

Translation of the long form audit report
of the
financial statements
as of 31 March 2022
and the management report for the stub period from 1 October 2022 until 31 March 2023

Bavaria Electrodes GmbH i.L
Grünthal 1 – 6
90552 Röthenbach a. d. Pegnitz

From the original German which is duly signed

Preliminary Remarks

This translation report is based on our report “Bericht über die Prüfung des Jahresabschlusses zum 31. März 2023 und des Lageberichts für das Geschäftsjahr vom 1. Oktober 2022 bis zum 31. März 2023”, dated 30 May 2023, which has been prepared in German language.

Should there be any doubt concerning the interpretation or the understanding of individual passages of the translation of the report or the contents of the translated exhibits (balance sheet, income statement, notes to the financial statements, management report and legal and tax background), the original version of the report drawn up by us in German is authoritative.

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Audit report

A. Audit engagement

The Managing Director of

Bavaria Electrodes GmbH i.L.
Grünthal 1 – 6, 90552 Röthenbach

– referred to as "BE" or simply "the Company" –

engaged us, based on the resolution of the shareholders' meeting of 20 June 2022, to audit the annual financial statements as of 31 March 2023, and the management report for the stub period 2022/2023, including the underlying accounting records.

The engagement was accepted by us in an engagement confirmation letter dated 31 March 2023, enclosing the terms and conditions of the engagement. We received the duplicate with the client's declaration of consent on 5 May 2023.

Our audit was conducted at the company's offices during the period 21 April 2023, through 30 May 2023.

We confirm in accordance with § 321 (4a) of the German Commercial Code that our audit has complied with the applicable independence regulations.

We report on the results of our audit in accordance with the "Principles of proper reporting in audits of financial statements" (IDW PS 450 n.F.) issued by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e. V.). (IDW). This audit report, to which we attach the audited annual financial statements (Annexes 1.1 – 1.3) and the management report (Annex 1.4), is addressed to the Company.

The General Engagement Terms for German Public Auditors and German Public Audit Firms in the version dated 1 January 2017, attached hereto as Exhibit shall apply to this engagement, also in relation to third parties.

B. General remarks

I. Significant changes in legal, economic and tax circumstances

By shareholders' resolution dated 1 October 2022, the Company is dissolved with effect from 1 October 2022. Since this date, the Company has been operating under the name "i.L.". Messrs. Stefan Seibel and M K Chhajer are appointed as liquidators of the Company. The dissolution will be entered in the Commercial Register on 21 November 2022. Accordingly, an opening liquidation balance sheet was drawn up as of 1 October 2022. By resolution dated 20 March 2023, it was decided to form a stub period from 1 October 2022 to 31 March 2023 (hereinafter also referred to as "RGJ"). Despite the liquidation as of 1 October 2022, the balance sheet values as of 31 March 2023 and the sales and expenses for the fiscal year 2021/22 are shown as the previous year's values.

As of 31 March 2023, the Company's equity shows a deficit not covered by equity in the amount of kEUR 1,002 due to the costs of liquidation and accounting under the going-concern principle. The parent company Graphit International B.V., Rotterdam, Netherlands, has issued a hard letter of comfort in favor of the Company dated 23 November 2022 (limited in amount to EUR 1 million and in time to 30 June 2023). The liquidators assume that the letter of comfort will be extended in time by the parent company.

II. Comment on the management report by the legal representatives

Economic situation and course of business

The liquidators have assessed the economic situation of the Company in the management report (Annex 1.4).

In accordance with Section 321 (1) sentence 2 HGB, as auditors we comment in advance on the assessment of the situation by the liquidators. In particular, we address the going concern assumption and the assessment of the liquidators as expressed in the annual financial statements and the management report.

According to our assessment based on our understanding of the performed audit, we consider the presentation and assessment of the Company as well as its expected development as stated by the Company's management in the financial statements and the management report as accurate.

In our opinion, the following key statements drawn from the management report are to be emphasized:

- The business purpose of the company is the production of graphite electrodes, special graphite products and graphite products which are sold exclusively through its sister company Graphit COVA GmbH, Röthenbach a. d. Pegnitz ("GC").
- On 1 October 2022, the company announced that the production of electrodes is no longer profitable. Therefore, they decided to liquidate the company. On 16 November 2022, an agreement was reached with the works council, according to which 72 full-time employees will be terminated for operational reasons.
- The last few years have been characterized by strong changes in steel and graphite production, driven by China. The year 2022 was still heavily influenced by the Corona pandemic, which caused a production standstill and a slowdown in trade around the world.

- Following the Ukraine-Russia war, pressure on precursors was noted both in terms of availability and cost. However, the situation is expected to de-escalate during the year and prices should return to normal.
- Energy costs in Europe are at an unprecedentedly high level. They have been further burdened by the war between Ukraine and Russia. The EU is in the process of putting together a package for those affected, and management hopes that the losses can be bridged in this respect.
- The company produced 1,264 metric tons (MT) in the stub period compared to 9,099 MT in the previous year 2021/22. Sales revenue decreased by 89% compared to the previous period.
- Cost of materials decreased to kEUR 354 compared to kEUR 11,814 (interim financial statement kEUR 7,684), mainly due to the production shut down.
- Personnel expenses and other costs also decreased significantly but could not fully compensate for the decline in gross margin. Thus, a net loss of kEUR 1,386 was generated in fiscal year 2022/23 (Oct - Mar) (PY net income kEUR 222, interim financial statements Apr -Sep 22 kEUR 1,385).
- Fixed assets were fully depreciated (kEUR 0; previous year: kEUR 76).
- Receivables from affiliated companies increased due to the allocation of costs for electrodes to GC.
- As of 31 March 2023, the company's bank balance amounted to kEUR 186 (p.y. kEUR 29). The company was able to meet its payment obligations at all times.
- The company is in liquidation, a risk assessment is not required. Only the liquidation proceedings are being continued.

In our opinion, based on the results of our audit, the presentation and assessment of the position of the company and its expected development by the legal representatives in the annual financial statements and the management report are essentially correct.

Results of operations affected by planned liquidation

The company's results of operations are significantly impacted by the liquidation of the company as of 1 October 2022. The liquidation will lead to a departure from the going-concern premise in the financial statements as of 31 March 2023. Overall, total sales in the stub period have declined as a result, as has the materials usage ratio. Overall, a net loss of 1.4 million was achieved.

C. Conduct of engagement

I. Subject of the audit

The reporting company is a medium-sized corporation within the meaning of § 267 (2) of the German Commercial Code (HGB), which is subject to statutory auditing pursuant to §§ 316 ff. HGB.

As part of our engagement, we have audited the accounting records, the annual financial statements as of 31 March 2023 and the management report for the stub period from 1 October 2022 to 31 March 2023, for compliance with the relevant legal requirements and potential supplementary provisions of the Articles of Association in accordance with section 317 of the German Commercial Code (HGB).

