

International Foam Technologies Spain, S.L.U. and Subsidiaries

Consolidated Financial Statements and Consolidated Management Report for the year ended
March 31, 2026

Includes Audit Report of Consolidated Annual Accounts

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish
language version prevails.)

**INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U.
AND SUBSIDIARIES**

**Consolidated Balance Sheet of
Fiscal year ending on March 31, 2026
(expressed in euros)**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ASSETS	Note	03.31.26	03.31.25
NON-CURRENT ASSETS		48.800.246	49.782.668
Intangible assets	5	29.424.026	29.424.026
Goodwill on consolidation		29.424.026	29.424.026
Other intangible assets		-	-
Property, plant and equipment	6	18.889.678	19.625.083
Land and buildings		9.857.464	6.598.508
Technical installations and other fixed assets		8.916.413	4.815.580
Assets under construction and advances		115.801	8.210.995
Non-Current investments	7.a	0	175.270
Loans to third parties		0	175.270
Deferred tax assets	13	486.542	558.289
CURRENT ASSETS		14.576.046	14.202.372
Activos mantenidos para la venta	6	76.601	-
Inventories	8	5.175.963	4.870.984
Trade and other receivables	7.a	8.581.513	8.715.448
Trade receivables for sales and services rendered		7.708.000	7.947.450
Other debtors	13	690.015	690.015
Current tax assets	13	183.498	77.983
Current financial investments	7.a	114.482	99.399
Short-term accruals		68.136	130.764
Cash and cash equivalents		559.351	385.777
TOTAL ASSETS		63.376.292	63.985.040
EQUITY AND LIABILITIES	Note	03.31.26	03.31.25
EQUITY		26.146.572	24.787.969
Capital and reserves		24.661.807	23.353.889
Capital	11.a	12.003.000	12.003.000
Authorised capital		12.003.000	12.003.000
Reserves	11.b	11.394.914	10.837.260
Profit/(loss) for the year attributed to the Parent company	3	1.263.893	557.664
(Dividend on account)	12	-	(44.035)
Grants, donations and heritages received	16	513.416	531.387
Minority shareholders	12	971.349	902.693
NON-CURRENT LIABILITIES		18.539.047	20.050.847
Non-current debts	7.b	7.704.761	10.977.389
Bank borrowings		7.288.085	10.563.198
Other financial liabilities		416.676	414.191
Not-Current debts, Group companies	18	9.800.000	8.000.000
Deferred tax liabilities	13	1.034.286	1.073.458
CURRENT LIABILITIES		18.690.674	19.146.224
Current debts	7.b	11.845.289	13.060.629
Bank borrowings		11.824.504	13.051.287
Other financial liabilities		20.785	9.342
Current debts, Group companies	18	985.645	682.615
Trade and other payables		5.859.740	5.402.980
Suppliers	7.b	4.037.799	3.611.988
Suppliers, Group companies	7.b and 18	469.147	393.409
Other payable	7.b	644.736	567.825
Personnel	7.b	24.544	81.546
Other liabilities to public administrations	13	566.687	447.946
Current tax liabilities	13	116.827	113.221
Customer advances	7.b	-	187.045
TOTAL EQUITY AND LIABILITIES		63.376.292	63.985.040

**INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U.
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**Consolidated Income Statement of
Fiscal year ending on March 31, 2026
(expressed in euros)**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2025/26	2024/25
CONTINUING OPERATIONS:			
Revenues:			
Sales	14.a	38.145.379	37.617.200
		38.145.379	37.617.200
Changes in inventories of finished products and work in progress		(253.480)	168.811
Supplies:		(25.633.203)	(26.652.828)
Consumption of raw materials and other consumables	14.b	(25.691.185)	(26.652.828)
Work performed by other companies		-	-
Impairment of merchandise, raw materials and other supplies	8	57.982	-
Other operating income:		27.483	2.246
Non-trading and other operating income		25.284	-
Operating subsidies incorporated into the profit and loss for the financial year		2.199	2.246
Personnel expenses:		(4.691.169)	(4.450.527)
Wages, salaries and similar compensation		(3.611.630)	(3.408.558)
Employee benefit expense	14.c	(1.079.539)	(1.041.969)
Other operating expenses:		(3.604.540)	(3.429.558)
Other ordinary expenses		(3.469.118)	(3.413.836)
Tax		(50.180)	(36.854)
Losses, impairment and changes in provisions for commercial transactions	7.a	(85.242)	21.132
Amortisation/depreciation	5 and 6	(1.290.578)	(1.331.874)
Attribution of subsidies for non-financial assets and other		39.775	30.512
Impairment and gains/(loss) on disposals of assets:	6	3.000	3.496
Profit/(loss) on disposals and other		3.000	3.496
Other profit/(loss)	14.d	29.667	149.237
OPERATING PROFIT/(LOSS)		<u>2.772.334</u>	<u>2.106.715</u>
Finance income:		1.626	3.479
Marketable securities and other financial instruments		1.626	3.479
Finance cost		(1.038.441)	(1.403.525)
Net monetary gain/(loss)	10	(13.441)	(47.209)
FINANCIAL INCOME/(EXPENSE)		<u>(1.050.256)</u>	<u>(1.447.255)</u>
PROFIT/(LOSS) BEFORE TAX		<u>1.722.078</u>	<u>659.460</u>
Corporate income tax	13	(344.341)	(19.875)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		<u>1.377.737</u>	<u>639.585</u>
PROFIT/(LOSS) FOR THE YEAR	14 f)	<u>1.377.737</u>	<u>639.585</u>
Profit/(loss) attributed to Parent company		1.263.893	557.664
Profit/(loss) attributed to minority shareholders	12	113.844	81.921

**INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U.
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**Statement of Consolidated Changes in Equity of
fiscal year ended on March 31, 2026
(expressed in euros)**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR ENDED MARCH 31, 2026

	Note	2025/26	2024/25
Consolidated profit/(loss) for the year		1.377.737	639.585
Income and expenses recognized directly in equity:			
Grants, donations and heritages received		-	711.244
Tax Effect		-	(177.811)
Total income and expense attributed directly to consolidated equity		-	533.433
Transfers to the income statement:			
Grants, donations and heritages received		(25.499)	(16.332)
Tax Effect		6.375	4.083
Total transfers to the consolidated income statement		(19.124)	(12.249)
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENSE		1.358.613	1.160.768
Total income and expense attributed to Parent company		1.245.922	1.046.256
Total income and expense attributed to minority shareholders		112.691	114.513

B) CONSOLIDATED STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2026

Note	Authorised capital	Reserves and prior years' profit/(loss)	Profit/(loss) for the year attributed to Parent company	Dividend on account	Grants, donations and heritages received	Minority shareholders	TOTAL
CLOSING BALANCE March 31, 2024	12.003.000	9.839.627	999.786	(66.277)	42.796	898.906	23.717.838
Adjustments for criteria changes 2023/24 and earlier	-	-	-	-	-	-	-
Adjustments for errors 2023/24 and earlier	-	(2.153)	-	-	-	2.216	63
Balance Sheet, April 1, 2024	12.003.000	9.837.474	999.786	(66.277)	42.796	901.122	23.717.901
I. Total recognised income and expense	-	-	557.664	-	488.591	114.513	1.160.768
(-) Distribution of dividends	12	-	-	-	-	(112.942)	(112.942)
Other operations with partners or owners	-	-	-	22.242	-	-	22.242
II. Other changes in equity	-	999.786	(999.786)	-	-	-	-
CLOSING BALANCE March 31, 2025	12.003.000	10.837.260	557.664	(44.035)	531.387	902.693	24.787.969
Adjustments for errors 2024/25 and earlier	-	(11)	-	-	-	-	(11)
Balance Sheet, April 1, 2025	12.003.000	10.837.250	557.664	(44.035)	531.387	902.693	24.787.959
I. Total recognised income and expense	-	-	1.263.893	-	(17.971)	112.691	1.358.613
(-) Distribution of dividends	12	-	-	44.035	-	(44.035)	-
II. Other changes in equity	-	557.664	(557.664)	-	-	-	-
CLOSING BALANCE March 31, 2026	12.003.000	11.394.914	1.263.893	-	513.416	971.349	26.146.572

**INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U.
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**Consolidated Statement of Cash Flows of
fiscal year ending on March 31, 2026
(expressed in euros)**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2025/26	2024/25
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year before tax		1.722.078	659.460
Adjustments:		2.383.301	2.709.435
Amortisation/depreciation (+)	5, 6	1.290.578	1.331.874
Valuation corrections due to impairment (+/-)	7.a	85.242	(21.132)
Attribution of subsidies (-)		(39.775)	(30.512)
Result from disposals and disposal of fixed assets	6	(3.000)	(3.496)
Finance income (-)		(1.626)	(3.479)
Finance cost (+)		1.038.441	1.403.525
Exchange rate differences (+/-)	10	13.441	-
Other incomes / expenses (+/-)		-	32.655
Changes in working capital:		418.611	(312.627)
Inventories (+/-)		(576.999)	23.406
Trade and other receivables (+/-)		490.770	(1.787.239)
Other current assets (+/-)		47.545	31.884
Trade and other payables (+/-)		457.295	1.419.322
Other cash flows from operating activities:		(1.187.737)	(1.034.547)
Interest paid (-)		(718.323)	(1.110.682)
Interest received (+)		1.626	3.479
Income tax received (paid) (+/-)	13	(471.040)	72.656
Cash flows from operating activities		3.336.254	2.021.721
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments (-):		(661.596)	(1.056.717)
Material assets	6	(661.596)	(1.056.717)
Proceeds from sale of investments (+):		208.092	188.081
Material assets	6	32.822	188.081
Other financial assets	7.a	175.270	-
Cash flows from investing activities		(453.504)	(868.636)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments made and received for equity instruments		-	506.969
Issue:			
Grants, donations and other received legacies (+)		-	506.969
Payments made and received for financial liability instruments:		(2.709.176)	(2.570.918)
Issue:			
Debts with group companies and associates (+)		1.800.000	-
Bank borrowings (+)		1.719.570	1.887.757
Other debts (+)		-	333.203
Return and repayment of:			
Bank borrowings (-)		(6.228.746)	(4.648.839)
Debts with group companies and associates (-)		-	-
Other debts (-)		-	(143.039)
Dividends and interest on other equity instruments paid:		-	(90.700)
Dividends (-)		-	(90.700)
Cash flows from financing activities		(2.709.176)	(2.154.649)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		173.574	(1.001.564)
Cash and cash equivalents at the beginning of the year		385.777	1.387.341
Cash and cash equivalents at the end of the year		559.351	385.777

**INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U.
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**Consolidated annual report for the year ended
on March 31, 2026**

1. Activity of the Parent Company

The Group's parent company, INTERNATIONAL FOAM TECHNOLOGIES SPAIN S.L.U. (IFTS), was incorporated on 12 June 2019. Its registered office is located at Calle Monte Esquinza, nº 30 Bajo Izquierda, 28010 Madrid. The Group carries out its activities in Carretera de Villena s/n Yecla (Murcia).

The main activity of the parent company is the acquisition, holding, management and administration of securities and shares or any form of representation of shares in the capital of resident and non-resident entities in Spanish territory and financing of investee entities. Likewise, the provision of complementary or ancillary services to the management of the activities carried out by the investee entities.

The Company is part of the SHEELA FOAM Group, whose parent company is SHEELA FOAM. LTD. The registered office of SHEELA FOAM. LTD. is at 14 Sector 135, Noida, Uttar Pradesh - 201301 (India). In accordance with current legislation, the company INTERNATIONAL FOAM TECHNOLOGIES SPAIN S.L.U. is not obliged to prepare separate consolidated accounts due to its size, however, the directors voluntarily prepare consolidated annual accounts. The consolidated annual accounts for the year ended March 31, 2025 were prepared by its directors on April 25, 2025, approved by its sole shareholder on September 15, 2025 and deposited in the Mercantile Registry of Murcia.

