

GIANLUIGI BERRUTI MANZONE

DOTTORE COMMERCIALISTA
REVISORE LEGALE
20122 MILANO – VIALE BIANCA MARIA 25

To the attention of Sole Shareholder
BALKRISHNA INDUSTRIES LIMITED
C/15, BKT HOUSE,
Trade world, Kamala Mill Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400013 – India

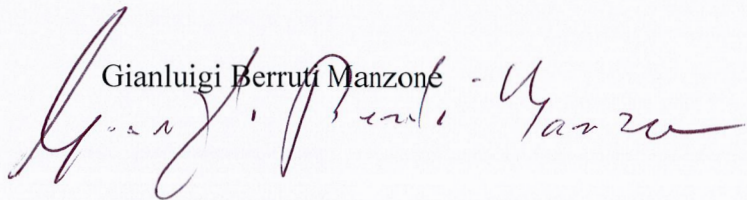
Milan, April 14th 2026

AUDITOR'S REPORT

I, the undersigned Gianluigi Berruti Manzone, chartered accountant (Dottore Commercialista), enrolled in the Registry of Italian Certified Public Accountants (Revisori Legali dei Conti) under the number 130275, with reference to the fiscal year closed as of march 31th, 2026, of the company BKT EUROPE SRL, with registered office in Viale Bianca Maria 25, 20122 Milano, VAT and Business Registry no. 05404270968, Economic and Administrative Index no. 1819352, hereby certify that:

1. the financial statements give a true and fair view of the financial position and of the results of operations of the company;
2. the accounts correctly reflect the values and the description of the documents and the company records held by the company.

Gianluigi Berruti Manzone



BKT EUROPE S.R.L.

Head office, address MILANO - VIALE BIANCA MARIA , 25

Capital Stock paid Euro 100.000,00

Registered to the Chamber of Commerce of MILANO

The identification N. - N. of enterprises registry 05404270968

Value-added tax identification number: 05404270968 - No. Of the economic
administrative registry (Rea): 1819352

Financial Statements at 31/03/2026

Balance sheet (mandatory scheme)

Assets	31/03/2026	31/03/2025
A) RECEIVABLES DUE FROM SHAREHOLDERS		
Total receivables due from shareholders (A)	0	0
B) FIXED ASSETS		
<i>I - Intangible fixed assets</i>		
3) Industrial patents and intellectual property rights	430.206	298.601
7) Other	2.363.879	1.558.286
Total intangible fixed assets	2.794.085	1.856.887
<i>II - Tangible fixed assets</i>		
2) Plant and machinery	120.700	225.291
3) Industrial and commercial equipment	4.124	28.870
4) Other assets	381.798	513.863
Total tangible fixed assets	506.622	768.024
<i>III) Financial fixed assets</i>		
Total financial fixed assets (III)	0	0
Total fixed assets (B)	3.300.707	2.624.911
C) CURRENT ASSETS		
<i>I - Inventories</i>		
4) Finished products and goods for resale	10.984.922	6.014.964
Total inventories	10.984.922	6.014.964

II Receivables

1) Trade accounts

Due within the following year	7.829.597	7.230.791
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Total trade accounts	7.829.597	7.230.791
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5-b) Tax receivables

Due within the following year	6.021.913	5.230.038
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Total receivables due from tax authorities	6.021.913	5.230.038
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5-c) Prepaid tax	0	418
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5-d) Other receivables

Due within the following year	115.162	681.637
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Due beyond the following year	5.480	5.480
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Total receivables due from third parties	120.642	687.117
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Total receivables	13.972.152	13.148.364
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III - Current financial assets

Total financial current assets	0	0
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IV - Liquid funds

1) Bank and post office deposits	1.801.324	888.898
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3) Cash and equivalents on hand	505	883
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Total liquid funds	1.801.829	889.781
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Total current assets (C)	26.758.903	20.053.109
D) ACCRUED INCOME AND PREPAYMENTS	171.362	2.521.015
TOTAL ASSETS	30.230.972	25.199.035

Balance sheet (mandatory scheme)

