

**JKM Erla Holdings GmbH  
Schwarzenberg**

Financial Statements for the Financial  
Year from 1 April 2021 to 31 March 2022

JKM Erla Holdings GmbH, Schwarzenberg

Balance sheet as at 31 March 2022

Assets	31.03.2022	31.03.2021	Liabilities	31.03.2022	31.03.2021
	EUR	TEUR		EUR	TEUR
<b>A. Fixed assets</b>			<b>A. Equity</b>		
<b>I. Intangible assets</b>			<b>I. Subscribed capital</b>	26.011,00	25
Goodwill	239.515,55	297	<b>II. Capital reserve</b>	10.433.954,54	9.433
<b>II. Financial assets</b>			<b>III. For the implementation of the resolved capital increase contributions made</b>	0,00	1.002
Shares in affiliated companies	24.814.964,20	24.815	<b>IV. Profit carried forward</b>	2.808.188,70	7.303
	25.054.479,75	25.112	<b>V. Net profit for the year (previous year: net loss)</b>	361.383,29	-4.495
				13.629.537,53	13.268
<b>B. Current assets</b>			<b>B. Provisions</b>		
<b>I. Receivables and other assets</b>			1. Tax provisions	0,00	123
Other assets	30.317,00	0	2. Other provisions	12.950,00	13
<b>II. Balances with credit institutions</b>	2.276,44	2		12.950,00	136
	32.593,44	2	<b>C. Liabilities</b>		
<b>C. Prepaid expenses</b>	2.757,00	3	1. Liabilities to credit institutions	761.800,00	1.067
			2. Amounts owed to affiliated companies	10.685.542,66	10.602
				11.447.342,66	11.669
			<b>D. Deferred tax liabilities</b>	0,00	44
	25.089.830,19	25.117		25.089.830,19	25.117

**JKM Erla Holdings GmbH, Schwarzenberg****Profit and Loss Account for the Financial Year from 1 April 2021 to 31 March 2022**

	01.04.2021- 31.03.2022	01.04.2020- 31.03.2021
	EUR	TEUR
1. Other operating income	15.828,20	0
2. Amortisation of intangible assets fixed assets-57,498.72-57		
3. other operating expenses	-35.872,61	-37
4. write-downs on financial assets	0,00	-1.925
5. expenses from the assumption of losses	0,00	-1.992
6. income from profit transfer agreement	1.039.393,31	0
7. interest and similar expenses thereof to affiliated companies: EUR 595,249.29 (previous year: TEUR 406)	-595.249,29	-464
8. taxes on income and earnings-5 thereof expense from the change in liabilities deferred taxes: EUR -44,020.00 (previous year: TEUR -8)	,217.60	-20
9. result after taxes	<u>361.383,29</u>	<u>-4.495</u>
10. net income for the year (previous year: net loss)	<u>361.383,29</u>	<u>-4.495</u>

## JKM Erla Holdings GmbH, Schwarzenberg

### Notes for the financial year from 1 April 2021 to 31 March 2022

#### 1. General information

The annual financial statements of JKM Erla Holdings GmbH were prepared on the basis of the accounting regulations of the German Commercial Code and the Limited Liability Companies Act. The values are denominated in euros.

The company is a small corporation within the meaning of section 267 (1) in conjunction with section 267a (3) no. 3 HGB. In conjunction with § 267a para. 3 no. 3 HGB. The profit and loss account was structured according to the nature of expense method.

Our subsidiary is Eisenwerk Erla GmbH in Schwarzenberg. Based on the business planning of the two companies and the binding credit commitments of the financing banks for the joint group financing, the continuation of the company is currently not at risk. The financing of our company's liabilities as of 31 March 2022 will be carried out through corresponding intra-group agreements.

#### 2. Information on accounting and valuation methods and on the balance sheet

##### Intangible assets

The merger in previous years resulted in goodwill of EUR 0.2 million, which is amortised over a period of 15 years. This period corresponds to the forecast useful life typical for the industry.

##### Financial assets

Financial assets are generally valued at acquisition cost. They are tested annually for permanent impairment; if necessary, they are written down to fair value.

Society	Result 31 March 2022	Share in capital	Equity
	TEUR	%	TEUR
Eisenwerk Erla GmbH, Schwarzenberg	0 *)	100,0	15.872

\*) After profit transfer to JKM Erla Holdings GmbH.

**Receivables and other assets**

The reported other assets were recognised at nominal value.