2. Subsidiaries

The subsidiaries included in the consolidation, which are not listed on the stock exchange, and the information related to them at the end of the year ended March 31, 2026 and at the end of the year ended March 31, 2025, is as follows:

03.31.26

Name/ Address/ Activity	Book value of the investment	% participation		Share capital	Reserves	Other equity items	Result		
		Direct					Operating	Net	Total Equity
Interplasp, S.L. / Ctra. de Villena s/n 30510 Yecla (Murcia) / Manufacture of polyurethane foams	39,764,061	93,66		1,773,125	8,263,345	970,613	2,918,805	1,894,009	12,901,092
	<u>39,764,061</u>								

03.31.25

Name/ Address/ Activity	Book value of the investment	% participation		Share capital	Reserves	Other equity items	Result		
		Direct					Operating	Net	Total equity
Interplasp, S.L. / Ctra. de Villena s/n 30510 Yecla (Murcia) / Manufacture of polyurethane foams	39,764,061	93,66		1,773,125	7,566,897	338,437	2,278,287	1,390,494	11,068,953
	<u>39,764,061</u>								

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3. Basis for presentation of consolidated financial statements

a) True image and consolidation principles

The consolidated financial statements, consisting of the consolidated interim balance sheet, the consolidated income statement, the statement of changes in consolidated equity, the consolidated statement of cash flows and the notes to the consolidated financial statements consisting of notes 1 to 21, have been prepared on the basis of the accounting records of each of the companies that make up the consolidated group. Having applied the legal provisions in force in accounting matters, specifically, Royal Decree 1159/2010, of 17 September, which approves the rules for the preparation of consolidated annual accounts and modifies the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November 2007, and its amendments approved by Royal Decree 1159/2010, of 17 September, by Royal Decree 602/2016, of 2 December, and by Royal Decree 1/2021, of 12 January, in order to show a true and fair view of the Group's equity, financial position, results, changes in equity and cash flows during the corresponding year.

Unless otherwise indicated, all figures in the consolidated report are expressed in euros.

b) Non-mandatory accounting principles applied

No non-mandatory accounting principles have been applied. The consolidated financial statements have been prepared in accordance with mandatory accounting principles. There is no accounting principle that, although its effect is significant, has ceased to apply.

c) Critical aspects of the valuation and estimation of uncertainty

In the preparation of the accompanying consolidated financial statements, estimates made by the Group's Directors have been used to measure some of the assets, liabilities, income, expenses and commitments recorded therein. Basically, these estimates refer to:

- The assessment of possible impairment losses on certain assets (Note 4(g), 4(h) and 4(i)).
- The useful life of tangible and intangible assets (notes 4 (e) and 4 (f)).
- The fair value of certain financial instruments (note 4(h)).
- Earning future earnings for tax credit offset. (fn. 4L)

At the time of preparation of these consolidated annual accounts, the Group had negative working capital amounting to €4,114,628. However, a significant portion of current liabilities relates to debts with financial institutions arising from the acquisition of 93.66% of the shares of Interplasp, S.L. The structure and maturity schedule of these debts are currently subject to a refinancing process with various financial institutions affecting both International Foam Technologies S.L.U. and Interplasp, S.L.

Additionally, the directors have the explicit financial support of the parent company, Sheela Foam Ltd., which has formally expressed its commitment to continue providing the necessary funds to meet short-term maturities.

Furthermore, the Group expects that the start-up of new facilities, together with improved raw material prices, will enable it to increase revenues and operating margins, thereby strengthening cash flow generation.

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In this context, Management has also considered the potential effects arising from the situation in the Middle East. Although the Group does not have significant direct exposure in the region or with counterparties linked to it, its operations have a relevant indirect exposure to the evolution of petrochemical raw material markets. These developments may influence procurement costs, margins, and certain accounting estimates. However, given the existing uncertainty, it is not possible to reliably estimate the final impact that these factors may have on operations, results, or future financial position.

Based on all these factors—ongoing refinancing, financial support from the parent company, reasonable expectations of operational improvement, and analysis of external risks—the directors have assessed the Group’s ability to continue as a going concern for at least 12 months from the date of preparation of these financial statements. Based on this assessment, they consider that the measures adopted and the available resources allow these consolidated annual accounts to be prepared on a going concern basis.

These estimates have been made on the basis of the best information available to date of preparation of these consolidated accounts, and there is no fact that could change these estimates. Any future events not known at the time of preparation of these estimates could lead to modifications (upwards or downwards), which would be carried out, where appropriate, prospectively.

d) Classification of assets and liabilities as current and non-current

Assets and liabilities are presented in the consolidated balance sheet classified as current and non-current. For these purposes, assets and liabilities are classified as current when they are linked to the Group's normal operating cycle and are expected to be sold, consumed, realized or liquidated in the course of the same, are different from the previous ones and their maturity, disposal or realization is expected to occur within a maximum period of one year; are held for trading purposes or are cash and other equivalent liquid assets whose use is not restricted for a period exceeding one year. Otherwise, they are classified as non-current assets and liabilities.

e) Comparison of information

In accordance with commercial law, it is presented, for comparative purposes, with each of the items in the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows, in addition to the figures for the year ended March 31, 2026, those corresponding to the previous year. The consolidated report also includes quantitative information from the previous year, except when an accounting standard specifically establishes that it is not necessary.

f) Principles of Consolidation

The consolidation has been carried out for all the subsidiaries, by the method of global integration, as they hold an effective domain by having a majority of votes in their representative and decision-making bodies. In the cases of associated companies, they have been included in the consolidation by the equity method. The assumption that determines the method of consolidation of these companies by this method is the significant influence, and the relative importance of them within the consolidation perimeter.

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4. Recording and valuation standards

The main recording and valuation rules used for the preparation of the consolidated financial statements are as follows:

a) First Consolidation Difference

The difference in the first consolidation has been calculated as the difference between the carrying amount of the shareholding in the capital of the subsidiaries and the value of the proportional part of their consolidated equity at the date of first consolidation.

In the case of the positive consolidation difference, corresponding to the excess between the cost of the investment and the theoretical book value attributable to the investee company on the date of its incorporation into the Group, it is directly allocated to the assets of the subsidiary company, without exceeding the market value of the same. If it is not assignable to assets, it is considered consolidation goodwill. In the event that this difference is negative, it is called the negative consolidation difference and is recognised in its entirety in the first consolidation in the income statement.

If, at the end of the financial year in which a business combination occurred, the valuation process necessary to calculate the difference in the first consolidation cannot be concluded, the consolidated financial statements shall be prepared using provisional values. In this case, these values must be adjusted in accordance with the provisions of section 2.6 of the recording and valuation standard 19.^a Business combinations of the General Accounting Plan.

b) External Partners

The value of the minority shareholders' participation in the equity and profit or loss of the subsidiaries is presented, respectively, under the headings "External shareholders" and "Gains and losses of external partners", in the liabilities of the consolidated balance sheet and in the "Profit attributable to external partners" in the consolidated income statement.

c) Intercompany transactions included in the scope of consolidation

The eliminations of reciprocal credits and debits, reciprocal expenses and income and profit or loss from internal transactions have been carried out on the basis of the provisions in this regard of Royal Decree 1159/2010, of 17 September.

d) Homogenization of items

The different items in the individual accounts of each of the companies have been subject to the corresponding valuation standardisation, adapting the criteria applied to those used by the Parent for its own annual accounts, provided that they have a significant effect.

e) Intangible fixed assets

As a general rule, intangible fixed assets are recognized whenever they meet the criterion of identifiability and are initially valued at their acquisition price or cost of production, subsequently reduced by the corresponding accumulated depreciation and, where appropriate, by the impairment losses they have suffered. In particular, the following criteria apply:

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e.1) Goodwill

Goodwill is recognized only when its value is revealed by virtue of a onerous acquisition, in the context of a business combination.

Goodwill is allocated to each of the cash-generating units on which the profits of the business combination are expected to accrue and, where appropriate, the corresponding valuation adjustment is recorded.

After initial recognition, goodwill shall be measured at its acquisition price less accumulated depreciation and, where applicable, the accumulated amount of the impairment allowances recognized. Goodwill is not amortized.

At the end of each financial year, it is analysed whether there are indications of impairment of the cash-generating units to which the goodwill has been allocated and, if so, its possible impairment will be checked. Impairment allowances recognised in goodwill are not subject to reversal in subsequent periods.

e.2) Computer applications

Computer programs that meet the recognition criteria are activated at their acquisition or development cost. Its amortization is carried out on a straight-line basis over a period of 3 years from the entry into operation of each application. The costs of maintaining computer applications are charged to profit or loss for the year in which they are incurred.

f) Property, plant and equipment

Property, plant and equipment is valued at its acquisition price or cost of production, less the corresponding accumulated depreciation and impairment losses incurred.

Indirect taxes levied on items of property, plant and equipment are only included in the acquisition price or cost of production when they are not recoverable directly from the Public Treasury. The highest value of property, plant and equipment includes the initial estimate of the present value of the obligations assumed arising from the dismantling or removal and others associated with the aforementioned asset, such as the costs of refurbishing the site on which it sits, provided that these obligations give rise to the recording of significant provisions.

Costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency, or an extension of the useful life of the assets, are accounted for as an increased cost of these. Conservation and maintenance expenses are charged to the profit and loss account for the year in which they are incurred.

The Group depreciates its property, plant and equipment on a straight-line basis based on the estimated useful life of the respective assets. The annual depreciation coefficients applied are as follows:

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Item	Useful life (years)
Constructions	1,5-3%
Technical facilities	5-10%
Machinery	5-12%
Tools	15%
Other facilities	10%
Furnishing	10%
Information processing equipment	15-25%
Transportation elements	15%
Other tangible fixed assets	12%

With respect to assets associated with operating leases and other operations of a similar nature, investments made that are not separable from those elements used through leases classified as operating, are accounted for as property, plant and equipment when they meet the definition of assets.

The amortization of these investments is carried out according to their useful life, which will be the duration of the lease or assignment contract, including the renewal period when there is evidence that it will occur, when it is less than the economic life of the asset.

In addition, the following specific rules apply:

f.1) Land and natural assets

Included in its acquisition price are the costs of refurbishment, such as closures, earthworks, sanitation and drainage works, the demolition of buildings when necessary to be able to carry out new plant works, the costs of inspection and drawing up of plans when they are carried out prior to their acquisition, as well as, where appropriate, the initial estimate of the present value of the present obligations arising from the costs of refurbishing the site.

f.2) Utensils and tools

Utensils and tools incorporated into mechanical elements are valued and depreciated according to the same rules as those applicable to them. In general, those that are not part of a machine and whose period of use is estimated to be less than one year are recorded as an expense for the year. When the period of use is longer than one year, they are recorded as fixed assets when they are acquired, and they are regularised at the end of the year according to the physical inventory carried out, with a reasonable reduction due to demerit.

Templates and moulds used permanently in series productions are also included, their depreciation being calculated according to the estimated useful life period. Custom moulds, used for isolated manufactures, are not considered inventoriable, unless they have a net realizable value.

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f.3) Assets associated with operating leases and other transactions of a similar nature

Investments made that are not separable from those elements used in leases classified as operating, are accounted for as property, plant and equipment when they meet the definition of assets.

The amortization of these investments is carried out according to their useful life, which will be the duration of the lease or assignment contract, including the renewal period when there is evidence that it will occur, when it is less than the economic life of the asset.

f.4) Fixed assets in progress and advances

All payments on account incurred in the purchase of real estate, technical installations, other fixed assets before the actual delivery of the same or putting them in conditions of use are included.

g) Impairment of intangible and tangible fixed assets

At the end of each financial year, in the event that there are indications of loss in value, the Group proceeds to estimate by means of the so-called "Impairment Test" the possible existence of a loss in value of any element of intangible or tangible assets, or any cash-generating unit, which reduces the recoverable value of such assets to an amount lower than their carrying amount. These estimates would be based on the future forecast of updated cash flows, taking into account current market developments, applying prudential criteria and conservative management scenarios, as well as the investments needed in the future.

The recoverable amount is determined as the greater of fair value less costs to sell and value in use. The procedure implemented by the Group's Management for carrying out this test is as follows: The recoverable values are calculated for each cash-generating unit, although in the case of tangible fixed assets, whenever possible, the impairment calculations are carried out item by item, on an individual basis.

In the event that an impairment loss on a cash-generating unit to which all or part of a goodwill has been allocated is to be recognized, the carrying amount of the goodwill corresponding to that unit is first reduced. If the impairment exceeds the amount of the goodwill, secondly, the impairment of the other assets of the cash-generating unit is reduced in proportion to its carrying value, up to the limit of the highest value among the following: its fair value less costs to sell, its value in use and zero.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased by the revised estimate of its recoverable amount, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised in prior periods. Such reversal of an impairment loss is recognized as income.

