(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Westport Fuel Systems Italia S.r.l.

Separate and consolidated financial statements as at and for the year ended 31 December 2025

(with independent auditors' report thereon)

KPMG S.p.A.

24 April 2026

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Revisione e organizzazione contabile
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Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

To the sole quotaholder of
Westport Fuel Systems Italia S.r.l.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Westport Fuel Systems Italia S.r.l. (the "company"), which comprise the balance sheet as at 31 December 2025, the profit and loss account and cash flow statement for the year then ended and notes thereto.

In our opinion, the separate financial statements give a true and fair view of the financial position of Westport Fuel Systems Italia S.r.l. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

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 "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of Westport Fuel Systems Italia S.r.l. in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the directors and the board of statutory auditors ("Collegio Sindacale") of Westport Fuel Systems Italia S.r.l. for the separate financial statements

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

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating Westport Fuel Systems Italia S.r.l. or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate 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 the 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 our auditors' report to the related disclosures in the separate 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 auditors' 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level 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

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10

The directors of Westport Fuel Systems Italia S.r.l. are responsible for the preparation of the directors' report of Westport Fuel Systems Italia S.r.l. at 31 December 2025 and for the consistency of such report with the related separate financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report with the separate financial statements;
- express an opinion on the compliance of the directors' report with the applicable law;
- issue a statement of any material misstatements in the directors' report.

In our opinion, the directors' report is consistent with the separate financial statements of Westport Fuel Systems Italia S.r.l. at 31 December 2025.

Moreover, in our opinion, the directors' report has been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Turin, 24 April 2026

KPMG S.p.A.

(signed on the original)

Riccardo Zeni
Director of Audit

(Translation from the Italian original which remains the definitive version)

WESTPORT FUEL SYSTEMS ITALIA S.r.l.

Registered office: VIA LA MORRA 1, CHERASCO (CUNEO)

Entered in the Company Register of the CUNEO Chamber of Commerce

Tax code and registration number: 00525960043

REA no. 107283

Fully paid-up quota capital €2,400,000.00

VAT number: 00525960043

Single-member company

Parent: Green Day Midco B.V.

Name of the company that manages and coordinates the company: Green Day Holding B.V.

Directors' report

Dear quotaholder,

The notes to the financial statements illustrate the financial statements as at and for the year ended 31 December 2025 while this report provides information about the company's position and performance as required by article 2428 of the Italian Civil Code. This report accompanies the financial statements in order to provide information on the company's financial position, financial performance, cash flows and operations. Numbers are shown in Euros and, where possible, historical figures and projections are also provided.

Changes in the corporate structure

In July 2025, the group structure changed, with specific reference to the parent. Westport Fuel Systems Italia S.r.l. (the "company" or "WFS Italia") was in fact sold to Green Day Holding B.V. ("Green Day Holding") by Westport Fuel Systems Italy S.r.l. (the previous parent, part of the listed Westport Fuel Systems Inc. group).

The new parent Green Day Holding B.V. is a financial holding company in turn controlled by Heliaca Investments Coöperatief UA, an investment company based in the Netherlands.

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Again during 2025, Green Day Holding B.V. contributed its investment in Westport Fuel Systems Italia S.r.l. to the newco Green Day Midco B.V., which is thus the parent at year end.

The changes in the ownership structure that took place during the year did not change the company's direction, objectives and focus. It continues to be a key player in its sector by developing and supplying quality and reliable components, aimed at the use of alternative fuels and, more generally, the supply of components for the automotive sector.

The change of parent has not generated a change in the company's leadership team: the senior management structure and the corporate organisation present within the facilities has remained in line with the previous one. The positions previously held and performed by personnel employed by the previous quotaholder were taken over by the new quotaholder or the related responsibilities were redistributed internally.

Therefore, the transition was seamless and did not substantially alter the company's objectives and vision.

Management and coordination

WFS Italia is a wholly-owned subsidiary of Green Day Midco B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands. It is subject to the management and coordination of Green Day Holding B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands.

As detailed in the previous section, the parent changed in 2025.

Highlights

The company made a net profit of €6,219,655 for the year compared to a net profit of €3,202,086 for 2024.

Production revenues totalled €233,500,075, up 12.7% on the 2024 balance of €207,236,174.

In terms of results, as will be presented and commented on below, 2025

confirmed the company's positive performance of recent years. It made a net profit for the third consecutive year and an operating profit for the second year in a row. The improvement in both net profit and operating profit is primarily attributable to the increase in business volumes.

	2025	2024	Change
Production revenues	233,500,075	207,236,174	+12.7%
Turnover from sales and services	230,290,111	205,716,656	+11.9%
Operating profit (A-B)	6,243,940	3,742,123	+66.9%
Pre-tax profit	10,771,905	4,195,992	+156.7%
Net profit for the year	6,219,655	3,202,086	+94.2%

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While the figures in this report refer solely to the company, the comments about the year's performance and future plans also cover its subsidiaries.

Performance

As envisaged on the basis of the company's plans, 2025 saw further growth, which pushed up business volumes related to the project started in 2024 with one of the world's leading OEMs. The increase in the project's volumes (also resulting from the 12 months of full activity for the project compared to its start in 2024), combined with constant oversight of overhead costs, allowed the company to achieve very positive and satisfactory financial results.

During 2025, the situation regarding supply chain and energy sources was, on the whole, stable or at least lacking the significant challenges and difficulties that had negatively characterised 2022 and 2023 (the energy crisis after Russia's invasion of Ukraine and shortages in the supply chain, in particular for the cheap goods needed for electronic components).

Therefore, in a context that is overall stable at production and supply chain level, the company was able to confirm its leadership position within the sector, attracting new business volumes and thus benefiting from a higher saturation of available resources. Indeed, the company and its management are always looking for possibilities to streamline and reduce costs or, in any case, to ideally saturate available resources by generating as much value as possible.

Despite this positive trend, the company works with the automotive sector that has grappled with continuous challenges and growing complexities for a long time now. While the company is ready to take these on, they need to be adequately addressed. It is for this reason that despite the above-mentioned positive trends, careful and informed management is of fundamental importance, aimed at being able to respond as quickly as possible to stimuli coming from the market and the macroeconomic environment.

There is a growing global awareness of the need for more sustainable mobility and this topic is also the subject of constant debate between the various political forces. In this context, alternative fuels, including traditional LPG and methane (as well as hydrogen and biomethane), continue to play a key role. This situation and the generalised awareness of it provide several development pathways for the company, with its ready-to-go, reliable technology that can respond to both environmental needs (effectively contributing to curb emissions) and economic needs to which end consumers have always been very sensitive.

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In this context, the company grew its revenues in 2025 to €230,290,111, compared to €205,716,656 in 2024 (+12% approximately). This increase is mostly attributable to the above-mentioned contract with one of the major global OEMs, which generated an important upturn in turnover and is expected to drive further increases in 2026. Other changes in the company's operations are described in the section analysing its key markets and business lines.

The core business operating profit (Operating profit (A-B) in the company's profit and loss account) increased from €3,742,123 to €6,243,940 in 2025. The €2,501,817 rise was mostly driven by the upturn in volumes while overheads remained substantially stable.

The following events had an impact on operations in 2025:

- at the end of July 2025, an agreement was signed with the former parent (Westport Fuel Systems Inc.) under which the assets and liabilities (sale of a business unit) related to the hydrogen business were transferred. Accordingly, as of August 2025, no more revenues have been reported for this business;
- the HD OEM business unit was sold in 2024 (reference is made to the 2024 Annual Report for information about this transaction). The company also signed a transition service agreement under which it continued to provide services to the buyer. During 2025, the transfer of the business unit continued and was substantially finalised. At present, only a few limited services are provided under a service agreement and given the immaterial amounts involved, these services will no longer qualify as a separate business line.

The subsidiaries and associates also performed positively and their dividends contributed to the company's profit and loss account:

- the Polish subsidiary Stako Sp. z o.o. paid a dividend of €5 million to the company during the year. 2025 was a very positive year for the subsidiary, with an increase in business volumes, again linked to the company's project with one of the world's leading OEMs. The dedicated section of this report shows the high volume of purchases made by the company from the subsidiary during the year;
- the subsidiary Westport Fuel Systems Netherlands ended the year with a large net profit notwithstanding the considerable reduction in its revenues compared to the very high revenues of 2024. The main decreases were seen in the subsidiary's traditional markets of Western Europe and Turkey (more information is provided in the section on the key markets and business lines). The Dutch subsidiary did not distribute dividends in 2025 while it had paid out €2.5 million in 2024;
- as already described in previous year reports, the company has changed its approach to the Indian market over the last few years. The market is now essentially served through the joint venture Minda Westport Technologies LTD, in which the company holds a 24% interest (the remaining portion is held by the

majority shareholder, Uno Minda). In 2025, WFS Italia received a dividend of €0.3 million from Minda Westport Technologies LTD.

On the other hand, the Argentine subsidiary TA GAS Technology continued to encounter difficulties during the year: the market continues to be decidedly challenging and the local currency's instability (coupled with very high inflation) also significantly penalises the subsidiary's profitability. The deregulations implemented by the new government have, on the one hand, improved the subsidiary's situation as regards the possibility of making payments to the company for goods received, while on the other hand, they have exacerbated even more the challenges and difficulties in the market.
This generated the need for a major corporate restructuring that led to the Argentine subsidiary's workforce being reduced by 44 people compared to the end of 2024 when it had 72 employees. The transaction cost approximately €1.1 million and was aimed at adapting the subsidiary's size and fixed cost structure to its current market. Considering the subsidiary's difficulties and estimated future cash flows, a portion of its trade receivables due to WFS Italia was considered non-recoverable. Accordingly, the company recognised a write-down of €0.8 million in 2025.

Moreover, when evaluating the company's performance, due consideration must also be given to the effects of amortisation and depreciation, which by definition do not affect cash flows. Its operating profit for the year was impacted by amortisation and depreciation amounting to approximately €6.3 million. Of this amount, approximately €2.0 million refers to amortisation and depreciation of assets arising as a result of the revaluations made in previous years as per the relevant laws (which did not lead to cash outflows of the same amount) or non-recurring transactions performed in 2019 and 2020.

All the complexities and challenges deriving from the above-mentioned factors, the company's sector and markets (be they existing or the increasingly important emerging markets) have been taken on board by management, who work day in, day out to respond to these challenges and to set a course for the company.
The clear objective underpinning all decisions is to continue the optimisation of the company's results and related processes, improving costs, procedures, efficiency and the competitiveness of its products.

Research and development activities continued with a view to developing cutting-edge systems and products compliant with the stringent new legislation governing vehicle emissions, catering to both the company's more traditional aftermarket customers, as well as the more technical OEM and DOEM customers that are increasingly demanding in terms of quality.

Analysis of key markets and business lines

The business lines and trends of the main geographical areas in which the company operates are analysed below, taking into consideration that already discussed in regards to the pandemic and international tensions.

<u>DOEM</u>

DOEM (Delayed OEM) activities, carried out mainly at the Cherasco site while part of the activities was relocated to the Brescia site in 2025 (the impact in 2025 was marginal) following assessments to optimise production capacity and resource allocation, increased by 24% during 2025.

The significant increase can be attributed to two main factors:

- There was a reduction of 11% in these activities in 2024 in comparison to the previous year, mostly due to a customer that had recorded a slowdown in business volumes in the first half of 2024; its recovery in the second half of 2024 continued in 2025 and the customer thus contributed positively to the increase in turnover;
- significant partnerships also started with new customers, in particular Chinese manufacturers, in 2025, which also pushed up business volumes.

Ties with the main customers have remained very strong as can be seen from the long-standing commercial relationships with car manufacturers and importers. This is aided by the company's exclusive know-how which enables it to provide customers with a turnkey service, low investment costs and a rapid vehicle development, validation and authorisation process.

The key drivers of the business unit's growth are the product and service quality, as well as the rising demand for vehicles with low environmental impact and low running costs.

<u>LD OEM</u>

The LD (Light Duty) OEM business unit achieved a very significant increase in business volumes in 2025 (+50% approximately on 2024, which had already seen a similar increase compared to 2023) due to the further growth of the project for a major contract with one of the world's leading OEMs.

Conversely, the remaining customers saw a generalised decrease in business volumes (already seen in previous years) as a result of increasingly limited transactions with some large manufacturers.

This business and the further increases in business volumes expected with reference to the above-mentioned major contract represent one of the main keys to the company's future.

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AFTERMARKET

The company's aftermarket business unit recorded a decrease of about 5% compared to 2024 mostly caused by reduced demand in some of the markets that had historically contributed to the growth of the business, only partly offset by growth in emerging markets.

The technologies proposed by the company continue to see some interest from the market, but there has been a gradual change in approach by the end consumer, particularly in traditional markets. Compared to previous years, the end consumer, in fact, tends to favour "factory" solutions (i.e., installation of alternative fuel systems before the vehicles are sold to the end consumer) rather than purchasing the vehicle and subsequently converting it.

Possible incentives by local governments may of course also generate additional demand, while waiting for new incentives may temporarily postpone demand.

Net of the macro-trends, it is however worth mentioning that the aftermarket business continues to be a key business line for the company and one on which it relies heavily for the future, both in view of its high impact on revenue generation (the aftermarket market continues to account for about 30% of the company's total turnover) and an average higher profitability than other business lines.

ITALY

Italy continues to be one of the most important markets and is fundamental for the aftermarket business and the company given that it makes up roughly one quarter of its turnover.

These results are possible thanks to the company's longstanding knowledge of the LPG product market, as well as its leading position in the market, also with respect to new direct injection technologies.

As mentioned above, however, the end consumer trend on the Italian market is a shift towards "factory" solutions (for installations on new vehicles only as this is obviously not valid for those in circulation), given the vast offer available on the market of cars supplied with a system already installed directly by the various manufacturers (in fact, given this trend, the company is achieving very solid and growing results for the related LD OEM and DOEM business lines, as already mentioned).

EUROPE

The European market is the most important for the business line, considering that, despite some non-positive trends during the year, it continues to account for more than 50% of its total turnover.

Specifically:

- the trend in Western Europe is similar to that in Italy, thus showing a decrease compared to the previous year;
- Turkey is still one of the world's largest markets although it has shown a slowdown in recent years, further exacerbated in 2025 by the end of a longstanding local partnership;

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➢ In Eastern Europe, the trend in recent years has been severely affected by the protracted war between Russia and Ukraine and its consequences. However, the Eastern European region continues to be essential for the business line as it contains some other historically important markets (e.g., Poland) and some possibilities for further development.

ASIA

The company's performance in the Asian markets was generally positive, with stable forecasts for the years to come. There may be some calls to tender in these markets that traditionally have lower-than-average margins but which can help the company to cover its overheads. One of these calls to tender generated a significant level of additional turnover pushing up the increase in volumes in 2025. There are also a number of emerging markets in the region where the company continues to investigate new growth opportunities.

SOUTH AMERICA

The company operates in Argentina, its main market in South America, through the subsidiary TA Gas Technology. In this regard, reference should be made to the section on the company's performance, where the main complexities characterising the market and negatively affecting the subsidiary's business are summarised. In addition, it should be noted that market shares in Argentina are substantially stable (despite decidedly challenging competition from abroad and in particular from Asia with low-cost products) and that the general decline is therefore due to an observable market trend rather than a loss of market share.

There are also other important markets in South America, such as Peru and Mexico, where performance is stable, and others that are more dependent on the existence of possible calls to tender (e.g., Bolivia where there were no calls in 2025)

AFRICA

This market's profit margin is usually lower than the company's other markets due to the technology required, the spending possibilities of these economies and especially to the sector's structure, which often consists of tenders called by state-owned enterprises. The company achieved significant growth in this area in 2025 mostly as a result of a major project in Nigeria

Excluding this specific project, there would have been a drop in turnover compared to 2024, mainly due to the reduction in calls to tender, the difficulty of finding foreign currency in some countries to pay for orders, and regulations and legislation that often change, imposing additional bureaucratic requirements on customers and potential customers.

These markets are characterised by the complexities mentioned above, but nevertheless represent very interesting markets with great potential given the volume potential they can offer.

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Consequently, the company continues to work to take advantage of any new opportunities offered by emerging countries, like in previous years, leading, for example, to the opportunity that materialised in Nigeria, which had a very positive impact on the 2025 net profit.

ELECTRONICS

Turnover from the electronic business unit's third-party customers decreased by about 9% in 2025 compared to 2024, but still accounted for more than 14% of the company's total turnover.

The main customers are the same as in previous years, and the decrease is attributable to a drop in demand, mainly from one of these customers due to a contraction in its market, which is expected to return to normal in 2026.

This business unit's profitability in percentage terms is lower than average given the specific characteristics of its business, whereby the company essentially assembles electronic boards for third-party customers and for which most of its profits relate to the assembly service provided, while its business relating to materials procurement/management has lower profitability margins.

In order to increase the business unit's turnover (and also potentially its profitability), the company continues to carefully evaluate whether to adopt a development strategy to become an ODM (Original Design Manufacturer), in which case it would offer customers products designed, developed and manufactured in-house with greater value added.

HYDROGEN

The company sold its hydrogen business in 2025, as described in the section on its performance to which reference is made. Although it only made a limited contribution to the company's total revenues, the hydrogen business required and would have required increasing expenditure in terms of R&D investments, while the market did not give positive signals in this regard in 2025, considering that some large groups announced the closure of their programmes and some companies that were investing heavily in the future of hydrogen faced severe financial difficulties.

OTHER BUSINESSES

The other business units worked on:

- the tank assembly activities for heavy duty vehicles (HD OEM): reference is made to the section on the company's performance. In 2025, activities were still carried out under a transition service agreement (after the sale of the business unit in 2024) that were substantially completed and transferred as envisaged in the sale of the business unit;

- the technical-commercial partnership with Hyundai's racing division, Hyundai Motorsport, which was continued; the racing team division's turnover grew slightly.

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While not related to any one specific business unit, the 2022 launch of the new generation of direct injection engine kits DI 3.0 is a challenge that will continue for the next few years. The goal is to confirm the company's technical leadership, winning more of the market share with higher added-value products compared to MPI (multi-point injection) technologies which have been available for several years and are subject to very stiff competition in terms of pricing leading to contracting contribution margins. This technology enables the company to target potential new market shares with an innovative product which makes significantly less resort to traditional fuels.

Net financial debt

For a better understanding of the company's financial position, its net financial debt is presented in next table.

	31/12/2025	31/12/2024	Variation	Var. %
NET FINANCIAL DEBT	**(1,481,118)**	**(7,237,370)**	**5,756,252**	**(79.54) %**
Liquid funds	**12,262,769**	**16,128,055**	**(3,865,286)**	**(23.97) %**
Bank and postal accounts	12,244,523	16,111,089	(3,866,566)	(24.00) %
Cheques on hand	481	446	35	7.85%
Cash-in-hand and cash equivalents	17,765	16,520	1,245	7.54%
Loans and borrowings	**13,743,887**	**23,365,425**	**(9,621,538)**	**(41.18) %**
Bank loans and borrowings	13,743,887	23,286,274	(9,542,387)	(40.98) %
Loans and borrowings from parents	0	79,151	(79,151)	(100.00) %

As shown in the above table, the company's net financial debt improved by some €5.8 million in 2025, mostly as a result of the large reduction in loans and borrowings due to the regular repayment of amounts due to banks.

The company's positive performance in 2025 led to the generation of significant cash flows that enabled this improvement. In addition to the company's financial performance, other factors had a significant impact on cash flows, such as, for example, the dividends of €5 million received from the Polish subsidiary Stako, the granting of loans to the sole quotaholder with a principal amount of €11.3 million (this amount is not included in the calculation of the company's net financial debt shown in the table above) or changes in net working capital. The notes to the financial statements (cash flow statement and notes to the cash flow statement) provide information about these changes.

The company has a stable financial position and thanks to the positive results achieved in 2025, liquid funds cover 89% of its current and non-current bank loans and borrowings at year end.

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Financial performance

In order to better understand the company's financial performance, the following table shows the reclassified profit and loss account.

Reclassified profit and loss account

	2025	%	2024	%	Variation	Var. %
PRODUCTION REVENUES	**233,500,075**	**100.00%**	**207,236,174**	**100.00%**	**26,263,901**	**12.67%**
- Raw materials	139,254,355	59.64%	115,728,556	55.84%	23,525,799	20.33%
- Overheads	31,595,257	13.53%	32,125,559	15.50%	(530,302)	(1.65)%
ADDED VALUE	**62,640,463**	**26.83%**	**59,372,059**	**28.65%**	**3,268,404**	**5.50%**
- Other revenues	1,074,973	0.46%	1,861,118	0.90%	(786,145)	(42.24)%
- Personnel expenses	44,907,794	19.23%	45,033,527	21.73%	(125,733)	(0.28)%
- Provisions	2,081,114	0.89%	2,635,602	1.27%	(554,488)	(21.04)%
GROSS OPERATING PROFIT	**14,576,582**	**6.24%**	**9,841,812**	**4.75%**	**4,734,770**	**48.11%**
- Amortisation, depreciation and write-downs	7,925,100	3.39%	7,411,629	3.58%	513,471	6.93%
CORE BUSINESS OPERATING PROFIT (Operating profit)	**6,651,482**	**2.85%**	**2,430,183**	**1.17%**	**4,221,299**	**173.70%**
+ Other revenues	1,074,973	0.46%	1,861,118	0.90%	(786,145)	(42.24)%
- Other operating costs	1,482,515	0.63%	549,178	0.27%	933,337	169.95%
OPERATING PROFIT BEFORE FINANCIAL INCOME AND EXCHANGE RATE GAINS (LOSSES)	**6,243,940**	**2.67%**	**3,742,123**	**1.81%**	**2,501,817**	**66.86%**
+ Financial income	5,587,390	2.39%	4,417,487	2.13%	1,169,903	26.48%
+ Net exchange rate gains	(173,826)	(0.07)%	(219,671)	(0.11)%	45,845	20.87%
OPERATING PROFIT (before financial charges)	**11,657,504**	**4.99%**	**7,939,939**	**3.83%**	**3,717,565**	**46.82%**
+ Financial charges	(885,599)	(0.38)%	(1,211,326)	(0.58)%	325,727	26.89%
PROFIT BEFORE ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES	**10,771,905**	**4.61%**	**6,728,613**	**3.25%**	**4,043,292**	**60.09%**
+ Adjustments to financial assets and liabilities			(2,532,621)	(1.22)%	2,532,621	100.00%
+ Non-recurring items						
PRE-TAX PROFIT	10,771,905	4.61%	4,195,992	2.02%	6,575,913	156.72%
- Income taxes	**4,552,250**	**1.95%**	**993,906**	**0.48%**	**3,558,344**	**358.02%**
NET PROFIT FOR THE YEAR	**6,219,655**	**2.66%**	**3,202,086**	**1.55%**	**3,017,569**	**94.24%**

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With respect to the above reclassified profit and loss account:

- the increase in the gross operating profit compared to 2024 is attributable to the significant growth in business, already highlighted in the previous sections. As a percentage of production revenues, the gross operating profit decreased reflecting the trend in the business lines' turnover: the main project responsible for the increase in volumes has a lower profit margin than the company's average, but this important increase in volumes allows an undoubtedly better saturation of available resources, improving the gross operating profit in numerical terms;
- amortisation, depreciation and write downs include write-downs of €0.8 million of trade receivables due from subsidiaries (in particular the Argentine subsidiary, as was the case in 2024 when the write-down amounted to approximately €1 million);
- Financial income mainly consists of dividends received from the Polish subsidiary Stako (€5 million) and the Indian joint venture (€0.3 million). In 2024, however, the caption included dividends received from the Dutch subsidiary WFS Netherlands (€2.5 million), a gain on the sale of a stake in the Indian joint venture (€1.4 million) as well as dividends received from the Indian joint venture (€0.3 million);
- financial charges mainly include interest expense on loans taken out from banks, which decreased due to the reduction in the principal on which they accrued;
- income taxes increased considerably, driven by the net profit for the year (current taxes) and mostly by the large decrease in deferred taxes.

Overall, 2025 was a very positive year for the company, which saw a significant improvement in both the net profit and the operating profit compared to 2024, chiefly due to the significant increase in business volumes as it kept the fixed cost structure under control.

Financial situation

In order to better understand the company's financial situation, the following table shows the reclassified balance sheet.

Reclassified balance sheet - assets

	31/12/2025	%	31/12/2024	%	Variation	Var %
WORKING CAPITAL	**100,046,469**	**54.52%**	**121,344,920**	**61.03%**	**(21,298,451)**	**(17.55) %**
Quick assets	12,262,769	6.68%	16,128,055	8.11%	(3,865,286)	(23.97) %
Liquid funds	12,262,769	6.68%	16,128,055	8.11%	(3,865,286)	(23.97) %
Non-quick current assets	51,896,579	28.28%	62,765,765	31.57%	(10,869,186)	(17.32) %

	31/12/2025	%	31/12/2024	%	Variation	Var. %
Current cash values	50,312,815	27.42%	60,516,524	30.44%	(10,203,709)	(16.86) %
Current portion of financial receivables			100,945	0.05%	(100,945)	(100.00) %
Financial assets	50,000	0.03%	517,997	0.26%	(467,997)	(90.35) %
Prepayments and accrued income	1,544,604	0.84%	1,640,199	0.82%	(95,595)	(5.83) %
Inventory	35,887,121	19.56%	42,451,100	21.35%	(6,563,979)	(15.46) %
FIXED ASSETS	**83,446,277**	**45.48%**	**77,478,180**	**38.97%**	**5,968,097**	**7.70%**
Intangible fixed assets	23,435,751	12.77%	22,984,055	11.56%	451,696	1.97%
Tangible fixed assets	19,608,740	10.69%	21,222,721	10.67%	(1,613,981)	(7.60) %
Financial fixed assets	30,720,758	16.74%	19,513,083	9.81%	11,207,675	57.44%
Non-current portion of current receivables	9,680,998	5.28%	13,758,291	6.92%	(4,077,293)	(29.64) %
TOTAL APPLICATIONS	**183,492,746**	**100.00%**	**198,823,100**	**100.00%**	**(15,330,354)**	**(7.71) %**

Reclassified balance sheet - liabilities

	31/12/2025	%	31/12/2024	%	Variation	Var. %
THIRD PARTY FUNDS	**83,560,657**	**45.54%**	**105,019,540**	**52.82%**	**(21,458,883)**	**(20.43) %**
Current liabilities	**69,971,110**	**38.13%**	**83,112,037**	**41.80%**	**(13,140,927)**	**(15.81) %**
Current payables	68,269,794	37.21%	80,964,195	40.72%	(12,694,401)	(15.68) %
Accrued expenses and deferred income	1,701,316	0.93%	2,147,842	1.08%	(446,526)	(20.79) %
Non-current liabilities	**13,589,547**	**7.41%**	**21,907,503**	**11.02%**	**(8,317,956)**	**(37.97) %**
Non-current payables	6,849,897	3.73%	13,683,433	6.88%	(6,833,536)	(49.94) %
Provisions for risks and charges	4,349,262	2.37%	5,524,470	2.78%	(1,175,208)	(21.27) %
Employees' leaving entitlement	2,390,388	1.30%	2,699,600	1.36%	(309,212)	(11.45) %
OWN FUNDS	**99,932,089**	**54.46%**	**93,803,560**	**47.18%**	**6,128,529**	**6.53%**
Quota capital	2,400,000	1.31%	2,400,000	1.21%		
Reserves	22,193,451	12.10%	22,284,577	11.21%	(91,126)	(0.41) %
Retained earnings	69,118,983	37.67%	65,916,897	33.15%	3,202,086	4.86%
Net profit for the year	6,219,655	3.39%	3,202,086	1.61%	3,017,569	94.24%
TOTAL SOURCES	**183,492,746**	**100.00%**	**198,823,100**	**100.00%**	**(15,330,354)**	**(7.71) %**

With respect to the above reclassified balance sheet:

- changes in quick assets are analysed and reconciled to the cash flow statement and notes thereto;

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- the decrease in non-quick current assets is mostly due to the smaller amount of trade receivables due from third-party customers and settlement of amounts due at the end of 2024 by the former parent;
- the changes to intangible and tangible fixed assets reflect the combined effects of new investments, amortisation and depreciation and the sale of the business unit during the year, as reported in the notes to the financial statements;
- the increase in financial fixed assets refers to a long-term loan granted to the sole quotaholder;
- the non-current portion of current receivables mostly consists of deferred tax assets;
- the decrease in current payables is mostly due to the smaller amount of trade payables due to third-party suppliers, settlement of amounts due at the end of 2024 to the former parent and smaller bank loans and borrowings due to their regular repayment;
- the reduction in non-current bank loans and borrowings is a result of the regular payment of instalments due in accordance with the repayment plan;
- most of the reduction in provisions for risks and charges refers to liabilities transferred as part of the sale of a business unit during the year

Financial indicators

The following indicators have been calculated based on the above reclassification:

	2025	2024	Variation %
ROE			
= 21) Net profit for the year / A) Net equity	6.22%	3.41%	82.40%
The indicator shows the return on equity			
ROI			
= ([[A) Production revenues - A.5) Other revenues and income] - [B) Production cost B.14) Other operating expenses - B.10) Amortisation, depreciation and write-downs] - [B.10) Amortisation, depreciation and write-downs]]) / TOTAL ASSETS	3.62%	1.22%	196.72%
The indicator shows the return and efficiency of invested capital compared to the company's core business.			
ROS			
= [A) Production revenues - B) Production cost] / A.1) Turnover from sales and services	2.71%	1.82%	48.90%
The indicator measures the company's ability to generate profits from sales, i.e., the operating profit achieved per unit of revenue.			

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	2025	2024	Variation %
ROA			
= [A) Production revenues - B) Production cost] / TOTAL ASSETS	3.40%	1.88%	80.85%
The indicator measures the return on invested capital considering the profit before financial income and exchange rate gains (losses).			
NORMALISED OPERATING PROFIT			
= [A) Production revenues - B) Production cost + C.15) Income from equity investments + C.16) Other financial income + C.17-bis) Exchange rate gains and losses + D) Adjustments to financial assets and liabilities]	11,657,504.00	5,407,318.00	115.59%
This indicator measures the profit for the year before non-recurring items and financial charges. It includes the non-core business, financial income and exchange rate gains and losses but not financial charges			
OPERATING PROFIT			
= [A) Production revenues - B) Production cost + C.15) Income from equity investments + C.16) Other financial income + C.17-bis) Exchange rate gains and losses + D) Adjustments to financial assets and liabilities	11,657,504.00	5,407,318.00	115.59%
This indicator measures the profit for the year including the non-core business, financial income, exchange rate gains and losses (excluding financial charges) and non recurring items			

The indicators shown and calculated above highlight and confirm what has already been pointed out in the previous paragraphs: 2025 was a positive year for the company, with an increase in its profitability compared to the previous year.

Key financial position and cash flow indicators

The following indicators have been calculated based on the above reclassification:

	31/12/2025	31/12/2024	Variation %
Equity to fixed assets ratio			
= A) Net equity / Fixed assets	119.76%	121.07%	(1.08) %

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	31/12/2025	31/12/2024	Variation %
The indicator is used to assess the balance between equity and capital expenditure			
Bank debt to working capital			
= D.4) Bank loans and borrowings / Working capital	13.74%	19.19%	(28.40) %
The indicator measures the degree to which working capital is covered through the use of bank financing.			
Leverage ratio			
= [TOTAL LIABILITIES - A) Equity] / A) Equity	0.84	1.12	(25.00) %
The indicator shows the ratio of third party funds to own funds.			
Financial debt ratio			
= [D.1) Bonds + D.2) Convertible bonds + D.3) Quotaholder loans + D.4) Bank loans and borrowings + D.5) Other loans and borrowings + D.8) Commercial paper + D.9) Payables to subsidiaries + D.10) Payables to associates + D.11) Payables to parents + D.11 bis) Payables to subsidiaries of parents] / A) Equity	0.23	0.44	(4[illegible].03) %
The indicator shows the ratio of third party borrowed funds (interest bearing and to be returned) to own funds.			
Equity ratio			
= A) Net equity / TOTAL ASSETS	54.46%	47.18%	15.43%
The indicator shows the company's degree of capitalisation and its ability to operate without third party funding.			
Financial costs to revenue			
= C.17) Interest and other financial charges/ A.1) Turnover from sales and services	0.38%	0.59%	(35.59) %
The indicator shows the ratio of financial charges to turnover.			
Current ratio			
= [A) Quotaholder proceeds to be received + B.III.2) Financial receivables (due within one year) + C.I) Inventory + Tangible fixed assets held for sale + C.II) Receivables (due within one year) + C.III) Current financial assets + C.IV) Liquid funds + D) Prepayments and accrued income] / [D) Payables (due within one year) + E) Accrued expenses and deferred income]	142.98%	146.00%	(2.07) %

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	31/12/2025	31/12/2024	Variation %
This ratio measures the company's ability to cover its current payables using its current receivables in the broadest sense (including inventory)			
Own funds less fixed assets			
= [A) Net equity - (B) Fixed Assets - B.III.2) Financial receivables (due within one year) + C.II Receivables (due after one year))]	25,609,123.00	29,365,093.00	(12.79) %
This indicator shows the difference between net equity and net fixed assets. It presents the company's ability to cover investments in fixed assets with its own funds.			
Own funds to fixed assets ratio			
= [A) Net equity] / [(B) Fixed Assets - B.III.2) Financial receivables (due within one year) + C.II Receivables (due after one year))]	1.34	1.45	(7.59) %
This is the ratio of net equity to net fixed assets. It presents the percentage of the company's fixed assets covered by own funds.			
(Own funds plus non-current liabilities) less non-current assets			
= [A) Net equity + B) Provisions for risks and charges + C) Employees' leaving entitlement + D) Payables (due after one year)] - [B) Fixed assets - B.III.2) Financial receivables (due within one year) + C.II Receivables (due after one year)]	39,198,670.00	51,072,596.00	(23.25) %
This indicator shows the difference between net equity plus non-current liabilities and fixed assets. It presents the company's ability to cover investments in fixed assets with long-term funds.			
(Own funds plus non-current liabilities) to non-current assets ratio			
= [A) Net equity + B) Provisions for risks and charges + C) Employees' leaving entitlement + D) Payables (due after one year)] / [B) Fixed assets - B.III.2) Financial receivables (due within one year) + C.II Receivables (due after one year)]	1.53	1.79	(14.53) %
This indicator shows the ratio of own funds plus non-current liabilities to net non-current assets. It presents the percentage of the company's fixed assets covered by long-term funds			
Net working capital			

	31/12/2025	31/12/2024	Variation %
= [A) Quotaholder proceeds to be received + B.III.2) Financial receivables (due within one year) + C.I) Inventory + Tangible fixed assets held for sale + C.II) Receivables (due within one year) + C.III) Current financial assets + C.IV) Liquid funds + D) Prepayments and accrued income] / [D) Payables (due within one year) + E) Accrued expenses and deferred income]	30,075,359.00	39,232,885.00	(23.34) %
This is the difference between gross working capital and current liabilities. It shows the company's ability to cover current commitments with its existing funds.			
Net quick liabilities			
= [A) Quotaholder proceeds to be received + B.III.2) Financial receivables (due within one year) + Tangible fixed assets held for sale + C.II) Receivables (due within one year) + C.III) Current financial assets + C.IV) Liquid funds + D) Prepayments and accrued income] - [D) Payables (due within one year) + E) Accrued expenses and deferred income]	(5,811,762.00)	(4,218,217.00)	(37.78) %
This is the difference between quick and non-quick current assets and current liabilities. It shows the company's ability to meet its current commitments with its own liquidity			
Cash ratio			
= [A) Quotaholder proceeds to be received + B.III.2) Financial receivables (due within one year) + Tangible fixed assets held for sale + C.II) Receivables (due within one year) + C.III) Current financial assets + C.IV) Liquid funds + D) Prepayments and accrued income] / [D) Payables (due within one year) + E) Accrued expenses and deferred income]	91.69%	94.92%	(3.40) %
The ratio measures the company's ability to cover its current payables using liquid assets (cash or current receivables)			

The above indicators show that the company is highly capitalised and has a solid structure with a low level of financial debt.