We have examined the management report to determine whether it is consistent with the annual financial statements and the findings of our audit and as a whole provides a true and fair view of the company's position. This also includes assessing whether the opportunities and risks of future development are appropriately presented. The audit of the management report also includes assessing whether the legal requirements for the preparation of the management report have been complied with (section 317 (2) HGB).

The authoritative accounting principles for our audit of the annual financial statements were the accounting regulations of §§ 238 to 256a and §§ 264 to 288 HGB, the special provisions of the German Limited Liability Companies Act (GmbH-Gesetz). There are no supplementary provisions to the articles of association.

II. Nature and scope of the audit

Our audit was carried out in accordance with § 317 ff. of the German Commercial Code and in compliance with the Generally Accepted German Standards for the Audit of Financial Statements established by the *Institut der Wirtschaftsprüfer in Deutschland e.V.* [IDW - Institute of Certified Auditors in Germany].

The audit does not extend to whether the continued existence of the audited company or the effectiveness and efficiency of the liquidators can be assured.

The basis of our risk- and process-oriented audit approach is the development of an audit strategy. This is based on an assessment of the economic and legal environment of the company, its objectives, strategies and business risks, which we evaluate on the basis of critical success factors. We supplement the audit of the accounting-related internal control system and its effectiveness with process analyses, which we perform with the aim of determining their influence on relevant financial statement items and thus being able to assess the risks of error as well as our audit risk.

We took into account the findings from the audit of the processes and the accounting-related internal control system in the selection of the analytical audit procedures (plausibility assessments) and the case-by-case audits with regard to the inventory evidence, the recognition, the disclosure and the valuation in the annual financial statements. In the company-specific audit programme, we defined the focus of our audit, the nature and scope of the audit procedures, the timing of the audit and the assignment of staff. In doing so, we observed the principles of materiality and risk orientation and therefore based our audit opinion mainly on random sampling.

As part of our risk-based auditing approach, we concentrated our audit on the following areas:

- Existence as well as valuation of inventories
- Existence of intercompany trade receivables and accrual of sales revenues
- Completeness and valuation of provisions
- Other individual matters with a material impact on the presentation of the net assets, financial position and results of operation, in particular the effects of liquidation

The starting point for our audit was the prior-year financial statements as of 31 March 2022, which were audited by INTARIA GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Munich, and certified on 17 May 2022; they were adopted unchanged by the shareholders' resolution of 20 June 2022.

In order to audit the proof of the company's assets and liabilities, we obtained, for our examination, among other things, bank, tax advisor and lawyer confirmations as well as balance confirmations for receivables and payables on a sample basis. We participated in the inventory of inventories. By taking appropriate samples, we assured ourselves of the correctness of the physical inventory and the valuation. An expert opinion was obtained regarding the pension obligations.

The nature, scope and results of the individual audit procedures are documented in our work papers.

III. Independence

In our audit of the financial statement, we have complied with the applicable provisions of independence (Section 321 (4a) HGB).

D. Findings on accounting

I. Regularity of the accounting

After drawing up the final results of our audit, we conclude that the accounting records and the other audited documents, the annual financial statements and the management report comply with the statutory provisions and the supplementary provisions of the articles of association.

1. Accounting and other audited records

The organisation of the accounting, the accounting-related internal control system, the data flow and the document system enable the complete, correct, orderly and timely recording and booking of business transactions.

The information taken from the other audited documents lead to a proper representation in the accounting, annual financial statements and/or management report. In particular, this included material contracts and planning calculations (profit and loss and financial planning).

IT-supported accounting ensures the security of data processed for accounting purposes and thus processing in accordance with the principles of proper accounting (GoB) pursuant to § 238 HGB.

The accounting-related internal control system (ICS) set up by the company provides for appropriate regulations on the organisation and control of work processes. There were no significant organisational changes in the accounting procedures during the reporting period.

The company's accounting (financial and fixed asset accounting) is carried out on its own IT system using the SAP ECC 6.0 program from SAP SE, Walldorf. Payroll accounting is also handled internally using this program and Excel.

The books have been opened correctly with the figures from the previous year's balance sheet and have been properly maintained. The supporting document function has been fulfilled.

The organisation of the accounting system is appropriate to the circumstances of the company.

In our opinion, based on the findings of our audit, the accounting records comply with the legal requirements. The information taken from other audited documents has led to a proper presentation in the accounting records, the annual financial statements and/or the management report.

As a summarized result of our audit, which focused on

- The propriety of the components of the financial statements and their derivation from the accounting records,
- the propriety of the disclosures made in the notes,
- the observance of the regulations on recognition, presentation and valuation,
- compliance with all legal requirements applicable to financial reporting, including generally accepted accounting principles and with all regulations specific to the size, legal form or economic sector of the company; and
- compliance with the provisions of the Articles of Association insofar as these relate to the content of the financial reporting,

We have issued the auditor's report reproduced in section E.

2. Annual financial statements

After drawing up the final result of our audit, we find that the annual financial statements comply with all legal regulations applicable to accounting, including generally accepted accounting principles and all size-dependent and legal form-dependent regulations, as well as the standards of the articles of association.

The company has the following size characteristics in accordance with § 267 HGB:

	___RGJ	2021/22	
Total assets	kEUR	3,458	5,107
Total sales	kEUR	2,310	20,312
Average number of employees		78	93

As of the balance sheet date, the company was classified as being a medium-sized company as defined by § 267 (2) of the German Commercial Code.

The balance sheet is structured in accordance with the provisions of § 266 HGB. The profit and loss account has been prepared in accordance with the total cost method (§ 275 (2) HGB).

The size-related relief pursuant to § 288 HGB for medium-sized corporations was utilized.

The balance sheet and the profit and loss account as of 31 March 2023 are - based on the figures of the previous year's balance sheet - duly derived from the accounting records and the other audited documents.

Recognition, disclosure and valuation regulations have been observed. The accounting and valuation methods applied to the previous annual financial statements have been retained.

The information provided in the Notes is complete and correct. The explanations and justifications comply with the legal requirements.

The protective clause stated in § 286 (4) HGB regarding the disclosure of liquidators salaries in the notes, according to § 285 (9) HGB, has been utilized in the preparation of the financial statements, as the liquidators do not receive any remuneration from the wages and salaries of the company.

3. Management report

The management report complies with the legal requirements. Our audit pursuant to Section 317 (2) HGB has led to the conclusion that it is consistent with the annual financial statements and the findings of our audit and as a whole provides a suitable view of the company's position. The material opportunities and risks of future development are accurately presented.

The information provided in the management report is complete according to § 289 (2) HGB and further legal requirements.

