

Deloitte Auditing and Consulting Ltd.

Dózsa György út 84/C.

H-1068 Budapest

MANAGEMENT REPRESENTATION LETTER

Dear Auditor,

We are providing this letter in connection with your audit of the financial statements of Flextronics International Kft. (the "Company") for the year 2022, which comprise the balance sheet as at March 31, 2022 – which shows total assets of EUR 1,326,707,926 and profit after tax for the year of EUR 37,534,038 –, as well as the related profit and loss account for the year then ended and the supplementary notes to the financial statements including a summary of significant accounting policies, for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as at March 31, 2022 and its financial performance for the year then ended in accordance with Act C of 2000 on Accounting (the „Accounting Act”) effective in Hungary. Furthermore we are providing this letter in connection with your examination of Business Report prepared for the same business year for the purpose of expressing an opinion as to whether the Business Report corresponds to the figures included in the financial statements.

We confirm that we are responsible for the preparation of the financial statements and for the fair presentation in the financial statements of the financial position, the results of operations and the disclosures included in the related supplementary notes. We confirm that we are responsible for the preparation of the Business Report in conformity with the figures included in the financial statements and in accordance with the Accounting Act.

We confirm the followings, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

1. We have fulfilled our responsibilities, as set forth in the audit engagement letter dated April 20, 2022 for the preparation of the financial statements in accordance with the Accounting Act and accounting principles generally accepted in Hungary; in particular the financial statements give a true and fair view in accordance with the Accounting Act, and accounting principles generally accepted in Hungary.
2. All transactions have been recorded to the accounting records and are appropriately reflected in the financial statements.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
4. We have assessed the related parties of the Company defined in accordance with paragraph 8 of section 3 (1) of the Accounting Act and provided you with the identification data of the related parties, as well as all related party relationships and transactions of which we are aware.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Accounting Act.
6. All events subsequent to the date of the financial statements and for which the Accounting Act require adjustment or disclosure have been adjusted or disclosed.
7. The effects of uncorrected misstatements are immaterial, both individually and in aggregate,

to the financial statements as a whole. A list of the uncorrected misstatements is attached to the management representation letter. (Supplement 1)

8. We have provided you:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the Company from whom you determined it is necessary to obtain audit evidence.
9. We confirm that all documents provided to you in electronic form are consistent with the original documents in Company's possession, in particular they constitute a reliable, complete and unmodified copy of these documents.
10. We confirm that the e-mail addresses and domains provided to you for the purposes of your electronic confirmation of banks', customers', suppliers' balances are authentic and valid.
11. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Company and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
14. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Company's financial statements communicated by employees, former employees, analysts, regulators or others.
15. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and other regulations whose effects should be considered when preparing the financial statements.
16. We have fully disclosed to you all information about known actual or possible litigation and claims whose effect should be considered when preparing the financial statements. All such claims and litigations were properly recognized in the financial statements and disclosed when appropriate. The legal representation was given by the following legal representatives engaged by us:

Pál és Kozma Ügyvédi Iroda
Siegler Bird&Bird Ügyvédi Iroda

No other legal representative is engaged with the treatment of our legal cases.
17. We have provided you access to all written communications from or with regulatory and any other bodies, including reports of examination and related correspondence. We have advised you of any regulatory examination in progress or completed for which reports have not been issued yet.
18. There have been no communications from regulatory, taxation, customs or any other

governmental bodies concerning non-compliance with, or deficiencies in, financial reporting practices or about violation of any effective law.

19. We have considered the effects of the currently valid legal regulations on the Company's operations. We are unaware of any significant matters or risks arising from these regulations that would require adjustment to, or disclosure in, the financial statements.
20. We have complied with all our contractual obligations, the breach of which would have a material effect of the financial statements.
21. We confirm, that the Company has no direct or indirect exposure for which no impairment or provision has been recognized.
22. We confirm, that the liquidity position of the Company is suitable for future operations.
23. We confirm that the financial statements have been prepared on the going concern basis and disclose all matters of which we are aware that are relevant to the Company's ability to continue as a going concern, including principal conditions or events and our plans. We do not intend to liquidate the company or cease doing business as we consider we have realistic business alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.
24. We confirm that the impact of COVID-19 on the financial statements for the year ended March 31, 2022 has been assessed. This included Management's best estimate to assess the impact thereof on Company's ability to collect receivables and pay liabilities, generating future revenue, the impact of potential decline in prices, access and restrictions to financing, re-assessing our judgments applied in developing estimates. Management confirms that the impact of these as described are complete and adequately disclosed in note "33. – A vállalkozás folytatásának elve".
25. We have evaluated the impacts of ongoing military operation in Ukraine and the related sanctions targeted against the Russian Federation. This matter may require revisions of certain assumptions and estimates which may lead to material adjustments to the carrying value of certain assets and liabilities within the next financial year. At this stage we are unable to reliably estimate the impact as events are unfolding day-by-day. The disclosure in the financial statements provides the necessary information, to the best of our knowledge, about such assets and liabilities and about the impacts of the conflict on our entity in general as of the date of these financial statements.

Inventory

26. Provision has been made to reduce inventories to estimated net realizable value when that amount is lower than cost. We have scrapped or written off surplus or obsolete inventories to their estimated net realizable value. All inventories are the property of the Company and do not include any items consigned to it, any items billed to customers, or any items for which the liability has not been recorded.
27. Provision has been made for any loss to be sustained as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of the prevailing market prices.
28. All shipments performed during the financial year 2022 and reflected in the financial

statements were recorded in conformity with INCOTERMS, therefore the goods-in-transit balance included in the financial statements represents fully all stocks possessed by the Company as of March 31, 2022.

