged to the income statement in the year to which they refer and classified according to the nature of the costs.

Employee termination indemnities

Employee termination indemnities are calculated in accordance with the provisions of art. 2120 of the Italian Civil Code, taking into account the legislative provisions and the specificities of the contracts and professional categories, and include the annual accrued quotas and the revaluations carried out on the basis of ISTAT coefficients.

The provision is recorded net of advances paid and quotas used for terminations of employment that occurred during the year and represents the amount due to employees at the balance sheet date.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortised cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different to the market rate of interest.

The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Revenues

As provided for by OIC 34, revenue recognition depends on determining the overall price of the contract, after having identified and allocated the price to the individual elementary accounting units corresponding to the services included in the contract.

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Dividends

Dividends are recognised in the year in which they are declared by the quotaholders' meeting. Dividends are recognised as financial income, regardless of the nature of the reserves that are distributed.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Income taxes

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively among the current assets as “deferred tax assets” and among the provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the quotaholder.

Translation of foreign currency items

Non-monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the exchange rates applying at the time of their acquisition, being their initial recognition cost.

Monetary assets and liabilities originally denominated in foreign currencies are recognised in the balance sheet using the spot exchange rates applying on the reporting date; the related exchange gains and losses are recognised in the income statement and any net unrealised gains are allocated to a non-distributable reserve until they have been realised.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes, assets

Movements in individual financial statements items are analysed below, according to current law.

Fixed assets

This paragraph of the notes analyses the movements in intangible, tangible and long-term financial assets.

Intangible assets

	Start-up and expansion costs	Development costs	Other	Total intangible assets
Balance at the beginning of the year				
Cost	33,676	302,201	4,500	340,377
Amortisation (Accumulated amortisation)	33,676	182,559	875	217,110
Carrying amount	-	119,642	3,625	123,267
Changes during the year				
Additions	-	126,339	936	127,275
Amortisation for the year	-	43,067	1641	44,708
<i>Total changes</i>	-	83,272	(705)	82,567
Balance at the end of the year				
Cost	33,676	428,540	5,435	467,652
Amortisation (Accumulated amortisation)	33,676	225,626	2,515	261,818
Carrying amount	-	202,914	2,920	205,834

The value of the intangible assets recorded in these financial statements, net of accumulated amortisation, refer to development costs incurred for the development of the know-how and IT products designed by the Company.

Tangible assets

	Industrial and commercial equipment	Other tangible assets	Total tangible assets
Balance at the beginning of the year			
Cost	108,895	42,578	151,473
Depreciation (Accumulated depreciation)	40,796	34,214	75,010
Carrying amount	68,099	8,364	76,463
Changes during the year			
Additions	38,153	3,642	41,795
Depreciation for the year	43,267	2,492	45,759
<i>Total changes</i>	(5,114)	1,150	(3,964)
Balance at the end of the year			
Cost	147,048	46,220	193,268
Depreciation (Accumulated depreciation)	84,063	36,706	120,769
Carrying amount	62,985	9,514	72,499

The amount of tangible assets at 03/31/2025 mainly refers to the equipment represented by devices (satellite locators) for monitoring fleet vehicles in circulation.

Finance leases

At the balance sheet date the company is not party to any finance lease contracts.

Current assets

Inventories

The following table shows the changes in inventories.

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Inventories	19,668	29,301	48,969

Current receivables

The receivables shown under current assets have been measured at their estimated realisable value, making use of the option granted by art. 2435-bis of the Italian Civil Code.

They are made up of the following sub-items, which have seen the following changes during the year.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	398,051	175,728	573,779	573,779	-
Receivables due from parent companies	29,563	(9,689)	19,874	19,874	-
Receivables due from fellow subsidiaries	22,570	(3,806)	18,764	18,764	-
Tax receivables	6	22	28	28	-
Other receivables	5,995	(5,864)	131	131	-
Total	456,185	156,391	612,576	612,576	-

Trade receivables (€573,779 at 31 March 2025) have increased versus the previous year, attributable to the rise in turnover during the last part of the year.

Receivables from the parent company, Endurance Overseas S.p.A., refer to the accrual of interest income on the cash pooling account.

Receivables due from fellow subsidiaries comprise trade receivables due from Endurance S.p.A. direct subsidiary of Endurance Overseas S.p.A

Current financial assets

Movements in current financial assets

The movements in current financial assets are analysed in the following table:

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Current financial assets	1,610,256	(4,526)	1,605,730

Pursuant to article 2423-ter, paragraph 3 of the Italian Civil Code, and having verified the short-term collectability as required by OIC 14, the Company has recorded in the item C.3. "Current financial assets" the receivable from Endurance Overseas S.p.A., the company that administers the Group's cash pooling system. The balance is down €4,526 on the previous year).

Cash and cash equivalents

Cash and cash equivalents are carried at their face value corresponding to the cash balance at the end of the year and the credit balances on bank current accounts. The following table shows the changes that took place during the year:

Description	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Bank and postal deposits	388,847	313,279	702,126
Cash on hand	85	12	97
<i>Total</i>	<i>388,932</i>	<i>313,291</i>	<i>702,223</i>

The increase in this item is linked to the positive operating cash flows generated during the year, used to pay for current financial payables and investments made by the Company during the year.

Accrued income and prepaid expenses

This item (which amounts to € 12,082) includes portions of revenues pertaining to the current year, which will be received in subsequent years.

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes, liabilities and quotaholders' equity

Movements in individual financial statements items are analysed below, according to current law.

Shareholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

Details of movements during the year ended 31/03/2024 are shown below:

	Balance at the beginning of the year	Allocation of the prior year result	Result for the year	Balance at the end of the year
Capital	500,000	-	-	500,000
Share premium reserve	49,929	-	-	49,929
Legal reserve	100	4,160	-	4,260
Extraordinary reserve	32,180	-	-	32,180
Other reserves	1,300,471	-	-	1,300,471
Retained earnings (accumulated losses)	(82,054)	62,598	-	(19,456)
Net income (loss) for the year	66,758	(66,758)	224,923	224,923
Total	1,867,384	-	224,923	2,092,307

Details of movements during the year ended 31/03/2025 are shown below:

	Balance at the beginning of the year	Allocation of the prior year result	Result for the year	Balance at the end of the year
Capital	500,000	-	-	500,000
Share premium reserve	49,929	-	-	49,929
Legal reserve	4,260	11,246	-	15,506
Extraordinary reserve	32,180	-	-	32,180
Other reserves	1,300,471	-	-	1,300,471
Retained earnings (accumulated losses)	(19,456)	213,677	-	194,221
Net income (loss) for the year	224,923	(224,923)	392,657	392,657
Total	2,092,307	-	392,657	2,484,964

Availability and use of quotaholders' equity

The following table provides details of the components of quotaholders' equity, including their origin, their potential utilisation and whether they are distributable, as well as their utilisation in the prior three years.

Description	Amount	Origin/ Nature	Potential utilisation	Amount available	Summary of utilisation in previous two financial years - to cover losses	Summary of utilisation in previous three financial years - to cover losses
Capital	500,000	Capital	-	-	-	-
Share premium reserve	49,929	Capital	A,B	-	-	-
Legal reserve	15,506	Revenue	B	-	-	-
Extraordinary reserve	32,180	Revenue	A,B,C	32,180	-	-
Other reserves	1,300,471	Capital	A,B	-	-	-
Retained earnings (accumulated losses)	194,221	Revenue	A,B,C	-	19,456	79,049
Total	2,092,307			32,180		
Amount not distributable				287,408	-	-
Residual amount distributable				-	-	-

KEY: "A" increase in capital; "B" cover of losses; "C" distribution to shareholders; "D: for other statutory requirements; "E": other

The non-distributable portion of the reserves refers to the amount that still has to be transferred to the legal reserve (Euro 84,494) to reach one fifth of the quota capital pursuant to Article 2431 of the Italian Civil Code, as well as the R&D costs included in intangible assets that still have to be amortised (Euro 202,914).

Provisions for risks and charges

The provisions for risks and charges were recognised in accordance with the instructions contained in accounting principle OIC 31, the related provisions are charged to the income statement in the year to which they refer. The provisions (which amount to € 90,000) were set aside during the previous year to cover certain risks, while there were no changes during the current year.

Employee termination indemnities

Changes in the provision for employee termination indemnities are shown in the following table.

Description	Opening balance	Provision	Utilisations	Closing balance
Provision for employee termination indemnities	23,826	10,004	-	33,830

The charge for the year (provision for employee termination indemnities classified in income statement caption B9 c) includes the provision retained by the Company and the payments made to the INPS Treasury Fund and the supplementary pension fund specified by each employee, where applicable.

Payables

Payables are shown in the financial statements at their face value, making use of the option granted by art. 2435-bis of the Italian Civil Code.

The classification of payables in the various payable items is based on their nature (or origin) with respect to ordinary operations, regardless of the period of time within which the liabilities have to be extinguished.

The item in question is made up as follows:

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	21,904	(7,491)	14,413	7,511	6,902
Trade payables	106,011	120,047	226,058	226,058	-
Payables due to parent companies	95,000	90,860	185,860	185,860	-
Tax payables	103,840	(51,090)	52,750	52,750	-
Due to pension and social security institutions	10,596	4,587	15,183	15,183	-
Other payables	37,219	16,445	53,664	53,664	-
Total	374,570	173,357	547,927	541,025	6,902

At 31 March 2025, the amounts due to banks refer to loan agreement entered into with Unicredit, based on the following characteristics:

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
Unicredit	30,000	08/03/2021 - 6	14,413	7,511	6,902
Amortised cost adjustment	-	-	-	-	-
Total	30,000		14,413	7,511	6,902

Payables due to parent companies total € 185,860 and relate mainly to administrative, financial services and support provided by the parent company Endurance Overseas S.p.A. to Group companies (based on specific service agreements), which have been entered into on an arm's length basis.

Tax payables mainly refer to IRES and IRAP for €6,503 and to VAT for €41,472.

Other payables include amounts due to employees for salaries and accruals to be paid (€ 51,774).

Debt secured by collateral on company assets

In accordance with art. 2427, paragraph 1, no. 6 of the Civil Code, we can confirm that there are no payables with a duration of more than five years nor payables secured by liens on company assets

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Deferred income	122,467	(19,275)	103,192
<i>Total</i>	<i>122,467</i>	<i>(19,275)</i>	<i>103,192</i>

Deferred income (€ 103,192) is of various kinds, mainly commercial, and the deferral of grants pertaining to future years.

Explanatory notes - income statement

The income statement reports the results for the year.

This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, are broken down according to their various categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

Value of Production

Revenue is recorded in the financial statements on an accrual basis, net of returns, allowances, discounts and bonuses, as well as the taxes directly connected to them.

Revenues from the provision of services are recognised when the service is rendered, i.e. when the service has been performed; in the case of services being provided on a continuous basis, the revenues are recognised for the portion that has accrued.

As regards purchases of goods, the costs are recorded when the transfer of ownership has taken place, in substance and not just in form, assuming the transfer of all risks and benefits as a parameter.

Description	FY 2024/2025	FY 2023/2024	Change
1) Revenues from sales of goods and services	2,236,666	1,296,538	940,128
2) Change in inventories of work in progress, semi-finished and finished products	11,551	(3,094)	14,645
3) Change in contract work in progress	17,750	-	17,750
5) Other income and revenues			
Operating grants	-	-	-
Other	6,580	1,989	4,591
Total	2,272,547	1,295,433	977,114

Production cost

In accordance with the matching principle, costs and charges are recognised on an accruals basis by type of expenditure; they are stated net of returns, allowances, discounts and rebates and classified in the respective captions pursuant to OIC 12. As regards purchases of goods, the costs are recorded when the transfer of ownership has taken place, in substance and not just in form, assuming the transfer of all risks and benefits as a parameter. In the case of the purchase of services, the costs are recorded when the service has been received, or when provision of the service has been completed; if the services are provided on a continuous basis, the costs are recorded for the amount accrued

The detail of the costs for the financial year in question and the previous one are illustrated below:

Description	FY 2024/2025	FY 2023/2024	Change
Cost of raw and ancillary materials, consumables and goods for resale	77,787	111,526	(33,739)
Cost of services	1,333,727	581,719	752,008
Lease and rental charges	1564	607	957
Payroll costs			0
Wages and salaries	224,977	182,557	42,420
Social contributions	48,479	45,464	3,015
Employee termination indemnities	14,593	12,152	2,441
Other costs	11,182	12,698	(1,516)
Amortisation of intangible assets	44,708	32,218	12,490
Depreciation of tangible assets	45,759	31,828	13,931
Other operating expenses	4,339	6,198	(1,859)
Total	1,807,115	1,016,967	790,148

Operating costs increased in line with the trend in production value, with a more than proportional effect in relation to service costs, while personnel costs and depreciation and amortisation posted increases that were less than

proportional. The combined effect of these changes resulted in an operating margin of 20% (substantially in line with the previous year's figure).

Financial income and charges

Financial income and charges are recorded on an accruals basis.

Financial income and charges (giving a positive net balance of €19,900) are recorded on an accrual basis during the year and refer to the remuneration received from Endurance Overseas S.p.A. on the Company's cash pooling account. There are also €415 of charges relating to exchange differences realised during the period.

Amount and nature of revenues/costs of individual significance

During the current year, no revenues or other positive components deriving from exceptional events were recorded.

During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. Current taxes refer to taxes for the year as shown in the Company's tax returns; taxation relating to prior years includes direct taxes from previous years, as well as interest and penalties and also refer to the positive (or negative) difference between the amount due following the settlement of a dispute or an assessment with respect to the provision set aside in previous years. Lastly, deferred tax liabilities and assets involve positive or negative elements of income, respectively, subject to taxation or deduction in years other than those of the statutory accounts.

Furthermore, after having assessed whether it was worthwhile from a tax point of view, the company intends to take advantage of the substitute tax regime provided for by art. 20 bis of the same decree. The company has agreed to the two-year advance settlement of taxes for the years 2025 and 2026 under the terms of the law pursuant to art. 6 et seq. of Legislative Decree 13/2024, which has effects for both IRES and IRAP purposes; the taxes in question are therefore determined on the basis of the agreed income and production value.

Deferred taxation

No provision has been made in the income statement for deferred tax assets and liabilities, as there are no temporary differences between the tax charge shown in the financial statements and the theoretical tax charge.

Reconciliation of IRES/IRAP

The following table shows the effects of the two-year advance agreement for the purposes of determining IRES and IRAP for the current year.

	IRES	IRAP
Income (loss) before taxes	484,917	
Theoretical rate (%)	24.00	
IRES	116,380	
Balance of IRAP accounting values		764,663
Theoretical rate (%)		3.90
IRAP		29,822
<i>Permanent changes (add-backs)</i>	<i>42,958</i>	<i>2,427</i>
<i>Permanent changes (deductions)</i>	<i>30,852</i>	<i>-</i>
Total taxable amount	497,023	767,090
Proposed taxable income recalculated according to the two-year advance agreement	345,174	307,926
(of which taxable income subject to flat tax)	22,059	
Other material IRAP deductions		271,683
Total taxable income	323,115	307,926
Total current taxes on taxable income	77,548	12,009
Income subject to flat tax	22,059	
Theoretical rate (%)	12.00	
Flat tax	2,647	
Deduction	-	-
Net tax	80,195	12,009
Effective rate (%)	16.54	1.57

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages

	White collar	Other employees	Total employees
Average number	3	3	6

The workforce at 31 March 2025 consists of 6 people.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into in the year.

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., it is confirmed that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following information is provided about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary:

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	Endurance Overseas S.p.A.
Town (if in Italy) or foreign State	Chhatrapati Sambhajnagar (formerly Aurangabad) (India)	Turin
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajnagar (formerly Aurangabad) (India) India Stock Exchange: NSE and BSE	Registered office: Turin Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivative financial instruments pursuant to art. 2427-bis of the Italian Civil Code

We can confirm that the company is not party to any derivatives.

Summary financial statements of the company which exercises management control and coordination

The Company is subject to management control and coordination by its indirect parent company, Endurance Technologies Limited, with registered offices at E-92, MIDC Industrial Area, Waluj, Aurangabad, Maharashtra, India, which directly and indirectly owns the entire quota capital of the Company.

The following amounts taken from the latest approved financial statements of Endurance Technologies Limited are stated in millions of Indian Rupees. For the sake of clarity, the Rupee/Euro exchange rate at 28 March 2024 was 90,1365 (89.399 on 31 March 2023) - (source European Central Bank):

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Assets		
Non-current assets		
Fixed assets, net	19,211.07	18,078.08
Investments and other non-current assets	5,971.30	5,746.01
Current assets	21,564.94	17,266.36
Assets held for sale	105.73	-
Total assets	46,853.04	41,090.45

Balance sheet	Year ended 31/03/2024	Year ended 31/03/2023
Liabilities and quotaholders' equity		
Quotaholders' equity	38,053.20	33,309.41
Non-current liabilities		
Non-current financial liabilities	58.96	78.72
Other non-current liabilities	307.70	301.04
Current liabilities		
Current financial liabilities	7,358.85	6,233.75
Other current liabilities	1,074.33	1,167.53
Total liabilities and quotaholders' equity	46,853.04	41,090.45

Income statement	Year ended 31/03/2024	Year ended 31/03/2023
Revenues	79,204.71	67,957.07
Operating costs	68,646.88	59,882.73
Depreciation and amortisation	2,625.16	2,407.08
Financial charges	29.94	42.7
Non-recurring income/(expense)	-	(102.85)
Income before tax	7,902.73	5,521.71
Taxation for the year (current and deferred)	2,024.80	1,432.54
Income (loss) for the year	5,877.93	4,089.17
OCI - Other comprehensive income	(149.50)	30.9
Total statement of comprehensive income	5,728.43	4,120.07

Treasury shares and shares in parent companies

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, it is hereby confirmed that the Company did not hold any shares or quotas in the parent company during the year.

Information relating to start-ups, including those with a social vocation, and innovative SMEs

As regards the information required by art. 4 of Legislative Decree no. 3 of 24 January 2015 about research, development and innovation costs, the Company's expenditure on research, development and innovation was higher than 3% of its total value of production. The Company is also the holder of the rights to an original computer program registered in the special public register for computer programs; this patent is directly related to the corporate purpose and business activity.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that it received no such sums during the year.

Proposed allocation of profits or coverage of losses

Quotaholders, in light of the above, the Board of Directors would like to propose allocating the net income for the year of €392,657 as follows

- 19,633 to the legal reserve
- 373,024 carried forward

Explanatory notes - closing section

We confirm that these financial statements, which comprise the balance sheet, income statement and explanatory notes, give a true and fair view of the financial position and results for the year and agree with the books of account. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Turin, 12/05/2025

For the Board of Directors

The Managing Director

Alessio Tirone

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Sole Quotaholder of
Veicoli S.r.l.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Opinion**

We have audited the financial statements of Veicoli S.r.l. (the "Company"), prepared in condensed format pursuant to Article 2435-bis of the Italian Civil Code, which comprise the balance sheet as at March 31, 2025 and 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, 2025, and of its financial performance and its cash flows 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 matters

Pursuant to art. 2497-bis, first paragraph of the Italian Civil Code, the Company has disclosed that it is subject to management and coordination of its activities by Endurance Technologies Limited (India) and, therefore, has indicated in the notes to the financial statements the key financial data from the most recent financial statements of such company. Our opinion on the financial statements of Veicoli S.r.l. does not extend to such data.