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h) Financial instruments

The Group, at the time of initial recognition, classifies financial instruments as a financial asset, a financial liability or an equity instrument, depending on the economic substance of the transaction, and taking into account the definitions of financial asset, financial liability and equity instrument, in the financial reporting framework applicable to it, which has been described in note 2.a.

The recognition of a financial instrument occurs at the time when the Group becomes an obligated party to it, either as an acquirer, as a holder or as an issuer of it.

h.1) Financial assets

The Group classifies its financial assets according to the business model it applies to them and the characteristics of the instrument's cash flows.

The business model is determined by the Group's Management and reflects the way in which each group jointly manages financial assets to achieve a specific business objective. The business model that the Group applies to each group of financial assets is the way in which it manages them with the aim of obtaining cash flows.

When categorizing assets, the Group also takes into account the characteristics of the cash flows that they accrue. Specifically, it distinguishes between those financial assets whose contractual terms give rise, on specified dates, to cash flows that are principal and interest receipts on the amount of outstanding principal (hereinafter, assets that meet the UPPI criterion), and other financial assets (hereinafter, assets that do not meet the UPPI criterion).

Specifically, the Group's financial assets are classified into the following categories:

h.1.1.) Financial assets at amortized cost

They correspond to financial assets to which the Group applies a business model that aims to receive the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are only collections of principal and interest, on the amount of the outstanding principal, even when the asset is admitted to trading on an organised market, so they are assets that meet the UPPI criterion (financial assets whose contractual terms give rise, on specified dates, to cash flows that are collections of principal and interest on the amount of outstanding principal).

The Group considers that the contractual cash flows of a financial asset are only principal and interest charges on the amount of the outstanding principal, when these are those of an ordinary or common loan, without prejudice to the fact that the transaction is agreed at a zero or below-market interest rate. The Group considers that financial assets convertible into the issuer's equity instruments, inverse variable interest rate loans (i.e., a rate that has an inverse relationship with market interest rates); or those in which the issuer can defer the payment of interest if such payment would affect its solvency, without the deferred interest accruing additional interest.

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When assessing whether it is applying the business model of collecting contractual cash flows to a group of financial assets, or, on the contrary, is applying another business model, the Group takes into consideration the timing, frequency and value of sales that are occurring and have occurred in the past within this group of financial assets. Sales in themselves do not determine the business model and, therefore, cannot be considered in isolation.

Therefore, the existence of one-off sales, within the same group of financial assets, does not determine the change of business model for the rest of the financial assets included within that group. To assess whether such sales determine a change in the business model, the Group takes into account existing information on past sales and on expected future sales for the same group of financial assets. The Group also takes into account the conditions that existed at the time of past sales and current conditions when evaluating the business model it is applying to a group of financial assets.

In general, credits for commercial transactions and credits for non-commercial operations are included within this category:

- Credits for commercial operations: Those financial assets that originate from the sale of goods and the provision of services for the Group's traffic operations due to deferred collection.
- Loans and advances for non-commercial transactions: Financial assets which, although not equity instruments or derivatives, do not have a commercial origin and whose collections are of a determined or determinable amount, arising from loan or credit operations granted by the Group.

They are initially recognized at the fair value of the consideration delivered plus the transaction costs that are directly attributable.

Notwithstanding the foregoing, receivables for commercial transactions with a maturity of no more than one year and which do not have a contractual interest rate are initially measured at their nominal value, provided that the effect of not discounting cash flows is not significant, in which case they will continue to be measured at that amount thereafter. unless they had deteriorated.

After their initial recognition, they are measured at amortized cost. Accrued interest is recognized in the consolidated income statement.

At the end of the year, the Group makes appropriate impairment allowances whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics measured collectively, has been impaired as a result of one or more events that occurred after its initial recognition. that cause a reduction or delay in the collection of estimated future cash flows, which may be motivated by the insolvency of the debtor.

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Impairment allowances are recognized based on the difference between their carrying amount and the present value at the end of the year of the future cash flows that are estimated to be generated (including those from the enforcement of collateral and/or personal guarantees), discounted at the effective interest rate calculated at the time of their initial recognition. For variable interest rate financial assets, the Group uses the effective interest rate that, in accordance with the contractual conditions of the instrument, must be applied at the end of the financial year. These corrections are recognized in the consolidated income statement.

h 1.2.) Financial assets at cost

This category includes the following financial assets:

- Investments in equity instruments whose fair value cannot be determined with reference to an active market, or cannot be reliably estimated, and derivatives that have this type of investment as their underlying.
- Hybrid financial assets whose fair value cannot be reliably estimated, unless they meet the criteria to be classified as a financial asset at amortised cost.
- Contributions made to joint venture accounts and similar.
- Participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed upon on the borrower's achievement of a milestone (e.g. the obtaining of profits), or because they are calculated with reference to the evolution of the borrower's activity.
- Any financial asset, which could initially be classified as a financial asset at fair value through profit and loss, when it is not possible to obtain a reliable estimate of fair value.

They are initially recognized at the fair value of the consideration delivered plus the transaction costs that are directly attributable. Fees paid to legal advisors, or other professionals, involved in the acquisition of the asset are recognized as an expense in the consolidated income statement. Nor are the expenses generated internally in the acquisition of the asset recognized as the higher value of the asset and are recorded in the consolidated income statement.

Equity instruments classified in this category are measured at cost, minus, where applicable, the cumulative amount of impairment allowances.

Contributions made as a result of a joint venture agreement and similar are valued at the cost, increased or decreased by the profit or loss, respectively, that correspond to the Group as a non-managing participant, and less, where applicable, the accumulated amount of the impairment allowances.

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The same criterion applies to participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed on the fulfilment of a milestone in the borrowing company, or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company. If, in addition to contingent interest, it includes an irrevocable fixed interest, the latter is accounted for as financial income based on its accrual. Transaction costs are charged to the

Consolidated profit and loss on a linear basis over the life of the participative loan.

At least at the end of the year, the Group makes the necessary valuation adjustments whenever there is objective evidence that the carrying amount of an investment is not recoverable.

The amount of the valuation adjustment is calculated as the difference between its carrying amount and the recoverable amount, understood as the greater of its fair value less costs to sell and the present value of the future cash flows derived from the investment, which in the case of equity instruments is calculated, either by estimating the dividends expected to be received as a result of the distribution of dividends made by the investee entity and the disposal or derecognition of the investment in it, or by estimating its share in the cash flows expected to be generated by the investee entity, from both its ordinary activities and its disposal or derecognition of accounts.

The recognition of impairment allowances and, where appropriate, their reversal shall be recognized as an expense or income, respectively, in the consolidated income statement. The reversal of the impairment will be limited to the carrying amount of the investment that would be recognised on the date of reversal if the impairment had not been recorded.

h 1.3.) Deregistration of financial assets

Financial assets are derecognized from the consolidated balance sheet, as established in the Conceptual Accounting Framework of the General Accounting Plan, approved by Royal Decree 1514/2007, of 16 November, taking into account the economic reality of the transactions and not only the legal form of the contracts that regulate them. Specifically, the derecognition of a financial asset is recorded, in whole or in part, when the contractual rights over the cash flows of the financial asset have expired or when they are transferred, provided that the risks and rewards inherent in their ownership are substantially transferred in such transfer. The Group understands that the risks and rewards inherent in the ownership of the financial asset have been substantially ceded when its exposure to the change in cash flows is no longer significant in relation to the total change in the present value of the net future cash flows associated with the financial asset

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If the Group has not substantially disposed of or retained the risks and rewards of the financial asset, the financial asset is derecognized when control is not retained. If the Group retains control of the asset, it continues to recognize it for the amount to which it is exposed due to changes in the value of the transferred asset, i.e., for its continued involvement, recognizing the associated liability.

The difference between the consideration received net of attributable transaction costs, considering any new assets obtained less any liabilities assumed, and the carrying amount of the transferred financial asset, plus any accumulated amount that has been recognized directly in consolidated equity, determines the gain or loss arising from the derecognition of the financial asset and forms part of the profit or loss for the year in which it occurs.

The Group does not derecognize financial assets in transfers in which it substantially retains the risks and rewards inherent in their ownership, such as discounting bills, recourse factoring transactions, sales of financial assets with a repurchase agreement at a fixed price or at the sale price plus interest, and securitisations of financial assets in which the Group retains subordinated or other types of financing of guarantees that substantially absorb all expected losses. In these cases, the Group recognises a financial liability for an amount equal to the consideration received.

h.2) Financial liabilities

A financial liability is recognized in the consolidated balance sheet when the Group becomes an obligated party to the contract or legal transaction in accordance with the provisions of the contract. Specifically, the financial instruments issued are classified, in whole or in part, as a financial liability, provided that, in accordance with the economic reality of the same, it entails a direct or indirect contractual obligation for the Group to deliver cash or other financial assets or liabilities or to exchange financial assets or liabilities with third parties on unfavourable terms.

Any contract that can be settled with the Group's equity instruments is also classified as a financial liability, provided that:

- It is not a derivative and obliges or may oblige the delivery of a variable amount of its equity instruments.
- If it is a derivative with an unfavourable position for the Group, which can be settled in a manner other than exchanging a fixed amount of cash or other financial asset for a fixed amount of the Group's equity instruments; for these purposes, those instruments that are, in themselves, contracts for the future receipt or delivery of instruments of the Group's own equity are not included among the instruments of equity.

In addition, rights, options or warrants that allow a fixed number of equity instruments to be obtained by the Group are recognized as equity instruments, provided that the Group offers such rights, options or warrants on a proportional basis to all shareholders of the same class of equity instruments. However, if the instruments give the holder the right to settle them in cash or by delivering equity instruments at fair value or at a fixed price, they are classified as financial liabilities.

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Contributions made as a result of a joint venture agreement and similar are valued at the cost, increased or decreased by the profit or loss, respectively, that correspond to the Group as a non-managing participant, and less, where applicable, the accumulated amount of the impairment allowances. In this case, when the entire cost of the joint venture has been impaired, the additional losses generated by the participation account will be classified as a liability.

Participative loans that accrue contingent interest are recorded in the same way, either because a fixed or variable interest rate is agreed on the fulfilment of a milestone in the borrowing company (for example, the obtaining of profits), or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company. The financial expenses accrued by the equity loan are recognized in the consolidated income statement in accordance with the accrual basis, and the transaction costs will be charged to the consolidated income statement on a financial basis or, if not applicable, on a straight-line basis over the life of the equity loan.

In those cases, in which the Group does not transfer the risks and benefits inherent in a financial asset, it recognises a financial liability for an amount equivalent to the consideration received.

The categories of financial liabilities, among which the Group classifies them, are as follows:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit and loss

h.2.1) Financial liabilities at amortized cost

In general, the Group classifies the following financial liabilities within this category:

- Debits for commercial operations: are those financial liabilities that originate in the purchase of goods and services for traffic operations with deferred payment.

In addition, all financial liabilities that do not meet the criteria to be classified as financial liabilities at fair value through changes in the income statement will be classified within this category.

Financial liabilities at amortized cost are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs.

Notwithstanding the foregoing, debits for commercial transactions with a maturity of no more than one year and that do not have a contractual interest rate, as well as disbursements demanded by third parties on shares, the amount of which is expected to be paid in the short term, are initially measured at their nominal value, provided that the effect of not discounting cash flows is not significant.

Subsequently, they are valued at their amortized cost, using the effective interest rate. Those that, according to what has been commented in the previous paragraph, are initially valued at their nominal value, continue to be valued at that amount.

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h.2.2) Derecognition of financial liabilities

The Group derecognizes a financial liability when the obligation has been extinguished. The Group also writes off its own financial liabilities that it acquires (albeit with the intention of selling it in the future).

When debt instruments are exchanged with a lender, provided that they have substantially different terms, the original financial liability is derecognized and the new financial liability that arises is recognized. In the same way, there is a substantial modification of the current conditions of a financial liability.

The difference between the carrying amount of the financial liability, or the part thereof that has been derecognized, and the consideration paid, including attributable transaction costs, and which also includes any transferred assets other than the cash or liabilities assumed, is recognized in the consolidated income statement for the year in which it occurs.