Receivables

29. The Company is responsible for determining and maintaining the adequacy of the allowance for doubtful notes, loans, and accounts receivable, as well as estimates used to determine such amounts. We believe the allowances are adequate to absorb currently estimated bad debts in the account balances.

Investment

30. With regard to the Company's investment in Flex Precision Plastics Solutions (Switzerland) AG, no events have occurred and no facts have been discovered with respect to such investment that would indicate any other than temporary impairment of the investment's value.

Long-lived assets, goodwill, and other intangible assets

31. The Company, using its best estimates based on reasonable and supportable assumptions and projections, reviews for extraordinary depreciation of long-lived assets and goodwill and certain intangible assets in accordance with the Accounting Act. The financial statements referred to above reflect all adjustments required as of the balance sheet date.

Asset impairment

32. We have considered the requirements of the Accounting Act when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount. We have examined the indicators of impairment for each significant asset and group of assets and informed you of their results, and where possible, we performed an appropriate impairment test on the relevant assets, the results of which have been recognized in the financial statements, as necessary.

Derivatives

33. We confirm that all such documents – including contracts, frame agreements, etc. – have been provided to you that can be a trigger to the existence of a derivative financial instrument in accordance with relevant standards/laws.

Sale and buy transactions

34. We confirm that all sale and buy transaction are accounted in accordance with the Accounting Act, especially where sale and buy back or buy and sale back transactions have been occurred. Relating to sale and purchase (buy) transactions we have also taken into consideration all contingencies that might affect either the recognition or the derecognition from the financial statements.

Revenues

35. We have fully disclosed to you all sales terms, including all rights of return or price adjustments and all warranty provisions.
36. Provision has been made for any loss to be sustained in the fulfillment of, or from inability to fulfill any sales or guarantee commitments, as well as onerous contracts.

Commitments and off-balance sheet agreement

37. There were no material commitments for construction or acquisition of intangible assets and

property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the notes to the financial statements.

Environmental liabilities/contingencies

38. We have considered the effect of environmental matters on the Company and have disclosed to you all liabilities or contingencies arising from environmental matters. All liabilities, contingencies and commitments arising from environmental matters, and the effect of environmental matters on the carrying values of the relevant assets are recognized, measured and disclosed, as appropriate, in the financial statements.

Title to assets

39. The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets.

Actual, contingent liabilities and guarantees

40. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed all guarantees that we have given to third parties.

Taxes

41. We have informed you of all significant tax risks that we are aware of.
42. The Company has a transfer pricing documentation. Management believes that the transfer pricing documentation covers all inter-company transactions subject to the transfer pricing documentation obligation and it meets the content and formal legislative requirements and requirements of the tax authority. Management believes that the transfer prices are designed and calculated in line with the arm's length principle. Management is aware of the fact that if the transfer pricing documentation is not accepted by the tax authority, a penalty of up to HUF 2 million per documentation can be charged as of the tax year 2018 as a general rule – under current legal interpretation, which is not confirmed by any review or court practice or position and the income tax base might be modified if the price differs from market prices. In this latter case tax penalty and late payment penalty may also be levied.
43. The operating profit of the Company calculated in accordance with the Resolution of Advance Pricing Agreement (APA 6440968066/2019/NAV) is less than actual operating profit of the Entity (manufacturing activity) by EUR 4,017,986 for the financial year 2022. As a result, the management confirms that the Company accounted for EUR 4,017,986 amongst the operating expenses as an accrual to Flextronics International Europe BV as of March 31, 2022.
44. The income before tax and the tax base of the Company as of March 31, 2022 did not reach the income (profit) minimum based on paragraph 7 of section 6 in ACT LXXXI of 1996 about corporate tax and dividend tax. According to the decision of the management, the income (profit) minimum is not determined as corporate tax base, and this statement will be made in corporate tax return based on point a.) in paragraph 5 of section 6 of the above Law.
45. Management believes that research and development costs fulfill the criteria set by the CIT Act (Act LXXXI of 1996) and Local Taxes Act (Act C of 1990), thus the decrease of the tax base is supported.
46. All management fee payable to other Flextronics companies, bonuses and compensation payable to management and/or employees with regard to financial year 2022 are fully reflected in the financial statements. These charges can be supported by contract or other related documents if required by the Tax Authorities, we are aware of the fact that these are

not properly supported management charges might not be tax deductible and might be challenged by Tax Authorities and of them are based on actual transaction and do have real economic substance.

Irregularities involving management

47. There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the financial statements.

Subsidy agreements

48. The Company undertook an obligation based on the subsidy agreement with the identification number of HIPA/VNT2-2020-042 about number of employees and amount of construction. Based on the mid-term plans, the management of the Company believes that the requirements will be met and there will be no repayment liability.

Other items

1. The business report corresponds to the financial statements and the business report was prepared in accordance with the provisions of the Accounting Act.

Sárvár, July 21, 2022

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László Nagy
Managing Director

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Ágota Péter
Managing Director

Supplement 1: List of Uncorrected Misstatements

The following table summarizes the identified uncorrected misstatements:

Description of the misstatement	Effect in EUR			
	Assets Debit/ (Credit)	Liabilities Debit/ (Credit)	Equity Debit/ (Credit)	Net income Debit/ (Credit)
Intercompany Corporate allocation – not invoiced revenue	3,048,604	-	-	(3,048,604)
Total	3,048,604	-	-	(3,048,604)

The following table summarizes the disclosure misstatements:

Description of the disclosure misstatement	Balance affected	Balance in EUR

Sárvár, July 21, 2022

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László Nagy
Managing Director

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Ágota Péter
Managing Director