Liabilities and shareholders' equity	31/03/2026	31/03/2025
A) SHAREHOLDERS' EQUITY		
I - Share capital	100.000	100.000
II - Share premium reserve	0	0
III - Revaluation reserves	0	0
IV - Legal reserve	20.000	20.000

V - Statutory reserves	0	0
<i>VI - Other reserves, indicated separately</i>		
Miscellaneous other reserves	1	-1
Total other reserves	1	-1
VII - Reserve for hedging expected cash flow operations	0	0
VIII - Retained earnings (accumulated losses)	3.032.183	2.154.021
IX - Net profit (loss) for the year	855.436	878.163
Minimised loss for the year	0	0
X - Negative reserve for own portfolio shares	0	0
Total shareholders' equity	4.007.620	3.152.183
B) RESERVES FOR CONTINGENCIES AND OTHER CHARGES		
Total reserves for contingencies and other charges (B)	0	0
C) TOTAL RESERVE FOR SEVERANCE INDEMNITIES (TFR)	194.802	554.997
D) PAYABLES		
4) Due to banks		
Due within the following year	2.600.000	2.650.000
Total payables due to banks (4)	2.600.000	2.650.000
7) Trade accounts		
Due within the following year	22.200.456	16.960.329
Total trade accounts (7)	22.200.456	16.960.329
12) Due to tax authorities		
Due within the following year	347.521	416.540
Due beyond the following year	106.128	272.970
Total payables due to tax authorities (12)	453.649	689.510
13) Due to social security and welfare institutions		
Due within the following year	175.786	326.057
Total payables due to social security and welfare institutions (13)	175.786	326.057
14) Other payables		
Due within the following year	486.819	603.244

Total other payables (14)	486.819	603.244
Total payables (D)	25.916.710	21.229.140
E) ACCRUED LIABILITIES AND DEFERRED INCOME	111.840	262.715
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	30.230.972	25.199.035

Income statement (value and cost of production)

	31/03/2026	31/03/2025
A) VALUE OF PRODUCTION		
1) Revenues from sales and services	55.442.401	47.953.921
2) Change in work in progress, semi-finished and finished products	4.969.958	-132.841
5) Other income and revenues		
Other	175.396	261.598
Total other income and revenues	175.396	261.598
Total value of production	60.587.755	48.082.678
B) COSTS OF PRODUCTION		
6) Raw, ancillary and consumable materials and goods for resale	21.520.810	14.428.497
7) Services	32.622.182	27.716.651
8) Use of third party assets	466.258	360.994
9) Personnel		
a) Wages and salaries	2.289.662	2.192.047
b) Related salaries	660.892	671.695
c) Severance	127.400	131.068
Total payroll and related costs	3.077.954	2.994.810
10) Depreciation, amortisation and writedowns		
a) Amortisation of intangible fixed assets	850.025	438.061
b) Depreciation of tangible fixed assets	325.944	363.159
Total Amortisation, depreciation and write-downs	1.175.969	801.220
14) Other operating expenses	192.802	234.912
Total cost of production	59.055.975	46.537.084
Difference between value and cost of production (A - B)	1.531.780	1.545.594
C) FINANCIAL INCOME AND CHARGES		
16) Other financial income		
d) Income other than the above		

Other	115	144
Total income other than the above	115	144
Total other financial income	115	144
17) Interest and other financial expense		
Other	197.525	184.743
Total interest and other financial expense	197.525	184.743
17-bis) Currency gains and losses	-26.758	-52.846
Total financial income and expense (15 + 16 - 17 + - 17-bis)	-224.168	-237.445
D) VALUE ADJUSTEMENTS TO FINANCIAL ASSETS AND LIABILITIES		
Total value adjustments to financial assets and liabilities (18 - 19)	0	0
PRE-TAX RESULT(A - B + - C + - D)	1.307.612	1.308.149
20) Income tax for the year, current, deferred and prepaid		
Current taxes	452.176	429.986
Total taxes on the income for the year	452.176	429.986
21) PROFIT (LOSS) FOR THE YEAR	855.436	878.163

THE ADMINISTRATIVE BODY: