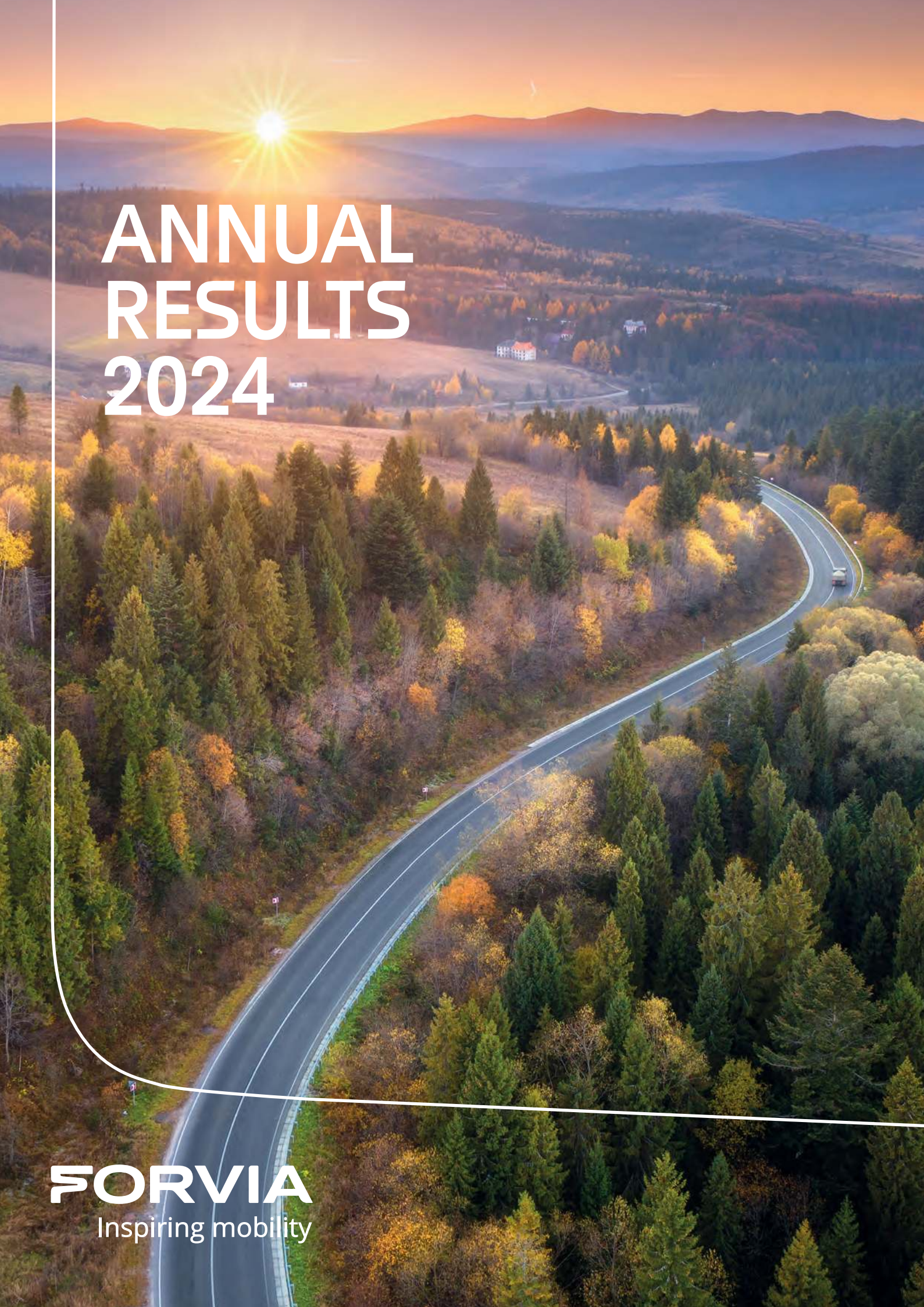


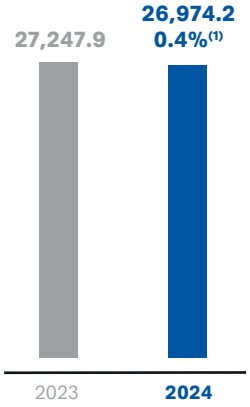
ANNUAL RESULTS 2024

FORVIA

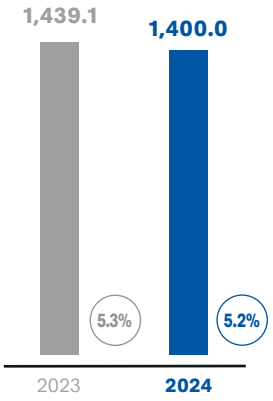
Inspiring mobility

Key figures

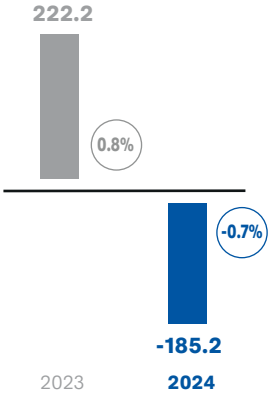
Sales
(in €m)



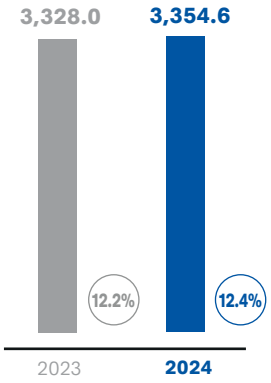
Operating Income(2)
(in €m and as a % of Sales)



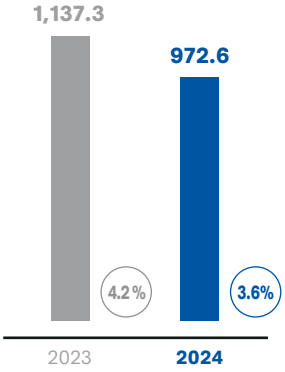
Net income/(loss) attributable to equity holders
(in €m and as a % of Sales)



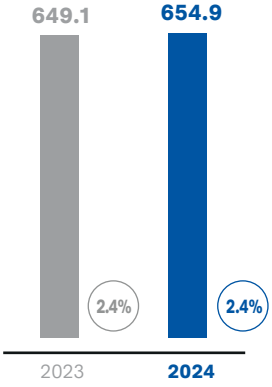
EBITDA adjusted(3)
(in €m and as a % of Sales)



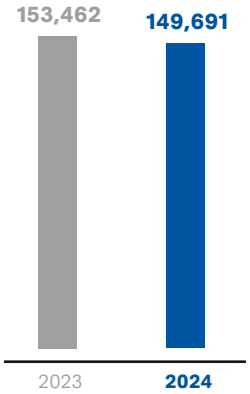
Capital expenditure
(in €m and as a % of Sales)



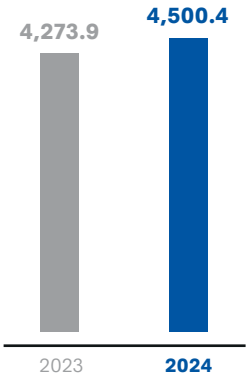
Net Cash Flow
(in €m and as a % of Sales)



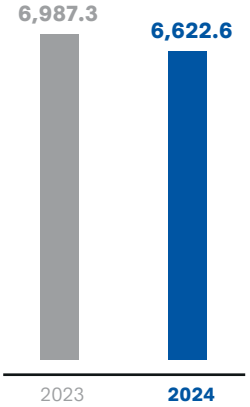
Number of employees



Cash & cash equivalents
(in €m)



Net debt(4)
(in €m)



(1) At constant currencies and scope.
(2) Before amortization of acquired intangible assets (§2.1 to the consolidated financial statements).
(3) Operating income before adjusted depreciations and amortizations of assets (§2.3 to the consolidated financial statements).
(4) Note 27.1 to the consolidated financial statements.

1

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Business review

1.1. Notable facts

ECONOMICAL CONTEXT

The worldwide automotive production stood in 2024 at 89.5 million LVs in 2024, down 1.1% vs. 2023; it was broadly stable in H1 (-0.1%) and down 2.0% in H2. It is worth mentioning that, between 2023 and 2024, the share of Europe excluding Russia out of worldwide automotive production lost one percentage point, at 18%, while the share of China gained 1.5 percentage point at 33%, North America representing 17% of worldwide automotive production.

The geographic mix of FORVIA's sales vs. the geographic mix of worldwide automotive production represented an unfavorable effect estimated at c. 200bps in 2024. In 2024, the pace of electrification slowed down in Europe and North America, with EV production respectively down 7% (Europe excl. Russia) and up only 3% year-on-year, while in China EV production continued to grow in the double-digits (+16% year-on-year).

1.2. Main events

January 2024

- FORVIA announced the appointments of Jill GREENE and MA Chuan to its Executive Committee. Effective December 19, 2023, Jill GREENE is appointed Executive Vice President, Group General Counsel and Board Secretary. Effective January 1, 2024, MA Chuan is appointed Executive Vice President, China.
- FORVIA returned to CES with a wide range of new innovative technologies designed to reduce scope 3 CO_2 emissions. Four of FORVIA's technologies were honored at the CES 2024 Innovation Awards in the Vehicle Tech & Advanced Mobility category.
- FORVIA and Smart Eye, the leading provider of Human Insight AI to the automotive industry, announced a trailblazing demonstration of in-vehicle Emotion AI during CES 2024 in Las Vegas.
- FORVIA, HELLA and TÜV Rheinland have agreed to cooperate in the field of autonomous driving. The aim of the collaboration is the market-compliant development of a new "Traffic Rule Engine": this new software module knows the applicable local traffic regulations and thus enables autonomous vehicles to behave in accordance with the rules.
- The Swiss company Xovis joined forces with the People Sensing business of FORVIA HELLA. The acquisition of the People Sensing business by Xovis and the assumption of complementary business areas opens up additional growth opportunities in international core markets.
- Faurecia Aptoide, a joint venture between FORVIA and Aptoide, marked a significant milestone in the apps market by integrating top applications TikTok, Webex and Zoom Meetings into the cockpit experience of cars, including Mercedes-Benz E-Class.
- MATERI'ACT, a company of the FORVIA group, has set up in North America through MATERI'ACT Dallas, a joint-venture with PCR Recycling. MATERI'ACT Dallas will accelerate the development and delivery of recycled compounds for sustainable automotive products with up to 85% CO_2 reduction in 2030.

February 2024

- FORVIA HELLA is continuing to drive forward the development of headlamp technologies for the powersports segment: together with the Austrian motorcycle manufacturer KTM, the Company has now developed a holistic concept for a motorcycle headlamp. This will go into series production with the 990 Duke and 1390 Super Duke R models and characterize the new "face" of the motorcycles.
- FORVIA has been recognized for leadership in corporate transparency and performance on climate change by global environmental non-profit Carbon Disclosure Project (CDP), securing a place on its annual 'A List'.
- The Shareholder Committee FORVIA HELLA has appointed Philippe Vienney as Chief Financial Officer (CFO) of FORVIA HELLA and appointed him as a new member of the Management Board in this function.
- FORVIA HELLA has developed a pioneering concept for a headlamp that combines sustainability, high performance and functionality in a cost-neutral way. Over the entire product life cycle, the headlamp designed as part of a pre-development has a CO_2 footprint that is up to 70% lower; it weighs just two kilograms instead of the conventional five kilograms. The concept was presented for the first time worldwide at the Consumer Electronics Show (CES) in Las Vegas at the beginning of the year.
- FORVIA, FAW JIEFANG, a major Chinese truck manufacturer, and Air Liquide, a leader in gases and technologies, signed a Memorandum of Understanding to equip heavy-duty trucks with liquid hydrogen storage systems.

March 2024

- FORVIA has entered two services contracts with Schneider Electric to fully electrify two FORVIA R&D centers in Bavans and Seloncourt, France, by mid-2024. Using an innovative Electrification-as-a-Service (EaaS) model backed by a best-in-class energy performance, FORVIA will eliminate 85% of Bavans' scope 1 greenhouse gas (GHG) emissions and 100% of Seloncourt scope 1 GHG emissions with no upfront CapEx investment.
- FORVIA HELLA is further expanding its market position in the field of digital access systems with additional customer orders. Series production will start in Romania and Mexico in 2025; in this context, FORVIA HELLA will also bring the NCAP-relevant safety function "Child Presence Detection", based on ultra-wideband technology, onto the streets for the first time. The lead location for development is FORVIA HELLA's headquarters in Lippstadt (Germany); FORVIA HELLA's Berlin-based Global Software House is responsible for the artificial intelligence integrated into the system.
- FORVIA has successfully issued one billion euros in aggregate principal amount of senior notes, consisting of €500 million (5.125%) senior notes due 2029 and €500 million (5.50%) senior notes due 2031. The net proceeds were primarily used to partially refinance €580 million (2.625%) of 2025 maturing bonds and €220 million (7.250%) of sustainable-linked bonds maturing in 2026 accepted for purchase in concurrent tender offers. The additional net proceeds were used to repay other Group debts.
- HELLA marine, a subsidiary of the international automotive supplier FORVIA HELLA, has equipped Royal Caribbean International's newest cruise ship, Icon of the Seas, with lighting products. Around 20,000 energy-efficient LED downlights illuminate the interior and exterior areas.
- HELLA has issued a private placement under German Law *(Schuldscheindarlehen)* of €200 million for three, five and seven years with fixed and variable interest payments. The proceeds of this issue were used to finance the repayment of a bond maturing in May 2024.
- During its second "Sustainability Day," held in Paris, on March 21, 2024, FORVIA detailed its roadmap to reach CO_2 Net Zero by 2045. This roadmap is structured around two intermediate steps: achieving carbon neutrality for scopes 1 and 2 by 2025 and reducing scope 3 emissions by 45% by 2030. The event also provided FORVIA with an opportunity to present its technological solutions for sustainable mobility and, for the first time, its targets for the entire lifecycle of its products, scope 3—98% of the Group's emissions. The event gathered over 250 on-site participants and more than 6,000 virtual attendees, along with high-level speakers from academia, civil society, and the Volvo group. The "Sustainability Day" was preceded by an event dedicated to suppliers, key partners in executing FORVIA's roadmap, to whom the Group set an ambitious goal: to reduce their CO_2 emissions by 45% by 2030.
- FORVIA HELLA received the John Deere Award in the sustainability category. The leading manufacturer of agricultural machinery honors FORVIA HELLA for its heat recovery system at the Grosspetersdorf site in Austria. The system saves around 175,000 kilowatt hours of natural gas per year and therefore around 32,000 kilograms of CO_2. The award was presented at the John Deere European Supplier Conference in March 2024 in Mannheim, Germany.
- MATERI'ACT, the sustainable materials subsidiary of the automotive supplier FORVIA, presented a concept car integrating instrument and door panels made with Ocean Bound Plastics (OBP). The pioneering concept car was exhibited for the first time during the FORVIA Sustainability Day in Paris at the end of March 2024.

April 2024

- MAHLE Behr GmbH & Co. KG, a subsidiary of MAHLE group, and FORVIA HELLA successfully completed the sale of their respective 50% stake in the joint venture Behr-HELLA Thermocontrol ("BHTC") to AUO Corporation for an enterprise value of €600 million.
- MATERI'ACT, a FORVIA group company focused on developing low-carbon materials, has signed a letter of intent with GREE Electric to establish a joint venture in China by the end of 2024. This joint venture aims to develop high-content recycled plastic, with the goal of creating a top-tier sustainable materials offering and targeting the sale of 150,000 tons of compounds by 2030. This initiative will serve the automotive, household appliance, and other industries. This marks a significant milestone for MATERI'ACT.
- FORVIA and Chery are strengthening their strategic partnership on intelligent and sustainable cockpits through a joint venture agreement. The joint venture plans to build a Research and Development center and launch two production sites in 2024 to support CHERY's rapid growth. This first-of-its-kind joint venture will be consolidated by FORVIA, with the ambition of achieving €1 billion in revenue by 2029.
- FORVIA made further progress in the execution of its second €1 billion asset disposal program by announcing an agreement to transfer its 100%-owned subsidiary Hug Engineering to the Belgian OGEPAR group for an enterprise value of c. €55 million.
- FORVIA HELLA has launched a new work lamp for vehicles in mining, construction and forestry: the RokLUME 280N SMART allows machine operators to customize the work lighting to suit their individual needs and lighting conditions. The lighting system is controlled via a gateway. Data is transmitted via Powerline Communication (PLC), which ensures reliable data transmission.
- FORVIA will equip the iconic new Renault 5 E-Tech, unveiled at the Geneva Motor Show and set to go on sale in fall 2024. From the seats to the instrument panel and center console, FORVIA's technologies will contribute to the driving experience.
- FORVIA completed the acquisition of the remaining 50% shares from Aptoide in the joint venture Faurecia Aptoide Automotive (FAA).