**Cash and cash equivalents**

The bank balances were recognised at nominal value.

**Prepaid expenses**

Prepaid expenses include expenses before the balance sheet date that represent expenses for a certain period after that date.

**Equity**

Subscribed capital is recognised at nominal value.

**Valuation of provisions and deferred taxes**

The tax and other provisions are recognised at the settlement amount that is necessary according to sound business judgement. The valuation of the settlement amount takes into account a cost increase that is not material overall.

Deferred taxes are recognised for temporary differences between the tax base and the commercial balance sheet (mainly pension provisions and provisions for contingent losses as well as goodwill) of the parent company and the subsidiary. Any resulting surplus of deferred tax liabilities is recognised in accordance with section 274 (1) HGB. Deferred taxes are measured at the tax rate that is expected to apply at the time of the reversal of the temporary differences and that has already been enacted at the balance sheet date. The tax rate used for the valuation is 29.475%.

## Liabilities

Liabilities are recognised at their settlement amount. The remaining terms to maturity are as follows:

In TEUR (previous year)	thereof Residual term up to 1 year	thereof Residual term over 1 year	thereof Residual term over 5 years	total
Liabilities towards Credit institutions	305 (305)	457 (762)	0 (0)	762 (1.067)
Liabilities towards Affiliated companies	83 (2.236)	10.603 (8.366)	0 (0)	10.686 (10.602)
Total	388 (2.541)	11.060 (9.128)	0 (0)	11.448 (11.669)

Liabilities to affiliated companies include loans from the subsidiary Eisenwerk Erla GmbH in the amount of TEUR 10,603 (previous year: TEUR 8,366), which do not have a fixed repayment date after contract adjustments. The loan is secured by the pledging of the shares. The remaining liabilities to affiliated companies amounting to TEUR 83 consist of other liabilities.

Furthermore, the company is liable for liabilities of the subsidiary (affiliated company) in the amount of TEUR 3,390 (previous year: TEUR 5,563) within the scope of the joint syndicated financing.

The Company assumes that no claims will be made under the joint syndicated financing, as JKM Erla Holdings GmbH and its subsidiary will fulfil their obligations under the collateral and it is unlikely that they will fail to comply with the agreements.

### 3. Information on the profit and loss account

**Taxes on income** include current tax expenses of KEUR 49 (previous year: KEUR 27) and deferred tax income of KEUR 44 (previous year: KEUR 8).

### 4. Other mandatory information

The Company is included in the consolidated financial statements of Dynamic Technologies Limited, Bangalore/India. These consolidated financial statements apply to both the smallest and the largest group of companies. The consolidated financial statements are available on the Group's website.

The company itself does not prepare consolidated financial statements, but alternatively uses the provisions of the exempting consolidated financial statements pursuant to §§ 291/292 HGB. The consolidated financial statements of Dynamatic Technologies Limited, Bangalore/India, are filed with the Federal Gazette alongside our financial statements.

On 4 March 2009 (with amendments on 17 December 2009), a profit and loss transfer agreement was concluded between Eisenwerk Erla GmbH (controlling company) and Erla Beteiligungsgesellschaft mbH (controlling company), which was merged with JKM Erla Holdings GmbH. Accordingly, Eisenwerk Erla transfers its entire annual net profit to JKM Erla Holdings GmbH. The claim to profit transfer or compensation for a net loss for the year arises at the end of the financial year and is subject to interest at 5% p.a. from this date.

The profit and loss transfer agreement is concluded for an indefinite period of time and may be terminated by giving three months' notice.

JKM Erla Holdings GmbH, headquartered in Schwarzenberg/Erzgebirge, is registered under HRB 26799 at Chemnitz Local Court.

#### **Disclosures in accordance with §**

#### **285 No. 10 of the German**

#### **Commercial Code (HGB)**

#### **Management**

- Mr. Udayant Malhoutra, CEO, Managing Director, Bangalore/India
- Mr Dietmar Hahn, Managing Director, Erla/Germany

#### **5. Events after the balance sheet date**

No transactions or events occurred after the end of the financial year that have a material effect on the net assets, financial position or results of operations of the Company as at 31 March 2022.