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.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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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.
- 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.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

INGENIA AUTOMATION SRL

Company with sole quotaholder

Head office: VIA BRANDIZZO 436A - 438 VOLPIANO (TO)

Tax code and Companies Register no. 07384670019

Turin Business Register (REA) no. TO 888241

Quota capital: € 10,330.00 subscribed and fully paid

VAT number and Tax Code: 07384670019

Report on operations

Financial statements at 31/03/2025

Quotaholders,

The explanatory notes provide disclosures on the financial statements for the year ended 31/03/2025; this document provides information on the Company's situation and performance in compliance with art. 2428 of the Italian Civil Code. The report, prepared with amounts shown in Euro, is presented as an accompaniment to the financial statements and provides information on the Company's earnings, financial position and operations, together, where possible, with historical facts and an indication of the future outlook.

Matters concerning the economy in general and the results of operations

In 2024, the economy of the Eurozone countries showed signs of recovery with a gradual but modest rise in GDP of 0.9% and inflation on the decline. Germany turned out to be in moderate recession (-0.2%), whereas France, Italy and above all Spain were growing (by +1.1%, +0.7% and +3.2% respectively). The fiscal deficit was around 3% with unemployment stable. Globally, according to the data released by the International Monetary Fund (IMF), the growth of the world economy in 2024 was +3.3% with the United States growing by 2.8%, China by 5.0% and India by 6.5%.

With regards to the automotive sector (the Company's principal market, especially after joining the Endurance Group), in calendar year 2024, according to the figures published by ACEA (European Automobile Manufacturers'

Association), registrations of new vehicles in the world grew by 2.5% compared with the previous year (74.6 million vehicles in 2024 compared with 72.8 million in 2023). Registrations went up by 0.8% in the European Union (10.6 million versus 10.5 million in 2023), by 3.1% in the USA (12.7 million versus 12.3 in 2023), by 2.6% in China (22.9 million versus 22.4 million the previous year) and 4.8% in India (with a market that went from 4.2 million vehicles to 4.4 million). In the European Union, battery electric vehicles (BEVs) achieved a market share of 13.6%, plug-in hybrids (PHEVs) 7.1% and HEV hybrids (including mild hybrids) 30.9%. Traditional internal combustion vehicles dropped to a market share of 45.2% (including 33.3% petrol and 11.9% diesel) from 48.9% the previous year.

Registrations in the European Union for the period consistent with the financial year (April '24 – March '25) posted a contraction of -0.8% (a figure that is worse than that of the calendar year due to the -1.9% contraction in the quarter January-March 2025). The gap compared with the volumes of the pre-pandemic year remains high equal at -13.1% (compared with the year 2019/2020).

According to the findings of S&P Global Mobility released by ACEA, global car production decreased by a marginal -0.5% with more significant reductions in the European Union (-6.2% to 11.4 million vehicles) and the USA (-3.5%, to 7.4 million vehicles), while growth was recorded in China (+5.2% to 25.8 million vehicles) and India (+4.7% to 4.9 million vehicles). Germany is still the leading car manufacturing country with 3.9 million vehicles, almost 35% of the European Union total output of cars, -0.4% down on the previous year.

In light of the new orders acquired by the Endurance Group, the significant investments made in previous years have allowed the company to improve its performance, despite the negative trend in car production in the European Union. It should also be remembered that, even though the prices of energy factors have fallen from the peaks of previous years, they have still levelled out significantly higher than historical averages with the material component of electricity 170% more expensive on average and gas 210% more expensive, impacting performance.

Key events

During the period under review, the Company changed its year end for tax and accounting purposes to 31/03 (from 31/12) in order to bring its financial and fiscal year into line with that of the Endurance Group which now owns the company following the business combination occurred in 2024.

Management control and coordination activities

Pursuant to paragraph 5 of art. 2497-bis of the Italian Civil Code, we can confirm that the Company is not subject to the management control and coordination of others.

Financial position

A reclassified balance sheet is provided below to facilitate a better understanding of the Company's financial position.

Balance Sheet - Assets

Item	FY 2025	%	FY 2024	%	Change	Change %
WORKING CAPITAL	12,804,990	93.89 %	11,896,711	93.90 %	908,279	7.63 %
Immediate liquidity	3,341,697	24.50 %	4,598,828	36.30 %	(1,257,131)	(27.34) %
Cash and cash equivalents	3,341,697	24.50 %	4,598,828	36.30 %	(1,257,131)	(27.34) %
Deferred liquidity	6,234,133	45.71 %	4,877,249	38.49 %	1,356,884	27.82 %
Current receivables included in working capital	5,220,693	38.28 %	3,872,494	30.56 %	1,348,199	34.81 %
Current portion of non-current receivables	-	0.00 %	-	0.00 %	-	0.00 %
Financial assets	999,997	7.33 %	999,997	7.89 %	-	0.00 %
Accrued income and prepaid expenses	13,443	0.10 %	4,758	0.04 %	8,685	182.53 %
Inventories	3,229,160	23.68 %	2,420,634	19.11 %	808,526	33.40 %
FIXED ASSETS	833,298	6.11 %	773,434	6.10 %	59,864	7.74 %
Intangible assets	31,611	0.23 %	34,830	0.27 %	(3,219)	(9.24) %
Tangible assets	534,769	3.92 %	509,449	4.02 %	25,320	4.97 %
Long-term financial assets	-	0.00 %	-	0.00 %	-	0.00 %
Non-current portion of receivables included in working capital	266,918	1.96 %	229,155	1.81 %	37,763	16.48 %
CAPITAL EMPLOYED	13,638,288	100.00 %	12,670,145	100.00 %	968,143	7.64 %

Balance Sheet - Liabilities and Equity

Item	FY 2025	%	FY 2024	%	Change	Change %
MINORITY INTEREST	11,442,681	83.90 %	10,313,119	81.40 %	1,129,562	10.95 %
Current liabilities	10,349,117	75.88 %	9,122,128	72.00 %	1,226,989	13.45 %
Current payables	10,227,893	74.99 %	9,029,073	71.26 %	1,198,820	13.28 %
Accrued expenses and deferred income	121,224	0.89 %	93,055	0.73 %	28,169	30.27 %
Non-current liabilities	1,093,564	8.02 %	1,190,991	9.40 %	(97,427)	(8.18) %
Non-current payables	62,314	0.46 %	139,566	1.10 %	(77,252)	(55.35) %
Provision for risks and charges	725,000	5.32 %	725,000	5.72 %	-	0.00 %
Employee termination indemnities	306,250	2.25 %	326,425	2.58 %	(20,175)	(6.18) %
EQUITY	2,195,607	16.10 %	2,357,026	18.60 %	(161,419)	(6.85) %
Quota capital	10,330	0.08 %	10,330	0.08 %	-	0.00 %
Reserves	562,463	4.12 %	562,459	4.44 %	4	0.00 %
Retained earnings (accumulated losses)	1,784,237	13.08 %	400,431	3.16 %	1,383,806	345.58 %
Net income (loss) for the year	(161,423)	(1.18) %	1,383,806	10.92 %	(1,545,229)	(111.67) %
SOURCES OF FINANCE	13,638,288	100.00 %	12,670,145	100.00 %	968,143	7.64 %

Key financial indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2025 (3 months)	FY 2024 (12 months)	Change %
Fixed asset coverage	263.48 %	304.75 %	(13.54) %
Banks/Working capital	1.65 %	2.08 %	(20.67) %
Debt ratio	5.21	4.38	18.95 %
Financial debt ratio	0.10	0.11	(9.09) %
Equity/Capital employed	16.10 %	18.60 %	(13.44) %
Financial charges/Turnover	0.03 %	0.05 %	(40.00) %
Current ratio	123.73 %	130.42 %	(5.13) %
Fixed assets/Equity	1,620,974	1,804,875	(10.19) %
Primary coverage ratio	3.82	4.27	(10.54) %
(Equity + non current liabilities) - Fixed assets	2,714,538	2,995,866	(9.39) %
Secondary coverage ratio	5.72	6.43	(11.04) %
Net working capital	2,455,873	2,774,583.00	(11.49) %
Acid test margin	(773,287)	353,949	(318.47) %
Acid test ratio	92.53 %	103.88 %	(10.93) %

Results

A reclassified income statement is provided below to facilitate a better understanding of the Company's results. Note that the figures are for a 3-month period (01/01/2025 - 31/03/2025) and are therefore not comparable with the prior year's figures, which are for a 12-month period (01/01/2024 - 31/12/2024).

Income Statement

Item	Year 2025 (3 months)	%	Year 2024 (12 months)	%	Change	Change %
VALUE OF PRODUCTION	1,937,808	100.00%	14,287,051	100.00%	(12,349,243)	(86.44) %
- Consumption of raw materials	951,992	49.13%	7,946,088	55.62%	(6,994,096)	(88.02) %
- General expenses	702,672	36.26%	2,350,901	16.45%	(1,648,229)	(70.11) %
VALUE ADDED	283,144	14.61%	3,990,062	27.93%	(3,706,918)	(92.90) %
- Payroll costs	462,653	23.88%	1,701,139	11.91%	(1,238,486)	(72.80) %
- Provision	-	0.00 %	100,000	0.70%	(1,238,486)	(72.80) %
GROSS OPERATING MARGIN	(179,509)	-9.26%	2,188,923	15.32%	(2,330,497)	(108.67) %
- Depreciation, amortisation and writedowns	15,494	0.80%	85,422	0.60%	(69,928)	(81.86) %
- Other operating expenses	4,662	0.24%	(2,575)	-0.02%	(62,005)	(87.99) %
INCOME BEFORE FINANCIAL ITEMS	(203,467)	-10.50%	2,033,032	14.23%	(2,236,499)	(110.01) %
+ Financial items	4,662	0.24%	(2,575)	-0.02%	6,568	90.77 %
INCOME BEFORE TAX	(198,805)	-10.26%	2,030,457	14.21%	(2,229,262)	(109.79) %
- Taxation	(37,382)	-1.93%	646,651	4.53%	(684,033)	(105.78) %
NET INCOME	(161,423)	-8.33%	1,383,806	9.69%	(1,545,229)	(111.67) %
EBITDA	(187,973)	-9.70%	2,118,454	14.83%	(2,306,427)	-108.87%

Key performance indicators

The following ratios have been calculated on the basis of the above reclassified figures:

RATIO	FY 2025	FY 2024	% Change
R.O.E.	(7.35%)	58.71%	(160.56%)
R.O.I.	21.75%	(101.94%)	(360.26%)
R.O.S.	(10.50%)	14.23%	(488.61%)
R.O.A.	(1.49%)	16.05%	(259.33%)

Information required by art. 2428 of the Civil Code

The detailed information specifically required by art. 2428 of the Italian Civil Code is presented below.

Main risks and uncertainties that the Company is exposed to

As required by the first paragraph of Art. 2428 of the Italian Civil Code, a description of the main risks and uncertainties to which the Company is exposed is set out below, taking into account its nature as a provider of services and investment holding company that operates in the automotive sector:

RISKS RELATED TO THE GENERAL STATE OF THE ECONOMY: the Company's results are influenced by trends in the national and international economy. Developments regarding GDP, the cost of raw materials, the unemployment rate, interest rates and the level of confidence shown by consumers and businesses can condition the sales performance of end customers and, thus, the Company's sales performance. There are also further elements of uncertainty linked to geopolitical tensions, in particular due to the current crisis between Russia and Ukraine, as well as the possible emergence of new variants of Covid-19. Furthermore, the tightening of international sanctions is affecting uncertainties about the prices of energy commodities, basic materials (metals in particular) and agricultural products with repercussions on consumer prices and the growth prospects for the Euro area. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business conditions.

RISKS RELATED TO THE SECTOR IN WHICH THE COMPANY OPERATES: the automation sector for companies operating in the automotive sector is characterised by fierce competition, also in relation to the trend in sales volumes in the automobile market. Although the company operates and is committed to developing applications in sectors other than automotive, significant declines in the needs of end customers and the resulting additional pressure on prices due to intense competition could have a negative impact on the company's economic and financial situation.

RISKS RELATED TO THE ABILITY TO CREATE INNOVATIVE PRODUCTS: the automotive components sector is characterised by continuous product development needed to satisfy the product performances required by car manufacturers and by environmental legislation (governing emissions). Failure to develop products and meet

needs in terms of price, quality and the functionality imposed by end customers could adversely impact the prospects for the company's operations.

FINANCIAL RISKS: the Company is exposed to the following financial risks in the conduct of its operations:

- credit risk in relation to normal commercial transactions with customers of subsidiaries;
- liquidity risk, with particular reference to the availability of financial resources and access to the market for credit and financial instruments in general;
- market risk, mainly relating to changes in interest rates and, to a lesser extent, exchange rates.

The Company constantly monitors the financial risks that it is exposed to, in order to evaluate in advance any potential negative effects and to take appropriate action to mitigate them.

Credit risk

Given the main industrial activity of its subsidiaries - the production of components for car makers - the receivables of the Company are structurally concentrated, as the customers of the Group comprise a limited number of industrial groups. The Company monitors receivables constantly and regularly adjusts the related allowances for collection risks.

Liquidity risk

The two main factors that determine the Company's liquidity position are, on one hand, the resources generated or absorbed by operations and by investments and, on the other hand, the timing of the repayment and renewal of debt and of the liquidity of financial investments.

The Company seeks the most appropriate sources of finance bearing in mind the current and prospective financial position. Any difficulties encountered in obtaining financing needed to meet the needs of current operations and needs relating to investments could negatively impact the Company's results and financial position.

Management believes that funds currently available, as well as funds generated from operating activities, will allow the Company to meet the needs of investing activities, of working capital management and for the repayment of debt as it falls due.

Market risk

In the conduct of its activities, the Company is exposed to various market risks, particularly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates.

Risks relating to changes in interest rates

The Company could have recourse to financial resources made available by the banking sector in the form of debt and use the funds to finance operations as well as investment and development initiatives. The Company can also

factor its trade receivables. Changes in market interest rates impact the cost of various types of financing and factoring, which in turn affect the level of the Company's financial charges.

To cope with these risks, the Company strives to maintain a suitable relationship between its financing structure and its capital employed, in line with the opportunities on offer and actual market conditions.

Lastly, where considered appropriate, the Company could make use of rate derivatives (interest rate swaps and caps) with the aim of hedging such risks.

Risks relating to changes in exchange rates

The functional currency used by the Company for the majority of its transactions (the Euro) does not currently appear to be subject to significant risks relating to exchange rate fluctuations.

Information on the environment

We can confirm that the Company has not applied any particular environmental policies because they are not necessary for our type of business.

Information on personnel

The Company has 36 employees at the end of FY 31-03-2025.

Research and development activities

Pursuant to point 1) of the third paragraph of Art. 2428 of the Italian Civil Code, we can confirm that no R&D was carried out during the year.

Transactions with subsidiaries, associates and parent companies

With regard to the provisions of paragraph 3.2 of art. 2428 of the Italian Civil Code, we can confirm that the Company does not have any controlling equity investments and, accordingly, has not entered into any transactions with subsidiaries.

As required by OIC 12.130 and art. 2427, para. 1, point 22-bis c.c., we point out that relations with related parties comprise transactions with the parent company and fellow subsidiaries (together referred to as "affiliates"), as summarised below:

Receivables from affiliates classified as current assets

Description	FY 2025	FY 2024	Change
due from fellow subsidiaries	3,293,576	1,731,394	1,562,183
<i>Total</i>	3,293,576	1,731,394	1,562,183

The amount receivable from fellow subsidiaries relates to trade receivables due from Endurance S.p.A. (€2,843,450) and Endurance GmbH (€450,126).

Payables to and loans from affiliates

Description	FY 2025	FY 2024	Change
due to fellow subsidiaries	556,434	287,345	269,089
<i>Total</i>	556,434	287,345	269,089

Payables due to fellow subsidiaries include trade payables to Endurance S.p.A. controlled by Endurance Overseas S.p.A.).

Treasury shares

Pursuant to Arts. 2435-bis and 2428 of the Italian Civil Code, we can confirm that the Company did not hold any treasury shares during the year and at the year end

Shares/quotas in the parent company

In accordance with paragraphs 3.3 and 3.4 of Art. 2435-bis and Art. 2428 of the Italian Civil Code, it is hereby confirmed that the Company did not hold any shares or quotas in the parent company during the year.

Significant events arising subsequent to the reporting date

No significant events took place after the end of the year.

Business outlook

The international economic situation is marked by divergent phenomena and intense instability, starting with the unresolved geopolitical conflicts. Positive factors include the long-awaited containment of inflation, which now

stands at 2.3% in the Eurozone, compared with over 3% last year and even higher in previous years. This has allowed a progressive reduction in the reference rates applied by the ECB, which have fallen to 2.4% from the peak of 4.5% a year ago. As a result, the 3-month Euribor rate (the reference rate for the cost of debt) fell from 3.9% a year ago to 2.15% now. The reduction in inflation is also the consequence of a weakish economic situation. In the Eurozone, the trend in output was negative throughout 2024 and only in the first months of 2025 does the phenomenon seem to have stopped. A factor of uncertainty that has emerged recently is the imposition of import tariffs initiated by the United States against most countries and, in particular, against those with a trade surplus. Subsequent ripostes, with similar measures of reciprocal tariffs announced by many states (including China), were in turn followed by further increases in taxes threatened by the US administration in a crescendo of tensions. The automotive sector was one of the first to be affected by this upsurge of antagonism in international trade relations. In the absence of an agreement reached by the parties in the near future, tariffs will be applied to US imports of both finished cars and components. The ongoing discussions give hope that agreements can be found to avoid the potential blockade of part of the trade. At present, however, it is difficult to predict future effects: they could be both direct, due to reduced exports of European vehicles to the US (or of powertrain units that car manufacturers supply to their plants in the US or in other countries hit by tariffs, such as Mexico), and indirect, due to the effects that a trade war could have on the economy as a whole. Even sectors not directly involved would suffer the repercussions resulting from a general decline in the global economy. If then China was no longer able to export to the US at the levels it has long consolidated, we could witness a deflationary impact in Europe for the products that would be dumped here. The IMF recently issued its updated forecasts on the expected path of world economies, cutting its overall forecasts due to the risks described above. Global growth is forecast at +2.8%, a reduction of -0.5% compared with only last January. The situation by geographical area highlights a +0.8% in the Eurozone (-0.2% compared with January's forecasts), +1.8% in the USA (-0.9% compared with January), +4.0% in China (-0.6% compared with January) and +6.2% in India (-0.3% compared with January).

In the automotive sector, S&P Global Mobility (a leading automotive intelligence company) forecasts a -0.4% reduction in vehicle production worldwide with a -2.6% reduction in Europe. Added to the potential trade conflicts are the uncertainties linked to the transition to electric vehicles and, in particular, the sanctions that car manufacturers would receive if they failed to reach specific emissions targets. Although the European authorities have introduced changes by extending the observation period - the overruns will no longer be calculated over a one-year period, but over a three-year period - the constraints remain. It will therefore be necessary to understand the strategies that car makers will adopt in light of these changes and the requests made by many to reverse total abandonment of internal combustion engines from 2035. As in previous years, it is even more difficult to outline the trend in registrations between battery electric vehicles (BEV), plug-in hybrids (PHEV) and mild hybrids (MHEV). Registrations of such vehicles as a proportion of total registrations has grown significantly over the years, in line with car manufacturers' efforts to introduce new ranges of models and innovative solutions. While the growth in electric vehicles still seems to be the main route in the development path of car manufacturers, also due to the

significant investments that they have already made, the requests to maintain a certain portion of vehicles that use internal combustion engines in compliance with the principle of technological neutrality are becoming stronger. This is also to take into account consumer preferences towards more economic traditional vehicles (in the absence of significant incentives to support the purchase of vehicles with a lower environmental impact), while waiting for the technical solutions to will be introduced to increase mileage, speed up charging times and lower the cost of batteries.

Faced with many possible scenarios, it is believed that the preferable option is to monitor all the solutions that car manufacturers think it best to follow, ready to seize any opportunities offered by the demand for new components, regardless of their final destination.