When there is an exchange of debt instruments that do not have substantially different conditions, the original financial liability is not derecognized from the consolidated balance sheet, recording the amount of fees paid as an adjustment to its carrying amount. The new amortized cost of the financial liability is determined by applying the effective interest rate, which is the one that equals the carrying amount of the financial liability on the modification date with the cash flows payable under the new conditions.

For these purposes, the terms of the contracts are considered to be substantially different when the lender is the same as the lender that provided the initial loan and the present value of the cash flows of the new financial liability, including net fees, differs by at least 10% from the present value of the outstanding cash flows of the original financial liability. both updated to the effective interest rate of the original liabilities.

In addition, the Group, in those cases in which this difference is less than 10%, also considers that the conditions of the new financial instrument are substantially different, when there are other types of substantial modifications in it of a qualitative nature, such as: change from fixed interest rate to variable interest rate or vice versa, the restatement of the liability in a different currency, an ordinary loan that becomes a participative loan, etc.

i) Stock

Inventories are valued at their acquisition price, cost of production or net realizable value, whichever is lower. The weighted average price method is applied for its valuation. Commercial discounts, rebates obtained, other similar items and interest incorporated into the nominal amount of the debits are deducted in the determination of the acquisition price.

The cost of production includes the costs of materials, labor, and other direct costs.

The net realizable value represents the estimate of the sales price after deducting the estimated costs to finish its manufacture and the costs that will be incurred in the marketing, sale and distribution processes.

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For those inventories that need a period of time of more than one year to be in a condition to be sold, the cost includes the financial expenses that have been drawn by the supplier or correspond to loans or other types of external financing, specific or generic, directly attributable to the manufacture or construction.

When the net realizable value of the inventories is lower than their acquisition price or their cost of production, the appropriate valuation adjustments are made and recognized as an expense in the profit and loss account.

Such corrections are subject to reversal if the circumstances that caused the adjustment in the value of the inventories have ceased to exist, and are recognized as an income in the profit and loss account.

In the case of raw materials and other consumables in the production process, no valuation adjustment is made when it is expected that the finished products to which they are incorporated will be sold above cost. When it is necessary to make the valuation adjustment, the replacement price is taken as a measure.

The valuation of obsolete, defective or slow-moving products has been reduced to their possible realisation value, and the correction made has been recorded in the profit and loss account for the year.

j) Foreign currency transactions

The conversion into functional currency of the debit and credit balances generated in the transactions expressed in foreign currency is carried out by applying the exchange rate in force at the time of carrying out the corresponding operation, being valued at the end of the year in accordance with the exchange rate in force at that time. In cases of foreign exchange coverage, only the part of the risk not covered is considered.

Exchange differences arising as a result of the year-end valuation of foreign currency debits and credits are charged directly to the income statement.

k) Grants, donations and legacies received

It is initially accounted for as income directly allocated to equity, and is recognised in the income statement as income on a systematic and rational basis in a correlated manner with the expenses arising from the grant, donation or bequest in accordance with the criteria described below:

- If they are granted to finance specific expenses, the allocation is made as the subsidized expenses are accrued.
- If they are granted for the acquisition of assets or inventories, they are charged to profit or loss in proportion to depreciation or, where appropriate, when they are disposed of, with an impairment allowance or derecognition from the balance sheet.
- Monetary amounts received without allocation to a specific purpose are charged as income for the period.

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Grants, donations and legacies received of a monetary nature are valued at the fair value of the amount awarded.

l) Income tax

The companies of the Group are taxed separately for corporation tax. The income tax expense or income is calculated by adding the current tax expense or income plus the part corresponding to the deferred tax expense or income.

The current tax is the amount that results from the application of the tax rate on the taxable base of the year and after applying the deductions that are admissible for tax purposes.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include temporary differences, which are identified as those amounts that are expected to be payable or recoverable arising from the differences between the carrying amounts of assets and liabilities and their tax value. These amounts are recorded by applying to the temporary difference the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except those for which the Group can control the timing of the reversal and are not likely to reverse in the foreseeable future. Deferred tax assets are recognized only to the extent that it is considered likely that the Group will have future taxable gains against which they can be cashed.

Deferred tax assets and liabilities arising from transactions with direct debits or credits to equity accounts are also recognized with a counterpart entry in equity. At each accounting closing, the deferred taxes recorded are reviewed in order to verify that they remain in force, making the appropriate corrections to them. Likewise, deferred tax assets not recognized on the balance sheet are evaluated and are recognized to the extent that their recovery with future tax benefits becomes likely.

The Group is subject to the consolidated corporate income tax return regime according to a communication received on 5 March 2020 in which it is assigned as a tax group number 496/20. From then on, the corporate income tax return for the years corresponding to the Group's companies will be carried out under the tax consolidation regime.

m) Related-Party Transactions

Transactions between related parties, regardless of the degree of relationship, are accounted for in accordance with the general rules. Consequently, in general, the items subject to transactions are recognized at their fair value at the initial time. If the price agreed in a transaction differs from its fair value, the difference is recorded in the light of the economic reality of the transaction. The subsequent valuation is carried out in accordance with the provisions of the corresponding regulations.

n) Income and expenses

Income comes mainly from the sale and provision of services, the purchase and sale of upholstery material, as well as fabrics of all kinds, and the manufacture of chemicals and plastics. The Company's main economic activity is the manufacture of polyurethane foam for subsequent commercialization in the national market.

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To determine whether income should be recognized, the Company follows a five-step process:

1. Identifying the Contract with a Customer
2. Identification of performance obligations
3. Transaction pricing
4. Allocation of the transaction price to the performance obligations
5. revenue recognition when performance obligations are met.

Ordinary income is recognized at the time the sale is delivered to its customers, i.e., when the Company satisfies performance obligations by transferring the goods or services promised to its customers at fair value of the consideration received or to be received, less any discount or commitment assumed.

o) Consolidated Statement of Cash Flows

The consolidated statement of cash flows has been prepared using the indirect method, and the following expressions are used with the meaning indicated below:

- Operating activities: activities that constitute the Group's ordinary income, as well as other activities that cannot be classified as investment or financing.
- Investment activities: activities of acquiring, disposing of or otherwise disposing of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of consolidated equity and liabilities that are not part of operating activities.

5. Intangible fixed assets

The balances and changes during the years ended March 31, 2026 and 2025, in the items that make up intangible fixed assets, are as follows:

	Interplasp, S.L. consolidation <u>goodwill</u>	Computer software and other intangible items	Total
<u>Gross values</u>			
Balance at 04.01.24	29.424.026	346.757	29.770.783
Balance at 03.31.25	29.424.026	346.757	29.770.783
Balance at 03.31.26	29.424.026	346.757	29.770.783
<u>Accumulated amortization</u>			
Balance at 04.01.24	-	(344.964)	(344.964)
Amortization expense	-	(1.793)	(1.793)
Balance at 03.31.25	-	(346.757)	(346.757)
Balance at 03.31.26	-	(346.757)	(346.757)
Net book value at 03.31.25	29.424.026	-	29.424.026
Net book value at 03.31.26	29.424.026	-	29.424.026

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The gross value of the elements in use that are fully depreciated is as follows:

Account	Balance at 03.31.26	Balance at 03.31.25
Computer applications	346.756	346.756

As of March 31, 2026, the Group conducted an impairment test on Interplasp, S.L.'s goodwill using cash flow projections to determine the recoverable value. The deterioration tests have been carried out on the closing date and as a result of these tests it has been concluded that there is no deterioration. Management's projections cover a 5-year period, an estimated average cash flow of €3.5 million and use a weighted average cost of capital after tax (WACC) of 8.5% as the discounting rate.

6. Property, plant and equipment

The balances and changes during the years ended March 31, 2026 and 2025, of the gross values, accumulated depreciation and valuation adjustment are:

	Land and constructions	Technical facilities and other tangible fixed assets	Fixed assets under constructions and advances	Total
<u>Gross values</u>				
Balance at 04.01.24	8.737.809	14.720.673	8.539.273	31.997.754
Inputs	-	52.916	1.003.801	1.056.717
Retirements, disposals or reductions	-	(240.702)	(86.176)	(326.878)
Transfers to/from other items	-	1.245.903	(1.245.903)	-
Balance at 03.31.25	8.737.809	15.778.790	8.210.995	32.727.593
Inputs	9.200	141.271	511.125	661.596
Retirements, disposals or reductions	-	(11.156)	(29.822)	(40.978)
Transfers to/from other items	3.445.331	5.054.565	(8.576.497)	(76.601)
Balance at 03.31.26	12.192.339	20.963.470	115.801	33.271.610
<u>Accumulated amortization</u>				
Balance at 04.01.24	(1.928.161)	(9.986.562)	-	(11.914.723)
Amortization expense	(211.140)	(1.118.941)	-	(1.330.081)
Retirements, disposals or reductions	-	142.293	-	142.293
Balance at 03.31.25	(2.139.301)	(10.963.210)	-	(13.102.511)
Amortization expense	(195.574)	(1.095.003)	-	(1.290.578)
Retirements, disposals or reductions	-	11.156	-	11.156
Balance at 03.31.26	(2.334.875)	(12.047.057)	-	(14.381.932)
Net book value at 03.31.25	6.598.508	4.815.580	8.210.995	19.625.083
Net book value at 03.31.26	9.857.464	8.916.413	115.801	18.889.678

The transfers and registrations have been generated mainly by the project to expand production facilities, consisting of two new constructions and machinery, which were in progress and have been activated during the year. In addition, there have been registrations due to renovations and installation of ramps in warehouses.

During the period, transfers amounting to €76,601 were carried out under the heading "Assets held for sale". These are machinery that are expected to be sold in the short term.

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The gross value of the elements in use that are fully depreciated is as follows:

Account	Balance at 03.31.26	Balance at 03.31.25
Constructions	225.566	225.566
Other tangible fixed asset	6.808.216	2.751.634
	<u>7.033.782</u>	<u>2.977.200</u>

During the year ended March 31, 2026, items of property, plant and equipment were sold on a net accounting basis of €0 (€98,409 as of March 31, 2025), obtaining a profit of €3,000 (€3,496 as of March 31, 2025) as a result of these losses.

The net book value separately of the construction and the land, of the real estate owned, is as follows:

Account	Balance at 03.31.26	Balance at 03.31.25
Land	176.474	176.474
Constructions	9.680.990	6.422.034
	<u>9.857.464</u>	<u>6.598.508</u>

The Company's policy is to formalize insurance policies to cover the possible risks to which the various elements of its property, plant and equipment are subject. At the end of the year ended March 31, 2026 and at the end of the year ended March 31, 2025, there was no coverage deficit related to these risks.

7. Financial instruments

7.a.) Financial assets

The carrying amount of each of the categories of financial instruments set out in the recording and valuation standard for "Financial Instruments" is as follows:

<u>Categories</u>	<u>Long term financial investments</u>	
	<u>Credits, derivatives and others</u>	
	<u>03.31.26</u>	<u>03.31.25</u>
Financial assets at amortised cost	-	175.270

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	Short term financial investments					
	Equity instruments		Credits, derivatives and others		Total	
	03.31.26	03.31.25	03.31.26	03.31.25	03.31.26	03.31.25
<u>Categories:</u>						
Financial assets at amortised cost	-	-	7.792.048	8.016.414	7.792.048	8.016.414
Financial assets at cost	30.434	30.435	-	-	30.434	30.435
	<u>30.434</u>	<u>30.435</u>	<u>7.792.048</u>	<u>8.016.414</u>	<u>7.822.482</u>	<u>8.046.849</u>

7.a.1) Financial assets at amortized cost

The breakdown of financial assets at amortized cost classified in this category as of March 31, 2026 and 2025 is as follows:

Concept	Non-current	Current	
	03.31.25	03.31.26	03.31.25
Financial investments	175.270	-	22.314
Loans to companies	175.270	-	22.314
Trade and other receivables	-	7.708.000	7.947.450
Clients, trade receivables for sales and services	-	7.708.000	7.947.450
Other financial assets	-	84.048	46.650
Total	<u>175.270</u>	<u>7.792.048</u>	<u>8.016.414</u>

7.a.1.1.) Trade receivables and other receivables

The breakdown of the balance sheet heading "Trade receivables and other receivables" is as follows:

Concept	03.31.26	03.31.25
Clients, trade receivables for sales and services	7.708.000	7.947.450

The changes arising from impairment losses arising from credit risk by financial asset class were as follows:

Concept	03.31.26	03.31.25
	Clients	Clients
	Short term	Short term
Initial impairment loss	2.213.153	2.286.784
Impairment loss	31.496	-
Reversal of impairment	-	(73.632)
Final impairment loss	<u>2.244.649</u>	<u>2.213.153</u>

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As of March 31, 2026, the Company recorded a final loss on bad trade receivables amounting to €53,746 (€52,500 at the end of the previous year).