May 2024

- Officially launched on May 2 for a four-year period, the FAVIA (Adaptative Formulation Through Artificial Intelligence) project aims to predict and adapt in real time the formulations and manufacturing parameters of materials based on recycled plastics. The project, which is carried out by a consortium of four players from the Auvergne-Rhône-Alpes region, is led by MATERI'ACT, a subsidiary of the FORVIA group.
- L&T Technology Services (LTTS), a leading global player in Engineering and R&D services, and FORVIA signed a strategic partnership on Engineering development activities for the benefit of its Clean Mobility division. Under the terms of the agreement, approximately 300 engineers for FORVIA's Augsburg (Germany) and Bangalore (India) sites will be transferred to LTTS. They will continue their activities for FORVIA from their current locations, and will be trained, reskilled and repositioned over time to work on other fields within the LTTS commercial network.
- FORVIA received two 2024 Automotive News PACEpilot Innovation to Watch recognitions at the awards ceremony on April 29 in Detroit. The recognition acknowledges post-pilot, pre-commercial innovations in the automotive and future mobility space.
- FORVIA's Combined General Meeting was held on May 30 at the Group's headquarters under the chairmanship of Michel de Rosen. All resolutions were adopted, among which the:
  - renewal of the term of office of Michel de Rosen, Jean-Bernard Lévy and Judy Curran, as Board members for a period of four years;
  - appointment of Christel Bories as independent Board member, for a period of four years;
  - ratification of Nicolas Peter's co-optation as independent Board member, for the remaining duration of his predecessor's mandate, namely until the Ordinary General Meeting is held in 2026.
- On May 7, FORVIA issued an additional €200 million bond on its 2031 bond (5.50% coupon). These bonds, which bear similar characteristics to the initial bonds, were issued at 101.75% of par, i.e. a yield of 5.20%. A public tender offer, launched at the same time and relating to bonds maturing in June 2026 (coupon of 7.25%), made it possible to repay €250 million early.

June 2024

- FORVIA HELLA has celebrated its 125 anniversary. The Company was founded in the Westphalian town of Lippstadt (Germany) as a specialized manufacturer of lamps, lanterns and ball horns for carriages, bicycles and the first automobiles. Today, FORVIA HELLA is a global automotive supplier with around 37,500 employees at over 125 locations worldwide, which generated sales of €8 billion for the first-time last year.
- As annonced in April, FORVIA sold the company HUG Engineering to the Belgian group OGEPAR.

July 2024

- FORVIA has concluded on July 12, 2024 a private placement under German Law *(Schuldscheindarlehen)* including ESG performance criteria for a total amount of €542.6 million. An additional placement of €200 million has been signed on July 24, 2024 and July 31, 2024. This transaction is structured into several tranches in euros and US dollars, at fixed and variable rates, with maturities of 2, 3.5, 5 and 7 years. The proceeds of this issue were mainly used for the early repayment of a €420 million bond (2.625%) maturing in June 2025 as well as the repayment of *Schuldschein* maturing in July 2024.
- FORVIA HELLA developed a completely new headlamp concept for the Q6 e-tron in collaboration with the German premium manufacturer Audi. Its specialty: a digital daytime running light matrix gives end users the option of selecting their preferred digital light signature from up to eight preset designs.
- FORVIA and the Chinese automaker BYD inaugurated their new seat assembly plant in Rayong, Thailand. The facility was built under Shenzhen Faurecia Automotive Parts Co., a joint venture created by both companies in 2017 and majority-owned by FORVIA. Its construction began in July 2023.
- FORVIA and BYD also expanded their partnership into Europe. Building on their successful collaboration in Asia, the two companies will operate together in Hungary, where FORVIA will spearhead the launch of BYD's first footprint in the region.
- FORVIA received new ESG ratings from Sustainalytics, MSCI, and Moodys Vigeo. These significantly improved scores demonstrate FORVIA's commitment to reducing its environmental and social impact and promoting corporate governance best practices.

September

- FORVIA participated in the IAA Transportation 2024 from September 17-22 in Hannover, Germany, to showcase its latest sustainable innovations for commercial vehicles.

October

- General Vincent COUSIN joined FORVIA's Executive Committee as Executive Vice President, Security, Cybersecurity, Risk & Crisis Management, effective in October 1, 2024.
- FORVIA was featured in the 2024 Paris Motor Show in "La Fabrique de l'Électrique" by PFA (French Automotive Industry Federation), an immersive showcase of solutions for decarbonizing mobility. FORVIA presented three flagship sustainable innovations: the "Seat for the Planet" concept, a range of sustainable materials, and hydrogen tanks.
- FORVIA became the first Tier 1 supplier in the automotive industry to offer a vehicle-friendly and safe Microsoft Teams solution within an automotive apps market, through its company Faurecia Aptoide Automotive (FAA).
- FORVIA partnered with Dacia, a Renault group brand, to provide its Aptoide Apps Market solution for Dacia vehicles. This collaboration kicked off with the integration in the all-new Duster as well as the new Spring, now in production. As of August, approximately 30,000 Dacia cars were already equipped with FORVIA's Apps Market.
- FORVIA relocated the global headquarters of Faurecia Clarion Electronics from Japan's Saitama Prefecture to Shanghai in China. This strategic move emphasizes FORVIA's commitment to the Chinese market, a hub for automotive technology growth.

November

- FORVIA HELLA launched an aerodynamic rear wing lighting for the full electric SUV LYNK & CO Z20 (LYNK & CO 02 in Europe) for the Chinese new energy vehicle brand LYNK & CO. This product incorporates an ultra-long overhang wing design, not only creating a highly three-dimensional and differentiated aesthetic appearance but also significantly enhancing the aerodynamic performance of the vehicle.
- FORVIA launched "The Blue Effect," a company-wide initiative to accelerate progress towards the Group's sustainable transformation. This initiative emphasizes collective action, where individual efforts lead to a reduction in FORVIA's environmental impact.
- MATERI'ACT, the sustainable materials company of the FORVIA group which develops low carbon materials in its two product lines: compounds and foils, celebrated its second anniversary, highlighting progress in sustainable materials innovation.

December

- The FORVIA Foundation celebrated its fifth anniversary, marking five years of dedication to solidarity and environmental progress. This milestone was an opportunity to showcase the stories of FORVIA's employees making a difference in their local communities, as well as the inspiring initiatives developed in partnership with non-profit organizations.
- Following its Board of Directors meeting held on December 2, FORVIA announced that CEO Patrick KOLLER will step down on February 28, 2025, and will be succeeded by Martin FISCHER, previously member of the Management Board of the ZF group. To ensure the transition of responsibilities, Martin FISCHER is appointed by FORVIA's Board of Directors as Deputy CEO starting December 6, 2024, before assuming the position of CEO on March 1, 2025.

January

- During CES 2025 in Las Vegas, FORVIA unveiled the new name of its application store: "Appning by FORVIA". Appning has already established strong partnerships with 23 leading automotive brands around the world and already includes more than 200 applications.
- FORVIA will supply H2 Energy with optimized Type III composite tanks at 38 MPa to equip gaseous multi-element containers (MEGC). By integrating these optimized tanks into H2 Energy's container structure, we are expanding the possibilities for hydrogen transportation and storage, enabling an estimated cost reduction of 33% compared to stationary trailer solutions.

February

- FORVIA is proud to announce that it is the first Tier 1 vendor to successfully integrate Zoom Workplace, the world-renowned AI-first workplace platform, into its leading automotive Apps Market.
- FORVIA has once again been recognized for its commitment to sustainability and environmental leadership, earning inclusion on the "A List" for climate change from CDP, a global environmental non-profit organization. This recognition places FORVIA among the best performing companies in the world in terms of environmental transparency and action.

1.3. Automotive production

Worldwide automotive production decreased by -1.1% from 2023 to 2024. It decreased in EMEA by -4.1%, decreased in Americas by -1.0%, increased in Asia by 0.1%, and increased in China by 3.7%.

The data related to automotive production and volume evolution is based on S&P Global Mobility (ex-IHS Markit) forecast dated February 2025 (vehicles segment in line with CAAM for China).

Automotive production and volume evolution from 2023 to 2024

	Q1	Q2	H1	Q3	Q4	H2	FY
EMEA	-0.1%	-3.6%	-1.9%	-7.7%	-5.5%	-6.5%	-4.1%
Americas	0.7%	-1.0%	-0.2%	-2.2%	-1.6%	-1.9%	-1.0%
Asia	0.1%	1.2%	0.7%	-4.7%	3.4%	-0.4%	0.1%
China	5.8%	3.8%	4.7%	-3.4%	8.2%	2.8%	3.7%
TOTAL	**0.2%**	**-0.4%**	**-0.1%**	**-4.8%**	**0.6%**	**-2.0%**	**-1.1%**

1.4. Sales

FORVIA's year-on-year sales evolution is made of three components:

- A "Currency effect", calculated by applying average currency rates for the period to the sales of the prior year ;
- A "Scope effect" (acquisition/divestment);
- A "Growth at constant scope & currencies".

As "Scope effect", FORVIA presents all acquisitions/divestments, whose annual sales amount to more than €250 million. Other acquisitions below this threshold are considered as "bolton acquisitions" and are included in "Growth are constant currencies".

In 2024, there was no effect from "bolton acquisitions".

(in € million)	H2 2024	Currencies	Scope Effect [1]	At constant scope & currencies	H2 2023
Product Sales	12,680.2	52.0	5.8	(250.3)	12,872.7
Var. in %	-1.5%	0.4%	0.0%	-1.9%	
Tooling, Prototypes and Other Services	759.8	4.5	13.0	(12.4)	754.6
Var. in %	0.7%	0.6%	1.7%	-1.7%	
SALES	**13,440.0**	**56.5**	**18.8**	**(262.7)**	**13,627.3**
VAR. IN %	**-1.4%**	**0.4%**	**0.1%**	**-1.9%**	

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.

(in € million)	FY 2024	Currencies	Scope Effect [1]	At constant scope & currencies	FY 2023
Product Sales	25,428.0	(283.1)	(107.0)	(132.0)	25,950.2
Var. in %	-2.0%	-1.1%	-0.4%	-0.5%	
Tooling, Prototypes and Other Services	1,546.2	(19.4)	25.3	242.5	1,297.7
Var. in %	19.2%	-1.5%	2.0%	18.7%	
SALES	**26,974.2**	**(302.5)**	**(81.7)**	**110.5**	**27,247.9**
VAR. IN %	**-1.0%**	**-1.1%**	**-0.3%**	**0.4%**	

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.

Sales of products (parts, components and R&D sold to manufacturers) reached €25,428.0 million in 2024 compared to €25,950.2 million in 2023. This represents a decreased of 2.0% on a reported basis and a decrease of 0.5% at constant scope & currencies.

Sales of tooling, prototypes and other services reached €1,546.2 million in 2024 compared to €1,297.7 million in 2023. This represents an increase of 19.2% on a reported basis and an increase of 18.7% at constant scope & currencies.

Sales reached €26,974.2 million in 2024 compared to €27,247.9 million in 2023. This represents a decrease of 1.0% on a reported basis and an increase of 0.4% at constant scope & currencies.

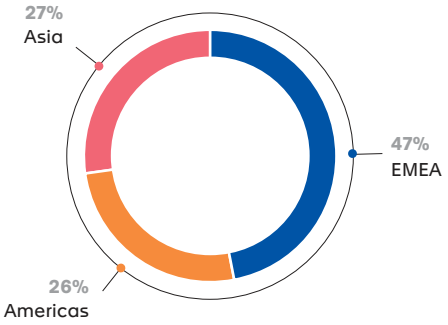
1.4.1. Sales by region

(in € million)	H2 2024	Scope Effect [1]	H2 2023	Reported	At constant scope & currencies	Automotive Production
EMEA	6,089.2	(61.0)	6,121.2	-0.5%	0.5%	-6.5%
Americas	3,465.8	(64.7)	3,582.3	-3.3%	-3.4%	-1.9%
Asia	3,885.0	144.6	3,923.9	-1.0%	-4.5%	-0.4%
O/w China	*3,087.9*	144.6	*3,142.3*	*-1.7%*	*-6.7%*	*2.8%*
TOTAL	**13,440.0**	**18.8**	**13,627.3**	**-1.4%**	**-1.9%**	**-2.0%**

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.

(in € million)	FY 2024	Scope Effect [1]	FY 2023	Reported	At constant scope & currencies	Automotive Production
EMEA	12,607.0	(148.8)	12,650.6	-0.3%	1.3%	-4.1%
Americas	7,151.6	(203.8)	7,207.2	-0.8%	3.2%	-1.0%
Asia	7,215.6	271.0	7,390.1	-2.4%	-3.9%	0.1%
O/w China	*5,654.2*	271.0	*5,850.8*	*-3.4%*	*-6.4%*	*3.7%*
TOTAL	**26,974.2**	**(81.7)**	**27,247.9**	**-1.0%**	**0.4%**	**-1.1%**

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.

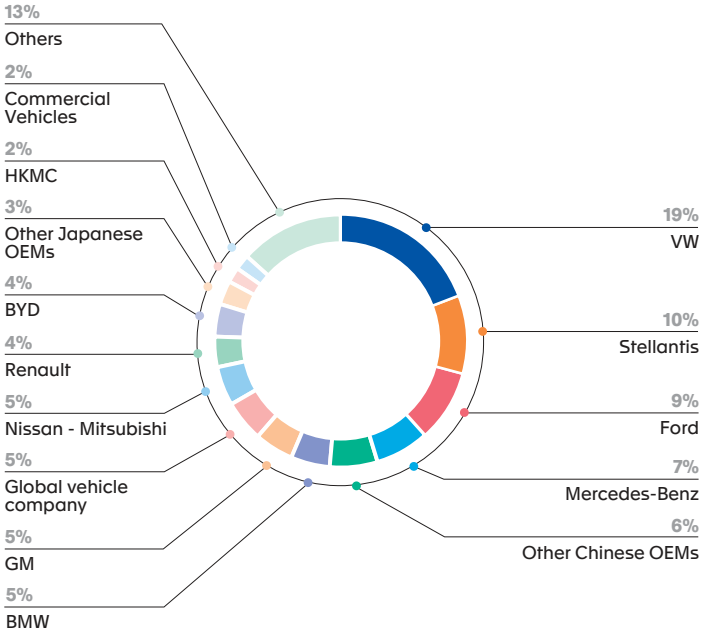


Sales by region in 2024 were as follows:

- In EMEA, sales reached €12,607.0 million (46.7% of total sales), compared to €12,650.6 million in 2023. This represents a decrease of 0.3% on a reported basis and an increase of 1.3% at constant scope and currencies. This is to be compared to a 4.1% downturn in production market in EMEA ;
- In Americas, sales reached €7,151.6million (26.5% of total sales), compared to €7,207.2 million in 2023. This represents a decrease of 0.8% on a reported basis and increase of 3.2% at constant scope and currencies. This is to be compared to a 1.0% downturn in production market in Americas ;
- In Asia, sales reached €7,215.6million (26.8% of total sales), compared to €7,390.1 million in 2023. This represents a decrease of 2.4% on a reported basis and 3.9% at constant scope and currencies. This is to be compared to a 0.1% upturn in Asia ;

Worldwide sales amounted to €26,974.2 million compared to €27,247.9 million in 2023. This represents a decrease of 1.0% on a reported basis and an increase of 0.4% at constant scope and currencies. This is to be compared to a 1.1% downturn in production market in the world (source IHS Markit forecast dated February 2025).

1.4.2. Sales by customer



In 2024, sales to FORVIA four main customers (VW, Stellantis, Ford, Mercedes-Benz) amounted to €12,247.2 million or 45.4% compared to 46.1% in 2023:

- Sales to the VW group totaled €5,116.6 million. They accounted for 19.0% of FORVIA's total sales. They increased by 8.0% on a reported basis and by 8.7% at constant scope & currencies compared to 2023 ;
- Sales to the Stellantis group totaled €2,681.9 million. They accounted for 9.9% of FORVIA's total sales. They decreased by 20.9% on a reported basis and by 20.1% at constant scope & currencies compared to 2023 ;
- Sales to the Ford group totaled €2,470.4 million. They accounted for 9.2% of FORVIA's total sales. They increased by 12.5% on a reported basis and by 14.3% at constant scope & currencies compared to 2023 ;
- Sales to the Mercedes-Benz group totaled €1,978.4 million. They accounted for 7.3% of FORVIA's total sales. They increased by 3.3% on a reported basis and by 3.3% at constant scope & currencies compared to 2023 ;
- Sales to the Chinese OEMs excluding BYD totaled €1,574.7 million. They accounted for 5.8% of FORVIA's total sales. They decreased by 0.8% on a reported basis and by 2.2% at constant scope & currencies compared to 2023 ;
- Sales to the BMW group totaled €1,435.2 million. They accounted for 5.3% of FORVIA's total sales. They decreased by 5.1% on a reported basis and by 4.6% at constant scope & currencies compared to 2023 ;
- Sales to GM group totaled €1,419.1 million. They accounted for 5.3% of FORVIA's total sales. They increased by 14.8% on a reported basis and by 15.5% at constant scope & currencies compared to 2023 ;
- Sales to Global vehicle company totaled €1,308.4 million. They accounted for 4.9% of FORVIA's total sales. They decreased by 19.4% on a reported basis and by 18.8% at constant scope & currencies compared to 2023 ;
- Sales to Nissan-Mitsubishi group totaled €1,249.7 million. They accounted for 4.6% of FORVIA's total sales. They increased by 1.2% on a reported basis and by 2.9% at constant scope & currencies compared to 2023 ;
- Sales to BYD totaled €1,119.1 million. They accounted for 4.1% of FORVIA's total sales. They decreased by 2.7% on a reported basis and by 1.0% at constant scope & currencies compared to 2023.