Based on the information and forecast data that is available, we believe that the company will be in a position to achieve positive results in the future.

The use of financial instruments that should be taken into account when assessing the results and financial position

Pursuant and consequent to the provisions of point 6-bis) of the third paragraph of art. 2428 of the Italian Civil Code, it is confirmed that the company has not used hedging instruments to mitigate interest-rate risk.

Conclusion

In light of the considerations set out above and of the disclosures made in the notes, we invite the quotaholders:

- to approve the financial statements at 31/03/2025 together with the explanatory notes and this report on operations that accompany them;
- to cover the loss of the year by using retained earnings from previous years.

Volpiano 12/05/2025

Ezio Maschio

General information on the company

Company data

Name:	INGENIA AUTOMATION SRL
Registered office:	VIA BRANDIZZO 436A - 438 VOLPIANO TO
Quota capital:	10,330.00
Quota capital fully paid in:	yes
Chamber of Commerce:	TO
VAT Number:	07384670019
Tax code:	07384670019
REA Number:	888241
Legal form:	LIMITED LIABILITY COMPANY
Core business (ATECO):	289920
Company in liquidation:	no
Company with sole quotaholder:	yes
Company subject to management control and coordination:	no
Name of the company or entity that exercises management control and coordination:	n/a
Belonging to a Group:	yes
Name of the parent company:	Endurance Overseas S.p.A.
Country of the parent company:	ITALY
Cooperatives register number:	N/A

Financial statements at 31/03/2025

Balance sheet

	31/03/2025	31/12/2024
Assets		
B) Fixed assets		
I - Intangible assets		
7) Other	31,611	34,830
<i>Total intangible assets</i>	<i>31,611</i>	<i>34,830</i>
II - Tangible assets		

	31/03/2025	31/12/2024
1) Land and buildings	425,457	429,306
2) Plant and machinery	3,652	4,155
3) Industrial and commercial equipment	105,660	75,988
<i>Total tangible assets</i>	<i>534,769</i>	<i>509,449</i>
<i>Total fixed assets (B)</i>	<i>566,380</i>	<i>544,279</i>
C) Current assets		
I - Inventories		
3) contract work in progress	3,229,160	2,420,634
<i>Total inventories</i>	<i>3,229,160</i>	<i>2,420,634</i>
II - Receivables		
1) from customers	1,628,033	1,858,175
due within one year	1,628,033	1,858,175
5) from fellow subsidiaries	3,293,576	1,731,394
due within one year	3,293,576	1,731,394
5-bis) tax receivables	279,033	273,965
due within one year	272,180	267,493
due beyond one year	6,853	6,472
5-ter) deferred tax assets	258,665	221,283
5-quater) due from others	28,304	16,832
due within one year	26,904	15,432
due beyond one year	1,400	1,400
<i>Total receivables</i>	<i>5,487,611</i>	<i>4,101,649</i>
III - Current financial assets		
6) other securities	999,997	999,997
<i>Total current financial assets</i>	<i>999,997</i>	<i>999,997</i>
IV - Cash and cash equivalents		
1) Bank and postal deposits	3,341,684	4,598,815
3) Cash on hand	13	13
<i>Total cash and cash equivalents</i>	<i>3,341,697</i>	<i>4,598,828</i>
<i>Total current assets (C)</i>	<i>13,058,465</i>	<i>12,121,108</i>
D) Accrued income and prepaid expenses	13,443	4,758
<i>Total assets</i>	<i>13,638,288</i>	<i>12,670,145</i>
Liabilities and quotaholders' equity		
A) Quotaholders' equity	2,195,607	2,357,026

	31/03/2025	31/12/2024
I - Quota capital	10,330	10,330
III - Revaluation reserves	180,836	180,836
IV - Legal reserve	3,021	3,021
VI - Other reserves, shown separately		
Sundry other reserves	378,606	378,602
<i>Total other reserves</i>	<i>378,606</i>	<i>378,602</i>
VIII - Retained earnings (accumulated losses)	1,784,237	400,431
IX - Net income (loss) for the year	(161,423)	1,383,806
Total quotaholders' equity	2,195,607	2,357,026
B) Provision for risks and charges		
4) other	725,000	725,000
<i>Total provisions for risks and charges</i>	<i>725,000</i>	<i>725,000</i>
C) Employee termination indemnities	306,250	326,425
D) Payables		
4) Due to banks	210,709	247,553
due within one year	148,395	147,987
due beyond one year	62,314	99,566
6) advances	5,623,607	3,600,020
due within one year	5,623,607	3,600,020
7) Trade payables	3,385,217	4,479,645
due within one year	3,385,217	4,479,645
11-bis) due to fellow subsidiaries	556,434	287,345
due within one year	556,434	287,345
12) tax payables	282,019	280,780
due within one year	282,019	280,780
13) Due to pension and social security institutions	62,047	87,851
due within one year	62,047	87,851
14) Other payables	170,174	185,445
due within one year	170,174	145,445
due beyond one year	-	40,000
<i>Total payables</i>	<i>10,290,207</i>	<i>9,168,639</i>
E) Accrued expenses and deferred income	121,224	93,055
<i>Total liabilities and quotaholder's equity</i>	<i>13,638,288</i>	<i>12,670,145</i>

Income statement

	FY 2025 (3 months)	FY 2024 (12 months)
A) Value of production		
1) Revenues from sales of goods and services	1,931,450	14,242,758
5) Other income and revenues		
Operating grants	-	1,758
Other	6,358	42,535
<i>Total other income and revenues</i>	<i>6,358</i>	<i>44,293</i>
<i>Total value of production</i>	<i>1,937,808</i>	<i>14,287,051</i>
B) Cost of production		
6) raw and ancillary materials, consumables and goods for resale	1,760,518	8,246,382
7) services	674,599	2,337,313
8) lease and rental charges	28,073	13,588
9) payroll		
a) wages and salaries	347,816	1,271,947
b) social contributions	87,946	317,019
c) employee termination indemnities	21,212	88,159
e) other costs	5,679	24,014
<i>Total payroll costs</i>	<i>462,653</i>	<i>1,701,139</i>
10) Depreciation, amortisation and writedowns		
a) amortisation of intangible assets	3,219	11,966
b) depreciation of tangible assets	12,275	55,196
d) writedowns of current receivables and liquid funds	-	18,260
<i>Total depreciation, amortisation and writedowns</i>	<i>15,494</i>	<i>85,422</i>
11) Change in inventory of raw and ancillary materials, consumables and goods	(808,526)	(300,294)
12) provisions for risks and charges	-	100,000
14) Other operating expenses	8,464	70,469
<i>Total cost of production</i>	<i>2,141,275</i>	<i>12,254,019</i>
Difference between production value and cost (A - B)	(203,467)	2,033,032
C) Financial income and charges		
16) Other financial income		
d) Income other than the above		
Other	5,330	4,661

	FY 2025 (3 months)	FY 2024 (12 months)
<i>Total income other than the above</i>	5,330	4,661
<i>Total other financial income</i>	5,330	4,661
17) Interest and other financial charges		
Other	668	7,236
<i>Total interest and other financial charges</i>	668	7,236
<i>Total financial income and charges (15+16-17+-17-bis)</i>	4,662	(2,575)
Income (loss) before taxes (A-B+-C+-D)	(198,805)	2,030,457
20) Income taxes for the year, current and deferred		
current taxation	-	646,651
deferred taxation	(37,382)	-
<i>Total income taxes for the year, current and deferred</i>	<i>(37,382)</i>	<i>646,651</i>
21) Net income (loss) for the year	(161,423)	1,383,806

Statement of cash flows (indirect method)

	FY 2025 (3 months)	FY 2024 (12 months)
A) Cash flows from operating activities (indirect method)		
Net income (loss) for the year	(161,423)	1,383,806
Taxation	(37,382)	646,651
Interest expense/(interest income)	(4,662)	2,575
<i>1) Income (loss) for the year before income taxes, interest, dividends and gains/losses from disposals</i>	<i>(203,467)</i>	<i>2,033,032</i>
Adjustments for non-cash items that had no contra-entry in net working capital		
Provisions	17,211	206,083
Depreciation and amortisation of fixed assets	15,494	67,162
<i>Total adjustments for non-cash items that had no contra-entry in net working capital</i>	<i>32,705</i>	<i>273,245</i>
<i>2) Cash flow before changes in net working capital</i>	<i>(170,762)</i>	<i>2,306,277</i>
Change in net working capital		
Decrease/(Increase) in inventory	(808,526)	(300,294)
Decrease/(Increase) in trade receivables	(1,332,040)	640,311
Increase/(Decrease) in trade payables	(825,339)	(176,259)
Decrease/(Increase) in accrued income and prepaid expenses	(8,685)	7,573
Increase/(Decrease) in accrued expenses and deferred income	28,169	14,597

	FY 2025 (3 months)	FY 2024 (12 months)
Other decreases/(Other Increases) in net working capital	1,929,830	(315,978)
<i>Total changes in net working capital</i>	<i>(1,016,591)</i>	<i>(130,050)</i>
<i>3) Cash flow after changes in net working capital</i>	<i>(1,187,353)</i>	<i>2,176,227</i>
Other adjustments		
Interest collected/(paid)	4,662	(2,575)
(Income taxes paid)	-	(646,651)
(Use of provisions)	-	(95,147)
<i>Total other adjustments</i>	<i>4,662</i>	<i>(744,373)</i>
Cash flow from operating activities (A)	(1,182,691)	1,431,854
B) Cash flows from investing activities		
Tangible assets		
(Additions)	(37,596)	(3,217)
Intangible assets		
(Additions)	-	(9,091)
Cash flow from investing activities (B)	(37,596)	(12,308)
C) Cash flows from financing activities		
Third-party funds		
(Repayment of loans)	(36,844)	(146,369)
Cash flow from financing activities (C)	(36,844)	(146,369)
Increase (decrease) in cash and cash equivalents (a ± b ± c)	(1,257,131)	1,273,177
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	4,598,815	3,325,651
Cash on hand	13	
Total cash and cash equivalents at the beginning of the year	4,598,828	3,325,651
Cash and cash equivalents at the end of the year		
Bank and postal deposits	3,341,684	4,598,815
Cash on hand	13	13
Total cash and cash equivalents at the end of the year	3,341,697	4,598,828

Information on the statement of cash flows

In compliance with OIC 10, the company's statement of cash flows for the current year is presented with comparative figures from the previous year (but which is not directly comparable for the reasons given at the end of the next paragraph).

This statement was prepared using the indirect method, in order to identify the sources and applications of funds deriving from operating, financing and investing activities.

Explanatory notes - first part

Quotaholders,

These explanatory notes are an integral part of the financial statements at 31/03/2025.

The financial statements comply with the requirements of article 2423 et seq. of the Italian Civil Code and with the Italian accounting standards issued by the OIC (Italian Accounting Board); they have thus been prepared clearly and give a true and fair view of the company's financial position and results of operations.

The content of the balance sheet and the income statement is that required by articles 2424 and 2425 of the Italian Civil Code, whereas the statement of cash flows has been drawn up according to art. 2425-ter.

The explanatory notes, which have been prepared in accordance with Art. 2427 of the Civil Code, contain all the information needed for a correct interpretation of the financial statements.

Subsequently, on 31/05/2024, Endurance Overseas S.p.A. - a company belonging to the Endurance Technologies Ltd Group, India - took control of 100% of the Company's capital, becoming its sole quotaholder. As a result, the Company became part of the Endurance Group.

With deed dated 15 January 2025, executed by Notary Agostini in Milan, rep. no. 89131 and file no. 19976, the Quotaholders' Meeting resolved to change the dates of the financial year, which will run from 1 April to 31 March of the following year. This change was decided in order to bring the year-end date into line with that of the other companies in the Endurance Group.

Please note that the figures at 31/03/2025 shown in these Financial Statements are not comparable with those of the previous year, which are provided for information purposes only. The lack of comparability comes from the different length of the financial year. 2025 refers to a period of three months, from 01/01/2025 to 31/03/2025, whereas the comparative figures, referring to the accounting period that ended on 31/12/2024, refer to a fiscal period of twelve months, from 01/01/2024 to 31/12/2024).

Basis of preparation

Preparation of the financial statements

The information contained in this document is presented in the order in which the related components are indicated in the balance sheet and income statement.

With reference to the matter indicated in the introduction to the explanatory notes, it is hereby confirmed that, pursuant to paragraph 3 of Art. 2423 of the Civil Code, where the information required by legislative provisions is not sufficient to give a true and fair view of the company's situation, supplementary information is provided for this purpose.

The financial statements, as well as these explanatory notes, have been prepared in Euro.

Basis of preparation

The items in the financial statements are measured in accordance with the prudence and materiality concepts on a going concern basis.

Pursuant to art. 2423-bis, para. 1, point 1-bis of the Italian Civil Code, items are recognised and presented having regard for the substance of the operations or contracts concerned.

In preparing the financial statements, income and expenses have been recorded on an accrual basis, regardless of the timing of collection and expenditure, and only profits that have been realised by the year end have been included. Contingencies and losses relating to the year are recognised, even if they become known after the reporting date.

Preparation of the financial statements

The balance sheet, the income statement, the statement of cash flows and the accounting disclosures contained in these notes agree with the books of account, from which they have been directly prepared.

In the presentation of the balance sheet and income statement, the items preceded by Arabic numerals have not been grouped, which is optional under Art. 2423 ter of the Italian Civil Code.

Pursuant to art. 2424 of the Civil Code, we can confirm that no asset or liability items have been allocated to more than one balance sheet line.

Exceptional situations pursuant to paragraph 5 of art. 2423 of the Italian Civil Code

There are no exceptional situations that might have made it necessary to seek exemptions under paragraphs 4 and 5 of art. 2423 of the Italian Civil Code.

Changes in accounting policies

There are no exceptional situations that might have made it necessary to seek exemptions under paragraph 2 of art. 2423-bis of the Italian Civil Code.

Comparability and compliance

As mentioned in the introduction, we would remind you that the figures for the period ended 31/03/2025 as shown in these financial statements, even if based on the same accounting policies, are not comparable with those of the previous year, which are shown for information purposes, because FY 2025 refers to a period of three months, from 01/01/2025 to 31/03/2025, whereas the previous year's figures refer to an accounting period of twelve months from 01/01/2024 to 31/12/2024

Accounting policies

The accounting policies applied for the measurement of financial statement items and for their adjustment comply with the provisions of the Italian Civil Code and with those issued by the Italian Accounting Board. Furthermore, they have not changed compared with the previous financial year.

Pursuant to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, we explain the more significant accounting policies applied in compliance with the provisions of art. 2426 of the Italian Civil Code, particularly for those items for which the legislator permits the use of options for measurement and adjustments or for which no specific accounting policy exists.

As at the balance sheet date, the company does not have any assets or liabilities denominated in foreign currency.

Intangible assets

When the established criteria are met, these are recorded at purchase or production cost, inclusive of direct costs and related charges, and amortised systematically each year on a straight-line basis.

Their book value is stated net of accumulated amortisation and writedowns.

Amortisation is applied as indicated below, in order to allocate the cost incurred over the useful lives of the relevant assets:

Intangible assets	Amortisation period
Other deferred costs	5 years on a straight line basis
Intangible assets	5 years on a straight line basis

Pursuant to art. 10 of Law 72 of 19 March 1983 and subsequent laws on the revaluation of assets, we confirm that the intangible assets recorded in the books have never been revalued.

It was not necessary to write down these intangible assets pursuant to art. 2426 paragraph 1, no. 3 of the Civil Code, as there was no indication that they could suffer a permanent loss of value, in accordance with OIC 9.

Tangible assets

These are recorded at purchase or internal construction cost and stated net of the depreciation charged in the current and prior years. Costs comprise related charges and the direct and indirect expenses that can reasonably be allocated to assets during the construction period and until they become available for use. They also include any borrowing costs incurred to finance the construction work (whether internal or carried out by third parties) until the asset become available for use, without however exceeding its recoverable value. Tangible fixed assets are only revalued if this is required or allowed by special laws.

Assets purchased in foreign currencies are recorded at cost using the exchange rate in force on the transaction date, or using the lower rate applying on the reporting date if the reduction is deemed to be permanent.

Tangible assets are depreciated systematically each year. The rates applied are summarised in the following table:

Tangible asset items	Depreciation rate
Buildings	3%
Plant and machinery	20%
Industrial and commercial equipment	15%
Furniture and furnishings	12%
Electronic office machines	20%
Motor cars	25%

When fixed assets enter into service during the year, their depreciation commences on a time-apportioned basis from the month after the one in which they become available and ready for use in the year of acquisition.

Depreciation is also charged on fixed assets that are temporarily out of use. Land is not depreciated, as its useful life is not finite.

If applicable, buildings held as a financial investment are not depreciated if their residual value is greater than or equal to their net carrying amount.

If permanent impairment is identified regardless of the depreciation already recorded, the asset is written down accordingly; should the reasons for write-downs cease to apply in subsequent years, the original amounts are reinstated without exceeding the carrying amounts that the assets would have had in the absence of the earlier write-downs.

Routine maintenance and repair costs are charged in full to the income statement. Improvement costs are allocated to the fixed assets concerned and depreciated over their residual useful lives.

Costs incurred to expand, modernise or improve the structural elements of a tangible fixed asset are capitalised if they significantly and measurably increase its productive capacity, safety or useful life. If the costs concerned do not have the above effect, they are treated as routine maintenance and charged to the income statement.

Start-up grants are recognised when it becomes reasonably certain that the conditions for their collection will be satisfied and the grants will be paid. They are deducted from cost indirectly, as they are credited to income statement caption A5 "other income and revenues" and then deferred for recognition on an accruals basis via classification as "deferred income".

Pursuant to Art. 10 of Law 72 of 19 March 1983 and subsequent laws on revaluations of assets, it is hereby confirmed that the tangible assets recorded in the books have never been revalued.

It was not necessary to write down these tangible assets pursuant to art. 2426 paragraph 1, no. 3 of the Civil Code, as there was no indication that they could suffer a permanent loss of value, in accordance with OIC 9.

Finance leases

The assets acquired under finance leases are represented in the accounts, as required by the Legislator, according to the so-called "capital method" which involves recording the lease instalments under operating costs.

Inventories

Inventories are stated at the lower of purchase and/or production cost and realisable value, based on market prices. Purchase cost includes any directly attributable ancillary costs. Production cost does not include indirect costs as these could not be allocated on an objective basis.

Based on the completed contract method which the company has opted for, work in progress on orders is valued at the lower of cost and realisable value based on market trends.

Current receivables

Receivables are stated at amortised cost, having regard for the time factor and their estimated realisable value. The amortised cost method is not applied when its effects are insignificant, being when the transaction costs, the commissions paid between the parties and all other difference between initial value and maturity value are immaterial or when the receivables are recoverable in the short term (within 12 months).

Trade receivables due beyond 12 months at the time of initial recognition, without the payment of interest or with interest that differs significantly from market rates, and the related revenues are recognised initially at the value of their future cash flows discounted using the market rate (being that applied by two independent parties when negotiating a loan transaction with similar terms and conditions). The difference between the amount of the receivable recognised initially and its maturity value is recognised as financial income in the income statement over the duration of the receivable, using the effective interest method.

The amount of receivables, as determined above, is adjusted when necessary by a specific allowance for doubtful accounts, which is deducted directly from their gross amount in order to report them at their estimated realisable value. The provision (which takes account of collection losses, returns and invoicing adjustments, discounts and allowances, interest not yet earned and other reasons for reduced recoverability) is charged to the income statement.