The cash ratio shows short-term liabilities in excess of short-term assets, however, as the company's ability to generate positive cash flows through its current operations is greater than this imbalance, its situation is therefore also solid in this respect.

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Information pursuant to article 2428 of the Italian Civil Code

The section provides a more detailed analysis of the information as specifically required by article 2428 of the Italian Civil Code.

The environment and the workforce

Information about the environment and the company's workforce is provided in this section in accordance with the provisions of article 2428.2 of the Italian Civil Code.

At year end, the company had 809 employees, including temporary staff, compared to 840 (including temporary staff) at 31 December 2024.

Professional training was carried out during the year, in line with the continuous staff training directives. Personnel have been consistently trained, informed and updated about the risks specific to their duties identified during the risk assessment.

As integrity and ethics are essential group values, employees were provided with the group's internal regulations and the code of conduct. In 2025, the company regulations were updated and distributed within the organisation. Following the change of parent, the company has taken and is continuing to take steps to replace the policies previously referred to as part of a different group with its own policies and to continue to ensure respect for and sharing of values within the organisation.

In 2025, it carried out all management and maintenance activities for its integrated health, safety and environment management system in accordance with ISO-14001 and the UNI INAIL guidelines for an occupational health and safety management system. In October 2025, the audit for renewal of the ISO 14001-2015 certification by a third party was carried out and successfully concluded.

In 2025, the company updated its organisational model pursuant to Legislative decree no. 231/2001 (the most recent update was made in December 2025) and provided dedicated training (which will continue in 2026) to its senior managers and other employees for whom it was deemed appropriate. In addition, the General Data Protection Regulation (GDPR) organisational model, implemented in previous years, was continuously updated.

No significant accidents, incidents or injuries were recorded during the year. No cases of occupational disease were reported.

As the type of production carried out by the company does not release harmful emissions or create production scraps that are damaging to the environment and thanks to the mindful environmental policy it has always pursued, the company is not and never has been under investigation for environmental crimes and,

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consequently, has never been sanctioned or convicted.

Furthermore, during the year, the company adopted the "Guidelines for business trips to countries at risk", including them in the risk assessment document, in order to manage this risk in a structured manner.

The company has an ESG committee (first appointed in 2023) whose primary objective is to identify and implement, on behalf of the board of directors, socially accountable policies and practices that can improve and have a positive impact in terms of sustainability and business ethics. The company attaches great importance to environmental, social and governance issues.

In particular, the committee defines and implements ESG strategies, monitors risks and verifies the company's operations and compliance with regulations and laws. It also analyses the company's impact on the environment.

The ESG committee has full autonomy and independence and is in charge of overseeing the proper implementation of the controls defined and adopted by WFS Italia in compliance with the committee's organisational regulations and the law.

The most important activities and projects launched by the committee during 2025 are as follows:

- preparation on a voluntary basis of a sustainability statement in accordance with the applicable European Sustainability Reporting Standards (ESRS) laid down by the Corporate Sustainability Reporting Directive (CSRD). The statement, approved by the board of directors, is a transparent tool designed to provide a structured representation of the company's environmental, social and governance performance;
- the company undergoes an annual sustainability assessment by an independent third party that assigns a score based on its results. It is satisfied with the final score, although it intends to implement improvements in the future in order to further improve its rating;
- continuation of a specific project to assess the sustainability of the company's supply sources; the findings showed a significant improvement on the previous year, confirming a steady strengthening and increasing effectiveness of the company's sustainability controls.

In addition, during the year, the company elected to complete a specific questionnaire (EcoVadis platform) that allows it to effectively assess, identify and manage ESG (environmental, social and governance) risks and compliance, and to achieve its corporate sustainability goals. Again in this case, the result was satisfactory, further confirming the direction taken by the company.

The company's committee for gender equality, set up at the end of 2023, continued to operate in 2025. It is a collective body required by the UNI/PdR 125:2022 standard. In 2025, the company had its gender certification reconfirmed, continuing a structured process to strengthen the corporate culture on issues of inclusion and

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equal opportunities.

Activities carried out during the year show how the company has embarked on a structured path to integrate ESG principles into its governance and processes. This path involves the adoption of monitoring tools, the definition of measurable objectives and the gradual strengthening of organisational controls, with a view to continuous improvement and alignment with stakeholder expectations and the relevant regulatory framework.

Main risks and uncertainties

This section provides a description of the main risks and uncertainties to which the company is exposed in accordance with article 2428.1 of the Italian Civil Code.

The company is mostly exposed to market risks linked to the performance of the car market, energy policies, awareness of low-environmental impact fuel systems, as well as the price of traditional fuels.

The financial risks are as follows:

CREDIT RISK

Trade receivables did not generate particular cases of financial difficulty and/or uncertainty as to their recoverability in 2025.

As most export sales are accepted and fulfilled only against advance payment or bank guarantees, there are no particular credit risks in this regard.

Although the credit risks are minimal for the reasons stated above, the company nonetheless recognises adequate accruals to the provision for bad debts each year to cover possible losses. They are calculated on an individual basis, considering the information available, as well as a prudent estimate of the potential collection risk, which also takes into account past experience. The provision for bad debts is deemed adequate to cover possible customer insolvency.

The only large write-downs required in 2025 refer to two very specific, non-recurring situations and, namely, a) a trade receivable due from the Argentine subsidiary (€0.8 million) and b) a customer for which a special credit recovery procedure is underway (€0.6 million). Excluding these non recurring and specific events, the impact is limited compared to the company's business volumes.

LIQUIDITY RISKS

This is the risk that the company will encounter difficulties in obtaining sufficient financial resources within the necessary timeframes. Liquid funds, cash flows and the amount of credit lines available, together with the

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monitoring of investments in working capital, indicate there are no particular risks of this type. As already described in previous annual reports, the company tightened its controls of its financial position and especially its financing activities, short/medium-term cash flow forecasts and financing support options. Monitoring the ratio between net indebtedness and profitability plays a key role in planning, given that some of the loans use this ratio as one of the financial covenants that the company has undertaken to comply with in taking out the loan. Moreover, the covenants also prevent the distribution of dividends to the parent until the loans have been repaid or authorisation has been received from the banks. Calculation of the covenants at the reporting date using these financial statements did not identify any potential risks of non compliance.

CURRENCY RISKS

As only a portion of purchases and sales take place in currencies other than the Euro, there are no significant currency risks. In this regard and described in the section analysing the main markets, the company's main currency risk concerns transactions performed with the Argentine subsidiary TA GAS Technology, which it monitors regularly, partly due to the imposition of credit limits.

INTEREST RATE RISK

The company is exposed to this risk in relation to its loans and borrowings. It uses financial instruments to hedge this risk arising from changes in the carrying amounts of assets and liabilities affected by interest rate fluctuations. Appropriate disclosures are provided in the notes to the financial statements. The instruments are mainly interest rate swaps entered into to hedge the interest rate on debt paid by the company.

PRICE RISK

The company manages market and business risks via its diversified customer portfolio in both geographical terms and its markets. The pressure on the market with regard to costs requires a shrewd management of pricing policies, which is therefore an important issue for the company and management in particular.

Finally, the company has taken steps to allocate the relevant powers to comply with the requirements of Legislative decree no. 138/2024 ("NIS 2"), which transposed Directive (EU) 2022/2555 on measures for a high common level of cybersecurity across the European Union, into Italian law. The company is currently implementing the planned measures and ensuring its compliance with current regulations. It is also assessing the cyber risks present within the company and introducing appropriate risk management practices.

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Financial instruments

The company uses hedging instruments for the reasons set out in the previous paragraph (interest rate risk). These financial instruments are detailed in the notes to the financial statements pursuant to current legislation.

Research and development

As required by article 2428.3.1 of the Italian Civil Code, it is noted that the company carried out research and development activities during the year as described below.

During 2025, in line with the group's business strategy, R&D activities were geared towards both the continuation of the main projects started in previous years and the development of new applications based on proprietary technologies. The company's aim is to become more competitive over the medium to long term and keep abreast of regulatory and technological change in the automotive sector.

In particular, in 2025, R&D activities for the development of a Euro 7 compliant vehicle fuel system for a leading OEM focused on finalisation of the technical validation phases and implementation of the industrial processes required to start mass manufacturing. These activities also included operational support during the production ramp-up phases to ensure compliance with the quality, performance and timeframe requirements agreed with the customer.

In the DOEM applications segment, the percentage of GDI (gasoline direct injection) engines grew again during the year, leading to a significant increase in R&D activities. These focused both on adapting and updating control system functionality to the new engine configurations, and on developing the calibration activities required to optimise vehicle performance and efficiency. These developments made it possible to make the systems fully compliant with type-approval and reliability requirements, including durability tests via extended mileage cycles on the road.

With reference to the engine control systems business ("primary systems"), R&D activities concerned both the continuation of development programmes for applications intended for CNG, LNG and hydrogen powered engines, and the feasibility study of new-generation control systems, in line with the group's technological innovation and energy transition objectives.

System and component development activities for hydrogen applications also continued at full speed in 2025, thanks in part to the stimulus provided by the National Recovery and Resilience Plan-funded project HERO (Hydrogen European Research Opportunity). Activities covered several R&D areas, including the development of mechanical and mechatronic components, control systems and software strategies dedicated to the optimisation of hydrogen combustion, including through the use of in-house manufactured fuel systems.

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Related party transactions

In 2025, the company carried out transactions with the related parties listed in article 2428.3.2 of the Italian Civil Code. Therefore, the necessary information is provided below.
As already mentioned in the relevant section, in 2025, WFS Italia's parent changed and, consequently, the companies included in the definition of a related party also changed.

At year end, the company's investments in subsidiaries and associates are as follows:

<u>Subsidiaries:</u>

- 100% of WESTPORT FUEL SYSTEMS NETHERLANDS B.V. (formerly PRINS AUTOGASSYSTEMEN HOLDING B.V.) (the Netherlands) with a carrying amount of €13,000,000;
- 100% of STAKO Sp.z o.o. (Poland), with a carrying amount of €5,835,371;
- 100% of TA GAS TECHNOLOGIES S.A. (Argentina), with a carrying amount of €0;
- 99.98% of ROHAN BRC Gas Equipment P.L. (India), with a carrying amount of €0;
- 99.99% of WMTM EQUIPAMENTOS DE GASES LTDA (Brasil), with a carrying amount of €0;
- 98.04% of OMVL Argentina S.r.l. (Argentina), with a carrying amount of €1,000;
- 100% of EMER LATINOAMERICANA S.A. (Argentina), with a carrying amount of €10;

<u>Associates:</u>

- 24.00% of Minda Westport Technologies Ltd (formerly Minda Emer Technologies Ltd), with a carrying amount of €203,576;
- 14.29% of Ideas & Motion S.r.l. (Italia), with a carrying amount of €10,000.

There are also other companies controlled by the subsidiaries, as set out below.
The subsidiary WESTPORT FUEL SYSTEMS NETHERLANDS HOLDING B.V. (the Netherlands) has the following equity investments:

- 100% of WESTPORT FUEL SYSTEMS NETHERLANDS B.V. (the Netherlands)
- 100% of INDOPAR B.V. (the Netherlands)
- 100% of PRINS AUTOGASSYSTEMEN B.V. (the Netherlands).

A complete overview of the equity investments and the variations during the year is provided in the notes to the financial statements.

The company is a wholly-owned subsidiary of Green Day Midco B.V. (reference is made to the section on changes in the corporate structure).

Transactions performed with group companies and other related parties can be summarised as follows:

Parents:	*Trade receivables*	*Trade payables*	*Financial receivables*	*Loans and borrowings*	*Turnover from sales*	*Other revenues*	*Purchases*	*Other costs*
Green Day Holding B.V		759,133						759,133
Green Day Midco B.V.			11,403,154					
Total parents	*0*	*759,133*	*11,403,154*	*0*	*0*	*0*	*0*	*759,133*
Subsidiaries:	*Trade receivables*	*Trade payables*	*Financial receivables*	*Loans and borrowings*	*Turnover from sales*	*Other revenues*	*Purchases*	*Other costs*
TA GAS TECHNOLOGY SA	2,265,418	184			1,347,674		97,390	
WMTM Lda	2,763,875	41,842	2,945,000					
ROHAN BRC Gas Equipment P. Ltd	1,238,007							
WFS Netherlands BV	304,516	4,489,758			2,481,359	407,513	7,654,731	1,487,607
STAKO	466,082	4,283,810			2,360,154	159,265	28,743,653	
Total subsidiaries	*7,037,898*	*8,815,594*	*2,945,000*	*0*	*6,189,187*	*566,778*	*36,495,774*	*1,487,607*
Associates:	*Trade receivables*	*Trade payables*	*Financial receivables*	*Loans and borrowings*	*Turnover from sales*	*Other revenues*	*Purchases*	*Other costs*
MINDA WESTPORT TECHNOLOGIES	2,137,127	17,796			4,943,634		1,315,469	
IDEAS & MOTION	31,039				158,882			
Total associates	*2,168,166*	*17,796*	*0*	*0*	*5,102,516*	*0*	*1,315,469*	*0*
Total	**9,206,064**	**9,592,523**	**14,348,154**	**0**	**11,291,703**	**566,778**	**37,811,243**	**2,246,740**
Provision for bad debts	*-5,716,040*	*0*	*-2,945,000*	*0*	*0*	*0*	*0*	*0*
Total net of the provision for bad debts	**3,490,024**	**9,592,523**	**11,403,154**	**0**	**11,291,703**	**566,778**	**37,811,243**	**2,246,740**

The provision for bad debts entirely refers to receivables from subsidiaries that will not be recovered (i.e. from WMTM Lda, TA GAS Technology SA (for part of its receivables) and Rohan BRC Gas Equipment).

As already noted, during the year, Westport Fuel Systems Italia S.r.l.'s parent changed and, therefore, the above table excludes figures for transactions that took place with companies that controlled the company until the end of

July 2025 (when transactions with those companies ended). For completeness of information, transactions carried out with these companies, before the change of parent, are shown in the table below

Former parents:	***Turnover from sales***	***Other revenues***	***Purchases***	***Other costs***
WFS CANADA - KITCHNER	72,110		185,346	276,544
WFS CANADA		400,000	11,170	1,082,686
Total former parents	***72,110***	***400,000***	***196,516***	***1,359,230***

All transactions with related parties take place on an arm's length basis and are in the company's interests. Lastly, this section provides the information already provided elsewhere regarding the resolution and payment to Westport Fuel Systems Italia S.r.l. of dividends by:

- the subsidiary Stako Sp. z o.o. (€5,000,000);
- the associate Minda Westport Technologies LTD (€329,977)

Own quotas

Shares/quotas of parents

Pursuant to article 2435-bis and article 2428.3.3/4 of the Civil Code, we state that the company did not hold shares or quotas of the parent during the year.

The company does not hold own quotas or shares or quotas of its parents, nor did it buy or sell such shares or quotas during the year

Post-balance sheet events

With reference to significant events occurring after the end of the year, it should be noted that, as part of its activities aimed at structuring the best possible financial situation to support its growth and ensure the availability of resources necessary to carry out its core business, the company:

- obtained a new loan of €7.5 million from Unicredit S.p.A. in January 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;

- obtained a new loan of €7.5 million from Gruppo Cassa Centrale Banca - Credito cooperativo italiano in March 2025. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- settled its outstanding loans and borrowings with Deutsche Bank S.p.A. in March 2026.

On 25 February 2026, the company's board of directors approved a dividend of €20 million to be paid to the sole quotaholder Green Day Midco B.V.. In March 2026, €15 million had already been transferred to the sole quotaholder and the remainder is expected to be paid by the end of 2026.

Outlook

The outlook for 2026 is positive and the company expects to make a profit and achieve better results than those of 2025.

The expected positive trend will be bolstered by a further upturn in business volumes and turnover (around +15%), propelled by an additional increase in volumes related to the mentioned project with one of the world's leading OEMs (which has already driven the increases in recent years).

In general, expectations for the year are positive, also in view of the increasingly important role currently played by alternative fuels, as well as the confirmation of the company and its brands as a market leader.

Overall, the beginning of the year was in line with forecasts and expected trends, although obviously the current macroeconomic environment raises questions about the rest of the year. This relates in particular (in addition to the Russia-Ukraine war, a situation that is now well established) to the tensions present, for example, in the Middle East, which could have a major impact on the company's business. On the one hand, a further rise in the price or scarcity of oil could generate an increase in demand for the products offered by the company, but at the same time shortages could be triggered that could have a major impact on energy costs, transport costs and even the availability of electronic components.

There were also raw material-related increases at the beginning of 2026, and the current outlook is for further increases.

The company is always attentive to these dynamics and responds promptly to external factors in order to protect its profitability.

In conclusion, 2026 will be marked by further challenges for the company, but includes various possibilities for further development and better results, as envisaged in its business plan and as the start of the year suggests.

Branches

As required by article 2428 of the Italian Civil Code, the company's branches are listed below:

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Address	Town/City
STRADA FONDOVALLE 6	CHERASCO
VIA MOGLIA 16	CHERASCO
STRADA FONDOVALLE 1	CHERASCO
VIA MOGLIA 18/20	CHERASCO
VIA MOGLIA 35	CHERASCO
VIA BORMIOLI 19	BRESCIA
VIA BORMIOLI 33	BRESCIA
VIA FEDERICO FELLINI 67/81/85	SAN MAURO PASCOLI

Conclusions

Based on the information provided in this report and in the notes to the financial statements, we invite the sole quotaholder to:

- approve the financial statements as at and for the year ended 31 December 2025 together with the notes thereto and this report;
- allocate the net profit for the year of €6,219,655 in accordance with the proposal made in the notes to the financial statements.

Cherasco, 30 March 2026

On behalf of the board of directors

General company information

Company name:	WESTPORT FUEL SYSTEMS ITALIA S.r.l.
Registered office:	VIA LA MORRA 1, CHERASCO (CUNEO)
Quota capital:	2,400,000.00
Fully paid-up quota capital:	Yes
Chamber of Commerce code:	CN
VAT number:	00525960043
Tax code:	00525960043
REA no.:	107283
Legal form:	COMPANY LIMITED BY QUOTAS
Main business sector (ATECO):	293200
Company in liquidation:	No
Single-member company:	Yes
Company managed and coordinated by another party:	Yes
Name of the company or body that manages and coordinates the company:	GREEN DAY HOLDING B.V.
Membership of a group:	Yes
Name of the parent:	GREEN DAY MIDCO B.V.
Country of the parent:	Netherlands
Registration number in the register of cooperatives:	

Financial statements as at and for the year ended 31 December 2025

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Balance sheet

	31/12/2025	31/12/2024
Assets		
B) Fixed assets		
I - Intangible fixed assets	-	-
3) Industrial patents and intellectual property rights	1,083,344	
4) Concessions, licences, trademarks and similar rights	14,625,812	14,833,773
5) Goodwill	5,076,874	5,712,078
7) Other	2,649,721	2,438,204
Total intangible fixed assets	*23,435,751*	*22,984,055*
II - Tangible fixed assets	-	-
1) Land and buildings	615,774	618,198
2) Plant and machinery	15,468,609	13,758,303
3) Industrial and commercial equipment	2,032,803	2,787,259
4) Other assets	1,137,465	1,382,663
5) Assets under construction and payments on account	354,089	2,676,350
Total tangible fixed assets	*19,608,740*	*21,222,773*
III - Financial fixed assets	-	
1) Equity investments		-
a) Subsidiaries	18,836,381	18,836,382
b) Associates	213,576	213,576
Total equity investments	*19,049,957*	*19,049,958*
2) Financial receivables	-	
a) From subsidiaries		-
c) From parents	11,403,154	-
due after one year	11,403,154	-
d-bis) From others	215,616	320,616
due within one year	-	100,945
due after one year	215,616	219,671
Total receivables	*11,618,770*	*320,616*
4) Derivatives	52,061	243,484
Total financial fixed assets	*30,720,788*	*19,614,058*
Total fixed assets (B)	*73,765,279*	*61,820,834*
C) Current assets		

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	31/12/2025	31/12/2024
I - Inventory	-	-
1) Raw materials, consumables and supplies	23,728,096	31,445,896
4) Finished goods	11,678,261	10,229,258
5) Payments on account	480,764	755,946
Total inventory	35,887,121	42,431,100
II - Receivables	-	-
1) Trade receivables	36,193,685	42,451,540
due within one year	36,193,685	42,451,540
2) From subsidiaries	1,329,857	1,374,508
due within one year	1,329,857	1,374,508
3) From associates	2,168,166	2,549,692
due within one year	2,168,166	2,549,692
4) From parents	-	9,315,603
due within one year	-	9,315,603
5) From subsidiaries of parents	-	303,091
due within one year	-	303,091
5-bis) Tax receivables	10,292,580	4,537,896
due within one year	10,292,580	4,537,896
5-ter) Deferred tax assets	9,123,311	12,899,713
5-quater) From others	986,314	1,262,692
due within one year	428,627	304,114
due after one year	557,687	958,578
Total receivables	59,993,913	74,774,915
III - Current financial assets	-	-
4) Other equity investments	50,000	50,000
6) Other securities	-	467,997
Total current financial assets	*50,000*	517,997
IV - Liquid funds	-	-
1) Bank and postal accounts	12,244,523	16,111,089
2) Cheques on hand	481	446
3) Cash-in-hand and cash equivalents	17,765	16,520
Total liquid funds	12,262,769	16,128,055
Total current assets (C)	*108,193,803*	*133,372,067*
D) Prepayments and accrued income	**1,533,664**	**1,630,199**

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	31/12/2025	31/12/2024
Total assets	*183,492,746*	*198,823,100*
Liabilities		
A) Net equity	**99,932,089**	**93,803,560**
I - Quota capital	2,400,000	2,400,000
III - Revaluation reserves	20,292,607	20,292,607
IV - Legal reserve	780,000	780,000
VI - Other reserves, recognised separately	-	
Negative goodwill	1,152,463	1,152,463
Sundry other reserves	-	-
Total other reserves	*1,152,463*	*1,152,463*
VII - Hedging reserve	(31,619)	59,507
VIII - Retained earnings	69,118,983	65,916,897
IX - Net profit for the year	6,219,655	3,202,080
Total net equity	99,932,089	93,803,560
B) Provisions for risks and charges		
2) Tax provision, including deferred tax liabilities	377,362	325,235
3) Derivatives	93,664	165,185
4) Other provisions	3,878,236	5,034,050
Total provisions for risks and charges	*4,349,262*	*5,524,470*
C) Employees' leaving entitlement	**2,390,388**	**2,693,600**
D) Payables		
4) Bank loans and borrowings	13,743,887	23,285,274
due within one year	6,893,990	9,595,841
due after one year	6,849,897	13,689,433
6) Payments on account	3,788,080	3,790,672
due within one year	3,788,080	3,790,672
7) Trade payables	37,259,607	45,088,326
due within one year	37,259,607	45,088,326
9) Payables to subsidiaries	8,815,593	8,016,725
due within one year	8,815,593	8,016,725
10) Payables to associates	17,796	47,040
due within one year	17,796	47,040
11) Payables to parents	759,133	4,749,538
due within one year	759,133	4,749,538

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	31/12/2025	31/12/2024
11-bis) Payables to subsidiaries of parents		91,627
due within one year	-	91,627
12) Tax payables	1,659,193	1,383,662
due within one year	1,659,193	1,383,662
13) Social security charges payable	2,472,111	2,504,786
due within one year	2,472,111	2,504,786
14) Other payables	6,604,381	7,194,976
due within one year	6,604,381	7,194,976
Total payables	*75,119,691*	*94,653,628*
E) Accrued expenses and deferred income	**1,701,316**	**2,147,843**
Total liabilities	*183,492,746*	*196,923,100*

Profit and loss account

	2025	2024
A) Production revenues		
1) Turnover from sales and services	230,290,111	205,716,656
2) Change in work in progress, semi-finished products and finished goods	2,134,991	(311,600)
5) Other revenues and income	-	
Grants related to income	576,067	623,977
Other revenues and income	498,906	1,237,141
Total other revenues and income	*1,074,973*	*1,861,118*
Total production revenues	*233,500,075*	*207,266,174*
B) Production cost		
6) Raw materials, consumables, supplies and goods	133,273,664	122,679,751
7) Services	28,487,215	28,912,565
8) Use of third party assets	3,108,042	3,212,994
9) Personnel expenses	-	-
a) Wages and salaries	29,652,925	30,224,982
b) Social security contributions	8,533,771	9,002,177
c) Employees' leaving entitlement	1,515,693	2,035,569
e) Other costs	4,801,205	3,970,759

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	2025	2024
Total personnel expenses	44,907,794	45,083,527
10) Amortisation, depreciation and write-downs:	-	-
a) Amortisation of intangible fixed assets	2,761,033	2,147,671
b) Depreciation of tangible fixed assets	3,518,284	3,666,307
c) Other write-downs of fixed assets	63,600	665,552
d) Write-downs of current receivables and liquid funds	1,582,183	932,099
Total amortisation, depreciation and write-downs	7,925,100	7,411,629
11) Change in raw materials, consumables, supplies and goods	5,890,091	(6,941,395)
12) Provisions for risks	145,350	
13) Other provisions	1,995,754	2,635,602
14) Other operating costs	1,482,515	549,178
Total production cost	227,256,135	203,494,051
Operating profit (A-B)	6,243,940	3,742,123
C) Financial income and charges		
15) Income from equity investments	-	-
in subsidiaries	5,000,000	2,500,000
in associates	329,977	1,714,737
Total income from equity investments	5,329,977	4,214,737
16) Other financial income		-
d) Other income	-	-
from subsidiaries	144,998	-
from others	112,415	202,750
Total other income	257,413	202,750
Total other financial income	257,413	202,750
17) Interest and other financial charges	-	-
Other	885,599	1,211,326
Total interest and other financial charges	885,599	1,211,326
17-bis) Net exchange rate losses	(173,826)	(219,671)
Net financial income (C) (15+16-17+-17-bis)	4,527,965	2,986,490
D) Adjustments to financial assets and liabilities		
19) Write-downs	-	-
a) Equity investments	-	2,532,621
Total write-downs	-	2,532,621
Total adjustments (18-19)	-	(2,532,621)

	2025	2024
Pre-tax profit (A-B+-C+-D)	**10,771,905**	**4,095,992**
20) Income taxes, current and deferred		
Current taxes	707,728	715,564
Taxes relative to prior years	52,949	
Change in deferred tax assets and liabilities	3,791,573	176,342
Total income taxes, current and deferred	*4,552,250*	*893,905*
21) Net profit for the year	**6,219,655**	**3,202,088**

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Cash flow statement, indirect method

	2025	2024
A. Cash flows from operating activities (indirect method)		
Net profit for the year	6,219,655	3,202,086
Income taxes	4,557,250	993,906
Net interest expense	626,186	1,008,576
Dividends	(5,329,977)	(2,774,964)
(Gains)/losses on the sale of assets	50,599	(1,803,933)
1. Profit for the year before income taxes, interest, dividends and gains/losses on the sale of assets	*6,120,713*	*625,671*
Non monetary adjustments that did not affect net working capital		
Accruals to provisions	5,803,095	4,671,171
Amortisation and depreciation	6,279,317	5,813,978
Write downs for impairment losses	63,600	3,198,172
Other non-monetary adjustments		3,697,298
Total non-monetary adjustments that did not affect net working capital	*12,146,012*	*17,380,619*
2. Cash flows before changes in net working capital	*18,266,725*	*18,006,290*
Changes in net working capital		
Decrease/(increase) in inventory	4,584,865	(7,890,103)
Decrease/(increase) in trade receivables	10,562,479	(9,556,670)
Decrease in trade payables	(1,848,973)	(3,294,089)
Decrease/(increase) in prepayments and accrued income	96,535	(704,600)
Increase/(decrease) in accrued expenses and deferred income	(446,526)	704,862
Other increases in net working capital	(6,119,380)	(239,353)
Total changes in net working capital	*7,230,010*	*(20,979,953)*
3. Cash flows after changes in net working capital	*25,496,735*	*(2,973,663)*
Other adjustments		
Interest paid	(773,184)	(1,008,576)
Income taxes paid	(430,181)	
Dividends collected	5,329,977	2,774,964
Utilisation of provisions	(12,650,577)	(7,818,945)
Total other adjustments	*(8,524,265)*	*(6,052,557)*

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	2025	2024
Cash flows from (used in) operating activities (A)	*16,972,570*	*(9,226,217)*
B. Cash flows from investing activities		
Tangible fixed assets		
Investments	(4,991,923)	(10,139,005)
Disposals	380,753	402,445
Intangible fixed assets		
Investments	(1,852,299)	(259,401)
Financial fixed assets		
Investments	(5,000,000)	1,439,893
Disposals	105,050	
Acquisition of business units net of liquid funds		
Sales of business units net of liquid funds		8,422,035
Cash flows used in investing activities (B)	*(11,295,469)*	*(134,033)*
C. Cash flows from financing activities		
Third party funds		
New loans		3,500,000
Repayment of loans	(9,542,387)	(8,136,539)
Cash flows used in financing activities (C)	*(9,542,387)*	*(4,636,539)*
Decrease in liquid funds (A ± B ± C)	*(3,865,286)*	*(13,996,789)*
Opening liquid funds		
Bank and postal accounts	16,311,089	30,298,088
Cheques on hand	446	8,197
Cash-in-hand and cash equivalents	16,520	18,559
Total opening liquid funds	16,328,055	30,324,844
Closing liquid funds		
Bank and postal accounts	12,444,523	16,311,089
Cheques on hand	481	446
Cash-in-hand and cash equivalents	17,765	16,520
Total closing liquid funds	12,462,769	16,328,055

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Information on the cash flow statement

The following information is provided to facilitate a better understanding of the cash flow statement:

- the cash flow statement has been prepared under the indirect method as provided for by OIC 10;
- there are no restricted or otherwise not freely usable liquid assets;
- no profits were distributed to the sole quotaholder during the year.

Reference should be made to the notes to the financial statements for the main changes during the year.

Notes to the financial statements, first part

The financial statements as at and for the year ended 31 December 2025, of which these notes form an integral part pursuant to article 2423.1 of the Italian Civil Code, are consistent with the duly kept accounting records. They have been drawn up pursuant to articles 2423, 2423-ter, 2424, 2424-bis, 2425, 2425-bis and 2425-ter of the Italian Civil Code, in compliance with the basis of preparation as per article 2423-bis and the reporting standards set out in article 2426 of the Italian Civil Code, interpreted in the context of and integrated by the reporting standards promulgated by the Italian Accounting Standard Setter (the "OIC").

These financial statements consist of the following documents: balance sheet, profit and loss account, cash flow statement and notes thereto.

* * * * *

MANAGEMENT AND COORDINATION

Westport Fuel Systems Italia S.r.l. ("WFS Italia") is a wholly owned subsidiary of Green Day Midco B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands. The company is subject to the management and coordination of Green Day Holding B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands.

As detailed in the directors' report, the parent changed in 2025.

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Basis of presentation and preparation

Basis of presentation

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

With regard to that set out in the introduction to these notes, it is noted that, pursuant to article 2423.3 of the Italian Civil Code, if the disclosures required by specific legal requirements are insufficient to give a true and fair view, the additional information deemed necessary is provided.

The financial statements and notes thereto are in Euros.

Basis of preparation

With a view to preparing financial statements that give a true and fair view of its financial position, financial performance and cash flows in compliance with the provisions of article 2423-bis of the Italian Civil Code, the company:

- measured the individual captions on a prudent and going-concern basis;
- recognised only those profits actually realised during the year;
- recognised income and expense on an accruals basis, irrespective of their collection/payment dates;
- included all risks and losses of the year, even when they became known after the reporting date;
- measured the different items included in the various financial statements captions separately;
- did not deviate from the accounting policies applied in the previous year, apart from the application of OIC 34 Revenues which became effective during the year and its effects are described in the paragraph "Changes in accounting standards".

The following principles set out in OIC 11.15 were also complied with:

a) prudence;

b) going-concern;

c) substance over form;

d) accruals-basis;

e) measurement consistency;

f) materiality;

g) comparability.

Fc

Going concern

The financial statements captions have been measured assuming the company's ability to continue as a going concern for at least the foreseeable future (one year from the reporting date).
No significant uncertainties arose in relation to the assessment of the going concern assumption.

Exceptional cases pursuant to article 2423.5 of the Italian Civil Code

No exceptional events took place during the year which would have led the company to depart from the accounting standards, as permitted by article 2423-bis.4/5 of the Italian Civil Code.

Changes in accounting standards

No exceptional events took place during the year which would have led the company to depart from the accounting standards, as permitted by article 2423-bis.2 of the Italian Civil Code.

Correction of material errors

No material prior year errors were identified.

Comparability and adjustment

Pursuant to article 2423-ter of the Italian Civil Code, it is noted that all balance sheet items were comparable with the previous year end. Therefore, there was no need to adjust any items from the previous year end.

Accounting policies

The accounting policies applied in measuring the financial statements items are in accordance with the provisions of the Italian Civil Code and the reporting standards promulgated by the Italian Accounting Standard Setter. They have not changed from those applied in the previous year.

Pursuant to article 2427.1.1 of the Italian Civil Code, these notes illustrate the most significant accounting policies adopted in compliance with the provisions of article 2426 of the Italian Civil Code, with particular reference to those financial statements items for which the legislator allows different accounting policies or for which no specific policies are envisaged.
Items expressed in foreign currencies are translated into Euros upon recognition in the financial statements at the spot exchange rate or at the closing exchange rate in accordance with OIC 26.

Intangible fixed assets

Intangible fixed assets are recognised at acquisition or internal development cost up to their recoverable amount, including all directly related charges. They are amortised systematically on a straight-line basis over their residual income-generating potential.
Pursuant to OIC 24.37, acquisitions with deferred payment on terms other than prevailing market terms are recognised at the amount of the payable calculated in accordance with OIC 19.
The carrying amount attributed to goodwill relates to the costs incurred for the acquisition of business units for consideration, in the presence of future economic benefits and the recoverability of the cost. Goodwill is amortised over its useful life, using all information available to estimate the period in which the economic benefits will materialise.
Leasehold improvements are recognised under other intangible fixed assets when they cannot be separated from the related assets, otherwise they are recognised under the relevant tangible fixed assets captions.
Assets under development are not amortised.
Assets that have incurred impairment losses at the reporting date are written down accordingly. Such write-down is reversed if the reasons therefor cease to exist in future years.
Intangible fixed assets are recognised and measured with the approval of the board of statutory auditors, where required by the Italian Civil Code.

The rates applied are set out below:

Class	Amortisation rate
Trademarks and similar rights	5% - 20%
Industrial patents and intellectual property rights	20%
Leasehold improvements	8.34%
Goodwill	6.67% - 20%
Software	33.34%
Deferred costs	20%

Trademarks that underwent revaluation in 2020 are amortised over 15 to 20 years.

Pursuant to article 10 of Law no. 72 of 19 March 1983, as also referenced in subsequent monetary revaluation laws, the table below details the intangible fixed assets that underwent monetary revaluation along with the relevant amount.

The most significant revaluations were made pursuant to article 110 of Law no. 126/2020 and specifically involved trademarks for €14,900,000. The residual carrying amount of the revalued assets at 31 December 2025 is €11.7 million.

	Amount
Concessions, licences, trademarks and similar rights	14,900,000
	14,900,000

Tangible fixed assets

Tangible fixed assets are recognised on the date the risks and rewards associated with the asset are transferred. They are recognised up to their recoverable amount at purchase or production cost net of accumulated depreciation, including all directly attributable costs and charges, indirect internal production costs, as well as charges related to the financing of the internal production incurred from production up to when the asset is available for use.

Pursuant to OIC 24.39, acquisitions with deferred payment on terms other than prevailing market terms are recognised at the amount of the payable calculated in accordance with OIC 19.

The costs incurred on existing assets to expand, modernise or improve the structural elements of a tangible fixed asset, as well as those incurred to make it more compliant with its intended use, and extraordinary maintenance in compliance with the provisions of OIC 16.49-53 are capitalised if they result in a significant and measurable increase in its production capacity or useful life.

The depreciation of these assets is calculated based on the new carrying amount over their residual useful life.

In compliance with the provisions of OIC 16.45/46, for tangible fixed assets comprised of a group of assets, the carrying amounts of each individual asset are calculated for the purposes of identifying their various useful lives.

The cost of assets with a finite useful life is systematically depreciated each year using rates reflecting their residual useful lives.

All assets, including those temporarily not in use, are depreciated, except for those whose usefulness does not diminish, namely land, non-operational buildings, and works of art.

Based on OIC 16.60, should the carrying amount of buildings also incorporate the carrying amount of the land on which they stand, the former is separated.

Depreciation begins when the asset becomes available for use.

The rates applied reflect the depreciation plans. They are confirmed by the companies and halved for assets purchased during the year as they meet the conditions provided for by OIC 16. 61.
Pursuant to OIC 16.70, the depreciation plans are reviewed in the event of a change to the assets' residual useful life.
Based on OIC 16.80, obsolete assets and those that will no longer be used or usable in the production cycle are not depreciated and are measured at the lower of their net carrying amount and recoverable amount.
The rates applied are set out below.

Class	Depreciation rate
Machinery and equipment	10%
Furniture and fittings	12%
Office equipment	20%
Vehicles	20%
Equipment and trade fair equipment	25%
Cars	25%
Light constructions	10%
Buildings	3%

Assets that have incurred impairment losses at the reporting date are written down accordingly. Such write-down is reversed if the reasons therefor cease to exist in future years.
Assets under finance leases are recognised in the balance sheet assets if and when the purchase option is exercised. During the lease term, the lease payments are recognised in the profit and loss account as production costs on an accruals basis. The notes disclose the effects that would have affected the financial statements captions, net equity and the net profit (loss) for the year had the "financial method" (IAS 17) been applied.

Write-downs for impairment losses on tangible and intangible fixed assets

If, at the reporting date, there are indications of impairment losses on tangible and intangible fixed assets, the recoverable amount of such assets is estimated, in accordance with OIC 9.
If the recoverable amount, being the higher of value in use and fair value less costs to sell, is lower than the corresponding carrying amount, the assets are written down.
When the recoverable amount of an asset cannot be estimated, it is tested for impairment at cash-generating unit ("CGU") level, that is, the lowest identifiable level for assets, which includes the assets to be measured and generates cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets.

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If an impairment loss is identified, it is firstly recognised as a decrease in goodwill, if any, and then in the other assets proportionally to their carrying amount.
The write-down is not maintained in subsequent years if the reasons therefor cease to exist. The write-down is reversed up to the amount the asset would have had if the write down had never taken place, that is, net of the amortisation/depreciation that would have been recognised in the absence of the write-down. Write-downs of goodwill and deferred charges cannot be reversed.

Government grants related to income
Grants related to income are recognised in the profit and loss account.

Pursuant to article 10 of Law no. 72 of 19 March 1983, as also referenced in subsequent monetary revaluation laws, the table below details the tangible fixed assets that underwent monetary revaluation along with the relevant amount.
The most significant revaluations were made pursuant to article 110 of Law no. 126/2020 and specifically involved the following:

- machinery and equipment for €4,866,455. The residual carrying amount of the revalued assets at 31 December 2025 is €0.6 million;
- equipment for €331,150. The residual carrying amount of the revalued assets at 31 December 2025 is €0.04 million.

	Amount
Machinery and equipment	7,165,765
Industrial and commercial equipment	331,150
	7,496,915

Financial fixed assets

Equity investments

Equity investments and debt instruments which the company intends and has the capacity to hold in the long term are recognised under financial fixed assets. Otherwise, they are recognised under current assets. Transfers in or out of the two categories are recognised in accordance with the accounting policies applicable to the portfolio which the asset comes from.

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Receivables are recognised under fixed or current assets depending on their intended use in relation to the company's ordinary activities that generate them. Accordingly, financial receivables are recognised under financial fixed assets, whereas trade receivables are recognised under current assets, regardless of their due date. They are measured as detailed below.

Equity investments classified as fixed assets

Listed and unlisted equity investments classified as fixed assets are measured at cost.

Pursuant to article 2426.3 of the Italian Civil Code, they are written down for impairment losses calculated as per OIC 21.31-41.

The reasons for a write-down carried out in previous years cease to exist during the year. Accordingly, this write-down was reversed as per OIC 21.42/43.

Equity investments classified under current assets

Equity investments classified under current assets are recognised at the lower of acquisition cost and estimated realisable value based on market trends.

Debt instruments classified under financial fixed assets

Debt instruments classified as financial fixed assets are measured individually, allocating to each debt instrument the cost specifically incurred.

Pursuant to article 2426.1.8 of the Italian Civil Code, they are recognised at amortised cost, where applicable, except for those instruments for which the transaction costs and other differences between their opening and closing carrying amount are immaterial, as per article 2423.4 of the Italian Civil Code.

Pursuant to article 2426.1.3 of the Italian Civil Code, they are written down for impairment losses calculated as per OIC 20.55-57.

Should the reasons for a write-down carried out in previous years cease to exist during the year, the write-down is reversed as per OIC 20.58.

Securities classified under current assets

Securities classified under current assets are recognised at the lower of acquisition cost and estimated realisable value based on market trends.

Derivatives

Derivatives are recognised at their fair value, corresponding to their market value, where available, or at the amount resulting from valuation models and techniques offering a reasonable approximation of market value.

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The fair value of hedging derivatives at the reporting date is allocated to financial fixed assets or to the relevant provision for risks and charges caption under liabilities. Speculative derivatives are not taken into consideration as the company does not have any.

There are two types of hedges: a) fair value hedges, where the aim is to limit the exposure to changes in fair value of a recognised asset or liability or a firm commitment that is attributable to a particular risk and could affect the net profit or loss; b) cash flows hedges, where the aim is to limit the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, a firm commitment or a highly probable forecast transaction and could affect the net profit or loss. As shown by an analysis of the documentation held at the company's premises, it has agreed derivatives qualifying as cash flow hedges.

For a derivative to be recognised as a hedge, OIC 32 requires that there be specific relationships between the financial instrument and the underlying transaction. It provides that:

1. the hedging relationship consists only of eligible hedging instruments and eligible hedged items: specifically, hedges can only be recognised for the following risks: a) interest rate risk; b) currency risk; c) price risk; d) credit risk (excluding own credit risk);

2. the hedge is formally designated: at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge, which must specify the hedging instrument, the underlying transaction, the nature of the hedged risk and how the entity will evaluate whether the hedging relationship is highly effective (including an analysis of the sources of hedge ineffectiveness and how it establishes the hedging relationship);

3. the hedging relationship meets all the following hedge accounting requirements:

- there is an economic relationship between the underlying and the hedge whereby the fair value of the hedge moves in the opposite direction to changes in the hedged risk. Accordingly, the fair value of the hedge and of the underlying shall change systematically as a result of changes in the underlying variable;
- the credit risk of the counterparty to the derivative and the hedged item - when the credit risk is not the hedged risk - does not have a material impact compared to the changes resulting from the economic relationship. Accordingly, the credit risk does not significantly affect the fair value of the hedging instruments and hedged item;
- the hedging ratio, being the ratio of the number of derivatives used to the number of hedged items, is normally 1:1. When hedging relationships involve derivatives with the same or very similar characteristics to those of the hedged item, such as the expiry date, nominal amount, settlement date of cash flows and underlying variable (defined as a "simple hedge" in OIC 32.101) and the derivative has been entered into at market conditions (i.e., with a fair value equal to or approximating nil), their initial recognition can be based on a purely qualitative analysis and does not require a quantitative test. This does not exempt an entity from keeping the relevant documentation showing the direct correlation between the key elements of the derivative and the hedged item as described above.

The company has entered into derivative instruments defined as "simple hedges".

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Inventory

Inventory is initially recognised on the date the risks and rewards associated with the asset are substantially transferred. It is initially recognised at purchase or production cost and subsequently measured at the lower of cost and estimated realisable value based on market trends.

Purchase cost is the actual cost paid upon purchase including related charges. The purchase cost of materials includes their price, transport costs, customs and other duties and other directly attributable costs. Returns, commercial discounts, rebates and bonuses are deducted from costs.

Production cost includes all direct costs and the reasonably attributable portion of indirect costs incurred to make the inventory items ready for use and transport them to their place of use from production up to when the asset is available for use, based on normal production capacity.

The company has adopted the FIFO model. The estimated realisable value based on market trends is the estimate of ordinary sales prices of goods and finished products, net of estimated completion costs and direct sales costs. Obsolescence and turnover are also taken into account in calculating the estimated realisable value based on market trends.

Raw materials and supplies used in manufacturing finished goods are not written down if the realisable value of such goods is expected to be equal to or higher than their production cost. Moreover, should the price of raw materials and supplies decrease and the cost of finished goods exceed their realisable value, the raw materials and supplies are written down to their net realisable value, assumed to be the best estimate of their market price.

Inventory items whose estimated realisable value based on market trends is lower than their carrying amount are written down. When the reasons for previous write-downs entirely or partially cease to exist due to a recovery in market value, the inventory items are written back up to their original cost.

Receivables

Receivables are recognised at their estimated realisable value under fixed or current assets depending on their intended use in relation to the company's ordinary activities that generate them.

They are classified as due within or after one year based on their contractual or legal due date and considering events that could modify the original due date, the debtor's realistic ability to fulfil the obligation within the contractual terms and the timeframe in which the receivable will realistically be collected.

Pursuant to article 2426.1.8 of the Italian Civil Code, receivables are recognised at amortised cost, except when the effect of application of this model is irrelevant, as per article 2423.4 of the Italian Civil Code (due within one year).
Under the principle of materiality, receivables are only discounted if the contractual interest rate differs significantly from the market interest rate.
The time value of money was also taken into consideration pursuant to article 2426.1.8 of the Italian Civil Code, discounting receivables due after one year where the effective interest rate differed significantly from the market rate.
Receivables not measured at amortised cost are recognised at estimated realisable value.
Irrespective of whether amortised cost is used, a specific provision for bad debts is recognised to write down those receivables deemed to be irrecoverable and a generic provision for all receivables estimated considering past experience, past due trends, the general and sector economic conditions and country risk, as well as adjusting post-balance sheet events.
Secured receivables consider the effects of enforcing the guarantees and only the portion not covered by the insurance is taken into account in the case of insured receivables.
Furthermore, if necessary, an accrual based on past trends and any other useful information is made to a specific provision for risks for expected customer product returns and the discounts and allowances expected to be granted on collection.

Tax receivables

Tax receivables comprise certain and known amounts that the company is entitled to claim for reimbursement or to offset.

Deferred tax assets

Deferred tax assets on deductible temporary differences and the benefit associated with the carryforward of tax losses are recognised and maintained only when their future recoverability is reasonably certain, as the expected future taxable profits or taxable temporary differences are sufficient to recover them in the years in which they reverse.
Deferred tax assets not recognised or impaired in prior years as the requirements for their recognition were not met are recognised or reinstated in the year in which the relevant requirements are met.
These notes include a statement of the temporary differences that led to the recognition of deferred tax assets and liabilities, specifying the rate applied and the changes compared to the previous year, the amounts taken to the profit and loss account or to net equity and the items excluded from the calculation, as well as the amount of deferred tax assets recognised in the financial statements pertaining to losses for the year or previous years and the amount of taxes not yet recognised.

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Liquid funds

These are the positive balances of bank and postal accounts and cheques, as well as the cash-on-hand and cash equivalents at the reporting date. Bank and postal account deposits and cheques are recognised at their estimated realisable value, cash and revenue stamps at their nominal amount, while foreign currency is measured at the closing rate.

Prepayments, accrued income, accrued expenses and deferred income

Prepayments and accrued income, accrued expenses and deferred income are recognised on an accruals basis and comprise portions of income and expenses pertaining to the year but that will respectively be collected or paid in subsequent years, as well as portions of income and expenses collected or paid during the year but pertaining to future years.
Accordingly, these captions comprise only portions of expenses and income relating to two or more years, whose amount varies over time.
At the reporting date, the company checked that the conditions underlying the initial recognition were met, adjusting the carrying amount where necessary and considering both the time factor and recoverability.
Like for current receivables, accrued income is measured at estimated realisable value, written down when such amount is lower than its carrying amount.
Like for payables, accrued expenses are measured at their nominal amount.
The existence of future economic benefits matching the deferred costs is evaluated for prepayments: they are written down when such amount is lower than the carrying amount.

Net equity

Quota capital is recognised at the nominal amount of the quotas subscribed by the owners.
Transactions between the company and its owners (acting as owners) may result in receivables/payables from/to them. The company recognises a receivable when its owners take on an obligation and a payable when it takes on an obligation to them.
Capital injections with no repayment obligation are recognised under the relevant net equity caption, while quotaholder loans with a repayment obligation are recognised under payables.

Provisions for risks and charges

Provisions for risks and charges are recognised to cover specific liabilities that are certain or probable, but whose amount or due date is unknown at the reporting date. Specifically, provisions for risks relate to specific liabilities

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whose occurrence is probable and amount estimated, while provisions for charges relate to specific liabilities, whose occurrence is certain and amount or due date estimated, that arise from obligations already taken on at the reporting date but which will be paid in subsequent years.
The estimate is calculated and/or adjusted at the reporting date based on past experience and any other useful information.
Privileging the classification of costs by nature pursuant to OIC 31.19, accruals to provisions for risks and charges are recognised in the profit and loss account section to which the transaction relates (core business, non core business or financial).
The provisions are subsequently used directly and solely for those costs and liabilities for which they were originally set up. If they are not sufficient or are redundant, the shortfall or surplus is recognised in the profit and loss account in line with the original accrual.

Tax provision, including deferred tax liabilities

This includes liabilities for probable income taxes arising from provisional tax assessments and disputes underway, as well as deferred tax liabilities generated by temporary differences, applying the rate applicable at the date such differences will reverse.
Pursuant to OIC 25.53-85, the tax provision also includes deferred tax liabilities arising on extraordinary transactions, asset revaluations and reserves taxable on distribution that do not affect the profit and loss account or net equity.

Employees' leaving entitlement

The Italian employees' leaving entitlement (TFR) is the benefit to which employees are entitled in any case of termination of employment pursuant to article 2120 of the Italian Civil Code and considering the changes in legislation introduced by Law no. 296/2006. The overall accrued benefit considers any type of continuous remuneration and is net of any payments on account and partial advances paid by virtue of national or individual labour contracts or company agreements which are not required to be repaid.
The related liability is the amount that the company would have paid had all employees left at the reporting date. The amount due to employees who had already left the company at the reporting date but that will be paid in the following year is reclassified to payables.

Payables

Pursuant to article 2426.1.8 of the Italian Civil Code, payables are recognised at amortised cost, except for those payables for which the effects of applying the amortised cost pursuant to article 2423.4 of the Italian Civil Code are immaterial (due within one year). In compliance with the aforesaid principle of materiality, payables are only discounted if the contractual interest rate differs significantly from the market interest rate.

The time value of money was also taken into consideration pursuant to article 2426.1.8 of the Italian Civil Code, discounting payables due after one year where the effective interest rate differed significantly from the market rate.

Payables not measured at amortised cost are recognised at their nominal amount.

They are classified as due within or after one year based on their contractual or legal expiry date and considering events that could modify the original expiry date.

Payables arising from the purchase of goods are recognised when the risks, charges and benefits are transferred; those related to services are recognised when the service is provided; financial and other payables are recognised when the obligation to the counterparty arises.

Tax payables are comprised of certain tax liabilities of a known amount, as well as the taxes withheld as withholding tax agent and not yet paid at the reporting date. Where offsetting is permitted, they are recognised net of payments on account, withholding taxes and tax receivables.

Foreign currency amounts

Foreign currency monetary assets and liabilities are recognised using the closing spot rates. Any resulting gains or losses are taken to the profit and loss account.

Unrealised net exchange gains not used to cover any net loss for the year are recognised in a specific reserve which may only be distributed when realised.

Non-monetary foreign currency assets and liabilities are recognised using the transaction-date exchange rate. Pursuant to OIC 26.31, the company compares the cost to the asset's recoverable amount (fixed assets) or estimated realisable value based on market trends (current assets) at the time of preparing the financial statements.

Costs and revenues

Revenues from the sale of goods and the provision of services relating to the core and non-core business are recognised in accordance with OIC 34 which comprises the following stages:

a) determining the transaction price;
b) identifying performance obligations;
c) measuring performance obligations;
d) recognising revenues.

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The transaction price is determined from the contractual clauses. Discounts, rebates, penalties and returns are accounted for as a reduction in revenues based on the best estimate of the consideration, taking into account historical information and/or statistical analyses.

The company analyses sales contracts in order to identify performance obligations, i.e., whether a single sales contract may give rise to several rights and obligations to be recognised separately in relation to the individual goods or services promised to the customer under the contract. The individual performance obligations are not separated when the goods and services under the contract are complementary or inseparable, the services are unrelated to the company's core business, each of the services covered by the sales contract are performed in the same year, and, for contracts not particularly complex, the effect on total revenues of the separation of the individual performance obligations is immaterial.

After determining the value of the individual performance obligations, the company recognises revenues on an accruals basis.

Revenues from performance obligations representing a sale of goods are recognised when both the following conditions are met:

a) the risks and benefits of the sale have been substantially transferred; and
b) revenues can be reliably measured.

In assessing whether it has substantially transferred the risks, the company considers both qualitative and quantitative factors, excluding the credit risk. Benefits are substantially transferred when the company transfers the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset to the customer.

Revenues from the provision of services are recognised over time if both of the following conditions are met:

a) the contract provides that the company has an enforceable right to payment for performance completed to date; and
b) the amount of the revenues for a performance obligation satisfied over time can be measured reliably.

If the company cannot recognise revenues over time (based on the progress towards complete satisfaction of a performance obligation), it recognises revenues at a point in time, when the performance obligation is completely satisfied.

If the company subsequently revises the estimates underlying its initial revenue recognition, it updates them to take into account any additional information that the passage of time may provide regarding assumptions or facts on which the original estimate was based. If a contract modification adds a performance obligation and an additional transaction price, it is recognised as a separate contract. If a contract modification solely changes the transaction price or the performance obligations, its effects are recognised by allocating the residual transaction price to the performance obligations to be satisfied.

Production cost is recognised net of returns, allowances, discounts and premiums. Costs arising from the purchase of goods are recognised when the production process for the goods has been completed and the substantial transfer of title has taken place, with the transfer of risks and rewards being the key parameter. Those related to purchases

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of services are recognised over time if the contract provides that the buyer pays for the service as the service is received and the amount of the cost can be measured reliably. If these conditions are not met, the cost is recognised upon completion of the service.

Revenues and income, costs and charges relating to foreign currency transactions are translated using the spot exchange rate ruling on the date of the relevant transaction.

Grants related to income due in accordance with the law or under the relevant contractual provisions are recognised on an accruals basis when the right to receive them is certain.

Revenues and costs, whose amount or impact is exceptional, are disclosed in a specific section of these notes.

Income taxes

Current income taxes for the year are calculated on the basis of a realistic forecast of the tax charges to be paid under the relevant tax legislation. They are stated at their nominal amount in the balance sheet, net of payments on account and withholding taxes.

Deferred tax assets and liabilities are recognised on the temporary differences between assets' and liabilities' carrying amounts and tax bases determined in compliance with the tax legislation applicable. They are adjusted for changes in the tax rates if the related legislation has been enacted at the reporting date.

Deferred tax assets and liabilities are recorded under "Deferred tax assets" and "Deferred tax liabilities", respectively.

Use of estimates

The preparation of financial statements requires management to make estimates that affect the carrying amount of assets and liabilities and the related disclosures. Actual results may differ. Estimates are revised regularly and the effect of any changes, if not due to errors, are recognised in the profit and loss account when the estimates are changed, if they affect just one year, and also in the following years, if they affect both the current and subsequent years.

Post-balance sheet events

These events modify conditions existing at the reporting date. They require adjustments to the carrying amounts of recognised assets and liabilities in accordance with the relevant accounting policy. They are recognised on an accruals basis to present their reporting-date effect on the company's financial position and financial performance.

The post-balance sheet events that modify situations existing at the reporting date but do not require adjustments to the carrying amounts under the relevant accounting policy as they relate to the subsequent year are not recognised but are disclosed in the notes if necessary to give a more complete view of the company's position.

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The date within which an event shall be considered a post-balance sheet event is the date on which the directors prepare the draft financial statements, unless events that take place during the period from such date to the date on which the financial statements are expected to be approved by the quotaholders have a significant impact on the financial statements.

Other information

In preparing these financial statements, the company complied with the principles and recommendations of the Italian Accounting Standard Setter (OIC). Where these are silent, reference was made to the generally accepted international standards (the IFRS and US GAAP) for the purposes of giving a true and fair view of the company's financial position, financial performance and cash flows.

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Notes to the financial statements, assets

Changes in the individual balance sheet items are analysed in detail below.

Fixed assets

Intangible fixed assets

Changes in intangible fixed assets

After amortisation for the year of €2,761,033, intangible fixed assets amounted to €23,435,751.

The table below shows the changes in these assets.

	Industrial patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Goodwill	Other	Total
Opening balance					
Cost	-	20,345,219	16,533,682	18,501,463	55380,364
Amortisation (accumulated amortisation)	-	5,511,446	10,821,604	16,041,896	32374,546
Write-downs	-	-	-	21,362	21,362
Carrying amount	-	14,833,773	5,712,078	2,436,205	22984,056
Changes					
Acquisitions	1,360,430	1,012,445		839,853	3212,728
Amortisation	272,086	1,225,406	635,205	628,335	2761,033
Total changes	1,088,344	(212,961)	(635,205)	211,517	451,695
Closing balance					
Cost	1,360,430	21,357,664	16,533,682	19,341,316	58593,092
Amortisation (accumulated amortisation)	272,086	6,736,852	11,456,809	16,770,232	35135,979
Write-downs	-	-	-	21,362	21,362
Carrying amount	1,088,344	14,620,812	5,076,873	2,549,722	23435,751

The increases during the year mainly relate to:

- industrial patent and intellectual property rights: the increase was mainly due to the acquisition of an intellectual property right related to the business in India which will generate future cash flows;
- trademarks: the balance mainly relates to the acquisition of the TA GAS trademark from the Argentine subsidiary;
- other: the increase was chiefly related to improvements to the facilities (owned by third parties) where the company operates.

The financial performance of the company and its subsidiaries (Westport Fuel Systems Italia Group) in 2025 was decidedly positive, confirming a satisfactory operating profitability in continuity with the previous year. Future expectations point to further improvements and growth in both business volumes and profitability, and therefore, all things considered, there are no indicators of impairment.

Other

Other intangible assets amount to €2,649,722.

		Opening balance	Changes	Closing balance
	Leasehold improvements	2,311,856	-17,926	2,293,930
	Software	145,011	232,143	377,154
	Deferred costs	2,700	-2,700	-
	Accumulated write-downs of leasehold improvements	-21,362	-	-21,362
Total		2,438,205	211,517	2,649,722

Tangible fixed assets

Changes in tangible fixed assets

Tangible fixed assets total €19,608,740 (31 December 2024: €21,222,721).

The table below shows the changes in these assets.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Opening balance						
Cost	1,214,324	59,252,624	23,186,327	9,140,813	2,676,358	95,470,446
Depreciation (accumulated depreciation)	10,634	45,014,604	20,379,359	7,506,911	-	72,911,508
Write-downs	585,552	479,717	19,709	251,239	-	1,336,217
Carrying amount	618,138	13,758,303	2,787,259	1,382,663	2,676,358	21,222,721
Changes						
Acquisitions		3,856,245	255,082	527,663	354,083	4,993,073
Reclassifications (of the carrying amount)	-	1,873,451	802,907	-	(2,676,358)	-
Sales and disposals (decreases in the carrying amount)	-	1,839,143	840,260	295,761	-	2,975,184
Depreciation	2,363	2,066,540	972,179	477,102		3,518,184
Write-downs	-	63,600		-	-	63,600
Total changes	*(2,363)*	*1,710,307*	*(754,450)*	*(245,200)*	*(2,322,275)*	*(1,613,981)*
Closing balance						
Cost	1,214,324	62,172,744	22,249,961	9,215,554	354,083	97,438,349
Depreciation (accumulated depreciation)	12,997	46,110,318	20,197,443	7,826,850	-	76,429,792
Write-downs	585,552	543,317	19,709	251,239	-	1,399,817
Carrying amount	615,775	15,468,610	2,032,809	1,137,463	354,083	19,608,740

The acquisitions of the year were mostly linked to investments to increase the company's production capacity. Specifically:

- machinery and equipment given the expected volume increase for LPG systems, also as a result of the project with a leading global OEM manufacturer customer (volumes increased in 2024 and 2025 and are expected to increase further in 2026);
- major investments related to production departments that assemble electronic boards that will be used both under the above-mentioned contract with one of the world's leading OEMs and in other markets and business lines;
- investments related to other assets.

The €3.0 million decrease is mainly a result of the sale of the hydrogen business unit finalised in July 2025.

The financial performance of the company and its subsidiaries (Westport Fuel Systems Italia Group) in 2025 was decidedly positive, confirming a satisfactory operating profitability in continuity with the previous year. Future expectations point to further improvements and growth in both business volumes and profitability, and therefore, all things considered, there are no indicators of impairment.

Other assets

Other assets amount to €1,137,465.

	Opening balance	Changes	Closing balance
Office furniture and fittings	289,442	(24,520)	264,922
Electronic office machinery	425,008	(92,473)	332,535
Vehicles	895,888	(122,030)	773,858
Light constructions	23,564	(6,176)	17,388
Accumulated write-downs	(251,239)	0	(251,239)
Total	1,382,663	(245,198)	1,137,465

Finance leases

The company entered into three finance leases for plants during the year; specifically:

- one with Sarda Leasing S.p.A. which expired on 30 September 2025 for an assembly and testing line: the asset was redeemed;
- one with Sarda Leasing S.p.A. which expired on 30 April 2025 for a warehouse: the asset was redeemed;
- one with Sarda Leasing S.p.A. which expired on 31 May 2025 for a numerical control machine for a pick and place plant: the asset was redeemed.

The liability method adopted to account for assets acquired under leases involves expensing the lease instalments paid and capitalising the purchase cost (equal to the redemption value) among tangible assets for assets redeemed by the company at the end of the lease term. The financial method would have entailed capitalising the assets and recognising the outstanding lease payments under liabilities, as well as expensing depreciation and the related interest cost on the outstanding payments.

Information on the finance leases is provided below pursuant to article 2427.1.22 of the Italian Civil Code.

	Amount
Total amount of leased assets at year end	1,702,019
Depreciation for the year	730,690
Interest cost for the year based on the effective interest rate	970
Present value of instalments not due at year end	0

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Financial fixed assets

Changes in equity investments, other securities and derivatives

The table below shows the changes in these assets

	Investments in subsidiaries	Investments in associates	Total equity investments	Derivatives
Opening balance				
Cost	54,249,409	213,576	54,462,985	243,484
Write-downs	35,413,027	-	35,413,027	-
Carrying amount	18,836,382	213,576	19,049,958	243,484
Changes				
Acquisitions	-	-	-	52,061
Sales and disposals (decrease in the carrying amount)	-	-	-	243,484
Total changes	-	-	-	(191,423)
Closing balance				
Cost	54,249,409	213,576	54,462,985	52,061
Write-downs	35,413,027	-	35,413,027	-
Carrying amount	18,836,382	213,576	19,049,958	52,061

The only change shown refers to the change in the fair value of interest rate swaps held by the company to hedge interest rate risks on its bank loans and borrowings.

Changes in financial receivables

The table below shows the changes in these assets

	Opening balance	Changes	Closing balance	Due after one year
From subsidiaries	-	-	-	-
From parents	-	11,403,154	11,403,154	11,403,154
From others	320,616	(105,000)	215,616	215,616
Total	**320,616**	**11,298,154**	**11,618,770**	**11,618,770**

Financial receivables from subsidiaries have a nil balance due to the accrual in prior years of a provision for bad debts amounting to €2,945,000 for the write-off of financial receivables from the subsidiary WMTM.

On the other hand, the increase in financial receivables from parents refers to a long-term interest-bearing loan granted to the parent (maturing on 1 September 2030).

Investments in subsidiaries

The following table shows investments in subsidiaries along with additional information required by article 2427 of the Italian Civil Code.

	City (if in Italy) or country	Tax code (for Italian companies)	Share capital (€)	Net profit (loss) for the previous year	Net equity (deficit) (€)	Investment (€)	Investment (%)	Carrying amount or corresponding receivable
WMTM LTDA	Brazil		1,959,460	100,372	-5,691,003	-5,691,003	99.99	0
TA GAS TECHNOLOGY SA	Argentina		8,103,632	1,462,406	274,361	-274,361	100.00	0
[illegible] BRC	India		4,793,175	5,458,332	-1,048,573	-1,048,363	99.98	0
OMVL ARGENTINA	Argentina		226,523	0	-43,217	-42,629	98.64	1,000
Westport Fuel Systems Netherlands BV	Netherlands		75,000	3,096,779	16,297,646	16,297,646	100.00	13,000,000
EMER Latinoamericana SA	Argentina		523,067	0	0	0	100.00	10
STAKO	Poland		12,629,080	1,973,444	14,131,638	14,131,638	100.00	5,835,371
Total								18,836,381

The company does not have any investments entailing unlimited liability.

Its equity investments are recognised at acquisition cost. They are long-term investments held in accordance with the company's business object. In addition, the equity investments' carrying amounts are presented net of any impairment losses. Pursuant to article 2426.3 of the Italian Civil Code, equity investments are stated net of any write-downs for impairment losses calculated as per OIC 21.31-41.

The company is not required to cover the losses of the Brazilian, Indian and Argentine subsidiaries with net deficits.

Lastly, the net profit for 2023 of the Indian subsidiary is attributable to the company's waiver of a receivable due from this subsidiary as part of the completion of the procedures necessary to wind it up. The receivables waived by WFS Italia had already been written down in previous years and the company will not incur any further costs related to the Indian subsidiary.

Investments in associates

The following table shows investments in associates along with additional information required by article 2427 of the Italian Civil Code.

	City (if in Italy) or country	Tax code (for Italian companies)	Share/ quota capital (€)	Net profit for the previous year	Net equity (€)	Investment (€)	Investment (%)	Carrying amount or corresponding receivable
IDEAS & MOTION S.r.l.	Alba (CN), Italy	03463530047	86,957	139,549	2,509,738	358,642	14.29	10,000
Minda Westport Technologies Ltd	India		605,000	3,678,195	11,987,427	2,876,985	24.00	203,576
Total								213,576

The Indian associate Minda Westport distributed a dividend of €329,977 to the company during the year.

Breakdown of financial receivables by geographical area

The following table shows a breakdown of financial receivables by geographical area.

	From parents	From others	Total financial receivables
Italy	-	215,616	215,616
Netherlands	11,403,154	-	11,403,154
Total	**11,403,154**	**215,616**	**11,618,770**

Financial fixed assets

The carrying amount of financial fixed assets does not exceed their fair value.

Current assets

Inventory

Goods are recognised in inventory on the date the risks and rewards associated with the assets are transferred. They include goods held in company warehouses, except for third party assets to which title has not been acquired (on approval, for processing or on deposit), company assets held by third parties (on approval, for processing or on deposit) and assets in transit for which the risks and rewards associated with the asset have already been transferred.

Inventory comes to €35,887,121 (31 December 2024: €42,451,100).

It may be analysed as follows.

	Opening balance	Changes	Closing balance
Raw materials, consumables and supplies	31,445,896	(7,707,800)	23,738,096
Finished goods	10,239,258	1,439,003	11,678,261
Payments on account	765,946	(295,182)	470,764
Total	42,451,100	(6,563,979)	35,887,121

The amounts shown in the above table are net of the provision for inventory write down of €5,551,597 related to raw materials (€4,252,736) and finished goods (€1,298,861).

The following changes during the year had a significant effect:

- the sale of the hydrogen business unit at the end of July 2025;
- the completion of the transfer of assets (and related inventory) as part of the sale of the HD OEM business unit in 2024 for which the company continued to provide services through a transition service agreement

The provision for inventory write-down due to obsolescence of raw materials underwent the following changes during the year:

Opening balance €5,581,623

Accrual €83,537

Utilisations -€1,412,424

Closing balance €4,252,736

The large utilisation during the year is mainly attributable to the scrapping of obsolete materials, as well as the transfer of the provision associated with the business unit sold during the year.

The provision for inventory write-down due to obsolescence of finished goods underwent the following changes during the year:

Opening balance €1,376,501

Accrual €136,367

Utilisations -€214,007

Closing balance €1,298,861

Here too the utilisation is attributable to scrapping goods as well as the transfer of the provision associated with the transferred business unit.

Current receivables

Changes in and due dates of current receivables

The following table provides information on changes in current receivables along with their due dates where relevant.

	Opening balance	Change	Closing balance	Due within one year	Due after one year
Trade receivables	42,451,540	(6,257,855)	36,193,685	36,193,685	-
From subsidiaries	1,374,698	(44,841)	1,329,857	1,329,857	-
From associates	2,549,692	(381,526)	2,168,166	2,168,166	-
From parents	9,115,603	(9,115,603)	-	-	-
From subsidiaries of parents	293,091	(293,091)		-	-
Tax receivables	4,537,896	5,754,684	10,292,580	10,292,580	-
Deferred tax assets	12,839,713	(3,716,402)	9,123,311	-	-
From others	1,202,692	(316,378)	886,314	328,627	557,687
Total	**74,274,915**	**(14,281,002)**	**59,993,913**	**50,312,915**	**557,687**

It should be noted that:

- the decrease in trade receivables reflects ordinary operations;
- the decrease in receivables from parents is due to the change of the parent which led to the settlement of the related outstanding receivables and there are no new trade receivables due from the current parent;
- the increase in tax receivables is related to an amount due from the Polish tax authorities arising from the company's normal business operations. €6.9 million was received in January 2026 thus bringing the balance of tax receivables back to historical levels (lower than at the end of 2025).

For the purposes of full disclosure, it should also be noted that there are no receivables due after more than five years.

Breakdown of receivables by geographical area

The following table shows a breakdown of receivables by geographical area.

	Trade receivables	From subsidiaries	From associates	Tax receivables	Deferred tax assets	From others	Total
Italy	17,620,929	-	31,039	2,711,718	9,123,311	886,314	30,373,311
Rest of Europe	13,289,668	770,598	-	7,580,862	-	-	21,641,128
United States	850,123	-	-	-	-	-	850,123
Canada	195,580	-	-	-	-	-	195,580
Rest of North America	235,007	-	-	-	-	-	235,007
Brazil	31,968	41,842	-	-	-	-	73,810
Rest of South America	693,076	517,417	-	-	-	-	1,210,493
Turkey	141,609						141,609
Rest of Middle East	132,284						132,284
China	195,261		-	-	-	-	195,261
India	1,193,970	-	2,137,127	-	-	-	3,331,097
Rest of Asia and Pacific	834,239	-	-	-	-	-	834,239
Africa	779,972	-					779,972
Total	**36,193,685**	**1,329,857**	**2,168,166**	**10,292,580**	**9,123,311**	**886,314**	**59,993,913**

Provisions for risks and bad debts

The provision for bad debts (customers) underwent the following changes during the year:

Opening balance	€3,395,695
Accrual	€779,952
Utilisations	-€779,001
Extraordinary transactions	€163,938
Closing balance	**€3,560,584**

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The provision for bad debts (subsidiaries) underwent the following changes during the year:

Opening balance	€11,620,603
Accrual	€802,231
Utilisations	-€6,714,793
Closing balance	**€5,708,041**

The large utilisation of the provision for bad debts (subsidiaries) during the year refers to the waiver of a receivable due from the Indian subsidiary Rohan BRC.

Current financial assets

Changes in current financial assets

The following table provides information on changes in current financial assets.

	Opening balance	Changes	Closing balance
Other equity investments	50,000		50,000
Other securities	467,997	(467,997)	-
Total	517,997	(467,997)	50,000

Current financial assets comprise the investment in Fondazione Ospedale Alba-Bra (€50,000). The company received due payment for the securities issued by the Argentine government which had been transferred to the company from its Argentine subsidiary to be used as payment for invoices issued prior to 2024 (specific means of payment for the repayment of invoices prior to 2024 provided for by the Argentine government included under other securities at 31 December 2024 for the amount due in 2025).

Liquid funds

The following table provides information on changes in liquid funds.

	Opening balance	Changes	Closing balance
Bank and postal accounts	16,111,089	(3,866,566)	12,244,523
Cheques on hand	446	35	481
Cash-in-hand and cash equivalents	16,520	1,245	17,765
Total	16,128,055	(3,865,286)	12,262,769

PG

Prepayments and accrued income

The following table provides information on changes in prepayments and accrued income.

	Opening balance	Change	Closing balance
Accrued income	101,553	576,126	677,679
Prepayments	1,528,646	(672,661)	855,985
Total	**1,630,199**	**(96,535)**	**1,533,664**

The following table shows the breakdown of these items as they appear in the balance sheet.

		31/12/2025
PREPAYMENTS AND ACCRUED INCOME		
	Accrued income	
	Grants related to income	627,679
	Electricity	50,000
	Prepayments	
	Rent	1,616
	Trade fairs	1,274
	Purchases of goods	47,540
	Bank charges and fees	170,213
	Maintenance	180,360
	Insurance	62,005
	SW support	235,146
	Cybersecurity fees and consultancy	81,979
	Consultancies	43,785
	Training	1,775
	Membership fees	1,500
	Advertising	6,500
	Car rental	15,292
	Total	**1,533,664**

Accrued income for grants related to income of €627,679 mainly refers to grants from the Sustainable Growth Fund for research and development activities.

Capitalised borrowing costs

All interest and other borrowing costs were fully expensed in the year. Pursuant to article 2427.1.8 of the Italian Civil Code, it is noted that there are no capitalised borrowing costs.

Write-downs for impairment losses on tangible and intangible assets

Pursuant to article 2427.3-bis of the Italian Civil Code, it is noted that the company recognised a net write down of tangible fixed assets of €63,600 during the year.

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Notes to the financial statements, liabilities and net equity

Changes in the individual balance sheet items are analysed in detail below when required by the ruling regulations

Net equity

Changes in net equity items

The following tables show changes in the individual net equity items during the year along with details of other reserves, if any.

	Opening balance	Allocation of the net profit for the previous year - Other allocations	Other changes - Decreases	Net profit for the year	Closing balance
Quota capital	2,400,000	-	-	-	2,400,000
Revaluation reserves	20,292,607	-	-	-	20,292,607
Legal reserve	780,000	-		-	780,000
Negative goodwill	1,152,463	-	-		1,152,463
Sundry other reserves	-	-	-		-
Total other reserves	1,152,463	-	-		1,152,463
Hedging reserve	59,507	-	91,126	-	(31,619)
Retained earnings	65,916,897	3,202,086	-	-	69,118,983
Net profit for the year	3,202,086	(3,202,086)	-	6,219,655	6,219,655
Total	93,803,560	-	91,126	6,219,655	99,932,089

For a better understanding of the changes in net equity, the changes of the previous year are set out below.

	Opening balance	Allocation of the net profit for the previous year - Other allocations	Other changes - Decreases	Net profit for the year	Closing balance
Quota capital	2,400,000	-	-		2,400,000
Revaluation reserves	20,292,607	-		-	20,292,607
Legal reserve	780,000	-	-	-	780,000
Negative goodwill	1,152,463	-	-		1,152,463
Sundry other reserves	-		-	-	-
Total other reserves	1,152,463	-	-		1,152,463
Hedging reserve	564,741	-	505,234	-	59,507
Retained earnings	64,578,214	1,338,683		-	65,916,897
Net profit for the year	1,338,683	(1,338,683)		3,202,086	3,202,086
Total	**91,106,708**	**-**	**505,234**	**3,202,086**	**93,803,560**

Availability and utilisation of net equity

The following tables show a breakdown of net equity items, specifying their origin, possibility of utilisation and distributability, as well as their utilisation in the previous three years.

	Amount	Origin/nature	Possible use	Available portion
Quota capital	2,400,000	Equity-related		0
Revaluation reserves	20,292,607	Equity-related	A;B	20,292,607
Legal reserve	780,000	Income-related	B	780,000
Negative goodwill	1,152,463	Equity-related	A;B;C	1,152,463
Total other reserves	1,152,463	Equity-related	A;B;C	1,152,463
Hedging reserve	(31,619)	Income-related		(31,619)
Retained earnings	69,118,983	Income-related	A;B;C	69,118,983
Total	**93,712,434**			**91,312,434**
Non-distributable portion				21,040,988
Residual distributable portion				70,271,446
	Key: A: capital increases; B: to cover losses; C: dividends; D: other statutory requirements; E: other			

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Some of the company's loan agreements provide for financial covenants linked to the company's key financial and equity indicators which establish a ban on paying dividends to quotaholders until the loans have been repaid.

Changes in the hedging reserve

Pursuant to article 2427-bis.1b-quater of the Italian Civil Code, the following table shows changes in the fair value reserves during the year.

	Opening balance	Decreases due to changes in fair value	Closing balance
Hedging reserve	59,507	91,126	(31,619)

In accordance with the provisions of article 2426.1.11-bis of the Italian Civil Code, derivatives (in this case interest rate swaps) are recognised at their fair value.
This is the mark-to-market amount, i.e., the fair value of the amounts due at the measurement date (31 December 2025) until the contractual expiry date, calculated by Unicredit S.p.A. and Deutsche Bank based on the current market conditions at the measurement date using pricing models commonly used by professional brokers. No adjustments were necessary. The reserve is recognised net of the related tax effect (deferred tax liabilities of €18,792 and deferred tax assets of €9,985 at the start and end of the year, respectively).

Revaluation reserves

In the absence of justified expectations that the positive revaluation balance will be allocated to the quotaholder, no distribution was made in 2020 by paying the 10% substitute tax and no deferred taxes were recognised.
A breakdown of the revaluation reserves is provided in the following table.

	Opening balance	To cover losses	Other changes	Closing balance
Law no. 342/2000	797,940	0	0	797,940
Other revaluations				
Other	19,494,667	0	0	19,494,667
Total other revaluations	19,494,667	0	0	19,494,667
Total revaluation reserves	20,292,607	0	0	20,292,607

Provisions for risks and charges

The following table provides information on changes in provisions for risks and charges.

	Opening balance	Accruals	Utilisations	Total changes	Closing balance
Tax provision, including deferred tax liabilities	325,235	52,127	-	52,127	377,362
Derivatives	165,185	93,664	165,185	(71,521)	93,664
Other provisions	5,034,050	2,081,114	3,236,928	(1,155,814)	3,878,236
Total	**5,524,470**	**2,226,905**	**3,402,113**	**(1,175,208)**	**4,349,262**

Reference should be made to the note to income taxes, current and deferred for details on changes in the tax provision including deferred tax liabilities.

Other provisions

Other provisions comprise the provision for warranties (€3,637,984) and other provisions for risks (€240,252).

The provision for warranties decreased significantly during the year from €4,771,507 to €3,637,984. This €1,133,523 reduction is the sum of:

- accruals of €1,935,764, almost entirely due to accruals made on the basis of historical figures (there are no new specific positions of a significant amount);
- utilisations of €1,984,609 related to ordinary operations;
- utilisations of €983,073 related to the sale of a business unit;
- further non-significant changes related to exchange rate differences linked to a specific provision.

The other provisions for risks did not change significantly during the year (down €22,291 from €262,543 to €240,252).

Employees' leaving entitlement

The following table provides information on changes in employees' leaving entitlement.

	Opening balance	Accruals	Utilisations	Total changes	Closing balance
EMPLOYEES' LEAVING ENTITLEMENT	2,693,600	1,919,893	2,223,105	(303,212)	2,390,388
Total	**2,693,600**	**1,919,893**	**2,223,105**	**(303,212)**	**2,390,388**

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The accrual for the year is recognised in the profit and loss account, while utilisations refer mainly (but not exclusively) to periodic payments made to the relevant social security institutions.

Payables

Changes in and due dates of payables

The following table provides information on changes in payables along with their due dates where relevant.

	Opening balance	Change	Closing balance	Due within one year	Due after one year
Bank loans and borrowings	23,286,274	(9,542,387)	13,743,887	6,893,990	6,849,897
Payments on account	3,790,672	(2,592)	3,788,080	3,788,080	-
Trade payables	43,088,326	(5,828,719)	37,259,607	37,259,607	-
Payable to subsidiaries	8,016,725	798,868	8,815,593	8,815,593	-
Payables to associates	47,040	(29,244)	17,796	17,796	-
Payables to parents	4,749,538	(3,990,405)	759,133	759,133	-
Payables to subsidiaries of parents	91,627	(91,627)	-	-	-
Tax payables	1,883,662	(224,559)	1,659,103	1,659,103	-
Social security charges payable	2,504,786	(32,675)	2,472,111	2,472,111	-
Other payables	7,194,978	(590,597)	6,604,381	6,604,381	-
Total	**94,653,628**	**(19,533,937)**	**75,119,691**	**68,269,794**	**6,849,897**

There are no payables due after five years.

Bank loans and borrowings

Bank loans and borrowings are comprised of residual amounts due regarding the following loans:

- a loan of an original amount of €15,000,000, granted by Unicredit on 17 July 2020, maturing on 30 June 2026 and bearing variable interest at 1.75% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%.
- a loan of an original amount of €7,000,000, granted by Deutsche Bank on 10 August 2020, maturing on 30 June 2026 and bearing variable interest at 1.70% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%.
- a loan of an original amount of €7,500,000, granted by Unicredit on 29 April 2021, maturing on 31 March 2027 and bearing variable interest at 1.65% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000 granted by Deutsche Bank on 5 December 2023, maturing on 30 September 2029 and bearing variable interest at 1.90% + 3-month Euribor 360, this latter rate was set at 3.84%;

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- a loan of an original amount of €3,500,000, granted by Unicredit on 10 January 2024, maturing on 31 December 2028 and bearing variable interest at 1.52% + 3-month Euribor 360. The 3-month Euribor 360 was set at 2.43%;
- a loan of an original amount of €2,000,000, granted by Banca di Credito Cooperativo di Cherasco on 28 November 2023, maturing on 31 December 2028 and bearing variable interest at 1.75% + 3-month Euribor 360.

Some of the loan agreements provide for financial covenants linked to the company's key financial and equity indicators. The company has complied with such covenants at the reporting date. These covenants establish a ban on paying dividends to quotaholders until the loans have been repaid.

Reference should be made to the note to derivatives for disclosures about the derivatives entered into in connection with those loans.

Other payables

A breakdown of other payables is provided in the following table.

		31/12/2025
Other payables		
	Trade union withholdings	7,597
	Withholdings from third parties	9,675
	Credit card charges and other payment systems	23,734
	Sundry payables to third parties	625,175
	Wages and salaries	4,323,536
	Deferred wages and salaries	1,614,660
	Total	**6,604,393**

Breakdown of payables by geographical area

The following table shows a breakdown of payables by geographical area.

	Bank loans and borrowings	Payments on account	Trade payables	Payables to subsidiaries	Payables to associates	Payables to parents	Tax payables	Social security charges payable	Other payables	Payables
Italy	19,745,887	24,672	24,379,600	-	-	-	1,659,204	2,472,313	6,604,482	58,884,757
Rest of Europe	-	1,594,764	2,394,373	8,779,568	-	755,144	-	-	-	13,521,707

	Bank loans and borrowings	Payments on account	Trade payables	Payables to subsidiaries	Payables to associates	Payables to parents	Tax payables	Social security charges payable	Other payables	Payables
United States	-	-	629,247		-	-	-	-		629,247
Canada	-	45	111,019	-	-	-	-	-	-	111,064
Rest of North America		3,954	-	-	-	-	-	-	-	3,954
Brazil	-	-	-	41,842			-	-	-	41,842
Rest of South America	-	97,084	6,852	184	-	-	-			104,120
Turkey	-	8,277	64,266	-	-	-	-	-	-	72,543
Rest of Middle East	-	-	3,239		-	-	-	-	-	3,239
China	-	-	-	-	-			-	-	-
India	-	-	-	-	17,796	-	-	-	-	17,796
Rest of Asia and Pacific	-	939,216	58,071	-	-	-			-	997,287
Africa		1,020,046	23,915	-	-	-	-	-	-	1,043,953
Total	**13,743,687**	**3,788,080**	**37,259,607**	**8,815,594**	**17,796**	**759,133**	**1,659,103**	**2,472,111**	**6,604,382**	**75,119,693**

Payables secured by collateral on company assets

Pursuant to article 2427.1.6 of the Italian Civil Code, it is noted that there are no payables secured by collateral on company assets.

Quotaholder loans

The company did not receive any loans from quotaholders.

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Accrued expenses and deferred income

The following table provides information on changes in accrued expenses and deferred income.

	Opening balance	Change	Closing balance
Accrued expenses	92,071	(65,583)	26,488
Deferred income	2,055,771	(380,943)	1,674,828
Total	**2,147,842**	**(446,526)**	**1,701,316**

The following table shows the breakdown of these items as they appear in the balance sheet.

		31/12/2025
ACCRUED EXPENSES AND DEFERRED INCOME		
	Accrued expenses	
	Bank charges and fees	3,196
	Bank interest expense	4,996
	Insurance	18,296
	Deferred income	
	Racing revenues	60,000
	Tax credits for capital goods	1,614,828
	Total	**1,701,316**

The tax credits for capital goods (€1,614,828) will be deferred over multiple years in line with the useful life of the underlying capital goods.

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Notes to the financial statements, profit and loss account

Production revenues

Breakdown of turnover from sales and services by business area

A breakdown of turnover from sales and services by business area is provided in the table below.

	2025	2024
Aftermarket	63,388,522	66,594,970
OEM/DOEM	126,773,313	93,289,507
Electronics	31,498,427	34,240,611
Hydrogen	4,377,391	7,851,452
Racing	4,252,458	3,740,016
Total	**230,290,111**	**205,716,656**

Breakdown of turnover from sales and services by geographical area

A breakdown of turnover from sales and services by geographical area is provided in the table below.

	2025	2024
Italy	91,141,595	83,604,655
Rest of Europe	83,944,815	65,220,019
United States	2,747,092	2,201,383
Canada	9,042,280	14,785,998
Rest of North America	5,727,866	3,458,967
Argentina	1,347,674	1,844,512
Brazil	184,049	170,669
Rest of South America	3,495,424	3,586,709
Thailand	270,782	504,321
Rest of Middle East	4,505,590	1,149,027
China	3,084,079	3,258,915
India	6,647,342	7,548,607
Turkey	7,689,254	6,835,770

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	2025	2024
Australia	39,979	237,705
Rest of Asia and Pacific	5,375,267	5,475,601
Africa	9,038,079	6,418,357
Total	**230,290,111**	**205,736,656**

Other revenues and income

They may be analysed as follows:

	2024	Change	2025
Grants related to income	623,977	(47,910)	576,067
Other			
Insurance reimbursements	408,172	(335,425)	72,747
Non-financial gains	437,714	(293,906)	143,808
Prior year and unrecorded income	147,138	(120,579)	26,559
Other revenues and income	244,117	11,675	255,792
Total other	1,237,141	(738,235)	498,906
Total	1,861,118	(786,145)	1,074,973

The decrease in insurance reimbursements is related to lower warranty costs incurred during the year which, in turn, generated smaller possibilities of receiving insurance compensation.

Non-financial gains were higher in 2024 as a result of the gain realised on the sale of the HD OEM business unit during that year.

Production cost

Raw materials, consumables, supplies and goods

They may be analysed as follows:

	2024	Change	2025
Raw materials	119,541,097	11,535,005	131,076,102
Consumables	2,977,383	(881,425)	2,095,958
Packaging	548,074	(25,167)	522,907
Advertising materials	166,767	398	167,165
Customs duty on purchases	261,667	11,161	272,828
Assets with a unit cost lower than €516.46	82,914	(37,845)	45,069
Other	101,859	(8,214)	93,645
Total	123,679,751	10,593,913	134,273,664

The increase in purchases of raw materials correlates with the rise in business volumes. This increase in costs is even more pronounced considering that inventory decreased, as can be seen in the change in raw materials, consumables, supplies and goods.

Services

They may be analysed as follows:

	2024	Change	2025
Transport	4,976,383	(163,648)	4,812,735
Outsourced processing	3,961,368	(50,601)	3,910,767
Electricity	1,239,238	30,175	1,269,413
Consultancies	8,295,840	(1,719,020)	6,576,820
Other utilities	507,156	12,147	519,303
Maintenance and repair	1,268,214	228,301	1,496,515
Technical services and consultancies	1,083,236	(23,654)	1,059,582
Services related to the Racing business	1,469,556	486,456	1,956,012
Commissions	193,936	134,241	328,177
IT fees	650,716	532,022	1,182,738
Services related to personnel	1,319,534	176,073	1,495,607
Insurance	1,024,162	154,101	1,178,263
Travel and transfers	558,787	(29,149)	529,638
Services related to cars and vehicles	398,469	(29,543)	368,926
Other	1,965,971	(163,252)	1,802,719
Total	**28,912,565**	**(425,350)**	**28,487,215**

The decrease in costs for services is mainly due to less resort to consultancy services.

Use of third party assets

They may be analysed as follows.

	2024	Change	2025
Rent and leases	2,172,870	23,767	2,196,637
Leases of movable assets	398,426	(215,807)	182,619
Other	641,698	87,088	728,786
Total	3,212,994	(104,952)	3,108,042

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Personnel expenses

They may be analysed as follows:

	2024	Change	2025
Wages and salaries	30,224,982	(572,057)	29,652,925
Social security contributions	8,802,177	(268,406)	8,533,771
Employees' leaving entitlement	2,035,569	(115,676)	1,919,893
Other costs	3,970,799	830,406	4,801,205
Total	**45,033,527**	**(125,733)**	**44,907,794**

Personnel expenses remained unchanged thanks to actions to improve efficiency that enabled the company to absorb the increase in direct labour needed to deal with the greater business volumes.

Amortisation, depreciation and write-downs

The changes during the year and the related costs can be found in the notes to the following captions:

- depreciation, amortisation and write-downs of assets: details provided with reference to changes in intangible and tangible fixed assets;
- write-downs of current receivables and liquid funds: changes in and details of write-downs provided in the information on current receivables.

Provisions for risks and other provisions

Reference should be made to the note to provisions for risks and charges.

Other operating costs

They may be analysed as follows.

	2024	Change	2025
Stamp duty	686	1,476	2,162
Subscriptions to newspapers, journals, etc.	171,368	(2,701)	168,667
Prior year expense and unrecorded losses	120,169	(8,120)	112,049
Non-financial losses	52,104	199,044	251,148
Sundry operating costs	204,851	743,638	948,489
Total	**549,178**	**933,337**	**1,482,515**

The increase in other operating costs is mainly due to the penalties incurred by the company due to the cancellation of certain orders regarding specific projects.

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Financial income and charges

Financial income and charges are recognised on an accruals basis

Breakdown of income from equity investments

Dividends are recognised in the year in which their distribution is approved

Pursuant to article 2427.1.11 of the Italian Civil Code, it is noted that the company received the following income from equity investments recognised in caption C15 of the profit and loss account:

- dividends from the subsidiary Stako (€5,000,000);
- dividends from the Indian associate Minda Westport Technologies LTD (€329,977).

Breakdown of interest and other financial charges by type of payable

The following table provides a breakdown of interest and other financial charges, as per article 2425.17 of the Italian Civil Code, related to bonds, bank loans and borrowings and other items.

	Bank loans and borrowings	Other	Total
Interest and other financial charges	885,567	32	885,599

Exchange rate gains and losses

The following table provides a breakdown of realised and unrealised exchange rate gains or losses.

	Carrying amount	Unrealised	Realised
Net exchange rate losses	*(173,826)*		
Exchange rate gains		33,261	789,331
Exchange rate losses		-	996,419
Net exchange rate gains (losses)		**33,261**	**(207,088)**

Amount and nature of individual revenue/cost items of an exceptional amount or impact

No revenues or other income items of an exceptional amount or impact were recognised during the year.

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No cost items of an exceptional amount or impact were recognised during the year.

Income taxes, current and deferred

The company accrued taxes for the year on the basis of current tax regulations. Current income taxes refer to taxes pertaining to the year as reported in tax returns. Taxes relative to prior years include direct taxes for previous years, including interest and penalties, and also refer to the positive (or negative) difference between the amount due and accrual set aside in previous years. Finally, deferred taxes refer to income or expenses which are taxable or deductible respectively in years other than those in which they are recognised.

Change in deferred tax assets and liabilities

This item includes the impact of deferred taxation on these financial statements. This is attributable to temporary differences between the carrying amounts and tax bases of assets or liabilities.
The company calculated deferred taxation for IRES (corporate income tax) and IRAP (regional tax on production activities).
The deferred tax assets and liabilities were calculated using the following rates:

Tax	Rate
IRES	24%
IRAP	3.9%

The following tables provide:
- a description of temporary differences that led to the recognition of deferred tax assets and liabilities, specifying the rate applied and the changes compared to the previous year, the amounts taken to the profit and loss account or to net equity;
- the amount of deferred tax assets recognised in the financial statements pertaining to losses for the year or previous years and the amount of taxes not yet recognised and the reasons therefor;
- the items excluded from the calculation and the reasons therefor.
Deferred tax assets include the substitute tax paid for the alignment of carrying amounts and tax bases as mentioned above (€257,925).

Recognition of deferred tax assets and liabilities and the tax effects

	IRES	IRAP
A) Temporary differences		
Total deductible temporary differences	34,705,596	20,333,615
Total taxable temporary differences	1,376,871	1,202,923
Net temporary differences	(33,332,725)	(19,130,692)
B) Tax effects		
Opening net deferred tax assets	(11,680,847)	(833,631)
Change in the year	3,680,995	87,534
Closing net deferred tax assets	(7,999,852)	(746,097)

Deductible temporary differences

	Opening balance	Change in the year	Closing balance	IRES rate	IRES tax effect	IRAP rate	IRAP tax effect
Provision for inventory write-downs	7,113,007	(1,406,527)	5,706,480	24.00	1,369,555	3.90	207,678
Provision for risks and charges	5,187,051	(1,403,517)	3,783,534	24.00	908,048	3.90	141,882
Write-downs of fixed assets	4,330,380	(2,897,000)	1,433,380	24.00	344,011	-	-
Employee bonuses	284,590	(284,590)	-	24.00	-	-	-
Non deductible amortisation and depreciation	7,241,237	823,695	8,064,932	24.00	1,935,584	3.90	294,472
Tax losses	10,111,844	(2,478,405)	7,633,439	24.00	1,832,025		-
Write-downs of receivables	10,336,847	(7,185,290)	3,151,557	24.00	756,374		-
Derivatives	-	41,603	41,603	24.00	9,985		-
Substitute tax	1,098,571	(23,883)	1,074,688	24.00	257,925	-	-
Other increases	4,157,646	(347,675)	3,819,371	24.00	916,793	3.90	146,979
Total	49,871,173	(15,161,589)	34,705,584	24.00	8,330,300	3.90	793,511

Taxable temporary differences

	Opening balance	Change in the year	Closing balance	IRES rate	IRES tax effect	IRAP rate	IRAP tax effect
Amortisation and depreciation	173,964	-	173,964	24.00	41,751	-	-
Derivatives	78,299	(78,299)	-	24.00	-	-	-
Trademarks	948,718	254,190	1,202,908	24.00	288,698	3.90	46,914
Total	1,200,981	175,891	1,376,872	24.00	330,449	3.90	46,914

With regard to deferred tax assets on tax losses, there were no indicators that could raise doubts as to their recoverability, given the positive tax base for 2025 and the positive outlook for the company in the coming years.

Reconciliation between the effective and theoretical tax charge

In accordance with the OIC, the following table provides a reconciliation between the effective and theoretical charge, separately for IRES and IRAP.

	IRES tax base	IRES	IRAP tax base	IRAP
Pre-tax profit	10,771,905	0	0	0
Production revenues - carrying amount	0	0	15,358,668	0
Fiscally-driven temporary increases	1,209,688	0	-1,110,930	0
Permanent increases	2,131,960	0	1,325,896	0
Fiscally-driven temporary decreases	-4,277,490	0	-3,069,288	0
Permanent decreases	-6,738,057	0	480,135	0
Deductions	2,478,405	0	0.00	0
Current taxes	0	148,704	0	506,395
Deferred tax assets at current year end	0	1,270,084	0	77,620.00
Deferred tax liabilities at current year end	0	61,005	0	9,914
Other adjustments	0	2,425,579	0	0
Taxes relative to prior years	0	52,949	0	0
Total effective taxes	0	3,958,321	0	593,929

FG

Notes to the financial statements, cash flow statement

The company has prepared a cash flow statement, which reconciles changes in the company's net equity with changes in its financial position, highlighting the sources and applications of the company's funds during the year. In accordance with the provisions of OIC 10, the company prepared the cash flow statement using the indirect method whereby the cash flow is calculated by adjusting the net profit for the year for non-monetary components.

The company's liquid funds decreased by roughly €3.9 million in 2025.

Operating activities generated cash flows of about €17.0 million, mainly due to the company's operating results, combined with significant improvements in net working capital. The net operating working capital decreased by €7.2 million, as follows:

- trade receivables decreased by €11.0 million; receivables from third-party customers fell significantly mostly as a result of a better collection cut-off compared to the previous year and constant monitoring of the collection of receivables. There was a €6.7 million decrease in receivables from subsidiaries which had an impact on the €11.0 million improvement, although the net effect on the cash flow statement was zero. This referred to a waiver of a receivable by the company which was offset by a utilisation of the previously recognised provision for bad debts;
- inventory decreased by €4.6 million, mainly related to the sale of the remaining inventory related to the HD OEM business (business unit sold in 2024, activities continued in 2024 and 2025 through a transition service agreement, transfer of the business was completed in 2025 along with the inventory related to this business held at the company);
- trade payables decreased by €1.8 million. This decrease refers to payables to third-party suppliers, a consequence of normal operations and cut-off effects,
- other net working capital items increased by €6.1 million (negative impact), mainly related to some tax receivables that generated a significant temporary increase as they were collected in January 2026 (approximately €6.9 million collected) re-aligning the carrying amount with historical levels.

There was also a significant impact from the dividends received from the Polish subsidiary Stako (€5 million) and the Indian joint venture (€0.3 million).

Investing activities used cash flows of €11.3 million, as follows:

- €5 million granted to the parent as a long-term interest-bearing loan;
- €6.7 million related to the company's capital expenditure.

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With regard to investments and divestments, to supplement the information provided in the cash flow statement and the notes thereto, the long-term interest-bearing loan granted to the parent totals €11.2 million, broken down as follows:

- the aforementioned €5 million which required cash outflows presented as an investment in financial fixed assets in the cash flow statement;
- the sale of the hydrogen business unit to the former parent generated a receivable of €5.4 million. The related payable was transferred to the new parent as part of its agreements with the former parent. This receivable due to the company related to the sale of the business unit was then converted into a long-term interest-bearing loan granted to the parent. This transaction is reflected in the cash flow statement by showing the net effect, i.e., without presenting the sale of the business unit (which did not generate any cash flows) and any investment in financial fixed assets (the increase is generated for the above reasons rather than through cash flows);
- the acquisition of the Indian business unit from the former parent generated a payable of €2.0 million. The related receivable was transferred to the new parent as part of its agreements with the former parent. This payable for the company related to the acquisition of the business unit was subsequently converted into a smaller long-term interest-bearing loan granted to the parent (thus offsetting the aforementioned entry). This transaction is reflected in the cash flow statement by showing the net effect, i.e., without presenting the acquisition of the business unit (which did not generate any cash flows) and any investment/disinvestment in financial fixed assets (the decrease is generated for the above reasons rather than through cash flows);
- as part of the agreement between the current and former parents, the trade receivable and payable balances with the company were also transferred from the latter to the former. The net receivable amounted to €2.8 million and was subsequently converted into an additional interest bearing loan granted to the current parent. This transaction is reflected in the cash flow statement by showing the net effect, i.e., without recording any investment in financial fixed assets as the increase is generated by a decrease in net receivables rather than financial cash flows. Similarly, the change in the related trade receivables and payables was not shown as it was not generated by cash flows.

Financing activities used cash flows of €9.5 million due to payments made as per the regular repayment of loans as per the related agreements with banks.

Overall, the company's business generated cash flows and the management of net working capital also released additional resources, which were then used in investing and financing activities as detailed above.

Notes to the financial statements, other information

The other information required by the Italian Civil Code is set out below

Workforce

The following table shows the average number of employees, broken down by category and calculated on a daily average basis

	Managers	White collars	Blue collars	Total employees
2025 average	13	266	538	817
2024 average	13	277	461	771

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

The following table shows the information required by article 2427.16 of the Italian Civil Code, specifying that there are no advances or receivables and no commitments have been undertaken on behalf of the board of directors as a result of guarantees of any kind given

	Directors	Statutory auditors
Fees	11,559	43,263

Independent auditors' fees

The following table shows the fees of the independent auditors, broken down by type of services rendered.

	Amount
Total audit fees	100,000

As specified by article 2427.1.16-bis of the Italian Civil Code, in addition to the fees for the statutory audit of the annual financial statements, the above fees include the fees for other audit and non audit services provided by the independent auditors.

Categories of shares issued by the company

This note is not relevant since the company's capital is not made up of shares

Securities issued by the company

The company has not issued any securities or similar instruments falling under the provisions of article 2427.18 of the Italian Civil Code.

Other financial instruments issued by the company

The company has not issued other financial instruments pursuant to article 2346.6 of the Italian Civil Code

Off-balance sheet commitments, guarantees and contingent liabilities

Pursuant to article 2427.1.9 of the Italian Civil Code, it is noted that off-balance sheet commitments, guarantees and contingent liabilities are as follows:

sureties granted by the company in favour of foreign customers and public bodies: amounting to €20,000 (due on 31 December 2025) and with a total amount of USD317,741 (due in 2026).

Assets and loans earmarked for a specific business

Assets earmarked for a specific business

It is noted that there were no assets earmarked for a specific business as per article 2427.20 of the Italian Civil Code at the reporting date.

Loans earmarked for a specific business

It is noted that there were no loans earmarked for a specific business as per article 2427.21 of the Italian Civil Code at the reporting date.

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Related party transactions

The company carried out transactions with related parties during the year. As they were carried out on an arm's length basis, no additional information is provided in accordance with ruling regulations. Reference should be made to the relevant section of the directors' report.

Off-balance sheet agreements

There were no off-balance sheet agreements during the year.

Post-balance sheet events

With reference to significant events occurring after the end of the year, it should be noted that, as part of its activities aimed at developing the best possible financial situation to support its growth and ensure the availability of resources necessary to carry out its core business, the company:

- obtained a new loan of €7.5 million from Unicredit S.p.A. in January 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- obtained a new loan of €7.5 million from Gruppo Cassa Centrale Banca - Credito cooperativo italiano in March 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- settled its outstanding loans and borrowings with Deutsche Bank S.p.A. in March 2026.

On 25 February 2026, the company's board of directors approved a dividend of €20 million to be paid to the sole quotaholder Green Day Midco B.V.. In March 2026, €15 million had already been transferred to the sole quotaholder and the remainder is expected to be paid by the end of 2026.

Companies that prepare the financial statements of the largest/smallest group of companies to which the company belongs as a subsidiary

There are no cases referred to in article 2427.22-quinquies/sexies of the Italian Civil Code.

Information on derivatives pursuant to article 2427-bis of the Italian Civil Code

The following information is provided in compliance with article 2427-bis of the Italian Civil Code and in order to provide a true and fair representation of the company's commitments.

The company has several loan agreements for which it has entered into interest rate swaps (IRSs).

The loans in question are:

- a loan of an original amount of €15,000,000, granted by Unicredit on 17 July 2020, maturing on 30 June 2026 and bearing variable interest at 1.75% + 3-month Euribor 360. The 3 month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000, granted by Deutsche Bank on 10 August 2020, maturing on 30 June 2026 and bearing variable interest at 1.70% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,500,000, granted by Unicredit on 29 April 2021, maturing on 31 March 2027 and bearing variable interest at 1.65% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000 granted by Deutsche Bank on 5 December 2023, maturing on 30 September 2029 and bearing variable interest at 1.90% + 3-month Euribor 360, this latter rate was set at 2.84%;
- a loan of an original amount of €3,500,000, granted by Unicredit on 10 January 2024, maturing on 31 December 2028 and bearing variable interest at 1.52% + 3-month Euribor 360. The 3 month Euribor 360 was set at 2.93%.

As indicated in the foregoing and set out in the IRSs agreed by the company, the purpose of the swaps is to hold the interest rates stable throughout the loan repayment period. Accordingly, these swaps are hedges. Article 2426.1.11-bis of the Italian Civil Code deems hedges exist when there is a direct and documented correlation between the characteristics of the underlying transaction and the hedging instrument. Accordingly, at the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. The documentation must specify the hedging instrument, the underlying transaction, the nature of the hedged risk and how the entity will evaluate whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of the sources of hedge ineffectiveness and how it establishes the hedging relationship). This documentation is kept at the company's premises.

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An IRS provides for the exchange of one stream of interest payments for another between the counterparties (Unicredit and the company), calculated on the notional amount over the contract term, i.e., until the contractual expiry date. These exchanges are treated as the payment of interest.

At 31 December 2025, the fair value of the derivatives is a negative €41,602.54, as shown in the documentation provided by Unicredit S.p.A. and Deutsche Bank, as follows.

- Unicredit loan with a notional amount of €1,500,000.00: positive fair value of €11,316.48;
- Unicredit loan with a notional amount of €2,343,750.00: positive fair value of €35,445.04;
- Deutsche Bank loan with a notional amount of €700,000.00: positive fair value of €5,299.75.
- Unicredit loan with a notional amount of €2,625,000.00: negative fair value of €32,824.33;
- Deutsche Bank loan with a notional amount of €4,772,727.26: negative fair value of €60,839.48

This is the mark-to-market amount, i.e. the fair value of the amounts due at the measurement date (each 31 December) until the contractual expiry date, calculated based on the current market conditions at the measurement date using pricing models commonly used by professional brokers.

For reporting purposes, it was deemed important to show the amount of these derivatives as it is material, using the basis of preparation set out earlier in these notes. Moreover, they are also described in the directors' report to inform the users of the financial statements of the existence of interest rate hedges.

Key financial figures of the company that manages and coordinates the company

The company is managed and coordinated by Green Day Holding B.V..

Pursuant to article 2497-bis.4 of the Italian Civil Code, it is noted that there are no approved financial statements of the company that manages and coordinates the company currently available.

Disclosure pursuant to article 1.125 of Law no. 124 of 4 August 2017

Pursuant to article 1.125 of Law no. 124/2017, the subsidies, grants, paid engagements and economic benefits of any kind received in 2025 from public administrations and similar bodies as per such legislation are summarised below:

Exemption from paying social security contributions for new hirings/conversions into permanent contracts in the 2021-2022 two-year period (article 1.10-15 of Law no. 178/2020).

- Exemption from paying social security contributions for hiring young workers (article 1.10-15 of Law no. 178/2020 - article 1.297 of Law no. 197/2022).
- Benefits for energy-intensive enterprises.
- Fondimpresa grants for personnel training courses.
- Staff retention grant from Agenzia Piemonte Lavoro.

The amount and details of the individual grants are also available in the National Register of State Aid which may be consulted on the website of the Ministry for Economic Development.

Allocation of net profit or coverage of net loss

Dear quotaholders, in light of the above, the board of directors proposes that the net profit for the year of €6,219,655 be fully allocated to retained earnings, as the legal reserve has already reached the minimum required by law.

Information on the obligation to prepare consolidated financial statements

Westport Fuel Systems Italia S.r.l. prepares consolidated financial statements in compliance with Legislative decree no. 127/1991.

Notes to the financial statements, final part

We confirm that these financial statements, comprising the balance sheet, profit and loss account, cash flow statement and notes thereto, give a true and fair view of the company's financial position, financial performance and cash flows and match the accounting records. We therefore invite you to approve the draft financial statements as at and for the year ended 31 December 2025 together with the proposed allocation of the net profit for the year, as prepared by the board of directors.

The financial statements are true and faithful to the accounts.

Cherasco, 30 March 2026

On behalf of the board of directors

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

To the sole quotaholder of
Westport Fuel Systems Italia S.r.l.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Westport Fuel Systems Italia Group (the "group"), which comprise the balance sheet as at 31 December 2025, the profit and loss account and cash flow statement for the year then ended and notes thereto.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Westport Fuel Systems Italia Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

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 "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Westport Fuel Systems Italia S.r.l. in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Comparative figures

We draw attention to the "Comparative figures" section of the notes to the consolidated financial statements, where the directors state that, despite holding controlling investments, the group had not prepared consolidated financial statements as at and for the year ended 31 December 2024 under the exemption provided for by article 27.3/4 of Legislative decree no. 127/1991, as the ultimate parent, Westport Fuel Systems Italy S.r.l., prepared consolidated financial statements. In the same section, the directors specify that, for the purposes of a more effective presentation, the consolidated financial statements of Westport Fuel Systems Italia Group nevertheless presents comparative figures at 31 December 2024. The directors also state that these figures have not been audited or reviewed.

Our opinion is not qualified in this respect.

Responsibilities of the directors and the board of statutory auditors ("Collegio Sindacale") of Westport Fuel Systems Italia S.r.l. for the consolidated financial statements

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

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent Westport Fuel Systems Italia S.r.l. or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' 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 auditors' 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 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 ISA Italia, we exercise professional judgement and maintain professional scepticism 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 the 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 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 auditors' 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 auditors' 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 the appropriate level 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

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10

The directors of Westport Fuel Systems Italia S.r.l. are responsible for the preparation of the directors' report of Westport Fuel Systems Italia Group at 31 December 2025 and for the consistency of such report with the related consolidated financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report with the consolidated financial statements;
- express an opinion on the compliance of the directors' report with the applicable law;
- issue a statement of any material misstatements in the directors' report.

In our opinion, the directors' report is consistent with the consolidated financial statements of Westport Fuel Systems Italia Group at 31 December 2025.

Moreover, in our opinion, the directors' report has been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Turin, 24 April 2026

KPMG S.p.A.

(signed on the original)

Riccardo Zeni
Director of Audit

(Translation from the Italian original which remains the definitive version)

WESTPORT FUEL SYSTEMS ITALIA S.r.l.

Directors' report

Registered office in	CHERASCO
Tax code	00525960043
REA no.	CUNEO107283
VAT no.	00525960043
Quota capital	€2,400,000.00, fully paid up
Legal form	COMPANY LIMITED BY QUOTAS
Main business sector (ATECO)	293209
Company in liquidation	No
Single-member company	Yes
Company managed and coordinated by another party	Yes
Name of the company or body that manages and coordinates the company	Green Day Holding B.V.
Name of the parent	Green Day Midco B.V.

Amounts shown in Euros

Introduction

The consolidated financial statements of Westport Fuel Systems Italia Group (the "group") as at and for the year ended 31 December 2025 were prepared in compliance with the requirements of Legislative decree no. 127/1991, as subsequently amended, and the provisions of the Italian Civil Code governing the preparation of financial statements.

The financial statements of Westport Fuel Systems Italia S.r.l. (the "parent" or "WFS Italia") as at and for the year ended 31 December 2025 were prepared in accordance with article 2423 and following articles of the Italian Civil Code, interpreted in the context of and integrated by the reporting standards promulgated by the Italian Accounting Standard Setter (the "OIC").

This report was prepared pursuant to article 40 of Legislative decree no. 127/1991 and article 2428 of the Italian Civil Code.

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Management and coordination

In July 2025, the group structure changed, with specific reference to the ultimate parent. Westport Fuel Systems Italia S.r.l. was in fact sold to Green Day Holding B.V. ("Green Day Holding") by Westport Fuel Systems Italy S.r.l. (the previous parent, part of the listed Westport Fuel Systems Inc. group).

The new parent Green Day Holding B.V. is a financial holding company in turn controlled by Heliaca Investments Coöperatief UA, an investment company based in the Netherlands.

Again during 2025, Green Day Holding B.V. contributed its investment in Westport Fuel Systems Italia S.r.l. to the newco Green Day Midco B.V., which is thus the ultimate parent at year end.

The changes in the ownership structure that took place during the year did not change the parent's direction, objectives and focus. It continues to be a key player in its sector by developing and supplying quality and reliable components aimed at the use of alternative fuels and, more generally, the supply of components for the automotive sector.

The change of ultimate parent has not generated a change in the leadership team of the parent and the group for which these consolidated financial statements have been prepared. The senior management structure and the corporate organisation present within the facilities has remained in line with the previous one. The positions previously held and performed by personnel employed by the previous quotaholder were taken over by the new quotaholder or the related responsibilities were redistributed internally.

Therefore, the transition was seamless and did not substantially alter the group's objectives and vision.

From a formal point of view, therefore, it should be noted that:

- Westport Fuel Systems Italia S.r.l. is a wholly-owned subsidiary of Green Day Midco B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands;

- it is subject to the management and coordination of Green Day Holding B.V., based in Concertgebouwplein no. 5., Amsterdam, the Netherlands.

Results of operations

The group's net profit for the year came to €4,709,082, compared to a net profit for the previous year of €7,044,912.

Some key figures from the consolidated financial statements, which are useful for understanding the group's performance, are provided below.

	2025	2024	Variation
Production revenues	260,031,244	263,397,424	(1.28%)
Turnover from sales and services	258,052,473	260,648,790	(0.99%)
Operating profit (A-B)	10,940,368	9,656,664	+13.29%
Pre-tax profit	8,319,717	9,902,402	(15.98%)
Net profit for the year	4,709,082	7,044,912	(33.16%)

Details of the changes in the year will be provided in the section on the group's performance, but the key data in the table above already show a significant increase in the group's ability to generate income from operations during the year, compared to the previous year.

In fact, while turnover is stable, the operating profit increased by about 13% compared to the previous year, thanks in particular to an improvement in profitability coupled with cost-cutting activities which the group's management always focuses on.

On the other hand, the decrease in the pre-tax profit was primarily generated by items that are not strictly operating in nature, namely the negative effect of exchange rate losses. In particular, unrealised exchange rate losses had a particularly significant impact on the parent's Euro-denominated payables to consolidated companies (in particular to the Indian and the Argentine companies).

More details and analyses are provided later in this report, which will highlight even more clearly the positive trend in operations.

Performance

As envisaged on the basis of the group's plans, 2025 saw further growth, which pushed up business volumes related to the project started in 2024 with one of the world's leading OEMs. The increase in the project's volumes (also resulting from the 12 months of full activity for the project compared to its start in 2024), combined with constant oversight of overhead costs, allowed the group to achieve very positive and satisfactory results.

During 2025, the situation regarding supply chain and energy sources was, on the whole, stable or at least lacking the significant challenges and difficulties that had negatively characterised 2022 and 2023 (the energy crisis after Russia's invasion of Ukraine and shortages in the supply chain, in particular for the cheap goods needed for electronic components).

FG

Therefore, in a context that is essentially stable at production and supply chain level, the group was able to confirm its leadership position within the sector, attracting new business volumes and thus benefiting from a higher saturation of available resources. Indeed, the group and its management are always looking for possibilities to streamline and reduce costs or, in any case, to ideally saturate available resources by generating as much value as possible.

Despite this positive trend, the group works with the automotive sector that has grappled with continuous challenges and growing complexities for a long time now. While the group is ready to take these on, they need to be adequately addressed. It is for this reason that, despite the above-mentioned positive trends, careful and informed management is of fundamental importance, focused on responding as quickly as possible to stimuli coming from the market and the macroeconomic environment.

There is a growing global awareness of the need for more sustainable mobility and this topic is also the subject of constant debate between the various political forces. In this context, alternative fuels, including traditional LPG and methane (as well as hydrogen and biomethane), continue to play a key role. This situation and the generalised awareness of it provide several development pathways for the group, with its ready-to-go, reliable technology that can respond to both environmental needs (effectively helping curb emissions) and economic needs to which end consumers have always been very sensitive.

In this context, the group maintained a substantially stable level of revenues in 2025 at €258,062,473, compared to €260,648,798 in 2024 (-0.99% approximately). The slight decrease was also affected by the different business scope considering the business transfers that took place both in 2024 (HD OEM sale) and in 2025 (hydrogen sale, mentioned below), which generated a drop in turnover of about €3 million, whereas the existing business grew slightly.

Revenues increased markedly as a result of the contract signed with one of the world's leading OEMs and also due to further growth in volumes with other car manufacturers with which the group has been working for a longer period. On the other hand, the growth of these sales combined with those of "delivery mileage cars" was partially offset by a decrease in the aftermarket channel, which decreased significantly compared to 2024.

The core business operating profit (Operating profit (A-B) in the group's profit and loss account) increased from €9,656,664 to €10,940,388 in 2025. The €1,283,724 rise was mostly driven by the higher profitability along with the above-mentioned monitoring of costs.

In general, 2025 was a very positive year for the group and its companies: in fact, the results of the three main companies contributing to the consolidated financial statements (the Italian parent, the Dutch subsidiary and the Polish subsidiary) were very positive.

On the other hand, the Argentine subsidiary continues to encounter difficulties: the market is persistently very challenging and the local currency's instability (coupled with very high inflation) also significantly penalises the subsidiary's profitability. The deregulations implemented by the new government have, on the one hand, improved the situation in terms of freedom of action, while on the other hand, they have exacerbated the challenges and difficulties in the market. This generated the need for a major corporate restructuring that led to the Argentine subsidiary's workforce being reduced by 44 people compared to the end of 2024 when it had

72 employees. The transaction cost approximately €1.1 million and was aimed at adapting the subsidiary's size and fixed cost structure to its current market.

The following events had an impact on operations in 2025:

- at the end of July 2025, an agreement was signed with the former parent (Westport Fuel Systems Inc.) under which the assets and liabilities (sale of a business unit) related to the hydrogen business were transferred. Accordingly, as of August 2025, no more revenues have been reported for this business (as already mentioned, this is a factor of the change in the level of revenues);
- during 2024, the HD OEM business unit had been sold and a transition service agreement had been signed under which the group continued to provide services to the buyer. During 2025, the transfer of the business unit continued and was substantially finalised. At present, only a few limited services are provided under a service agreement for an immaterial amount.

As already described in previous year reports, the group has changed its approach to the Indian market over the last few years. The market is now essentially served through the joint venture Minda Westport Technologies LTD, in which the group holds a 24% interest (accounted for using the equity method; the remaining portion is held by the majority shareholder, Uno Minda). In 2025, Westport Fuel Systems Italia received a dividend of €0.3 million from Minda Westport Technologies LTD.

For the sake of completeness, it should also be noted that the profit and loss account for 2025 is affected (as was also the case for the previous year) by amortisation resulting from the recognition of gains in previous years: in 2025, this amortisation approximated €1.8 million (no significant change from the previous year).

All the complexities and challenges deriving from the above-mentioned factors, the group's sector and markets (be they existing or the increasingly important emerging markets) have been taken on board by management, who work day in, day out to respond to these challenges and to set a course for the group.

The clear objective underpinning all decisions is to continue the optimisation of the group's results and related processes, improving costs, procedures, efficiency and the competitiveness of its products.

Research and development activities continued with a view to developing cutting-edge systems and products compliant with the stringent new legislation governing vehicle emissions, catering to both the group's more traditional aftermarket customers, as well as the more technical OEM and DOEM customers that are increasingly demanding in terms of quality.

ANALYSIS OF KEY MARKETS AND BUSINESS LINES

The business lines and trends of the main geographical areas in which the group operates are analysed below, taking into consideration that already discussed in regards to the pandemic and international tensions.

DOEM

DOEM (Delayed OEM) activities, carried out mainly at the Cherasco site while part of the activities was relocated to the Brescia site in 2025 (the impact in 2025 was marginal) following assessments to optimise production capacity and resource allocation, increased by 24% during 2025.

The significant increase can be attributed to two main factors:

- there was a reduction of 11% in these activities in 2024 in comparison to the previous year, mostly due to a customer that had recorded a slowdown in business volumes in the first half of 2024: its recovery in the second half of 2024 continued in 2025 and the customer thus contributed positively to the increase in turnover;
- significant partnerships also started with new customers, in particular Chinese manufacturers, in 2025, which also pushed up business volumes.

Ties with the main customers have remained very strong as can be seen from the long-standing commercial relationships with car manufacturers and importers. This is aided by the group's exclusive know-how which enables it to provide customers with a turnkey service, low investment costs and a rapid vehicle development, validation and authorisation process.

The key drivers of the business unit's growth are the product and service quality, as well as the rising demand for vehicles with low environmental impact and low running costs.

LD OEM

The LD (Light Duty) OEM business unit achieved a very significant increase in business volumes in 2025 (+20% approximately on 2024, which had already seen an equally important increase compared to 2023) due to the further growth of the project for a major contract with one of the world's leading OEMs.

Conversely, the remaining customers saw a generalised decrease in business volumes (already seen in previous years) as a result of increasingly limited transactions with some large manufacturers.

This business and the further increases in business volumes expected with reference to the above-mentioned major contract represent one of the main keys to the company's future.

AFTERMARKET

The group's aftermarket business unit recorded a decrease of about 15% compared to 2024 mostly caused by reduced demand in some of the markets that had historically contributed to the growth of the business, only partly offset by growth in emerging markets. However, it was still the business unit with the highest amount of revenue in 2025.

The technologies proposed by the group continue to see some interest from the market, but there has been a gradual change in approach by the end consumer, particularly in traditional markets. Compared to previous years, the end consumer, in fact, tends to favour "factory" solutions (i.e., installation of alternative fuel systems before the vehicles are sold to the end consumer) rather than purchasing the vehicle and subsequently converting it.

Possible incentives by local governments may of course also generate additional demand while waiting for new incentives may temporally postpone demand.

Net of the macro-trends it is however worth mentioning that the aftermarket business continues to be a key business line for the group and one on which it relies heavily for the future, both in view of its high impact on revenue generation (the aftermarket market continues to account for about one-third of the group's total turnover) and an average higher profitability than other business lines.

ITALY

Italy continues to be one of the most important markets and is fundamental for the aftermarket business and the group given that it makes up roughly one fifth of its turnover.

These results are possible thanks to the group's longstanding knowledge of the LPG product market, as well as its leading position in the market, also with respect to new direct injection technologies.

As mentioned above, however, the end consumer trend on the Italian market is a shift towards "factory" solutions (for installations on new vehicles only as this is obviously not valid for those in circulation), given the vast offer available on the market of cars supplied with a system already installed directly by the various manufacturers (in fact, given this trend, the group is achieving very solid and growing results for the related LD OEM and DOEM business lines, as already mentioned).

EUROPE

The European market is the most important for the business line, considering that, despite some non-positive trends during the year, it continues to account for more than 50% of its total turnover.

Specifically

- the trend in Western Europe is similar to that in Italy, thus showing a decrease compared to the previous year;
- Turkey is still one of the world's largest markets although it has shown a slowdown in recent years, further exacerbated in 2025 by the end of a longstanding local partnership;
- in Eastern Europe, the trend in recent years has been severely affected by the protracted war between Russia and Ukraine and its consequences. However, the Eastern European region continues to be essential for the business line as it contains some other historically important markets (e.g., Poland) and some possibilities for further development

ASIA

The group's performance in the Asian markets was generally positive, with stable forecasts for the years to come. There may be some calls to tender in these markets that traditionally have lower-than-average margins but which can help the group to cover its overheads. One of these calls to tender generated a significant level of additional turnover pushing up the increase in volumes in 2025 There are also a number of emerging markets in the region where the group continues to investigate new growth opportunities.

SOUTH AMERICA

The group operates in Argentina, its main market in South America, through the subsidiary TA Gas Technology. In this regard, reference should be made to the section on the group's performance, which summarises the main complexities characterising the market and negatively affecting the subsidiary's business. In addition, it should be noted that market shares in Argentina are substantially stable (despite decidedly challenging competition from abroad and in particular from Asia with low-cost products) and that the general decline is therefore due to an observable market trend rather than a loss of market share.

There are also other important markets in South America, such as Peru and Mexico, where performance is stable, and others that are more dependent on the existence of possible calls to tender (e.g., Bolivia where there were no calls in 2025).

AFRICA

This market's profit margin is usually lower than the group's other markets due to the technology required, the spending possibilities of these economies and especially to the sector's structure, which often consists of tenders called by state-owned enterprises. The group achieved significant growth in this area in 2025 mostly as a result of a major project in Nigeria.

Excluding this specific project, there would have been a drop in turnover compared to 2024, mainly due to the reduction in calls to tender, the difficulty of finding foreign currency in some countries to pay for orders, and regulations and legislation that often change, imposing additional bureaucratic requirements on customers and potential customers.

These markets are characterised by the complexities mentioned above, but nevertheless represent very interesting markets with great potential given the volume potential they can offer.

Consequently, the group continues to work to take advantage of any new opportunities offered by emerging countries, like in previous years, leading, for example, to the opportunity that materialised in Nigeria, which had a very positive impact on the 2025 net profit.

ELECTRONICS

Turnover from the electronic business unit's third-party customers decreased by about 9% in 2025 compared to 2024, but still accounted for more than 10% of the group's total turnover.

The main customers are the same as in previous years and the decrease is attributable to a drop in demand mainly from one of these customers due to a contraction in its market, which is expected to return to normal in 2026.

This business unit's profitability in percentage terms is lower than average given the specific characteristics of its business, whereby the group essentially assembles electronic boards for third-party customers and for which most of its profits relate to assembly services, while its business relating to materials procurement/management has lower profitability margins.

In order to increase the business unit's turnover (and also potentially its profitability), the group continues to carefully evaluate whether to adopt a development strategy to become an ODM (Original Design Manufacturer), in which case it would offer customers products designed, developed and manufactured in-house with greater added value.

HYDROGEN

The group sold its hydrogen business in 2025, as described in the section on its performance to which reference is made. Although it only made a limited contribution to the group's total revenues, the hydrogen business required and would have required increasing expenditure in terms of R&D investments, while the market did not give positive signals in this regard in 2025, considering that some large groups announced the closure of their programmes and some companies that were investing heavily in the future of hydrogen faced severe financial difficulties.

OTHER BUSINESSES

The other business units worked on:

- tank production activities (LPG fuel) carried out by the Polish subsidiary Stako and which are not included in the above business units (mainly sales made directly to third parties by the Polish subsidiary). The change during the year is mainly due to a reclassification of an important share of sales due to a change of customer, which led to an increase in the LD OEM business line and a decrease in this one;
- the tank assembly activities for heavy duty vehicles (HD OEM): reference is made to the section on the group's performance. In 2025, activities were still carried out under a transition service agreement (after the sale of the business unit in 2024) that were substantially completed and transferred as envisaged in the sale of the business unit;
- the technical-commercial partnership with Hyundai's racing division, Hyundai Motorsport, which was continued: the racing team division's turnover grew slightly.

While not related to any one specific business unit, the 2021 launch of the new generation of direct injection engine kits DI 3.0 is a challenge that will continue for the next few years. The goal is to confirm the group's technical leadership, winning more of the market share with higher added-value products compared to MP (multi-point injection) technologies which have been available for several years and are subject to very stiff competition in terms of pricing, leading to contracting contribution margins. This technology enables the group to target potential new market shares with an innovative product which makes significantly less resort to traditional fuels.

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Net financial position

The following table breaks down the group's financial position:

Net financial position (debt)	31/12/2025	31/12/2024
Bank and postal accounts	16,583,740	21,986,889
Cheques on hand	481	446
Cash-in-hand and cash equivalents	22,121	21,189
Liquid funds	**16,606,351**	**22,008,820**
Bank loans and borrowings	14,364,391	24,261,548
Loans and borrowings from parents	0	79,151
Other loans and borrowings (lease companies)	1,256,740	1,553,598
Loans and borrowings	**15,621,131**	**25,894,297**
Net financial position (debt)	**985,220**	**-3,885,677**

As shown in the above table, the group's net financial position improved by some €4.9 million in 2025, mostly as a result of the large reduction in loans and borrowings due to the regular repayment of amounts due to banks.

The group's positive performance in 2025 led to the generation of significant cash flows that enabled this improvement. In addition to the group's financial performance, other factors had a significant impact on cash flows, such as, for example, the granting of loans to the sole quotaholder with a principal amount of €15.5 million or changes in net working capital (net operating working capital). The notes to the consolidated financial statements (cash flow statement and notes to the cash flow statement) provide detailed information about changes in liquid funds.

Overall, we can say that the group's financial situation is balanced and very solid. Thanks to the positive results achieved in 2025, liquid funds exceed loans and borrowings at year end.

Financial performance

In order to provide a more complete view of operating trends and performance, a profit and loss account reclassified to show added value and a balance sheet reclassified on a financial basis and to show the sources and application of funds are set out below for the group and the parent.

As already stated, the group's production revenues came to €260,031,244.

Its profit and loss account reclassified by added value is as follows:

	2025	2024	Variation %
Turnover from sales	258,062,473	260,648,798	(0.99%)
Internal production	577,946	(323,355)	(278.73%)
CORE BUSINESS REVENUES	258,640,419	260,325,443	(0.65%)
External operating costs	173,132,044	179,582,519	(3.59%)
ADDED VALUE	85,508,375	80,742,924	5.90%

Personnel expenses	65,716,804	65,308,671	0.63%
GROSS OPERATING PROFIT	**19,781,471**	**15,434,263**	**28.20%**
Amortisation, depreciation and write-downs	8,758,482	8,287,856	5.68%
OPERATING PROFIT	**11,032,989**	**7,146,387**	**54.38%**
Non-core business operating profit (loss)	(92,602)	2,510,270	(103.69%)
Share of profit of associates (business continuity)	478,457	1,323,956	(63.86%)
NORMALISED EBIT (EARNINGS BEFORE INCOME AND TAXES)	**11,418,844**	**10,980,624**	**3.99%**
Net extraordinary profit (loss)	0	0	0%
EBIT	**11,418,844**	**10,980,624**	**3.99%**
Net exchange rate (gains) losses	2,449,291	(16,871)	(14532.21%)
Net financial charges	849,836	1,368,152	(40.28%)
PRE-TAX PROFIT	**8,319,717**	**9,909,402**	**(16.04%)**
Income taxes	3,610,635	2,864,490	26.05%
NET PROFIT FOR THE YEAR	**4,709,082**	**7,044,912**	**(33.16%)**

With respect to the reclassified profit and loss account:

- significant improvement in the operating profit: as already highlighted in the comments on the group's performance, although sales revenues were in line (slightly lower) with the previous year, the group achieved a significant improvement thanks to higher profitability combined with ongoing monitoring of the cost structure, which led to the identification and implementation of cost containment measures (in particular, lower consultancy/external costs, also related to the changes in the group's structure that took place during the year);
- the non-core business revenues are the sum of two profit and loss account captions: a) other revenues and income, which decreased compared to the previous year, as this caption included charges made to the former subsidiary (provision of services, not repeated in 2025 for obvious reasons), together with other non-recurring items such as the sale in 2024 of the HD OEM business unit, which generated a gain of €0.4 million; b) sundry operating expenses, which increased during the year as a result of penalties incurred following the cancellation of orders placed with certain suppliers;
- share of profit (loss) of associates (business continuity): this caption refers to the measurement of investments in associates using the equity method. The result is mainly related to the application of the equity method to the investment held in Minda Westport Technologies LTD and its decrease is chiefly due to the reduction in the investment percentage from 50% in 2024 to 24% in 2025. The joint venture made a net profit for 2025 and also paid a dividend of €0.3 million during the year;
- exchange rate gains and losses: the group recognised a large exchange rate loss in 2025, mainly (but not solely) related to unrealised exchange rate losses recognised for the Indian and Argentine group companies (Rohan and TA GAS Technology) and accrued on payables to the parent;
- net financial charges: the decrease for the year is primarily attributable to the reduction in bank loans and borrowings (and consequently lower interest accrued) together with interest income recognised on the interest-bearing loan granted to the parent (€0.2 million).

Therefore the group's profitability improved considerably in 2025, and the reduction in net profit was driven by unrealised exchange rate losses mainly accrued on intragroup receivables and payables, as well as by the increase in taxation related to the higher profits generated in Italy, Poland and Netherlands.

