

Independent Auditors' Report on the Audit of Special Purpose Financial Information prepared for Consolidation Purposes

In accordance with your instructions dated April 7, 2022, we have audited, for purposes of your audit of the consolidated financial statements of Camlin Group's, the accompanying special purpose financial information of CFS EUROPE S.p.A. for the year ending 31 March, 2022, on pages (2) to (7) of the accompanying reporting package.¹

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation of this special purpose financial information in accordance with the group instructions issued by Camlin Group's management and the group policies contained in the Camlin Group's accounting policies, and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error; applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

This special purpose financial information has been prepared solely to enable Camlin Group's to prepare its consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial information is free from material misstatement. As requested by you, we planned and performed our audit using the materiality level specified in your instructions, which is different than the materiality level that would have used had we been designing the audit to express an opinion on the financial information of the component alone².

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose financial information in order to design audit procedures that are appropriate

¹ To be added, if deemed relevant: "The special purpose financial information shows a net [*Specify profit / loss*] of [*Insert amount of net profit / loss and currency*], total assets of [*Insert amount of total assets and currency*], and total equity of [*Insert amount of total equity and currency*]. "

² To be deleted when the group auditor has agreed that the component auditor uses his own materiality level.

in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group².

Opinion

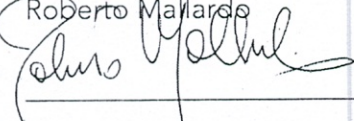
In our opinion, the accompanying special purpose financial information for CFS EUROPE S.p.A. for the year ending 31 March, 2022 has been prepared, in all material respects, in accordance with the group instructions issued Camlin Group's management and the policies contained in the Camlin Group's accounting manual.

Restriction on Use and Distribution

This special purpose financial information has been prepared for purposes of providing information to Camlin Group to enable it to prepare the consolidated financial statements of the group. As a result, the special purpose financial information is not a complete set of financial statements of CFS Europe S.p.A. in accordance with Italian GAAP and is not intended to give a true and fair view of /(present fairly in all material respects³) the financial position of CFS Europe S.p.A., and of its financial performance, and its cash flows for the year ending 31 March, 2022 in accordance with Italian GAAP. This special purpose financial information may, therefore, not be suitable for another purpose.

This report is intended to you solely for your information and use to assist you in your audit of the group financial statements of Camlin Group for the year ending 31 March, 2022 and should not be used by (or distributed to) other parties.

Rome 10, May 2022

Roberto Mallardo


RB AUDIT Italia S.r.l.
Via Nairobi, 40 - Roma

³ Expressions "give a true and fair view" and "present fairly in all material respects" are equivalents.

CFS EUROPE SPA UNIPERSONALE

Financial statements to 31-03-2022

Name and id code	
Company site	VIA AGOSTINO DEPRETIS 6 - 48123 RAVENNA (RA)
Fiscal code	03902320823
Registration number	RA 000000134927
VAT number	11310150153
Share capital Euro	2.000.000 f.p.
Legal form	SOCIETA' PER AZIONI
Activity Code (ATECO)	201409
Company being wound up	no
Company with a single shareholder	yes
Company subject to the management and coordination of others	yes
Name of the company or entity that exercises management and coordination	CAMLIN FINE SCIENCES LTD. (INDIA)
Belonging to a group	yes
Name of the controlling entity	CAMLIN FINE SCIENCES LTD. (INDIA)
Country of the controlling entity	INDIA



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Balance sheet (mandatory scheme)

	31-03-2022	31-03-2021
Balance sheet (mandatory scheme)		
Assets		
B) Fixed assets		
I - Intangible fixed assets		
1) start-up and expansion costs	8.176	0
2) Development costs	1.500	2.000
3) industrial patents and intellectual property rights	6.687	10.264
4) concessions, licenses, trademarks and similar rights	878.807	929.127
6) assets in process of formation and advances	176.413	16.200
Total intangible fixed assets	1.071.583	957.591
II - Tangible fixed assets		
1) land and buildings	1.526.620	1.593.981
2) plant and machinery	19.172.622	19.144.931
3) industrial and commercial equipment	12.912	15.458
4) other assets	61.363	77.868
5) assets under construction and payments on account	82.342	355.751
Total tangible fixed assets	20.855.859	21.187.989
III - Financial fixed assets		
1) equity investments		
d) companies controlled by parent companies	5.076.387	5.076.387
d-b) other companies	141.783	141.783
Total equity investments	5.218.170	5.218.170
2) receivables due from		
d) due from companies controlled by parent companies		
due beyond the following year	676.605	630.580
Total receivables paid by companies controlled by parent companies	676.605	630.580
d-b) due from others		
due beyond the following year	14.940	14.910
Total receivables due from third parties	14.940	14.910
Total receivables	691.545	645.490
3) other securities	10.000	10.000
Total financial fixed assets	5.919.715	5.873.660
Total fixed assets (B)	27.847.157	28.019.240
C) Current assets		
I - Inventories		
1) raw, ancillary and consumable materials	2.345.853	2.044.793
2) work in progress and semi-finished products	3.549.811	5.047.674
4) finished products and goods for resale	3.879.362	2.170.443
5) advances	65.670	64.683
Total inventories	9.840.696	9.327.593
II - Receivables		
1) trade accounts		
due within the following year	6.695.170	7.160.075
Total trade accounts	6.695.170	7.160.075
4) due from parent companies		
due within the following year	5.096.748	6.469.260
Total receivables due from parent companies	5.096.748	6.469.260



