

**SUZLON WIND ENERGY URUGUAY S.A**

*FINANCIAL STATEMENTS AT MARCH 31, 2021*

*WITH LIMITED REVIEW REPORT*

## **SUZLON WIND ENERGY URUGUAY S.A**

### **FINANCIAL STATEMENTS AT MARCH 31, 2021**

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#### **Abreviaturas**

UYU- Uruguayan pesos

USD- U.S. dollars

€ - Euro

## LIMITED REVIEW REPORT

To the Directors of  
**SUZLON WIND ENERGY URUGUAY S.A.**

### **Introduction**

We have conducted a review of the financial statements in United States dollars of SUZLON WIND ENERGY URUGUAY S.A. (hereinafter the "Company") which include the statement of financial position at March 31, 2021, the pertinent statement of income, of comprehensive income, of changes in equity, and of cash flows for the year ended on said date and in addition to the notes to the financial statements. The directors of the company are responsible for the preparation and reasonable presentation of these financial statements in accordance with the accounting bases described in Note 2.1 to the financial statements. Our responsibility is to express a conclusion on these financial statements based on the review we have conducted.

### **Scope of review**

Our review was conducted in accordance with International Standard on Review Engagements 2400 – Engagements to review Financial Statements issued by the International Federation of Accountants (IFAC), adopted by the Association of Accountants, Economists and Administrators of Uruguay in Pronouncement No. 18. This standard requires that we plan and perform our review to obtain limited assurance that the financial statements are free of material errors. This review is limited basically to conducting inquiries with Company personnel and applying analytical procedures to the information contained in the financial statements and, hence, provides a degree of assurance that is less than an audit examination. We have not performed an audit and, consequently, do not express an audit opinion.

### **Conclusion**

Based on our review, we inform you that we have not become aware of any material changes that should have been made to the said financial statements for them to reflect in all relevant aspects, of the financial situation of SUZLON WIND ENERGY URUGUAY S.A. at March 31, 2021 and the pertinent statements of income, of comprehensive income, of changes in equity and of cash flows for the year ended on said date, in accordance with the accounting bases described in Note 2.1 to the financial statements.

### **Emphasis paragraph**

We call your attention to Note 1.4 – *Operating context – ongoing concern* of these financial statements, which indicates that the Company has terminated the contracts with Rouar S.A., the Company's main client in the year ended March 31, 2019. During the year ended March 31, 2021 and 2020, the Company has not engaged in any operating activity whatsoever, and likewise at this date the Company has no plans or projections to recompose its operations in the next twelve months. The Company has prepared the financial statements at liquidation values as indicated in Note 2.1.

Continuity as a going concern depends on its capacity to obtain sufficient cash flow to meet its obligations on time, to comply with the terms of its financial agreements, to obtain additional financing or to refinance as necessary and make the Company profitable.

The losses borne by the Company have led it to have negative equity at March 31, 2021 of USD 2.235.109. This situation currently puts the Company in a situation constituting grounds for dissolution pursuant to the provisions of article 159 of the Business Companies Law No. 16,060 (dissolution due to loss of capital stock).

Montevideo,  
April 22, 2021



CPA FERRERE



FELIPE QUIRÓ  
Partner  
Public Accountant  
C.J.P.U. Registration 81,166

## SUZLON WIND ENERGY URUGUAY S.A.

STATEMENT OF FINANCIAL POSITION  
AT MARCH 31, 2021

(figures in U.S. dollars)

		2021	2020
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and Other receivables	6	220.290	261.821
Other nonfinancial assets	7	17.039	23.449
<b>Total Current Assets</b>		<b>237.329</b>	<b>285.270</b>
<b>TOTAL ASSETS</b>		<b>237.329</b>	<b>285.270</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payable	8	216.785	205.531
Other nonfinancial liabilities		330	304
<b>Total Current Liabilities</b>		<b>217.115</b>	<b>205.835</b>
<b>Noncurrent liabilities</b>			
Trade payable	8	741.180	741.834
Provisions	9	1.514.144	1.487.134
<b>Total Noncurrent Liabilities</b>		<b>2.255.324</b>	<b>2.228.968</b>
<b>TOTAL LIABILITIES</b>		<b>2.472.439</b>	<b>2.434.803</b>
<b>EQUITY</b>			
Paid-in capital		654.897	654.897
Retained earnings		(2.890.007)	(2.804.430)
<b>TOTAL EQUITY</b>	10	<b>(2.235.110)</b>	<b>(2.149.533)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>237.329</b>	<b>285.270</b>

Notes 1 to 18 form an integral part of the financial statements.

## SUZLON WIND ENERGY URUGUAY S.A.

**INCOME STATEMENT**  
**FOR THE YEAR ENDED MARCH 31, 2021**

(figures in U.S. dollars)

	Note	2021	2020
Administrative and selling expense	11	(53.395)	(49.180)
Miscellaneous income	12	-	1.156
Financial results	13	(29.676)	(9.204)
<b>INCOME BEFORE INCOME TAX</b>		<u><b>(83.071)</b></u>	<u><b>(57.228)</b></u>
Income tax		(2.506)	(2.736)
<b>NET INCOME FOR YEAR</b>		<u><b>(85.577)</b></u>	<u><b>(59.964)</b></u>

Notes 1 to 18 form an integral part of the financial statements.



## SUZLON WIND ENERGY URUGUAY S.A.

COMPREHENSIVE INCOME STATEMENT  
FOR THE YEAR ENDED MARCH 31, 2021

(figures in U.S. dollars)

	2021	2020
NET INCOME FOR YEAR	<u>(85.577)</u>	<u>(59.964)</u>
Other comprehensive income		
Other comprehensive income, net of income tax	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u><u>(85.577)</u></u>	<u><u>(59.964)</u></u>

Notes 1 to 18 form an integral part of the financial statements.

## SUZLON WIND ENERGY URUGUAY S.A.

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED MARCH 31, 2021

(figures in U.S. dollars)

	PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
BALANCES AT APRIL 1, 2019	654.897	(2.744.466)	(2.089.569)
Other comprehensive income	-	-	-
Net Income	-	(59.964)	(59.964)
TOTAL CHANGES IN EQUITY	-	(59.964)	(59.964)
ENDING BALANCES AT MARCH 31, 2020	654.897	(2.804.430)	(2.149.533)
Other comprehensive income	-	-	-
Net Income	-	(85.577)	(85.577)
TOTAL CHANGES IN EQUITY	-	(85.577)	(85.577)
ENDING BALANCES AT MARCH 31, 2021	654.897	(2.890.007)	(2.235.110)

Notes 1 to 18 form an integral part of the financial statements.



## SUZLON WIND ENERGY URUGUAY S.A.

STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED MARCH 31, 2021

(figures in U.S. dollars)

	2021	2020
<b>1. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income for year	(85.577)	(59.964)
Less: income tax	(2.506)	(2.736)
Plus / (Minus) items not involving fund movements		
Unpaid accrued interest	27.010	27.075
Changes in assets and liabilities		
Changes in trade and other receivables	41.531	55.093
Changes in other nonfinancial assets	6.410	13.093
Changes in trade and other payables	10.600	(35.601)
Changes in other non-financial liabilities	26	304
Income tax paid	2.506	2.736
<b>Net cash deriving from operating activities</b>	<u>-</u>	<u>-</u>
<b>2. NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>-</u>	<u>-</u>
<b>3. STARTING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<u>-</u>	<u>-</u>
<b>4. ENDING BALANCE OF CASH AND CASH EQUIVALENTS (Note 3.4)</b>	<u>-</u>	<u>-</u>

Notes 1 to 18 form an integral part of the financial statements.

## SUZLON WIND ENERGY URUGUAY S.A.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**  
(figures in US dollars)

**NOTE 1 - BASIC COMPANY INFORMATION****1.1 General information**

SUZLON WIND ENERGY URUGUAY S.A. (the Company) is a closely-held company incorporated in Uruguay, with nominative shares.

The company shareholder is a global Indian corporation ([www.suzlon.com](http://www.suzlon.com)). The Suzlon Group is one of the leading renewable energy solutions providers in the world.

**1.2 Main activity**

The Company had an engineering, procurement and construction contract (RPC contract) with Rouar S.A. (Artillero Project), a unique joint venture between UTE (Uruguay's state-owned utility) and Brazilian utility Eletrobras, for the construction of a wind farm located in the Department of Colonia (Uruguay).

The wind farm construction began in October 2013, the startup of the wind turbine generators was between December 2014 and August 2015 and the official inauguration was in February 2015. It counts with 31 units of the model S95 – 2.1 MW wind turbines with a hub height of 90 meters, part of Suzlon's S9X portfolio optimized for medium to low wind regimes.

The Company also signed a wind farm guarantee and maintenance contract with Rouar S.A., which establishes that once the construction is completed (October 2015), the first two years are included in EPC contract Price, and after the second year fees will be charged (October 2017).

In the year ended March 31, 2019, as a result of negotiations and reciprocal claims to date, the Company and Rouar S.A. terminated the contracts and reached a settlement agreement as reflected in the following Note.

During the year ended March 31, 2021 and 2020, the Company did not engage in operating activities.

**1.3 Termination of contracts – Settlement agreement with Rouar S.A.**

On October 8, 2018, the Company signed a settlement agreement with Rouar S.A. following reciprocal claims between the parties, as well as filing of various suits and claims in connection with construction of the wind park, and additional services performed by the Company.

In the said agreement the parties agreed to put an end to all of the disputes arising from the previous contracts: EPC agreement and Guarantee and Maintenance agreement, as well as the settlement agreement executed in 2017, and resolved on the following:

- Termination of the EPC agreement, extinguishing all the rights, duties, obligations and guarantees for each of the parties, waiving all claims deriving from the said agreement.
- Termination of the Wind Farm Guarantee and Maintenance agreement (O&M Agreement), extinguishing all the rights, duties, obligations and guarantees for each of the parties, waiving all claims deriving from the said agreement, and with the Company ceasing to provide the maintenance service, which shall be handled by Rouar S.A.
- Release by Rouar S.A. of the guarantees issued by Suzlon Wind Energy Uruguay S.A., Suzlon España, and AE Rotors Holding BV, including the bank guarantee issued by EXIM Bank.
- Additionally, the settlement agreement signed established obligations to do and to refrain from doing for each of the parties, such as collaboration with supply of replacements parts and information on maintenance software, transfer of stock and existing replacements per appraisal performed, as well as transfer of part of the Company's personnel.

The effects of the settlement agreement were showed in the year ended march 31, 2019.

#### **1.4 Operating context – going concern**

As mentioned in preceding paragraphs, in the year ended March 31, 2019, the Company terminated the contracts with Rouar S.A., the Company's chief client. During the year ended March 31, 2021 and 2020, the Company has not engaged in any operating activity whatsoever, and to date has no plans or projections to recompose its operations in the next twelve months.

Continuity as a going concern depends on its capacity to obtain sufficient cash flow to meet its obligations on time, to comply with the terms of its financial agreements, to obtain additional financing or to refinance as necessary and make the Company profitable.

The losses borne by the Company have led it to have negative equity at March 31, 2021 of USD 2,235.109. This situation currently puts the Company in a situation constituting grounds for dissolution pursuant to the provisions of article 159 of the Business Companies Law No. 16,060 (dissolution due to loss of capital stock).

In view of the Company's current situation, in the understanding that it does not meet the going concern principle, and despite the fact that the Company's shareholder has not decided to formally liquidate the Company, the Company's Management has decided to value assets and liabilities at March 31, 2021 and March 31, 2020 at liquidation values.

#### **1.5 Approval of financial statements for issuance**

These financial statements have been approved for issuance by the company's board of directors dated April 22, 2021. This has not yet been approved by the regular general shareholders meeting, which will be held per the terms established by law.

### **NOTE 2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

#### **2.1 Accounting Standards**

These financial statements have been prepared in accordance with the appropriate accounting standards accepted in Uruguay as per Decree No. 291/14, as amended by Decree No. 372/15 and Decree No. 408/16.

Decree No. 291/14 dated October 14, 2014, applicable to financial years beginning on January 1, 2015, lays down, as mandatory Appropriate Accounting Standard, the International Financial Reporting Standard for Small and Medium sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB) on the date of publication of this decree, translated into Spanish and published on the Corporate Oversight Authority (AIN) website.

Moreover, Section 5 of Decree No. 291/14 (as amended by Decree No. 372/15) provides for the following alternatives and deviations from the IFRS for SMEs:

- The value of Property, Plant and Equipment and of Intangible Assets can be assessed through the revaluation models provided for in IAS 16, Property, Plant and Equipment, and IAS 38, Intangible Assets, respectively.
- The Statement of Changes in Equity is of mandatory submission.
- Pursuant to IFRS for SMEs Section 25 - Borrowing Costs, borrowings can be capitalized as provided for in IAS 23 - Borrowing Costs.
- IAS 12 - Income Taxes shall be applied to the treatment of income tax.

The foregoing standards are those issued by the International Accounting Standards Board (IASB) in effect as of the publication date of this Decree, translated into Spanish and published in the Corporate Oversight Authority (AIN) website.

Decree No. 408/2016 dated December 26, 2016, applicable to fiscal years ended as from the date of publication of such Decree (January 5, 2017), provides that issuers of financial statements comprised



within the provisions of Decree No. 291/14 and its subsequent amendments, shall apply the submission regulations of financial statements defined in the corresponding legal frameworks. Notwithstanding the aforementioned, the following submission criteria shall be applicable:

- Current and non-current assets and liabilities shall be presented as separate categories within the balance sheet. Current assets shall follow a decreasing order of liquidity.
- Submission of the total comprehensive profit and loss statement shall be made in two statements: a profit and loss statement and a comprehensive profit and loss statement.
- Expenses shall be presented in the profit and loss statement following a classification criteria based on their function.
- Items of other comprehensive statements shall be presented in the comprehensive profit and loss statement, net of income tax.
- Cash flows from operational activities shall be presented in the Cash Flow Statement, following the indirect method.

As mentioned in Note 1.4, the Company has not followed the going concern principle in preparing the financial statements. Given that the aforesaid rules do not address preparation of financial statements for entities not meeting the going concern principle, the Company has applied uses and customs criteria for this situation in valuing the assets and liabilities at liquidation values.

## 2.2 Functional currency

According to the International Accounting Standards Board (IASB), Section 30 - Foreign Currency Translation of the IFRS for SMEs, functional currency is the currency of the primary economic environment in which the entity operates, which is normally the one in which it primarily generates and expends cash. An entity considers the following factors in determining its functional currency:

- The sales prices for its goods and services are denominated and settled in that currency.
- Labor, material and other costs of providing goods or services are denominated and settled in that currency.
- The funds from financing activities are generated in that currency.
- Trade receivables are collected in that currency.

The Company's Management has chosen the US dollar as functional currency, since it meets the aforesaid parameters.

## 2.3 Permanence of accounting criteria

The accounting policies and criteria applied in the valuation of assets and liabilities, as well as in the reporting of income and expense for the year ended March 31, 2020 are similar to the criteria applied the previous year.

## NOTE 3 - PRINCIPAL ACCOUNTING POLICIES AND PRACTICES APPLIED

### 3.1 Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates.

Assets and liabilities in foreign currency (currencies other than the functional currency) have been valued at the respective foreign exchange rates prevailing at the close of each financial year (USD 1 = UYU 44,187 and USD 1 = € 0,8525 at March 31, 2021 and USD 1 = UYU 43,008 and USD 1 = € 0,9082 at March 31, 2020). The exchange rate differences were allocated to the result for the financial year, within the chapter of Financial Results.

The balances of assets and liabilities denominated in foreign currency at the close of each financial year are shown in Note 4.

### 3.2 Use of estimates

The preparation of financial statements at a particular date requires Management to make judgments, estimates and assumptions in the process of application of accounting policies and standards that affect the amounts reported of assets and liabilities, the disclosure of contingent assets and liabilities, and profits and losses for the period or year.

Although these Management estimates were based on the best information available at the date these financial statements were issued, future events may require these estimates to be modified in subsequent years. The effect on the financial statements which could ultimately result from adjustments to be made in subsequent years is recognized in the year in which the estimation is changed and in affected future years, i.e., they are accounted for on a prospective basis.

The most significant areas in which the Company's Management has made estimates and assumptions in the application of accounting policies, and which have a greater effect on the amounts recognized in the financial statements, are for bad debt provisions, judicial provision, and the charge for income tax, among others.

### 3.3 Concept of Capital

The Company uses the financial concept of capital to determine its income.

Income has been determined according to the variation of capital during the year, exclusively considered as invested money.

### 3.4 Statement of cash flows

In preparing the statement of cash flows the concept of funds as cash and cash equivalents (investments at less than three months from acquisition date and bank overdrafts) has been used.

### 3.5 General valuation criteria

These financial statements have been prepared on a historical-cost basis. Therefore, assets, liabilities, income and expenses are measured at acquisition cost.

### 3.6 Specific valuation criteria

In preparing these financial statements, the following main valuation criteria were applied:

#### a) Basic financial instruments

These include cash, cash equivalents, trade and other receivables, trade and other payables, and financial liabilities.

Basic financial instruments are initially recognized at the transaction cost plus any costs attributable to their acquisition, except in the event the agreement involves a funding transaction, where there Company recognizes the financial asset or liability at the present value of future payments, discounted at the market interest rate applicable to a similar debt instrument. Financial assets and liabilities measured at fair value through profit or loss are also excluded from the initial measurement.

After initial recognition, basic financial instruments are valued as follows:

#### *Trade and other receivables*

Receivables are measured at the undiscounted cash amount expected to be collected less any deterioration in value.



### *Impairment of financial assets*

At the close of each reported year the book values of financial assets not measured at reasonable value are reviewed to determine if there is any objective evidence of deterioration of value. If there is such deterioration, an impairment loss is immediately shown in income and the book value of the financial assets accounts is consequently reduced.

### *Trade and other payables*

Trade payables are liabilities deriving from the acquisition of goods or the contracting of services under normal short term credit conditions. Trade payables are measured at the undiscounted amount of cash payable.

### **b) Leases**

Leases are classified as financial leases provided the terms and conditions of the lease transfer substantially all the risks and advantages inherent to ownership of the leased asset to the Company. All other leases are classified as operating leases.

The rights to assets held on financial lease are recognized as Company assets at the reasonable value of the leased property (or, if less, at the current value of the minimum lease payments) at the start of the lease. Assets held on financial lease are included in property, plant and equipment, and depreciation and evaluation of losses due to deterioration of value are computed in the same way as for assets owned by the Company. The pertinent liability with the lessor is included in the statement of financial position as a financial leasing obligation. Lease payments are distributed among financial charges and reduction of the lease obligation, so as to obtain a constant interest rate on the remaining balance on the liability. Financial charges are deducted in the computation of results.

Income payable on operating leases is charged against results on a straight line basis over the course of the term of the pertinent lease.

### **c) Provisions and contingencies**

If pertinent, provisions not related to specific assets were created to reflect risks related to the industrial process and/or the commercial activity of the Company. A provision is recognized when the Company has a legal obligation deriving from a past event and it is probable that that the Company will have to pay the obligation, and a reliable estimate of the amount of the obligation can be made. A provision is measured as the best estimate of the amount required to settle the obligation, at the report date. The best estimate is the amount that the Company would rationally pay to settle the obligation at the end of the reporting period or to transfer same to a third party at that date. It is determined based on all the risks and uncertainties related to the obligation and is discounted to reflect the time value of money using a discount rate.

Contingent liabilities are not recognized in the financial statements, and instead are disclosed in the notes, except in those cases where the probability of the Company's having to expend resources to settle the potential obligation is remote.

### **d) Presentation of equity accounts**

Equity accounts are presented on the following bases:

Paid-in capital is shown at nominal value.

Retained earnings include undistributed earnings at the end of each financial year.

### **e) Determination of income for year**

For revenue recognition and cost and expense allocation the accrual principle was applied. Operating income are measure at the fair value of the consideration received or receivable, net of any trade discounts, prompt settlement discounts and volume rebates allowed by the entity.

Income tax expense includes current and deferred taxes.



#### f) Income tax

Income tax expense includes current and deferred tax. Income tax is recognized on the income statement, as comprehensive income or equity, depending on the transaction or event giving rise to the tax cost.

The current income tax charge is determined by applying the tax rate in force at the closing date of the financial year on taxable income for that year and considering, if applicable, tax loss adjustments for previous years.

Deferred income tax is recognized by applying the Financial Statement liability method. This involves determining temporary differences between assets and liabilities valued per accounting criteria and the tax basis of such assets and liabilities.

The Company recognizes a deferred income tax asset if enough temporary taxable differences or tax gains are expected in the future to compute the deductions corresponding to deductible temporary differences.

#### NOTE 4 - POSITION IN FOREIGN CURRENCY

The Company incurs exchange rate risks on its sales, purchases and expenses denominated in currencies other than its functional currency, the US dollar, which derive basically from credits and liabilities acquired in Uruguayan pesos and euros.

Management monitors this risk so as to keep exposure at acceptable levels.

Following is a breakdown of exchange risk exposure:

	2021			2020		
	\$	€	Equivalent in USD	\$	€	Equivalent in USD
<b>ASSETS</b>						
Current assets						
Other nonfinancial assets	752.987	-	17.039	1.008.504	-	23.449
<b>Total Current Assets</b>	<b>752.987</b>	<b>-</b>	<b>17.039</b>	<b>1.008.504</b>	<b>-</b>	<b>23.449</b>
<b>TOTAL ASSETS</b>	<b>752.987</b>	<b>-</b>	<b>17.039</b>	<b>1.008.504</b>	<b>-</b>	<b>23.449</b>
<b>LIABILITIES</b>						
Current liabilities						
Trade payable	286.951	148.504	180.696	174.096	148.504	167.566
Taxes payable	14.575	-	330	13.068	-	304
<b>Total Current Liabilities</b>	<b>301.526</b>	<b>148.504</b>	<b>181.026</b>	<b>187.164</b>	<b>148.504</b>	<b>167.870</b>
Noncurrent liabilities						
Trade payable	1.053.957	-	23.852	1.053.957	-	24.506
<b>Total Current Liabilities</b>	<b>1.053.957</b>	<b>-</b>	<b>23.852</b>	<b>1.053.957</b>	<b>-</b>	<b>24.506</b>
<b>TOTAL LIABILITIES</b>	<b>1.355.483</b>	<b>148.504</b>	<b>204.878</b>	<b>1.241.121</b>	<b>148.504</b>	<b>192.376</b>
<b>NET LIABILITIES POSITION</b>	<b>(602.496)</b>	<b>(148.504)</b>	<b>(187.839)</b>	<b>(232.617)</b>	<b>(148.504)</b>	<b>(168.927)</b>

**NOTE 5 - FINANCIAL INSTRUMENTS**

Following are financial instruments by category:

	At reasonable value with changes to income	Measured at amortized cost	Total
<b>AT MARCH 31, 2021</b>			
<b>ASSETS</b>			
Trade and Other receivables		220.290	220.290
	-	220.290	220.290
<b>LIABILITIES</b>			
Trade		957.965	957.965
Provisions		1.514.144	1.514.144
	-	2.472.109	2.472.109
<b>AT MARCH 31, 2020</b>			
<b>ASSETS</b>			
Trade and Other receivables		261.821	261.821
	-	261.821	261.821
<b>LIABILITIES</b>			
Trade		947.365	947.365
Provisions		1.487.134	1.487.134
	-	2.434.499	2.434.499

**NOTE 6 - OTHER RECEIVABLES**

Following is the breakdown for trade:

	2021	2020
<b>Other receivables</b>		
<b>Current</b>		
Related companies (Note 15)	218.812	260.810
Other receivables	1.478	1.011
<b>Total Current Other Receivables</b>	<u>220.290</u>	<u>261.821</u>

**NOTE 7 - OTHER NONFINANCIAL ASSETS**

Following is the breakdown for other nonfinancial assets:

	2021	2020
<b>Current</b>		
Fiscal credits	17.039	23.449
	<u>17.039</u>	<u>23.449</u>
<b>Noncurrent</b>		
Fiscal credits (1)	424.686	436.328
Provision - Fiscal credits (1)	(424.686)	(436.328)
	<u>-</u>	<u>-</u>

(1) This corresponds to excess VAT on purchases accrued at the close of each year. In the year ended March 31, 2019, given that the Company does not maintain any business or expected operating activities, a provision was created for doubtful collection of the said credit. If the Company resumes its activities it will be able to deduct the tax credit from any future income it has.

**NOTE 8 - TRADE PAYABLES**

Following is a breakdown of trade:

	2021	2020
<b>Trade payables</b>		
<b>Current</b>		
Local suppliers	10.845	10.275
Import suppliers	205.940	195.256
	<u>216.785</u>	<u>205.531</u>
<b>Total Current Trade Payable</b>	<u>216.785</u>	<u>205.531</u>
<b>Trade payables</b>		
<b>Noncurrent</b>		
Local suppliers (*)	741.180	741.834
	<u>741.180</u>	<u>741.834</u>
<b>Total Noncurrent Trade Payable</b>	<u>741.180</u>	<u>741.834</u>

(\*) Includes balances with companies indicated in Note 17.

**NOTE 9 - PROVISIONS**

Following is a breakdown of provisions:

	2021	2020
<b>NonCurrent</b>		
Provisions (Note 17)	1.514.144	1.487.134
	<u>1.514.144</u>	<u>1.487.134</u>

Provision evolution is as follow:

	2021	2020
<b>Starting balances</b>	<u>1.487.134</u>	<u>1.460.059</u>
Interest	27.010	27.075
<b>Closing balances</b>	<u>1.514.144</u>	<u>1.487.134</u>

**NOTE 10 - EQUITY****10.1 Capital**

The Company's authorized capital at March 31, 2021 and 2020 was the nominal amount of UYU 100.000.000, of which the nominal sum of UYU 19.077.800 (equivalent to USD 654.897) has been paid in.

**10.2 Legal reserve**

The legal reserve is established in compliance with article 93 of Business Companies Law 16,060, which requires allocating at least 5% of net earnings for each business year to the formation of the said reserve, until same reaches 20% of the paid-in capital.

Pursuant to Art. 98 of Law 16,060, the Company must cover losses from previous years before constituting the pertinent legal reserve.

**10.3 Retained earnings**

Retained earnings include undistributed earnings at the end of each financial year.

**NOTE 11 - ADMINISTRATIVE AND SELLING EXPENSE**

Following is the breakdown for administrative and sales expense:

	2021	2020
Professional fees	(42.342)	(38.471)
Other taxes	(468)	(641)
Financial expense	(8.786)	(9.311)
Other administrative expenses	(1.799)	(757)
	<u>(53.395)</u>	<u>(49.180)</u>

**NOTE 12 - MISCELLANEOUS INCOME**

The breakdown of miscellaneous income is as follows:

	2021	2020
Other	-	1.156
	<u>-</u>	<u>1.156</u>

**NOTE 13 - FINANCIAL RESULTS**

Following is the breakdown for financial income and costs:

	2021	2020
<b>Financial Income</b>		
Interest earned	7.564	14.096
Exchange difference	83.365	205.657
	<u>90.929</u>	<u>219.753</u>
<b>Financial Costs</b>		
Interest lost	(27.010)	(27.075)
Exchange difference	(93.595)	(201.882)
	<u>(120.605)</u>	<u>(228.957)</u>
<b>Net financial results</b>	<u>(29.676)</u>	<u>(9.204)</u>

**NOTE 14 - INCOME TAX****14.1 Composition of income tax**

The composition of income tax at the end of each year is as follows:

	2021	2020
Current tax expense	(2.506)	(2.736)
	<u>(2.506)</u>	<u>(2.736)</u>

**14.2 Current income tax**

The current income tax charge is determined by applying a rate of 25% on taxable income for the year. At of March 31, 2021 and 2020, the minimum tax corresponds.



### 14.3 Deferred income tax

At March 31, 2021 and 2020, the Company does not maintain significant taxable temporary differences or deductible temporary differences, so that it has not recognized liabilities or assets for deferred taxes at said dates. The tax losses accrued were not considered in the calculation of deferred tax because Management considers that they will not be deductible in light of the uncertainty of generation of future taxable income.

## NOTE 15 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

### 15.1 Balances with related parties

Following is the breakdown for balances with related parties:

Current assets	2021	2020
Other receivables		
Suzlon Energy LTD	26.350	24.948
AE-Rotor Holding B.V	192.462	235.862
	<u>218.812</u>	<u>260.810</u>

### 15.2 Transactions with related parties

The Company performs transactions with related parties in its ordinary course of business. The transactions performed were as follows:

At March 31, 2021	Loans received net	Payments	Collection	Earned interest	Compensation
AE-Rotor Holding B.V.	-	-	50.964	(7.564)	-
Suzlon Energy LTD	-	(1.402)	-	-	-
	-	<u>(1.402)</u>	<u>50.964</u>	<u>(7.564)</u>	<u>-</u>
At 31 de marzo de 2020					
At March 31, 2020	Loans received net	Payments	Collection	Earned interest	Compensation
Suzlon Wind Energy España SLU	2.170	(3.754)	-	-	-
Suzlon Energy A/S	-	-	-	-	(116.962)
AE-Rotor Holding B.V.	-	-	67.268	(14.096)	-
	<u>2.170</u>	<u>(3.754)</u>	<u>67.268</u>	<u>(14.096)</u>	<u>(116.962)</u>

### 15.3 Remuneration of directors and other members of key management

The directors and key management personnel received no remuneration during the period ended March 31, 2021 and 2020.

## NOTE 16 - CONTINGENCIES

In accordance with the Law 18,099 dated January 24, 2007, the Company is jointly and severally liable for labor obligations and pension obligations towards the workers of the subcontractors with whom it operates. At March 31, 2021 and 2020, based on the information available from the Company, it is not anticipated that significant equity effects will result from these situations.

## NOTE 17 – RECONCILIATION HEARINGS AND JUDICIAL PROCESSES

### Judicial processes

The Company maintains judicial claims with Etincar S.A. (subcontractor for construction of the Wind Farm) and Lidermind S.A., which at the presentation date of the financial statements have not reached a final resolution.

The Etincar S.A. claim against the Company is in the process of enforcement of Judgment. Civil Appeals Court 1 handed down a second instance Judgment ordering Suzlon Wind Energy Uruguay S.A. to pay USD 1.403.803 plus interest and uncomputed amounts. The judgment is *res judicata* and thus cannot be appealed by the Company. In connection with the process for enforcement of judgment the Company is subject to a generic attachment of the bank accounts and deposits it holds in the Financial Intermediation System, as well as a generic attachment of the rights, credits and shares of the Company. The Company has recognized the provision pertaining to said claim and the accrual of interest on the financial statements in the chapter on Noncurrent Provisions (Note 9), for a total amount of US \$ 1,514,155 at of March 31, 2021 (US \$ 1,487,134 at of March 31, 2020).

The judicial claim by Lidermind S.A. against the Company is for a total amount of USD 120.397 for invoices that Lidermind alleges are owed, plus damages. On August 8, 2019, a first-instance decision was handed down in the matter, rejecting the claim in full. Lidermind S.A. appealed the first-instance decision and Suzlon answered the appeal brought by plaintiff. On June 23, 2020, Civil Appeals Court Term 5 handed down a second-instance decision confirming the first-instance decision in full and no resolution has been handed down to date. Suzlon has accounted for the said invoices in Noncurrent trade payables (Note 8).

As regards the claim by Asatul S.A. against the Company, on February 20, 2020, it brought suit for contract liability against (i) SUZLON WIND ENERGY URUGUAY SA, (ii) SUZLON WIND ENERGY ESPAÑA SLU and (iii) SUZLON ENERGY LIMITED, and for extra-contractual liability against (iv) ROUAR S.A., (v) UTE, (vi) ELETROBRAS and (vii) Daniel Pérez Benech, for the sum of USD 791,879.37 plus late interest. On June 26, 2020, the Company filed an answer to the suit, rejecting the claim in full, and likewise brought countersuit against ASATUL SA and BERSUR SA for the sum of USD 40,925,137. Additionally, on March 12, 2021, SUZLON WIND ENERGY ESPAÑA SLU answered the suit, rejecting the claim in full. At this date notice of the demand remains to be served upon SUZLON ENERGY LIMITED. The Company's legal counsel considers the outcome to be uncertain, and thus has not established a litigation provision in connection with same. At March 31, 2021 and March 31, 2020 the Company maintains recorded liabilities with Asatul S.A. for a total of USD 598.535, (Note 8).

### Reconciliation hearings

The Company also has summonses to Reconciliation hearings with Enfery S.A., Servipay S.R.L. and reciprocal summonses with Asatul S.A. (subcontractor for construction of Wind Farm).

In relation to the reciprocal claims with Asatul S.A., the Company's legal advisors consider the outcome to be uncertain, so that no litigation provision has been created in connection with this point.

At March 31, 2021 the Company maintains recorded liabilities with these companies for a total of USD 623.041 (USD 630.011 at March 31, 2020), (Note 8).

## NOTE 18 – SUBSEQUENT EVENTS

At the date of these financial statements and subsequent to the year-end closing date no events have occurred that could significantly affect the Company.