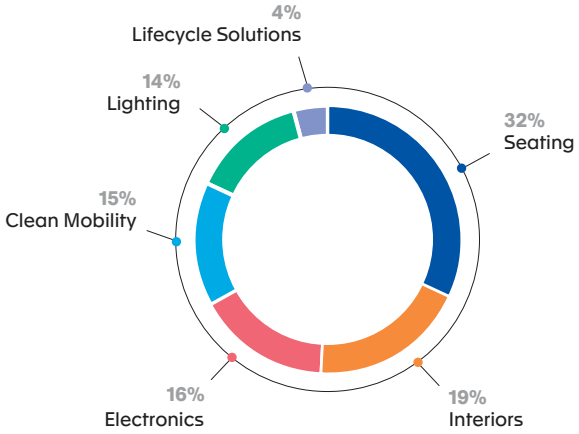
1.4.3. Sales by Business Group

(in € million)	H2 2024	Scope effect [1]	H2 2023	Reported	At constant scope & currencies
Seating	4,437.2		4,303.2	3.1%	2.2%
Interiors	2,551.4		2,484.7	2.7%	3.5%
Clean Mobility	1,962.2	(125.7)	2,364.6	-17.0%	-14.1%
Electronics	2,097.4		2,090.7	0.3%	0.8%
Lighting	1,910.5	144.6	1,871.6	2.1%	-5.2%
Lifecycle Solutions	481.1		512.5	-6.1%	-5.7%
TOTAL	**13,440.0**	**18.8**	**13,627.3**	**-1.4%**	**-1.9%**

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.

(in € million)	FY 2024	Scope effect [1]	FY 2023	Reported	At constant scope & currencies
Seating	8,634.3		8,551.1	1.0%	1.8%
Interiors	5,108.4		4,922.7	3.8%	5.0%
Clean Mobility	4,153.4	(352.7)	4,832.2	-14.0%	-5.3%
Electronics	4,188.5		4,137.9	1.2%	2.6%
Lighting	3,878.7	271.0	3,745.9	3.5%	-2.7%
Lifecycle Solutions	1,010.9		1,058.1	-4.5%	-3.8%
TOTAL	**26,974.2**	**(81.7)**	**27,247.9**	**-1.0%**	**0.4%**

(1) Scope effect includes disposal of CVI, the 100% consolidation of BHAP and the disposal of HUG Engineering.



In 2024:

- Seating totaled €8,634.3 million sales, up 1.0% on a reported basis and up 1.8% at constant scope & currencies compared to 2023 ;
- Interiors totaled €5,108.4 million sales, up 3.8% on a reported basis and up 5.0% at constant scope & currencies compared to 2023 ;
- Clean Mobility totaled €4,153.4 million sales, down 14.0% on a reported basis and down 5.3% at constant scope & currencies compared to 2023 ;
- Electronics totaled €4,188.5 million sales, up 1.2% on a reported basis and up 2.6% at constant scope & currencies compared to 2023 ;
- Lighting totaled €3,878.7 million sales, up 3.5% on a reported basis and down 2.7% at constant scope & currencies compared to 2023 ;
- Lifecycle Solutions totaled €1,010.9 million sales, down 4.5% on a reported basis and down 3.8% at constant scope & currencies compared to 2023.

1.5. Operating income

In 2024 :

- The operating income before amortization of acquired intangible assets totaled €1,400.0 million (5.2% of sales) in 2024, compared to €1,439.1 million (5.3% of sales) in 2023 ;
- Gross expenditures for R&D totaled €2,155.8 million, or 8.0% of sales in 2024, compared to €2,197.5 million, or 8.1% of sales in 2023. The portion of R&D expenditure capitalized amounted to €1,242.7 million, compared to €1,269.9 million in 2023. The R&D capitalization ratio represented 57.6% of total R&D expenditure, whereas it represented 57.8% over the same period in 2023 ;
- The net R&D expenses reached €934.8 million in 2024 (3.5% of sales) compared to €953.0 million in 2023 (3.5% of sales);
- selling and administrative expenses reached €1,268.0 million (4.7% of sales) compared to €1,270.3 million (4.7% of sales) in 2023 ;
- Adjusted EBITDA – which represents operating income before depreciation, amortization and provisions for impairment of property, plant and equipment and capitalized R&D expenditures – totaled to €3,354.6 million (12.5% of sales), to be compared to €3,328.0 million (12.2% of sales) in 2023.

1.5.1. By region

	H2 2024			H2 2023		
(in € million)	Sales	Operating income	%	Sales	Operating income	%
EMEA	6,089.2	111.2	1.8%	6,121.2	145.7	2.4%
Americas	3,465.8	166.8	4.8%	3,582.3	164.1	4.6%
Asia	3,885.0	421.8	10.9%	3,923.9	454.4	11.6%
TOTAL	**13,440.0**	**699.8**	**5.2%**	**13,627.3**	**764.2**	**5.6%**

	FY 2024			FY 2023		
(in € million)	Sales	Operating income	%	Sales	Operating income	%
EMEA	12,607.0	313.0	2.5%	12,650.6	316.4	2.5%
Americas	7,151.6	333.0	4.7%	7,207.2	308.1	4.3%
Asia	7,215.6	754.0	10.4%	7,390.1	814.5	11.0%
TOTAL	**26,974.2**	**1,400.0**	**5.2%**	**27,247.9**	**1,439.1**	**5.3%**

The operating income in 2024 compared to 2023 decreased by €39.1 million:

- In EMEA, the operating income decreased by €3.4 million, to reach €313.0 million or 2.5% of sales. This is to be compared to €316.4 million or 2.5% in 2023 ;
- In Americas, the operating income increased by €24.9 million, to reach €333.0 million or 4.7% of sales. This is to be compared to €308.1 million or 4.3% in 2023 ;
- In Asia, the operating income decreased by €60.5 million, to reach €754.0 or 10.4% of sales. This is to be compared to €814.5 million or 11.0% in 2023.

1.5.2. By Business Group

(in € million)	H2 2024 Sales	H2 2024 Operating income	H2 2024 %	H2 2023 Sales	H2 2023 Operating income	H2 2023 %
Seating	4,437.2	240.3	5.4%	4,303.2	175.4	4.1%
Interiors	2,551.4	72.7	2.8%	2,484.7	107.4	4.3%
Clean Mobility	1,962.2	159.7	8.1%	2,364.6	193.3	8.2%
Electronics	2,097.4	108.1	5.2%	2,090.7	131.1	6.3%
Lighting	1,910.5	87.6	4.6%	1,871.6	101.5	5.4%
Lifecycle Solutions	481.1	31.4	6.5%	512.5	55.5	10.8%
TOTAL	**13,440.0**	**699.8**	**5.2%**	**13,627.3**	**764.2**	**5.6%**

(in € million)	FY 2024 Sales	FY 2024 Operating income	FY 2024 %	FY 2023 Sales	FY 2023 Operating income	FY 2023 %
Seating	8,634.3	434.4	5.0%	8,551.1	314.7	3.7%
Interiors	5,108.4	109.4	2.1%	4,922.7	200.9	4.1%
Clean Mobility	4,153.4	346.3	8.3%	4,832.2	383.7	7.9%
Electronics	4,188.5	229.7	5.5%	4,137.9	219.4	5.3%
Lighting	3,878.7	186.6	4.8%	3,745.9	192.7	5.1%
Lifecycle Solutions	1,010.9	93.7	9.3%	1,058.1	127.6	12.1%
TOTAL	**26,974.2**	**1,400.0**	**5.2%**	**27,247.9**	**1,439.1**	**5.3%**

In 2024:

- Seating operating income amounted to €434.4 million (5.0% of sales) compared to €314.7 million in 2023 (3.7% of sales) ;
- Interiors operating income amounted to €109.4 million (2.1% of sales) compared to €200.9 million in 2023 (4.1% of sales) ;
- Clean Mobility operating income amounted to €346.3 million (8.3% of sales) compared to €383.7 million in 2023 (7.9% of sales) ;
- Electronics operating income amounted to €229.7 million (5.5% of sales) compared to €219.4 million in 2023 (5.3% of sales) ;
- Lighting operating income amounted to €186.6 million (4.8% of sales) compared to €192.7 million in 2023 (5.1% of sales) ;
- Lifecycle Solutions operating income amounted to €93.7 million (9.3% of sales) compared to €127.6 million in 2023 (12.1% of sales).

1.6. Net income

The net income group share is a loss of €185.2 million, or 0.7% of sales in 2024. This is to be compared to a gain of €222.2 million or 0.8% of sales in 2023. It represented a decrease of €395.4 million.

In 2024:

- The amortization of intangible assets acquired represented an expense of €190.5 million compared to an expense of €193.2 million in 2023 ;
- The "other non-recurring operating income and expenses" represented an expense of €435.7 million, compared to an expense of €181.4 million in 2023. This item included €361.6 million in restructuring charges compared to an expense of €170.8 million in 2023, mainly due to the launch of EU Forward project ;
- Financial income amounted to €129.4 million, compared to €90.7 million in 2023. Financial costs totaled €624.6 million, versus €586.2 million in 2023, mainly due to an increase of interest rates ;
- Other financial income and expense represented an income of €49.8 million including an income of €134.0 million euros linked to the sale of BHTC, offset by the depreciation of financial assets. This is to be compared to an income of €36.6 million in 2023. This income included €22.0 million from discounting pension benefit liabilities ;
- The tax expense reached €235.3 million, compared to €232.4 million in 2023 ;
- The share of net income of associates is a loss of €17.7 million, compared to a loss of €2.2 million in 2023 ;
- Net income attributable to minority interests totaled an income of €161.0 million. It consists of net income accruing to investors in companies in which FORVIA is not the sole shareholder, mainly in China and HELLA, compared to an income of €143.4 million in 2023 ;

Basic earnings per share amounted to €-0.94 (diluted net earnings per share at €-0.94) compared to €1.13 in 2023 (diluted net earnings per share at €1.12).

1.7. Financial structure

1.7.1. Net cash flow

Reconciliation EBITDA net cash flow *in € millions*	12/31/2024	12/31/2023
Operating income (before amortization of acquired intangible assets)	1,400.0	1,439.1
Depreciations and amortizations of assets	1,954.6	1,889.0
EBITDA adjusted	**3,354.6**	**3,328.0**
Change in working capital requirement	618.8	770.0
Paid restructuring	(208.3)	(170.2)
Capital expenditures	(972.6)	(1,137.3)
Capitalized development costs	(1,039.0)	(1,046.0)
Paid finance costs net of income	(563.8)	(529.0)
Paid taxes	(336.6)	(515.3)
Other	(198.0)	(51.2)
Net cash flow	**654.9**	**649.1**

The net cash flow was an inflow of €654.9 million or 2.4% of sales compared to a net cash inflow of €649.1 million or 2.4% of sales over the same period in 2023 after IFRS 5. It can be explained as follows :

- The operating income before depreciations and amortizations of non-current assets or adjusted EBITDA reached €3,354.6 million compared to €3,328.0 million in 2023, due to the decrease in operating income by €39.1 million and the increase in depreciation and amortization by €65.6 million ;
- Restructuring represented cash outflows of €208.3 million compared to €170.2 million compared to 2023 ;
- The change in working capital requirement, including receivables factoring, represented a positive impact of €618.8 million compared to a positive impact of €770,0 million in 2023. This change is mainly related to a favorable impact in inventories of €443.1 million (including €314,5 million in tooling inventories). The positive variance in trade accounts receivables of €363.5 million and in other trade receivables and payables for €29.0 million is offsetting the negative variance in trade payables of €210.1 million ;
- Capital expenditures on property, plant, and equipment and on intangible assets represented cash outflows of €972.6 million, or 3.6% of sales versus €1,137.3 million or 4.2% of sales in 2023 ;
- Capitalized research and development costs represented cash outflows of €1,039.0 million, or 3.9% of sales versus €1,046.0 million, or 3.8% of sales in 2023 ;
- Net financial costs represented cash outflows of €563.8 million, versus €529.0 million in 2023. The increase is mainly related to the cost for early termination of bonds with maturity 2025 & 2026 and issue of new bonds with maturity 2029 & 2031 ;
- Income taxes represented cash outflows of €336.6 million compared to €515.3 million. Withholding tax on Hella's special dividend paid in the first semester 2023 have been recovered in the first semester 2024 ;
- Finally, other cash flow items represented € 198.0 million outflows in 2024, compared to €51.2 million outflows in 2023. The increase is mainly related to other non-recurring operating income and expenses paid for €73.0 million compared to €1.1 million in 2023 and to the change in investment related payables and receivables with an outflow of €6.6 million compared to an inflow of €22.3 million in 2023 . Non-operating Expenses included costs related to different litigations, among which the litigation in the first Semester 2024 related to a supplier issue in Mexico for €34.0 million, and costs related to projects underway.

1.7.2. Reconciliation between net cash flow and cash provided by operating and investing activities

(in € million)	Notes	12/31/2024	12/31/2023
Net cash flow		**654.9**	**649.1**
Other changes		0.0	0.0
Net cash flow		**654.9**	**649.1**
Acquisitions/Sales of investments and business (net of cash and cash equivalents) from continued activities	2.3	196.1	303.6
Proceed from disposal of financial assets from continued activities	2.3	0.0	0.0
Other changes from continued activities	2.3	(19.9)	30.9
Financing surplus (used) from discontinued operations	2.3	N/A	0.0
Other changes from discontinued operations		N/A	106.8
Surplus (used) from operating and financing activities	**2.3**	**831.2**	**1,090.4**

1.7.3. Net Debt

(in € million)	12/31/2024	12/31/2023
Net Debt	**6,622.6**	**6,987.3**

The Group's net financial debt stood at €6,622.6 million at December 31, 2024 compared to €6,987.3 million at December 31, 2023.

The net debt evolution is mainly impacted by the positive net cash flow evolution of €654.9 million, the purchase of treasury shares for €7.8 million, dividends paid for €187.7 million, the net financial investments and other cash elements for a positive amount of €127.5 million and the recording of simple lease liabilities for €222.3 million in accordance with IFRS 16.

The level of available cash as of December 31, 2024 reached 4,500 million euros, compared to 4,274 million the previous year.

The main elements of long-term financial resources are the following (Note 27 provides more details on each of these financings).

A series of bonds issued in euro:

- €750 million (3.125%) of bonds maturing in June 2026;
- €950 million (7.25%) of sustainability-linked bonds maturing in June 2026 (of which €150 million have been tendered in 2023 and €469.8 million in 2024, bringing the balance at the end of December 2025 to €330 million);
- €500 million (0.50%) of Hella bonds maturing in January 2027;
- €1,200 million (2.75%) of sustainability-linked bonds maturing in February 2027;
- €890 million (2.375%) of bonds maturing in June 2027;
- €700 million (3.75%) of bonds maturing in June 2028;
- €400 million (2.375%) of Green Bonds maturing in June 2029;
- €500 million (5.125%) of bonds maturing in June 2029;
- €700 million (5.50%) of bonds maturing in June 2031.

A series of bonds issued in yen:

- ¥11.7 billion (2.48%) of bonds maturing in March 2026;
- ¥6.8 billion (2.81%) of bonds maturing in March 2027;
- ¥700 million (3.19%) of bonds maturing in December 2028;
- ¥12 billion (3.50%) of Hella Note maturing in 2032.

A series of *Schuldscheindarlehen* (private placement under German law):

- €528 million (or €498.5 million and $33.5 million) issued in 2021 and 2022, maturing in January 2026, January 2027 and January 2028;
- €200 million issued by Hella in 2024, maturing in March 2027, March 2029 and March 2031.
- €742 million (or €656.6 million and $93 million) issued in July 2024, maturing in July 2026, January 2028, July 2029 and July 2031.

A series of bank loans:

- a ¥30 billion credit facility maturing in February 2027. As at December 31, 2024, this facility was used up to ¥15 billion;
- a $300 million syndicated loan, signed by Faurecia Sistemas Automotrices De Mexico S. de R.L de C.V with Latin American investors, maturing in March 2028;
- a €315 million credit agreement with the European Investment Bank (EIB) maturing in July 2029;
- a €500 million term loan maturing in June 2027, with a remaining one-year extension option;
- a ¥10,000 million loan signed by Hella with maturity June 2033;
- several bilateral loans in euro and yuan.

Besides, FORVIA holds two credit facilities:

- a €1,500 million syndicated credit facility whose maturity is May 2028 ;
- a €450 million syndicated credit facility signed by Hella, maturing in December 2027, with one option to increase the available amount by €150 million.

As at December 31, 2024, these facilities were not used and fully available for their total amount.

1.8. Outlook

FY 2025 GUIDANCE: FOCUS ON PROFITABILITY, CASH GENERATION AND DELEVERAGING

As regards market assumptions for 2025, FORVIA takes into consideration S&P's latest forecast date February 2025:

- Europe excluding Russia (46% of FORVIA's 2024 sales): -4.9% (of which -8.7% in H1 and -0.4% in H2)
- North America (24% of FORVIA's 2024 sales): -2.1% (of which -4.9% in H1 and +0.9% in H2)
- China (21% of FORVIA's 2024 sales): +1.9% (of which +7.8% in H1 and -2.8% in H2)
- Rest of Asia (6% of FORVIA's 2024 sales): +1.1% (of which +0.3% in H1 and +1.8% in H2)
- South America (3% of FORVIA's 2024 sales): +6.6% (of which +10.5% in H1 and +3.5% in H2)

Worldwide, S&P latest forecast estimates that automotive production should be stable year-on-year at 89.5 million light vehicles.

At FORVIA's mix of sales, this should correspond to an organic growth of -2.0% in FY 2025 vs. FY 2024, with a significant imbalance between H1 and H2 (-4,0% in H1 and broadly stable in H2).

With this production assumption, and assuming also:

- No major disruption materially impacting production or retail sales in any major automotive region during the year,
- Constant average exchange rates year-on-year,

FORVIA expects sales between €26.3 billion and €27.5 billion in 2025.

As regards operating margin, **FORVIA aims at reaching an operating margin between 5.2% and 6.0% of sales in 2025**, supported by initiatives for operational excellence and fixed costs reduction.