7.a.2) Financial assets at cost

The breakdown of the financial assets classified in this category as of March 31, 2026 and 2025 are as follows:

	03.31.26		03.31.25	
	Current		Current	
	Acquisition cost	Net book value	Acquisition cost	Net book value
Equity instruments	30.434	30.434	30.435	30.435

The fair value of the financial assets included in this category as of December 31 is as follows:

	03.31.26		03.31.25	
	Current		Current	
	Acquisition value	Net book value	Acquisition value	Net book value
Equity instruments	30.434	30.434	30.435	30.435

7.b.) Financial liabilities

With the exception of debts to group companies and associates shown in note 18, the carrying amount of each of the categories of financial instruments established in the "Financial Instruments" recording and measurement standard is as follows:

	Long term financial liabilities					
	Debts with financial institutions		Others		Total	
	03.31.26	03.31.25	03.31.26	03.31.25	03.31.26	03.31.25
	Financial liabilities at amortized cost	7.288.085	10.563.198	416.676	414.191	7.704.761

	Short term financial liabilities					
	Debts with financial institutions		Others		Total	
	03.31.26	03.31.25	03.31.26	03.31.25	03.31.26	03.31.25
	Financial liabilities at amortized cost	11.824.504	13.051.287	5.197.011	4.841.156	17.021.514

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7.b.1) Financial liabilities at amortized cost

The breakdown of the balances of financial liabilities classified in this category as of March 31, 2026 and 2025 is as follows:

Concepto	Non-current		Current	
	03.31.26	03.31.25	03.31.26	03.31.25
Debts with financial institutions	7,288,085	10,563,198	11,824,504	13,051,287
Trade payables and other accounts payable	-	-	5,176,225	4,831,814
Suppliers	-	-	4,037,799	3,611,988
Suppliers, group companies and associates	-	-	469,147	383,409
Other payables	-	-	644,735	567,825
Personnel (salaries payable)	-	-	24,544	81,546
Advances from customers	-	-	-	187,045
Other financial liabilities	416,676	414,191	20,785	9,342
Total	7,704,761	10,977,389	17,021,514	17,892,443

7.b.1.1) Trade Receivables and Other Payables

The breakdown of the heading of the consolidated balance sheet of "Trade receivables and other accounts payable", classified as financial liabilities at amortized cost is:

Concept	03.31.26	03.31.25
Suppliers	4,037,799	3,611,988
Suppliers, group companies and associates (see note 18)	469,147	383,410
Other payables	644,735	567,825
Personnel (salaries payable)	24,544	81,546
Advances from customers	-	187,045
Total	5,176,225	4,831,814

For the purposes of the provisions of the third additional provision of Law 15/2010, of 5 July, amended by section 2 of article 9 of Law 18/2022, of 28 September, and in accordance with the Resolution of 29 February 2016 of the Institute of Accounting and Auditing of Accounts, a detail of the average period of payment to suppliers is included below, ratio of transactions paid, ratio of transactions pending payment, total payments made and total payments outstanding:

	03.31.26	03.31.25
	Days	Days
Average payment period to suppliers	58	45
Ratio of paid operations	58	47
Ratio of operations pending payment	57	27
	03.31.26	03.31.25
	Amount	Amount
Total payments made	31,988,806	39,395,242
Total overdue payments exceeding the maximum legal payment period	2,633,344	88,590

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	03.31.26	03.31.25
Volume of invoices paid within the legal payment period	30.542.552	39.070.056
Number of invoices paid within the legal payment period	2.035	2.579
% of the volume of invoices paid within legal period over the total volume of invoices paid	95%	99%
% of the number of invoices paid within the legal period over the total number of invoices paid	90%	99%

7.b.1.2) The discount lines and credit policies granted are as follows:

	03.31.26		
	Limit	Disposed amount as for 03.31.26	Available amount
National discount lines	5.030.000	866.988	4.163.012
Confirming and export credit lines	7.762.706	6.974.956	787.751
Credit cards	29.500	-	29.500
	<u>12.822.206</u>	<u>7.841.944</u>	<u>4.980.263</u>

	03.31.25		
	Limit	Disposed amount as for 03.31.25	Available amount
National discount lines	4.500.000	618.378	3.881.622
Confirming and export credit lines	8.764.000	8.665.625	98.375
Credit cards	19.500	-	19.500
	<u>13.283.500</u>	<u>9.284.003</u>	<u>3.999.497</u>

7.b.1.3) Classification by maturity

The breakdown by maturity of the different long-term financial liabilities, with a determined or determinable maturity, at the end of the year ended March 31, 2026 is as follows:

	2027/28	2028/29	2029/30	Remaining	Total
Financial liabilities at amortised cost					
Debt with financial institutions	3.931.283	2.365.673	479.913	511.216	7.288.085
Other liabilities	13.522	77.930	95.011	230.213	416.676
	<u>3.944.805</u>	<u>2.443.603</u>	<u>574.924</u>	<u>741.429</u>	<u>7.704.761</u>

The breakdown by maturity of the different long-term financial liabilities, with a determined or determinable maturity, at the end of the year ended March 31, 2025 is as follows:

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	2026/27	2027/28	2028/29	Remaining	Total
Financial liabilities at amortised cost					
Debt with financial institutions	3.787.681	3.836.054	2.271.224	668.239	10.563.198
Other liabilities	14.604	62.204	62.204	275.178	414.191
	<u>3.802.285</u>	<u>3.898.258</u>	<u>2.333.428</u>	<u>943.417</u>	<u>10.977.389</u>

8. Inventories

The total inventory as of March 31, 2026 and 2025 is as follows:

	03.31.26	03.31.25	Variation
Raw materials and others	3.479.005	2.648.525	830.480
Finished goods	1.609.694	1.863.175	(253.480)
Advances	87.264	359.284	(272.020)
	<u>5.175.963</u>	<u>4.870.984</u>	<u>304.980</u>

The balances and changes due to value adjustment due to impairment of inventories have been:

	<u>Raw materials</u>
Balance at 04.01.24	(57.982)
Balance at 03.31.25	<u>(57.982)</u>
Reversals	<u>57.982</u>
Balance at 03.31.26	<u>-</u>

At the end of the 2024/25 financial year, the Group had recorded an impairment in raw materials due to the impossibility, the valuation adjustments recorded have been motivated by the impossibility of materializing their sale to a specific customer under the conditions initially foreseen. In the 2025/26 financial year, these inventories have finally been disposed of, which has made it possible to reverse all or part of the previously recorded impairment, with the corresponding payment being recognised in the profit and loss account.

At the end of the year, there are no firm commitments to buy and sell, as well as futures or options contracts relating to inventories.

The Group has taken out insurance policies that guarantee the recoverability of the net book value of inventories.

9. Information on the nature and level of risk from financial instruments

The management of the Group's financial risks is centralized in the Financial Department, which has established the necessary mechanisms to control exposure to variations in interest rates, as well as to credit and liquidity risks. The main financial risks impacting the Group are as follows:

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a) Credit Risk:

In general, the Group maintains its cash and equivalent liquid assets in financial institutions with a high credit level. In addition, most of its accounts receivable from customers are secured by credit insurance, guarantees and other similar guarantees.

It should also be noted that there is no significant concentration of credit risk with third parties.

b) Liquidity Risk:

In order to ensure liquidity and to be able to meet all the payment commitments arising from its activity, the Group has the cash flow that shows its balance sheet, as well as of the financing lines detailed in the note on debts with credit institutions.

c) Market risk (includes interest rate, exchange rate, and other price risks):

Both the Group's cash and financial debt are exposed to interest rate risk, which could have an adverse effect on financial results and cash flows.

Regarding exchange rate risk, it is mainly concentrated in commercial operations maintained with different countries in the Americas and the Asian continent, denominated in dollars, yen, pounds, Argentine pesos, Brazilian reals and Chinese yuan. In order to mitigate this risk, the Group follows the policy of taking out exchange rate insurance that reduces exchange differences for transactions in foreign currency (see Note on debts in foreign currency).

10. Foreign currency

The breakdown of assets and liabilities denominated in foreign currency, expressed in their equivalent value in euros as of March 31, 2026 and March 31, 2025, is as follows:

03.31.26	
Assets	USD
Trade receivables and other accounts receivable	17.780
Cash and cash equivalents	39.393
Advances to suppliers	87.264
03.31.25	
Assets	USD
Trade receivables and other accounts receivable	47.554
Cash and cash equivalents	38.274
03.31.25	
Liabilities	USD
Trades payable and other accounts payable	333.295

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The amounts corresponding to purchases and sales, as well as services provided and received, denominated in foreign currency, expressed in their equivalent value in euros, at the end of the year ended March 31, 2026 and at the end of the year ended March 31, 2025 are as follows:

Concept	03.31.26	03.31.25
	USD	USD
Sales	131.765	301.678
Purchases	4.660.025	(3.894.100)

The amount of the exchange differences recognised in profit or loss at the end of the year ended 31 March 2026 and at the end of the year ended 31 March 2025 by class of financial instruments is as follows:

Assets	Transactions settled in the period	Transactions settled in the period
Trade receivables and other accounts receivable	(4.967)	(3.924)
Financial institutions	1.879	2.190
Trade payable and other account payable	(10.353)	(45.475)
	<u>(13.441)</u>	<u>(47.209)</u>

11. Equity

a) Share capital

The Parent Company was incorporated on 12 June 2019 with a share capital of €3,000, represented by 3,000 shares with a nominal value of €1 each, numbered consecutively from 1 to 3,000, both inclusive, indivisible, and which granted the same rights to their holders.

On 14 October 2019, the sole shareholder of the Parent Company adopted the decision to increase the capital by 12,000,000 euros. Following this decision, the share capital was divided into 12,003,000 shares with a nominal value of 1 euro each, numbered consecutively from 1 to 12,003,000, both inclusive, indivisible and granting the same rights to their holders.

b) Reservations

Its details are as follows:

	Balance at 03.31.26	Balance at 03.31.25
Prior period results attributed to the Parent Company	9.580.060	9.582.573
Reserves in consolidated companies of Interplasp, S.L.	1.814.854	1.254.687
Total	<u>11.394.914</u>	<u>10.837.260</u>

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12. External Partners

The movements for the years ended March 31, 2026 and 2025 were as follows:

		Balance at 03.31.26				
		Balance at 04.01.25	Other movements	Dividends	Participations in results 2025	Balance at 03.31.26
Interplasp, S.L.		902.693	(1.153)	(44.035)	113.844	971.349

		Balance at 03.31.25				
		Balance at 04.01.24	Other movements	Dividends	Participation in results 2024	Balance at 03.31.25
Interplasp, S.L.		898.906	34.808	(112.942)	81.921	902.693

The breakdown of this item at the end of the financial years ended 31 March 2026 and 2025 is as follows:

		Balance at 03.31.26				
		Equity participation	Participation in reserves	Participation in grants	Participation in results	Balance at 03.31.26
Interplasp, S.L.		112.416	710.335	34.754	113.844	971.349

		Balance at 03.31.25				
		Equity participation	Participation in reserves	Participation in grants	Participation in results	Balance at 03.31.25
Interplasp, S.L.		112.416	672.417	35.939	81.921	902.693

On September 23, 2024, the General Shareholders' Meeting of Interplasp, S.L., agreed to approve an interim dividend against the result of the year between April 1, 2024 and September 30, 2024 to the Company's external shareholders for a total amount of €44,035.

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Shareholder	Dividend	Tax withholding	Liquid
D. Alejandro Juan Palao Serrano	22.017	4.183	17.834
D. Jose Miguel Palao Serrano	22.017	4.183	17.834
	44.035	8.367	35.668

At the end of the year ended March 31, 2026, the interim dividend outstanding to external shareholders is €0 (€44,035 as of March 31, 2025).

On June 17, 2024, the General Meeting of Partners of Interplasp, S.L. agreed to approve the distribution of the result of the annual year ended March 31, 2024, applying an amount of 1,044,604 euros to interim dividends, of which 112,942 corresponded to external partners.

13. Tax situation

The breakdown of the accounts related to General Government in the years ended 31 March 2026 and 2025 is as follows:

03.31.26				
Account	Debit balances		Credit balances	
	Non-current	Current	Non-current	Current
Grants awarded	-	690.015	-	-
Value Added Tax	-	-	-	423.003
Personal income tax	-	-	-	37.952
Current tax assets	-	183.498	-	-
Deferred tax assets	486.542	-	-	-
Current tax liabilities	-	-	-	116.827
Deferred tax liabilities	-	-	1.034.286	-
Social Security Organizations	-	-	-	103.845
Other	-	-	-	1.887
	486.542	873.513	1.034.286	683.514

03.31.25				
Cuenta	Debit balances		Credit balances	
	Non-current	Current	Non-current	Current
Grants awarded	-	690.015	-	-
Value Added Tax	-	-	-	299.675
Personal income tax	-	-	-	38.002
Current tax assets	-	77.983	-	-
Deferred tax assets	558.289	-	-	-
Current tax liabilities	-	-	-	113.221
Deferred tax liabilities	-	-	1.073.458	-
Social Security Organizations	-	-	-	109.547
Other	-	-	-	722
	558.289	767.998	1.073.458	561.167

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The Group is covered by the consolidated corporate income tax return regime according to the communication received on March 5, 2020 in which it is assigned as tax group number 496/20.

The reconciliation of the net amount of income and expenses for the year with the taxable base of Corporation Tax (tax result) is as follows:

	Period from 04.01.25 al 03.31.26		
	Profit and loss account		
	Increase	Decrease	Total
Accounting result	1,377,737		1,377,737
Corporate tax	344,341	-	344,341
Permanent consolidation difference	117,280	-	117,280
Permanent differences individual companies	305	-	305
Temporary differences of individual companies			
Arising from exercise	176,602	(26,899)	149,703
Arising from previous exercises	-	(48,389)	(48,389)
Previous tax base			1,940,977
Capitalization reserve reduction			(388,195)
Tax base (Tax result)			1,552,782
Previous gross tax liability			388,195
R&D and IT deductions			(97,049)
Withholdings and advance payments			(474,645)
Tax refund due			(183,498)

	Period from 04.01.24 to 03.31.25		
	Profit and loss account		
	Increase	Decrease	Total
Accounting result	639,585		639,585
Corporate tax	19,875	-	19,875
Permanent consolidation difference	1,381,524	-	1,381,524
Permanent differences individual companies	3,410	(1,271,880)	(1,268,470)
Temporary differences of individual companies			
Arising from exercise	579,779	(132,882)	446,897
Arising from previous exercises	-	(28,190)	(28,190)
Diferencias temporarias de consolidación Con origen en ejercicios anteriores	74,212	-	74,212
Previous tax base			1,265,433
Capitalization reserve reduction			(126,543)
Tax base (Tax result)			1,138,890
Previous gross tax liability			284,722
R&D and IT deductions			(71,983)
Withholdings and advance payments			(290,723)
Tax refund due			(77,983)

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The breakdown of the deductions applied in the consolidated corporation tax is as follows:

Year	Amount
2024-25	126.543
2023-24	185.516
2022-23	219.104
	531.163

The breakdown of the Corporate Income Tax expense of the companies that make up the group is as follows:

	Period from 04.01.25 to 03.31.26			
	Of assets		Of liabilities	
	Current tax	Decrease in deferred tax	Decrease in deferred tax	Total expense
<u>Imputación a pérdidas y ganancias</u>				
Operaciones continuadas	291.174	71.720	(18.553)	344.341
	Period from 04.01.24 al 03.31.25			
	Of assets		Of liabilities	
	Current tax	Increase in deferred tax	Decrease in deferred tax	Total expense
<u>Recognition in profit and loss</u>				
Continuing operations	129.254	(90.205)	(19.174)	19.875

The tax losses pending tax compensation for individual companies are as follows:

Company	Tax Base	Year
International Foam Technologies Spain, S.L.U.	253.708	2023/24
International Foam Technologies Spain, S.L.U.	201.994	2024/25
	455.702	

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The detail of the deferred taxes recorded is as follows:

	Balance at 03.31.26		Balance at 03.31.25	
	Debit	Credit	Debit	Credit
Credit for losses to be offset by the parent company	26.897	-	26.897	-
Deferred tax limit on non-deductible financial expenses by the parent company	281.853	-	249.835	-
Taxable bases pending offset by the Group	86.579	-	86.579	-
Amortization limit of 30%	-	-	6.725	-
Deductions pending application	91.213		188.253	
Recorded grants pending allocation	-	227.498	-	248.117
Due to consolidation differences	-	806.788	-	825.341
	<u>486.542</u>	<u>1.034.286</u>	<u>558.289</u>	<u>1.073.458</u>

According to current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year limitation period has elapsed. As of March 31, 2026, the Company has open for inspection the 2021 and subsequent years of Corporation Tax and the years 2022 and subsequent years for the other taxes that are applicable to it. It is considered that the settlements of the aforementioned taxes have been properly carried out, so that, even if discrepancies arise in the current regulatory interpretation due to the tax treatment granted to the transactions, the resulting liabilities, if they materialize, would not significantly affect the accompanying annual accounts.

Merger by absorption of the entity ALMACENES LA GIRALDA, S.L.

On June 20, 2016, the General Shareholders' Meeting unanimously agreed to the Merger by absorption of the company INTERPLASP, S.L. (absorbing company) to the company ALMACENES LA GIRALDA, S.L. (absorbed company), with the following dissolution without liquidation and extinction of the absorbed company and transfer en bloc of all the assets of the same on a universal basis to the Absorbing Company. These agreements were made public on October 13, 2016 and registered in the Mercantile Registry of Murcia.

Given that these are transactions between group companies, it has its effects from an accounting point of view from 1 January 2016. The assets transferred to the absorbing company have been incorporated into its accounting records for the value assigned to them in the individual annual accounts. There are no assets that have been incorporated into the accounting books of the absorbing company for a value different from that for which they appeared in the accounting records of the absorbed company prior to the execution of the operation. The latest closed balance sheets of the absorbed companies are attached as an annexed document to this report

The merger operations described above are subject to the special tax regime established in Chapter VII of Title VII of Law 27/2014 of 27 November 2014 on Corporate Income Tax. The assets and liabilities recognised at their value in the individual financial statements of Almacenes La Giralda, S.L. were as follows:

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Asset	Amount	Liability	Amount
<u>Non-current assets</u>		<u>Non-current liabilities</u>	
Property, plant and equipment	742.824	Long term liabilities	491.790
Investment property	61.853	Long-term debt with group and associated companies	301.000
Deferred tax assets	682.280	Non-current trade payables	-
<u>Current assets</u>		<u>Current liabilities</u>	
Inventories	212.080	Short-term provisions	-
Trade receivables and other accounts receivable	55.393	Short-term debts	31.670
Short-term financial investments	-	Trade payables and other payables	388.113
Short-term accruals	9.015	Short-term accruals	-
Cash and cash equivalents	24.556	Debts with special characteristics	-
Total assets	1.788.000	Total liabilities	1.212.573

The breakdown of the property, plant and equipment incorporated as a result of the merger is as follows:

Account	Description	Acquisition cost	Accumulated amortization
210800000	TERRAIN OF THE CARCHE	5.818	-
210800002	SOLAR SPLIT LA LOMICA	8.660	-
210803001	ANNEXED LAND NAVE DEL CARCHE	131	-
211800000	CONSTRUCTIONS, YECLA	7.444	(6.927)
211800001	CARCHE SHIP	18.213	(18.213)
211800002	STREET ASPHALT	14.847	(14.884)
211800004	RECONSTRUCTION OF SINISTER SHIP INC	424.900	(157.976)
211800007	TRADE REFORMS	7.832	(2.585)
211800008	REFURBISHMENT OF THE S.	103.441	(35.194)
211800009	REFURBISHMENT NAVE 2006 (C.P.)	36.986	(9.709)
211800010	REFURBISHMENT NAVE 2007 (T.P.)	8.201	(2.212)
211800011	REFURBISHMENTS NAVE 2007 (J.M.P.)	6.065	(13.824)
211800012	REFURBISHMENT NAVE N2(CH. A.P.)	63.727	(405)
211800013	REFURBISHMENT OF THE WAREHOUSE (P.S.)	2.253	(1.274)
211803001	EXPANDED WAREHOUSE	178.988	(515)
211803002	PLASTIC BUBBLE SHIP (A.P.)	33.448	(7.871)
211803003	NAVEPATRI	2.855	(600)
211803004	RECONST. SINISTER FIRE WAREHOUSE	1.562	(48.208)
212800000	TECHNICAL INSTALLATIONS-YECLA	14.567	(14.567)
212800010	INST. TRANSFORMER FOR MACHINE B	21.795	(21.795)
212803003	INSTALLATION OF N.EXPA SOLAR PANELS	456	(319)

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212803004	INST. HUMIDIFIC. EXPANDED WAREHOUSE	6.471	(5.176)
212803005	GAS INSTALLATION, N.EXP. PROPA DOME	28.310	(22.648)
212803014	INST. AGAINST INC. NAVE NINE PLAST.	82.604	(49.563)
212803015	MAQ. TRANSFER INST. NEW SHIPS 6- INSTALLATION. ELECT. NEW PLAST	20.278	(12.167)
212803016	WAREHOUSES	422	(253)
212803017	CENTRAL. PANASONIC KXTA 308SP(S.CA	660	(413)
212803018	TELEPHONE. INAL. SIEMENS GIGASET(S.CAST	166	(83)
212803019	TELEPHONE. INAL. PANASONIC KXTA308SP(S.	160	(96)
212803020	MPEG4 DIGITAL RECORDER (PROTEC. YTE	1.581	(791)
212803021	TELEPHONE. INAL. SIEM. GIGASETAL170(DIGI	27	(11)
212803022	CAMARA NETWORK INT. PANORAM. (PROTE	15.670	(1.567)
213800004	PLASTIC BUBUJAS MACHINE MODEL	327.551	(327.551)
213800012	MAQ. CORT. SAMBA FABRIC N?434.1 ASCO	7.750	(6.667)
213800013	MAQ. CORT. SAMBA FABRIC N?434.2(ASCO	7.750	(5.554)
213803002	MACHINE ENVOL. EXTRABAND MOD.311.3	11.720	(11.720)
213803003	TCL-600 DISPENSER, DOSIFIC. DC-3	15.626	(15.626)
213803006	PLASTIC BAG MAKING MACHINE	71.833	(71.833)
213803008	BUBBLE WRAP MACHINE (SMALL?)	12.020	(12.020)
213803010	CONF MACHINE. PLAST BAGS. MOD. MST	54.091	(54.091)
213803012	SEVEL MACHINE	33.238	(33.238)
213803015	SMOOTH BAG MAKING MACHINE	13.925	(13.925)
213803017	PLASTIBUR LAMINATION LINE	23.307	(23.307)
213803019	MILL TYPE 19/25 M5-5 SOUNDPROOFS	12.717	(12.717)
213803020	INTECO REFRIGERATOR, MOD. RCA. SH.35	17.804	(17.952)
213803024	FOAM-LAMB LAMINATOR (POLYPRISE I	45.651	(46.031)
213803031	MAQ. BUBBLE WRAP 2.40 WIDE	370.569	(370.569)
213803033	MAQ. EXPANDED MOD.PM/140(POLY)	235.748	(235.312)
213803034	MAQ. TUBES MOD. PM80(POLY)	108.083	(108.083)
213803037	MAQ. CMV BAGS. MOD. BC-1800	72.000	(72.600)
213803038	LPG TANK MAQ. EXTR. (PROPA DOM.	28.310	(28.546)
213803039	REGRANUL. EXACT MOD. EVOL. 10	28.420	(28.657)
213803041	MAQ. PLAST. BURB. A/160 MOD. SPCS	166.899	(158.866)
213803042	DISPENSER TCL1200(TRANS MASS.)	37.388	(37.700)
213803043	CMV BRAND MACHINE.MOD. PALLET-1800	36.122	(36.122)
213803045	MAQ. RECIC. PLAST. EXTRUF.250KG/HOUR	69.136	(55.309)
213803046	MRE-S 34-100(OVER) GRINDER	48.600	(38.880)
213803049	IRN22K COMPRESSOR (F.Y GANDIA)	12.305	(9.844)
213803050	I.RAND DRYER TMS-55(F.Y GANDIA)	1.800	(1.440)
213803051	CARRET. ELEV. MECANOCAR STILL M.R60	12.000	(9.600)
213803052	SILO VERT.304 100M3 METALLOGUE N	30.000	(21.000)
213803053	POLYESTER TANK (PEREIRA)	3.000	(2.100)
213803054	ADAPTATION OF PLASTIBUR(ADE) MACHINES	11.946	(8.362)
213803055	DEPOSIT (VINEGAR RIOJA VINEGARS)PL	4.404	(3.083)
213803056	REFRIGERATE. INTECO RCA SH50(R-407C	10.000	(4.350)