The balance sheet reclassified by sources and application of funds is as follows:

	31/12/2025	31/12/2024	Variation %
APPLICATION OF FUNDS			
Operating invested capital	172,786,243	209,159,770	(17.39%)
Current liabilities	69,091,830	86,414,908	(20.05%)
NET OPERATING INVESTED CAPITAL	103,694,413	122,744,862	(15.52%)
NON-OPERATING APPLICATIONS OF FUNDS	19,261,770	4,277,925	350.26%
NET INVESTED CAPITAL	122,956,183	127,022,787	(3.20%)
SOURCES OF FUNDS			
OWN FUNDS	107,335,052	101,207,641	6.05%
LOANS AND BORROWINGS	15,621,131	25,815,146	(39.49%)
SOURCE OF FUNDS	122,956,183	127,022,787	(3.20%)

The group's profitability ratios based on the reclassified figures are shown below

PROFITABILITY RATIOS			
INDICATORS	**2025**	**2024**	**Variation %**
NET ROE (= Net profit (loss) for the year / Own funds)	4.39%	6.96%	(36.97%)
GROSS ROE (= Pre-tax profit (loss) for the year / Own funds)	7.75%	9.79%	(20.84%)
ROI (= Operating profit (loss) / (Net operating investing capital - Current liabilities))	10.54%	5.82%	82.75%
ROS (= Operating profit (loss) / Revenues from sales)	4.28%	2.74%	56.90%

To aid an understanding of these ratios:

- Net ROE (return on equity) - profitability calculated as the ratio of the net profit or loss for the year to own funds.
- Gross ROE - profitability before income taxes, calculated as the ratio of the adjusted pre-tax profit or loss to current liquid funds
- ROI (return on investments) - return on total invested capital (own funds plus third party funds) compared to the normalised operating profit or loss
- ROS (return on sales) - profitability in terms of revenue flows, calculated as the ratio of operating profit or loss to revenues from sales

Overall, the group's situation is solid and, in particular, it is possible to see that operating profitability is improving while at the same time the financial structure remains solid, as only a reasonable portion of the sources of financing are related to debt.

It should be noted that the increase in non-operating applications of funds is mainly attributable to the above-mentioned granting of an interest-bearing long-term loan to the parent.

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Financial situation and cash flows

In order to better analyse the group's financial situation and cash flows, the balance sheet is reclassified on a financial basis as follows:

	31/12/2025	31/12/2024	Variation %
FIXED ASSETS			
INTANGIBLE FIXED ASSETS	15,533,262	15,900,923	(2.31%)
TANGIBLE FIXED ASSETS	33,669,354	35,386,407	(4.85%)
FINANCIAL FIXED ASSETS	19,769,457	4,678,508	322.56%
TOTAL FIXED ASSETS	68,972,053	55,965,636	23.24%
CURRENT ASSETS			
INVENTORY	42,165,017	52,334,919	(19.43%)
NON-QUICK CURRENT ASSETS	64,304,592	83,128,320	(22.64%)
QUICK ASSETS	16,606,351	22,008,620	(24.55%)
TOTAL CURRENT ASSETS	123,075,960	157,471,859	(21.84%)
INVESTED CAPITAL	**192,048,013**	**213,437,495**	**(10.02%)**
OWN FUNDS			
QUOTA CAPITAL	2,400,000	2,400,000	0.00%
RESERVES	104,935,052	98,807,641	6.20%
TOTAL OWN FUNDS	107,335,052	101,207,641	6.05%
NON-CURRENT LIABILITIES	10,641,330	18,310,774	(41.88%)
CURRENT LIABILITIES	74,071,631	93,919,280	(21.13%)
SOURCE OF FUNDS	**192,048,013**	**213,437,695**	**(10.02%)**

The group's key financial situation and cash flow indicators are shown below.

FIXED ASSETS INDICATORS			
INDICATORS	**31/12/2025**	**31/21/2024**	**Variation %**
OWN FUNDS LESS FIXED ASSETS (= Own funds - Fixed assets)	38,362,999	45,241,005	(15.20%)
OWN FUNDS TO FIXED ASSETS RATIO (= Own funds / Fixed assets)	1.56	1.81	(13.94%)
(OWN FUNDS PLUS NON-CURRENT LIABILITIES) LESS FIXED ASSETS (= Own funds + Non-current liabilities) - Fixed assets)	49,004,329	63,552,579	(22.89%)
(OWN FUNDS PLUS NON-CURRENT LIABILITIES) TO FIXED ASSETS RATIO (= Own funds + Non-current liabilities) / Fixed assets	1.71	2.14	(18.90%)

FUNDING INDICATORS			
INDICATORS	31/12/2025	31/12/2024	Variation %
DEBT TO EQUITY RATIO (= (Non-current liabilities + Current liabilities) / Own funds)	0.79	1.11	(28.83%)
FINANCIAL DEBT RATIO (= Loans and borrowings / Own funds)	0.15	0.24	(36.28%)

LIQUIDITY INDICATORS			
INDICATORS	31/12/2025	31/12/2024	Variation %
CURRENT ASSETS LESS CURRENT LIABILITIES (= Current assets - Current liabilities)	49,004,329	63,552,679	(22.89%)
CURRENT RATIO (= Current assets / Current liabilities)	1.66	1.68	(0.90%)
NET QUICK ASSETS (= (Non-quick assets + Quick assets) - Current liabilities)	6,839,312	11,217,600	(39.03%)
QUICK RATIO (= (Non-quick assets + Quick assets) / Current liabilities)	1.09	1.12	(2.42%)

FINANCIAL STRENGTH INDICATORS			
INDICATORS	2025	2024	Variation %
FINANCIAL INDEPENDENCE RATIO (= Own funds / Debt)	6.87	4.17	64.72%
FINANCIAL STRENGTH RATIO (= Own funds / Quota capital)	44.77	42.17	6.05%

To aid an understanding of these ratios:

- Own funds less fixed assets shows an entity's ability to finance investments in fixed assets using own funds, calculated as the difference between own funds, i.e., net equity and fixed assets.

  The own funds to fixed assets ratio shows an entity's ability to finance investments in fixed assets using own funds, calculated as the ratio of net equity to total fixed assets.
- Own funds plus non-current liabilities less fixed assets enables an evaluation of the ability of the total medium-/long-term sources to finance fixed assets.
- The (own funds plus non-current liabilities) to fixed assets ratio shows an entity's ability to finance investments in fixed assets using only own funds plus non-current liabilities.

  The debt to equity ratio expresses an entity's indebtedness, i.e., the extent to which it is funded by third party funds; it is the ratio of third party funds to own funds.

- The financial debt ratio shows the level of indebtedness to third parties as the ratio of financial debt to net equity
- The net quick assets indicator measures an entity's ability to cover current liabilities using liquid funds or readily available assets. It is calculated as the sum of quick assets plus current assets less current liabilities

The environment and the workforce

Information about the environment and the group's workforce is provided in this section in accordance with the provisions of article 2428.2 of the Italian Civil Code. The information provided refers to the group as a whole, with a focus on the parent Westport Fuel Systems Italia as it performs most of the group's activities (purely by way of example, this company accounts for over 75% of the total revenues of the group companies).

As stated in the notes to the consolidated financial statements, the group's average number of employees for the year is 1,279 (1,247 for 2024) and 1,245 employees were in service at year end (1,222 at 31 December 2024)

Professional training was carried out during the year, in line with the continuous staff training directives. Personnel have been consistently trained, informed and updated about the risks specific to their duties identified during the risk assessment. As integrity and ethics are essential group values, employees are provided with the group's internal regulations and the code of conduct. In 2025, the Italian company regulations were updated and distributed within the organisation. Following the change of parent, the group has taken and is continuing to take steps to replace the policies previously referred to as part of a different group with its own policies and to continue to ensure respect for and sharing of values within the organisation.

In 2025, it carried out all management and maintenance activities for its integrated health, safety and environment management system in accordance with ISO-14001 and the UNI INAIL guidelines for an occupational health and safety management system. In October 2025, the audit for renewal of the ISO 14001-2015 certification by a third party was carried out and successfully concluded.

In 2025 the parent updated its organisational model pursuant to Legislative decree no. 231/2001 (the most recent update was made in December 2025) and provided dedicated training (which will continue in 2026) to its senior managers and other employees for whom it was deemed appropriate. In addition, the General Data Protection Regulation (GDPR) organisational model, implemented in previous years, was continuously updated.

No significant accidents, incidents or injuries were recorded during the year. No cases of occupational disease were reported

As the type of production carried out by the group does not release harmful emissions or create production scraps that are damaging to the environment and thanks to the mindful environmental policy the group has always pursued, the group is not and never has been under investigation for environmental crimes and, consequently, has never been sanctioned or convicted

PC

Furthermore, during the year, the parent adopted the "Guidelines for business trips to countries at risk", including them in the risk assessment document, in order to manage this risk in a structured manner.

The parent has an ESG committee (first appointed in 2023) whose primary objective is to identify and implement, on behalf of the board of directors, socially accountable policies and practices that can improve and have a positive impact in terms of sustainability and business ethics. Both the parent and group attach great importance to environmental, social and governance issues.

In particular, the committee defines and implements ESG strategies, monitors risks and verifies the group's operations and compliance with regulations and laws. It also analyses the group's impact on the environment.

The ESG committee has full autonomy and independence and is in charge of overseeing the proper implementation of the controls defined and adopted by Westport Fuel Systems Italia in compliance with the committee's organisational regulations and the law.

The most important activities and projects launched by the committee during 2025 are as follows:

preparation on a voluntary basis of a sustainability statement in accordance with the applicable European Sustainability Reporting Standards (ESRS) laid down by the Corporate Sustainability Reporting Directive (CSRD). The statement, approved by the board of directors, is a transparent tool designed to provide a structured representation of the group's environmental, social and governance performance;

the parent undergoes an annual sustainability assessment by an independent third party that assigns a score based on its results. It is satisfied with the final score, although it intends to implement improvements in the future in order to further improve its rating.

continuation of a specific project to assess the sustainability of the group's supply sources; the findings showed a significant improvement on the previous year, confirming a steady strengthening and increasing effectiveness of the group's sustainability controls.

In addition, during the year, the parent elected to complete a specific questionnaire (EcoVadis platform) that allows it to effectively assess, identify and manage ESG (environmental, social and governance) risks and compliance, and to achieve its corporate sustainability goals. Again in this case, the result was satisfactory, further confirming the direction taken by the group.

The parent's committee for gender equality, set up at the end of 2023, continued to operate in 2025. It is a collective body required by the UNI/PdR 125.2022 standard. In 2025, the parent had its gender certification reconfirmed, continuing a structured process to strengthen the corporate culture on issues of inclusion and equal opportunities.

Activities carried out during the year show how the group has embarked on a structured path to integrate ESG principles into its governance and processes. This path involves the adoption of monitoring tools, the definition of measurable objectives and the gradual strengthening of organisational controls, with a view to continuous improvement and alignment with stakeholder expectations and the relevant regulatory framework.

RG

Main risks and uncertainties

This section provides a description of the main risks and uncertainties to which the group is exposed in accordance with article 2428.1 of the Italian Civil Code.

The group is mostly exposed to market risks linked to the performance of the car market, energy policies, awareness of low-environmental impact fuel systems, as well as the price of traditional fuels.

The financial risks are as follows.

CREDIT RISK

Trade receivables did not generate particular cases of financial difficulty and/or uncertainty as to their recoverability in 2025.

As most export sales are accepted and fulfilled only against advance payment or bank guarantees, there are no particular credit risks in this regard.

Although the credit risks are minimal for the reasons stated above, the group nonetheless recognises adequate accruals to the provision for bad debts each year to cover possible losses. They are calculated on an individual basis, considering the information available, as well as a prudent estimate of the potential collection risk, which also takes into account past experience. The provision for bad debts is deemed adequate to cover possible customer insolvency.

The only large write-down of €0.6 million required in 2025 refers to a very specific, non-recurring situation involving a customer for which a special credit recovery procedure is underway. Excluding this non-recurring and specific event, the impact is limited compared to the group's business volumes.

LIQUIDITY RISKS

This is the risk that the group will encounter difficulties in obtaining sufficient financial resources within the necessary timeframes. Liquid funds, cash flows and the amount of credit lines available, together with the monitoring of investments in working capital, indicate there are no particular risks of this type. As already mentioned in previous year reports, the group tightened its controls of its financial position and especially its financing activities, short/medium-term cash flow forecasts and financing support options. Monitoring the ratio between net indebtedness and profitability plays a key role in planning, given that some of the existing loans use this ratio as one of the financial covenants that the group (the parent and, therefore, the group) has undertaken to comply with in taking out the loan. Moreover, the covenants also prevent the distribution of dividends to the ultimate parent until the loans have been repaid or authorisation has been received from the banks. Calculation of the covenants at the reporting date using these consolidated financial statements did not identify any potential risks of non-compliance.

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CURRENCY RISKS

As only a portion of purchases and sales take place in currencies other than the Euro, there are no significant currency risks. In this regard and described in the section analysing the main markets, the group's main currency risk concerns the Argentine subsidiary and the inflation and exchange rate issues in its local market.

INTEREST RATE RISK

The group is exposed to this risk in relation to its floating-rate loans and borrowings. It uses financial instruments to hedge this risk arising from changes in the carrying amounts of assets and liabilities affected by interest rate fluctuations. Appropriate disclosures are provided in the notes to the consolidated financial statements. The instruments are mainly interest rate swaps entered into to hedge the interest rate on debt paid by the parent.

PRICE RISK

The group manages market and business risks via its diversified customer portfolio in both geographical terms and its markets. The pressure on the market with regard to costs requires a shrewd management of pricing policies, which is therefore an important issue for the group and management in particular.

Finally, the group has taken steps to allocate the relevant powers within the parent to comply with the requirements of Legislative decree no. 138/2024 ("NIS 2"), which transposed Directive (EU) 2022/2555 on measures for a high common level of cybersecurity across the European Union into Italian law. The group is currently implementing the planned measures and ensuring its compliance with current regulations. It is also assessing the cyber risks present within the group and introducing appropriate risk management practices.

Financial instruments

The group uses hedging instruments for the reasons set out in the previous paragraph (interest rate risk). These financial instruments are detailed in the notes to the consolidated financial statements pursuant to current legislation.

Research and development

As required by article 2428.3.1 of the Italian Civil Code, it is noted that the group carried out research and development activities during the year as described below.

During 2025, in line with the group's business strategy, R&D activities were geared towards both the continuation of the main projects started in previous years and the development of new applications based on proprietary technologies. Its aim is to become more competitive over the medium to long term and keep abreast of regulatory and technological change in the automotive sector.

In particular, in 2025, R&D activities for the development of a Euro 7 compliant vehicle fuel system for a leading OEM focused on finalisation of the technical validation phases and implementation of the industrial processes required to start mass manufacturing. These activities also included operational support during the production ramp-up phases to ensure compliance with the quality, performance and timeframe requirements agreed with the customer.

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In the DOEM applications segment, the percentage of GDI (gasoline direct injection) engines grew again during the year, leading to a significant increase in R&D activities. These focused both on adapting and updating control system functionality to the new engine configurations, and on developing the calibration activities required to optimise vehicle performance and efficiency. These developments made it possible to make the systems fully compliant with type-approval and reliability requirements, including durability tests via extended mileage cycles on the road.

With reference to the engine control systems business ("primary systems"), R&D activities concerned both the continuation of development programmes for applications intended for CNG, LNG and hydrogen-powered engines, and the feasibility study of new-generation control systems, in line with the group's technological innovation and energy transition objectives.

System and component development activities for hydrogen applications also continued at full speed in 2025, thanks in part to the stimulus provided by the National Recovery and Resilience Plan-funded project HERO (Hydrogen European Research Opportunity). Activities covered several R&D areas, including the development of mechanical and mechatronic components, control systems and software strategies dedicated to the optimisation of hydrogen combustion, including through the use of in-house manufactured fuel systems.

Capital expenditure

As detailed in the notes, the group's investments in fixed assets in 2025 approximated:

- €8.8 million related to tangible fixed assets and mainly plant machinery and equipment given the increase in production capacity required for the LPG systems, comprising the mechanical and electronic work (including tanks),
- €0.8 million for leasehold improvements (i.e., mainly in Italian production facilities),
- €2.0 million related to the acquisition of the AFS business unit, which is connected to the Indian business,
- €15.5 million in financial fixed assets, mostly related to the granting of the loan to the parent
- For completeness, it should be noted that the sale of the H2/hydrogen business unit had a positive impact of €5,4 million.

Management and coordination and intragroup transactions

Pursuant to article 2497-bis 5 of the Italian Civil Code, the intragroup transactions of the year, outside the scope of these consolidated financial statements, and including those with associates, are summarised in the following table:

Parents	*Trade receivables*	*Trade payables*	*Financial receivables*	*Loans and borrowings*	*Turnover from sales*	*Other revenues*	*Purchases*	*Other costs*
Green Day Holding B.V.		810,481						893,272
Green Day Midco B.V.			15,680,231					
Total parents	*0*	*810,481*	*15,680,231*	*0*	*0*	*0*	*0*	*893,272*
Associates:	***Trade receivables***	***Trade payables***	***Financial receivables***	***Loans and borrowings***	***Turnover from sales***	***Other revenues***	*Purchases*	***Other costs***
MINDA WESTPORT TECHNOLOGIES	2,137,127	17,796			4,943,634		1,315,469	
IDEAS & MOTION	31,039				158,882			
Total associates	***2,168,166***	***17,796***	*0*	*0*	***5,102,516***	***0***	***1,315,469***	*0*
Total	**2,168,166**	**828,277**	**15,680,231**	**0**	**5,102,516**	**0**	**1,315,469**	**893,272**
Provision for bad debts	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total net of the provision for bad debts	**2,168,166**	**828,277**	**15,680,231**	**0**	**5,102,516**	**0**	**1,315,469**	**893,272**

Interest income of €183,250 accrued on the financial receivable from the parent was also recognised in the profit and loss account.

As already noted, during the year, Westport Fuel Systems Italia's parent changed and therefore, the above table excludes figures for transactions that took place with companies that controlled the group until the end of July 2025 (when transactions with those companies ended). For completeness of information, transactions carried out with these companies, before the change of parent, are shown in the table below.

Former parents:	*Turnover from sales*	*Other revenues*	*Purchases*	*Other costs*
WFS CANADA - KITCHENER	72,110		185,346	276,544
WFS CANADA		543,096	11,170	1,057,709
Total	***72,110***	***543,096***	***196,516***	***1,334,253***

The above transactions took place on an arm's length basis.

For the sake of full disclosure, it should be noted that the parent received a dividend of €329,977 from the associate Minda Westport Technologies LTD during the year.

Own quotas and quotas/shares of parents

The parent does not hold own quotas or shares or quotas/shares of its parents, nor did it buy or sell such shares or quotas during the year.

Post-balance sheet events

With reference to significant events occurring after the end of the year, it should be noted that, as part of its activities aimed at structuring the best possible financial situation to support its growth and ensure the availability of resources necessary to carry out its core business, the parent:

- obtained a new loan of €7.5 million from Unicredit S.p.A. in January 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- obtained a new loan of €7.5 million from Gruppo Cassa Centrale Banca - Credito cooperativo italiano in March 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- settled its outstanding loans and borrowings with Deutsche Bank S.p.A. in March 2026.

On 25 February 2026, the parent's board of directors approved a dividend of €20 million to be paid to the sole quotaholder Green Day Midco B.V. In March 2026, €15 million had already been transferred to the sole quotaholder and the remainder is expected to be paid by the end of 2026.

Outlook

The outlook for 2026 is positive and the group expects to make a profit and achieve better results than those of 2025.

The expected positive trend will be bolstered by a further upturn in business volumes and turnover, as the main consequence of an additional increase in volumes related to the mentioned project with one of the world's leading OEMs (which has already driven the increases in recent years).

In general, expectations for the year are positive, also in view of the increasingly important role currently played by alternative fuels, as well as the confirmation of the group and its brands as market leaders.

Overall, the beginning of the year was in line with forecasts and expected trends, although obviously the current macroeconomic environment raises questions about the rest of the year. This relates in particular (in addition to the Russia-Ukraine war, a situation that is now well established) to the tensions present, for example, in the Middle East, which could have a major impact on the Group's business. On the one hand, a further rise in the price or scarcity of oil could generate an increase in demand for the products offered by the group, but at the same time shortages could be triggered that could have a major impact on energy costs, transport costs and even the availability of electronic components.

There were also raw material-related increases at the beginning of 2026, and the current outlook is for further increases.

The group and its management are always attentive to these dynamics and respond promptly to external factors in order to protect the group's profitability.

In conclusion, 2026 will be marked by further challenges for the group, but includes various possibilities for further development and better results, as envisaged in the group's business plan and as the start of the year suggests.

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Branches

Pursuant to article 2428.4 of the Italian Civil Code, it is noted that the group operates through the head offices of its companies along with following Italian branches.

Address	Location
STRADA FONDOVALLE 6	CHERASCO
VIA MOGLIA 18	CHERASCO
STRADA FONDOVALLE 1	CHERASCO
VIA MOGLIA 15/20	CHERASCO
VIA MOGLIA 35	CHERASCO
VIA BORMIOLI 10	BRESCIA
VIA BORMIOLI 33	BRESCIA
VIA FEDERICO FELLINI 67/61/65	SAN MAURO PASCOLI

Approval of the consolidated financial statements

We propose you approve the consolidated financial statements of Westport Fuel Systems Italia S.r.l. as at and for the year ended 31 December 2025 as they stand.

* * * * *

We believe we have provided a comprehensive view of the group's financial position and financial performance for 2025, together with information on the initiatives undertaken to ensure the group's competitiveness and development.

* * * * *

Cherasco, 30 March 2026

On behalf of the board of directors

FG

WESTPORT FUEL SYSTEMS ITALIA S.r.l.

Consolidated financial statements as at and for the year ended 31 December 2025

Registered office in	CHERASCO
Tax code	00525980043
REA no.	107283
VAT no.	00525960043
Quota capital	62,400,000.00, fully paid up
Legal form	COMPANY LIMITED BY QUOTAS
Company managed and coordinated by another party	Yes
Name of the company or body that manages and coordinates the company	GREEN DAY HOLDING B.V.

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Consolidated financial statements as at and for the year ended 31 December 2025

BALANCE SHEET

ASSETS	31/12/2025	31/12/2024
A) QUOTA CAPITAL PROCEEDS TO BE RECEIVED		
Total quota capital proceeds to be received (A)	0	0
B) FIXED ASSETS		
I - Intangible fixed assets		
3) Industrial patents and intellectual property rights	1,088,344	0
4) Concessions, licences, trademarks and similar rights	4,941,208	5,381,153
5) Goodwill	6,853,989	8,081,565
7) Other	2,649,721	2,438,205
Total intangible fixed assets	15,533,262	15,900,923
II - Tangible fixed assets		
1) Land and buildings	5,558,012	5,983,983
2) Plant and machinery	22,875,639	21,597,843
3) Industrial and commercial equipment	1,994,668	2,727,183
4) Other assets	2,886,934	2,721,440
5) Assets under construction and payments on account	354,063	2,679,358
Total tangible fixed assets	33,669,334	35,386,407
III - Financial fixed assets		
1) Equity investments		
b) Associates	3,235,575	3,087,095
Total equity investments (1)	3,235,575	3,087,095
2) Financial receivables		
c) From parents		
Due after one year	15,680,231	0
Total from parents	15,680,231	0
d-bis) From others		
Due within one year	243,903	429,349
Total from others	243,903	429,349
Total financial receivables	15,924,134	429,349
4) Derivatives	52,061	243,484
Total financial fixed assets (III)	19,211,770	3,759,927
Total fixed assets (B)	68,414,366	55,047,257
C) CURRENT ASSETS		
I) Inventory		
1) Raw materials, consumables and supplies	25,910,222	33,451,243
2) Work in progress and semi-finished products	690,912	1,206,450
3) Contract work in progress		
4) Finished goods	15,042,328	16,682,903
5) Payments on account	521,555	994,315
Total inventory	42,165,017	52,334,919
II) Receivables		

1) Trade receivables		
Due within one year	39,274,096	49,547,656
Total trade receivables	39,274,096	49,547,656
3) From associates		
Due within one year	2,168,165	2,582,906
Total from associates	2,168,166	2,582,906
4) From parents		
Due within one year	0	10,477,585
Total from parents	0	10,477,585
5) From subsidiaries of parents		
Due within one year	0	203,677
Total from subsidiaries of parents	0	203,677
5-bis) Tax receivables		
Due within one year	10,966,673	5,466,702
Total tax receivables	10,966,673	5,466,702
5-ter) Deferred tax assets	9,445,174	11,7[illegible]37
5-quater) From others		
Due within one year	494,301	520,688
Due after one year	557,687	918,578
Total from others	1,051,988	1,439,266
Total receivables	62,906,097	81,457,331
III - Current financial assets		
4) Other equity investments	50,000	50,000
6) Other securities	0	467,997
Total current financial assets	50,000	517,997
IV - Liquid funds		
1) Bank and postal accounts	16,583,749	21,986,986
2) Cheques on hand	481	446
3) Cash-in-hand and cash equivalents	22,121	21,188
Total liquid funds	16,606,351	22,008,620
Total current assets (C)	121,627,465	156,316,657
D) PREPAYMENTS AND ACCRUED INCOME	2,005,182	2,071,569
TOTAL ASSETS	192,048,314	213,457,693

BALANCE SHEET

LIABILITIES	31/12/2025	31/12/2024
A) NET EQUITY		
I - Quota capital	2,400,000	2,400,000
II - Quota premium reserve	0	0
III - Revaluation reserves	797,940	797,940
IV - Legal reserve	780,000	780,000
V - Statutory reserves	0	0
VI - Other reserves, recognised separately		
Sundry other reserves	-4,206,505	-5,715,982
Total other reserves	-4,206,505	-5,715,982
VII - Hedging reserve	-31,619	59,687
VIII – Retained earnings	102,886,155	95,841,244

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IX - Net profit for the year	4,705,082	7,044,912
Loss covered in the year	0	0
X - Reserve for own quotas	0	0
Total net equity	107,336,052	101,207,641
B) PROVISIONS FOR RISKS AND CHARGES		
2) Tax provision, including deferred tax liabilities	2,085,430	2,237,719
3) Derivatives	93,664	165,185
4) Other provisions	4,391,433	5,642,857
Total provisions for risks and charges (B)	6,570,528	8,045,761
C) EMPLOYEES' LEAVING ENTITLEMENT	2,571,076	2,853,136
D) PAYABLES		
4) Bank loans and borrowings		
Due within one year	7,178,738	9,881,611
Due after one year	7,185,653	14,379,937
Total bank loans and borrowings (4)	14,364,391	24,261,548
5) Loans and borrowings from other financial backers		
Due within one year	372,139	481,899
Due after one year	884,601	1,071,699
Total loans and borrowings from other financial backers (5)	1,256,740	1,553,598
6) Payments on account		
Due within one year	3,788,613	4,223,890
Total payments on account (6)	3,788,613	4,223,890
7) Trade payables		
Due within one year	39,857,057	47,340,599
Total trade payables (7)	39,857,057	47,340,599
10) Payables to associates		
Due within one year	17,796	47,340
Total payables to associates (10)	17,796	47,340
11) Payables to parents		
Due within one year	810,461	6,272,736
Total payables to parents (11)	810,461	6,272,736
11-bis) Payables to subsidiaries of parents		
Due within one year	0	91,613
Total payables to subsidiaries of parents (11-bis)	0	91,613
12) Tax payables		
Due within one year	2,001,404	2,519,626
Total tax payables (12)	2,001,404	2,519,626
13) Social security charges payable		
Due within one year	3,114,116	3,176,940
Total social security charges payable (13)	3,114,116	3,176,940
14) Other payables		
Due within one year	8,531,961	9,689,713
Total other payables (14)	8,531,961	9,689,713
Total payables (D)	73,742,581	99,177,312
E) ACCRUED EXPENSES AND DEFERRED INCOME	1,826,777	2,147,341
TOTAL LIABILITIES	192,046,014	213,437,893

PROFIT AND LOSS ACCOUNT

	2025	2024
A) PRODUCTION REVENUES		
1) Turnover from sales and services	258,062,473	260,648,798
2) Change in work in progress, semi-finished products and finished goods	577,946	-323,355
3) Change in contract work in progress	0	0
5) Other revenues and income		
Grants related to income	576,067	623,977
Other	814,757	2,447,984
Total other revenues and income	1,390,824	3,071,961
Total production revenues	260,031,243	263,397,404
B) PRODUCTION COST		
6) Raw materials, consumables, supplies and goods	126,901,573	143,567,262
7) Services	33,652,748	37,068,098
8) Use of third party assets	3,295,345	3,281,648
9) Personnel expenses		
a) Wages and salaries	43,400,576	44,167,296
b) Social security contributions	14,297,093	14,781,629
c) Employees' leaving entitlement	1,919,093	2,035,559
e) Other costs	6,099,241	4,309,187
Total personnel expenses	65,716,903	65,300,671
10) Amortisation, depreciation and write-downs:		
a) Amortisation of intangible fixed assets	2,575,634	2,163,474
b) Depreciation of tangible fixed assets	5,339,296	5,123,454
c) Other write-downs of fixed assets	63,600	665,552
d) Write-downs of current receivables and liquid funds	779,952	335,396
Total amortisation, depreciation and write-downs	8,758,482	8,287,876
11) Change in raw materials, consumables, supplies and goods	7,645,746	-6,755,366
12) Provisions for risks	468	-194,725
13) Other provisions	1,935,764	2,635,602
14) Other operating costs	1,483,426	561,684
Total production cost	249,090,855	253,740,740
Operating loss (A-B)	10,940,388	9,656,664
C) FINANCIAL INCOME AND CHARGES		
16) Other financial income:		
d) Other income:		
From parents	163,250	0

From others	334,295	407,197
Total other income	517,545	407,197
Total other financial income	517,545	407,197
17) Interest and other financial charges		
Other	1,167,382	1,495,389
Total interest and other financial charges	1,167,382	1,495,389
17-bis) Net exchange rate losses	-2,449,291	16,971
Net financial charges (C) (15+16-17+-17-bis)	-3,099,128	-1,071,221
D) ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES		
18) Write-backs		
a) Equity investments	478,457	1,390,916
Total write-backs	478,457	1,390,916
19) Write-downs		
a) Equity investments	0	66,958
Total write-downs	0	66,958
Total adjustments (18-19)	478,457	1,323,959
PRE-TAX LOSS (A-B+-C+-D)	8,319,717	9,909,402
20) Income taxes, current and deferred		
Current taxes	1,488,423	2,278,807
Change in deferred tax assets and liabilities	2,122,212	585,683
Total income taxes, current and deferred	3,610,635	2,864,490
21) NET LOSS FOR THE YEAR	4,709,082	7,044,912

CASH FLOW STATEMENT

	2025	2024
Cash flow statement, indirect method		
A. Cash flows from operating activities (indirect method)		
Net profit for the year	4,709,082	7,044,912
Income taxes	3,610,635	2,864,490
Net interest expense	649,837	1,088,191
Dividends		
(Gains)/losses on the sale of assets	50,599	-364,160
1. Profit for the year before income taxes, interest, dividends and gains/losses on the sale of assets	9,020,153	10,633,433
Non-monetary adjustments that did not affect net working capital		
Accruals to provisions	4,856,753	7,518,144
Amortisation and depreciation	7,914,930	7,286,928
Write-downs for impairment losses	63,600	665,362
Non-monetary adjustments to derivatives		
Other non-monetary adjustments	1,076,010	-920,671
Total non-monetary adjustments that did not affect net working capital	13,911,293	14,549,953
2) Cash flows before changes in net working capital	22,931,446	25,183,386
Changes in net working capital		
Decrease/(increase) in inventory	8,053,534	-8,064,843
Decrease/(increase) in trade receivables	10,485,811	-8,069,041
Decrease in trade payables	-5,774,500	-7,717,037
Decrease/(increase) in prepayments and accrued income	65,387	-904,638
Increase/(decrease) in accrued expenses and deferred income	-319,064	704,862
Other decreases/(increases) in net working capital	-5,816,112	1,738,991
Total changes in net working capital	6,695,056	-22,311,496
3) Cash flows after changes in net working capital	29,626,502	2,871,890
Other adjustments		
Interest paid	-836,378	-1,088,191
Income taxes paid	1,918,042	-1,226,333
Dividends collected	329,978	274,964
Utilisation of provisions	-6,250,817	-8,143,885
Other collections/(payments)		
Total other adjustments	-8,675,259	-10,183,445
Cash flows from (used in) operating activities (A)	20,951,243	-7,311,565
B) Cash flows from investing activities		
Tangible fixed assets		
Investments	-6,750,721	-14,474,065
Disposals	488,858	670,281
Intangible fixed assets		
Investments	647,643	-259,402
Disposals		
Financial fixed assets		
Investments	-9,235,535	
Disposals	185,444	1,660,314
Acquisition of subsidiaries net of liquid funds		

Sale of subsidiaries net of liquid funds		8,422,035
Cash flows used in investing activities (B)	-16,159,497	-3,980,837
C) Cash flows from financing activities		
Third party funds		
Increase/(Decrease) in current bank loans and borrowings		
New loans	127,993	4,382,534
Repayment of loans	-10,322,008	-9,584,864
Cash flows used in financing activities (C)	-10,194,015	-5,202,330
Decrease in liquid funds (A ± B ± C)	-5,402,269	-16,494,722
Exchange rate gains (losses)		
Opening liquid funds		
Bank and postal accounts	21,986,986	38,468,897
Cheques on hand	446	8,197
Cash-in-hand and cash equivalents	21,188	26,247
Total opening liquid funds	22,008,620	38,503,341
of which, not readily available		
Closing liquid funds		
Bank and postal accounts	16,583,749	21,986,986
Cheques on hand	481	446
Cash-in-hand and cash equivalents	22,121	21,188
Total closing liquid funds	16,606,351	22,008,620
of which, not readily available		

Notes to the consolidated financial statements as at and for the year ended 31 December 2025

INTRODUCTION

The consolidated financial statements as at and for the year ended 31 December 2025 are consistent with the accounting records. They comprise a balance sheet prepared using the layout provided for by articles 2424 and 2424-bis of the Italian Civil Code, a profit and loss account prepared using the layout provided for by articles 2425 and 2425-bis of the Italian Civil Code, a cash flow statement prepared in accordance with 2425-ter of the Italian Civil Code and these notes prepared in compliance with articles 2427 and 2427-bis of the Italian Civil Code.