In addition, **FORVIA aims at generating net cash flow ≥ 2024 level** (€655m), mostly through margin expansion and continued actions to reduce capex and inventories.

As regards financial leverage, **FORVIA aims at organically reducing its Net debt/Adjusted EBITDA ratio ≤ 1.8x at December 31, 2025, before disposals.**

BEYOND THIS ORGANIC DELEVERAGING TARGET, THE GROUP IS COMMITTED TO RESTORE A SOLID BALANCE SHEET WITH THE OBJECTIVE TO REDUCE NET DEBT/ADJUSTED EBITDA RATIO BELOW 1.5x IN 2026, SUPPORTED BY DISPOSALS.

As regards US tariffs, measures already enforced as of today are included in this guidance. Due to current uncertainty related to additional measures (in terms of scope, implementation, duration, as well as potential impact on industry volume), no impact is included in this guidance. The Group remains alert to developments and ready to implement appropriate action plans.

2

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Consolidated financial statements

2.1. Consolidated statement of comprehensive income

(in € million)	Notes	2024	2023
SALES	**4**	**26,974.2**	**27,247.9**
Cost of sales	5	(23,371.4)	(23,585.5)
Research and development costs	5	(934.8)	(953.0)
Selling and administrative expenses	5	(1,268.0)	(1,270.3)
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	**4**	**1,400.0**	**1,439.1**
Amortization of intangible assets acquired in business combinations	11	(190.5)	(193.2)
OPERATING INCOME (AFTER AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)		**1,209.5**	**1,245.9**
Other non-recurring operating income	6	9.7	7.8
Other non-recurring operating expense	6	(445.4)	(189.2)
Income from loans, cash investments and marketable securities		129.4	90.7
Finance costs	7	(624.6)	(586.2)
Other financial income and expense	7	(49.8)	36.6
INCOME BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		**228.8**	**605.6**
Taxes	8	(235.3)	(232.4)
of which deferred taxes	*8*	*146.9*	*181.6*
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		**(6.5)**	**373.2**
Share of net income of associates	14	(17.7)	(2.2)
NET INCOME FROM CONTINUED OPERATIONS		**(24.2)**	**371.0**
NET INCOME FROM DISCONTINUED OPERATIONS	**2.1**	**0.0**	**(5.4)**
CONSOLIDATED NET INCOME (LOSS)		**(24.2)**	**365.6**
Attributable to owners of the parent		**(185.2)**	**222.2**
Attributable to minority interests from continued operations	24	161.0	143.4
Attributable to minority interests from diccontinued operations		NA	0.0
Basic earnings (loss) per share *(in €)*	9	(0.94)	1.13
Diluted earnings (loss) per share *(in €)*	9	(0.94)	1.12
Basic earnings (loss) from continued operations per share *(in €)*	9	(0.94)	1.15
Diluted earnings (loss) from continued operations per share *(in €)*	9	(0.94)	1.15
Basic earnings (loss) from discontinued operations per share *(in €)*	9	NA	(0.03)
Diluted earnings (loss) from discontinued operations per share *(in €)*	9	NA	(0.03)

Other comprehensive income

(in € million)	Notes	2024	2023
CONSOLIDATED NET INCOME (LOSS)		**(24.2)**	**365.6**
Amounts to be potentially reclassified to profit or loss from continued operations		**60.6**	**(320.6)**
Gains (losses) arising on fair value adjustments to cash flow hedges	32	(91.6)	(25.6)
of which recognized in equity		*(44.8)*	*69.1*
of which transferred to net income (loss) for the period		*(46.8)*	*(94.7)*
Exchange differences on translation of foreign operations		131.8	(297.7)
Tax impact		20.4	2.6
Amounts not to be reclassified to profit or loss from continued operations		**1.5**	**(29.2)**
Actuarial gain/(loss) on post-employment benefit obligations	26	2.2	(43.0)
Tax impact		(0.7)	13.8
Other comprehensive income from discontinued operations		**0.0**	**(13.3)**
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		**37.9**	**2.5**
Attributable to owners of the parent		(142.8)	(102.2)
Attributable to minority interests		180.7	104.7

2.2. Consolidated balance sheet

Assets

(in € million)	Notes	2024	2023
Goodwill	10	5,158.7	5,129.6
Intangible assets	11	4,580.0	4,374.8
Property, plant and equipment	12	4,978.9	4,934.9
Right-of-use assets	13	933.4	946.1
Investments in associates	14	209.7	307.8
Other equity interests	15	114.9	116.4
Other non-current financial assets	16	158.5	156.5
Other non-current assets	17	144.3	154.7
Deferred tax assets	8	983.8	852.9
TOTAL NON-CURRENT ASSETS		**17,262.2**	**16,973.7**
Inventories, net	18	2,580.7	2,903.7
Contract assets		114.8	149.6
Trade accounts receivables	19	3,962.3	4,132.9
Other operating receivables	20	510.6	593.4
Other receivables	21	1,335.0	1,449.2
Other current financial assets	31	5.3	8.8
Cash and cash equivalents	22	4,500.4	4,273.9
TOTAL CURRENT ASSETS		**13,009.1**	**13,511.5**
Assets held for sale		NA	0.0
TOTAL ASSETS		**30,271.3**	**30,485.2**

Liabilities

(in € million)	Notes	2024	2023
EQUITY			
Capital	23	1,379.6	1,379.6
Additional paid-in capital		1,408.7	1,408.7
Treasury stock		(6.1)	(0.2)
Retained earnings		1,855.1	1,759.1
Translation adjustments		(160.3)	(260.0)
Net income (loss)		(185.2)	222.2
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS		**4,291.8**	**4,509.4**
Minority interests	24	1,778.6	1,662.0
TOTAL SHAREHOLDERS' EQUITY		**6,070.4**	**6,171.4**
Non-current provisions	26	621.1	630.0
Non-current financial liabilities	27	9,355.3	8,686.7
Non-current lease liabilities	27	813.9	836.5
Other non-current liabilities		69.5	72.0
Deferred tax liabilities	8	266.3	327.8
TOTAL NON-CURRENT LIABILITIES		**11,126.1**	**10,553.0**
Current provisions	25	616.4	602.9
Current financial liabilities	27	722.4	1,544.8
Current portion of lease liabilities	27	240.4	219.1
Prepayments on customers contracts		1,048.8	1,051.4
Trade payables	28	8,508.7	8,397.9
Accrued taxes and payroll costs	29	1,030.8	1,061.3
Sundry payables	30	907.3	883.4
TOTAL CURRENT LIABILITIES		**13,074.8**	**13,760.8**
Liabilities linked to assets held for sale		NA	0.0
TOTAL EQUITY AND LIABILITIES		**30,271.3**	**30,485.2**

2.3. Consolidated cash flow statement

(in € million)	Notes	2024	2023
I- Operating activities			
Operating income (before amortization of acquired intangible assets)		1,400.0	1,439.1
Depreciations and amortizations of assets	5.5	1,954.6	1,888.9
o/w depreciations and amortizations of R&D assets	*5.5*	*742.0*	*712.4*
o/w other depreciations		*1,212.6*	*1,176.5*
EBITDA adjusted		**3,354.6**	**3,328.0**
Operating current and non-current provisions		(179.6)	(143.8)
Capital (gains) losses on disposals of operating assets		(4.2)	5.0
Paid restructuring		(208.3)	(170.2)
Paid finance costs net of income		(563.8)	(529.0)
Other non-recurring operating income and expenses paid		(73.0)	(1.1)
Paid taxes		(336.6)	(515.3)
Dividends from associates		23.1	19.7
Change in working capital requirement		**618.8**	**769.9**
Change in inventories		443.1	(135.1)
o/w R&D inventories increase	*5.4*	*(203.7)*	*(223.8)*
o/w R&D inventories decrease		*236.8*	*237.4*
Change in trade accounts receivables		363.5	207.6
Change in trade payables		(210.1)	444.2
Change in other operating receivables and payables		(14.5)	214.2
Change in other receivables and payables (excluding tax)		36.8	39.0
Operating cash flows from discontinued activities		**0.0**	**(148.9)**
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		**2,631.0**	**2,614.5**
II- Investing activities			
Additional property, plant and equipment	12	(963.5)	(1,122.9)
Additional intangible assets	11	(9.1)	(14.4)
Capitalized development costs	5.4 & 11	(1,039.0)	(1,046.0)
Acquisitions/Sales of investments and business (net of cash and cash equivalents)		196.1	303.6
Proceeds from disposal of property, plant and equipment		42.2	46.6
Proceed from disposal of financial assets		0.0	0.0
Change in investment-related receivables and payables		(6.6)	22.3
Other changes		(19.9)	30.9
Investing cash flows from discontinued operations		**0.0**	**255.7**
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		**(1,799.8)**	**(1,524.1)**
CASH PROVIDED BY (USED IN) OPERATING AND INVESTING ACTIVITIES (I)+(II)		**831.2**	**1,090.4**
III- Financing activities			
Shares issued by FORVIA and fully consolidated companies (net of costs)		5.9	1.5
Dividends paid to owners of the parent company		(98.2)	(0.0)
Dividends paid to minority interests in consolidated subsidiaries		(89.5)	(132.5)
Acquisition/disposal of treasury stocks		(13.7)	1.3
Debt securities issued and increase in other financial liabilities	27	2,566.9	588.1
Repayment of debt and other financial liabilities	27	(2,758.5)	(1,162.0)
Repayments on lease debts		(249.4)	(246.0)
Financing cash flows from discontinued activities		**0.0**	**60.6**
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		**(636.4)**	**(889.0)**
IV- Other changes in cash and cash equivalents			
Impact of exchange rate changes on cash and cash equivalents		31.7	(123.3)
Net cash flows from discontinued operations		**0.0**	**24.5**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**226.5**	**102.5**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		**4,273.9**	**4,171.4**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**22**	**4,500.4**	**4,273.9**

The net cash flow amounts to €654.9 million as of December 31, 2024 and €649.1 million as of December 31, 2023. (cf. chapter 1, § 1.7.2)

2.4. Consolidated statement of changes in equity

(in € million)	Number of shares [1]	Capital stock	Additional paid-in capital	Treasury Stock	Retained earnings and net income (loss) for the period	Valuation adjustments: Translation adjustments	Valuation adjustments: Cash flow hedges	Valuation adjustments: Actuarial gain/(loss) on post employment benefit obligations	Equity attributable to owners of the parent	Minority interests	Total
Shareholders' equity as of January 1, 2023 before appropriation of net income (loss)	**197,089,340**	**1,379.6**	**1,408.7**	**(4.5)**	**1,804.7**	**(16.5)**	**14.7**	**(38.7)**	**4,548.0**	**1,691.1**	**6,239.1**
Net income (loss)					222.2				222.2	143.4	365.6
Other comprehensive income						(277.8)	(21.6)	(25.0)	(324.4)	(38.7)	(363.1)
Comprehensive income					***222.2***	***(277.8)***	***(21.6)***	***(25.0)***	***(102.2)***	***104.7***	***2.5***
Capital increase									0.0	6.8	6.8
2022 dividends									0.0	(142.6)	(142.6)
Allocation of free shares					8.4				8.4		8.4
Purchases and sales of treasury stock				4.3					4.3		4.3
Changes in scope of consolidation and other					16.9	34.3		(0.3)	50.9	2.0	52.9
Shareholders' equity as of December 31, 2023 before appropriation of net income (loss)	**197,089,340**	**1,379.6**	**1,408.7**	**(0.2)**	**2,052.2**	**(260.0)**	**(6.9)**	**(64.0)**	**4,509.4**	**1,662.0**	**6,171.4**
Net income (loss)					(185.2)				(185.2)	161.0	(24.2)
Other comprehensive income						109.6	(66.9)	(0.3)	42.4	19.7	62.1
Comprehensive income					**(185.2)**	**109.6**	**(66.9)**	**(0.3)**	**(142.8)**	**180.7**	**37.9**
Capital increase									0.0	5.9	5.9
2023 dividends					(98.2)				(98.2)	(104.8)	(203.0)
Allocation of free shares					4.5				4.5		4.5
Purchases and sales of treasury stock				(5.8)					(5.8)		(5.8)
Changes in scope of consolidation and other					37.6	(9.9)	(0.2)	(2.7)	24.7	34.8	59.5
Shareholders' equity as of December 31, 2024 before appropriation of net income (loss)	**197,089,340**	**1,379.6**	**1,408.7**	**(6.1)**	**1,810.9**	**(160.3)**	**(74.1)**	**(67.0)**	**4,291.8**	**1,778.6**	**6,070.4**

(1) Of which 269,574 treasury stock as of 12/31/2024 and 5,091 treasury stock as of 12/31/2023 – See Note 9.

2.5. Notes to the consolidated financial statements

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FORVIA comprises the complementary technology and industrial strengths of FORVIA and HELLA, and is the 7th largest global automotive supplier.

FORVIA S.E is a European company which registered office is located at 23-27, avenue des Champs-Pierreux, 92000 Nanterre (Hauts-de-Seine department) in France. The Company is listed on Euronext Paris.

The consolidated financial statements were approved by FORVIA's Board of Directors on February 27, 2025.

The accounts were prepared on a going concern basis.

NOTE 1 Summary of significant accounting policies

1.1 Accounting principles

The consolidated financial statements of the FORVIA group have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the IASB, as adopted by the European Union and available on the European Commission website. These standards include International Financial Reporting Standards and International Accounting Standards (IAS), as well as the related International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The standards used to prepare the 2024 consolidated financial statements and comparative data for 2023 are those published in the Official Journal of the European Union (OJEU) as of December 31, 2024, whose application was mandatory at that date. Concerning the new standards, amendments and revisions to the existing standards, whose publication is mandatory from January 1, 2024, FORVIA has implemented the amendments to IAS 7 and IFRS 7 on supplier finance arrangements, which have led to the additional information presented in note 28. The other new standards, amendments and revisions to the existing standards (amendment to IFRS 16 on lease liability in a sale and leaseback, IAS 1 on classification of liabilities as current or non-current), have no significant impact on the Group consolidated financial statements.

Moreover, FORVIA has not undertaken any early application of new standards, amendments or interpretations whose application is mandatory after December 31, 2024, irrespective of whether or not they are adopted by the European Union.

The accounting policies considered have been applied consistently to all presented periods. Specifically, the operating margin (before amortization of intangible assets acquired) is the FORVIA group's principal performance indicator. It corresponds to net income of the fully consolidated companies before:

- the amortization of intangible assets acquired in business combinations (customer relationship…);
- other non-recurring operating income and expenses, corresponding to material, unusual and non-recurring items including reorganization costs and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure of an industrial site, disposals of non-operating buildings, impairment losses and reversals recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- income on loans, cash investments and marketable securities;
- finance costs;
- other financial income and expenses, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in IFRS 9, and gains and losses on sales of shares in subsidiaries;
- taxes.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions when measuring certain assets, liabilities, income, expenses accounted for in the financial statements as well as for the evaluation of commitments given and contingent liabilities. These estimates and assumptions are primarily used when calculating the impairment of property, plant and equipment, right of use, intangible assets and goodwill, for measuring pension and other employee benefit obligations as well as for lease liabilities and depreciation of deferred tax assets. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. These estimations are revised on a regular basis, notably in the current evolutive macro economic context. Moreover, the Group must exercise judgment in determining whether the criteria for recognizing an asset or group of assets as held for sale are met, pursuant to the provisions of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

These estimates consider also the Group plans in terms of carbon neutrality as approved by the Science Based Target Initiative (SBTi) in July 2022 and more specifically, achieving by 2025 CO_2 neutral scopes 1 & 2 and by 2030 reducing green house gas (GHG) emissions of scope 3 by 45%, among others by solar energy production on its sites (on site PPA), purchases of renewable energy (off site PPA) and the development of its transversal division for cutting edge sustainable and smart materials launched in July 2021, as well as the review of the group industrial portfolio to climatic risks on the basis on the GIEC *scenarii*.

The results of the sensitivity tests carried out on the carrying amounts of goodwill and provisions for pensions and other employee benefits are provided in Notes 10 and 26.2, respectively. In addition, Note 11 "Intangible Assets" describes the main assumptions used for measuring intangible assets and Note 8 the assumptions for recognition of deferred tax assets.

1.2 Consolidation principles

Companies over which the Group exercises significant influence and which are at least 20%-owned are consolidated when one or more of the following criteria are met: annual sales of over €20 million, total assets of over €20 million, and debt of over €5 million.

Non-consolidated companies are not material, either individually or in the aggregate.

Subsidiaries controlled by the Group are fully consolidated. Control is presumed to exist when the Group holds more than 50% of a company's voting rights and may also arise as a result of shareholders' agreements.

Subsidiaries are fully consolidated as of the date on which control is transferred to the Group. They are no longer consolidated as of the date that control ceases.

Companies over which the Group exercises significant influence but not control, generally through a shareholding representing between 20% and 50% of the voting rights, are accounted for by the equity method. There is no joint operation in the sense of IFRS 11 within the companies consolidated by equity method.

The FORVIA group's financial statements are presented in euros. Except if specifically specified, amounts are in millions of euros; generally, amounts presented are rounded to the closest unit; consequently, the sum of rounded amounts can present non-significant differences to the reported total. Moreover, ratios and variances reported are computed with the detailed amounts and not with the rounded amounts.

The functional currency of foreign subsidiaries is generally their local currency. The assets and liabilities of these companies are translated into euros at the year-end exchange rate and income statement items are translated at the average exchange rate for the year. The resulting foreign exchange gains and losses are recorded in equity.