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213803057	2 MACHINES 2? HAND B.PEQUE? A(POLIS	13.409	(5.587)
213804056	LPG TRANSFER PUMP (PROPA DOMES	4.865	(2.027)
213831000	BUBBLE WRAP MACHINE,V.RIO	32.085	(32.085)
217803048	PHOTOCOPY. SHARP AR 5520-N(CANON)	1.500	(900)
217803050	OKI ML-3321 PRINTER (COPIYEC)	104	(49)
217803051	MATRIC PRINTER. OKI ML3391(COPIY	501	(238)
217803052	MULTIT PRINTER. OKI ES-5461(QUILEZ	1.128	(705)
218800008	SEAT PANDA COMMERCIAL VEHICLE	2.773	(2.773)
218800011	IVECO MU-0897-BC TRUCK TRAILER	9.015	(9.015)
218800018	MERCEDES MOD.170435 SLK.200 ROADS	27.361	(27.361)
218800028	RENAULT TRUCK MOD. PREMIUM 370.18	56.495	(56.495)
218800032	ALFA ROMEO 4697 BPZ TOURING CAR	19.337	(19.337)
218800034	JOHN DEERE TRACTOR MODEL 6620 4W	31.854	(31.854)
218800035	CADDY VAN WOLKSWAGEN 4751 CDH	12.564	(12.564)
218800039	MARSEMAR TRAILER MOD. RB14000(MAR	4.000	(4.050)
218801000	SEAT TRANS BRAND VEHICLE	3.371	(3.371)
218803004	VOLKSWAGEN POLO 1886 DXG, PLASTIB	14.389	(14.569)
218803041	CITROEN JUMPY MATR.8328-F TOURING CAR	17.629	(17.849)
218803048	MARSEMAR MD.RB14000 PLAS TRAILER	4.000	(4.050)
218803052	DAF 9287-BVD(SINDEL) TRUCK	9.500	(5.938)
218803053	MIROFRET TRAILER MU-04798-R(SIND	1.000	(988)
Total		3.327.127	(2.584.303)

14. Income and expenses

a) Net turnover

The breakdown of net turnover by category of activity and by geographical market is as follows:

Activities category	04.01.25 to 03.31.26	04.01.24 to 03.31.25
Sales of finished goods	38.145.379	36.467.755
Sale of by-products or waste	-	1.149.445
	38.145.379	37.617.200

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Geographical markets	04.01.25 al 03.31.26	%	04.01.24 al 03.31.25	%
Spain	37.465.188	98,2%	36.704.302	97,6%
Rest of EU countries	266.091	0,7%	472.963	1,3%
Rest of the world	414.100	1,1%	439.935	1,2%
	<u>38.145.379</u>	<u>100%</u>	<u>37.617.200</u>	<u>100%</u>

b) Consumption of goods, raw materials and other consumables

Its breakdown is as follows:

	04.01.25 to 03.31.26	04.01.24 to 03.31.25
Purchases		
National	(26.521.665)	(26.651.413)
Inventory impairment	57.982	-
Increase in inventories variation (decrease)	830.480	(1.415)
	<u>(25.633.203)</u>	<u>(26.652.828)</u>

c) Social charges

Its breakdown is as follows:

	04.01.25 a 03.31.26	04.01.24 a 03.31.25
Social security paid by the company	1.033.842	1.012.327
Other social expenses	45.697	29.642
	<u>1.079.539</u>	<u>1.041.969</u>

d) Other results

The breakdown of the results arising outside the normal activity of the company, included in the heading "Other results", is as follows:

	04.01.25 to 03.31.26			04.01.24 to 03.31.25		
	Income	Expense	Total	Income	Expense	Total
Balance adjustments	2.347	(868)	1.480	54	-	54
Insurance compensation and other income	14.500	-	14.500	4.329	-	4.329
Other income/expenses	14.689	(1.001)	13.688	144.854	-	144.854
	<u>31.536</u>	<u>(1.869)</u>	<u>29.667</u>	<u>149.237</u>	<u>-</u>	<u>149.237</u>

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e) Contribution to consolidated results

The contribution of each company to consolidated results, expressed in euros, is as follows:

	04.01.25 to 03.31.26	04.01.24 to 03.31.25
	Consolidated profit/(loss)	Consolidated profit/(loss)
International Foam Technologies Spain, S.L.U.	(516.272)	(652.547)
Interplasp, S.L.	1.894.009	1.292.132
	<u>1.377.737</u>	<u>639.585</u>

15. Third-party guarantees and other contingent liabilities

At the close of the financial year ended March 31, 2026, the Group has guarantees granted in the form of sureties provided to various entities for an amount of €690,672 (€873,838 as of March 31, 2025).

The breakdown of these guarantees granted is as follows:

A surety agreement signed on November 9, 2022, whereby the Group, pursuant to the provisions set out in the commercial loan agreement with periodic repayments and variable interest subject to revision, guarantees the company Colchones Alfa, engaged in the production and commercialization of mattresses. The Group jointly and severally undertakes to repay to the financial institution the loan principal initially set at €1,100,000 as of December 31, 2022, as well as the interest, commissions, taxes, and expenses accrued or levied on said transaction until full repayment, including any judicial or extrajudicial costs incurred. The guaranteed amount totals €690,672. The validity of this guarantee extends until November 9, 2028.

At the close of the financial year ended March 31, 2026, the Group has guarantees received in the form of sureties from various entities for an amount of €290,427 (€290,427 as of March 31, 2025).

The breakdown of these guarantees received is as follows:

A surety agreement signed on February 10, 2021, to guarantee customs and/or tax debts for customs operations provided for in Articles 110, 148, 211.3(c), and 195 of Regulation No. 952/2013 and in Article 115 of Delegated Regulation (EU) 2015/2446 (guarantee code "5"). The financial institution Banco de Sabadell, S.A. acts as joint and several guarantor before the Spanish Tax Agency (Agencia Estatal de Administración Tributaria) for a maximum amount of €186,000, covering debts that the Group owes or may owe or that arise from declarations submitted in its capacity as customs representative or debtor, or from authorizations granted to it, in respect of import duties, export duties, Value Added Tax, and/or excise or environmental taxes under the responsibility of the Spanish Tax Agency relating to goods under the inward processing procedure. This guarantee is of indefinite duration.

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A surety agreement signed on November 29, 2020, whereby Caja Rural Central Sociedad Cooperativa de Crédito jointly and severally guarantees the IFTS Group (International Foam Technologies Spain, S.L.U. and Interplasp, S.L.) in accordance with Article 10.10 of the Order dated December 28, 2015, issued by the Regional Ministry of Economic Development, Tourism and Employment, establishing the regulatory bases for the granting of subsidies aimed at promoting energy efficiency and the use of renewable energy by companies under the FEDER 2014–2020 Operational Program for the Region of Murcia, and pursuant to the Order dated June 7, 2020, issued by the Regional Ministry of Business, Industry and Spokesperson, which calls for such subsidies, in order to ensure compliance with the following obligations: ensuring the execution of the subsidized activity, in this case “Promoting the generation and self-consumption of final energy 39.1,” with the specific action “SELF-CONSUMPTION PHOTOVOLTAIC INSTALLATION 300 kW WITHOUT SURPLUS IN AN INDUSTRIAL PLANT FOR THE MANUFACTURE OF PLASTIC FOAMS” for an amount of €88,427.

A surety agreement signed on April 14, 2014, whereby Caja Rural Central Sociedad Cooperativa de Crédito jointly and severally guarantees the IFTS Group (International Foam Technologies Spain, S.L.U. and Interplasp, S.L.) before the entity SOLRED, S.A., for an amount of €16,000, to cover payment of commercial transactions carried out using the cards issued by SOLRED, S.A. of which the Group is the holder. This guarantee shall remain in force for a minimum period of one year from the date of execution and shall be automatically extended for successive annual periods unless CAJA RURAL CENTRAL notifies SOLRED, S.A., in a duly evidenced manner and at least two months prior to the expiration date of the initial term or any of its extensions, of its decision to cancel the guarantee.

16. Grants, subsidies and donations

The balances and variations in the items that make up the grants, donations and legacies received are as follows:

Granting entity	Origin	03.31.26			
		Initial amount	Income statement impact	Tax effect	Final amount
Consejería de Empresa, Industria y portavocía	Administración Estatal	24.847	(8.282)	2.071	18.635
Instituto de Fomento de la Región de Murcia	Administración Autonómica	10.401	(2.342)	585	8.645
Instituto de Fomento de la Región de Murcia	Administración Autonómica	481.227	(9.363)	2.341	474.205
Ministerio de Ciencia e Innovación	Administración Estatal	14.912	(3.975)	994	11.930
		<u>531.387</u>	<u>(23.961)</u>	<u>5.990</u>	<u>513.416</u>

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Granting entity	Origin	Initial amount	Entries	03.31.25		Final amount
				income	Tax effect	
				statement impact		
Consejería de Empresa, Industria y portavocía	Administración Estatal	30.638	-	(6.632)	841	24.847
Instituto de Fomento de la Región de Murcia	Administración Autonómica	12.158	-	(3.249)	1.491	10.401
Instituto de Fomento de la Región de Murcia	Administración Autonómica	-	484.970	(4.935)	1.192	481.227
Ministerio de Ciencia e Innovación	Administración Estatal	-	20.219	-	(5.307)	14.912
		42.796	505.189	(14.815)	(1.783)	531.387

The Group has received during the year a capital subsidy for an investment project presented for the improvement of its facilities by Ministerial Order dated December 22, 2024 where regional incentives are granted under Law 50/1985, of December 27, of the Development Institute of the Region of Murcia and another according to the Order of Granting aid of the 2021 call published on the website of the State Research Agency, this document includes the Particular Economic Conditions of file CPP2021- 08800 entitled Enzymatically recyclable and biodegradable polyurethane foams through innovative chemical formulations and ozonation processes (Enzyclo3).

The operating subsidies granted during the year ended March 31, 2026 for fuel consumption granted by the Tax Agency were 2,199 euros (2,246 euros during the previous year and the aid received during the previous year for business reactivation through technological innovation by the Ministry of Enterprise, Industry and Spokesperson, are included under the heading of the balance sheet of "Other financial liabilities" in the long term, as they correspond to aid in the form of financing at a zero interest rate and a three-year grace period amounting to 68,507 euros during the year (80,988 euros in the previous year).

17. Environmental Information

The Group owns a photovoltaic solar installation for self-consumption within its fixed assets to promote the generation and self-consumption of final energy acquired. The net book value of said fixed assets acquired during the year amounted to €155,071 at the end of the year ended March 31, 2026 (€180,916 at the end of the previous year). This fixed assets have been subsidized by the Ministry of Business, Industry and Spokesperson, for which subsidies were called for the promotion of energy efficiency and the use of renewable energies by companies within the scope of the ERDF 2014/2020 operational program for the Region of Murcia, for the 2020 financial year, in 80% of the total amount of the investment, co-financed by the ERDF.

The Group has not made provisions to cover risks and expenses for environmental actions, as it considers that there are no contingencies related to the protection and improvement of the environment.

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The Group has not been allocated greenhouse gas emission allowances during the period of validity of the National Allocation Plan, nor does it have assets included in the tangible fixed assets related to greenhouse gas emission allowances, nor has it incurred expenditures or received subsidies during the year related to greenhouse gas emission allowances. Similarly, it has not made provisions for greenhouse gas emission rights, considering that there are no contingencies related to sanctions or provisional measures, under the terms provided for in Law 1/2005.