Receivables assigned to factors are only derecognised if they are sold without recourse and essentially all the related risks are transferred (the difference between the consideration received on the assignment and the carrying amount of the receivable is recognised in income statement caption C17). If the assignment does not involve derecognition (for example, assignment with recourse), since not all the related risks are transferred, the receivable continues to be reported in the balance sheet and is measured in the manner described above. If advance consideration is received from the assignee, the amount is recognised as a financial payable.

Receivables taking the form of bank receipts that have not been assigned remain classified as receivables until final collection of the amounts concerned.

Cash and cash equivalents

Cash and cash equivalents are carried at face value.

Accrued income and prepaid expenses

Accruals and deferrals comprise costs and revenues relating to the year that will be formally recorded in future years, and costs and revenues recorded by the reporting date that relate to future years. The related amounts are determined on a time-apportioned basis.

Quotaholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28.

Provisions for risks and charges

The provisions for risks and charges cover known or likely losses or liabilities, the timing or extent of which cannot be determined at the reporting date. These provisions, including those for deferred tax liabilities, which are classified in this caption, reflect the best possible estimates based on the information available. Risk that only might give rise to a liability are described in the notes on the provisions, without actually recording a provision. As required by OIC 31, new provisions for risks and charges are, where possible, classified in the relevant income statement classes (B, C or D). Whenever it is not possible to correlate a new provision with a caption in one of the above classes, it is classified in income statement caption B12 or B13.

Employee termination indemnities

Employee termination indemnities represent the total amount that would have been payable to all employees had they terminated their employment on the reporting date. The charge for the year, comprising the new provision and the revaluation of the accumulated provision (based on the change in the relevant ISTAT index), is determined in accordance with current regulations, having regard for the specific employment contracts and the professional categories concerned. Employee termination indemnities are classified in liability caption C, while the provision for the year is classified in income statement caption B9.

The changes made to the regulations governing termination indemnities by Law 296 dated 27 December 2006 (2007 Finance Law) and subsequent decrees and enabling regulations, amended the accounting for the indemnities earned by 31 December 2006 and those earned from 1 January 2007. In particular, following creation of the INPS Treasury Fund to manage the termination indemnities of private sector employees, employers with more than 50 employees are obliged to pay the new provisions relating to them into the Treasury Fund, unless the persons concerned have specifically opted for their indemnities to be paid to a supplementary pension fund. The employee termination indemnities reported in the balance sheet are therefore shown net of the amounts paid to the above INPS Treasury Fund.

Payables

Payables are stated at amortised cost, as defined in art. 2426, para. 2 c.c., having regard for the time factor envisaged in art. 2426, para. 1, point 8 c.c.. Payables are however stated at their nominal amount if application of the amortised cost and/or discounting methods would not be significant for the purpose of providing a true and fair view of the financial position and results of operations. This situation arises in the case of payables due within twelve months or, with regard to the amortised cost method, if the transaction costs, commissions and all other differences between the initial value and the maturity value are insignificant or, again, with regard to the discounting method, if the interest rate inherent in the contractual conditions is not significantly different to the market rate of interest.

The amounts due to employees for untaken holidays and deferred payroll, including the related social security contributions, are accrued with reference to the amount that would have been payable had their employment ceased on the reporting date.

Revenues

Revenues from the sale of goods are recognised when ownership passes in substance, rather than in formal terms, being when the related risks and benefits are transferred (which in practice coincides with the time of delivery or shipment of the goods).

Revenues from the provision of services are recognised, in accordance with OIC 34, based on the state of progress, provided that the conditions previously agreed between the parties are respected and the amount of the revenue can be reliably determined.

Where there are transactions in which the company acts as an agent on behalf of a third party, the related revenue is accounted for net of costs incurred towards the third party.

Revenues from the sale of products, goods and services in the ordinary course of business are stated net of returns, discounts, allowances and rebates, as well as the direct taxes charged on the sale of products and services. Transactions with related parties take place on normal market terms and conditions.

As regards the valuation of contracts in progress at the end of the year, the company has opted for the completed contract method: revenues and contract margins are recognised when the contract is completed, i.e. on the date on which the risks and benefits associated with the goods produced are transferred or the services are rendered. Applying this method therefore entails valuing works that have been carried out, but not yet completed, at their production cost.

Costs

Costs stated net of returns, discounts, allowances and rebates are recognised on an accruals basis in accordance with the matching principle, regardless of the date of collection or payment. Compliance with the matching principle requires an estimate to be made of the invoices to be received.

Financial income and charges

Financial income and charges are recognised on an accruals basis. Costs relating to the disposal of receivables for whatever reason are charged to the income statement on an accruals basis.

Income taxes

Income taxes are recognised with reference to an estimate of taxable income in compliance with current regulations, having regard for any applicable exemptions and tax credits.

Deferred tax assets and liabilities are calculated on the temporary differences between the reported carrying amount of assets and liabilities and their corresponding values for tax purposes. Their measurement takes account of the tax rates expected to be in force in the year in which such differences contribute to the formation of taxable income, being the rates in force or already communicated at the reporting date (24% for IRES and 3.9% for IRAP). They are classified respectively among the current assets as “deferred tax assets” and among the provisions for risks and charges as “deferred tax liabilities”.

In accordance with the concept of prudence, deferred tax assets are recognised on all deductible temporary differences if it is reasonably certain that taxable income in the years in which they reverse will not be less than the amount of the differences to be absorbed.

By contrast, deferred tax liabilities are recognised on all taxable temporary differences.

Deferred tax liabilities are not recognised in relation to reserves subject to the deferral of taxation if they are unlikely to be distributed to the quotaholder.

Other information

Repurchase agreements

Pursuant to art. 2427 point 6-ter of the Italian Civil Code, the Company confirms that no repurchase agreements were arranged during the year.

Explanatory notes, assets

Changes in the individual items are analysed in detail below, where required by current legislation.

Fixed assets

Intangible assets

The intangible assets shown in the balance sheet at 31/03/2025 amount to a total of €31,611, net of accumulated amortisation of €84,586.

Movements in intangible assets

The table shows the movements in intangible assets during the year.

	Other intangible assets	Total intangible assets
Balance at the beginning of the year		
Cost	116,197	116,197
Amortisation (Accumulated amortisation)	81,367	81,367
Carrying amount	34,830	34,830
Changes during the year		
Amortisation for the period	3,219	3,219
<i>Total changes</i>	<i>(3,219)</i>	<i>(3,219)</i>
Balance at the end of the year		
Cost	116,197	116,197
Amortisation (Accumulated amortisation)	84,586	84,586
Carrying amount	31,611	31,611

Tangible assets

The tangible assets shown in the balance sheet at 31/03/2025 amount to a total of €534,769, net of accumulated depreciation of €337,822.

Movements in tangible assets

The following table shows the movements in tangible assets during the year.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Total tangible assets
Balance at the beginning of the year				
Cost	513,505	33,364	288,127	834,996
Amortisation (Accumulated amortisation)	84,199	29,209	212,139	325,547
Carrying amount	429,306	4,155	75,988	509,449
Changes during the year				
Additions	-	-	37,595	37,595
Amortisation for the year	3,849	503	7,923	12,275
<i>Total changes</i>	<i>(3,849)</i>	<i>(503)</i>	<i>29,672</i>	<i>25,320</i>
Balance at the end of the year				
Cost	513,505	33,364	325,722	872,591
Amortisation (Accumulated amortisation)	88,048	29,712	220,062	337,822
Carrying amount	425,457	3,652	105,660	534,769

Finance leases

As at the balance sheet date the company is not party to any finance lease contracts.

Current assets

Inventories

The following table shows the changes in inventories.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
finished products and goods	2,420,634	808,526	3,229,160
Total	2,420,634	808,526	3,229,160

Contract work in progress, amounting to €3,229,160 at 31/03/2025, includes the value of orders in progress at the balance sheet date, valued at the lower of cost and realisable value based on market trends.

Current receivables

Current receivables amount to a total of €5,487,611 at 31/03/2025, an increase of €1,385,962 compared with the figure at 31/12/2024 (€4,101,649).

They are shown at their estimated realisable value as application of the amortised cost or discounting methods would not have been suitable for providing a true and fair view of the financial position and results of operations

Changes and maturities of current receivables

The following table shows the information related to changes in current receivables and, if material, their due date.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Trade receivables	1,858,175	(230,142)	1,628,033	1,628,033	-
Receivables due from fellow subsidiaries	1,731,394	1,562,182	3,293,576	3,293,576	-
Tax receivables	273,965	5,068	279,033	272,180	6,853
Deferred tax assets	221,283	37,382	258,665	-	-
Other receivables	16,832	11,472	28,304	26,904	1,400
Total	4,101,649	1,385,962	5,487,611	5,220,693	8,253

Trade receivables (€1,628,033) show a decrease on the previous year, in relation to the progress of ongoing orders. Trade receivables are adjusted to their estimated realisable value by the allowance for doubtful accounts of €69,086.

The receivables due from fellow subsidiaries refer to trade receivables relating to ongoing orders with Endurance S.p.A. (€2,843,450) and Endurance GmbH (€450,126).

Tax receivables mainly refer to the VAT credit versus the tax authorities for €234,210. The portion of the receivable due beyond one year refers to the credit for withholdings paid to Enasarco.

Other receivables refer to advances for expense reimbursements and for the part due beyond one year to security deposits received.

Breakdown of current receivables by geographical area

The following table shows the geographical distribution of current receivables.

Geographical area	Trade receivables booked under current assets	Receivables due from fellow subsidiaries booked under current assets	Tax receivables booked under current assets	Deferred tax assets booked under current assets	Other receivables booked under current assets	Total receivables booked under current assets
ITALY	1,164,145	2,843,450	279,033	258,665	28,304	4,573,597
EUROPE	463,888	450,126	-	-	-	914,014

Current financial assets

Movements in current financial assets

The movements in current financial assets are analysed in the following table.

Description	Balance at the beginning of the year	Balance at the end of the year
Other securities	999,997	999,997
Total	999,997	999,997

Other securities comprise short-term investments of surplus cash: These are in particular bonds issued by banking institutions. These instruments are shown, as they were initially recorded, at the lower of cost and fair value. No unrealised gains on these instruments have been recognised in accordance with the accounting standards.

Cash and cash equivalents

The following table shows the changes in cash and cash equivalents.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
bank and postal deposits	4,598,815	(1,257,131)	3,341,684
cash on hand	13	-	13
Total	4,598,828	(1,257,131)	3,341,697

The item mainly includes the positive balances of the current accounts held by the Company. For further details on the changes that took place during the period, please refer to the statement of cash flows.

Accrued income and prepaid expenses

This item (which amounts to € 13,443) includes portions of revenues pertaining to the current year, which will be received in subsequent years.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Prepaid expenses	4,758	8,685	13,443
Total	4,758	8,685	13,443

Capitalised financial charges

All interest expense and other financial charges have been expensed during the year. In compliance with paragraph 1.8 of art. 2427 of the Italian Civil Code, we can confirm that no financial charges have been capitalised.

Explanatory notes, liabilities and quotaholders' equity

Changes in the individual items are analysed in detail below, where required by current legislation.

Quotaholders' equity

The components are stated at their carrying amount in accordance with accounting standard OIC 28

Changes in quotaholder's equity items

With reference to the year just ended, the table below sets out changes in the components of quotaholders' equity, as well as details of other reserves, if any

The following table summarises the changes in equity that took place during the comparison period.

Description	Balance at the beginning of the year	Allocation of the result of the previous year	Reclassifications	Other changes	Result for the year	Balance at the end of the year
Capital	10,330	-	-	-	-	10,330
Revaluation reserves	-	-	180,836	-	-	180,836
Legal reserve	3,021	-	-	-	-	3,021
Other reserves – Voluntary reserves	559,435	-	(180,836)	3	-	378,602
Other reserves – Rounding reserve	-	-	-	-	-	-
Profit (loss) carried forward	-	400,431	-	-	-	400,431
Net income (loss) for the year	400,431	(400,431)	-	-	1,383,806	1,383,806
Total	973,217	-	-	3	1,383,806	2,357,026

The movements in the items of Net Equity in the financial year under review are reported below.

	Balance at the beginning of the year	Allocation of the prior year result - Other allocations	Other changes	Result for the year	Balance at the end of the year
Capital	10,330	-	-	-	10,330
Revaluation reserves	180,836	-	-	-	180,836
Legal reserve	3,021	-	-	-	3,021
Other reserves – Voluntary reserves	378,599	-	-	-	378,599
Other reserves – Rounding reserve	3	-	4	-	7
Retained earnings (accumulated losses)	400,431	1,383,806	-	-	1,784,237
Net income (loss) for the year	1,383,806	(1,383,806)	-	(161,423)	(161,423)
Total	2,357,026	-	-	(161,423)	2,195,607

Availability and use of quotaholder's equity

The following table provides details of the components of quotaholders' equity, including their origin, their potential utilisation and whether they are distributable, as well as the utilisation thereof in the prior three years.

Description	Amount	Origin/Nature	Potential utilisation	Amount available
Capital	10,330	Capital		-
Revaluation reserves	180,836	Revenue	A;B	180,836
Legal reserve	3,021	Revenue	B	3,021
Other reserves	378,606	Revenue	A;B;C	378,606
Retained earnings (accumulated losses)	1,784,237	Revenue	A;B;C	1,784,237
Total	2,357,030			2,346,700
Amount not distributable				2,088,035
Residual amount distributable				258,665
Key: A: for increase in capital; B: to cover losses; C: for distribution to the quotaholders; D: for other statutory requirements; E: other				

The portion of non-distributable reserves refers to the amount of deferred tax assets.

Provisions for risks and charges

The following table shows the information required on provisions for risks and charges, which did not have any changes during the year,

	Balance at the beginning of the year	Changes during the Year	Balance at the end of the year
Other provisions	725,000	-	725,000

Other provisions relate to provisions made in previous years, made to cover liabilities of various kinds - contractual/trade, tax, employment and corporate - and reflect the best estimate of the amounts likely to be payable, based on the information available when preparing the financial statements.

Employee termination indemnities

Changes in the provision for employee termination indemnities are shown in the following table.

	Balance at the beginning of the year	Changes during the year - Provision	Changes during the year - Utilisation	Changes during the year - Total	Balance at the end of the year
Provision for employee termination indemnities	326,425	18,713	38,888	(20,175)	306,250

The charge for the year (provision for employee termination indemnities classified in income statement caption B9 c) includes the provision retained by the Company and the payments made to the INPS Treasury Fund and the supplementary pension fund specified by each employee, where applicable.

Payables

Payables are shown in the balance sheet at 31/03/2025 for a total of €10,290,207 (€9,168,639 at 31/12/2024).

The classification of payables in the various payable items is based on their nature (or origin) with respect to ordinary operations, regardless of the period of time within which the liabilities have to be extinguished.

Changes and maturities of payables

The following table shows the changes in payables and any information on their maturities.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year	Within one year	Beyond one year
Due to banks	247,553	(36,844)	210,709	148,395	62,314
Advances	3,600,020	2,023,587	5,623,607	5,623,607	-
Trade payables	4,479,645	(1,094,428)	3,385,217	3,385,217	-
Payables due to fellow subsidiaries	287,345	269,089	556,434	556,434	-
Tax payables	280,780	1,239	282,019	282,019	-
Due to pension and social security institutions	87,851	(25,804)	62,047	62,047	-
Other payables	185,445	(15,271)	170,174	170,174	-
Total	9,168,639	1,121,568	10,290,207	10,227,893	62,314

At 31.03.2025, the amounts due to banks refer to the loan agreement entered into with Banca Sella, details of which are given below:

Bank	Initial amount paid	Arrangement date and duration in years	Residual balance at 31/03/2025	Within one year	Beyond one year
Banca Sella	800,000	08/03/2021 - 6	210,709	148,395	62,314
Amortised cost adjustment	-	-	-	-	-
Total	800,000		210,709	148,395	62,314

Advances (€5,623,607 at 31/03/2025, of which €3,943,500 to Endurance S.p.A.) refer to the amounts collected from customers on the basis of contractually defined stages of completion, in relation to existing orders in the process of being completed.

Trade payables (to be analysed together with payables to fellow subsidiaries, owed to Endurance S.p.A. for €556,434) amount to €3,385,217, a total decrease of approximately €0.8 million compared with the previous year.

Tax payables mainly refer to the amounts due for income taxes, IRES and IRAP, respectively equal to Euro 224,104 and Euro 6,345.

Other payables mainly consist of payroll amounts due to the staff for a total of Euro 165,570.

Analysis of payables by geographical area

Outstanding payables are all with domestic counterparties, with the exception of an insignificant portion of payables to suppliers (€2,753) outstanding towards European counterparties.

Debt secured by collateral on company assets

Pursuant to paragraph 1.6 of art. 2427 of the Italian Civil Code, we can confirm that there is no debt secured by collateral.

Accrued expenses and deferred income

The following table shows the changes in accrued expenses and deferred income.

	Balance at the beginning of the year	Changes during the year	Balance at the end of the year
Accrued expenses	81,529	28,608	110,137
Deferred income	11,526	(439)	11,087
Total	93,055	28,169	121,224

Deferred income mainly refers to grants due in future years.

Explanatory notes - income statement

The income statement reports the results for the year. This statement presents the results of operations by summarising the positive and negative components of income that contributed to them. These positive and negative components of income, recognised pursuant to art. 2425-bis of the Italian Civil Code, can be broken down into the following categories: core business, ancillary activities and financial activities.

Core business activities include the components of income that were generated from continuing operations in the principal sector, and which identify and distinguish the economic activities carried out by the Company in the pursuit of its corporate objectives.

Financial activities comprise those operations that generate financial income and expense.

Ancillary activities comprise those residual operations that generate income in the ordinary course of business that cannot be classified as financial or core business activities.

As mentioned in the introduction, we would remind you that the income statement figures for the period ended 31/03/2025 as shown in these financial statements are not comparable with those of the previous year, shown for information purposes, as they refer to a period of three months, from 01/01/2025 to 31/03/2025, whereas the previous year's figures refer to an accounting period of 12 months from 01/01/2024 to 31/12/2024.

Value of Production

Revenues are recorded in the financial statements on an accrual basis, net of returns, allowances, discounts and bonuses, as well as the taxes directly connected to them.

Revenues from the provision of services are recognised when the service is rendered, i.e. when the service has been performed; in the case of services being provided on a continuous basis, the revenues are recognised for the portion that has accrued.

As regards purchases of goods, the costs are recorded when the transfer of ownership has taken place, in substance and not just in form, assuming the transfer of all risks and benefits as a parameter.

Operating grants, which are recognised on an accrual basis in the year in which their receipt becomes certain, are included in line item A5 given that they supplement operating revenue and/or are deducted from operating costs

Revenues are recorded in the financial statements on an accrual basis, detailed as follows:

Description	31/03/2025 (3 months)	31/12/2024 (12 months)	Change
1) Revenues from sales of goods and services	1,931,450	14,242,758	(12,311,308)
5) Other income and revenues	-	-	-
Operating grants		1,758	(1,758)
Other	6,358	42,535	(36,177)
Total	1,937,808	14,287,051	(12,349,243)

The change is significant as the situation at 31/03/2025 - as indicated previously - refers exclusively to one quarter, compared with an entire year (2024).

Analysis of revenues from sales and services by category of activity

The following table provides a breakdown of sales and service revenues by business category.

Analysis of revenue from sales of goods and services by geographical area

The following table provides a breakdown of revenue from sales of goods and services by geographical area.

Geographical area	Amount for the current year
ITALY	1,775,450
EUROPE	156,000

Production cost

In accordance with the matching principle, costs and charges are recognised on an accruals basis by type of expenditure; they are stated net of returns, allowances, discounts and rebates and classified in the respective captions pursuant to OIC 12. As regards purchases of goods, the costs are recorded when the transfer of ownership has taken place, in substance and not just in form, assuming the transfer of all risks and benefits as a parameter. In the case of services, the costs are recorded when the service has been received, or when the service has been concluded, whereas if services are provided on an ongoing basis, the costs are recorded on an accruals basis, pursuant to art. 2425-bis of the Civil Code.