Balance sheets and net income of Group entities active in hyperinflation economies are restated to take into account the changes in purchasing power of the local currencies using the official indexes at closing date. They are then translated in euros using the exchange rate of the closing date; without restatement of comparative periods in accordance with IAS 21. This is applied in 2023 and 2024 to Group affiliates in Argentina and in Türkiye.

However, some companies located outside the euro or the US-dollar zone and which carry out the majority of their transactions in euros or US dollars may, however, use euros or US dollars as their functional currency.

All material inter-company transactions are eliminated in consolidation, including inter-company gains.

The accounting policies of subsidiaries and companies accounted for by the equity method are not significantly different from those applied by the Group.

1.3 Agent flows

FORVIA operates as an agent for monoliths sales, as well as for some cockpit components, these sales are then recorded at net value in the income statement. These flows managed as agent by FORVIA represented €5,226.1 million in 2024 (€7,384.7 million in 2023); the counterparts in balance sheet are presented in the lines Contract assets (cf. Note 18), Trade accounts receivables (cf. Note 19) in assets and Trade payables (cf. Note 28) in liabilities.

NOTE 2 Change in scope of consolidation and recent events

2.1 Changes in scope in 2024

Within Seating perimeter, in China, the company Faurecia Liuzhou Automotive Seating Co is consolidated by equity method since January 2024, it is held at 50% by the Group and was previously fully consolidated, the company Shenshan Faurecia Automotive Co Ltd, held at 70%, has been created and is fully consolidated since January 2024. In Mexico, the company GMD, consolidated by equity method and held at 50%, is now held at 100% and fully consolidated since August 2024.

For Interiors, in Brazil, the company FMM Pernambuco Componentes Automotivos, fully consolidated, is now held at 100% since January 2024. In February 2024, the company Materi'act Dallas LLC has been created, it is held at 55.4% and fully consolidated.

Within Clean Mobility perimeter, the companies Hug Engineering AG, Hug Engineering GmbH, Hug Engineering Italia Srl, Hug Engineering BV et Hug Engineering Inc have been sold in June 2024.

In China, for Lighting segment, the companies Beijing HELLA BHAP Automotive Lighting Co Ltd Co., Ltd, HELLA BHAP (Sanhe) Automotive Lighting Co Ltd, HELLA BHAP (Tianjin) Automotive Lighting Co Ltd, HELLA BHAP (Changzhou) Automotive Lighting Co Ltd held at 50% by FORVIA HELLA, previously consolidated by equity method, are fully consolidated since January 2024.

For Electronics, the company Behr-HELLA Thermocontrol ("BHTC"), consolidated by equity method and held at 50% by FORVIA HELLA has been sold in April 2024. In China, the company HELLA Nanjing Electronics Co Ltd, held at 100% is fully consolidated since February 2024. Companies dedicated to the ADAS activities have been created in France, Mexico, India, Japan, USA and Thailand during the first semester of 2024. In Portugal, the company Faurecia Aptoïde Automotive, consolidated by equity method and held at 50%, is now held at 100% and fully consolidated since July 1st 2024.

In Germany, for the Lifecycle Solutions segment, the company HELLA Pagid GmbH, fully acquired on December 31, 2023 and fully consolidated since January 2024 has merged with HELLA GmbH & Co. KGaA.

2.2 Reminder of change in scope of consolidation introduced in 2023

Disposal of SAS

On July 31, 2023, FORVIA has finalized the sale to the Motherson group of its SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment, for an entreprise value of €540 million.

On December 31, 2023, the loss on disposal after tax has been booked in "Net income of discontinued operations". On December 31, 2024, according to the sale contract, the process of determining potential price adjustments is ongoing; no significant impact is expected on group financial statements.

In accordance with IFRS 10, the gain or loss on disposal of SAS is calculated based on the difference between:

- the global sale price, after goodwill and any costs related to the transaction and the estimated liabilities;
- the net equity, as recognized in the consolidated financial statement on July 31, 2023.

In accordance with IFRS 5, "net income of discontinued operations" presented in 2023 in the consolidated statement of comprehensive income amounted to -€5.4 million including the operations of the SAS business from January 1, 2023 to July 31, 2023 for total sales of €593.6 million as well as the net loss on disposal related to this activity of -€6.3 million and the directly incrementable expenses related to the sale.

The accounting principles and policies applied to discontinued operations are the same as those applied for annual accounts.

Disposal of CVI business

FORVIA has finalized the sale of designated parts of FORVIA's commercial vehicle exhaust aftertreatment business in Europe and in the United States, on October 2, 2023, for a total transaction value of €199.2 million, to its longstanding partner Cummins. As part of this transaction, Cummins acquired two plants located in Roermond (Netherlands) and Columbus South (Indiana, USA) as well as their related programs. According to the sale contract, the calculation of price adjustments based on CVI accounts on transaction date has been concluded in 2024 without significant impact on group consolidated financial statements.

Disengagement from Russia

Consistently with its early 2023 announcements, FORVIA has concluded its disengagement from Russia, with the sale of its three operating entities (Faurecia Environmental solutions-Russia, Faurecia Automotive Solutions, Faurecia Interior Togliatti) in December 2023, after having obtained the necessary regulatory authorizations from the Russian administration. FORVIA has no operational activities in Russia since end of December 2023.

Other changes in scope

Within Seating perimeter, in China, the company Zhengzhou Faurecia Automotive Parts Co. Ltd has been created and is fully consolidated since April 2023, it is held at 70% by Group, and the company JinHua LEAP Faurecia Automotive Parts Co. Ltd, held at 51%, has been created and is fully consolidated since September 2023. In France, the company SIELEST has been absorbed into the company SIEDOUBS as of January 1, 2023. In Thailand, the company Rayong Faurecia Automotive Parts Co. Ltd held at 70%, has been created and is fully consolidated since November 2023.

For Interiors, in United States, the companies of Detroit Manufacturing Systems' group held at 49% and consolidated by equity method have been sold in June 2023.

Within Clean Mobility perimeter, companies dedicated to the hydrogen activities have been created in France, in Germany, in China, in South Korea and in United states during the first half year 2023. Following the sale of a part of the group's shares to Stellantis, the company Symbio, consolidated by equity method, is held at 33% since July 2023.

In China, for Lighting segment, the company HELLA Faway Automotive Lighting (Tianjin) Co., Ltd has been created in May 2023. It is held at 39.98% and consolidated by equity method.

For Electronics, in China, the company Parrot Automotive Shenzhen, held at 100% and fully consolidated, has been liquidated in June 2023.

In Germany, for the Lifecycle Solutions segment, the company HELLA Pagid GmbH, consolidated by equity method and held at 49%, has been fully acquired on December 31, 2023.

2.3 Recent events

Economical context

The worldwide automotive production stood in 2024 at 89.5 million LVs in 2024, down 1.1% vs. 2023: it was broadly stable in H1 (-0.1%) and down 2.0% in H2. It is worth mentioning that, between 2023 and 2024, the share of Europe excluding Russia out of worldwide automotive production lost one percentage point, at 18%, while the share of China gained 1.5 percentage point at 33%, North America representing 17% of worldwide automotive production in 2024.

The geographic mix of FORVIA's sales vs. the geographic mix of worldwide automotive production represented an unfavorable effect estimated at c. 200bps in 2024. In 2024, the pace of electrification slowed down in Europe and North America, with EV production respectively down 7% (Europe excl. Russia) and up only 3% year-on-year, while in China EV production continued to grow in the double-digits (+16% year-on-year).

NOTE 3 Post-balance sheet events

No significant post-balance sheet events have occurred.

NOTE 4 Information by operating segment

The Group is structured into business units based on the nature of the products and services offered:

- Seating (design and manufacture of complete vehicle seats, seating frames and adjustment mechanisms);
- Interiors (design, manufacture and assembly of instrument panels, door panels and modules);
- Clean Mobility (design and manufacture of exhaust systems, solutions for fuel cell electric vehicles, and aftertreatment solutions for commercial vehicles);
- Electronics (design and manufacture of display technologies, driver assistance systems and cockpit electronics), which includes HELLA Electronics and Clarion Electronics;
- Lighting (design and manufacture of lighting technologies);
- Lifecycle Solutions (solutions extending the vehicle lifecycle as well as workshop equipment and special original equipment).

These business units are managed by the Group on an independent basis in terms of reviewing their individual performance and allocating resources. The tables below show reconciliation between the indicators used to measure the performance of each segment – notably operating income (before amortization of acquired intangible assets) – and the consolidated financial statements. Borrowings, other operating income and expense, financial income and expenses, and taxes are monitored at the Group level and are not allocated to the various segments. A review of the useful life for the fixed assets has been performed in regard to the climate changes and its regulatory consequences as known at the closing date, more specifically for the Clean Mobility segment, and has not enabled to identify any significant impact for the Group.

The analysis of the effects of the application of IFRIC's decision on the presentation of income and expenses by segments according to IFRS 8.23 is ongoing.

4.1 Accounting principles

Revenue on parts is recognized when the control is transferred to the customer, incidental to ownership of the modules or parts produced. This generally corresponds to when the goods are shipped.

Revenue on tooling is generally recognized at the transfer of control of these tooling to the customer, usually shortly before serial production starts. Development costs are generally recognized as set up costs for the serial parts production and capitalized, they are then not considered as a revenue distinct from product sales, except specific cases depending on the contract with the customer.

Operating margin (before amortization of acquired intangible assets) is the FORVIA group's principal performance indicator.

It corresponds to net income of the fully consolidated companies before:

- the amortization of intangible assets acquired in business combinations (customer relationship…);
- other non-recurring operating income and expenses, corresponding to material, unusual and non-recurring items including reorganization costs and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure of an industrial site, disposals of non-operating buildings, impairment losses and reversals recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- income on loans, cash investments and marketable securities;
- finance costs, including finance costs on lease liabilities;
- other financial income and expenses, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in IFRS 9, and gains and losses on sales of shares in subsidiaries;
- taxes.

4.2 Key figures by operating segment

Full-Year 2024

(in € million)	Seating	Interiors	Clean Mobility	Electronics	Lighting	Lifecycle Solutions	Other	Total
TOTAL SALES	**8,669.4**	**5,115.3**	**4,162.1**	**4,507.0**	**3,887.4**	**1,030.6**	**270.7**	**27,642.5**
Inter-segment eliminations	(35.1)	(6.9)	(8.8)	(318.3)	(8.8)	(19.7)	(270.7)	(668.2)
Consolidated sales	**8,634.3**	**5,108.4**	**4,153.4**	**4,188.7**	**3,878.6**	**1,010.9**	**0.0**	**26,974.2**
Operating income (before amortization of acquired intangible assets)	**434.4**	**109.4**	**346.3**	**229.7**	**186.6**	**93.7**	**0.0**	**1,400.0**
Amortization of intangible assets acquired in business combinations								(190.5)
Operating income (after amortization of acquired intangible assets)								**1,209.5**
Other non recurring operating income								9.7
Other non recurring operating expenses								(445.4)
Finance costs, net								(495.2)
Other financial income and expenses								(49.8)
Corporate income tax								(235.3)
Share of net income of associates								(17.7)
NET INCOME (LOSS)								**(24.2)**
Segment assets	**5,346.4**	**3,760.8**	**3,534.2**	**6,098.0**	**3,252.3**	**1,297.6**	**540.0**	**23,829.3**
Net property, plant and equipment	931.8	826.2	673.2	1,202.7	1,086.0	126.9	132.1	4,978.9
Right-of-use assets	252.3	267.0	129.4	64.2	58.9	14.3	147.4	933.4
Other segment assets	4,162.3	2,667.6	2,731.5	4,831.1	2,107.4	1,156.4	260.5	17,917.0
Investments in associates								209.7
Other equity interests								114.9
Short and long-term financial assets								4,796.4
Tax assets (current and deferred)								1,320.9
TOTAL ASSETS								**30,271.3**
Segment liabilities	**3,583.9**	**2,219.2**	**2,834.9**	**1,635.6**	**1,676.7**	**276.1**	**497.4**	**12,723.7**
Borrowings								10,077.7
Lease liabilities								1,054.3
Tax liabilities (current and deferred)								345.1
Equity and minority interests								6,070.4
TOTAL LIABILITIES								**30,271.3**
Capital expenditure	186.8	185.0	92.3	222.7	224.6	14.1	38.1	963.5
Depreciation of property, plant and equipment	(169.8)	(159.2)	(142.7)	(205.8)	(205.7)	(20.6)	(19.9)	(923.7)
Depreciation of Right-of-use assets	(73.4)	(70.2)	(38.3)	(22.7)	(16.8)	(5.6)	(23.9)	(250.8)
Impairment of property, plant and equipment	(3.5)	(4.3)	(10.4)	(8.6)	(1.5)	0.0	(24.5)	(52.8)
Headcounts	46,693	32,676	17,548	19,674	22,305	4,719	6,076	149,691

Full-Year 2023

(in € million)	Seating	Interiors	Clean Mobility	Electronics	Lighting	Lifecycle Solutions	Other	Total
TOTAL SALES	**8,583.6**	**4,973.6**	**4,850.3**	**4,492.1**	**3,748.0**	**1,067.5**	**210.2**	**27,925.3**
Inter-segment eliminations	(32.4)	(50.9)	(18.2)	(354.0)	(2.3)	(9.4)	(210.2)	(677.4)
Consolidated sales	**8,551.1**	**4,922.7**	**4,832.2**	**4,138.0**	**3,745.8**	**1,058.1**	**0.0**	**27,247.9**
Operating income (before amortization of acquired intangible assets)	**314.7**	**200.9**	**383.7**	**219.4**	**192.7**	**127.6**	**0.0**	**1,439.1**
Amortization of intangible assets acquired in business combinations								(193.2)
Operating income (after amortization of acquired intangible assets)								**1,245.9**
Other non recurring operating income								7.8
Other non recurring operating expenses								(189.2)
Finance costs, net								(495.5)
Other financial income and expenses								36.6
Corporate income tax								(232.4)
Share of net income of associates								(2.2)
Net income of continued operations								**371.0**
Net income of discontinued operations								**(5.4)**
NET INCOME (LOSS)								**365.6**
Segment assets	**5,273.1**	**3,991.5**	**4,042.5**	**5,973.7**	**3,016.3**	**1,317.0**	**597.8**	**24,211.9**
Net property, plant and equipment	907.8	800.4	751.3	1,172.8	1,011.1	134.5	156.9	4,934.9
Right-of-use assets	242.1	264.2	150.8	56.7	56.8	15.0	160.6	946.1
Other segment assets	4,123.2	2,926.9	3,140.3	4,744.2	1,948.4	1,167.5	280.3	18,330.9
Investments in associates								307.8
Other equity interests								116.4
Short and long-term financial assets								4,606.2
Tax assets (current and deferred)								1,242.8
TOTAL ASSETS								**30,485.2**
Segment liabilities	**3,138.3**	**2,313.2**	**3,405.7**	**1,508.9**	**1,508.2**	**251.6**	**524.6**	**12,650.5**
Borrowings								10,231.5
Lease liabilities								1,055.6
Tax liabilities (current and deferred)								376.2
Equity and minority interests								6,171.4
TOTAL LIABILITIES								**30,485.2**
Capital expenditure	221.2	209.9	126.9	246.0	254.3	21.7	42.7	1,122.9
Depreciation of property, plant and equipment	(162.7)	(152.3)	(160.5)	(196.4)	(181.7)	(18.9)	(16.6)	(889.1)
Depreciation of Right-of-use assets	(71.2)	(66.4)	(46.5)	(22.7)	(12.3)	(5.3)	(23.1)	(247.5)
Impairment of property, plant and equipment	(13.0)	(4.2)	(7.3)	(0.6)	(2.9)	0.0	9.4	(18.5)
Headcounts	47,079	33,045	19,430	20,355	22,435	5,064	6,054	153,462

4.3 Sales by operating segment

Sales by operating segment break down as follows:

(in € million)	2024		2023	
	Consolidated Sales	%	Consolidated Sales	%
Seating	8,634.3	32	8,551.1	31
Interiors	5,108.3	19	4,922.7	18
Clean Mobility	4,153.4	15	4,832.2	18
Electronics	4,188.7	16	4,138.0	15
Lighting	3,878.6	14	3,745.8	14
Lifecycle Solutions	1,010.9	4	1,058.1	4
TOTAL	**26,974.2**	**100**	**27,247.9**	**100**

4.4 Sales by major customer

Sales [1] by major customer break down as follows:

(in € million)	2024		2023	
	Consolidated Sales	%	Consolidated Sales	%
VW group	4,190.1	16	3,895.8	14
Ford group	2,278.6	8	1,994.4	7
Stellantis	2,168.7	8	2,920.5	11
Mercedes-Benz	1,654.6	6	1,695.6	6
Renault [2]	1,380.4	5	1,729.6	6
BMW	1,353.2	5	1,427.0	5
Global vehicle company	1,054.1	4	1,434.1	5
Others	12,894.6	48	12,150.7	46
TOTAL	**26,974.2**	**100**	**27,247.9**	**100**

(1) The presentation of sales invoiced may differ from that of sales by end customer when products are transferred to intermediary assembly companies.
(2) Renault-Nissan in 2023.

4.5 Key figures by geographic area

Sales are broken down by destination region. Other items are presented by the region where the companies involved operate:

2024

(in € million)	France	Germany	Other European countries	Total Europe	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,550.8	2,767.6	7,963.6	12,281.9	325.0	7,151.6	7,215.6	26,974.2
Net property, plant and equipment	335.8	714.3	1,618.3	2,668.4	30.9	1,186.2	1,093.4	4,978.9
Right-of-use assets	165.0	88.4	233.8	487.2	5.0	290.3	150.9	933.4
Capital expenditure	87.1	107.7	314.8	509.6	3.4	244.1	206.4	963.5
Headcounts as of December 31	9,643	12,703	48,735	71,081	2,108	32,129	44,373	149,691

2023

(in € million)	France	Germany	Other European countries	Total Europe	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,685.1	2,976.2	7,671.7	12,333.0	317.6	7,207.2	7,390.1	27,247.9
Net property, plant and equipment	352.0	764.1	1,651.0	2,767.2	35.2	1,124.4	1,008.1	4,934.9
Right-of-use assets	187.0	103.2	220.2	510.5	6.2	287.8	141.7	946.1
Capital expenditure	93.9	127.5	408.7	630.1	6.0	285.2	201.6	1,122.9
Headcounts as of December 31	10,561	14,025	50,870	75,456	2,188	33,121	42,697	153,462

NOTE 5 Analysis of operating expenses

5.1 Analysis of operating expenses by function

(in € million)	2024	2023
Cost of sales	(23,371.4)	(23,585.5)
Research and development costs	(934.8)	(953.0)
Selling and administrative expenses	(1,268.0)	(1,270.3)
TOTAL	**(25,574.2)**	**(25,808.8)**

5.2 Analysis of operating expenses by nature

(in € million)	2024	2023
Purchases consumed	(15,929.0)	(16,560.3)
External costs	(2,968.9)	(3,069.3)
Personnel costs	(5,649.5)	(5,785.8)
Taxes other than on income	(57.0)	(54.9)
Other income and expenses	827.9	1,428.6
Depreciation, amortization and provisions for impairment in value of non-current assets	(1,954.6)	(1,888.4)
Charges to and reversals of provisions	156.9	121.3
TOTAL	**(25,574.2)**	**(25,808.8)**

5.3 Personnel costs

(in € million)	2024	2023
Wages and salaries [1]	(4,453.5)	(4,616.8)
Payroll taxes	(1,196.0)	(1,169.0)
TOTAL	**(5,649.5)**	**(5,785.8)**
(1) Of which temporary employee costs.	*(350.7)*	*(418.3)*

Details of expenses relating to the Group's free shares plans and pension costs are provided in Notes 23.2 and 26, respectively.

5.4 Research and development costs

(in € million)	2024	2023
Research and development costs, gross	(2,155.8)	(2,197.5)
Allowance/reversal of depreciation of assets in development	(21.8)	(25.4)
Capitalized development costs	1,242.7	1,269.9
of which in inventory	*203.7*	*223.8*
of which in intangible assets	*1,039.0*	*1,046.1*
TOTAL	**(934.8)**	**(953.0)**

Development costs are usually capitalized in intangible assets as they are considered as set up costs for the serial parts production, and then amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances. For some specific contracts where the developments works are a separate performance obligation under IFRS 15 the corresponding costs comply with the definition of work in progress and are capitalized in inventory. These inventories are then expensed (cost of sales) when the corresponding revenue is recognized.

The development costs recognized in the cost of sales (stock decrease and R&D assets depreciation) amount to €957.0 million as of December 31, 2024, vs €924.4 million as of December 31, 2023.

5.5 Depreciation, amortization and provisions for impairment in value of non-current assets

(in € million)	2024	2023
Amortization of capitalized development costs	(718.0)	(691.8)
Provisions for impairment of capitalized development costs	(24.0)	(20.6)
Amortization of other intangible assets	(38.7)	(43.4)
Depreciation of specific tooling	(4.8)	(10.0)
Depreciation and impairment of other property, plant and equipment	(918.3)	(875.1)
Depreciation of Right-of-use assets	(250.8)	(247.5)
TOTAL	**(1,954.6)**	**(1,888.4)**

This table does not include allowances and reversals of provision for non-recurring items.

NOTE 6 Other non-recurring operating income and expenses

Other non-recurring operating income and expenses are analyzed as follows:

Other non-recurring operating income

(in € million)	2024	2023
Release of provision for impairment of assets	0.2	2.4
Gain on disposals of assets	0.0	2.4
Others	9.5	3.0
TOTAL	**9.7**	**7.8**

Other non-recurring operating expenses

(in € million)	2024	2023
Other provisions for impaiment of assets	0.0	(0.6)
Reorganization expenses [1]	(361.6)	(170.8)
Impairment of goodwill	0.0	0.0
Losses on disposal of assets	(0.1)	0.0
Others [2]	(83.7)	(17.8)
TOTAL	**(445.4)**	**(189.2)**

(1) As of December 31, 2024, this item includes restructuring costs in the amount of €(304.9) million and provisions for impairment in value of assets in the amount of €(56.7) million versus €(171.5) million and €0.7 million (reversal) as of December 31, 2023.
(2) Of which €(33.6) million as of December 31, 2024 of costs linked to a supplier in Mexico and other one-off litigation settlements.

Restructuring

Reorganization costs €(361.6) million include redundancy and site relocation payments for 4,913 people.

In February 2024, FORVIA announced the launch of "EU-FORWARD", a five-year (2024-2028) initiative aiming at reinforcing the competitiveness and agility of the Group's operations in Europe, adapting its European manufacturing and R&D set-up to the fast-changing regional environment. During the year 2024, close to 2,900 headcount reduction was announced, representing P&L savings of c. €140 million on an annualized basis. These operations were announced throughout the year on a case-by-case basis and they are implemented locally in the most socially responsible way.

NOTE 7 Finance costs and Other financial income and expenses

7.1 Finance costs

(in € million)	2024	2023
Finance costs	(567.2)	(527.4)
Finance costs on leases	(57.4)	(58.8)
TOTAL	**(624.6)**	**(586.2)**

7.2 Other financial income and expenses

(in € million)	2024	2023
Impact of discounting pension benefit obligations	(22.0)	(22.4)
Changes in the ineffective portion of currency hedges	0.4	0.1
Changes in fair value of currency hedged relating to debt	1.9	0.2
Foreign exchange gains and losses on borrowings	(34.3)	(43.6)
Hyperinflation impact (Argentina-Türkiye)	5.1	(31.5)
Others [(1) (2)]	(0.9)	133.8
TOTAL	**(49.8)**	**36.6**

(1) This item includes amortization of costs related to long-term debts and commissions for non-use of the credit facility.
(2) Of which €134 million as of December 31, 2024 linked to the disposal of BHTC (cf Note 2.1) mainly compensated by impairments of non consolidated financial assets for €(31.7) million and of other financial assets for €(32.6) million and in 2023, €158 million of gain on sale (mainly shares of Symbio and CVI activity).

NOTE 8 Income tax

Deferred taxes are recognized using the liability method for temporary differences arising between the tax bases for assets and liabilities and their carrying amounts on the consolidated financial statements. Temporary differences mainly arise from tax loss carryforwards and consolidation adjustments to subsidiaries' accounts.

Deferred taxes are measured using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carry forward can be utilized, based on the Group's strategic plan.

Deferred tax liabilities are accounted for every taxable temporary differences in relation with investment in subsidiaries, joint ventures and associates unless the Group has the capacity to control the timing of the reversal of temporary differences and if it is probable that they will not be reversed in a predictable future.

In compliance with IFRIC 23, accruals for risk on income tax are part of the income tax within the statement of comprehensive income and of income tax payables within the balance sheet (Note 30).

Within the frame of the Finance Law for 2024 published in the Official Journal on December 30, 2023 transposing the European Directive 2022/2023, in order to implement the OECD tax reform ("Pillar 2"), applicable for all accounting periods starting from December 31, 2023, the Group has performed the evaluation of the impacts. In 2024, in most of the cases, the application of the transitory measures was possible, generating nil additional income tax. For the countries where these transitory measures can not be applied, there is no significant impact for the Group.

Corporate income tax can be analyzed as follows:

(in € million)	2024	2023
Current taxes		
– Current corporate income tax	(382.2)	(414.0)
Deferred taxes		
– Deferred taxes for the period	146.9	181.6
TOTAL	**(235.3)**	**(232.4)**

8.1 Analysis of the tax charge

Corporate income tax can be analyzed as follows:

(in € million)	2024	2023
Pre-tax income of consolidated companies	228.8	605.6
Theoritical Tax (25.83%)	*(59.1)*	*(156.4)*
Effect of rate changes on deferred taxes recognized on the balance sheet	(6.0)	0.9
Effect of local rate differences [(1)]	41.7	61.0
Tax credits	2.8	3.4
Change in unrecognized deferred tax	(163.8)	(169.9)
Permanent differences & others [(2)]	(50.9)	28.6
Corporate tax recognized	**(235.3)**	**(232.4)**

(1) The impact of local rate differences mainly relates to Chinese and German entities.
(2) Mainly due to withholding tax in 2024.

8.2 Analysis of tax assets and liabilities

(in € million)	2024	2023
Current taxes		
– Assets	337.1	389.9
– Liabilities	(162.7)	(168.8)
TOTAL	**174.4**	**221.1**
Deferred taxes		
– Assets [1]	983.8	852.9
– Liabilities	(266.3)	(327.8)
TOTAL	**717.5**	**525.1**
(1) Of which tax assets on tax losses.	*272.9*	174.5

The Group considers the recovery of the deferred tax net balance as at December 31, 2024, i.e. €717.5 million, as probable.

Changes in deferred taxes recorded on the balance sheet break down as follows:

(in € million)	2024	2023
Amount as at the beginning of the year	**525.1**	**300.1**
– Deferred taxes carried to net income for the period	146.9	181.6
– Deferred taxes recognized directly in equity [1]	7.0	14.3
– Effect of currency fluctuations and other movements	37.4	(3.0)
– Effect of scope variations	1.1	32.2
Amount at the end of the year	**717.5**	**525.1**

(1) Mainly related to actuarial gains and losses directly recognized in equity.

8.3 Deferred tax assets and liabilities by nature

(in € million)	2024	2023
Tax asset carryforwards	272.9	174.5
Intangible assets	(261.0)	(499.4)
Other tangible assets and long term assets	3.3	73.4
Pensions	101.7	120.6
Other reserves	27.8	48.2
Stocks	144.8	246.7
Other working capital	427.9	361.2
TOTAL	**717.5**	**525.1**
of which deferred tax assets	*983.8*	*852.9*
of which deferred tax liabilities	*(266.3)*	*(327.8)*

The variation of the net deferred tax on intangible assets includes the deferred tax effect of the amortization of intangible assets acquired in business combinations.

8.4 Impairment of tax asset carryforwards

The ageing of impaired tax asset carryforward is detailed as follows:

(in € million)	2024	2023
N+1	6.0	12.9
N+2	19.0	9.4
N+3	12.1	18.6
N+4	24.3	13.8
N+5 and above	217.8	177.7
Unlimited	677.6	600.1
TOTAL	**956.7**	**832.4**

These impaired deferred income tax assets on loss carry forwards are mainly located in France.

NOTE 9 Earnings per share

Basic earnings per share are calculated by dividing net income attributable to owners of the parent by the weighted average number of shares outstanding during the year, excluding treasury stock. For the purpose of calculating diluted earnings per share, the Group adjusts net income attributable to owners of the parent and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares (including stock options, free shares and convertible bonds).

	2024	2023
Number of shares outstanding at year-end [(1)]	**197,089,340**	**197,089,340**
Adjustments:		
– treasury stock	(269,574)	(5,091)
– weighted impact of share issue prorated	0	0
Weighted average number of shares before dilution	**196,819,766**	**197,084,249**
Weighted impact of dilutive instruments:		
– free shares attributed	500,624	521,273
– bonds with conversion option	0	0
Weighted average number of shares after dilution	**197,320,390**	**197,605,522**

(1) Changes in the number of shares outstanding as of December 31, 2024, are analyzed as follows:

As of December 31, 2023: Number of FORVIA shares outstanding	**197,089,340**
Change of number of shares	*0*
As of December 31, 2024: Number of FORVIA shares outstanding	**197,089,340**

The dilutive impact of the bonds was calculated using the treasury stock method.

In relation to stock options, this method consists of comparing the number of shares that would have been issued if all outstanding stock options had been exercised to the number of shares that could have been acquired at fair value.

The potentially dilutive impact of free shares is taken into account considering the number of shares to be distributed for the plans of which the realization of the performance conditions has already been stated by the Board.

Earnings per share

Earnings per share break down as follows:

	2024	2023
Net Income (loss) *(in € million)*	**(185.2)**	**222.2**
Basic earnings (loss) per share	(0.94)	1.13
After dilution	(0.94)	1.12
Net Income (loss) from continued operations *(in € million)*	**(185.2)**	**227.6**
Basic earnings (loss) per share	(0.94)	1.15
After dilution	(0.94)	1.15
Net Income (loss) from discontinued operations *(in € million)*	**NA**	**(5.4)**
Basic earnings (loss) per share	NA	(0.03)
After dilution	NA	(0.03)

NOTE 10 Goodwill

In case of a business combination, the aggregate value of the acquisition is allocated to the identifiable assets acquired and liabilities assumed based on their fair value determined at their acquisition date.

A goodwill is recognized when the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree exceed the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired. For the purpose of impairment testing, goodwill is allocated to Cash-Generating Units (CGUs). A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The CGU to which goodwill is allocated represents the level within the operating segment at which goodwill is monitored for internal management purposes. The Group has identified the following CGUs:

- Seating;
- Interiors;
- Clean Mobility;
- Electronics;
- Lighting;
- Lifecycle Solutions.

The carrying amount of assets and liabilities thus grouped is compared to the higher of its market value and value in use, which is equal to the present value of the net future cash flows expected, and their net market value including costs of disposal.

(in € million)	Gross	Impairment	Net
Amount as of January 1, 2023	**5,920.9**	**(660.6)**	**5,260.3**
Acquisitions	0.0	0.0	0.0
Provision for impairment	0.0	0.0	0.0
Scope variations	(123.2)	0.0	(123.2)
Translation adjustments and other movements	(7.7)	0.2	(7.5)
Amount as of December 31, 2023	**5,790.1**	**(660.4)**	**5,129.6**
Acquisitions	21.5	0.0	21.5
Provision for impairment	0.0	0.0	0.0
Scope variations	0.0	0.0	0.0
Translation adjustments and other movements	7.7	(0.1)	7.6
Amount as of December 31, 2024	**5,819.3**	**(660.5)**	**5,158.7**

Breakdown of the net amount of goodwill by operating segment:

(in € million)	2024	2023
Seating	1,150.5	1,141.8
Interiors	761.0	761.7
Clean Mobility	699.8	691.6
Electronics	1,674.4	1,661.5
Lighting	291.1	291.1
Lifecycle Solutions	581.9	581.9
TOTAL	**5,158.7**	**5,129.6**

Cash-generating units and impairment tests

Impairment tests are carried out whenever there is an indication that an asset may be impaired. Impairment testing consists of comparing the carrying amount of an asset, or group of assets, with the higher of its market value and value in use. Value in use is defined as the present value of the net future cash flows expected to be derived from an asset or group of assets.

The assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, or CGUs).

Impairment tests are performed on each group of intangible assets (development costs) and property, plant and equipment attributable to a customer contract. This is done by comparing the aggregate carrying amount of the Group of assets concerned with the present value of the expected net future cash flows to be derived from the contract.

An impairment loss is recorded when the assets' carrying amount is higher than the present value of the expected net future cash flows. A provision is then recorded for losses to completion on loss-making contracts in compliance with IAS 37.

In case of a triggering event, impairment testing is also carried out on general and corporate assets grouped primarily by type of product and geographic area.

The cash inflows generated by the assets allocated to these CGUs are largely interdependent due to the high overlap among various manufacturing flows, optimization of capacity utilization, and centralization of research and development activities.

Manufacturing assets whose closure is planned are tested independently for impairment.

Within the frame of the impairment tests of goodwill and group of CGUs, the cash flow forecasts used to calculate value in use were based on the Group's 2025-2029 forecasts which were drafted in the second semester of 2024. The volume assumptions used in the strategic plan are based on worldwide automotive market assumptions of 88.4 million of cars in 2025, 92.6 million in 2026 and 96.2 million in 2029, based themselves on external information sources. The impacts of group commitment on carbon neutrality as well as the consequences of governmental policies linked to the global warming are as well part of the assumptions used for these forecasts.

The main assumption affecting value in use is the level of operating income used to calculate future cash flows and particularly the terminal value. The operating margin assumption for 2029 remains above 8% of sales for the Group as a whole.

Projected cash flows for the last year (2029) have been projected to infinity by applying a growth rate determined based on analysts' trend forecasts for the automotive market. The growth rate applied for the 2024 test was 1.4% (1.4% applied at the end of 2023), except for Electronics for which 2% has been considered given the specific development of this segment (2% applied at the end of 2023) and for Clean Mobility for which a growth rate nil has been considered (1.4% applied at the end of 2023).

FORVIA called on an independent expert to update the weighted average cost of capital used to discount future cash flows. The market parameters used in the expert's calculation are based on a sample of companies operating in the automotive supplier sector. Taking into account these parameters and a market risk premium of 6.5% on average, the weighted cost of capital used to discount future cash flows was set at 10.2% (on the basis of a range of values provided by the independent expert) in 2024 (10.6% in 2023). This rate was applied for the impairment tests carried out on all of the groups of CGUs, as they all bear the same specific risks relating to the automotive supplier sector and the CGUs multinational operation does not justify using geographically different discount rates.

The tests performed as of December 31, 2024 did not show any indication of impairment in goodwill.