II. Overall picture of the Annual Financial Statements

In our opinion, the annual financial statements - i.e. as an overall statement of the annual financial statements resulting from the interaction of the balance sheet, the profit and loss account and the notes - give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German principles of proper accounting (§ 264 (2) of the German Commercial Code (HGB)).

The company has ensured the accounting and valuation methods applied in the annex. In our following remarks, we therefore focus in particular on those matters that are of material importance for the assessment of the net assets, financial position and results of operations, as well as in their overall effect in connection with other measures and matters (IDW PS 250 n.F.).

1. Accounting and Valuation methods

In view of the decision to dissolve the company, the going concern assumption was no longer applied for accounting purposes. Accordingly, the principles of IDW RS HFA 17 dated 11 July 2018, have been applied in the recognition, measurement and disclosure of the balance sheet.

The balance sheet includes all assets, liabilities and prepaid expenses, unless otherwise specified by law. The assets and liabilities have been valued individually. They have been valued prudently, i.e. on the basis of the principle of prudence, the fair values of the assets to be determined under liquidation aspects have only been taken into account to the extent that they do not exceed the amortized cost. In particular, all foreseeable risks and losses have been taken into account.

The valuation of assets is generally based on market conditions. The expected duration of the liquidation is included in the valuation.

The following information is provided on the accounting and valuation methods applied and the factors relevant to the valuation of assets and liabilities, including any effects of changes in these methods:

The **accounting and valuation methods** are based on the assumption that the company will continue as a going concern (Section 252 (1) No. 2 HGB) and are in line with the provisions of German commercial law. They therefore no longer correspond to those of the previous year.

The following significant accounting and valuation methods were used in the company's annual financial statements:

- No deferred tax assets were recognized as a result of the different valuation of pension provisions under commercial and tax law.

- Pension accruals are stated at the settlement amount required in accordance with prudent business judgment as of the balance sheet date. The valuation was based on actuarial principles using the projected unit credit method. In accordance with § 253 (2) sentences 1 and 2 HGB, an average market interest rate (of the last 10 years) of 1.79% was assumed for a remaining term of 15 years. In determining the settlement amount, the mortality and disability probabilities were taken from the "Richttafeln 2018 G" mortality tables by Dr. Klaus Heubeck and a pension dynamic of 2.5% was assumed. As of the balance sheet date, the required settlement amount was kEUR 60 (previous year: kEUR 57). Due to the insolvency of the predecessor company in 2004, a pension security association was called in to secure the company pension plan.
- Other provisions mainly contain provisions resulting from the discontinuation of operations (kEUR 1,677). The provision is measured in the amount of the payments agreed with the Works Council.

For further information, please refer to the explanations in the Notes (Exhibit 1.3).

2. Measures to shape the facts

We did not identify any measures that would have shaped the facts of the case.

3. Summary assessment

Based on our audit, which we carried out in accordance with professional standards, we have come to the conclusion that the annual financial statements as a whole give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German principles of proper accounting.

E. Audit opinion

We have issued the following audit opinion on the financial statements and the management report:

„Independent Auditor's Report

To Bavaria Electrodes GmbH i.L., Röthenbach

Audit opinion

We have audited the Annual Financial Statements of Bavaria Electrodes GmbH i.L., which comprise the balance sheet as of 31 March 2023, the profit and loss account for the stub period from 1 October 2022, to 31 March 2023, and the notes to the financial statements, including a description of the accounting policies. In addition, we have audited the management report of Bavaria Electrodes GmbH i.L. for the stub period from 1 October 2022, to 31 March 2023.

In our opinion, based on the findings of our audit, the accompanying financial statements

- comply in all material respects with the German commercial law provisions applicable to corporations and give a true and fair view of the net assets and financial position of the company as of 31 March 2023, and of its results of operations for the stub period from 1 October 2022 to 31 March 2023, in accordance with German principles of proper accounting. and
- the enclosed management report as a whole provides a true and fair view of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development.

In accordance with § 322 (3) sentence 1 of the German Commercial Code (HGB), we hereby declare that our audit has not led to any objections to the correctness of the annual financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under these regulations and principles is further described in the section "Auditor's responsibility for the audit of the annual financial statements and the management report" of our auditor's report.

We are independent of the company in accordance with German commercial and professional law and have fulfilled our other German professional obligations in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the financial statements and the management report.

Responsibility of the legal representatives for the Annual Financial Statements and the Management Report

The liquidators are responsible for the preparation of the Annual Financial Statements, which in all material respects must conform to the provisions of German commercial law, and for ensuring that the Annual Financial Statements present a fair impression of the company's net assets, financial position, and results of operations in accordance with the German principles of accepted accounting standards. Moreover, the legal representatives are responsible for the systems of internal control that they have deemed necessary for the preparation of Annual Financial Statements that are free of – intentional and unintentional – misrepresentations pursuant to the German principles of accepted accounting standards.

In preparing the Annual Financial Statements, the liquidators are responsible for assessing the capability of the company to continue as a going concern. Furthermore, they are responsible for disclosing relevant circumstances in connection with the continuation of the company as a going concern. They are also responsible, based on accounting principles, for including in the balance sheet matters that pertain to the continuation of the company as a going concern, except where factual or legal circumstances would oppose such action.

In addition, the liquidators are responsible for ensuring that the Management Report, which provides an accurate overall picture of the company, is consistent with the Annual Financial Statements in all material respects, conforms to the German requirements and presents the opportunities and risks of future performance. The legal representatives are responsible, furthermore, for the precautions and measures (systems) that they have deemed necessary to prepare the Management Report in agreement with the applicable provisions of German law and in order to be capable of providing adequate proof for the statements contained in the Management Report.

Responsibility of the auditor for auditing the Annual Financial Statements and the Management Report

Our objective is to obtain reasonable assurance that the Annual Financial Statements as a whole are free of – intentional or unintentional – material misrepresentations, and if the Management Report provides an accurate picture of the company and is consistent, in all material aspects, with the Annual Financial Statements and with the findings gained during the audit, conforms to the German requirements and gives a true and accurate impression of the opportunities and risks of future performance. Our objective, furthermore, is to issue an audit opinion containing our audit assessments of the Annual Financial Statements and the Management Report.

Reasonable assurance signifies a high degree of certainty, but not a guarantee, that an audit of the Annual Financial Statements performed in accordance with Section 317 HGB and the generally accepted standards for the audit of financial statements in Germany, promulgated by the Institut der Wirtschaftsprüfer e.V. [Institute of Public Auditors in Germany, IDW] will consistently identify material misrepresentations. Material misrepresentations may result from violations or inaccuracies and are considered material if it can be expected under reasonable circumstances that they will, individually or overall, influence the commercial decisions of recipients that are made based on these Annual Financial Statements and this Management Report.