Schwarzenberg, 10 June 2022 The

Management Board

Udayant MalhoutraDietmar Hahn

## **Reproduction of the audit opinion**

We have issued the following opinion, signed on 10 June 2022, on the financial statements of JKM Erla Holdings GmbH, Schwarzenberg, for the financial year 2021/2022, as set out in Annex 1:

### **"INDEPENDENT AUDITOR'S REPORT".**

To JKM Erla Holdings GmbH, Schwarzenberg

#### **Audit opinion**

We have audited the annual financial statements of JKM Erla Holdings GmbH, Schwarzenberg, - consisting of the balance sheet as at

31 March 2022 and the profit and loss account for the financial year from 1 April 2021 to 31 March 2022 and the notes to the financial statements, including a description of the accounting policies.

In our opinion, based on the findings of our audit, the attached annual financial statements comply in all material respects with the provisions of German commercial law applicable to corporations and give a true and fair view of the net assets and financial position of the Company as at 31 December 2009 in accordance with German principles of proper accounting.

31 March 2022 and its results of operations for the financial year from 1 April 2021 to 31 March 2022.

In accordance with § 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any objections to the correctness of the annual financial statements.

#### **Basis for the audit opinion**

We conducted our audit of the annual financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those provisions and standards is further described in the "Auditor's Responsibility for the Audit of the Annual Financial Statements" section of our auditor's report. We are independent of the Company in accordance with German commercial law and professional regulations and have fulfilled our other German professional obligations 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 opinion on the financial statements.

#### **Responsibility of the legal representatives for the annual financial statements**

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



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

### **Auditor's Responsibility 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 on the financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements 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 financial statements.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore

- 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 material misstatements is higher for noncompliance than for inaccuracy because noncompliance may involve fraud, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 entity's internal control.
- We evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

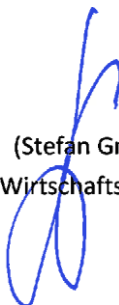
- we conclude on the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If 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. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. However, future events or circumstances may prevent the Company from continuing as a going concern.
- We have assessed the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

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

Leipzig, 10 June 2022

**Deloitte GmbH**  
Wirtschaftsprüfungsgesellschaft

**(An,te,)**  
Wirtschaftsprüfer

  
(Stefan Gneuß)  
Wirtschaftsprüfer

# General terms and conditions

## for

### Auditors and auditing companies

from 1 January 2017

#### 1. Scope

(1) The Terms and Conditions of Engagement apply to contracts between auditors or auditing companies (hereinafter collectively referred to as "auditors") and their clients for audits, tax advice, advice on business matters and other assignments, unless otherwise expressly agreed in writing or prescribed by law.

(2) Third parties may only derive claims from the contract between the Wirtschaftsprüfer and the Client if this is expressly agreed or results from mandatory statutory provisions. With regard to such claims, these Conditions of Contract shall also apply to such third parties.

#### 2. Scope and execution of the contract

(1) The object of the contract is the agreed service, not a specific economic success. The engagement shall be conducted in accordance with the principles of proper professional conduct. The chartered accountant does not assume any business management tasks in connection with his services. The auditor is not responsible for the use or implementation of the results of his services. The chartered accountant is entitled to use competent persons to carry out the assignment.

(2) The consideration of foreign law requires - except in the case of business audits - an explicit written agreement.

(3) If the factual or legal situation changes after the final professional statement has been issued, the Wirtschaftsprüfer is not obliged to draw the client's attention to any changes or conclusions arising therefrom.

#### 3. Cooperation obligations of the client

(1) The client shall ensure that the chartered accountant is provided in good time with all documents and further information necessary for the performance of the engagement and is informed of all events and circumstances which may be of importance for the performance of the engagement. This also applies to documents and other information, events and circumstances which only become known during the auditor's work. The client shall appoint suitable persons to provide information to the chartered accountant.

(2) At the request of the auditor, the client shall confirm the completeness of the submitted questions and further information as well as the given information and explanations in a written declaration formulated by the auditor.

#### 4. Securing independence

(1) The client shall refrain from anything that jeopardises the independence of the auditor's staff. This shall apply for the duration of the contractual relationship in particular to offers of employment or assumption of board functions and to offers to take on contracts on its own account.

(2) Should the performance of the contract affect the independence of the Wirtschaftsprüfer, its affiliated companies, its network companies or its associated companies to which the independence requirements apply in the same way as to the Wirtschaftsprüfer, the Wirtschaftsprüfer shall be entitled to terminate the contract without notice.