Description	31/03/2025 (3 months)	31/12/2024 (12 months)	Change
Cost of raw and ancillary materials, consumables and goods for resale	1,760,518	8,246,382	(6,485,864)
Cost of services	674,599	2,337,313	(1,662,714)
Lease and rental charges	28,073	13,588	14,485
Payroll costs			
Wages and salaries	347,816	1,271,947	(924,131)
Social contributions	87,946	317,019	(229,073)
Employee termination indemnities	21,212	88,159	(66,947)
Other costs	5,679	24,014	(18,335)
Amortisation of intangible assets	3,219	11,966	(8,747)
Depreciation of tangible assets	12,275	55,196	(42,921)
Writedown of receivables included in current assets	-	18,260	(18,260)
Change in inventory of raw and ancillary materials, consumables and goods	(808,526)	(300,294)	(508,232)
Provisions for risks	-	100,000	(100,000)
Other operating expenses	8,464	70,469	(62,005)
Total	2,141,275	12,254,019	(10,112,744)

Note that only in the quarter relating to 2025, given the seasonality of the business, there was a reduction in the margins of orders, mainly because of the impact of material purchases and personnel costs.

Financial income and charges

Financial income and charges are recorded on an accruals basis.

Composition of income from equity investments

There has been no income from equity investments as indicated by paragraph 15 of Art. 2425 of the Italian Civil Code.

Amount and nature of revenues/costs of individual significance

During the current year, no revenue or other positive components deriving from exceptional events were recorded.
During the current year, no costs deriving from exceptional events were recorded.

Income taxes for the year, current and deferred

The company has accrued for taxation for the year based on the application of tax legislation in force. Current taxes refer to taxes for the year as shown in the Company's tax returns; taxation relating to prior years includes direct taxes from previous years, as well as interest and penalties and also refer to the positive (or negative) difference between the amount due following the settlement of a dispute or an assessment with respect to the provision set aside in previous years. Lastly, deferred tax liabilities and assets involve positive or negative elements of income, respectively, subject to taxation or deduction in years other than those of the statutory accounts.

The composition of taxation for the year split between current taxation and the deferred tax asset item is provided in the following table:

	31/03/2025 (3 months)	31/12/2024 (12 months)
Income taxes	(37,382)	646,651
Current taxation		
of which: IRES for the year (current)	-	575,912
of which: IRAP for the year (current)	-	103,319
Taxation relating to prior years	-	-
Deferred taxation	(37,382)	(32,580)

Notes to the financial statements, statement of cash flows

The Company has prepared a statement of cash flows, which is a summary document that links the changes that took place during the year in the Company's equity with the changes in its financial position; it highlights the figures relating to the financial resources that the company needed during the year, as well as their applications.

As regards the method used, the Company has adopted the indirect method on the basis of which the liquidity flow is reconstructed by adjusting the operating result for non-monetary components, in accordance with OIC 10.

Explanatory notes - other information

The additional disclosures required by the Italian Civil Code are presented below.

Employment data

The following table sets out average employee numbers by labour category computed on the basis of daily averages.

	White collar	Blue collar	Total employees
Average number	28	8	36

At 31/03/2025 the Company has 36 employees.

Fees, advances and loans granted to directors and statutory auditors and commitments accepted on their behalf

The following schedule provides the information required by art. 2427, point 16 of the Italian Civil Code., with the clarification that no advances or loans have been granted and no commitments, in the form of guarantees of any kind, have been accepted on behalf of the members of the Board of Directors.

	Directors
Fees	71,805

Fees of the independent auditor or firm of auditors

The following table shows the fees due to the auditors, divided by type of services provided.

	Independent audit of the annual financial statements	Total fees earned by the independent auditor or firm of auditors
Amount	9,500	9,500

Classes of quotas issued by the Company

This paragraph of the explanatory notes is not pertinent, since the Company's capital does not consist of shares.

Securities issued by the company

The Company has not issued any securities that fall under the provisions of art. 2427, para. 18 of the Civil Code.

Details on other financial instruments issued by the Company

The Company has not issued any other financial instruments pursuant to art. 2346, para. 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not reported in the balance sheet

There are no commitments, guarantees or contingent liabilities that have not been reported in the balance sheet.

Information about capital and loans allocated to a specific business project

Allocation of capital to a specific business project

We can confirm that, at the balance sheet date, there has been no allocation of capital to a specific business project as per no. 20 of art. 2427 of the Italian Civil Code.

Loans for a specific business project

We can confirm that, at the balance sheet date, there are no loans provided for a specific business project as per no. 21 of art. 2427 of the Italian Civil Code.

Information about related-party transactions

Transactions were carried out with related parties during the year; these transactions were entered into on an arm's length basis and, accordingly, in accordance with current legislation, no additional disclosure has been provided.

Information about off-balance sheet agreements

No off-balance sheet agreements were entered into in the year

Information about significant events arising subsequent to the reporting date

Pursuant to point 22-quater of art. 2427 c.c., it is confirmed that no events with a significant effect on the economic and financial position have occurred subsequent to the reporting date.

Companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary

The following information is provided about the companies that prepare consolidated financial statements for the larger/smaller group of companies to which the Company belongs as a subsidiary:

	Larger group	Smaller group
Company name	Endurance Technologies Limited (*)	Endurance Overseas S.p.A.
Town (if in Italy) or foreign State	Chhatrapati Sambhajinagar (formerly Aurangabad) (India)	Turin
Tax code (Italian companies)	-	05754620960
Place where the consolidated financial statements are filed	Registered office: Chhatrapati Sambhajinagar (formerly Aurangabad) (India) India Stock Exchange: NSE and BSE	Registered office: Turin Turin Chamber of commerce

(*) Endurance Technologies Limited, the parent company, is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Information about derivative financial instruments pursuant to art. 2427-bis of the Italian Civil Code

We can confirm that the company is not party to any derivatives.

Summary financial statements of the company which exercises management control and coordination

Pursuant to paragraph 4 of art. 2497-bis of the Italian Civil Code, we can confirm that the Company is not subject to the management control and coordination of others.

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

In relation to the provisions of art. 1, paragraph 125-bis, of Law 124/2017, regarding the obligation to provide evidence in the explanatory note of any sums of money received during the financial year by way of subsidies, advantages, contributions or aid, in cash or in nature, not having a general nature and having no consideration, remuneration or compensation of any kind, by public administrations and by the subjects referred to in paragraph 125-bis of the same article, the Company certifies that it received no such sums during the year.

Proposed allocation of profits or coverage of losses

Quotaholders,

In light of the above, the Board of Directors would like to propose covering the loss for the year of €161,423 by means of retained earnings brought forward from previous years.

Explanatory notes - closing section

Quotaholders,

We confirm that these financial statements, which comprise the balance sheet, income statement, statement of cash flows and explanatory notes, give a true and fair view of the Company's assets and liabilities, financial position and results for the year and agree with the accounting records. We therefore invite you to approve the draft financial statements for the year ended 31/03/2025, together with the proposed allocation of net income, as submitted by the Board of Directors.

The financial statements are true and fair and agree with the accounting records.

Volpiano, 12/05/2025

The Managing Director

Ezio Maschio

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Sole Quotaholder of
Ingenia Automation S.r.l.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Opinion**

We have audited the financial statements of Ingenia Automation S.r.l. (the "Company"), which comprise the balance sheet as at March 31, 2025, the statement of income and statement of cash flows 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, 2025, and of its financial performance and its cash flows 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.

Emphasis of matters

As illustrated by the Directors in the paragraphs "First Part" and "Comparability and compliance" of the explanatory notes, data included in the financial statements for the year ended March 31, 2025, are not comparable with those of the financial statements for the year ended December 31, 2024, as the reference periods differ. The financial statements for the year ended March 31, 2025 refer to a three-month period from January 1, 2025 to March 31, 2025, while the financial statements for the year ended December 31, 2024 refer to a twelve-month period from January 1, 2024 to December 31, 2024.

Our opinion is not modified in respect of this matter.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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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.

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.
- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of Ingenia Automation S.r.l. are responsible for the preparation of the report on operations of The Company as at March 31, 2025, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Ingenia Automation S.r.l. as at March 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Michael Aurigemma
Director

Turin, Italy
May 14, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



**BOARD'S REPORT
OF
MAXWELL ENERGY SYSTEMS PRIVATE LIMITED
FINANCIAL YEAR 2024-25**

**NAMES OF DIRECTORS OF THE COMPANY WITH
DIRECTOR IDENTIFICATION NUMBERS (DIN)**

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment	Date of Resignation
1.	Mr. Sunil Vitthalrao Kolhe	Non-Executive Director	09650178	01 st July, 2022	-
2.	Mr. Akhil Prakash Panjwani	*Non-Executive Director	03214205	23 rd August, 2017	-
3.	Mr. Alexandre Jacques Collet	#Non-Executive Director	09648192	01 st July, 2022	-
4.	Mr. Jignesh Mahendrakumar Gandhi	Non-Executive Director	09651207	01 st July, 2022	-
6.	Mr. Muralikrishna Giddaluru	Non-Executive Director	10137743	4 th May, 2023	-

*The designation of **Mr. Akhil Panjwani** was changed from 'Managing Director' to 'Non-Executive Director' with effect from 28th January 2025.

#The designation of **Mr. Alexandre Collet** was changed from 'Whole-time Director' to 'Non-Executive Director' with effect from 28th January 2025

The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above Directors made in this document be read along with the above disclosure of their respective Director Identification Numbers.

Dear Shareholders,

Your Directors present herewith the Eighth Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025, being the year under review.

SUMMARISED STATEMENT OF PROFIT & LOSS:

Particulars	(₹ in million)	
	Financial Year 2024-25	Financial Year 2023-24
Revenue from operations	691.05	616.12
Other income	9.11	14.97
Total Income	700.16	631.09
Raw Material Cost	572.75	499.62
Employee Benefit expenses	139.94	179.92
Finance cost	18.91	5.98
Depreciation	83.30	81.01
Other expenses	54.35	69.85
Total expenditure	869.25	836.38
(Loss) before exceptional items and tax	(169.09)	(205.29)
Exceptional items	0	0
(Loss) before tax	(169.09)	(205.29)
Net tax expenses	(1.02)	0
Net (loss) for the year	(168.07)	(205.29)

COMPANY'S PERFORMANCE:

During the year under review, the Company posted a total income of INR 700.16 million against INR 631.09 million in the previous year, reporting growth of 11.0%. This growth is supported by increase in Product sales across all the variants as well as the revenue from Non-Recurring Engineering services provided to various existing and new customers.

- The Company was able to successfully deliver 120000+ Battery Management Systems ("BMS") during the year.
- During the year we also entered into commercial relationships with key players in Indian / International markets.
- Expansion of current BMS product portfolio and addition of IOT have been the key achievements during the year.
- The PM E drive mandates for key EV components localized manufacturing including BMS have been the important drivers for Company's further penetration into the wider Indian market.

The net loss for the year under review has reduced to INR 169.09 million as against the net loss of INR 205.29 million in the previous year.

DIVIDEND:

In view of losses during the Financial Year under review, your Directors do not recommend dividend for the Financial Year 2024-25.

AMOUNT PROPOSED TO CARRY TO RESERVES:

The Board of Directors of the Company have decided not to transfer any amount to the reserves for the year under review.

INVESTOR EDUCATION AND PROTECTION FUND:

During the period under review, the Company was not required to transfer any amount to the Investor Education & Protection Fund ("IEPF") under sub-section (2) of Section 125 of the Act and the IEPF (Accounting, Audit, Transfer and Refund Rules, 2016).

CHANGE IN NATURE OF THE BUSINESS:

During the Financial Year under review, there was no change in the nature of the business of the Company.

HOLDING COMPANY:

During the Financial Year under review, as per the Share Subscription and Purchase Agreement ("SSPA"), ION Energy Inc. ("ION") transferred 7,535 shares on 31st July, 2024 to Endurance Technologies Limited ("ETL"). Considering this, the stake of ETL in the Company increases from 55.99% to 61.50%.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any Subsidiary, Associate or Joint venture company.

DEPOSITS:

During the Financial Year under review, the Company has not accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

LOANS FROM THE DIRECTORS OR DIRECTORS' RELATIVES:

During the Financial Year under review, the Company has not borrowed any amount from the Directors or their relatives.

RELATED PARTY TRANSACTIONS:

During the financial year under review, the Company entered into contract/arrangement /transaction with related parties at Arm's Length basis and in ordinary course of business. Hence no approval was required under Section 188 of the Companies Act, 2013, and hence the disclosure in Form AOC-2 is not required.

Particulars of transactions in terms of Indian Accounting Standard (IND-AS 24) are forming part of the Financial Statements.

APPLICABILITY OF CORPORATE SOCIAL RESPONSIBILITY ("CSR"):

Pursuant to the provisions of the Companies Act, 2013, CSR is currently not applicable to the Company.

MAINTENANCE OF COST RECORDS:

The provisions with respect to the maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 are not applicable to the Company and accordingly such accounts and records are not maintained.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure I**.

ANNUAL RETURN:

In terms of Section 92 (3) read with Section 134 (3) (a) of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31st March, 2025 shall be available on the Company's website : www.maxwellenergy.co/investor-relations

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has not advanced any loans, given guarantees and made investments under the provisions of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN 31ST MARCH, 2025 AND TILL THE DATE OF BOARD'S REPORT:

There have been no material changes and commitments, affecting the financial position of the Company, which occurred between the end of the financial year to which the financial statements relate and the date of this report.

INTERNAL FINANCIAL CONTROLS:

In terms of Section 134 of the Act, the term internal financial control means the policies and procedures adopted by a company for ensuring orderly and efficient conduct of its business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Company has adequate internal financial control systems in the form of policies and procedures. It follows a structured mechanism of function-specific reviews and risk reporting by senior management of the Company and critical matters are brought to the attention of the Board. Further, internal Standard Operating Procedures (SOPs) and Schedule of Authority (SOA) are well defined and documented to provide clear guidance to ensure that all financial transactions are authorised, recorded and reported correctly.

In order to record day-to-day financial transactions and ensure accuracy in reporting thereof, the Company uses an established Enterprise Resource Planning (ERP) system, which is equipped with a 'maker and checker' mechanism and has an audit trail of all transactions. Adequate controls and checks are built in the ERP system to integrate the underlying books of account and prevent any kind of control failure. Mapping of policies and procedures including SOPs and SOA is done through ERP and audit of these processes forms part of the work scope of statutory auditors of the Company.

REGISTERED OFFICE OF THE COMPANY:

Presently, the Registered Office of the Company is situated at Ground Floor, Plot No. A/2, Central Road (MIDC), Opp. Telephone Exchange Marg, Andheri (East), Mumbai – 400 093, Maharashtra, India. However, the Members at the Extraordinary General Meeting held on 12th March, 2025 had approved the shifting of Registered Office of the Company from the Jurisdiction of Registrar of Companies, Mumbai to the Jurisdiction of Registrar of Companies, Pune i.e. within the state of Maharashtra.

BOARD OF DIRECTORS:

Pursuant to SSPA and as per clause 90.2 of the Articles Association, the Board shall comprise upto three Directors nominated by ETL and upto two Directors nominated by ION. As per clause 90.6 of the Articles of Association of the Company, the Chairman of the Board shall be one among the Directors nominated by ETL.

As on 31st March, 2025, the Board of Directors of the Company were as follows:

Sr. No.	Name of Director	DIN	Position
1.	Mr. Sunil Vitthalrao Kolhe	09650178	Chairman & Non-Executive Director
2.	Mr. Akhil Prakash Panjwani	03214205	Non-Executive Director
3.	Mr. Alexandre Jacques Collet	09648192	Non-Executive Director
4.	Mr. Jignesh Mahendrakumar Gandhi	09651207	Non-Executive Director
5.	Mr. Muralikrishna Giddaluru	10137743	Non-Executive Director

CHANGE IN DIRECTORATE

- At the Meeting of Board of Directors held on 28th January 2025, the designation of **Mr. Akhil Panjwani** was changed from 'Managing Director' to 'Non-Executive Director' with effect from 28th January 2025 as per the Special Resolution passed by the Members of the Company on 30th January 2023 and clause 4.2 (i) of the Shareholders' Agreement dated 18th May 2022.

- At the Meeting of Board of Directors held on 28th January 2025, the designation of **Mr. Alexandre Collet** was changed from 'Whole-time Director' to 'Non-Executive Director' with effect from 28th January 2025 as per the Shareholders' Agreement dated 18th May, 2022 and the Consultancy Agreement dated 18th May 2022 executed between the Company and Mr. Collet.

KEY MANAGERIAL PERSONNEL (KMP)

- **Mr. Vishwas V.S.** resigned as the Chief Executive Officer of the Company w.e.f. 30th September, 2024.
- **Ms. Kavita Verma** was appointed as the Chief Executive Officer of the Company by the Board Members at their Meeting held on 29th October, 2024.
- **Ms. Shachi Sanghavi** was appointed as the Company Secretary of the Company by the Board Members at their Meeting held on 29th October, 2024.

The following officials are 'Key Managerial Personnel' of the Company in terms of the provisions of section 2(51) of the Companies Act, 2013:

- Ms. Kavita Verma., Chief Executive Officer w.e.f. 29th October, 2024.
- Ms. Shachi Sanghavi, Company Secretary w.e.f. 29th October, 2024.

RETIREMENT BY ROTATION

As per the provisions of Section 152(6) of the Companies Act, 2013, Mr. Jignesh Gandhi (DIN: 09651207) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

SHARE CAPITAL:

AUTHORISED SHARE CAPITAL

The Authorised Share Capital of the Company is INR 5,00,000/- (Rupees Five Lakh) divided into 5,00,000 (Five Lakh) equity shares of INR 1/- (Rupee one) each.

PAID UP CAPITAL

The Paid-up Capital of the Company is 1,37,007 (One Lakh Thirty-Seven Thousand and Seven) of INR 1/- (Rupee one).

During the period under review, the Company has not issued any shares with differential voting rights or sweat equity shares. Additionally, neither has it granted any employee stock options nor issued any convertible securities.

BOARD MEETINGS:

During the Financial Year 2024-25, the Board of Directors met six times on the following dates i.e. 09th May 2024, 21st June 2024, 24th July 2024, 31st July 2024, 29th October 2024, and 28th January 2025 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The intervening gap between the Meetings was within the period prescribed under the Act.

The statement below tabulates the attendance of each of the Directors at aforesaid Board Meetings.

Director Attendance	Name of the Director	Mr. Sunil Kolhe (Chairman & Non-Executive Director)	Mr. Akhil Panjwani (Non-Executive Director)	Mr. Alexandre Collet (Non-Executive Director)	Mr. Jignesh Gandhi (Non-Executive Director)	Mr. Muralikrishna Giddaluru (Non-Executive Director)
Date of the Meeting	Sr. no. of Meeting (FY 2024-25)					
9 th May 2024	1	Yes	Yes	LOA	Yes	Yes
21 st June 2024	2	Yes	Yes	Yes	Yes	Yes
24 th July 2024	3	Yes	Yes	Yes	LOA	Yes
31 st July 2024	4	Yes	Yes	LOA	Yes	Yes
29 th October 2024	5	Yes	Yes	Yes	Yes	Yes
28 th January 2025	6	Yes	Yes	Yes	Yes	Yes

SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meeting of Board of Directors (SS-1) and General Meetings (SS-2).