We exercise professional judgement and maintain a critical approach during the audit. Moreover,

- we identify and assess the risks of – intentional or unintentional – material misrepresentations in the Annual Financial Statements and the Management Report, plan and perform audit activities in response to these risks and obtain audit findings that are adequate and suitable to serve as the basis for our audit assessments. The risk that material misrepresentations are not identified is greater for infringements than it is for inaccuracies, as infringements may include fraudulent conspiracy, falsifications, deliberate omissions, misleading representations, or the suspension of internal control mechanisms.
- we acquire an understanding of the internal control systems that are relevant to the auditing of the Annual Financial Statements and of the precautions and measures that are relevant to the auditing of the Management Report and hence can plan audit activities that are adequate, under the given circumstances, but that are not intended to submit an audit assessment on the effectiveness of these company systems.
- we assess the adequacy of the accounting measures applied by the legal representatives and the validity of the estimated assets and associated data provided by the legal representatives.

we draw conclusions on the adequacy of the accounting principles applied by the legal representatives for the continuation of the company as a going concern and, based on the audit findings obtained, determine whether there is material uncertainty in connection with the events or circumstances that give grounds to significant misgivings as to the capability of the company to continue as a going concern. Should we conclude that there is material uncertainty, we are obliged, within the audit opinion, to draw attention to the corresponding information in the Annual Financial Statements and the Management Report or, where this information is inadequate, to modify our audit opinion. We draw our conclusions based on the audit findings obtained by us until the date of our audit opinion. Notwithstanding, future events or circumstances may render the company unable to continue as a going concern.

- we assess the overall representation, structure, and content of the Annual Financial Statements, including the information and if the Annual Financial Statements present the underlying transactions and events such that the Annual Financial Statements present a fair impression of the company's net assets, financial position and results of operations in accordance with the German principles of accepted accounting standards.
- we assess the consistency between the Management Report and the Annual Financial Statements, its legal compliance, and the impression it conveys of the company's position.
- we conduct audit activities in respect of the forward-looking information contained in the Management Report, as indicated by the legal representatives. In this regard, based on adequately suitable audit findings, we seek, in particular, to understand the significant assumptions made by the legal representations based on the forward-looking information and assess if the forward-looking information has been soundly inferred from these assumptions. We do not submit a separate audit assessment on the forward-looking information or on the underlying assumptions. There is a significant and unavoidable risk that future events will deviate substantially from the forward-looking information.

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

Munich, 30 May 2023

INTARIA AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

Christian Roller
Wirtschaftsprüfer

Kristin Gura
Wirtschaftsprüferin

F. Concluding remark

We have issued the following report on our audit of the annual financial statements and the management report for the stub period from 1 October 2022 to 31 March 2023, of Bavaria Electrodes GmbH i.L., Röthenbach a.d. Pegnitz, in accordance with § 321 HGB and the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e. V.), Düsseldorf (IDW PS 450 n. F.).

The audit report is signed as follows in accordance with § 321 (5) HGB, taking into account § 32 WPO.

Munich, 30 May 30 2023

INTARIA AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte



Christian Roller
Wirtschaftsprüfer



Kristin Gura
Wirtschaftsprüferin

The publication or distribution of the annual financial statements [and/or the management report] with reference to our audit as well as the distribution of our audit report and/or the auditor's report requires our prior renewed opinion.

In the event of publication or dissemination of the annual financial statements in a form deviating from the certified version (including translation into other languages), our prior opinion is required, provided that our audit opinion is quoted or reference is made to our audit; reference is made to § 328 HGB.

Exhibit

Bavaria Electrodes GmbH i.L.
90552 Röthenbach a. d. Pegnitz

1.1. Balance sheet as of 31 March 2023

ASSETS	31 March 2023 EUR	31 March 2022 EUR	EQUITY AND LIABILITIES	31 March 2023 EUR	31 March 2022 EUR
A. FIXED ASSETS			A. EQUITY		
I. Intangible assets			I. Capital subscribed	100.000,00	100.000,00
Concessions, Industrial property rights acquired for a consideration as well as licences to such rights and values	0,00	7.755,00	II. Capital reserve	1.000.000,00	0,00
II. Tangible assets			III. Profit carried forward	668.768,49	446.998,22
1. Land, land rights and buildings, including buildings on third-party land	0,00	2.142,00	IV. Profit of the year	-2.770.377,71	221.770,27
2. Technical equipment and machines	0,00	17.060,00	V. Deficit not covered by equity	1.001.609,22	0,00
3. Other Plants, office fixtures and fittings	0,00	48.997,00		0,00	768.768,49
	0,00	68.199,00	B. PROVISIONS AND ACCURALS		
	0,00	75.954,00			
B. CURRENT ASSETS			1. Provisions for pensions and similar obligations	60.094,00	56.882,00
I. Inventories			2. Provisions for taxes	0,00	0,00
Raw materials, supplies and operating materials	0,00	646.620,92	3. Other provisions	1.812.165,77	345.598,35
				1.872.259,77	402.480,35
II. Receivables and other assets			C. LIABILITIES		
1. Trade receivables	0,00	15.260,29	1. Trade payables	377.196,92	2.381.087,77
2. Receivables from affiliated companies	2.072.143,05	4.135.081,59	2. Liabilities due to affiliated undertakings	1.147.761,15	1.522.507,00
3. Other assets	197.974,85	198.196,60	3. Other liabilities	60.893,86	32.063,46
	2.270.117,90	4.348.538,48	- thereof for taxes EUR 60,893,86 (p.y. EUR 32,063.46)		
III. Cash, bank deposits and cheques	186.384,58	29.060,41		1.585.851,93	3.935.658,23
	2.456.502,48	5.024.219,81			
C. PREPAID EXPENSES	0,00	6.733,26			
D. DEFICIT NOT COVERED BY EQUITY	1.001.609,22	0			
	3.458.111,70	5.106.907,07		3.458.111,70	5.106.907,07

Bavaria Electrodes GmbH i.L.
90552 Röthenbach a. d. Pegnitz

1.2. Income statement for the period from 1 April 2022 to 31 March 2023

	2022/23 EUR	2021/22 EUR
1. Sales	14.247.410,95	20.312.282,82
2. Other operating income - thereof exchange rate gains: EUR 0.82 (p.y.: EUR 0.00)	8.489,22	36.345,32
3. Cost of materials		
a) Cost of raw materials, supplies, operating materials and acquired goods	-952.739,20	-1.624.700,97
b) Cost of services acquired	-7.085.419,70	-10.189.582,32
	-8.038.158,90	-11.814.283,29
4. Gross Profit	6.217.741,27	8.534.344,85
5. Personnel costs		
a) Wages and salaries	-3.379.537,54	-3.570.948,47
b) Social security and expenses for old age pensions and support - thereof for old age pensions: EUR 12,702.95 (p.y.: EUR 3,673.72)	-731.437,11	-725.967,55
	-4.110.974,65	-4.296.916,02
6. Depreciation for intangible fixed assets and tangible assets	-90.546,16	-30.026,79
7. Other operating expenses - thereof for exchange rate losses: EUR 0.00 (p.y.: EUR 109.58)	-4.904.067,97	-3.900.280,87
8. Operating Income	-2.887.847,51	307.121,17
9. Other interests and similar income	894,69	0,00
10. Other interest and similar expenses - thereof to affiliated companies: EUR 1,030.00 (p.y.: EUR 1,171.00)	-1.030,00	-1.171,00
11. Taxes on income and profit from ordinary business operations	117.605,11	-84.179,90
12. Profit after taxes	-2.770.377,71	221.770,27
13. Net result for the year	-2.770.377,71	221.770,27