5) receivables due from companies controlled by parent companies		
due within the following year	148.729	148.729
Total receivables paid by companies controlled by parent companies	148.729	148.729
5-b) tax receivables		
due within the following year	350.296	245.017
due beyond the following year	138.994	932
Total receivables due from tax authorities	489.290	245.949
5-c) prepaid tax	670.067	655.849
5-d) other receivables		
due within the following year	0	6.073
Total receivables due from third parties	0	6.073
Total receivables	13.100.004	14.685.935
III - Current financial assets		
5) active derivative financial instruments	73.677	0
Total financial current assets	73.677	0
IV - Liquid funds		
1) bank and post office deposits	2.074.158	299.441
3) cash and equivalents on hand	485	2.194
Total liquid funds	2.074.643	301.635
Total current assets (C)	25.089.020	24.315.163
D) Accrued income and prepayments	133.813	137.237
Total assets	53.069.990	52.471.640
Liabilities and shareholders' equity		
A) Shareholders' equity		
I - Share capital	2.000.000	2.000.000
IV - Legal reserve	400.000	400.000
VI - Other reserves, indicated separately		
Extraordinary reserve	5.105.525	5.105.525
Merger surplus reserve	18.837	18.837
Reserve from exchange gains not redeemed	203.300	0
Miscellaneous other reserves	17.495.696	14.140.000
Total other reserves	22.823.358	19.264.362
VII - Reserve for hedging expected cash flow operations	73.677	(56.320)
VIII - Retained earnings (accumulated losses)	3.985.146	3.421.460
IX - Net profit (loss) for the year	3.154.767	4.122.682
Total shareholders' equity	32.436.948	29.152.184
B) Reserves for contingencies and other charges		
2) taxation	69.894	54.017
3) passive derivative financial instruments	0	56.320
4) other	21.000	21.000
Total reserves for contingencies and other charges	90.894	131.337
Total reserve for severance indemnities (TFR)	593.958	605.923
D) Payables		
4) due to banks		
due within the following year	4.103.347	5.663.003
due beyond the following year	6.515.968	10.618.968
Total payables due to banks	10.619.315	16.281.971
7) trade accounts		
due within the following year	6.304.630	3.446.406
Total trade accounts	6.304.630	3.446.406
11) due to parent companies		



due within the following year	967.452	614.947
Total payables due to parent companies	967.452	614.947
11-b) payables due to companies controlled by parent companies		
due within the following year	104.745	99.171
Total payables due to companies controlled by parent companies	104.745	99.171
12) due to tax authorities		
due within the following year	162.556	693.253
due beyond the following year	240.000	240.000
Total payables due to tax authorities	402.556	933.253
13) due to social security and welfare institutions		
due within the following year	95.631	104.606
Total payables due to social security and welfare institutions	95.631	104.606
14) other payables		
due within the following year	628.761	555.433
Total other payables	628.761	555.433
Total payables (D)	19.123.090	22.035.787
E) Accrued liabilities and deferred income	825.100	546.409
Total liabilities and shareholders' equity	53.069.990	52.471.640



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Income statement (value and cost of production)