The cash flow statement shows the reasons for increases and decreases in liquid funds during the year and has been prepared under the indirect method, using the layout provided for by OIC 10. The amounts presented in the balance sheet, profit and loss account, cash flow statement and these notes are in Euros, except as otherwise specified.

If the disclosures required by specific legal requirements are insufficient to give a true and fair view, the additional information deemed necessary is provided. Specifically, these notes provide the following information in table form:

- a reconciliation between the parent's net equity and net profit for the year with those of the group;
- a statement of changes in net equity.

Reference should be made to the directors' report accompanying these consolidated financial statements for information on the group's operations and related party transactions.

The post-balance sheet events and the total off balance sheet commitments, guarantees and contingent liabilities are commented on in the relevant sections of these notes.

COMPARATIVE FIGURES

Despite holding controlling investments, the parent, Westport Fuel Systems Italia S.r.l., had not prepared consolidated financial statements as at and for the year ended 31 December 2024 under the exemption provided for by article 27.3/4 of Legislative decree no. 127/1991, as its parent, Westport Fuel Systems Italy S.r.l., prepared consolidated financial statements which, together with the directors' and statutory auditors' reports, were filed with the relevant company registrar.

For the purposes of a more effective presentation, the group has nevertheless decided to present comparative figures at 31 December 2024. These figures have not been subject to an audit or review.

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The group structure

Westport Fuel Systems Italia S.r.l. (the "parent") prepares consolidated financial statements in compliance with applicable Italian legislation.

The ultimate parent is Green Day Midco B.V., with registered office in Concertgebouwplein no. 5, Amsterdam, the Netherlands. The parent is subject to the management and coordination of Green Day Holding B.V., based in Concertgebouwplein no. 5, Amsterdam, the Netherlands.

As detailed in the directors' report, the ultimate parent changed in 2025.

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BASIS OF CONSOLIDATION

Consolidation scope

The table below shows the companies consolidated on a line-by-line basis.

	Country	Currency	Share/quota capital	Share/quota capital in Euros	Group's investment	Held by	Investment percentage
Companies consolidated on a line-by-line basis							
Westport Fuel Systems Italia S.r.l.	Italy	Euro	2,400,000	2,400,000	100.00%	Green Dog Midco B.V.	100.00%
Rohan BRC Gas Equipment SA	India	Rupee	429,758,487	4,793,175	100.00%	Westport Fuel Systems Italia S.r.l. Westport Fuel Systems Netherlands Holding B.V.	99.93% 0.07%
TA Gas Technology SA	Argentina	Peso	850,815,954	8,103,632	100.00%	Westport Fuel Systems Italia S.r.l.	100.00%
Stako sp. z o.o.	Poland	Zloty	56,649,000	12,620,080	100.00%	Westport Fuel Systems Italia S.r.l.	100.00%
WMTM Equipamentos de Gases Ltda	Brazil	Real	12,488,918	1,950,460	55.00%	Westport Fuel Systems Italia S.r.l.	99.99%
OMVL Argentina	Argentina	Peso	23,388,364	226,523	96.64%	Westport Fuel Systems Italia S.r.l.	96.64%
Westport Fuel Systems Netherlands	Netherlands	Euro	75,000	75,000	100.00%	Westport Fuel Systems Italia S.r.l.	100.00%
EMER Latinoamericana SA	Argentina	Peso	53,900,104	523,067	100.00%	Westport Fuel Systems Italia S.r.l.	100.00%
Associates measured using the equity method							
Ideas & Motion S.r.l.	Italy	Euro	65,567		14.29%	Westport Fuel Systems Italia S.r.l.	14.29%
Minda Westport Technologies Ltd	India	Rupee	55,500,000		24.00%	Westport Fuel Systems Italia S.r.l.	24.00%

Consolidation methods

Wholly-owned equity investments or those over which the parent directly or indirectly exercises dominant influence are consolidated on a line-by-line basis.

Investments in associates, over which the parent does not directly or indirectly exercise dominant influence, are measured using the equity method. This method was applied to Ideas & Motion S.r.l. and Minda Westport Technologies Ltd.

Financial statements used for consolidation

The financial statements used for consolidation are those approved by the boards of directors or by the share/quotaholders of the individual group companies, amended where necessary to comply with the group accounting policies.

The reporting dates of the financial statements used for consolidation match that of the parent (31 December).

Translation of financial statements in currencies other than the Euro

The financial statements or reporting packages of foreign investees prepared in currencies other than the Euro are translated into Euros. Any adjustments to align them with the group's accounting policies are made before they are translated into Euros.

The translation takes place using:

- the closing spot rate for assets and liabilities,
- the average exchange rate of the year for the captions of the profit and loss account and cash flow

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statement (practical expedient permitted by the standard),

- the net equity reserves are translated at the exchange rate ruling on the date the reserves were formed (except for the translation reserve)

The net exchange rate gains or losses are recognised in the translation reserve under net equity. This reserve is reclassified, in whole or in part, as an available reserve in the event of the foreign investee's total/partial sale.

The exchange rates used for the translation into Euros are detailed in point n) under the accounting policies section of these notes.

The provisions of OIC 17.125 have been applied for the consolidation of the companies with their registered offices in Argentina. This paragraph states that: "when an investee operates in a hyperinflationary economy, before translating the financial statements into the parent's reporting currency for consolidation purposes, the cost of tangible fixed assets and the related depreciation and any other adjustments to the carrying amount of other assets, liabilities, income and expense are remeasured, in order to eliminate the distortive effects of inflation".

Consolidation process

Consolidation on a line-by-line basis involves:

- the elimination of the equity investment's carrying amount against the group's share of the investee's net equity, with the recognition of all its assets and liabilities, expenses and income;
- the recognition of minority interests in net equity and the net profit or loss for the year in the balance sheet (Net equity attributable to minority interests) and in the profit and loss account (this caption is not included as it is immaterial);
- the elimination of intragroup assets, liabilities, income and expenses, including dividends and those arising from extraordinary transactions.

Equity-accounting entails adjusting the equity investment's carrying amount to the group's share of the investee's net equity and the recognition of the group's share of the investee's net profit or loss for the year in the relevant profit and loss account caption.

The inventory balance has been adjusted to eliminate intragroup profits on sales for both consolidated companies and equity accounted investees.

Revaluations recognised in accordance with specific laws or any other economic or monetary reasons are recognised and classified separately under net equity.

Positive consolidation differences are allocated, where possible, to each identifiable acquired asset to the extent of the fair value of such assets and at an amount not exceeding their recoverable amount, as well as each identifiable liability taken on, including the related tax. If they are not fully allocated to the separately identifiable assets and liabilities acquired, the excess is allocated to goodwill under intangible fixed assets, unless it should be expensed in whole or in part. This allocation to goodwill only takes place if the OIC requirements for goodwill recognition are met.

BASIS OF PREPARATION

With a view to preparing financial statements that give a true and fair view of its financial position, financial performance and cash flows in compliance with the provisions of article 2423-bis of the Italian Civil Code, the group:

- measured the individual captions on a prudent and going-concern basis;
- recognised only those profits actually realised during the year;
- recognised income and expense on an accruals basis, irrespective of their collection/payment dates,
- included all risks and losses of the year, even when they became known after the reporting date;
- measured the different items included in the various financial statements captions separately;
- did not deviate from the accounting policies applied in the previous year apart from the application of OIC 34 Revenues which became effective during the year and its effects are described in the paragraph "Changes in accounting standards".

The following principles set out in OIC 11.15 were also complied with:

a) prudence;
b) going-concern
c) substance over form
d) accruals-basis;
e) measurement consistency
f) materiality;
g) comparability.

No exceptional events took place during the year, which would have led the group to depart from the accounting policies, as permitted by article 29.4 of Legislative decree no. 127/91 in order to give a true and fair view of its financial position, financial performance and cash flows. Moreover, the group did not make any revaluations under specific laws.

Going concern

The consolidated financial statements captions have been measured assuming the group's ability to continue as a going concern for at least the foreseeable future (one year from the reporting date).
The assessment performed did not identify significant uncertainties in this regard.

CHANGES IN ACCOUNTING STANDARDS

No exceptional events took place during the year which would have led the company to depart from the accounting standards, as permitted by article 2423-bis.2 of the Italian Civil Code.

CORRECTION OF MATERIAL ERRORS

No material prior year errors were identified.

ACCOUNTING POLICIES

The accounting policies applied and described below comply with the provisions of article 2426 of the Italian Civil Code.

These accounting policies are unchanged from the accounting policies applied in the previous year.

Intangible fixed assets

Intangible fixed assets are recognised at acquisition or internal development cost up to their recoverable amount, including all directly related charges. They are amortised systematically on a straight-line basis in line with their residual income-generating potential.

When their payment terms are longer than market conditions, these assets are recognised at amortised cost based on the present value of the related payable measured in accordance with OIC 19 Payables.

Goodwill is comprised of that arising on consolidation and any residual goodwill arising from acquisitions of equity investments by group companies in previous years or the current year.

Leasehold improvements are recognised under other intangible fixed assets when they cannot be separated from the related assets, otherwise they are recognised under the relevant tangible fixed assets captions.

Assets that have incurred impairment losses at the reporting date are written down accordingly. Such write-down is reversed if the reasons therefor cease to exist in future years.

Intangible fixed assets are recognised and measured with the approval of the board of statutory auditors, where required by the Italian Civil Code.

The rates applied are set out below:

CLASS:	AMORTISATION RATE:
GOODWILL	6.67% - 20%
INDUSTRIAL PATENTS AND INTELLECTUAL PROPERTY RIGHTS	20%
CONCESSIONS, LICENCES, TRADEMARKS AND SIMILAR RIGHTS	5% - 20%
OTHER:	
- DEFERRED COSTS	20%
- LEASEHOLD IMPROVEMENTS	8.34% - 10%
- SOFTWARE	33.34%

Tangible fixed assets

Tangible fixed assets are recognised on the date the risks and rewards associated with the asset are transferred. They are recognised up to their recoverable amount at purchase or production cost net of accumulated depreciation, including all directly attributable costs and charges, indirect internal production costs, as well as charges related to the financing of the internal production incurred from production up to when the asset is available for use.

When their payment terms are longer than market conditions, these assets are recognised at amortised cost, based on the present value of the related payable measured in accordance with OIC 19 Payables.

The costs incurred on existing assets to expand, modernise or improve the structural elements of a tangible fixed asset, as well as those incurred to make it more compliant with its intended use, and extraordinary maintenance in compliance with the provisions of OIC 16.49-53 are capitalised if they result in a significant and measurable increase in its production capacity or useful life.

The depreciation of these assets is calculated based on the new carrying amount over their residual useful life.

In compliance with the provisions of OIC 16.45/46, for tangible fixed assets comprised of a group of assets, the carrying amounts of each individual asset are calculated for the purposes of identifying their various useful lives.

The cost of assets with a finite useful life is systematically depreciated each year using rates reflecting their residual useful lives.

All assets, including those temporarily unused, are depreciated.

Depreciation begins when the asset becomes available for use.

The rates applied reflect the depreciation plans. They are confirmed by the companies and halved for assets purchased during the year as they meet the conditions provided for by OIC 16.61.

Pursuant to OIC 16.70, the depreciation plans are reviewed in the event of a change to the assets' residual useful life.

The rates applied are set out below:

CLASS:	DEPRECIATION RATE:
LAND AND BUILDINGS	3% - 10%
PLANT AND MACHINERY	10% - 25%
INDUSTRIAL AND COMMERCIAL EQUIPMENT	25%
OTHER ASSETS:	
- OFFICE FURNITURE AND FITTINGS	12%
- OFFICE MACHINES	20%
CARS AND VEHICLES	20% - 25%

Assets that have incurred impairment losses at the reporting date are written down accordingly. Such write-down is reversed if the reasons therefor cease to exist in future years.

The cost of certain categories of assets is revalued pursuant to monetary revaluation laws but it never exceeds the assets' recoverable amount.

Government grants related to income

Grants related to income are recognised in the profit and loss account.

Finance leases

Finance leases are recognised in accordance with the provisions of OIC 17, using the "financial method" whereby the group depreciates the assets held under finance lease, rather than accounting for the lease payments, over the lease term and recognises the interest accrued on the financed principal amount. It also recognises the asset and the residual payable under balance sheet assets and liabilities, respectively.

Financial fixed assets

Equity investments

Investments in associates are measured using the equity method.

Equity-accounted investments are initially recognised at acquisition cost, including the related transaction costs, which comprise bank and financial brokerage charges, i.e., commissions, costs and taxes.

Upon initial recognition, the acquisition cost of an equity investment is compared to the relevant share of the investee's net equity at the acquisition date or, alternatively, that resulting from its most recent financial statements.

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If an initial positive difference is identified which can be attributed to higher carrying amounts of the investee's assets, measured at present value, or to goodwill, the investment is recognised at acquisition cost, including the initial positive difference. Otherwise, the investment is impaired and the write-down is recognised as a write-down of equity investments in the profit and loss account.

If an initial negative difference is identified which can be attributed to a good deal, the investment is recognised at the investee's higher net equity, adjusted compared to its cost, recognising an undistributable reserve in net equity as a balancing entry. Should the initial negative difference be attributable to assets recognised at higher carrying amounts than their recoverable amounts, liabilities recognised at lower carrying amounts than their settlement amounts or forecast losses, the investment is initially recognised at acquisition cost and the difference is recorded off-the-books as a provision for future risks and charges. The group will use this provision in future years to adjust the investee's net profits or losses, in order to reflect the assumptions made upon acquisition.

For equity accounting purposes, the group used the financial statements at 31 December 2025 approved by the investees' share/quotaholders, or the draft financial statements formally prepared by the investees' boards of directors, if the share/quotaholders' meetings called to approve the financial statements have not yet been held.

The net profit or loss for the year and net equity shown in an investee's financial statements are subject to the same adjustments required for consolidation purposes. The group's share of an investee's adjusted net profit or loss increases or decreases the carrying amount of the investment, with a balancing entry in the profit and loss account. Dividends received reduce the investment's carrying amount. Changes in the investee's net equity that did not affect its net profit or loss for the year increase or decrease its carrying amount and the specific undistributable reserve, without affecting the group's profit and loss account. If, as a result of net losses, the carrying amount of an investment becomes negative, it is written off and, should the group be legally or otherwise bound to support its investee, the losses exceeding the write-off are recognised in the provisions for risks and charges.

If any impairment losses are identified, the investment is written down, even when the resulting carrying amount is lower than the amount arising from equity accounting.

Derivatives

Derivatives are recognised at their fair value, corresponding to their market value, where available, or at the amount resulting from valuation models and techniques offering a reasonable approximation of market value. The fair value of hedging derivatives at the reporting date is allocated to financial fixed assets or to the relevant provision for risks and charges caption under liabilities. Speculative derivatives are not taken into consideration as the group does not have any.

There are two types of hedges: a) fair value hedges, where the aim is to limit the exposure to changes in fair value of a recognised asset or liability or a firm commitment that is attributable to a particular risk and could affect the net profit or loss; b) cash flows hedges, where the aim is to limit the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, a firm commitment or a highly probable forecast transaction and could affect the net profit or loss. As shown by an analysis of the documentation held at the parent's premises, the group has agreed derivatives qualifying as cash flow hedges. For a derivative to be recognised as a hedge, OIC 32 requires that there be specific relationships between the financial instrument and the underlying transaction. It provides that:

1. the hedging relationship consists only of eligible hedging instruments and eligible hedged items: specifically, hedges can only be recognised for the following risks: a) interest rate risk; b) currency risk, c) price risk; d) credit risk (excluding own credit risk);

2. the hedge is formally designated: at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge, which must specify the hedging instrument, the underlying transaction, the nature of the hedged risk and how the entity will evaluate whether the hedging relationship is highly effective (including an analysis of the sources of hedge ineffectiveness and how it establishes the hedging relationship);

3. the hedging relationship meets all the following hedge accounting requirements:

- there is an economic relationship between the underlying and the hedge whereby the fair value of the hedge moves in the opposite direction to changes in the hedged risk. Accordingly, the fair value of the hedge and of the underlying shall change systematically as a result of changes in the underlying variable;
- the credit risk of the counterparty to the derivative and the hedged item - when the credit risk is not the hedged risk - does not have a material impact compared to the changes resulting from the economic relationship. Accordingly, the credit risk does not significantly affect the fair value of the hedging instruments and hedged item.
- the hedging ratio, being the ratio of the number of derivatives used to the number of hedged items, is normally 1:1.

When hedging relationships involve derivatives with the same or very similar characteristics to those of the hedged item, such as the expiry date, nominal amount, settlement date of cash flows and underlying variable (defined as a "simple hedge" in OIC 32.101) and the derivative has been entered into at market conditions (i.e., with a fair value equal to or approximating nil), their initial recognition can be based on a purely qualitative analysis and does not require a quantitative test. This does not exempt an entity from keeping the relevant documentation showing the direct correlation between the key elements of the derivative and the hedged item as described above.

Fair value gains and losses on cash flow hedges are recognised in a net equity reserve. Any ineffective portion is expensed.

Fair value gains or losses on speculative derivatives and fair value hedges are expensed.

Inventory

Inventory is initially recognised on the date the risks and rewards associated with the asset are substantially transferred. Inventory is initially recognised at purchase or production cost and subsequently measured at the lower of cost and estimated realisable value based on market trends.

Purchase cost is the actual cost paid upon purchase including related charges. The purchase cost of materials includes their price, transport costs, customs and other duties and other directly attributable costs. Returns, commercial discounts, rebates and bonuses are deducted from costs.

Production cost includes all direct costs and the reasonably attributable portion of indirect costs incurred to make the inventory items ready for use and transport them to their place of use from production up to when the asset is available for use, based on normal production capacity.

The group has adopted the FIFO model. The estimated realisable value based on market trends is the estimate of ordinary sales prices of goods and finished products, net of estimated completion costs and direct sales costs. Obsolescence and turnover are also taken into account in calculating the estimated realisable value based on market trends.

Raw materials and supplies used in manufacturing finished goods are not written down if the realisable value of such goods is expected to be equal to or higher than their production cost. Moreover, should the price of raw materials and supplies decrease and the cost of finished goods exceed their realisable value, the raw materials and supplies are written down to their net realisable value, assumed to be the best estimate of their market price.

Inventory items whose estimated realisable value based on market trends is lower than their carrying amount are written down. When the reasons for previous write-downs entirely or partially cease to exist due to a recovery in market value, the inventory items are written back up to their original cost.

The carrying amount of inventories including possible gains from intragroup sales has been written back to the purchase or production cost for the group.

Receivables

Receivables are recognised at their estimated realisable value under fixed or current assets depending on their intended use in relation to the group's ordinary activities that generate them.
They are classified as due within or after one year based on their contractual or legal due date and considering events that could modify the original due date, the debtor's realistic ability to fulfil the obligation within the contractual terms and the timeframe in which the receivable will realistically be collected.
Pursuant to article 2426.1.8 of the Italian Civil Code, receivables are recognised at amortised cost, except when the effect of application of this model is irrelevant, as per article 2423.4 of the Italian Civil Code.
Under the principle of materiality, receivables are only discounted if the contractual interest rate differs significantly from the market interest rate.
The time value of money was also taken into consideration pursuant to article 2426.1.8 of the Italian Civil Code, discounting receivables due after one year where the effective interest rate differed significantly from the market rate.
Irrespective of whether amortised cost is used, a specific provision for bad debts is recognised to write down those receivables deemed to be irrecoverable in addition to a generic provision for all other receivables estimated considering past experience, past due trends, the general and sector economic conditions and country risk, as well as adjusting post-balance sheet events.
Secured receivables consider the effects of enforcing the guarantees and only the portion not covered by the insurance is taken into account in the case of insured receivables.
An accrual based on past trends and any other useful information is also made to a specific provision for risks for expected customer product returns and the discounts and allowances expected to be granted on collection.

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Tax receivables

Tax receivables comprise certain and known amounts that the group is entitled to claim for reimbursement or to offset.

Deferred tax assets

Deferred tax assets on deductible temporary differences and the benefit associated with the carryforward of tax losses are recognised and maintained only when their future recoverability is reasonably certain, as the expected future taxable profits or taxable temporary differences are sufficient to recover them in the years in which they reverse.

Deferred tax assets not recognised or impaired in prior years as the requirements for their recognition were not met are recognised or reinstated in the year in which the relevant requirements are met.

Liquid funds

These are the positive balances of bank and postal accounts and cheques, as well as the cash-on-hand and cash equivalents at the reporting date. Bank and postal account deposits and cheques are recognised at their estimated realisable value, cash and revenue stamps at their nominal amount, while foreign currency is measured at the closing rate.

Prepayments, accrued income, accrued expenses and deferred income

Prepayments and accrued income, accrued expenses and deferred income are recognised on an accruals basis and comprise portions of income and expenses pertaining to the year but that will respectively be collected or paid in subsequent years, as well as portions of income and expenses collected or paid during the year but pertaining to future years.

Accordingly, these captions comprise only portions of expenses and income relating to two or more years whose amount varies over time.

At the reporting date, the group checked that the conditions underlying the initial recognition were met, adjusting the carrying amount where necessary and considering both the time factor and recoverability.

Like for current receivables, accrued income is measured at estimated realisable value, written down when such amount is lower than its carrying amount.

Like for payables, accrued expenses are measured at their nominal amount.

The existence of future economic benefits matching the deferred costs is evaluated for prepayments, they are written down when such amount is lower than the carrying amount.

Net equity

Quota capital is recognised at the nominal amount of the quotas subscribed by the owners.

Transactions between the company and its owners (acting as owners) may result in receivables/payables from/to them. The company recognises a receivable when its owners take on an obligation and a payable when it takes on an obligation to them.

Capital injections with no repayment obligation are recognised under the relevant net equity caption, while quotaholder loans with a repayment obligation are recognised under payables.

Provisions for risks and charges

Provisions for risks and charges are recognised to cover specific liabilities that are certain or probable, but whose amount or due date is unknown at the reporting date. Specifically, provisions for risks relate to specific liabilities whose occurrence is probable and amount estimated, while provisions for charges relate to specific liabilities, whose occurrence is certain and amount or due date estimated, that arise from obligations already taken on at the reporting date but which will be paid in subsequent years.

The estimate is calculated and/or adjusted at the reporting date based on past experience and any other useful information.

Privileging the classification of costs by nature pursuant to OIC 31.19, accruals to provisions for risks and charges are recognised in the profit and loss account section to which the transaction relates (core business, non core business or financial).

The provisions are subsequently used directly and solely for those costs and liabilities for which they were originally set up. If they are not sufficient or are redundant, the shortfall or surplus is recognised in the profit and loss account in line with the original accrual.

Tax provision, including deferred tax liabilities

This includes liabilities for probable income taxes arising from provisional tax assessments and disputes underway, as well as deferred tax liabilities generated by temporary differences, applying the rate applicable at the date such differences will reverse.

Pursuant to OIC 25.53-55, the tax provision also includes deferred tax liabilities arising on extraordinary transactions, asset revaluations and reserves taxable on distribution that do not affect the profit and loss account or net equity.

As there are grounds to believe they will not be used in a manner generating taxation, pursuant to OIC 25.64, deferred tax liabilities have not been calculated on reserves taxable on distribution.

Employees' leaving entitlement

The Italian employees' leaving entitlement (TFR) is the benefit to which employees are entitled in any case of termination of employment pursuant to article 2120 of the Italian Civil Code and considering the changes in legislation introduced by Law no. 296/2006. The overall accrued benefit considers any type of continuous remuneration and is net of any payments on account and partial advances paid by virtue of national or individual labour contracts or company agreements which are not required to be repaid.

The related liability is the amount that the group would have paid had all employees left at the reporting date. The amount due to employees who had already left the group at the reporting date but that will be paid in the following year is reclassified to payables.

Payables

Pursuant to article 2426.1.8 of the Italian Civil Code, payables are recognised at amortised cost, except for those payables for which the effects of applying the amortised cost pursuant to article 2423.4 of the Italian Civil Code are immaterial. In compliance with the aforesaid principle of materiality, payables are only discounted if the contractual interest rate differs significantly from the market interest rate.

The time value of money was also taken into consideration pursuant to article 2426.1.8 of the Italian Civil Code, discounting payables due after one year where the effective interest rate differed significantly from the market rate.

They are classified as due within or after one year based on their contractual or legal expiry date and considering events that could modify the original expiry date.

Payables arising from the purchase of goods are recognised when the risks, charges and benefits are transferred; those related to services are recognised when the service is provided; financial and other payables are recognised when the obligation to the counterparty arises.

Tax payables are comprised of certain tax liabilities of a known amount, as well as the taxes withheld as withholding tax agent and not yet paid at the reporting date. Where offsetting is permitted, they are recognised net of payments on account, withholding taxes and tax receivables.

Foreign currency amounts

Foreign currency monetary assets and liabilities are recognised using the closing spot rates. Any resulting gains or losses are taken to the profit and loss account.

Unrealised net exchange gains not used to cover any net loss for the year are recognised in a specific reserve which may only be distributed when realised.

Non-monetary foreign currency assets and liabilities are recognised using the transaction-date exchange rate. Pursuant to OIC 26.31, the group compares the cost to the asset's recoverable amount (fixed assets) or estimated realisable value based on market trends (current assets) at the time of preparing the consolidated financial statements.

Exchange rates used

As stated previously, financial statements prepared in currencies other than the Euro are translated using the average exchange rates for the year for profit and loss account items and the spot closing rate for balance sheet items.

The following exchange rates were used.

Currency	Average annual exchange rates in 2025	Spot closing rate
	Foreign currency amount for €1	Foreign currency amount for €1
Argentine peso	1412.1281	1707.5608
Brazilian real	6.3072	6.4364
Indian rupee	98.5239	105.5965
US dollar	1.130	1.175
Polish zloty	4.2367	4.221

The provisions of OIC 17.125 have been applied for the consolidation of the companies with their registered offices in Argentina. This paragraph states that: "when an investee operates in a hyperinflationary economy, before translating the financial statements into the parent's reporting currency for consolidation purposes, the cost of tangible fixed assets and the related depreciation and any other adjustments to the carrying amount of other assets, liabilities, income and expense are remeasured, in order to eliminate the distortive effects of inflation".

Income taxes

Current income taxes are accrued by each fully consolidated group company based on the forecast taxable profit in compliance with the regulations enacted in the respective country, taking into account any exemptions and tax receivables.

Under the group accounting policies, deferred tax assets and liabilities are recognised on the temporary differences between costs and revenues' carrying amount and tax base determined in compliance with the tax legislation applicable in the various countries in which the group companies operate. Deferred taxes are recognised under caption 22b) of the profit and loss account and separately accounted for under Deferred tax assets and Tax provision, including deferred tax liabilities in the balance sheet.

Deferred tax assets on deductible temporary differences and the benefit associated with the carryforward of tax losses are recognised only when their future recoverability is reasonably certain, as the expected future taxable profits or taxable temporary differences are sufficient to recover them in the years in which they reverse.

Costs and revenues

Revenues from the sale of goods and the provision of services relating to the core and non-core business are recognised in accordance with OIC 34 which comprises the following stages:

1) determining the transaction price;

2) identifying performance obligations,

3) measuring performance obligations,

4) recognising revenues

The transaction price is determined from the contractual clauses. Discounts, rebates, penalties and returns are accounted for as a reduction in revenues based on the best estimate of the consideration, taking into account historical information and/or statistical analyses.

The company analyses sales contracts in order to identify performance obligations, i.e., whether a single sales contract may give rise to several rights and obligations to be recognised separately in relation to the individual goods or services promised to the customer under the contract. The individual performance obligations are not separated when the goods and services under the contract are complementary or inseparable, the services are unrelated to the company's core business, each of the services covered by the sales contract are performed in the same year, and, for contracts not particularly complex, the effect on total revenues of the separation of the individual performance obligations is immaterial.

After determining the value of the individual performance obligations, the company recognises revenues on an accruals basis.

Revenues from performance obligations representing a sale of goods are recognised when both the following conditions are met:

a) the risks and benefits of the sale have been substantially transferred, and

b) revenues can be reliably measured

In assessing whether it has substantially transferred the risks, the company considers both qualitative and quantitative factors, excluding the credit risk. Benefits are substantially transferred when the company transfers the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset to the customer.

Revenues from the provision of services are recognised over time if both of the following conditions are met:

a) the contract provides that the company has an enforceable right to payment for performance completed to date; and

b) the amount of the revenues for a performance obligation satisfied over time can be measured reliably.

If the group cannot recognise revenues over time (based on the progress towards complete satisfaction of a performance obligation), it recognises revenues at a point in time, when the performance obligation is completely satisfied.

If the company subsequently revises the estimates underlying its initial revenue recognition, it updates them to take into account any additional information that the passage of time may provide regarding assumptions or facts on which the original estimate was based. If a contract modification adds a performance obligation and an additional transaction price, it is recognised as a separate contract. If a contract modification solely changes the transaction price or the performance obligations, its effects are recognised by allocating the residual transaction price to the performance obligations to be satisfied.

Production cost is recognised net of returns, allowances, discounts and premiums. Costs arising from the purchase of goods are recognised when the production process for the goods has been completed and the substantial transfer of title has taken place, with the transfer of risks and rewards being the key parameter. Those related to purchases of services are recognised over time if the contract provides that the buyer pays for the service as the service is received and the amount of the cost can be measured reliably. If these conditions are not met, the cost is recognised upon completion of the service.

Revenues and income, costs and charges relating to foreign currency transactions are translated using the spot exchange rate ruling on the date of the relevant transaction.

Grants related to income due in accordance with the law or under the relevant contractual provisions are recognised on an accruals basis when the right to receive them is certain.

Revenues and costs, whose amount or impact is exceptional, are disclosed in a specific section of these notes.

Use of estimates

The preparation of consolidated financial statements requires management to make estimates that affect the carrying amount of assets and liabilities and the related disclosures. Actual results may differ. Estimates are revised regularly and the effect of any changes, if not due to errors, are recognised in the profit and loss account when the estimates are changed, if they affect just one year, and also in the following years, if they affect both the current and subsequent years.

Post-balance sheet events

These events modify conditions existing at the reporting date. They require adjustments to the carrying amounts of recognised assets and liabilities in accordance with the relevant accounting policy. They are recognised on an accruals basis to present their reporting date effect on the group's financial position, financial performance and cash flows.

The post-balance sheet events that modify situations existing at the reporting date but do not require adjustments to the carrying amounts under the relevant accounting policy as they relate to the subsequent year are not recognised but are disclosed in the notes if necessary to give a more complete view of the group's position.

The date within which an event shall be considered a post-balance sheet event is the date on which the directors prepare the draft financial statements, unless events that take place during the period from such date to the date on which the financial statements are expected to be approved by the quotaholders have a significant impact on the financial statements.

OTHER INFORMATION

In preparing these consolidated financial statements, the group complied with the principles and recommendations of the Italian Accounting Standard Setter (OIC). Where these are silent, reference was made to the generally accepted international standards (the IFRS and US GAAP) for the purposes of giving a true and fair view of the group's financial position, financial performance and cash flows.

BALANCE SHEET

ASSETS

FIXED ASSETS

Intangible fixed assets

Intangible fixed assets total €16,533,260 (31 December 2024: €16,900,922).

They may be analysed as follows:

	Industrial patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Goodwill	Other	Total
Opening balance					
Cost	-	18,102,679	50,353,889	19,728,859	88,185,427
Amortisation and write-downs	-	12,721,525	41,272,326	17,290,654	71,284,505
Carrying amount	-	5,381,154	9,081,563	2,438,205	16,900,922
Changes					
Initial transfer amount	-	-	-	-	-
Amortisation	272,086	447,535	1,227,576	628,336	2,575,534
Acquisitions	1,360,430	7,589	-	839,852	2,207,871
Sales and disposals (decreases in the carrying amount)		-	-	-	-
Write-downs		-	-	-	-
Other changes		-	-	-	-
Total changes	1,088,344	- 439,946	- 1,227,576	211,516	- 367,662
Closing balance					
Cost	1,360,430	18,110,268	50,353,889	20,568,711	90,393,298
Amortisation and write-downs	272,086	13,169,060	42,499,902	17,918,990	73,860,038
Carrying amount	1,088,344	4,941,208	7,853,987	2,649,721	16,533,260

The following items increased during the year:

- industrial patent and intellectual property rights: the increase was mainly due to the acquisition of an intellectual property right related to the business in India which will generate future cash flows.
- other intangible assets: the increase was chiefly related to improvements to the facilities (owned by third parties) where the group operates.

Details of the closing balances of other items are as follows:

- goodwill: the balance refers to the residual gains recognised in past years from the 2019 merger of the former Valtek S.p.A. into Westport Fuel Systems Italia S.r.l. and the residual gains arising from the first-time consolidation of Westport Fuel Systems Netherlands;
- trademarks: the balance refers to the gains arising from the first-time consolidation of Westport Fuel Systems Netherlands and the gains allocated to trademarks as part of the merger of both a) the former Emer S.p.A. (in 2020) and b) the former Valtek S.p.A. (in 2019) into Westport Fuel Systems Italia S.r.l.

Thanks to the positive performance of the operating group companies, there were no indicators of impairment of the group's assets. The business lines' operating profits were satisfactory and better than the previous year, in line with the group's business plans. The future prospects for the companies included in these consolidated financial statements are equally positive and show further improvements.

Tangible fixed assets

Tangible fixed assets total €33,669,334 (31 December 2024: €35,386,407).