Bavaria Electrodes GmbH i.L., Roethenbach a. d. Pegnitz

**Notes to the Annual Financial Statements for the Financial Year from 1 October 2022
to 31 March 2023**

A. General Information

Bavaria Electrodes GmbH i.L. ("the Company") is domiciled in Röthenbach a. d. Pegnitz and incorporated in the Register of Companies HRB 21198 maintained by the local civil Court Nuremberg.

The annual financial statements of Bavaria Electrodes GmbH i.L. were prepared in accordance with the regulations of the German Commercial Code (HGB) and the Limited Liability Company Act (GmbHG). In view of the liquidation of the company resolved in the shareholders meeting on 1 October 2022, it is no longer assumed that the company will continue as a going concern. Accordingly, the principles of IDW RS HFA 17 dated 11 July 2018, are applied on the recognition, measurement and disclosure of the balance sheet.

For the income statement the total cost method according to Sec. 275 (2) HGB has been chosen. The company is a medium-sized company according to Sec. 267 (2) HGB.

B. Accounting policies

Due to the decision to liquidate the company, the accounting and valuation methods of the previous year have not been continued in the financial year. All assets and liabilities have been valued individually. Prudence has been exercised in the valuation, i.e. due to the principle of prudence, the fair values of the assets to be determined under liquidation aspects are only to be taken into account to the extent that they do not exceed the amortized cost.

The **fixed assets** and low-value assets were written off in full due to their lack of usability.

Raw materials, supplies and operating materials were sold at their acquisition value effective 31 December 2023.

Receivables and other assets are recognized at nominal values and measured taking into account all risks.

Bank balances are stated at nominal value.

The **accruals for pensions and similar rights** are valued according to the projected-unit-credit method applying the tables 2018 G of Klaus Heubeck. An actuarial interest rate of 1.79 % and a pension's dynamic of 2.50 % are assumed. Sec. 253 (2) and (6) HGB were applied, using the average discount rate of the past 10 years with a remaining term of 15 years. Consequently, the dividend payout restriction amount kEUR 2 and active difference amount to kEUR 3. This difference arises from regard of the average interest rate of the last 10 years respectively of the last 7 years (1.50 %).

Other provisions take into account all identifiable risks and uncertain obligations on the basis of a reasonable commercial assessment at the necessary settlement amount and are recognized taking into account expected future price and cost increases. They mainly relate to provisions resulting from the discontinuation of business operations.

Liabilities are accounted for in the balance sheet according to their settlement amount. All liabilities are short-term. Within the liabilities there are estimated costs for energy and gas, which are matched with overpayments.

It has been valued prudently, namely taking into account all foreseeable risks and losses that have arisen up to the balance sheet date, even if these only became known between the balance sheet date and the preparation of the financial statements.

Income statement

Profits are only taken into the account when they are realized up to the accounting date. Expenses and income are taken into the account independently from their payment date.

C. Comments on the balance sheet

Fixed assets

The development of the individual items of the fixed assets is stated in asset table attached to these notes.

Receivables and other assets

The receivables and other assets have a residual maturity of up to one year in fiscal year as well as in the previous year. The receivables against affiliated companies relate to receivables from supplies and services.

Equity

As of 31 March 2023, the Company's equity shows a deficit not covered by equity in the amount of kEUR 1,002 due to the costs of liquidation and accounting under going-concern. The parent company, Graphite International B.V., Rotterdam, Netherlands, has issued a hard letter of comfort in favor of the Company, limited in amount to EUR 1 million and in time to 30 June 2023, dated 23 November 2022.

Other provisions

Other provisions mainly include provisions resulting from the discontinuation of business operations (kEUR 1,677).

Liabilities

There are no security interests for liabilities. All liabilities have remaining terms of less than one year. The liabilities include estimated costs for electricity and gas which were netted with overpayments.

Payables due to affiliated companies

All liabilities have residual maturity of up to one year. Payables to affiliated companies are trade accounts payable.

D. Comments on the income statement

Profits have only been taken into account if they have been realized by the balance sheet date. Expenses and income for the fiscal year have been recognized regardless of the date of payment.

In the course of the liquidation, the already completed electrodes were sold on by the sister company Graphite COVA GmbH. They were charged for the services provided by the Company which generated a sales revenues in the amount of kEUR 2,317. However, additional expenses of kEUR 1,000 had to be taken into account in the course of the negotiations as part of the restructuring measures.

E. Other disclosures

Contingencies, Guarantees

As of 31 March 2023, no contingencies or guarantees exist.

Number of employees:

The average number of employees during the year was as follows

	Oct 22 to Mar 23	2021/22
Blue-collared workers	69	83
White-collared workers	8	10
Total	78	93

Comments on the consolidated accounts

The annual financial statements of the company will be included in the consolidated accounts of Graphite International B. V., Rotterdam, Netherlands, which is a subsidiary of Graphite India Ltd., Kolkata, India. The consolidated financial statements of the smallest group are published in the Netherlands - in its Federal Gazette. The consolidated accounts of Graphite India Ltd., Kolkata, India, the ultimate parent company, are published in India at National Stock Exchange and Bombay Stock Exchange in Bombay.

Liquidators

In fiscal year 2022/2023, the company was managed by:

Stefan Seibel, Röthenbach a.d. Pegnitz, liquidator from 1 October 2022, to 31 March 2023
Mahendra K. Chhajer, Kolkata, India, Liquidator from 1 October 2022
Rounak Poddar, Röthenbach a.d. Pegnitz, Liquidator from 1 April 2023

The Company does not grant any compensation to the management. Remuneration was paid by Bavaria Carbon Specialities GmbH, Röthenbach a.d. Pegnitz, and by Graphite India Ltd, Kolkata, India.

Proposal for the appropriation of result

The net loss for the stub period from 1 October 2022 to 31 March 2023 is to be carried forward together with the loss carried forward.

Supplementary report

There are no known events of special significance that occurred after the end of the financial year and have a material impact on the presentation of the Company's situation for the year under review.