	31-03-2022	31-03-2021
Income statement (value and cost of production)		
A) Value of production		
1) Revenues from sales and services	50.881.487	43.138.486
2) Change in work in progress, semi-finished and finished products	211.057	(3.562.938)
5) Other income and revenues		
operating grants	1.329	10.313
other	287.824	463.669
Total Other income and revenues	289.153	473.982
Total value of production	51.381.697	40.049.530
B) Costs of production		
6) Raw, ancillary and consumable materials and goods for resale	27.132.916	18.470.001
7) Services	14.221.155	10.707.761
8) Use of third party assets	138.625	92.089
9) personnel		
a) wages and salaries	2.951.193	2.807.908
b) related salaries	779.509	746.410
c) severance	200.539	169.212
Total payroll and related costs	3.931.241	3.723.530
10) depreciation, amortisation and write downs		
a) amortisation of intangible fixed assets	56.441	55.384
b) depreciation of tangible fixed assets	1.939.749	1.327.739
Total Amortisation, depreciation and write-downs	1.996.190	1.383.123
11) Changes in inventories of raw, ancillary and consumable materials and goods for resale	(301.060)	(251.424)
14) Other operating expenses	125.842	166.683
Total cost of production	47.244.909	34.291.763
Difference between value and cost of production (A - B)	4.136.788	5.757.767
C) Financial income and charges		
16) other financial income		
a) from receivables held as financial fixed assets		
companies controlled by parent companies	23.227	21.992
Total receivables held as financial fixed assets	23.227	21.992
b) from securities held as financial fixed assets not representing equity investments	550	250
d) income other than the above		
other	69	90
Total income other than the above	69	90
Total other financial income	23.846	22.332
17) Interest and other financial expense		
other	254.824	497.275
Total interest and other financial expense	254.824	497.275
17-bis) Currency gains and losses	288.967	180.760
Total financial income and expense (15 + 16 - 17 + - 17-bis)	57.989	(294.183)
Pre-tax result (A - B + - C + - D)	4.194.777	5.463.584
20) Income tax for the year, current, deferred and prepaid		
Current taxes	1.041.587	848.000
tax related to previous years	(3.236)	(89.552)
deferred and prepaid tax	1.659	582.454



Total taxes on the income for the year	1.040.010	1.340.902
21) Profit (loss) for the year	3.154.767	4.122.682



Financial statement, indirect method

	31-03-2022	31-03-2021
Financial statement, indirect method		
A) Cash flows from current activities (indirect method)		
Profit (loss) for the year	3.154.767	4.122.682
Income tax	1.040.010	1.340.902
Payable (receivable) interest	230.978	474.943
(Capital gains)/Capital losses from business conveyance	26.859	-
1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses from conveyances.	4.452.614	5.938.527
Adjustments to non monetary items that were not offset in the net working capital.		
Allocations to preserves	200.539	169.212
Fixed asset depreciation/amortisation	1.996.190	1.383.124
total adjustments for non-monetary items that were not offset in the net working capital	2.196.729	1.552.336
2) Cash flow before changing net working capital	6.649.343	7.490.863
Changes to the net working capital		
Decrease/(increase) in inventory	(513.103)	3.271.159
Decrease/(increase) in payables to customers	1.837.417	(1.908.803)
Increase/(decrease) in trade payables	3.216.303	(3.849.839)
Increase/(decrease) from prepayments and accrued income	3.425	(88.715)
Increase/(decrease) from accruals and deferred income	278.692	(65.463)
Other decreases/(other increases) in net working capital	(346.591)	(117.869)
Total changes to net working capital	4.476.143	(2.759.530)
3) Cash flow after changes to net working capital	11.125.486	4.731.333
Other adjustments		
Interest received/(paid)	(230.978)	(474.943)
(Income tax paid)	(1.441.431)	(512.048)
(Use of reserves)	(212.504)	(129.936)
Total other adjustments	(1.884.913)	(1.116.927)
Cash flow from current activities	9.240.573	3.614.406
B) Cash flows from investments		
Tangible fixed assets		
(Investments)	(1.655.538)	(1.060.088)
Disposals	21.059	-
Intangible fixed assets		
(Investments)	(170.433)	(61.122)
Cash flows from investments (B)	(1.804.912)	(1.121.210)
C) Cash flows from financing activities		
Loan capital		
Increase/(decrease) in short term bank loans	(2.087.946)	(5.090.146)
New loans	-	10.500.000
(Loan repayments)	(3.574.710)	(8.590.774)
Cash flows from financing activities (C)	(5.662.656)	(3.180.920)
Increase (decrease) in liquid assets (A ± B ± C)	1.773.005	(687.724)
Liquid assets at the start of the year		
Bank and post office deposits	299.441	988.815
Cash and valuables in hand	2.194	544
Total liquid assets at the start of the year	301.635	989.359
Liquid assets at the end of the year		



Bank and post office deposits	2.074.158	299.441
Cash and valuables in hand	485	2.194
Total liquid assets at the end of the year	2.074.643	301.635