RISK MANAGEMENT POLICY:

The Management of the Company has designed various policies on program management, Standard Operating Procedures (SOPs) for various processes, etc. to avoid events & circumstances which may lead to negative consequences on the Company's business. The Company has also defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

STATUTORY AUDITORS:

M/s. SRBC & Co LLP ("SRBC"), Chartered Accountants (ICAI Registration Number 324982E/E300003), had been appointed as the Statutory Auditors of the Company for a tenure of five years, i.e. from financial year 2023-24 to financial year 2027-28.

SRBC have issued an unqualified audit report on the financial statements for the financial year ended 31st March, 2025. The Auditors Report for the financial year ended 31st March, 2025 on the financial statements of the Company forms part of this Annual Report.

REPORTING OF FRAUDS BY STATUTORY AUDITORS:

During the financial year under review, no instances of fraud have been reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There were no orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors based on the representations received from the Management, confirm that:

- i. in the preparation of the Annual accounts for the year ended 31st March, 2025, the applicable accounting standards had been followed.
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively;

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted a "Policy on Safety & Security and Prevention of Sexual harassment of Women Employees" ("POSH Policy") in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The POSH Policy aims to provide a safe, friendly, positive and productive working environment and promote an atmosphere in which employees can realise their maximum potential. The policy applies to all permanent and temporary employees and also to the workforce engaged by the Company through contractors.

The Company observes zero tolerance towards any kind of violation of the aforementioned POSH Policy. As per POSH Policy, the Company has constituted an Internal Committee ("IC"). The IC is chaired by a female employee and other officials of the Company are its members along with an external member who has experience in dealing with cases relating to sexual harassment. The IC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the POSH Policy.

There were no cases pending at the beginning of the year and filed during the year.

REMUNERATION DETAILS AS PER SCHEDULE V:

In terms of Schedule V Part II (Remuneration) of the Companies Act, 2013, the remuneration details of the Directors appointed under Chapter XII of the Companies Act, 2013 is provided under **Annexure II**.

DISCLOSURE OF PROCEEDINGS PENDING OR APPLICATION MADE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application was filed for the corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

WHISTLE BLOWER POLICY:

The Company has adopted Whistle Blower Policy and the objective of this policy is to create a window for any person who observes any unethical behaviour, actual or suspected fraud, or violation of the Company Code of Conduct and to report the same to the officials appointed under the same policy. The said policy also encompasses reporting of instances of leak of Unpublished Price Sensitive Information (UPSI).

DISCLOSURE OF REASON FOR DIFFERENCE BETWEEN VALUATION DONE AT THE TIME OF TAKING LOAN FROM BANK AND AT THE TIME OF ONE TIME SETTLEMENT:

There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their sincere appreciation towards the commitment, hard work and support of all its employees during the financial year ended 31st March, 2025.

The Directors also express their gratitude towards the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

**sd/-
Sunil Vitthalrao Kolhe
Chairman
DIN: 09650178**

Address: B-20, Pinnac Garden,
Karve Road, near Kothrud Bus Stand,
Kothrud, Pune - 411038, Maharashtra, India

**Date: 12th May, 2025
Place: Pune**

ANNEXURE I

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. Conservation of energy:

Steps taken or impact on conservation of energy	The Company has not spent any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments.	

B. Technology absorption:

Efforts made towards technology absorption	During the Financial Year under review, the Company has not specifically absorbed any new technology. However, the Company has invested its resources towards development of new products using the Intellectual Property (Technology, assets and inventions) pertaining to the Battery Management Systems (BMS), which was absorbed during previous years.
Benefits derived like product improvement, cost reduction, product development or import substitution	The above investment helps the Company to upgrade the technology to be compatible with the technical developments, guidelines issued by the Government of India (GoI) and also contribute towards product improvement / new product development.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	During the Financial Year 2022-23, the Company had acquired the Intellectual Property (Technology, assets and inventions) pertaining to the Battery Management Systems (BMS), from ION Energy Inc.
Year of import	Financial Year 2022-23
Whether the technology has been fully absorbed	Yes

• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development (Rupees in million)	Direct material cost of INR 2.46 million incurred on Research and Development, aside to the Man hours consumed.

C. Foreign exchange earnings and Outgo:

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows is as follows:

	1 st April 2024 to 31 st March 2025
	(₹ in million)
Actual Foreign Exchange earnings	39.44
Actual Foreign Exchange outgo	14.28

For and on behalf of Board

sd/-
Sunil Vitthalrao Kolhe
Chairman
DIN: 09650178

Address: B-20, Pinnac Garden,
Karve Road, Near Kothrud Bus Stand,
Kothrud, Pune - 411038, Maharashtra, India

Date: 12th May, 2025

Place: Pune

ANNEXURE II

REMUNERATION DETAILS OF MANAGERIAL PERSONNEL APPOINTED UNDER
SCHEDULE V OF THE COMPANIES ACT, 2013**A. Mr. Akhil Panjwani – Managing Director till 28th January 2025**

1. All elements of remuneration package such as salary, benefits, bonus, stock options, pension, etc.: given below
2. Details of fixed component and performance linked incentives along with performance criteria: given below.
3. Service Contract, Notice period, Severance fees: Mr. Panjwani served as the Managing Director of the Company w.e.f. 30th January, 2023 to 28th January, 2025. The terms and conditions of appointment are as per the Employment Agreement dated 18th May, 2022 executed between Mr. Panjwani and the Company.

The designation of Mr. Panjwani was changed from 'Managing Director' to 'Non-Executive Director' w.e.f. 28th January 2025.

4. Stock options details, if any, and whether the same has been issued at a discount as well the period over which accrued and over which exercisable: Nil

Remuneration for Financial Year 2024-25:**Fixed Remuneration:**

Sr. No	Payment Component	Yearly (INR)
1	Basic	16,44,845
2	House Rent Allowance	8,22,422
3	Medical Allowance	11,884
4	Conveyance	22,777
6	Special Allowance	8,39,093
7	Gratuity	3,61,500
8	Total Fixed Pay	37,02,521
	Deductions	
9	Executive Contribution to Provident Fund	18,025
10	Professional Tax	2,000
11	Provision for Gratuity	52,000
12	Net Salary	36,30,496

B. Mr. Alexandre Jacques Collet – Whole Time Director till 28th January 2025

1. All elements of remuneration package such as salary, benefits, bonus, stock options, pension, etc.: Mr. Collet has been deriving Consultancy fees from the Company pursuant to the Consultancy Agreement entered into between the Company and Mr. Collet.
2. Details of fixed component and performance linked incentives along with performance criteria: Details of the monthly Consultancy fees paid to Mr. Collet is given below.
3. Service Contract, Notice period, Severance fees: Mr. Collet served as the Whole time Director of the Company till 28th January, 2025. The terms and conditions of appointment are as per the Consultancy Agreement dated 18th May, 2022 executed between Mr. Collet and the Company.

The designation of Mr. Collet was changed from Whole-time Director' to 'Non-Executive Director' with effect from 28th January 2025.

Mr. Collet continued as Consultant till 31st March 2025, based on the terms and conditions agreed in the fourth amendment agreement to the Consultancy Agreement.

4. Stock options details, if any, and whether the same has been issued at a discount as well the period over which accrued and over which exercisable: Nil

Remuneration for Financial Year 2024-25:

1. Monthly consultancy fees:

- INR 4,60,000/- : the period from 1st April 2024 to 31st December, 2024, and
- INR 3,06,000/- : the period from 1st January 2025 to 31st March, 2025.

2. Long-Term Incentive Plan ("LTIP"):

- INR 158,487/- pertaining to financial year 2022-23 was paid to Mr. Collet in the financial year 2024-25.

For and on behalf of the Board

sd/-

Sunil Vitthalrao Kolhe

Chairman

DIN: 09650178

Address: B-20, Pinnac Garden,
Karve Road, Near Kothrud Bus Stand,
Kothrud, Pune - 411038, Maharashtra, India

Date: 12th May, 2025

Place: Pune

INDEPENDENT AUDITOR'S REPORT

To the Members of Maxwell Energy Systems Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Maxwell Energy Systems Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India,

including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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.

The Board of Directors are also 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 SAs 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 SAs, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Insofar as modification on maintaining an audit trail in the accounting software is concerned, refer paragraph (i) (vi);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used SAP S4/HANA accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility in respect of the application and the same has operated throughout the year for all relevant transactions.
Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of the accounting software. Normal/ Regular users are not granted direct database or super user level access. However, changes to the back-end database by a super user did not carry the feature of a concurrent real time audit trail for the period April 01, 2024 till October 25, 2024.
Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

sd/-

per Mustafa Saleem

Partner

Membership Number: 136969

UDIN: 25136969BMNSXW6745

Place of Signature: Pune

Date: May 12, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Maxwell Energy Systems Private Limited (the "Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such physical verification.
- (ii) (b) As disclosed in note 13 to the to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.
- (iii) During the year Company has not provided loans, advances in nature of loans, made investment, stood guarantee or provided security to Companies, firm, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix) (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) Term loans were applied for the purpose for which the loans were obtained.
- (ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix) (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 66.86 million in the current year and amounting to Rs. 122.67 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of

meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company was not required to spend any amount in respect of Corporate Social Responsibility activities under section 135 (5) of the Companies Act, 2013 for the year ended March 31, 2025, Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

sd/-

per Mustafa Saleem

Partner

Membership Number: 136969

UDIN: 25136969BMNSXW6745

Place of Signature:

Date: May 12, 2025

Annexure 2 to the Independent Auditor's report of even date on the financial statements of Maxwell Energy Systems Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Maxwell Energy Systems Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

sd/-

per Mustafa Saleem

Partner

Membership Number: 136969

UDIN: 25136969BMNSXW6745

Place of Signature: Pune

Date: May 12, 2025

Annual Report FY 2024-25

Maxwell Energy Systems Private Limited

Balance sheet as at 31st March, 2025

CIN : U72900MH2017PTC298930

₹ in million

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3 (i)	21.68	26.25
(b) Intangible assets	3 (iii)	216.31	282.80
(c) Right-of-use assets	3 (ii)	7.13	15.55
(d) Financial assets			
(i) Other non current financial assets	4	1.94	2.84
(e) Other non-current assets	5	2.06	1.46
		249.12	328.90
2. Current assets			
(a) Inventories	7	79.98	73.61
(b) Financial assets			
(i) Trade receivables	9	41.95	56.05
(ii) Cash and cash equivalents	8	56.16	36.90
(iii) Other current financial assets	10	1.13	-
(c) Other current assets	6	78.72	96.26
		257.94	262.82
Total assets (1 + 2)		507.06	591.72
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity share capital	11	0.14	0.14
(b) Other equity	12	106.60	274.24
		106.74	274.38
LIABILITIES			
2. Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	1.94	7.65
(ii) Borrowings	13	137.00	100.00
(b) Provisions	14	6.16	3.97
(c) Deferred tax liabilities (net)	32	-	0.88
		145.10	112.50
3. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	15		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		239.28	170.31
(ii) Lease liabilities	18	6.57	10.02
(iii) Other current financial liabilities	16	1.79	9.68
(b) Provisions	14	3.37	2.48
(c) Other current liabilities	17	4.21	12.35
		255.22	204.84
Total equity and liabilities (1 + 2 + 3)		507.06	591.72

Summary of material accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S R B C & CO LLP

ICAI Firm's Registration No. 324982E/E300003

Chartered Accountants

For and on behalf of the Board of Directors of

Maxwell Energy Systems Private Limited

CIN : U72900MH2017PTC298930

sd/-

per Mustafa Saleem

Partner

Membership no. 136969

Place: Pune

Date: 12th May, 2025

sd/-

Sunil V Kolhe

Chairman

DIN:09650178

Place: Pune

Date: 12th May, 2025

sd/-

Kavita Verma

CEO

PAN: ACCPV9799H

Place: Pune

Date: 12th May, 2025

sd/-

Shachi Sanghavi

Company Secretary

Membership no. A65080

Place: Pune

Date: 12th May, 2025

Endurance Technologies Limited - Subsidiaries Financials

Maxwell Energy Systems Private Limited
Statement of Profit and Loss for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

₹ in million

Particulars	Notes	For the year ended 31st March, 2025	For the year ended 31st March, 2024
INCOME			
I. Revenue from operations	19	691.05	616.12
II. Other income	20	9.11	14.97
III Total income (I + II)		700.16	631.09
IV. EXPENSES:			
(a) Cost of raw materials & components consumed	21	579.12	549.83
(b) Changes in stock of raw materials & components	21	0.33	(41.38)
(c) Changes in stock of finished goods and work in progress	21A	(6.70)	(8.83)
(d) Employee benefits expense	22	139.94	179.92
(e) Finance costs	25	18.91	5.98
(f) Depreciation and amortisation expense	24	83.30	81.01
(g) Other expenses	23	54.35	69.85
Total expenses (IV)		869.25	836.38
V. Loss before tax (III - IV)		(169.09)	(205.29)
VI. Tax expense:			
(a) Current tax expense		-	-
(b) Deferred tax (credit)		(1.02)	-
Total tax expense		(1.02)	-
VII. Loss for the year (V - VI)		(168.07)	(205.29)
VIII. Other comprehensive income			
(a) items that will not to be reclassified to profit or loss in subsequent years:			
(i) Re-measurement of defined benefit plans		0.57	3.49
(b) Income tax effect		(0.14)	(0.88)
Total other comprehensive gain for the year, net of tax		0.43	2.61
IX. Total comprehensive income for the year (comprising loss and other comprehensive income for the year) (VI + VIII)		(167.64)	(202.68)
X. Earnings per equity share (face value of Rs. 1 each)			
Basic and Diluted (in Rs.)	26	(1,226.70)	(1,498.36)

Summary of material accounting policies 2
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S R B C & CO LLP

ICAI Firm's Registration No. 324982E/E300003
Chartered Accountants

sd/-
per Mustafa Saleem
Partner
Membership no. 136969
Place: Pune
Date: 12th May, 2025

For and on behalf of the Board of Directors of
Maxwell Energy Systems Private Limited
CIN : U72900MH2017PTC298930

sd/-
Sunil V Kolhe
Chairman
DIN:09650178
Place: Pune
Date: 12th May, 2025

sd/-
Kavita Verma
CEO
PAN: ACCPV9799H
Place: Pune
Date: 12th May, 2025

sd/-
Shachi Sanghavi
Company Secretary
Membership no. A65080
Place: Pune
Date: 12th May, 2025

Maxwell Energy Systems Private Limited
Cash flow statement for the period ended 31st March, 2025
CIN : U72900MH2017PTC298930

	₹ in million	
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
A. Cash flow from operating activities		
Loss before tax	(169.09)	(205.29)
Adjustment for:		
- Depreciation and amortisation expense	83.30	81.01
- Trade receivables and advances written off	-	8.51
- Allowance for impairment of trade receivable	0.23	2.83
- Excess provisions /creditors' balances written back	(2.78)	-
- Unrealised exchange (gain)/loss (net)	0.10	(0.17)
- Profit on sale of property, plant and equipment (net)	(6.01)	(11.21)
- Finance costs	18.91	5.98
- Unwinding of interest income on security deposits	(0.13)	(0.11)
- Provision on slow moving of inventory	10.00	1.80
- Interest income	(0.07)	(0.75)
Operating loss before working capital changes	(65.54)	(117.40)
Movement in working capital :		
Adjustment for (increase) / decrease in operating assets		
- Trade receivables	14.24	8.46
- Inventories	(16.37)	(52.01)
- Other current assets	17.54	(1.34)
- Other current financial assets	0.07	0.05
- Non-current financial assets	0.16	(1.19)
Adjustment for increase / (decrease) in operating liabilities		
- Trade payables	71.74	82.65
- Current provision	0.88	1.51
- Other current financial liabilities	(7.89)	3.78
- Other current liabilities	(8.14)	(18.85)
- Non-current provision	2.18	1.19
Total	74.43	24.25
Cash used in operating activities	8.89	(93.15)
Direct taxes paid/refund (net)	(0.60)	2.57
Net cash generated from/(used in) operating activities (A)	8.29	(90.58)
B. Cash flow from investing activities		
Acquisition of property, plant and equipment; and intangible assets (including capital work in progress, intangible assets under development and capital advances)	(3.81)	(21.01)
Interest received	0.07	0.69
Proceeds from sale of property, plant and equipment	6.01	12.58
Net cash generated/(used in) investing activities (B)	2.27	(7.74)

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Maxwell Energy Systems Private Limited
Cash flow statement for the period ended 31st March, 2025
CIN : U72900MH2017PTC298930

	₹ in million	
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
C. Cash flow from financing activities		
Payment of principal portion of lease liabilities	(10.30)	(8.06)
Payment of interest on lease liabilities	(1.15)	(1.79)
Finance costs paid	(16.85)	(3.28)
Proceeds from Borrowings - Non-Current (including current maturities)	37.00	100.00
Net cash generated from financing activities (C)	8.70	86.87
Net increase/(decrease) in cash and cash equivalents (A + B + C)	19.26	(11.45)
Cash and cash equivalents as at beginning of the year	36.90	48.35
Cash and cash equivalents as at year end	56.16	36.90
Components of cash and cash equivalents (Refer note 8)		
Balances with banks	56.15	36.88
Cash on hand *	0.01	0.02
Total cash and bank balances	56.16	36.90

* Amount is below ₹ 0.01 million

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For S R B C & CO LLP

ICAI Firm's Registration No. 324982E/E300003
Chartered Accountants

sd/-
per Mustafa Saleem
Partner
Membership no. 136969
Place: Pune
Date: 12th May, 2025

**For and on behalf of the Board of Directors of
Maxwell Energy Systems Private Limited**
CIN : U72900MH2017PTC298930

sd/-
Sunil V Kolhe
Chairman
DIN:09650178
Place: Pune
Date: 12th May, 2025

sd/-
Kavita Verma
CEO
PAN: ACCPV9799H
Place: Pune
Date: 12th May, 2025

sd/-
Shachi Sanghavi
Company Secretary
Membership no. A65080
Place: Pune
Date: 12th May, 2025

Maxwell Energy Systems Private Limited
Statement of Changes in Equity for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

a) Equity share capital

		₹ in million
Particulars	Nos.	Amount
Equity shares of Rs. 1 each issued, subscribed and fully paid		
At 31st March, 2023	1,37,007	0.14
Issued during the year	-	-
At 31st March, 2024	1,37,007	0.14
Issued during the year	-	-
As at 31st March, 2025	1,37,007	0.14

Note - There are no changes in accounting policies or prior period errors during the current or previous years

b) Changes in other equity

Particulars	Retained earnings	Securities premium	Total equity
Balance at 1st April, 2023	(238.05)	714.97	476.92
(Loss) for the year	(205.29)	-	(205.29)
Other comprehensive income for the year, net of tax	2.61	-	2.61
Balance at 31st March, 2024	(440.73)	714.97	274.24
(Loss) for the year	(168.07)	-	(168.07)
Other comprehensive income for the year, net of tax	0.43	-	0.43
Balance at 31st March, 2025	(608.37)	714.97	106.60

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S R B C & CO LLP

ICAI Firm's Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors of

Maxwell Energy Systems Private Limited
CIN : U72900MH2017PTC298930

sd/-

per Mustafa Saleem

Partner

Membership no. 136969

Place: Pune

Date: 12th May, 2025

sd/-

Sunil V Kolhe

Chairman

DIN:09650178

Place: Pune

Date: 12th May, 2025

sd/-

Kavita Verma

CEO

PAN: ACCPV9799H

Place: Pune

Date: 12th May, 2025

sd/-

Shachi Sanghavi

Company Secretary

Membership no. A65080

Place: Pune

Date: 12th May, 2025

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 3(i): Property, plant and equipment

						₹ in million
Particulars	Office equipment	Data processing equipment	Furniture and fixtures	Plant and machinery	Leasehold improvements	Total
Cost						
As at 31st March, 2024	1.83	7.66	2.37	18.10	8.42	38.38
Additions	0.45	0.20	-	2.00	-	2.65
Disposals	-	-	-	-	-	-
As at 31st March, 2025	2.28	7.86	2.37	20.10	8.42	41.03
Accumulated depreciation						
As at 31st March, 2024	0.67	4.14	0.90	2.75	3.67	12.13
Charge for the year (Note 24)	0.34	2.12	0.24	1.26	3.26	7.22
Disposals	-	-	-	-	-	-
As at 31st March, 2025	1.01	6.26	1.14	4.01	6.93	19.35
Net block						
As at 31st March, 2024	1.16	3.52	1.47	15.35	4.75	26.25
As at 31st March, 2025	1.27	1.60	1.23	16.09	1.49	21.68

On transition to Ind AS (i.e. 01st April, 2021), the Company elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Note 3(ii): Right of use assets

Set out below, are the carrying amounts of the Company's ROU assets and the movements during the year:

Particulars	₹ in million	
	Building*	Total
As at 31st March, 2024	15.55	15.55
Additions	1.16	1.16
Depreciation expense for the year (Note 24)	9.58	9.58
As at 31st March, 2025	7.13	7.13

* Building includes office premises situated at Andheri, Mumbai leased for period upto 5 years and at Bangalore leased for period upto 2 years.
Additions include office premises situated at Chhatrapati Sambhajanagar leased for period upto 3 years.

Note 3(iii): Intangible assets

			₹ in million
Particulars	Softwares	Intellectual Property*	Total
Cost			
At 31st March, 2024	10.03	390.69	400.72
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2025	10.03	390.69	400.72
Accumulated amortisation			
At 31st March, 2024	4.80	113.12	117.92
Charge for the year (Note 24)	1.54	64.95	66.49
Disposals	-	-	-
As at 31st March, 2025	6.34	178.07	184.41
Net block			
At 31st March, 2024	5.23	277.57	282.80
As at 31st March, 2025	3.69	212.62	216.31

* Intellectual Property includes INR 378 million which was paid to ION Energy, Inc. for acquisition of Intellectual Property pertaining to battery management platforms.

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Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 4: Other non-current financial assets (unsecured, considered good unless otherwise stated) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Security deposits, at amortised cost*	1.94	1.78
Balances with banks		
(i) In deposit accounts - with original maturity of more than 12 months	-	1.00
Interest accrued on deposits (at amortised cost)	-	0.06
Total	1.94	2.84

*Security deposits are non-derivative financial assets and are refundable in cash.

Note 5: Other non-current assets (unsecured, considered good unless otherwise stated) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Income tax paid in advance	2.06	1.46
Total	2.06	1.46

Note 6: Other current assets (unsecured, considered good unless otherwise stated) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with government authorities	76.62	93.86
Advances to vendors	0.92	1.12
Prepaid expenses	1.18	1.28
Total	78.72	96.26

Note 7: Inventories (at the lower of cost and net realisable value) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Raw materials and components (mainly includes electronic circuit boards)*	64.45	64.78
Work in progress	0.09	0.22
Finished goods	15.44	8.61
Total	79.98	73.61

*As at 31st March, 2025 a provision of slow moving inventory of INR 11.8 million (31st March, 2024: 1.8 million) has been created during the year as per company's policy on slow moving inventory.

Note 8: Cash and cash equivalents ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with banks		
(i) In current accounts	56.15	36.88
Cash on hand	0.01	0.02
Total	56.16	36.90

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 9: Trade receivables

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Trade receivables		
Unsecured, considered good	41.95	47.32
Receivables from related parties (refer note 30)	-	8.73
Total Trade receivables	41.95	56.05
Break up for trade receivables	As at 31st March, 2025	As at 31st March, 2024
Trade receivables		
Unsecured, considered good	41.95	56.05
Trade receivables - Credit impaired	3.06	2.83
	45.01	58.88
Impairment Allowance (Allowance for bad and doubtful debts)	(3.06)	(2.83)
Total	41.95	56.05

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Not any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 45-60 days.

There are no unbilled receivable, hence the same is not disclosed in the ageing schedule.

As at 31st March, 2025

Particulars	Outstanding for the following periods from the due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	25.68	13.82	2.45	-	-	-	41.95
Undisputed trade receivables – credit impaired			1.33	1.53	0.20		3.06
Total	25.68	13.82	3.78	1.53	0.20	-	45.01

As at 31st March, 2024

Particulars	Outstanding for the following periods from the due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	14.71	30.73	10.61		-	-	56.05
Undisputed trade receivables – credit impaired			1.15	1.68			2.83
Total	14.71	30.73	11.76	1.68	-	-	58.88

Note 10: Other current financial assets (Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
At amortized cost		
Deposit with remaining maturity of less than 12 months	1.00	-
Interest accrued on deposits	0.13	-
Total	1.13	-

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Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 11: Equity share capital

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Authorised share capital		
5,00,000 equity shares of Rs. 1/- each (31st March, 2024: 5,00,000 of Rs. 1 each)	0.50	0.50
Total authorised share capital	0.50	0.50
Issued, subscribed and fully paid-up share capital		
1,37,007 equity shares of Rs. 1/- each (31st March, 2024: 1,37,007 equity shares at Rs. 1/- each)	0.14	0.14
Total issued, subscribed and fully paid-up share capital	0.14	0.14

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Amount	Nos.	Amount	Nos.
Authorised shares				
At the beginning of the year	0.50	5,00,000	0.50	5,00,000
Issued during the year	-	-	-	-
Balance at the end of the year	0.50	5,00,000	0.50	5,00,000
Issued, subscribed and fully paid-up shares				
At the beginning of the year	0.14	1,37,007	0.14	1,37,007
Issued during the year	-	-	-	-
Outstanding at the end of the year	0.14	1,37,007	0.14	1,37,007

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ ultimate holding company and/or their subsidiaries/associates

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Nos.	% holding	Nos.	% holding
(Equity shares of Rs. 1 each fully paid)				
Endurance Technologies Limited, the immediate holding company	84,254	61.50%	76,719	56.00%

(d) Shares held by holding Company

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Nos.	% holding	Nos.	% holding
(Equity shares of Rs. 1 each fully paid)				
Holding Company				
Endurance Technologies Limited	84,254	61.50%	76,719	56.00%

(e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Nos.	% holding	Nos.	% holding
(Equity shares of Rs. 1 each fully paid)				
Endurance Technologies Limited	84,254	61.50%	76,719	56.00%
ION Energy, Inc.	52,748	38.50%	60,283	44.00%

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

(f) Details of shares held by promoters

As at 31st March, 2025

Name of the promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
Equity shares of Rs. 1 each fully paid				
ION Energy, Inc.	60,283	(7,535)	52,748	38.50%
Endurance Technologies Limited*	76,719	7,535	84,254	61.50%
Total	1,37,002	-	1,37,002	100.00%

As at 31st March, 2024

Name of the promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
Equity shares of Rs. 1 each fully paid				
ION Energy, Inc.	67,133	(6,850)	60,283	44.00%
Endurance Technologies Limited*	69,869	6,850	76,719	56.00%
Total	1,37,002	-	1,37,002	100.00%

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholder/members. There are no shares reserved for issue under bonus, options, contracts/commitments for sale of shares/disinvestments.

* Endurance Technologies Limited has acquired 51% of the equity share capital of the Company on 1st July, 2022, through a combination of primary issuance and secondary purchase. Consequent to above, the Company became a subsidiary of Endurance Technologies Limited with effect from the said date.

On 17th July, 2023, Endurance Technologies Limited has acquired additional 5% equity stake in the Company from ION Energy, Inc. thereby increasing its shareholding to 56%. The additional stake has been acquired for a cash consideration of Rs. 69.43 million, based on the valuation methodology as per the terms of the Share Subscription and Purchase Agreement dated 18th May, 2022.

On 31st July, 2024, Endurance Technologies Limited has acquired additional 5.5% equity stake in the Company from ION Energy, Inc. thereby increasing its shareholding to 61.5%. The additional stake has been acquired for a cash consideration based on the valuation methodology as per the terms of the Share Subscription and Purchase Agreement dated 18th May, 2022.

Note 12: Other equity

Particulars	₹ in million	
	As at 31st March, 2025	As at 31st March, 2024
Retained earnings		
Balance at the beginning of the year	(440.73)	(238.05)
Add: Loss for the year	(168.07)	(205.29)
Other comprehensive income for the year, net of tax	0.43	2.61
Balance at the close of the year	(608.37)	(440.73)
Securities premium		
Balance at the beginning of the year**	714.97	714.97
Add: Addition during the year	-	-
Balance at the close of the year	714.97	714.97
Total	106.60	274.24

** Securities premium is used to record the premium on issue of equity shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

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Annual Report FY 2024-25

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 13: Borrowings

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Measured at amortized cost		
Non current borrowings		
Unsecured borrowings		
Indian rupee term loan from the holding company*	137.00	100.00
Total	137.00	100.00

*During the year ended 31st March, 2024 the Company has taken an unsecured working capital loan from the holding company of INR 100 million. Long term rupee denominated borrowings from holding company carry interest cost linked to MCLR with mutually agreed spread [effective interest rate ranges from 10.55% to 11.00% p.a.]

*During the year ended 31st March, 2025 the Company has taken an additional unsecured working capital loan from the holding company of INR 37 million. Long term rupee denominated borrowings from holding company carry interest cost linked to MCLR with mutually agreed spread [effective interest rate ranges from 10.55% to 11.00% p.a.]

Terms of repayment of the loan as per the Loan agreement between the Company and the holding company:

(a) The aggregate loan granted shall be repaid by the Company to the extent of the cash and bank balances in excess of an amount of up to INR 5,00,00,000 (Rupees Five Crore only) (referred to as "Minimum Cash Balance") in each Financial Year, provided the cash and bank balances on a daily average basis for a continuous period of 3 (three) calendar months (determined by dividing the closing balance for each working day by the number of working days) prior to the date of repayment should also exceed the relevant Minimum Cash Balance.

(b) The parties to the Loan agreement may mutually agree in writing for repayment of the aggregate loan amount in any other manner irrespective of whether the Minimum Cash Balance is maintained by the Company or not.

The Company has been sanctioned working capital limits of INR 150 Millions (31 March 2024 INR Nil) from bank during the year, which are secured by way of first exclusive charge over the present and future current assets of the Company as per the terms agreed in the Deed of Hypothecation.

The quarterly returns/ statements filed by the Company with the bank are in agreement with the books of account of the Company.

Note 14: Provisions

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Non-current		
Provision for gratuity (refer note 31)	6.16	3.97
Total	6.16	3.97
Current		
Provision for gratuity (refer note 31)	0.10	0.08
Provision for compensated absences	2.35	1.72
Others		
Provision for warranty	0.92	0.68
Total	3.37	2.48

Provision for warranty: The Company gives warranty on certain products from the date of sale, for their satisfactory performance during the warranty period as per the contracts with buyers.

Provision for warranty claims arising out of such obligation is made based on such warranty period.

Details of warranty provision

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Carrying amount as at Opening date	0.68	0.15
Provision made during the year	0.24	0.53
Amount paid / utilised during the year	-	-
Carrying amount as at Closing date	0.92	0.68

Endurance Technologies Limited - Subsidiaries Financials

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 15: Trade payables

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	239.28	170.31
Total	239.28	170.31
Trade payables	11.18	131.27
Trade payables to related parties (refer Note 30)	228.10	39.03
Total	239.28	170.31

Trade payables ageing schedule

₹ in million

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8.77	230.52	-	-	-	239.28
As at 31st March, 2025	8.77	230.52	-	-	-	239.28
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	6.76	162.45	0.87	0.16	0.07	170.31
As at 31st March, 2024	6.76	162.45	0.87	0.16	0.07	170.31

Trade payables are non-interest bearing and are normally settled on 30-75 days term.

The information required to be disclosed under the Micro, Small & Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the years is given below.

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024

- (i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year. Principal amount due to micro and small enterprises
- Interest due on above
- (ii) The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.
- (iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.
- (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year
- (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006

-	-
-	-
-	-
-	-
-	-
-	-

Note 16: Other current financial liabilities

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
At amortized cost		
Payables to employees*	1.79	8.78
Interest accrued on loan from the holding company (refer note 30)	-	0.90
Total	1.79	9.68

*Payables to employees are non interest bearing and are settled in subsequent months.

Annual Report FY 2024-25

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 17: Other current liabilities

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Statutory dues	2.87	4.79
Advance from customers	1.34	3.16
Deferred revenue (refer note 19)	-	4.40
Total	4.21	12.35

Note 18: Lease liabilities

₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Non-current		
Lease liabilities	1.94	7.65
Total	1.94	7.65
Current		
Lease liabilities	6.57	10.02
Total	6.57	10.02

Lease liabilities disclosure as per Ind AS 116

	₹ in million
Movement in lease liabilities	Amount rupees
As at 31 March 2023	15.65
Add: Additions	10.08
Add: Accretion of interest	1.79
Less: Payments	9.85
As at 31 March 2024	17.67
Add: Additions	1.14
Add: Accretion of interest	1.15
Less: Payments	11.45
As at 31st March, 2025	8.51
Non-current	1.94
Current	6.57
As at 31st March, 2024	17.67
Non-current	7.65
Current	10.02

The incremental borrowing rate considered for lease liabilities is at 9%.

Refer note 33 for maturity profile of lease liabilities

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Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 19: Revenue from operations

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
a. Revenue from contracts with customers		
i. Sale of products		
- Sale of products and components	651.81	580.77
ii. Sale of services		
- Sale of non-recurring engineering services	36.90	18.18
iii. Sale of license		
- Sale of licenses & royalty income	2.34	17.16
b. Other operating revenue		
- Scrap sales	-	0.01
Total	691.05	616.12

(a) Disaggregated information of revenue from contracts with customers

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
- Within India	651.61	554.12
- Outside India	39.44	61.99
Total	691.05	616.11

Timing of revenue recognition:

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
- Goods transferred at a point in time	651.81	580.77
- Services transferred over time	39.24	35.34
Total	691.05	616.11

(b) Performance obligations

(i) Revenue from sale of products and components

The Company based on the underlying agreements has determined that the transfer of control to the customer and therefore revenue recognition, in regard to the domestic sales and export sales, generally corresponds to the date when the goods are dispatched from their point of sale, or when the goods are made available to the customer, or when the goods are released to the carrier responsible for transporting them to the customer. Export sales are recorded at the relevant exchange rates prevailing on the transaction date.

Maxwell Energy Systems Private Limited**Notes to financial statements for the year ended 31st March, 2025****CIN : U72900MH2017PTC298930****(ii) Revenue from sale of services**

The Company provides product development and engineering services to its customers. Revenue from such services is accounted as and when such services are rendered.

(iii) Revenue from sale of licences & royalty income

Revenue from sale of licences is recognised based on the terms of the contract with customer. Revenue from one time licence fees is recognised over the period of licence.

(c) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:

	₹ in million	
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
- Within one year	-	4.40
- More than one year	-	-
Total	-	4.40

Note 20: Other income

	₹ in million	
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
a. Interest income		
i. Bank deposits	0.07	0.75
ii. Others	0.25	0.26
b. Other non operating income		
Excess provisions /creditors' balances written back	2.78	-
Profit on sale of property, plant and equipment	6.01	11.21
Net loss on foreign currency transactions and translation	-	1.36
Miscellaneous income	-	1.39
Total	9.11	14.97

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 21: Cost of raw materials and components consumed

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Inventory at the beginning of the year	64.78	23.40
Add: Purchases of raw materials and components	579.12	549.83
Less: Inventory at the end of the year	(64.45)	(64.78)
Cost of raw material and components consumed	579.45	508.45

Note 21A: Changes in inventory of finished goods, work in progress and stores, spares and packing materials

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31 March, 2024
Opening balance		
Work in progress	0.22	-
Finished goods	8.61	-
Total opening balance	8.83	-
Closing balance		
Work in progress	0.09	0.22
Finished goods	15.44	8.61
Total closing balance	15.53	8.83
(Increase)/Decrease in inventory		
Work in progress	0.13	(0.22)
Finished goods	(6.83)	(8.61)
Changes in inventory of finished goods, work in progress and stores, spares and packing materials	(6.70)	(8.83)

Note 22: Employee benefits expense

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Salaries, wages and bonus	134.16	171.27
Gratuity expenses (Refer note 31)	3.05	4.13
Contribution to provident funds	2.32	2.64
Staff welfare expenses	0.41	1.88
Total	139.94	179.92

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 23: Other expenses

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Research & development cost	2.46	3.57
Information technology expense	12.03	9.94
Legal and professional fees (refer note 30)	11.22	13.96
Rent - machinery	0.40	0.63
Repairs and maintenance		
Building	2.73	3.09
General	1.14	0.70
Power, water and fuel charges	2.10	3.70
Travelling and conveyance	10.05	11.60
Payments to auditor (refer note (a) below)	1.56	1.46
Rates and taxes	0.82	0.50
Insurance expenses	1.60	1.75
Freight outwards	1.77	2.46
Allowance for impairment of trade receivable (Note 9)	0.23	2.83
Net loss on foreign currency transactions and translation	0.31	-
Trade receivables and advances written off	-	8.51
Housekeeping expenses	4.67	3.41
Miscellaneous expenses	1.26	1.74
Total	54.35	69.85
Note (a): Payments to auditor		
As auditor:		
- Audit fee	1.50	1.36
- Out of pocket expense	0.06	0.10
Total	1.56	1.46

Note 24: Depreciation and amortisation expense

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Depreciation on property, plant and equipment as per note 3(i)	7.23	5.34
Depreciation on right of use assets as per note 3(ii)	9.58	8.84
Amortisation of intangible assets as per note 3 (iii)	66.49	66.83
Total	83.30	81.01

Note 25: Finance cost

₹ in million

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
a. Interest expenses on		
Lease liabilities	1.15	1.79
Term loan	15.93	3.79
b. Bank charges	1.83	0.40

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Total	18.91	5.98

Maxwell Energy Systems Private Limited**Notes to financial statements for the year ended 31st March, 2025****CIN : U72900MH2017PTC298930****Note 26: Earnings per share (EPS)**

Basic and diluted EPS are calculated by dividing the profit for the year attributable to equity shareholders by weighted average no. of equity shares outstanding during the year.

Sr. no.	Particulars	From 01st April, 2024 to 31st March, 2025	From 01st April, 2023 to 31st March, 2024
i	Loss attributable to equity shareholders [Numerator for computing basic and diluted EPS] (₹ in million)	(168.07)	(205.29)
ii	Weighted average number of equity shares in computing basic and diluted EPS* (number in million)	0.14	0.14
iii	Basic/Diluted earnings/(loss) per share ₹ each	(1,226.70)	(1,498.36)

* There is only one type of equity share. Hence basic and diluted earnings per share are same.

Note 27: Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful life of intellectual property

Useful life of Intellectual Property - The Company has considered useful life of intellectual property as 6 years based on internal technical assessment. The Company reviews the useful life of intellectual property at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Impairment of non financial asset

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget approved by the board of directors and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to intangible assets recognised by the company.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 31.

Leases (estimating the incremental borrowing rate)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right to use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 28: Capital and other commitments

a) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for INR Nil [31st March, 2024: Nil]

b) Contingent liabilities

There are no contingent liabilities as at 31st March, 2025 [31st March, 2024: Nil].

Note 29: Segment information

Particulars	₹ in million	
	For the year ended 31st March, 2025	For the year ended 31st March, 2024
	Battery Management System	Battery Management System
Type of goods or service		
- Sale of products and components	651.81	580.77
- Sale of non-recurring engineering services	36.90	18.18
- Sale of licenses & royalty income	2.34	17.16
Total revenue with contracts with customers	691.05	616.11
- Within India	651.61	554.12
- Outside India	39.44	61.99
Total revenue with contracts with customers	691.05	616.11
Timing of revenue recognition		
- Goods transferred at a point in time	651.81	580.77
- Services transferred over time	39.24	35.34
Total revenue with contracts with customers	691.05	616.11

The Company's main activity is into business of development, assembly and selling of Battery Management Systems, related components and services for electric vehicles and / or energy storage systems which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

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Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 30: Related party disclosures

I Names of related parties and related party relationship where transactions have taken place during the year:

Nature of relationship	Name of related party
Immediate Holding Company	Endurance Technologies Limited

Key Management Personnel (KMP)

Chairman	Mr. Sunil Vitthalrao Kolhe
Non-Executive Director	Mr. Akhil Prakash Panjwani (resigned as Managing Director w.e.f 28th January, 2025)
Non-Executive Director	Mr. Alexandre Jacques Collet (resigned as Wholetime Director w.e.f 28th January, 2025)
Non-Executive Director	Mr. Jignesh Mahendrakumar Gandhi
Non-Executive Director	Mr. Subhashis Dhara Sharma (resigned w.e.f 03rd April, 2023)
Non-Executive Director	Mr. Murali Krishna Gangasetty
Chief Executive Officer	Mr. Vishwas V S (resigned as Chief Executive Officer w.e.f 30th September, 2024)
Chief Executive Officer	Ms. Kavita Verma (w.e.f 29th October, 2024)
Company Secretary	Ms. Shachi Sanghavi (w.e.f 29th October, 2024)

Enterprises Owned or controlled by Key

Management personnel and/or their Relatives

ION Energy Inc
Faraday Energy Systems Private Limited
SOBEIT Management Consulting DWC - LLC
Sobeit Advisors LLP
Prakash H Panjwani HUF
Matrice Technologies (w.e.f 7th November, 2024)

II Transactions between the Company and its related parties:

₹ in million

Nature of transactions	Name of related party	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Sale of goods ^	Endurance Technologies Limited	12.08	7.61
Sale of property, plant and equipment ^	Endurance Technologies Limited	7.32	14.28
Reimbursement of expenses ^	Endurance Technologies Limited	0.26	0.30
Purchase of Goods ^	Endurance Technologies Limited	563.07	26.25
Loan from the holding company	Endurance Technologies Limited	37.00	100.00
Rent Expense ^	Endurance Technologies Limited	6.59	5.48
Expenses incurred (inc. SAP license fees) ^	Endurance Technologies Limited	6.29	7.96
Management Support Service Fees ^	Endurance Technologies Limited	4.96	-
Interest on loan from the holding company ^	Endurance Technologies Limited	16.23	4.17
Remuneration#	Mr. Akhil Prakash Panjwani	3.70	8.38
Remuneration#	Mr. Vishwas V S	3.91	6.95
Remuneration#	Ms. Shachi Sanghavi	1.30	-
Non-compete fees	Mr. Akhil Prakash Panjwani	-	0.60
Professional fees	Mr. Alexandre Jacques Collet	5.06	6.15
Reimbursement of expenses (paid)	Mr. Alexandre Jacques Collet	-	0.02
Payment of long term incentive plan (LTIP)	Mr. Alexandre Jacques Collet	0.16	-

Post employment benefits payable in the form of gratuity and in the form of compensated absences are calculated on the basis of actuarial valuation. Amount payable for individual employees as at 31st March, 2025 (31st March, 2024) cannot be separately identified and therefore has not been included in above. There are no termination benefits, share based payments given to Key Management Personnel.

^ Transaction amount is inclusive of Goods & Service Tax.

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

III Outstanding balances :

₹ in million

Nature of transactions	Name of related party	As at 31st March, 2025	As at 31st March, 2024
Trade payables	Endurance Technologies Limited	228.10	39.03
Borrowings	Endurance Technologies Limited	137.00	100.00
Other financial liabilities	Endurance Technologies Limited	-	1.01
Other payables	Endurance Technologies Limited	2.74	-
	Mr. Akhil Prakash Panjwani	-	0.58
	Mr. Vishwas V S	-	0.46
	Mr. Alexandre Jacques Collet	0.92	0.85
Other receivables	Endurance Technologies Limited	-	0.30
Trade receivables	Endurance Technologies Limited	-	8.43

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Annual Report FY 2024-25

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

Note 31: Employee benefit obligation

The Company operates a defined benefit gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

There are no minimum funding requirements for a gratuity plan in India. Thus the company gratuity is unfunded. The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Statement of profit and loss

Net employee benefit expense recognized in the employee cost		₹ in million	
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024	
Current service cost	2.77	3.76	
Past Service Cost	-	-	
Interest cost on benefit obligation	0.28	0.37	
Net benefit expense	3.05	4.13	

Balance sheet

Net Defined Benefit asset/ liability		₹ in million	
	As at 31st March, 2025	As at 31st March, 2024	
Present value of defined benefit obligation	6.26	4.05	
Fair value of plan assets	-	-	
Total Employee related Liabilities	6.26	4.05	
Non-Current	6.16	3.97	
Current	0.10	0.08	

Changes in the present value of the defined benefit obligation are as follows:

		₹ in million	
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Defined benefit obligation at the beginning of the year	4.05	5.62	
Current service cost	2.77	3.76	
Past service costs	-	-	
Interest cost	0.28	0.37	
Benefits paid	(0.26)	(1.07)	
Actuarial (gains) / losses on obligation	(0.59)	(4.63)	
Closing defined benefit obligation	6.26	4.05	

Net employee benefit expense recognised in the other comprehensive income (OCI):

		₹ in million	
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Actuarial (gains)/losses on Obligation for the period			
- Changes in financial assumption	0.17	(0.26)	
- Change in demographic assumptions	0.00	0.00	
- Experience variance	(0.76)	(4.37)	
Net (Income)/expense for the period recognized in OCI	(0.59)	(4.63)	

Maxwell Energy Systems Private Limited

Notes to financial statements for the year ended 31st March, 2025

CIN : U72900MH2017PTC298930

The principal assumptions used in determining gratuity obligation for the company's plans are shown below:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Discount rate	6.60%	7.20%
Expected rate of return on assets	NA	NA
Employee turnover	25.00%	25.00%
Salary Escalation rate (p.a.)		
For the first year	15.00%	15.00%
For the balance years	15.00%	15.00%
Retirement Age (years)	60 years	60 years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current period are as follows:**₹ in million**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Gratuity		
Defined benefit obligation	6.26	4.05
Plan assets	-	-
Surplus / (deficit)	(6.26)	(4.05)
Experience adjustments on plan liabilities	-	-

Sensitivity analysis: (Amount of Gratuity)***₹ in million**

Particulars	As at 31st March, 2025	As at March 31, 2021
Discount rate sensitivity		
Increase by 1 %	5.98	3.87
Decrease by 1 %	6.56	4.25
Salary growth rate sensitivity		
Increase by 1 %	6.46	4.19
Decrease by 1 %	6.06	3.92

*Amounts presented in the analysis is the total defined benefit obligation after giving the impact of change in assumption.

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Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 32: Deferred tax liabilities (net) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax liabilities		
On account of temporary differences in		
Property, plant and equipment and intangible assets	(8.82)	(11.27)
Right of Use assets	(1.79)	(3.91)
Total	(10.61)	(15.19)
Deferred tax assets		
On account of temporary differences in		
Business loss and unabsorbed depreciation*	175.48	122.77
Gratuity	1.57	1.02
Leave encashment	0.59	0.43
Provision for inventory	2.97	0.45
Provision for bad and doubtful debts	0.77	0.71
Provision for warranty	0.23	0.17
Lease liabilities	2.14	4.45
Bonus/Incentive payable to employees	0.45	2.21
Total	184.21	132.22
Net deferred tax assets	-	-

* The Company has incurred losses in current year as well as previous year. Accordingly, the company has not recognised net deferred tax asset ('DTA') during the year ended 31st March, 2025, on business losses and unabsorbed depreciation of INR 209.44 million due to absence of certainty of availability of future taxable profits for utilisation of DTA.

Accordingly, the Company has recognised deferred tax asset to the extent of deferred tax liability.

Reconciliation of deferred tax assets/(liabilities) ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening balance	(0.88)	-
Deferred tax recorded in statement of profit and loss	1.02	-
Deferred tax recorded in OCI	(0.14)	(0.88)
Closing balance	-	(0.88)

Amounts on which deferred tax asset has not been created: ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
On Business loss and unabsorbed depreciation*	697.25	487.82
Total	697.25	487.82

* There is no timelimit to carry forward unabsorbed depreciation of Rs. 262.72 million, as per income tax act, 1961. Further, business loss of Rs. 434.52 million can be carried forward for 8 assessment year and same will lapse in financial year 2032-33. Had the company, able to recognise deferred tax assets on all business losses and unabsorbed depreciation then the loss for the year would have decreased by Rs. 175.48 million and equity would have increased by Rs. 175.48 million.

Tax losses available for set off against future taxable profits of the Company as mentioned below: ₹ in million

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Amount	Offsetting maximum period	Amount	Offsetting maximum period
F.Y. 2021-2022	6.69	F.Y. 2029-2030	6.69	F.Y. 2029-2030
F.Y. 2022-2023	276.64	F.Y. 2030-2031	276.64	F.Y. 2030-2031
F.Y. 2023-2024	204.49	F.Y. 2031-2032	204.49	F.Y. 2031-2032
F.Y. 2024-2025	209.44	F.Y. 2032-2033		
Total	697.25		487.82	

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate: ₹ in million

Particulars	As at 31st March, 2025	As at 31st March, 2024
Accounting profit before income tax	(169.09)	(205.29)
Computed income tax rate 25.168% (31st March, 2024 - 25.168%)	(42.56)	(51.67)
Deferred tax asset not recognised	43.58	51.67
At the effective income tax rate	(1.02)	-
Income tax expenses reported in statement of profit and loss	(1.02)	-

Note 33: Fair Value Measurements

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of 31st March, 2025 and 31st March, 2024.

Particulars	Carrying amount		Fair value	
	As at	As at	As at	As at
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Financial assets				
Financial assets measured at amortised cost				
Trade receivables	41.95	56.05	41.95	56.05
Cash and cash equivalents	56.16	36.90	56.16	36.90
Other current assets	78.72	96.26	78.72	96.26
Other financial assets	1.13	-	1.13	-
Total	177.96	189.21	177.96	189.21
Financial liabilities				
Financial liabilities measured at amortised cost				
Borrowings	137.00	100.00	137.00	100.00
Trade payables	239.28	170.31	239.28	170.31
Lease liabilities	8.51	17.67	8.51	17.67
Other financial liabilities	1.79	9.68	1.79	9.68
Other current liabilities	4.21	12.35	4.21	12.35
Total	390.80	310.01	390.80	310.01

The management assessed that cash and cash equivalents, borrowings, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 34: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables, lease liability and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and other financial assets that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management reviews and agrees policies for managing each of these risks, which are summarised below. The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to contractual terms. Credit risk encompasses, the risk of default, the risk of deterioration of creditworthiness of the counterparty as well as concentration of risks. Financial instruments that are subject to exposure to credit risk consist of trade receivables, bank balances and other financial assets. Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from operating activities, primarily from trade receivables.

Maxwell Energy Systems Private Limited**Notes to financial statements for the year ended 31st March, 2025****CIN : U72900MH2017PTC298930****Trade receivables:**

Trade receivables consist of receivables arising primarily due to sale of goods. These receivables are unsecured and mature at the end of a specified credit period depending upon the terms of contract of each customer, which ranges from 45-60 days for customers in India and 60-120 days for overseas customers. The Company's customers primarily consist of Original Equipment Manufacturers ("OEM").

The Company assesses the credit risk of its customers at the time of acceptance of the customer as well as on an ongoing basis. Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The credit limit of these customers is continuously monitored and recalibrated based on the credit risk assessment. Most of the OEM's have high credit ratings which helps the Company mitigate credit risk.

The Company assesses at each reporting date whether a trade receivable or a group of trade receivables is impaired. The Company recognizes lifetime expected credit losses for all trade receivables that do not constitute a financing transaction and which are due for more than six months. The expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company uses a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The Company considers the trade receivables to have low risk of defaults since the customers have strong capacity to fulfil their obligations and even if there are adverse changes in economic and business conditions, the Company is of the view that it will not adversely affect the ability of the customers to fulfil their obligations.

The Company considers write-off of receivables on case to case basis, depending upon the circumstances of each delayed receivable, and when the Company is of the view that recovery seems unlikely after reasonable efforts.

(B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds for short term operational needs. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90-120 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all the financial liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in million					
Particulars	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31st March, 2025					
Lease liabilities	2.13	4.45	1.94	-	8.51
Borrowings			137.00		137.00
Trade payables	230.52	8.77	-	-	239.28
Other financial liabilities	1.79	-	-	-	1.79
Total	234.44	13.21	138.94	-	386.59
31st March, 2024					
Lease liabilities	2.36	7.66	7.65	-	17.67
Borrowings	-	-	100.00	-	100.00
Trade payables	115.99	54.32	-	-	170.31
Other financial liabilities	9.68	-	-	-	9.68
Total	128.03	61.98	107.65	-	297.66

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31st March 2025 and 31st March 2024.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2025 and 31st March 2024.

Maxwell Energy Systems Private Limited**Notes to financial statements for the year ended 31st March, 2025****CIN : U72900MH2017PTC298930****Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit before tax	Change in Euro rate	Effect on profit before tax
31st March, 2025	5%	(0.02)	5%	0.40
	-5%	0.02	-5%	(0.40)
31st March, 2024	5%	(0.34)	5%	0.47
	-5%	0.34	-5%	(0.47)

(D) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations which have floating rate indebtedness. The Company also maintain deposits of cash and cash equivalents with banks which are subject to periodic resets.

Interest rate sensitivity

The sensitivity analysis below demonstrates the sensitivity to a reasonable possible change in interest rates on the debt obligations of the Company and on the cash and cash equivalents.

₹ in million					
For the year ended	Currency	Increase / decrease in basis points	Effect on profit / (loss) before tax	Financial statement item	Variable rate WCCL
31st March, 2025	INR	+100	(1.37)	Debt obligation	137.00
	INR	-100	1.37	Debt obligation	137.00
31st March, 2024	INR	+100	(1.00)	Debt obligation	100.00
	INR	-100	1.00	Debt obligation	100.00

Note 35: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total fixed capital (equity) plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

₹ in million		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Borrowings #	386.59	297.66
Less: Cash and cash equivalents (including fixed deposits)	(57.16)	(37.90)
Net debt (A)	329.43	259.76
Equity share capital	0.14	0.14
Other equity	106.60	274.24
Total capital (B)	106.74	274.38
Capital and net debt (A+B)	436.17	534.14
Gearing ratio (A/A+B)	76%	49%

Includes borrowings, trade payables, other financial liabilities and lease liabilities.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2025 and year ended 31st March, 2024.

Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 36: Foreign currency exposure that are not hedged by derivative instruments

Particulars	Currency	As at 31st March, 2025		As at 31st March, 2024	
		Foreign Currency Notional Amount (in million)	Rupees (in million)	Foreign Currency Notional Amount (in million)	Rupees (in million)
Trade receivables	EUR	0.09	8.10	0.10	9.37
	USD	0.01	1.16	0.01	1.08
Trade payables	EUR	-	-	0.00	0.04
	USD	0.02	1.54	0.09	7.89

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Maxwell Energy Systems Private Limited
Notes to financial statements for the year ended 31st March, 2025
CIN : U72900MH2017PTC298930

Note 37: Ratio Analysis and its elements

Sr. No.	Ratio	Numerator	Denominator	As at 31st March, 2025	As at 31st March, 2024	% Change	Reason for Variance
1	Current ratio	Current assets	Current liabilities	1.01	1.28	-21%	The reason for decrease in the Current ratio is due to significant increase in Trade payables from INR 170 million in FY24 to INR 239 million in FY25.
2	Debt-equity ratio	Total debts	Average Shareholder's equity	0.72	0.27	170%	The reason for increase due to loan availed from the holding company during the year.
3	Debt service coverage ratio	Earnings for debt service : Net profit after taxes + Non-cash operating expenses	Debt service : Interest payments + Principal repayments	-4.20	-42.14	-90%	The change is due to increase in interest cost on account of additional borrowings from holding company during the year. The Company has sufficient cash balance to cover it's interest payments.
4	Return on equity ratio	Net profits/(loss) after taxes	Average Shareholder's equity	-88%	-55%	61%	Change is due to losses incurred in current year
5	Inventory turnover ratio	Cost of material consumed	Average Inventory	7.45	11.15	-33%	The change is due to increase in consumption on account of increase in sales during the year.
6	Trade receivables turnover ratio	Net credit sales : Gross credit sales - sales return	Average trade receivable	14.10	10.23	38%	This ratio has increased due to increase in revenue from operations in F.Y. 2024-2025.
7	Trade payables turnover ratio	Cost of material consumed	Average trade payables	2.80	4.19	-33%	This ratio has decreased due to increase in the average trade payables in F.Y. 2024-2025.
8	Net capital turnover ratio	Net sales : Total sales - sales return	Working capital : Current assets - Current liabilities	254.24	10.63	2292%	This ratio has increased due to decrease in the net working capital and increase in Revenue from operations YoY.
9	Net profit ratio	Net profit	Net Sales : Total sales - sales return	-24%	-33%	-27%	Change is due to decrease in losses as % of sales during the year due to benefits of increased volume and cost control measures.
10	Return on capital employed	Profit before finance cost and taxes	Capital employed : Net worth	-141%	-73%	94%	Change is due to losses incurred in current year
11	Return on investment	Interest on FD	Average FD	7.44%	4.84%	54%	ROI on FDs have increased YoY due to higher rate of interest. The tenure of FDs increased compared to previous year.

Maxwell Energy Systems Private Limited**Notes to financial statements for the year ended 31st March, 2025****CIN : U72900MH2017PTC298930****Note 38: Other statutory information**

The Company has incurred losses in the current and previous years. However, it has been able to operate uninterruptedly due to the unsecured loans provided by the holding company, which also serves as the main vendor supplying raw materials essential for the Company's operations. Furthermore, there are no liabilities due within the next 12 months that the Company will be unable to meet, considering its current business plan.

Based on the above factors, management believes that the going concern assumption is appropriate. Therefore, the financial statements as of and for the year ended 31st March, 2025, have been prepared on a going concern basis.

Note 39: Other statutory information

- (i) The Company does not have any transactions or outstanding balances with the Companies struck off.
 - (ii) The Company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.
 - (iii) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.
 - (iv) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
 - (v) The Company does not have any such transaction, which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (such as search, survey or any other relevant provisions of the Income Tax Act, 1961).
 - (vi) All the property, plant and equipment are in the name of the Company.
 - (vii) There is no revaluation of Property, plant and equipment or Right to Use assets.
 - (viii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- Further, No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached.

For S R B C & CO LLP

ICAI Firm's Registration No. 324982E/E300003

Chartered Accountants

For and on behalf of the Board of Directors of**Maxwell Energy Systems Private Limited****CIN : U72900MH2017PTC298930****sd/-****per Mustafa Saleem**

Partner

Membership no. 136969

Place: Pune

Date: 12th May, 2025

sd/-**Sunil V Kolhe**

Chairman

DIN:09650178

Place: Pune

Date: 12th May, 2025

sd/-**Kavita Verma**

CEO

PAN: ACCPV9799H

Place: Pune

Date: 12th May, 2025

sd/-**Shachi Sanghavi**

Company Secretary

Membership no. A65080

Place: Pune

Date: 12th May, 2025