The expenses incurred during the year ended March 31, 2026 and during the year ended March 31, 2025, whose purpose has been to protect and improve the environment, have amounted to 23,343 euros and 11,047 euros respectively. The destination of these expenses has been, fundamentally, to the management and removal of waste.

18. Related party transactions

During the year, transactions have been carried out with the following related parties:

03.31.26	
Company	Type of relationship
Sheela Foam Limited	Ultimate holding company
Staqo Software Private Limited	Group Entity
D. Tushaar Gautam	Manager - Administrator
D. Rahul Gautam	Manager - Administrator
D. Alejandro Juan Palao Serrano	Other related party
D. José Miguel Palao Serrano	Other related party

03.31.25	
Company	Type of relationship
Sheela Foam Limited	Ultimate holding company
Staqo Wold Private Limited	Group Entity
Kurlon Enterprise Limited	Group Entity
D. Tushaar Gautam	Manager - Administrator
D. Rahul Gautam	Manager - Administrator
D. Alejandro Juan Palao Serrano	Other related party
D. José Miguel Palao Serrano	Other related party

The breakdown of balance sheet balances with related parties is as follows:

	03.31.26	03.31.25
	Other related parties	Other related parties
CURRENT ASSETS	80.648	43.250
Short-term investments	80.648	43.250
Other financial assets	80.648	43.250

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	03.31.26		03.31.25	
	Parent company	Group entities	Parent company	Group entities
NON-CURRENT LIABILITIES	9.800.000	-	8.000.000	-
Deudas con empresas del grupo y asociadas a largo plazo	9.800.000	-	8.000.000	-
CURRENT LIABILITIES	1.206.542	248.250	708.628	357.396
Group companies and associates, current	985.645	-	682.615	-
Trade suppliers and other payables	220.897	248.250	26.013	357.396
Suppliers, group companies and associates	220.897	248.250	26.013	357.396

The pricing policy followed in all transactions carried out during the year is due to the application of the normal market value, in accordance with Article 18 of the Corporate Income Tax Law.

The breakdown of transactions carried out with related parties during the years ended 31 March 2026 and 2025, expressed in euros, is as follows:

Concept	04.01.25 al 03.31.26			04.01.24 al 03.31.25				
	Services received	Purchases	Interests charged	Sales	Fixed assets purchases	Services received	Purchases	Interests charged
Ultimate holding company	-	(20.016)	(303.030)	18.545	(16.013)	-	(33.920)	(378.427)
Other related parties	(180.000)	-	-	-	(220.897)	(136.500)	-	-
Total group companies	(180.000)	(20.016)	(303.030)	18.545	(236.910)	(136.500)	(33.920)	(378.427)

At the end of the financial years ended March 31, 2026 and 2025, the heading "Debts to group companies and long-term associates" includes a credit of €9,800,000 plus accrued interest granted by the parent entity, with a maximum maturity of 8 years accruing interest of 1.25%, and fees and expenses paid by it to financial institutions on behalf of the Group as of March 31, 2026 amounted to 303,030 euros (378,427 euros as of 31 March 2025) and other amounts delivered for the payment of current expenses.

Senior management is made up of one of the directors, who is responsible for making decisions that affect the Company's economic and strategic policies.

The remuneration received during the year ended March 31, 2026 and 2025 by the Company's directors and senior management, classified by concept, was as follows:

	Amount received by the administrators	
	03.31.26	03.31.25
Salaries, allowances and other remuneration	182.013	168.283

The Company's directors and the persons related to them referred to in Article 231 of the Consolidated Text of the Capital Companies Act have not reported situations of conflict, direct or indirect, that they may have with the Company's interest. Likewise, it declares that it does not have positions or shares in companies with the same, analogous or complementary type of activity to that which constitutes the corporate purpose of the Company.

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19. Other information

The average number of people employed during the 2025/26 and 2024/25 financial years is as follows:

Professional category	03.31.26	03.31.25
Administrators	1	1
Administrative type employees	17	16
Production	133	124
	<u>151</u>	<u>141</u>

The number of directors and employees at the end of the year ended 31 March 2026 and 2025, distributed by professional category, is as follows:

Professional category	03.31.26		03.31.25	
	Men	Women	Men	Women
Administrators	1		1	-
Administrative type employees	3	14	3	11
Production	125	10	108	5
	<u>129</u>	<u>24</u>	<u>112</u>	<u>16</u>

The average number of people employed in the course of the year ended March 31, 2026 and 2025 with a disability greater than or equal to thirty-three percent is 4 and 3 people in the category of production laborer, respectively.

During the years ended March 31, 2026 and 2025, the fees accrued by the auditor of the consolidated financial statements, as well as the fees for services invoiced by the auditors of the annual accounts of the companies included in the consolidation, were as follows:

	04.01.25 al 03.31.26	04.01.24 al 03.31.25
	Services provided by auditors or related firms	Services provided by auditors or related firms
For auditing account services	18.725	18.175
For other services	16.475	15.750

20. Segmented information

The Directors consider all the transactions carried out by the companies that make up the Group within the same segment, which is why segmented information is not provided.

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21. Subsequent events

As of the date of preparation of these consolidated financial statements, there has been an intensification of conflict and geopolitical instability in the Middle East. These events have increased uncertainty and volatility in certain international markets, mainly through energy prices, logistics costs and interest rates.

The Group does not have significant direct exposures in the affected area or with counterparties directly linked to it. However, given the nature of its activity, the Group has a significant indirect exposure to the evolution of the petrochemical raw material markets, as these inputs constitute a significant part of its supply costs. In this regard, Management has taken these developments into account in the preparation of estimates and in the application of relevant accounting judgments, as well as in the review of scenarios and budgets, assessing their possible impact on operating costs, margins and, where appropriate, on certain valuations and analyses of the recoverability of assets.

In relation to the above, even if we are aware of the uncertainties existing on the date of formulation as a result of doubts about the duration of the aforementioned crisis and its final effects, it is not possible to reliably estimate the final impact that the events considered above and others that may occur will have on the Group's operations and activity. its expected results, the future financial situation, the valuation of its assets and other relevant figures.

Furthermore, the Group is currently engaged in a refinancing process with various financial institutions that affects both International Foam Technologies S.L.U. and Interplasp, S.L., as detailed in note 3.c) of these consolidated financial statements.

In addition, no other events have been identified after the closing of the year that could have a significant effect on these consolidated financial statements.

**FORMULATION OF CONSOLIDATED FINANCIAL STATEMENTS BY THE
MANAGEMENT BODY**

In compliance with the provisions of current legislation, the Directors of INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U. have prepared the consolidated annual accounts (consolidated balance sheet, consolidated profit and loss account, statement of changes in consolidated equity, consolidated statement of cash flows and consolidated report) of INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U. AND SUBSIDIARIES corresponding to the year ended March 31, 2026.

Likewise, they declare the aforementioned documents signed in their own handwriting, by signing this folio annexed to the notes to the financial statements, which extends on pages 1 to 42.

Yecla, May 08, 2026



Mr. Rahul Gautam



Mr. Tushaar Gautam

**CONSOLIDATED MANAGEMENT REPORT FOR THE YEAR ENDED MARCH 31,
2026 OF INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U. AND
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1. BUSINESS DEVELOPMENTS AND THE GROUP'S SITUATION

The evolution and development of the business and activity is evidenced both from an economic and financial point of view in the attached consolidated financial statements that include information for the year ended March 31, 2026.

At the end of the financial year ended 31 March 2026, net turnover amounted to an overall figure of 38,145,379 euros (37,617,200 euros in the previous year), which meant an increase of 1.5% and a profit after tax of 1,377,737 euros (639,585 euros in the previous year). which has been 161% higher.

In June 2022, the Company began the project to expand its facilities, within the premises where the company is located, consisting of two new constructions, plus capital goods, mainly the expansion of the dryers where the foam is cured. In the third quarter of the 2025/26 financial year, these investments have begun to be used and amortized since the works and machinery are already available for use and the respective licenses for their use have already been received.

With this new project, the company intends to expand its production capacity by 25% in its objective of continuing to expand its presence in the sector.

The cash flow generated during the year ended March 31, 2026, obtained by adding to the result the amortizations endowed with 1,290,578 euros and subtracting the allocation of subsidies amounting to 39,775 euros, is positive at 2,628,540 euros (1,940,947 euros at the end of the previous year). Working capital is negative by €4,114,628 (negative €4,943,852 at the end of the year ended March 31, 2025).

2. MAIN RISKS AND UNCERTAINTIES FACED BY THE GROUP

The Group conducts most of its business in the domestic market. The most significant risks refer to the purchase prices of raw materials, as well as the collection and interest rate risks for the debt assumed for the financing of working capital.

Raw material purchase price risks are hedged through price and volume negotiations with major suppliers and we do not believe they represent significant figures that could affect the performance of the business. On the other hand, being part of the Sheela Foam Ltd. Group will allow a better negotiating position with suppliers.

The risks inherent in the sale such as the customer diversification policy, sales prices to public entities, etc., do not pose significant risks that may affect the progress of the business. The Company has taken out insurance policies that cover the risk of collection from customers.

In compliance with Law 31/2014, of 3 December, amending the Capital Companies Act for the improvement of corporate governance, which introduces modifications that affect the content of the annual accounts and the information to be included in the annual accounts and in the management report and which modifies section 1 of article 262 of the TRLSC, the company, according to the information contained in its Annual Report, complies with the average payment periods established in Law 15/2010 of 5 July on measures to combat late payment of commercial transactions, although it does not apply to all its operations. It is the Company's primary interest, during the 2026/27 financial year, to continue with the improvement process in all affected areas, including requiring our suppliers and creditors to operate with due diligence in the sending of their invoices, which allows us to ensure compliance with current regulations regarding maximum payment periods.

3. FORESEEABLE EVOLUTION OF THE GROUP

The projections of increase in sales and production of the subsidiary Company, derived from the start of activity in the new facilities, together with the general increase in tariffs applied in April, will allow a better positioning in the market. All this in a context of geopolitical instability in the Middle East, particularly in Iran, which is generating volatility in the commodity markets to which the Company is indirectly exposed.

4. POST-CLOSING EVENTS

As of the date of preparation of these consolidated financial statements, there has been an intensification of conflict and geopolitical instability in the Middle East. These events have increased uncertainty and volatility in certain international markets, mainly through energy prices, logistics costs and interest rates.

The Group does not have significant direct exposures in the affected area or with counterparties directly linked to it. However, given the nature of its activity, the Group has a significant indirect exposure to the evolution of the petrochemical raw material markets, as these inputs constitute a significant part of its supply costs. In this regard, Management has taken these developments into account in the preparation of estimates and in the application of relevant accounting judgments, as well as in the review of scenarios and budgets, assessing their possible impact on operating costs, margins and, where appropriate, on certain valuations and analyses of the recoverability of assets.

In relation to the above, even if we are aware of the uncertainties existing on the date of formulation as a result of doubts about the duration of the aforementioned crisis and its final effects, it is not possible to reliably estimate the final impact that the events considered above and others that may occur will have on the Group's operations and activity. its expected results, the future financial situation, the valuation of its assets and other relevant figures.

Furthermore, the Group is currently engaged in a refinancing process with various financial institutions that affects both International Foam Technologies S.L.U. and Interplasp, S.L., as detailed in note 3.c) of these consolidated financial statements.

In addition, no other events have been identified after the closing of the year that could have a significant effect on these consolidated financial statements.

5. RESEARCH AND DEVELOPMENT ACTIVITY

The Group has not carried out research and development activities during the 2025/26 financial year.

6. INFORMATION ON ACQUISITIONS OF OWN SHARES

The Group has not carried out any transactions with its own holdings in the 2025/26 financial year.

7. USE OF FINANCIAL INSTRUMENTS

The Group does not hold complex financial instruments or derivatives and does not engage in hedging transactions.

**FORMULATION OF THE CONSOLIDATED MANAGEMENT REPORT BY
THE MANAGEMENT BODY**

In compliance with the provisions of current legislation, the Directors of INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U. have drawn up the Consolidated Management Report of INTERNATIONAL FOAM TECHNOLOGIES SPAIN, S.L.U. AND SUBSIDIARIES corresponding to the year ended March 31, 2026.

They also declare the aforementioned document signed in their own handwriting, by signing this folio annexed to said report, which extends over three pages.

Yecla, May 08, 2026



Mr. Rahul Gautam



Mr. Tushaar Gautam