They may be analysed as follows:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Opening balance						
Cost	11,476,480	105,375,525	23,353,870	17,290,347	2,675,358	160,172,580
Depreciation (accumulated depreciation)	5,912,897	83,777,684	20,575,585	14,568,907	-	124,786,173
Carrying amount	5,563,583	21,597,841	2,777,185	2,721,440	2,675,358	35,385,407
Changes						
Initial transfer amount	-	-	-	-	-	-
Depreciation	221,948	3,279,495	950,248	887,606	-	5,339,297
Acquisitions	116,380	4,595,681	295,082	1,440,645	354,083	6,781,871
Reclassifications	-	1,873,451	802,907	-	- 2,676,358	-
Sales and disposals (decreases in the carrying amount)	-	1,852,472	840,260	357,543	-	3,050,275
Write-downs	-	63,600	-	-	-	63,600
Other changes	- 3	4,230	-	-	-	4,227
Total changes	- 105,571	1,277,795	- 732,519	165,496	- 2,322,275	1,717,074
Closing balance						
Cost	11,592,857	109,312,938	23,077,906	18,343,449	354,083	162,879,233
Depreciation (accumulated depreciation)	6,034,844	86,437,268	21,078,240	15,456,514	-	129,006,866
Carrying amount	5,558,012	22,875,635	1,994,666	2,886,935	354,083	33,669,331

The acquisitions of the year were mostly linked to investments to increase the group's production capacity. Specifically

- machinery and equipment given the expected volume increase for LPG systems, also as a result of the project with a leading global OEM manufacturer customer (volumes increased in 2024 and 2025 and are expected to increase further in 2026);
- major investments related to production departments that assemble electronic boards that will be used both under the above-mentioned contract with one of the world's leading OEMs and in other markets and business lines;
- investments needed to increase production capacity and efficiencies in the LPG tank production business;
- investments related to other assets.

The €3.1 million decrease is mainly a result of the sale of the hydrogen business unit finalised in July 2025.

Thanks to the positive performance of the operating group companies, there were no indicators of impairment of the group's assets. The business lines' operating profits were satisfactory and better than the previous year, in line with the group's business plans. The future prospects for the companies included in these consolidated financial statements are equally positive and show further improvements.

Financial fixed assets

Equity investments, other securities and derivatives

Equity investments included under financial fixed assets equal €3,235,575 (31 December 2024: €3,087,095) and are comprised of the following equity-accounted investees:

- **Ideas & Motion S.r.l.**, with registered office in Alba, Via Santa Margherita 8 – 14.29% investment corresponding to a carrying amount of €358,590;
- **Minda Westport Technologies LTD**, a 24% joint venture with the Indian venturer Minda Autogas Ltd – carrying amount of €2,876,985.

The figures related to the associates derive from their respective financial statements at 31 December 2025. Minda Westport Technologies LTD paid out a dividend of approximately €0.3 million during the year.

Financial receivables

Financial receivables come to €15,924,134 (31 December 2024: €429,349) and are mainly comprised of financial receivables due from parents (interest-bearing loans to Green Day Midco B.V) and guarantee deposits for the remaining portion.

CURRENT ASSETS

Inventory

Goods are recognised in inventory on the date the risks and rewards associated with the goods are transferred. They include goods held in group warehouses, except for third party assets to which title has not been acquired (on approval, for processing or on deposit), group assets held by third parties (on approval, for processing or on deposit) and goods in transit for which the risks and rewards associated with the good have already been transferred.

Inventory comes to €42,165,017 (31 December 2024: €52,334,919).

It may be analysed as follows:

	Opening balance	Change	Closing balance
Raw materials, consumables and supplies	33,451,243	(7,541,021)	25,910,222
Work in progress and semi-finished products	1,206,490	(515,578)	690,912
Finished goods	16,682,603	(1,640,275)	15,042,328
Payments on account	994,583	(473,028)	521,555
Total	52,334,919	(10,169,902)	42,165,017

The amounts shown in the above table are net of the provision for inventory write-down totalling €7,095,867 (31 December 2024: €8,543,006).

The €1,447,139 decrease is attributable to considerable utilisations of the provision for scrapping of inventory €975,284) along with the effects of the sale of the hydrogen business unit (€677,362), combined with the write downs of €205,527 for items no longer considered usable and thus written down. This shows a marked improvement on the prior year balance (€2,691,674), partly thanks to increasingly careful and integrated inventory management.

Total inventory decreased by approximately €10.2 million due to the combined effects of the sale of the hydrogen business unit and the sale of the remaining inventory related to the HD OEM business (sold in 2024 for which a transition service agreement was still in place in the second half of 2024 and in the first half of 2025 and for which the transition of the activities to the company that acquired the business in 2024 continued until completion during 2025). In addition to these non-recurring effects, management also focused on optimising cash flows and, in particular, working capital.

Receivables

Current receivables come to €62,806,097 (31 December 2024: €81,457,331) and may be analysed as follows:

	Due within one year	Due after one year	Nominal amount	Provision for bad debts/write-downs	Carrying amount
Trade receivables	39,274,096	0	43,083,069	-3,808,973	39,274,096
From associates	2,168,166	0	2,168,166	0	2,168,166
From parents	0	0	0	0	0
From subsidiaries of parents	0	0	0	0	0
Tax receivables	10,866,673	0	10,866,673		10,866,673
Deferred tax assets			9,445,174		9,445,174
From others	494,301	557,687	1,051,988	0	1,051,988
Total	52,803,236	557,687	66,615,070	-3,808,973	62,806,097

Receivables decreased significantly in 2025 (by approximately €18.7 million) due to the combined effect of the following:

- receivables from third-party customers: decreased by roughly €10.3 million related to ordinary operations;
- receivables from parents: decreased by approximately €10.5 million due to the change of the ultimate parent; this led to a settlement of the related outstanding receivables and there are no new trade receivables from the current ultimate parent;
- deferred tax assets: decreased by €2.3 million due to the net profits of consolidated companies, particularly the Italian parent;

- tax receivables: increased by €5.4 million due to a specific temporary factor. a tax receivable of €6.9 million was recovered in January 2026 upon completion of a bureaucratic process. bringing tax receivables back down to historical levels

The portion of receivables from others due after one year refers to insurance compensation that is expected to be collected after one year but within five years. The corresponding costs incurred/to be incurred have been recognised in the profit and loss account

Pursuant to article 2427.6 of the Italian Civil Code, it is noted there are no receivables due after five years

Changes in the provision for bad debts

This provision for bad debts underwent the following changes during the year

Opening balance	€3 712 931
Accrual	€779.952
Acquisition of business unit	€163.936
Utilisations	-€847,846
Closing balance	**€3,808,973**

Current financial assets

Current financial assets (€50,000) comprise the investment in Fondazione Ospedale Alba-Bra. The higher balance at the previous reporting date (€517,987 thousand) was due to securities issued by the Argentine government and purchased by the Argentine company TA GAS Technology and transferred to Westport Fuel Systems Italia S.r.l. to paid for invoices issued prior to 2024 (a specific means of payment provided for by the Argentine government)

Liquid funds

Liquid funds come to €16.606.351 (31 December 2024: €22,008,620) and may be analysed as follows

They may be analysed as follows.

	Opening balance	Change	Closing balance
Bank and postal accounts	21 986 986	5,403 237	16 583,749
Cheques on hand	446	35	481
Cash-in-hand and cash equivalents	21,188	933	22.121
Total	22 008.620	-5,402 269	16,606,351

Reference should be made to the cash flow statement and notes thereto for further details on changes in liquid funds

PREPAYMENTS AND ACCRUED INCOME

Prepayments and accrued income came to €2 006,182 (31 December 2024: €2.071,569)

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They may be analysed as follows:

	Opening balance	Change	Closing balance
Accrued income	101,553	576,126	677,679
Prepayments	1,970,016	-641,513	1,328,503
Total	2,071,569	-65,357	2,006,182

Prepayments mainly comprise costs that have already been recognised but pertain to future years (specifically, insurance, service fees, subscriptions, maintenance fees, etc.). The decrease on the prior year end is attributable to costs that had been deferred at the end of 2024 pending charging to customers and were then effectively charged in 2025.

The increase in accrued income mainly relates to the parent's recognition of grants related to income on an accruals basis.

BALANCE SHEET
LIABILITIES AND NET EQUITY

NET EQUITY

Net equity comes to €107,335,052 at the reporting date (31 December 2024: €101,207,641).

The following tables show the changes of the year in the net equity items and details of other reserves:

	Opening balance	Dividends	Other allocations	Increases
Quota capital	2,400,000	0	0	0
Revaluation reserves	797,940	0	0	0
Legal reserve	780,000	0	0	0
Other reserves				
Sundry other reserves	-5,715,962	0	0	1,509,456
Total other reserves	-5,715,962	0	0	1,509,456
Hedging reserve	59,507	0	0	
Retained earnings	95,841,244	0	7,044,912	0
Net profit for the year	7,044,912	0	-7,044,912	0
Total net equity	101,207,641	0	0	1,509,456

	Decreases	Reclassifications	Net profit for the year	Closing balance
Quota capital	0	0		2,400,000
Revaluation reserves	0	0		797,940
Legal reserve	0	0		780,000
Other reserves				
Sundry other reserves	0	0		-4,206,506
Total other reserves	0	0		-4,206,506
Hedging reserve	-91,126	0		-31,619
Retained earnings	0	0		102,886,156
Net profit for the year	0	0	4,709,082	4,709,082
Total net equity	-91,126	0	4,709,082	107,335,053

Changes in the hedging reserve

Hedging reserve

The following table provides the information required by article 2427-bis.1.1.b-quater) of the Italian Civil Code on changes in this reserve

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	Hedging reserve
Opening balance	59,507
Changes	
Increases due to changes in fair value	0
Decreases due to changes in fair value	91,126
Closing balance	-31,619

In accordance with the provisions of article 2426.1.11-bis of the Italian Civil Code, derivatives (in this case interest rate swaps) are recognised at their fair value.
This is the mark-to-market amount, i.e., the fair value of the amounts due at the measurement date (31 December 2025) until the contractual expiry date, calculated by Unicredit S.p.A. and Deutsche Bank based on the current market conditions at the measurement date using pricing models commonly used by professional brokers. No adjustments were necessary. The reserve is recognised net of the related tax effect (deferred tax liabilities of €18,792 and deferred tax assets of €9,985 at the start and end of the year, respectively).

Reconciliation between the parent's net equity and the group's net equity

This table shows the net equity in the parent's financial statements compared to that presented in the consolidated financial statements

	31/12/2024	P&L 2025	NE 31/12/2025	31/12/2025
As per the parent's financial statements	93,803,560	6,219,836	- 91,126	99,932,089
Consolidation of subsidiaries (elimination of equity investments, consolidation of net equity)	914,817	3,430,517	1,509,456	4,007,158
Elimination of gain on sale of intragroup trademark and related amortisation (including the tax effect)	-	- 644,296	-	- 644,296
Intragroup goodwill at the reporting date (including the tax effect)	4,558,042	- 814,390	-	3,743,652
Intragroup profit	370,487	- 79,920	-	- 450,407
Elimination of write-downs of intragroup trade receivables	14,565,503	- 5,912,562	-	8,653,041
Effect of equity accounting of investees other than subsidiaries	2,873,519	148,480		3,021,999
Reversal of greater depreciation/amortisation due to legal revaluations by subsidiaries	- 12,698,239	1,056,890	-	- 11,641,449
Other changes	- 591,441	1,504,709		913,268
As per the consolidated financial statements	101,207,641	4,709,082	1,418,330	107,335,052

For further clarification of that set out in the above table, it should be noted that:

- the impacts on the profit and loss account of "Consolidation of subsidiaries (elimination of investment, consolidation of net equity)" includes the consolidation of the net equity of the subsidiaries (and thus of their net profits) along with the impact of the elimination of the dividend received from Stako by the parent (€5,000,000) and included in the parent's net profit;
- the impacts on net equity of "Consolidation of subsidiaries (elimination of investment, consolidation of net equity)" fully refer to changes in the translation reserve (€1.5 million);
- residual gains at year end: these refer to the first-time consolidation of companies in the consolidated financial statements (i.e., the relevant PPA procedures). The residual amounts fully refer to Westport Fuel Systems Netherlands;
- elimination of write-downs of intragroup trade receivables: the net effect of €5.9 million resulted from a) the elimination of the €6.7 million gain recorded by the Indian subsidiary and resulting from the

parent's waiver of receivables due to it (which had been previously written down in the parent's financial statements) and b) the elimination of intragroup receivables recognised by the parent at 31 December 2025 (€0.8 million).

PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges come to €6,570,528 (31 December 2024: €8,045,761).

	Opening balance	Change	Closing balance
Tax provision, including deferred tax liabilities	2,237,719	(152,289)	2,085,430
Derivatives	165,185	(71,521)	93,664
Other provisions for risks and charges	5,642,857	(1,251,424)	4,391,433
Total provisions for risks and charges	8,045,761	(1,475,234)	6,570,528

Other provisions are comprised as follows.

	WFS Italia	WFS Netherlands	TA GAS	WMTM	ROHAN BRC	TOTAL
Provision for warranties	3,637,984	300,000	13,023	-	9,470	3,960,477
Provision for disputes	240,252	-	-	1,020	-	241,272
Restructuring provision			90,000		99,684	189,684
TOTAL	3,878,236	300,000	103,023	1,020	109,154	4,391,433

Most of the balance is attributable to the provision for warranties of consolidated companies.

The €1.3 million decrease is mainly attributable to the approximate €1.0 million reduction in the provision for warranties in connection with the sale of the hydrogen business unit.

The residual portion of the decrease is attributable to the ordinary utilisation of the provision and related accrual for warranty costs to be incurred in the future based on actual revenues.

The group accrues its provision for warranties on the basis of the best information currently on hand and taking into account both historical data and any specific information available.

EMPLOYEES' LEAVING ENTITLEMENT

Employees' leaving entitlement comes to €2,571,076 (31 December 2024: €2,859,138).

PAYABLES

Payables total €73,742,581 (31 December 2024: €99,177,313).

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They may be analysed as follows:

	Opening balance	Changes	Closing balance
Bank loans and borrowings	24,261,548	9,897,157	14,364,391
Other loans and borrowings	1,553,598	-296,858	1,256,740
Payments on account	4,223,890	-435,277	3,788,613
Trade payables	47,340,599	7,483,542	39,857,057
Payables to associates	47,040	-29,244	17,796
Payables to parents	6,272,736	-5,462,255	810,481
Payables to subsidiaries of parents	91,613	91,613	0
Tax payables	2,518,626	-516,222	2,001,404
Social security charges payable	3,176,940	-62,072	3,114,118
Other payables	9,689,723	-1,157,742	8,531,981
Total	99,177,313	-25,434,732	73,742,581

These items may be analysed as follows:

- bank loans and borrowings: decreased following the regular repayment of amounts due;
- other loans and borrowings: decreased mainly due to repayments made during the year. These are essentially linked to finance leases;
- trade payables: decreased significantly mainly due to the regular flow of business as well as the drop in inventory;
- payables to parents: decreased by approximately €5.5 million due to the change of the ultimate parent; this led to the settlement of the related outstanding payables. The balance refers to the new ultimate parent;
- other payables mainly consist of payables to employees for wages and salaries as well as vested entitlements.

Payables - breakdown by due date

Payables are analysed below by due date pursuant to article 2427.1.6 of the Italian Civil Code.

	Closing balance	Due within one year	Due after one year
Bank loans and borrowings	14,364,391	7,178,738	7,185,653
Other loans and borrowings	1,256,740	372,139	884,601
Payments on account	3,788,613	3,788,613	0
Trade payables	39,857,057	39,857,057	0
Payables to associates	17,796	17,796	0
Payables to parents	810,481	810,481	0
Payables to subsidiaries of parents	0	0	0
Tax payables	2,001,404	2,001,404	0
Social security charges payable	3,114,118	3,114,118	0
Other payables	8,531,981	8,531,981	0
Total	73,742,581	58,290,945	15,451,636

Pursuant to article 2427.6 of the Italian Civil Code, it is noted there are no payables due after five years.

Bank loans and borrowings

Bank loans and borrowings are comprised of residual amounts due regarding the following loans:

- a loan of an original amount of €15,000,000, granted by Unicredit on 17 July 2020, maturing on 30 June 2026 and bearing variable interest at 1.75% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000, granted by Deutsche Bank on 10 August 2020, maturing on 30 June 2026 and bearing variable interest at 1.70% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,500,000, granted by Unicredit on 29 April 2021, maturing on 31 March 2027 and bearing variable interest at 1.65% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000 granted by Deutsche Bank on 5 December 2023, maturing on 30 September 2029 and bearing variable interest at 1.90% + 3-month Euribor 360, this latter rate was set at 2.84%;
- a loan of an original amount of €3,500,000, granted by Unicredit on 10 January 2024, maturing on 31 December 2028 and bearing variable interest at 1.52% + 3-month Euribor 360. The 3-month Euribor 360 was set at 2.93%;
- a loan of an original amount of €2,000,000, granted by Banca di Credito Cooperativo di Cherasco on 28 November 2023, maturing on 31 December 2028 and bearing variable interest at 1.75% + 3-month Euribor 360.
- a loan of an original amount of €1,400,000, granted by Rabobank on 13 December 2023, maturing on 1 December 2028 and bearing interest at 4.70%.

Some of the loan agreements provide for financial covenants linked to the group's key profitability, financial and equity indicators. At the reporting date, the group has complied with such covenants, which establish a ban on paying dividends to quotaholders until the loans have been repaid.

Reference should be made to the note to derivatives for disclosures about the derivatives entered into in connection with those loans.

Payables secured by collateral on group assets

There are no loans secured by mortgages on group assets.

ACCRUED EXPENSES AND DEFERRED INCOME

Accrued expenses and deferred income total €1,828,777 (31 December 2024: €2,147,842).

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They may be analysed as follows:

	Opening balance	Change	Closing balance
Accrued expenses	92,071	-65,583	26,488
Deferred income	2,055,771	-253,482	1,802,289
Total	2,147,842	-319,065	1,828,777

Accrued expenses are mainly accrued bank fees, commissions and insurance costs.

Deferred income is mostly comprised of revenues invoiced/recognised but not yet completely accrued, sundry income collected but not yet accrued and tax credits on investments in assets used in operations (not yet taken to the profit and loss account in line with the accruals-based principle).

PROFIT AND LOSS ACCOUNT

PRODUCTION REVENUES

Turnover from sales and services

Turnover from sales may be analysed by geographical segment as follows.

	2025	2024
ITALY	91,255,165	83,693,986
REST OF EUROPE	93,975,078	92,325,813
EUROPE	**185,230,243**	**178,318,799**
UNITED STATES	6,896,600	5,939,025
CANADA	9,928,725	16,187,307
REST OF NORTH AMERICA	[illegible],541,388	2,616,764
NORTH AMERICA	**18,356,803**	**25,743,096**
ARGENTINA	6,858,747	10,398,720
BRAZIL	[illegible]88,821	202,816
REST OF SOUTH AMERICA	4,036,653	3,983,337
SOUTH AMERICA	**11,084,222**	**15,186,872**
TURKEY	10,383,284	[illegible]1,753,986
REST OF MIDDLE EAST*	4,672,385	1,533,606
MIDDLE EAST	**15,066,670**	**13,287,092**
JAPAN	0	6,426
CHINA	3,080,202	3,195,968
INDIA	6,706,388	8,639,590
THAILAND	65[illegible],731	900,770
AUSTRALIA	87,831	308,545
SOUTH KOREA	1,652,472	0
REST OF ASIA AND PACIFIC**	6,159,626	9,142,952
ASIA & PACIFIC	**18,340,190**	**22,203,381**
AFRICA	9,985,345	7,669,578
AFRICA	**9,985,345**	**7,869,578**
TOTAL	**258,062,473**	**280,848,798**

Other revenues and income

Other revenues and income total €1,390,825 (2024: €3,071,961).

They may be analysed as follows:

	2024	Change	2025
Grants related to income	623,978	-47,911	576,067
Other			
Other revenues and income	2,447,983	-1,633,225	814,758
Total other	2,447,983	-1,633,225	814,758
Total	3,071,961	-1,681,136	1,390,825

Other revenues and income mostly comprise insurance compensation, intragroup charges unrelated to the group companies' core business and other income not earned as part of the group's normal operations (such as tax benefits, gains on the sale of assets, etc.).

The considerable decrease is due to lower insurance reimbursements, lower intragroup charges (change in group structure/ultimate parent/lower activities performed for non-consolidated companies - ended after the change in ownership) and the gain recognised in 2024 on the sale of a business unit (€0.4 million).

REVENUES OF AN EXCEPTIONAL AMOUNT OR IMPACT

Pursuant to article 2427.1.13 of the Italian Civil Code, it is noted that the group did not recognise revenues of an exceptional amount or impact.

PRODUCTION COST

Raw materials, consumables, supplies and goods

Raw materials come to €126,601,973 (2024: €143,567,262). Purchase cost decreased significantly in 2025, mainly due to the use of items in stock and a lower level of inventory at year end. With regard to the change in raw materials, consumables, supplies and goods, 2025 saw a decrease in inventory (€7.6 million), compared to an increase in inventory (€6.8 million) in 2024. The difference between these two balances is €14.4 million which accounts for most of the decrease in purchase cost.

Services

Services come to €33,652,748 (2024: €37,068,098). The approximate 9% decrease mainly refers to lower costs incurred as a result of the sale of the business units in 2024 and 2025 along with a decrease in services requested from third-party suppliers due to a higher degree of insourcing. In addition, work continued on optimising and streamlining the cost structure.

Use of third party assets

Use of third party assets comes to €3,295,345 (2024: €3,261,848). Most of the costs incurred to use third party assets relate to the lease of facilities used by the group companies for production purposes (approximately €2.7 million mainly for facilities leased in Italy and Argentina as the production facilities in the Netherlands and Poland are owned by the group). The remainder relates to operating leases of chattels.

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Personnel expenses

Personnel expenses come to €65,716,904 (2024: €65,308,671). Approximately €1.1 million of the increase in other costs is attributable to restructuring activities at the Argentine facilities, while the remainder refers to an increased use of temporary personnel. The decreases in the other personnel expenses items, which partially offset the above increases, are mainly attributable to the positive effects of the restructuring activities carried out in 2025 and 2024.

Amortisation, depreciation and write-downs

Amortisation, depreciation and write-downs come to €8,758,482 (2024: €8,287,866). The increase was due to investments in 2024 and 2025.

Provisions

Provisions come to €1,935,232 (2024: €2,440,877). Accruals were mainly made to the provision for warranties, for which reference should be made to the note to provisions for risks and charges.

Other operating costs

Other operating costs total €1,463,427 (2024: €561,683). This caption mainly includes sundry costs, such as membership fees for sector associations, subscriptions to sector magazines, losses on the sale of depreciable assets and, more generally, other costs that do not relate to the typical management of the group's business. The increase in other operating costs is mainly due to the penalties incurred by group companies due to the cancellation of certain orders regarding specific projects.

COSTS OF AN EXCEPTIONAL AMOUNT OR IMPACT

Pursuant to article 2427.1.13 of the Italian Civil Code, it is noted that the group did not incur costs of an exceptional amount or impact.

FINANCIAL INCOME AND CHARGES

Financial income

Financial income amounted to €517,545, compared to €407,197 in 2024.

The 2025 balance includes interest income of €183,250 accrued on interest-bearing loans to the ultimate parent.

Interest and other financial charges - Breakdown by type

Pursuant to article 2427.1.12 of the Italian Civil Code, it is noted that interest and other financial charges of €1,167,331 mainly comprise bank interest expense paid by Westport Fuel Systems Italia S.r.l. for its loans. The immaterial remainder consists of other financial charges.

Exchange rate gains and losses

A breakdown of realised and unrealised exchange rate gains and losses is as follows.

	Unrealised	Realised	Total
Exchange rate gains	1,353,358	1,408,171	2,791,529
Exchange rate losses	3,180,243	2,060,577	5,240,820

ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES

This caption includes:

- write-backs of equity investments amounting to €478,457, which refer to the application of equity accounting to investments in associates.

INCOME TAXES, CURRENT AND DEFERRED

They may be analysed as follows:

	Current taxes	Deferred taxes
IRES (corporate income tax)	923,079	2,044,592
IRAP (regional tax on production activities)	559,344	77,570
Total	1,486,424	2,122,212

Income tax expense is driven by the net profits recorded by the companies included in these consolidated financial statements and the consequent taxation of current profits, as well as the decrease in deferred tax assets, which due to the tax losses relative to prior years.

CASH FLOW STATEMENT

The group has prepared a cash flow statement, which reconciles changes in the group's net equity with changes in its financial position, highlighting the sources and applications of the group's funds during the year.

In accordance with the provisions of OIC 10, the group prepared the cash flow statement using the indirect method whereby the cash flow is calculated by adjusting the net profit for the year for non-monetary components.

The group's liquid funds decreased by roughly €5.4 million in 2025.

Operating activities generated cash flows of about €21.0 million, mainly due to the group's operating results, combined with significant improvements in net working capital.

The net operating working capital decreased by €6.7 million, as follows:

- trade receivables decreased by €10.5 million: receivables from third-party customers fell mostly as a result of a better collection cut-off compared to the previous year and constant monitoring of the collection of receivables;

- inventory decreased by €8.1 million, mainly related to the sale of the remaining inventory related to the HD OEM business (business unit sold in 2024, activities continued in 2024 and 2025 through a transition service agreement; transfer of the assets was completed in 2025 along with the inventory related to this business held at the parent) combined with further reductions and the optimisation of working capital with reference to inventory levels;
- trade payables decreased by €5.8 million. This decrease refers to payables to third-party suppliers, a consequence of normal management activities and cut-off effects;
- other net working capital items increased by €5.8 million (negative impact), mainly related to some tax receivables that generated a significant temporary increase as they were recovered in January (approximately €6.9 million collected) re-aligning the carrying amount with historical levels.

Investing activities used cash flows of €16.2 million, as follows:

- €9.2 million granted to the ultimate parent as a long-term interest-bearing loan,
- €7.6 million related to the group's capital expenditure.

With regard to investments and divestments, to supplement the information provided in the cash flow statement and the notes thereto, the long-term interest-bearing loan granted to the ultimate parent totals €15.5 million, broken down as follows:

- the aforementioned €9.2 million which required cash outflows presented as an investment in financial fixed assets in the cash flow statement;
- the sale of the hydrogen business unit to the former ultimate parent generated a receivable of €5.4 million. The related payable was transferred to the new ultimate parent as part of its agreements with the former ultimate parent. This receivable due to the group related to the sale of the business unit was then converted into a long-term interest-bearing loan granted to the ultimate parent. This transaction is reflected in the cash flow statement by showing the net effect, i.e., without presenting the sale of the business unit (which did not generate any cash flows) and any investment in financial fixed assets (the increase is generated for the above reasons rather than through cash flows);
- the acquisition of the Indian business unit from the former ultimate parent generated a payable of €2.0 million. The related receivable was transferred to the new ultimate parent as part of its agreements with the former ultimate parent. This payable for the group related to the acquisition of the business unit was subsequently converted into a long-term interest bearing loan granted to the ultimate parent (thus offsetting the aforementioned entry). This transaction is reflected in the cash flow statement by showing the net effect, i.e., without presenting the acquisition of the business unit (which did not generate any cash flows) and any investment/disinvestment in financial fixed assets (the decrease is generated for the above reasons rather than through cash flows);
- as part of the agreement between the current and former ultimate parents, the trade receivable and payable balances with the group were also transferred from the latter to the former. The net receivable amounted to €2.8 million and was subsequently converted into an additional interest-bearing loan granted to the current ultimate parent. This transaction is reflected in the cash flow statement by showing the net effect, i.e., without recording any investment in financial fixed assets as the increase is generated by a decrease in net receivables rather than financial cash flows. Similarly, the change in the related trade receivables and payables was not shown as it was not

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generated by cash flows.

Financing activities used cash flows of €10.2 million, mainly due to payments made as per the regular repayment of loans as per the related agreements with banks.

Overall, the group's business generated cash flows and the management of net working capital also released additional resources which were then used in investing and financing activities, as detailed above.

OTHER INFORMATION

Workforce

Information on the group's workforce is provided below pursuant to article 2427.1.15 of the Italian Civil Code. The group's average headcount for the year was 1,279, compared to 1,247 in 2024.

Independent auditors' fees

Information on the independent auditors' fees is set out below pursuant to article 2427.1.16-bis of the Italian Civil Code.

	Amount
Statutory audit	165,000
Total	165,000

As specified by article 2427.1.16-bis of the Italian Civil Code, in addition to the fees for the statutory audit of the annual consolidated financial statements, the above fees include the fees for other audit and non-audit services provided by the independent auditors.

Securities issued by the group companies

None.

Financial instruments

None.

Assets and loans earmarked for a specific business

The group has not earmarked any assets or loans for a specific business pursuant to articles 2447-bis and 2447-decies of the Italian Civil Code.

Related party transactions

Reference should be made to the relevant section of the directors' report for information on related party transactions pursuant to article 2427.1.22-bis of the Italian Civil Code

Post-balance sheet events

With reference to significant events occurring after the end of the year it should be noted that, as part of its activities aimed at structuring the best possible financial situation to support its growth and ensure the availability of resources necessary to carry out its core business, the group:

- obtained a new loan of €7.5 million from Unicredit S.p.A. in January 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- obtained a new loan of €7.5 million from Gruppo Cassa Centrale Banca - Credito cooperativo italiano in March 2026. It concurrently entered into an interest rate swap to prevent and mitigate risks due to interest rate volatility;
- settled its outstanding loans and borrowings with Deutsche Bank S.p.A. in March 2026

On 25 February 2026, the parent's board of directors approved a dividend of €20 million to be paid to the sole quotaholder Green Day Midco B.V.. In March 2026, €15 million had already been transferred to the sole quotaholder and the remainder is expected to be paid by the end of 2026.

Derivatives

The following information is provided in compliance with article 2427-bis of the Italian Civil Code and in order to provide a true and fair representation of the group's commitments.

The parent has several loan agreements for which it has entered into interest rate swaps (IRSs).

The loans in question are:

- a loan of an original amount of €15,000,000, granted by Unicredit on 17 July 2020, maturing on 30 June 2026 and bearing variable interest at 1.75% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000, granted by Deutsche Bank on 10 August 2020, maturing on 30 June 2026 and bearing variable interest at 1.70% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,500,000, granted by Unicredit on 29 April 2021, maturing on 31 March 2027 and bearing variable interest at 1.65% + 3-month Euribor 360. The 3-month Euribor 360 was set at 0.00%;
- a loan of an original amount of €7,000,000 granted by Deutsche Bank on 5 December 2023, maturing on 30 September 2029 and bearing variable interest at 1.90% + 3-month Euribor 360, this latter rate was set at 2.84%;
- a loan of an original amount of €3,500,000, granted by Unicredit on 10 January 2024, maturing on 31 December 2028 and bearing variable interest at 1.52% + 3-month Euribor 360. The 3-month Euribor 360 was set at 2.83%.

As indicated in the foregoing and set out in the IRSs agreed by the group, the purpose of the swaps is to hold

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the interest rates stable throughout the loan repayment period. Accordingly, these swaps are hedges. Article 2426.1.11-bis of the Italian Civil Code deems hedges exist when there is a direct and documented correlation between the characteristics of the underlying transaction and the hedging instrument. Accordingly, at the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. The documentation must specify the hedging instrument, the underlying transaction, the nature of the hedged risk and how the entity will evaluate whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of the sources of hedge ineffectiveness and how it establishes the hedging relationship). This documentation is kept at the parent's premises.

An IRS provides for the exchange of one stream of interest payments for another between the counterparties (Unicredit and the parent), calculated on the notional amount over the contract term, i.e., until the contractual expiry date. These exchanges are treated as the payment of interest.

At 31 December 2025, the fair value of the derivatives is a negative €41,602.54, as shown in the documentation provided by Unicredit S.p.A. and Deutsche Bank, as follows:

- Unicredit loan with a notional amount of €1,500,000.00: positive fair value of €11,316.48;
- Unicredit loan with a notional amount of €2,343,750.00: positive fair value of €35,445.04;
- Deutsche Bank loan with a notional amount of €700,000.00: positive fair value of €5,299.75;
- Unicredit loan with a notional amount of €2,625,000.00: negative fair value of €32,824.33;
- Deutsche Bank loan with a notional amount of €4,772,727.26: negative fair value of €60,639.48.

This is the mark-to-market amount, i.e., the fair value of the amounts due at the measurement date (each 31 December) until the contractual expiry date, calculated based on the current market conditions at the measurement date using pricing models commonly used by professional brokers.

For reporting purposes, it was deemed important to show the amount of these derivatives as it is material, using the basis of preparation set out earlier in these notes. Moreover, they are also described in the directors' report to inform the users of the consolidated financial statements of the existence of interest rate hedges.

Management and coordination - article 2497-bis of the Italian Civil Code

The parent is managed and coordinated by Green Day Holding B.V.

Pursuant to article 2497-bis.4 of the Italian Civil Code, it is noted that there are no approved financial statements of the company that manages and coordinates currently available.

Disclosure pursuant to article 1.125 of Law no. 124 of 4 August 2017

Pursuant to article 1.125 of Law no. 124/2017, the subsidies, grants, paid engagements and economic benefits of any kind received in 2025 from public administrations and similar bodies as per such legislation are summarised below:

- Exemption from paying social security contributions for new hirings/conversions into permanent contracts in the 2021-2022 two-year period (article 1.10.16 of Law no. 178/2020).

- Exemption from paying social security contributions for hiring young workers (article 1.10-15 of Law no. 178/2020 - article 1.297 of Law no. 197/2022).

- Benefits for energy-intensive enterprises.

- Fondimpresa grants for personnel training courses.
- Staff retention grant from Agenzia Piemonte Lavoro.

The amount and details of the individual grants are also available in the National Register of State Aid which may be consulted on the website of the Ministry for Economic Development.

Cherasco 30 March 2026

On behalf of the board of directors

Statement of consistency

Pursuant to article 31.2-quinquies of Law no. 340/2000, the undersigned, Danilo Tibaldi, states that these financial statements are consistent with the original version held at the company's premises