The table below shows the sensitivity of the impairment test results to changes in the assumptions used as of December 31, 2024 to determine the value in use of the CGUs groups to which the Group's goodwill is allocated:

		Sensitivity			
(in € million)	**Test income (value in use – net carrying value)**	**Cash flow discount rate +0.5 pt**	**Growth rate to infinity -0.5 pt**	**Operating margin rate for terminal value -0.5 pt**	**Combination of the 3 factors**
Seating	2,996	(303)	(228)	(281)	(750)
Interiors	537	(157)	(119)	(163)	(405)
Clean Mobility	2,209	(148)	(111)	(100)	(331)
Electronics	141	(326)	(262)	(233)	(752)
Lighting	141	(133)	(102)	(140)	(345)
Lifecycle Solutions	29	(67)	(52)	(39)	(148)

NOTE 11 Intangible assets

11.1 Research and development expenditure

The FORVIA group incurs certain development costs in connection with producing and delivering modules for specific customer orders which are considered as set up costs for the serial parts production and capitalized. In accordance with IAS 38, these development costs are recorded as an intangible asset where the Company concerned can demonstrate:

- its intention to complete the project as well as the availability of adequate technical and financial resources to do so;
- how the customer contract will generate probable future economic benefits and the Company's ability to measure these reliably;
- its ability to reliably measure the expenditure attributable to the contracts concerned (costs to completion).

These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.

Research costs, and development costs that do not meet the above criteria, are expensed as incurred.

11.2 Other intangible assets

Other intangible assets include development and purchase costs relating to software used within the Group – which are amortized on a straight-line basis over a period of between one and three years – as well as patents and licenses.

It also includes the intangible assets acquired in business combinations (customer relationship, trademarks, technologies…); these assets are amortized on the corresponding contracts duration, i.e. between 5 and 20 years for trademarks, between 6 and 16 years for customer relationship and between 6 and 12 years for technologies.

Intangible assets break down as follows:

(in € million)	Development costs	Software and other	Intangible assets acquired	Total
AMOUNT AS OF JANUARY 1, 2023	**2,998.6**	**89.3**	**1,502.1**	**4,590.1**
Additions	1,060.8	14.4	0.0	1,075.2
Depreciation and amortization	(691.8)	(38.1)	(193.2)	(923.1)
Funding of provisions	(52.3)	(4.0)	0.0	(56.4)
Scope variations	(21.6)	(2.5)	(146.1)	(170.2)
Translation adjustments and other	(139.7)	15.4	(16.5)	(140.8)
AMOUNT AS OF DECEMBER 31, 2023	**3,154.0**	**74.5**	**1,146.4**	**4,374.8**
Additions	1,056.4	9.1	0.0	1,065.4
Depreciation and amortization	(718.0)	(35.6)	(190.5)	(944.1)
Funding of provisions	(43.4)	(0.1)	(1.2)	(44.7)
Scope variations	(1.6)	0.5	26.0	24.9
Translation adjustments and other	84.5	21.9	(2.8)	103.6
AMOUNT AS OF DECEMBER 31, 2024	**3,531.9**	**70.2**	**977.9**	**4,580.0**

The book value of development costs allocated to a customer contract as well as the associated specific tooling is compared to the present value of the expected net future cash flows to be derived from the contract based on the best possible estimate of future sales. The volumes taken into account in FORVIA's business plans are the best estimates by the Group's Marketing department based on automakers' forecasts when available.

NOTE 12 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, or production cost in the case of assets produced by the Group for its own use, less accumulated depreciation.

Maintenance and repair costs are expensed as incurred, except when they increase productivity or prolong the useful life of an asset, in which case they are capitalized.

In accordance with the amended version of IAS 23, borrowing costs on qualifying assets arising subsequent to January 1, 2009 are included in the cost of the assets concerned. The amount is not significant for the period.

Property, plant and equipment are depreciated by the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 to 30 years
Leasehold improvements, fixtures and fittings [1]	10 to 20 years
Machinery, tooling and furniture	3 to 15 years

(1) For leased buildings, leasehold improvements are depreciated over the same duration than the corresponding Right-of-Use asset.

Investment grants are recorded as a deduction from the assets that they were used to finance.

(in € million)	Land	Buildings	Plant, tooling and equipment	Specific tooling	Other property, plant and equipment and property, plant and equipment in progress	Total
AMOUNT AS OF JANUARY 1, 2023	**97.4**	**923.4**	**2,784.3**	**20.9**	**1,229.8**	**5,055.8**
Additions (including own work capital)	0.6	18.1	177.5	6.3	920.8	1,123.2
Disposals	(1.7)	(40.5)	(274.3)	(2.8)	(35.9)	(355.3)
Depreciation	(1.5)	(78.4)	(708.9)	(10.0)	(90.3)	(889.1)
Non-recurring impairment losses	0.5	3.5	(22.4)	0.0	(0.2)	(18.5)
Depreciation written off on disposals	0.6	39.1	220.1	2.8	33.3	295.9
Scope variations	(3.1)	(10.3)	(86.3)	(0.0)	(50.3)	(150.0)
Translation adjustments and other	120.1	(78.9)	662.8	(0.0)	(831.1)	(127.0)
AMOUNT AS OF DECEMBER 31, 2023	**213.0**	**776.1**	**2,752.7**	**17.2**	**1,176.0**	**4,934.9**
Additions (including own work capital)	2.0	25.2	174.3	2.8	759.5	963.9
Disposals	(2.8)	(61.5)	(270.2)	(0.2)	(43.4)	(378.0)
Funding of depreciation, amortization and impairment provisions	(1.7)	(82.9)	(744.9)	(5.3)	(88.8)	(923.7)
Non-recurring impairment losses	0.0	(9.8)	(16.4)	(0.4)	(26.1)	(52.8)
Depreciation written off on disposals	0.1	55.1	235.3	0.2	40.3	331.0
Scope variations	(6.1)	(5.1)	44.4	0.0	21.5	54.7
Translation adjustments and other	2.5	163.8	737.7	0.1	(855.1)	49.0
AMOUNT AS OF DECEMBER 31, 2024	**207.0**	**860.9**	**2,912.9**	**14.3**	**983.8**	**4,978.9**

	2024			2023	
(in € million)	Gross	Depreciation	Net	Gross	Net
Land	249.7	(42.7)	207.0	255.0	213.0
Buildings	2,126.9	(1,266.0)	860.9	1,988.7	776.1
Plant, tooling and technical equipment	10,591.9	(7,679.0)	2,912.9	9,866.6	2,752.7
Specific tooling	99.0	(84.6)	14.3	95.7	17.2
Other property, plant and equipment & property, plant and equipment in progress	1,951.2	(967.4)	983.8	2,070.4	1,176.0
TOTAL	**15,018.6**	**(10,039.7)**	**4,978.9**	**14,276.3**	**4,934.9**

Property, plant and equipment are often dedicated to client programs.

NOTE 13 Right-of-use assets

Lease contracts are accounted for in the balance sheet, through an asset (representing the right to use the leased asset along the contract duration) and a liability (representing the lease future payments obligation), considering the main following principles:

- exemption of contracts with a duration less than 12 months or which value is below €5,000 (corresponding lease payments are still expensed along the contract lifetime);
- the duration of a contract is equal to its non cancellable duration, except if the Group is reasonably certain to exercise the renewal or cancellation options contractually agreed;
- as long as the contract implicit rate can't be easily determined, the discount rate used is the marginal borrowing rate corresponding to the duration of the lease contract, determined based on the lessee and duration concerned;
- as of the effective date (date at which the leased asset is made available by the lessor), lease contracts as defined per IFRS 16 "Leases" are accounted for:
  - as fixed assets (right of use) for the amount of the lease liability, increased by advanced payments made to lessor, initial costs incurred, as well as estimated dismantling or refurbishment costs that would be paid by FORVIA based on contractual terms if needed, and
  - as lease liability for the amount of discounted lease payment over the contract duration as defined above, using the discount rate defined above,
  - these right of use are depreciated on a linear basis, on the contract duration or by exception on the utility duration, if this one is shorter or if the contract transfers to the lessee the asset property or if a purchase option exists which is reasonably certain to be exercised by FORVIA,
  - cash flows related to the sale and lease back operations are included in the cash flows provided by investing activities.

(in € million)	Land	Buildings	Plant and equipment	Others	Total
AMOUNT AS OF JANUARY 1, 2023	**0.3**	**1,020.7**	**72.4**	**90.2**	**1,183.5**
New contracts	0.0	88.2	13.8	58.0	160.0
Depreciation	0.0	(175.4)	(25.1)	(47.0)	(247.5)
Funding of impairment provisions	0.0	(1.6)	(0.2)	(0.6)	(2.4)
Scope variations	0.0	(91.1)	(2.0)	(8.6)	(101.7)
Translation adjustments and other	0.0	(39.1)	0.1	(6.8)	(45.8)
AMOUNT AS OF DECEMBER 31, 2023	**0.3**	**801.7**	**59.0**	**85.1**	**946.1**
New contracts	0.0	86.5	10.1	69.8	166.4
Depreciation	0.0	(180.8)	(20.8)	(49.1)	(250.7)
Funding of impairment provisions	0.0	(7.6)	(3.2)	(0.2)	(11.0)
Scope variations	0.0	2.9	0.0	(0.6)	2.3
Translation adjustments and other	(0.2)	84.6	(1.5)	(2.6)	80.4
AMOUNT AS OF DECEMBER 31, 2024	**0.1**	**787.4**	**43.6**	**102.4**	**933.4**

Variable lease contracts: contracts corresponding to the qualification of lease contracts, for which all payments are variable payments, leading to no recognition of right-of-use assets and financial debt, have been signed for the lease of solar panel producing electricity (on site PPA) in plants of the Group. As at December 31, 2024, 49 contracts were effectively signed, mainly for a duration of 20 years, out of which 30 were already in operation.

NOTE 14 Investments in associates

Investment in associates for continued operations:

As of December 31, 2024

(in € million)	% interest	Group share of equity [1]	Dividends received by the Group	Group share of sales	Group share of total assets
Changchun HELLA Faway Automotive Lighting Co.	40%	45.7	0.0	64.9	112.0
HELLA MINTH Jiaxing Automotive Parts Co.	41%	31.7	(1.1)	12.1	36.9
Faurecia-NHK Co., Ltd	50%	0.0	0.0	207.9	46.7
TEKNIK MALZEME Ticaret Ve Sanayi A.S	50%	0.0	0.0	40.1	23.6
SYMBIO	33%	0.0	0.0	4.0	200.4
Total Network Manufacturing LLC	49%	1.1	0.0	160.8	30.3
Others		131.3	(22.6)	592.4	347.1
TOTAL		**209.7**	**(23.7)**	**1,082.2**	**797.0**

(1) As the Group share of some company's net equity is negative, it is recorded under liabilities as a provision for contingencies and charges.

There is no joint operation in the sense of IFRS 11 within the companies consolidated by equity method.

Change in investments in associates

(in € million)	2024	2023
Group share of equity at beginning of period	**307.8**	**333.9**
Dividends	(23.7)	(19.7)
Share of net income of associates	(17.7)	(2.2)
Change in scope of consolidation	(64.7)	5.5
Capital increase	2.6	(0.4)
Currency translation adjustments	5.4	(9.3)
Group share of equity at end of period	**209.7**	**307.8**

NOTE 15 Other equity interests

Equity interests correspond to the Group's interests in the capital of non-consolidated companies. They are subject to impairment testing based on the most appropriate financial analysis criteria. An impairment loss is recognized when appropriate. The criteria generally applied are the Group's equity in the underlying net assets and the earnings outlook of the company concerned.

		2024		2023
(in € million)	**% of share capital**	**Gross**	**Net**	**Net**
Changchun Xuyang Industrial group	18.8	12.8	12.8	12.3
TactoTek Oy	9.0	6.6	1.6	4.6
Guardknox Cyber Technologies Ltd	7.0	5.4	0.0	5.4
HELLA Fast Forward Shanghai Co Ltd	100.0	12.7	12.7	9.8
Light Field Lab	4.3	9.6	9.6	9.0
Autres		105.9	78.3	75.4
TOTAL		**152.9**	**114.9**	**116.4**

NOTE 16 Other non-current financial assets

Loans and other financial assets are initially stated at fair value and then at amortized cost, calculated using the effective interest method.

Provisions are booked on a case-by-case basis where there is a risk of non-recovery.

	2024			2023
(in € million)	**Gross**	**Provisions**	**Net**	**Net**
Loans to companies consolidated by equity method and non-consolidated companies	157.5	(25.6)	131.9	102.9
Other loans	11.0	(7.1)	3.9	13.2
Derivatives	3.7	0.0	3.7	17.1
Others	23.0	(4.0)	19.0	23.3
TOTAL	**195.2**	**(36.7)**	**158.5**	**156.5**

NOTE 17 Other non-current assets

This item includes:

(in € million)	2024	2023
Pension plan surpluses	34.6	31.0
Guarantee deposits and other	109.7	123.7
TOTAL	**144.3**	**154.7**

NOTE 18 Inventories and work-in-progress

Inventories of raw materials and supplies are stated at cost, determined by the FIFO method (First-In, First-Out).

Finished and semi-finished products, as well as work-in-progress, are stated at production cost, determined by the FIFO method. Production cost includes the cost of materials and supplies as well as direct and indirect production costs, excluding overhead not linked to production and borrowing costs.

Work-in-progress includes the costs of specific tooling produced or purchased specifically for the purpose of manufacturing parts or modules for customer orders and which are sold to the customer, i.e. for which the control is transferred to the customer, usually shortly before serial production starts, and specific development work which is sold to customers and corresponding to the definition of work in progress when the contract enables to consider that these developments are a specific performance obligation under IFRS 15. These costs are expensed (cost of sales) over the period in which the corresponding revenue is recognized, i.e. at transfer of control of these development works to the customer.

Inventories of products for which the Group is considered as agent are presented as contract assets and not in inventories.

Provisions are booked for inventories for which the probable realizable value is lower than cost and for slow moving items.

	2024			2023
(in € million)	Gross	Depreciations	Net	Net
Raw materials and supplies	1,359.5	(177.4)	1,182.2	1,222.8
Engineering, tooling and prototypes	646.4	(15.3)	631.1	905.8
Work in progress for production	101.8	(6.3)	95.5	105.9
Semi-finished and finished products	821.6	(149.6)	672.0	669.2
Total inventories and work in progress	**2,929.3**	**(348.5)**	**2,580.8**	2,903.7
Contract assets	**120.4**	**(5.7)**	**114.7**	149.6
TOTAL	**3,049.7**	**(354.2)**	**2,695.5**	**3,053.3**

Inventories and work in progress as well as contract assets expressed in days of sales (including agent flows) are representing 40 days as of December 31, 2024:

(in € million)	2024	2023
Inventories incl contract assets (E)	2,695	3,053
Material Consumption + External Charges (C1) (12 months)	(18,896)	(19,629)
Agent Flow (C2) (12 months)	(5,226)	(7,385)
Material Consumption with Agent Flows (C=C1+C2)	**(24,122)**	**(27,014)**
Days of Inventory Outstanding (E/C/360)	**40 days**	**41 days**
of which FX and scope effect year-on-year	*1 day*	

Nota : the computation of the Days of Inventory outstanding ratio necessitates the reintegration of the gross amount of agent flows (see note 1.3) which are neither included in the consolidated sales, nor in cost of goods sold in compliance with IFRS15, but are included in the working capital in inventory, trade payables and trade receivables.

NOTE 19 Trade accounts receivables

Under trade receivables sale programs, the Group can sell a portion of the receivables of a number of its French, German, North America and other subsidiaries to a group of financial institutions, transferring substantially all of the risks and rewards relating to the receivables sold to the financial institutions concerned.

The following table shows the amount of receivables sold with maturities beyond December 31, 2024, for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized, as well as the financing under these programs:

(in € million)	2024	2023
Financing	1,309.3	1,321.2
Guarantee reserve deducted from borrowings	(30.4)	(29.7)
Cash received as consideration for receivables sold	1,278.9	1,291.6
Receivables sold and derecognized	(1,278.9)	(1,291.6)

Individually impaired trade receivables are as follows:

(in € million)	2024	2023
Gross total trade receivables	4,000.9	4,164.0
Provision for impairment of receivables	(38.6)	(31.1)
TOTAL	**3,962.3**	**4,132.9**

Given the high quality of Group counterparties, late payments do not represent a material risk. They generally arise from administrative issues.

Late payments as of December 31, 2024 were €231.3 million, breaking down as follows:

- €124.3 million less than one month past due;
- €21.0 million between one and two months past due;
- €15.1 million between two and three months past due;
- €20.8 million between three and six months past due;
- €50.1 million more than six months past due.

Trade accounts receivables expressed in number of days of sales (including agent flows) are representing 55 days of sales as of December 31, 2024.

(in € million)	2024	2023
Trade receivables before factoring (F)	5,241	5,424
Total Sales (H1) (12 months)	26,974	27,248
Agent Flows (H2) (12 months)	5,226	7,385
Total Sales with Agent Flows (H=H1+H2)	32,200	34,633
Days of Sales outstanding (F excl.VAT/H/360)	**55 days**	**52 days**
of which FX and scope effect year-on-year	*2 days*	

Nota : the computation of the days of sales outstanding ratio necessitates the reintegration of the gross amount of agent flows (see note 1.3) which are neither included in the consolidated sales, nor in cost of goods sold in compliance with IFRS15, but are included in the working capital in inventory, trade payables and trade receivables.