Röthenbach a. d. Pegnitz, 12 May 2023

R.Poddar

M.K. Chhajer

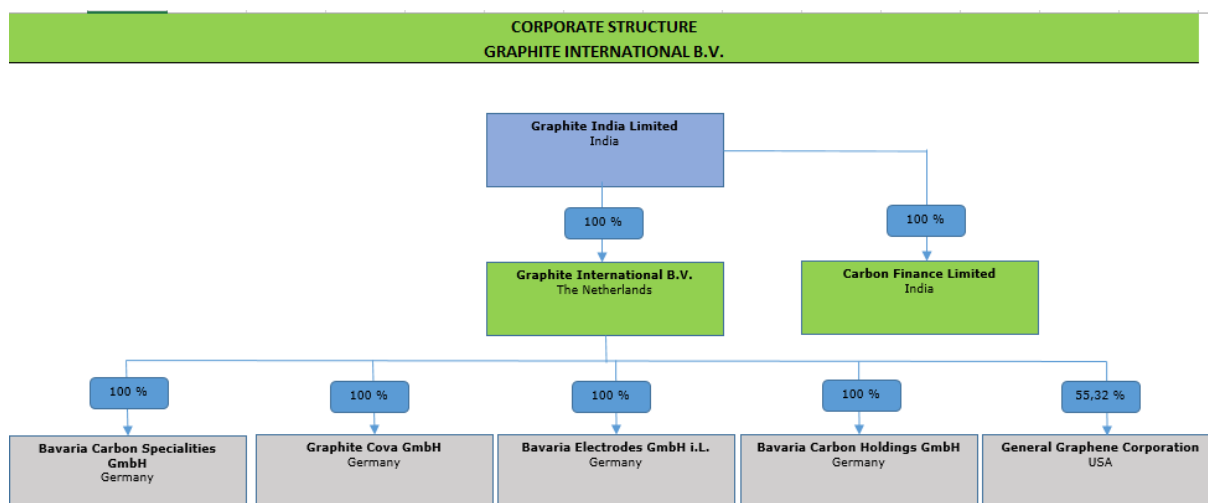
**Bavaria Electrodes GmbH i. L.
Röthenbach an der Pegnitz
Management Report for the stub period
from 1 October 2022 until 31 March 2023**

1. Business Model of the Company

The main business of the Company is to manufacture Graphite Electrodes, Electrode Coating Services and other Miscellaneous Carbon and Graphite Products. However, on 1st October 2022, the Company announced the decision to close down as production of Electrodes was no longer viable. As such, it was resolved to liquidate the Company. On 16th November 2022, a reconciliation with the Workers Council was reached by which a total of 72 FTE were laid off.

Graphite Electrode is used in electric arc furnace (EAF) based steel mills for conducting current and is a consumable item for the steel industry and plays an important role in the recycling of steel.

Group structure



Bavaria Electrodes GmbH i.L. is a wholly owned subsidiary of the Graphite International BV, the Netherlands, which is a wholly owned subsidiary of Graphite India Ltd. India. Bavaria Electrodes GmbH i. L. deals with only production of Graphite Electrodes, Electrodes Coating services and misc. Carbon and Graphite Products. The selling of these goods is only done by fellow group company Graphite Cova GmbH.

The company is located in Grünthal 1 - 6, D-90552 Röthenbach an der Pegnitz, Germany.

a) Business and Market Conditions

Global crude steel production in 2022 was at 1.83 billion tons and this number is forecasted to increase in 2023 in response to a further recovery from various stimuli acts across the globe.

By 2022, the demand for steel in emerging markets is estimated to exceed 1.5 million metric tons, with the majority of this demand from China and India. Yet, various tariff and non-tariff barriers across countries, as well as shortages in shipping vessels and containers, create frictional circumstances for the global steel trade.

Compared to CY 2021 the global crude steel production was 4.3% lower in CY 2022. The last few years have been marked by strong changes in the steel and graphite production driven by China. However, 2022 was still heavily influenced by the Corona Pandemic, which slowed down trade across the globe.

In addition, environmental measures to counter the climate change already show an impact in supply chains. This effect will show greater impact in the coming months and years as efforts to counteract global warming increase.

Nevertheless, China continues to play an influential role in the supply of crude steel and graphite electrodes on a global scale. Chinese producers are continuing their expansion efforts to other continents.

In the course of the Ukraine – Russia Crisis, a pressure on inputs has been seen both in terms of availability and costs. However, the situation should de-escalate and prices should return to normal. Energy costs in Europe are at unprecedented levels. These were further impacted by the Ukraine – Russia Crisis. However, off late, the rates are back to pre-war level.

b) Research and Development

Graphite India Ltd. pursues research and development activities on an on-going basis at its in-house research and development centre engaged in the innovation of improved products and processes in the field of Graphite and Carbon. R & D initiatives are in areas of raw materials, productivity, process development, reduction in carbon emissions etc. Many of the cost savings achieved were significant and in compliance with the “pollution control and clean environment norms”.

2. Overall Economic Report

a) Business Overview/Total Statement

Production of graphite electrodes in metric tons was significantly lower in the first liquidation fiscal year at 1,264 MT compared to the year 2021/22 at 9,099 MT (Apr - Sep 22 at 3,134 MT). The company recorded a loss of kEUR 1,386 compared to a net profit of kEUR 222 in the previous year (loss of kEUR 1,385 in the interim financial statements of Apr - Sep 22).

b) Economic Overall Situation and Trade Based Market Conditions

i. Economic Overall Situation Frame Conditions*

According to the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) was 1.9% higher in 2022 than compared to 2021. Despite the recessionary fears, delivery bottlenecks and material shortages, the German economy managed to recover from the sharp fall in 2020.

Source: DE Statist

ii. Trade Based Frame Conditions*

Global crude steel production reached 1.83 million tonnes (MT) for the year 2022, thus was 6.2% lower compared to 2021.

The EU produced 136.7 MT of crude steel in 2022, a decrease of 10.4% compared to 2021. Germany produced 36.8 MT of crude steel in 2022, down by 8.2% compared to 2021.

* Source: World Steel Association

c) Situation of the Company

i. Profitability Situation

Out of the available capacity of 17,500 MT of Electrodes, the Company produced 1,264 MT (p.y. 2021-22: 9,099 MT; interim financial statements Apr-Sep 3,134 MT).

The 2022/23 financial year was characterized by higher input costs, which rose to an unprecedentedly high level due to the Russia-Ukraine crisis and energy and gas prices.

Revenues during the current period decreased by 89%, mainly to stoppage of production and only stock sale being undertaken.

The sustainable pre-production resulting from the R&D activities was closed again during the year. Cost of materials decreased to kEUR 354 compared to kEUR 11,814 (interim financial statements EUR 7,684k), mainly due to the production shutdown.

Personnel expenses decreased from kEUR 4,297 in the previous year (kEUR 2,245 in the interim financial statements) to kEUR 1,866 due to redundancies. In accordance with the agreement with the works council, 72 employees were given notice of termination for operational reasons.