#### 5. Reporting and publicity

Insofar as the Wirtschaftsprüfer has to present results in writing within the framework of the processing of the order, only this written presentation shall be valid. Drafts of written representations are not binding. Unless otherwise agreed, oral declarations and information of the auditor are only binding if they are confirmed in writing. Declarations and information provided by the auditor outside the scope of the order placed are always non-binding.

#### 6. Passing on a professional qualification of the auditor

(1) The disclosure of the Wirtschaftsprüfer's professional statements (work results or extracts of work results - whether in draft or final version) or the information about the Wirtschaftsprüfer's work for the client to a third party requires the written consent of the Wirtschaftsprüfer, unless the client is obliged to disclose or inform on the basis of a law or an official order.

(2) The use of professional statements by the Wirtschaftsprüfer and the information about the Wirtschaftsprüfer's work for the client for advertising purposes by the client are not permitted.

#### 7. Miingef removal

(1) In the event of any deficiencies, the Client shall be entitled to subsequent performance by the Economic Consultant. Only in the event of failure, omission or unjustified refusal, unreasonableness or impossibility of subsequent performance may he reduce the remuneration or withdraw from the contract; if the order was not placed by a consumer, the principal may only withdraw from the contract on account of a defect if the performance rendered is of no interest to him on account of failure, omission, unreasonableness or impossibility of subsequent performance. Insofar as claims for damages exist beyond this, No. 9 shall apply.

(2) The claim for compensation for defects must be asserted by the client in text form without delay. Claims according to para. 1 which are not based on an intentional act shall lapse one year after the legal start of the period of limitation.

(3) Obvious inaccuracies, such as typing errors, arithmetical errors and formal deficiencies, contained in a professional statement (report, expert opinion and the like) of the auditor may be corrected by the auditor at any time, also vis-à-vis third parties. Inaccuracies which are likely to call into question the results contained in the auditor's professional opinion shall entitle the auditor to withdraw the opinion, also in respect of third parties. In the aforementioned cases, the auditor shall hear the applicant as far as possible in advance.

#### 8. Confidentiality towards third parties, data protection

(1) The auditor is subject to the law (§ 323 para. 1 HGB), The auditor is obliged by § 43 WPO, § 203 StGB (German Criminal Code) to maintain secrecy about facts and circumstances which are entrusted to him or become known to him in the course of his professional activity, unless the client releases him from this obligation to maintain secrecy.

(2) When processing personal data, the Wirtschaftsprüfer will observe the national and European legal regulations on data protection.

#### 9. Liability

(1) For legally prescribed services of the auditor, in particular audits, the respective applicable legal liability provisions apply, in particular the liability provision of § 323 paragraph 2 HGB.

(2) If neither a statutory limitation of liability applies nor an individual contractual limitation of liability exists, the liability of the Wirtschaftsprüfer for claims for damages of any kind, with the exception of damages arising from injury to life, limb and health, as well as damages which give rise to a duty to compensate on the part of the manufacturer pursuant to § 1 of the German Product Liability Act (ProdHaftG), shall be limited to € 4 million in the case of a single case of damage caused by negligence in accordance with § 54a paragraph 1 no. 2 WPO.

(3) The economic consultant shall also be entitled to defences and objections arising from the contractual relationship with the client against third parties.

(4) If several claimants derive claims from the contractual relationship with the Wirtschaftsprüfer from a negligent breach of duty on the part of the Wirtschaftsprüfer, the maximum amount mentioned in para. 2 shall apply to the respective claims of all claimants in total.

(5) A single case of damage within the meaning of para. 2 is also given in respect of a uniform damage arising from several breaches of duty. The individual case of damage includes all consequences of a breach of duty without regard to whether damage occurred in one or in several consecutive years. In this context, several acts or omissions based on the same or similar source of error shall be deemed to be a single breach of duty if the matters concerned are legally or economically related to each other. In this case, the auditor can only be held liable for up to € 5 million. The limitation to five times the minimum insurance sum does not apply in the case of mandatory audits required by law.

(6) A claim for damages expires if no action is brought within six months after the written rejection of the compensation and the client was informed of this consequence. This shall not apply to claims for damages which are attributable to intentional conduct, or in the event of culpable injury to life, limb or health, or in the event of damage which justifies the manufacturer's obligation to pay compensation pursuant to § 1 of the German Product Liability Act (ProdHaftG). The right to assert the defence of lapse of time remains unaffected.

## 10. Supplementary Provisions for Priifing Orders

(1) If the client subsequently changes the financial statements or management report audited by the auditor and provided with an audit opinion, he may not continue to use this audit opinion.

If the auditor has not issued an audit opinion, a reference to the audit conducted by the auditor in the management report or in another place designated for the public is only permissible with the written consent of the auditor and with the wording approved by him.

(2) If the chartered accountant revokes the endorsement, the endorsement may no longer be used. If the client has already used the endorsement, he must, at the request of the Wirtschaftsprüfer, disclose the revocation.

(3) The client shall be entitled to one tonne of report output. Any further austerities will be invoiced separately.

## 11. Supplementary provisions for assistance in tax matters

(1) The Wirtschaftsprüfer is entitled, both when advising on individual tax issues and in the case of ongoing advice, to take as a basis the facts stated by the client, in particular figures, as correct and complete; this also applies to accounting engagements. However, he shall point out to the client any inaccuracies he has tested.

(2) The tax advisory mandate does not include the actions required to meet deadlines, unless the Wirtschaftsprüfer has expressly accepted the mandate for this purpose. In this case, the client shall submit to the Wirtschaftsprüfer all documents essential for the observance of deadlines, in particular tax assessment notices, in such a timely manner that the Wirtschaftsprüfer has a reasonable processing time available.

(3) In the absence of a written agreement to the contrary, ongoing tax advice shall include the following activities falling within the term of the contract:

a) Preparation of annual tax returns for income tax, corporate income tax and trade tax as well as property tax returns, based on the annual financial statements to be submitted by the client and other statements and evidence required for taxation purposes.

b) Re-examination of tax assessment notices for the taxes mentioned under a)

c) Negotiations with the tax authorities in connection with the declarations and notices referred to in a) and b) above.

d) Participation in audits and evaluation of the results of audits with regard to the taxes referred to in a) above

e) Participation in opposition and appeal proceedings with regard to the taxes mentioned under a).

In carrying out the above tasks, the auditor shall take into account the main published case law and administrative opinions.

(4) If the Wirtschaftsprüfer receives a fixed fee for ongoing tax advice, the activities mentioned in paragraph 3, books d) and e) must be honoured separately, unless otherwise agreed in writing.

(5) If the auditor is also a tax advisor and the Tax Advisor Remuneration Ordinance (Steuerberatervergütungsverordnung) is applicable for the assessment of the remuneration, a higher or lower remuneration than the statutory remuneration can be agreed in text form.

(6) The handling of special individual questions of income tax, corporate tax, trade tax, standard valuation and property tax as well as all questions of turnover tax, wage tax, other taxes and duties shall be carried out on the basis of a special mandate. This also applies to

a) processing one-off tax matters, e. g. in the field of inheritance tax, capital transfer tax, real estate transfer tax,

b) participation and representation in proceedings before the courts of fiscal and administrative jurisdiction as well as in criminal tax cases,

c) the provision of advice and expert opinions in connection with conversions, capital increases and reductions, reorganisations, the entry and withdrawal of a shareholder, the sale of a business, liquidation and the like, and

d) support in the fulfilment of reporting and documentation obligations.

(7) Insofar as the preparation of the annual VAT return is also assumed as an additional activity, this does not include the verification of any special accounting requirements and the question of whether all possible VAT allowances have been taken into account. No assurance is given as to the complete approval of the documents for the assertion of the input tax deduction.

## 12. Electronic communication

The communication between the Wirtschaftsprüfer and the client may also take place by e-mail. If the client does not want communication by e-mail or has special security requirements, such as the encryption of e-mails, the client shall inform the chartered accountant accordingly in text form.

## 13. Vergütung

(1) The Wirtschaftsprüfer shall be entitled to reimbursement of his expenses in addition to his fees or remuneration; value added tax shall be charged in addition. He may demand reasonable advances on remuneration and reimbursement of expenses and make the provision of his services conditional on full satisfaction of his claims. Several clients shall be liable as joint and several debtors.

(2) If the client is not a consumer, a set-off against claims of the chartered accountant for payment and reimbursement of expenses is only permissible for undisputed or legally established claims.

## 14. Dispute resolution

The Wirtschaftsprüfer is not prepared to participate in dispute resolution proceedings before a consumer arbitration board within the meaning of § 2 of the Consumer Dispute Resolution Act.

## 15. Applicable law

Only German law shall apply to the order, its execution and the claims arising therefrom.