Other operating expenses also declined from kEUR 3,900 in 2021-22 (kEUR 3,505 in interim financial statements Apr-Sep) to kEUR 1,400 in the stub period mainly due to almost negligible production activity.

Despite lower costs, the decline in gross margin could not be fully compensated. Consequently, a net loss of kEUR 1,386 was generated in fiscal year 2022/23 (Oct - Mar) (PY net income kEUR 222, interim financial statements Apr -Sep 22 kEUR 1,385).

ii. Financial Situation

Fixed assets were entirely written off (kEUR 0; p.y. 2021-22 kEUR 76).

Receivables from Affiliated Companies increased due to allocation of cost to GC for Electrodes.

As of 31 March 2023, the Company shows a bank balance of kEUR 186 (p.y. 2021-22 kEUR 29). The Company was able to meet its payment obligations at all times.

d) Financial and Non-financial Performance Factors

i. Financial Performance Factors

The company made a loss of kEUR 1,386 against a profit of kEUR 222 in the business year 2021-22 (net loss for the year kEUR 1,385 in interim financial statements). The unprecedented rise in energy costs led to Electrodes business becoming unsustainable and hence had to be closed down.

ii. Non-Financial Performance Factors

Non-Financial factors such as COVID in 2020 & 2021 and later the war between Russia and Ukraine in 2022 led to unprecedented surge in input costs mainly power and gas. As a result, the Company decided to close the Electrodes Business.

iii. Environment

The changes in environmental regulations driven by the climate change initiative will further drive and influence COVA brand's commercial success and investments in this area.

iv. Employee Interest

The Company continuously engages itself in employee related interests. It ensures that the compensation packages for individuals are up to normal industry standards as well as ensures that these

individuals are always up to date with respect to the skills required of them. Fire drills are held regularly at the plant, as are workshops for employee training and development.

Forecast, Chance and Risk Report

A) Forecast Report

Since the company is in liquidation, there is no forecast for the same. Only liquidation proceedings to go on.

B) Risk Report

Since the company is in liquidation, a risk assessment is not required. Only the liquidation proceedings are continued.

Acknowledgement

The Management takes this opportunity to place on record its appreciation of the assistance and support extended by all government authorities, consultants, solicitors, customers, vendors and others. The Management also expresses its appreciation for the dedicated and sincere services rendered by employees of the Company.

A special acknowledgement to the technical team and management of Graphite India for extending support from time to time during the year.

Röthenbach an der Pegnitz, 17 May 2023

R. Poddar

M. K. Chhajer

Independent Auditor's Report

To Bavaria Electrodes GmbH i.L., Röthenbach

Audit opinion

We have audited the Annual Financial Statements of Bavaria Electrodes GmbH i.L., which comprise the balance sheet as of 31 March 2023, the profit and loss account for the stub period from 1 October 2022 to 31 March 2023, and the notes to the financial statements, including a description of the accounting policies. In addition, we have audited the management report of Bavaria Electrodes GmbH i.L. for the stub period from 1 October 2022 to 31 March 2023.

In our opinion, based on the findings of our audit, the accompanying financial statements

- the attached annual financial statements comply in all material respects with the German commercial law provisions applicable to corporations and give a true and fair view of the net assets and financial position of the company as of 31 March 2023, and of its results of operations for the stub period from 1 October 2022 to 31 March 2023 in accordance with German principles of proper accounting. and
- the enclosed management report as a whole provides a suitable view of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development.

In accordance with § 322 (3) sentence 1 of the German Commercial Code (HGB), we hereby declare that our audit has not led to any objections to the correctness of the annual financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under these regulations and principles is further described in the section "Auditor's responsibility for the audit of the annual financial statements and the management report" of our auditor's report.

We are independent of the company in accordance with German commercial and professional law and have fulfilled our other German professional obligations in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the financial statements and the management report.

Responsibility of the legal representatives for the Annual Financial Statements and the Management Report

The liquidators are responsible for the preparation of the Annual Financial Statements, which in all material respects must conform to the provisions of German commercial law, and for ensuring that the Annual Financial Statements present a fair impression of the company's net assets, financial position, and results of operations in accordance with the German principles of accepted accounting standards. Moreover, the legal representatives are responsible for the systems of internal control that they have deemed necessary for the preparation of Annual Financial Statements that are free of – intentional and unintentional – misrepresentations pursuant to the German principles of accepted accounting standards.

In preparing the Annual Financial Statements, the liquidators are responsible for assessing the capability of the company to continue as a going concern. Furthermore, they are responsible for disclosing relevant circumstances in connection with the continuation of the company as a going concern. They are also responsible, based on accounting principles, for including in the balance sheet matters that pertain to the continuation of the company as a going concern, except where factual or legal circumstances would oppose such action.

In addition, the liquidators are responsible for ensuring that the Management Report, which provides an accurate overall picture of the company, is consistent with the Annual Financial Statements in all material respects, conforms to the German requirements and presents the opportunities and risks of future performance. The legal representatives are responsible, furthermore, for the precautions and measures (systems) that they have deemed necessary to prepare the Management Report in agreement with the applicable provisions of German law and in order to be capable of providing adequate proof for the statements contained in the Management Report.

Responsibility of the auditor for auditing the Annual Financial Statements and the Management Report

Our objective is to obtain reasonable assurance that the Annual Financial Statements as a whole are free of – intentional or unintentional – material misrepresentations, and if the Management Report provides an accurate picture of the company and is consistent, in all material aspects, with the Annual Financial Statements and with the findings gained during the audit, conforms to the German requirements and gives a true and accurate impression of the opportunities and risks of future performance. Our objective, furthermore, is to issue an audit opinion containing our audit assessments of the Annual Financial Statements and the Management Report.

Reasonable assurance signifies a high degree of certainty, but not a guarantee, that an audit of the Annual Financial Statements performed in accordance with Section 317 HGB and the generally accepted standards for the audit of financial statements in Germany, promulgated by the Institut der Wirtschaftsprüfer e.V. [Institute of Public Auditors in Germany, IDW] will consistently identify material misrepresentations. Material misrepresentations may result from violations or inaccuracies and are considered material if it can be expected under reasonable circumstances that they will, individually or overall, influence the commercial decisions of recipients that are made based on these Annual Financial Statements and this Management Report.

We exercise professional judgement and maintain a critical approach during the audit. Moreover,

- we identify and assess the risks of – intentional or unintentional – material misrepresentations in the Annual Financial Statements and the Management Report, plan and perform audit activities in response to these risks and obtain audit findings that are adequate and suitable to serve as the basis for our audit assessments. The risk that material misrepresentations are not identified is greater for infringements than it is for inaccuracies, as infringements may include fraudulent conspiracy, falsifications, deliberate omissions, misleading representations, or the suspension of internal control mechanisms.
- we acquire an understanding of the internal control systems that are relevant to the auditing of the Annual Financial Statements and of the precautions and measures that are relevant to the auditing of the Management Report and hence can plan audit activities that are adequate, under the given circumstances, but that are not intended to submit an audit assessment on the effectiveness of these company systems.
- we assess the adequacy of the accounting measures applied by the legal representatives and the validity of the estimated assets and associated data provided by the legal representatives.
- we draw conclusions on the adequacy of the accounting principles applied by the legal representatives for the continuation of the company as a going concern and, based on the audit findings obtained, determine whether there is material uncertainty in connection with the events or circumstances that give grounds to significant misgivings as to the capability of the company to continue as a going concern. Should we conclude that there is material uncertainty, we are obliged, within the audit opinion, to draw attention to the corresponding information in the Annual Financial Statements and the Management Report or, where this information is inadequate, to modify our audit opinion. We draw our conclusions based on the audit findings obtained by us until the date of our audit opinion. Notwithstanding, future events or circumstances may render the company unable to continue as a going concern.
- we assess the overall representation, structure, and content of the Annual Financial Statements, including the information and if the Annual Financial Statements present the underlying transactions and events such that the Annual Financial Statements present a fair impression of the company's net assets, financial position and results of operations in accordance with the German principles of accepted accounting standards.
- we assess the consistency between the Management Report and the Annual Financial Statements, its legal compliance, and the impression it conveys of the company's position.
- we conduct audit activities in respect of the forward-looking information contained in the Management Report, as indicated by the legal representatives. In this regard, based on adequately suitable audit findings, we seek, in particular, to understand the significant assumptions made by the legal representations based on the forward-looking information and assess if the forward-looking information has been soundly inferred from these assumptions. We do not submit a separate audit assessment on the forward-looking information or on the underlying assumptions. There is a significant and unavoidable risk that future events will deviate substantially from the forward-looking information.

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

Munich, 30 May 2023

INTARIA AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte



Christian Roller
Wirtschaftsprüfer



Kristin Gura
Wirtschaftsprüferin

2. Other exhibits

2.1 Legal situation

company	Bavaria Electrodes GmbH i.L.
Address	Grünthal 1-6 90552 Röthenbach a. d. Pegnitz
Legal form	GmbH i.L.
Partnership agreement	Valid in the version of 28 November 2006
Commercial register	Local Court Nuremberg, HRA 21198
Stub period	from 1 October to 31 March of the following year
Object of the company	<p>The company will be dissolved effective 1 October 2022.</p> <p>The company is mainly engaged in the production of graphite electrodes, special graphite products, coating of graphite electrodes and other various carbon and graphite products.</p>
Shareholders and contributions	Graphite International B.V., Rotterdam / Netherlands (100%)
Share Capital	EUR 100,000.00 (fully paid in)
Management and representation	<p>The power of representation of all managing directors expired with the liquidation of the company. The liquidators represent the company jointly and in accordance with the Articles of Association.</p> <ul style="list-style-type: none">• Chhajer Mahendra Kumar (Indien)• Poddar, Rounak (since 01.04.2023)• Stefan Seibel (until 31.03.2023)
Commercial procuration	<p>Joint procuration together with a liquidator:</p> <ul style="list-style-type: none">• Renner, Helmut• Pusala, Sivaprasada
Shareholder resolution	<p>20 June 2022</p> <ul style="list-style-type: none">- Approval of the annual financial statements of the company as of 31 March 2023 and the management report for the fiscal year 2021/22- Approval of the actions of the Executive Board for fiscal year 2021/22

- The net loss for the financial year 2021/22 and the loss carried forward shall be carried forward to new account.
- Appointment of INTARIA partners GmbH as auditors 2022/23

1 October 2022

- Liquidation of the company
- Appointment of liquidators
- The books and writings of the company shall be kept by Bavaria Carbon Holdings GmbH after the termination of the company

20 March 2023

- Formation of the stub period from 1 October 2022 to 31 March 2023
- Retention of the statutory accounting period. The fiscal year ends on March 31 of a calendar year

3.3 Economic situation

1) Intercompany contracts

Building lease agreement with BCH (Bavaria Carbon Holdings GmbH, Röthenbach a. d. Pegnitz) dated 9 September 2004 (commencement 13 August 2004). Automatic extension has been agreed if no notice of termination is given. Decorative repairs and maintenance are at the expense of the lessee. The rent amounts to EUR 137.500 p.a.

Rental agreement for movable fixed assets (mainly production machines and tools) with BE (Bavaria Electrodes GmbH, Röthenbach a. d. Pegnitz) and BCS (Bavaria Carbon Specialities GmbH, Röthenbach a. d. Pegnitz) dated 9 September 2004. Automatic renewal is agreed if no notice of termination is given. The lessee must pay for all repairs, pay ancillary costs and insure the items. The rent amounts to 15% of the original acquisition costs of the GC per annum.

Production agreement with GC dated 9 September 2004. Automatic renewal is agreed upon if no notice of termination is given. BE is contracted for the production of graphite electrodes. Cost plus 4 % was agreed.

Service agreement with BCS dated 9 September 2004. Automatic renewal for one year is agreed if no notice of termination is given. BCS provides services in the areas of accounting, IT, personnel (including management services) and real estate management. Cost plus 7% has been agreed, but without third-party costs that can be charged on.

2) Public law contract

Public law contract with the Free State of Bavaria dated 14 July 2004. This contract concerns specific contaminated sites on the land owned by BCH.

2.2 Tax situation

Tax office:	Nuremberg
Tax number:	241/115/52386
Tax returns/notices:	<p>The tax returns for the 2020 assessment year have been submitted and the notices in this regard were issued in March 2022.</p> <p>The tax returns for the 2021 assessment year have not yet been submitted.</p>
External/special tax audits:	The tax audit was finalized with the year 2021/22, whose results have been fully considered in the current financial statements. No tax audit took place in fiscal year 2022/23.
General notes:	<p>Trade tax The company is subject to trade tax on its domestic business operations.</p> <p>Corporate income tax / solidarity surcharge Due to its legal form, the company is subject to corporate income tax and the solidarity surcharge on its taxable income.</p> <p>Value added tax There is a fiscal unity for sales tax purposes with the sister companies Bavaria Electrodes GmbH, Bavaria Carbon Specialities GmbH and Bavaria Carbon Holdings GmbH; the controlling company is the reporting company Graphite COVA GmbH.</p> <p>The fiscal unity is an entrepreneur within the meaning of the German Turnover Tax Act (Umsatzsteuergesetz) and generates exclusively taxable and generally taxable sales. Sales are subject to the standard tax rate of 19%. The tax group is entitled to an unrestricted input tax deduction.</p>

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2017

DokID:

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: The German term "*Textform*" means in written form, but without requiring a signature] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of *Wirtschaftsprüfer*: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.