	Total Group	o/w		
Days of Sales outstanding -DSO	**2024**	**EMEA**	**Americas**	**Asia**
Total trade accounts receivables	55 days	44 days	41 days	92 days

NOTE 20 Other operating receivables

(in € million)	2024	2023
Down payments	96.9	122.8
Currency derivatives for operations	27.5	52.1
Other receivables [1]	386.1	418.5
TOTAL	**510.6**	**593.4**
(1) Including the following amounts for VAT and other tax receivables.	*379.5*	410.5

NOTE 21 Other receivables

(in € million)	2024	2023
Short-term portion of loans	49.1	64.9
Prepaid expenses	728.7	785.1
Current taxes	337.1	389.9
Other sundry receivables	220.1	209.3
TOTAL	**1,335.0**	**1,449.2**

In 2024, the receivables in France *Crédit d'Impôt Recherche* (CIR) have been sold for an amount of €43.2 million vs €43.7 million in 2023.

NOTE 22 Cash and cash equivalents

Cash and cash equivalents include current account balances in the amount of €3,357.9 million (compared to €3,130.6 million in 2023) and short-term investments in the amount of €1,142.4 million (compared to €1,143.3 million in 2023), for a total of €4,500.4 million as of December 31, 2024 (€4,273.9 million as of December 31, 2023).

These components include cash at bank, current account balances, marketable securities such as money market and short-term money market funds, deposit and very short-term risk-free securities that are readily sold or converted into cash. Cash equivalents are investments held for the purpose of meeting short term cash commitments and are subject to an insignificant risk of change in value.

They are measured at fair value and variances are booked through P&L.

NOTE 23 Shareholders' equity

23.1 Capital

As of December 31, 2024, FORVIA capital stock totaled €1,379,625,380 divided into 197,089,340 fully paid-up shares with a par value of €7 each.

The Group's capital is not subject to any external restrictions. Double voting rights are granted to all shares for which a nominative registration can be confirmed, for at least two years in the name of the same shareholder.

23.2 Share-based payment

Free share grant

In 2010, FORVIA implemented a share grant plan for executives of Group companies. These shares are subject to service and performance conditions.

In 2021, FORVIA has implemented a unique long term share grant plan (Executive Super Performance Initiative-ESPI) for the members of the Group Executive Committee. The acquisition period is five years without conservation condition, and the maximum amount is limited to 300% of the yearly fixed wages. These shares are subject to a service and a performance condition, the Total Shareholder Return – TSR, compared to a peer group.

Free shares are measured at fair value by reference to the market price of FORVIA's shares at the grant date, less an amount corresponding to the expected dividends due on the shares but not paid during the vesting period and an amount reflecting the cost of the shares being subject to a lock-up period. For the ESPI plan, the fair value of the shares includes also an assumption for the achievement of the external performance condition which is frozen at grant date. The fair value is recognized in payroll costs on a straight-line basis over the vesting period, with a corresponding adjustment to equity.

Details of the share grant plans as of December 31, 2024 are set out in the table below:

Date of Annual Shareholders' Meeting	Date of Board meeting	Maximum number of free shares that can be granted [1] for: reaching the objective	Maximum number of free shares that can be granted [1] for: exceeding the objective	Performance condition	Share market value at grant date *(in €)*	Adjustments: dividend rate	Adjustments: Non-transferrability discount	Acquisition date	Sales date *(from)*
06/01/2022	07/28/2022	1,304,900	1,695,790	**For the CEO:** 2024 after tax income target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population **For the other beneficiaries:** cumulated operating income and net cash flow target over 2022-2023-2024, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO_2 emissions reduction target	16.68	6.00%	NA	07/28/2026	07/28/2026
05/30/2023	07/26/2023	1,314,370	1,709,540	Cumulated operating income and net cash flow target over 2023-2024-2025, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO_2 emissions reduction target	24.57	4.00%	NA	07/26/2027	07/26/2027
05/30/2024	07/23/2024	2,185,520	2,841,190	Cumulated operating income and net cash flow target over 2024-2025-2026, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO_2 emissions reduction target	10.67	6.50%	NA	07/23/2028	07/23/2028
05/31/2021	07/23/2021	273,307	273,307	**ESPI plan :** FORVIA share relative performance (TSR) compared to a reference group of companies on a yearly basis; **for the CEO:** FORVIA share relative performance (TSR) compared to a reference group of companies on average over five years (2021-2026)	39.57	3.60%	NA	07/23/2026	07/23/2026

(1) Net of free shares granted cancelled.

The shares corresponding to the plan attributed by the Board of October 22, 2020 (485,517), have been distributed in October 2024. The performance conditions for the plan attributed by the Board of October 25, 2021 have been partially met, the corresponding shares (500,624) will be distributed in October 2025.

Other plans

Furthermore, a long-term variable remuneration (long-term incentive, LTI) has been implemented for HELLA Management Board before HELLA acquisition by FORVIA. This long term incentive is paid in cash. The LTI base amount is determined for the first fiscal year in the calculation period, as a fixed percentage of the annual fixed salary depending on the RoIC; the long term variable remuneration is based on a calculation period of a number of fiscal years and payment is made once the calculation period has come to an end.

For LTI up to the one granted for fiscal year 2022, the performance criteria are based on the Return on Invested Capital (RoIC), the income before tax as well as the performance of the HELLA share (total shareholder return) and the calculation period comprises a total period of five fiscal years. For example, the LTI allocated for the fiscal year 2020/2021 will be paid out at the end of the fiscal year 2024 in 2025. As these LTI are share-based, their value is recognized according to IFRS 2.

For LTI granted for the fiscal year 2023 onwards, the performance of the HELLA share is not part of the performance criteria and the calculation period comprises a total of four fiscal years.

There are currently five plans on going with the following valuation:

Plan		**Grant date**	**Vesting date**	**Debt as at 12/31/2024** *(in € million)*
LTI 20/21	share-based	06/01/2020	12/31/2024	4.5
LTI 21/22	share-based	06/01/2021	12/31/2025	2.2
LTI 22	share-based	06/01/2022	12/31/2026	2.9
LTI 23	non share-based	01/01/2023	12/31/2026	1.1
LTI 24	non share-based	01/01/2024	12/31/2027	0.3

The amount recognized for the period for all these plans is an expense of €13.9 million, compared to €16.4 million in the year 2023.

23.3 Treasury stock

As of December 31, 2024, FORVIA held 269,574 treasury stock shares.

The cost of the shares held in treasury stock as of December 31, 2024 totaled €4.1 million, representing an average cost of €15.30 per share.

NOTE 24 Minority interests

This item corresponds to minority shareholders' interests in the equity of consolidated subsidiaries.

Changes in minority interests were as follows:

(in € million)	**2024**	**2023**
Amount as at beginning of the period	**1,662.0**	**1,691.1**
Increase in minority shareholder interests	5.9	6.8
Other changes in scope of consolidation	34.8	2.0
Minority interests in net income for the year	161.0	143.4
Comprehensive income	(5.0)	(7.2)
Dividends allocated to minority interests	(104.8)	(142.6)
Currency translation adjustments	24.7	(31.5)
Amount as the end of the year	**1,778.6**	**1,662.0**

The minority interests, taken individually, are not considered as significant in comparison to the total net equity.

NOTE 25 Current provisions and contingent liabilities

25.1 Current provisions

A provision is recorded when Group Executive Management has decided to streamline the organization structure and announced the program to the employees affected by it or their representatives, when relevant.

(in € million)	2024	2023
Restructuring	262.8	180.7
Risks on contracts and customer warranties	223.3	301.7
Litigation	28.7	57.2
Other provisions	101.6	63.3
TOTAL	**616.4**	**602.9**

Changes in these provisions during 2024 were as follows:

(in € million)	Amount as of January 1, 2024	Additions	Expenses charged	Reversals [1]	Sub total changes	Change in scope of consolidation and other changes	Amount as of December 31, 2024
Restructuring	180.8	250.8	(171.5)	0.0	79.2	2.8	262.8
Risks on contracts and customer warranties	301.7	134.4	(186.3)	(76.9)	(128.8)	50.4	223.3
Litigation	57.2	7.4	(33.1)	(3.3)	(29.0)	0.5	28.7
Other provisions	63.3	26.4	(3.2)	(13.4)	(2.2)	28.5	101.6
TOTAL	**602.9**	**418.9**	**(394.2)**	**(93.6)**	**(80.8)**	**82.2**	**616.4**

(1) Surplus provisions.

25.2 Contingent liabilities

Litigation

With letter dated August 2021, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "BaFin") asked HELLA GmbH & Co. KGaA ("Company") for information and the submission of documents regarding a potentially delayed capital market information under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"); the request was issued in connection with the public takeover process in 2021 regarding the shares in the Company. The Company is of the opinion that it acted in accordance with all legal requirements and responded to this letter and another letter from BaFin on suspected administrative offenses accordingly.

In May 2024, the Company was informed that the public prosecutor's office in Frankfurt am Main ("Prosecutor's Office") had taken over the administrative fine proceedings as the possible administrative offense was related to a prosecution of a criminal offense. However, this possible criminal offense shall not be directed against responsible persons or employees of the Company. The Prosecutor's Office, however, has informed HELLA in its initial response that the capital market notifications had been published too late and were incomplete. Based on the previous legal letters exchanged with the BaFin and an exchange of letters with the Prosecutor's Office, the Company is still of the opinion that there is or was no violation of the MAR that is subject to a fine. According to the current assessment, the material-legal position of the Company in this matter has not changed. The outcome of the proceeding remains open. The Company will continue to cooperate with authorities to confirm its position in this matter and further explain the facts supporting its position.

There are no other claims or litigation in progress or pending that are likely to have a material impact on the Group's consolidated financial position.

NOTE 26 Non-current provisions and provisions for pensions and other post-employment benefits

26.1 Non-current provisions

(in € million)	2024	2023
Provisions for pensions and other employee obligations	**621.1**	**630.0**
– Pension plan benefit obligations	396.1	411.2
– Post-retirement benefit obligations	178.7	173.5
– Long-service awards	38.0	37.6
– Healthcare costs	8.2	7.7
TOTAL	**621.1**	**630.0**

Changes in non-current provisions

(in € million)	2024	2023
Amount as at the beginning of the period	**630.0**	**575.2**
Scope variation	(4.2)	(2.1)
Other movements	(2.5)	12.9
Allowance (or reversal) of provision	46.3	63.6
Expenses charged to the period	(39.3)	(54.0)
Payment to external funds	(5.3)	(7.7)
Restatement differences	(4.0)	42.1
Amount as at the end of the period	**621.1**	**630.0**

26.2 Provisions for pensions and other post-employment benefits

Group employees may receive, in addition to their pensions in conformity with the applicable regulations in the countries where the Group companies employing them are located, additional benefits or post-retirement benefit obligations. The Group offers these benefits through either defined benefits or defined contribution plans. The valuation and accounting methodologies followed by the Group are the following:

- for defined contribution plans, costs are recognized as expenses based on contributions;
- the liability for defined benefit plans is determined on an actuarial basis using the projected unit credit method, according to the agreements effective in each concerned Group company.

The valuation takes into account the probability of employees staying with the Group up to retirement age and expected future salary levels as well as other economic assumptions (such as the inflation rate, the discount rate) for each concerned zone or country. It takes also into account the 2021 IFRS IC decision on attributing benefit to periods of services. These assumptions are described in Note 26.2.

Benefit obligations are partially funded by contributions to external funds. In cases where the funds are permanently allocated to the benefit plan concerned, their value is deducted from the related liability. An excess of plan assets is only recognized in the balance sheet when it represents future benefits effectively available for the Group.

Periodic pension and other employee benefit costs are recognized as operating expenses over the benefit vesting period.

Actuarial gains and losses on defined benefits plan are recognized in other comprehensive income.

In case of a change in regime, past service costs are fully recognized as operating expenses, the benefits being fully acquired or not.

The expected rate of return of defined benefits plan assets is equal to the discount rate used to value the obligation at the opening of the period. This return is recorded in "Other financial income and expense".

The other long-term benefits (during employment period) mainly cover seniority bonuses as well as long-service awards. The obligation is valued using similar methodology, assumptions and frequency as the ones used for post-employment benefits.

Benefit obligations

(in € million)	2024	2023
Present value of projected obligations		
– Pension plan benefit obligations	633.5	676.7
– Post -retirement indemnities obligations	180.9	175.8
– Long-service awards	38.0	37.6
– Healthcare costs	8.2	7.7
TOTAL	**860.6**	**897.8**
Value of plan assets:		
– Provisions booked in the accounts	621.1	630.0
– External funds (market value) [1]	274.1	298.8
– Plan surplus [2]	(34.6)	(31.0)
TOTAL	**860.6**	**897.8**

(1) External funds mainly cover pension plan benefit obligations for €271.9 million in 2024.
(2) Pension plan surpluses are included in Other non-current assets.

Pension benefit obligations

A – Description of the plans

In France, all managerial employees with a salary in tranche C are granted a defined benefit pension scheme, for which the rights acquired as of December 31, 2019 have been frozen, in order to comply with the PACTE Law from May 22, 2019. Executive Committee members who have an employment contract with FORVIA S.E. or any of its subsidiaries also benefit from a defined benefit pension scheme for French members and defined contribution pension scheme for foreign members, the rights acquired as of December 31, 2019 in the defined benefit pension scheme for French members have also been frozen, in order to comply with the PACTE Law from May 22, 2019. The rights are reestimated based on the evolution of the salary and respective expenses of the employees part of the pension scheme.

In the United States, the two remaining plans, already closed to new participants, were combined as of January 1, 2020. The combined pension plan covers 752 participants.

In Germany, the main defined benefit pension plan still open covers 5,193 participants. The benefit granted is based on the number of years of service, starting after 14 years. The main defined benefit pension plan closed to new participants covers 7,906 participants.

In Japan, the main defined benefit plan covers 671 participants. Benefits are based on years of service and paid at the end of the contract or upon reaching the age of 60.

B – Assumptions used

The Group's obligations under these plans are determined on an actuarial basis, using the following assumptions:

- retirement age between 64 and 65 for employees in France;
- staff turnover assumptions based on the economic conditions specific to each country and/or Group company;
- mortality assumptions specific to each country;
- estimated future salary levels until retirement age, based on inflation assumptions and forecasts of individual salary increases for each country;
- the expected long-term return on external funds;
- discount and inflation rates (or differential) based on local conditions.

The main actuarial assumptions used in the past two years to measure the pension liability are as follows:

(in %)	Euro zone	United Kingdom	USA	Japan
Discount rate				
December 31, 2024	**3.40%**	**5.50%**	**5.28%**	**1.78%**
December 31, 2023	3.40%	4.55%	4.59%	1.39%
Inflation rate				
December 31, 2024	**2.00%**	**3.20%**	**N/A**	**N/A**
December 31, 2023	2.00%	3.10%	N/A	N/A

Nota: The discount rate for the euro zone was determined on the basis of yields on prime corporate bonds for a maturity corresponding to the duration of the obligations. Prime corporate bonds are defined as bonds awarded one of the top two ratings by a recognized rating agency (for example, bonds rated AA or AAA by Moody's or Standard & Poor's).

In the United States, the pension benefit obligations are not sensitive to the inflation rate.

The average duration of the various plans is as follows:

(in number of years)	Euro zone	United Kingdom	USA	Japan
Average duration	12.9	17.7	6.8	8.4

C – Information on external funds

External funds are invested as follows:

	2024			2023		
(in %)	Equities	Bonds	Others	Equities	Bonds	Others
France	23%	71%	6%	23%	70%	7%
United Kingdom	22%	76%	2%	28%	70%	3%
United States	0%	96%	4%	19%	79%	2%
Japan	10%	21%	69%	60%	19%	21%

The fair value of shares and bonds falls in the level 1 category (price quoted in active markets) in 2024.

D – Provisions for pension liabilities recognized on the balance sheet

	2024			2023		
(in € million)	France	Abroad [1]	Total	France	Abroad	Total
Amount as at the beginning of the period	**136.6**	**417.1**	**553.7**	**127.9**	**376.7**	**504.5**
Effect of changes in scope of consolidation (provision net of plan surpluses)	0.0	(4.2)	(4.2)	(0.5)	(1.0)	(1.5)
Additions	11.1	28.9	40.0	12.4	40.0	52.4
Expenses charged to the provision	(8.5)	(24.8)	(33.3)	(3.6)	(34.9)	(38.5)
Payments to external funds	(0.5)	(4.8)	(5.3)	(1.0)	(6.7)	(7.7)
Actuarial gains/(losses)	2.0	(6.2)	(4.2)	1.4	41.0	42.4
Other movements	(4.6)	(1.9)	(6.5)	0.0	2.1	2.1
Amount as at the end of the period	**136.1**	**404.1**	**540.2**	**136.6**	**417.1**	**553.7**

(1) The provision for €404.1 million as of December, 31, 2024 relates mainly to Germany (€343.1 million).

E – Changes in pension liabilities

	2024			2023		
(in € million)	France	Abroad	Total	France	Abroad	Total
Projected benefit obligation						
Amount as at the beginning of the period	**152.0**	**700.5**	**852.5**	**144.2**	**656.8**	**801.0**
Service costs	7.6	13.2	20.8	7.3	23.0	30.3
Annual restatement	4.9	27.0	31.9	5.7	27.5	33.2
Benefits paid	(9.2)	(38.6)	(47.8)	(5.3)	(53.6)	(58.9)
Actuarial gains/(losses)	1.9	(14.1)	(12.2)	0.4	45.9	46.3
Other movements (including translation adjustment)	(4.6)	(24.1)	(28.7)	(0.3)	0.5	0.2
Curtailments and settlements	(0.9)	(1.3)	(2.2)	0.0	0.5	0.5
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	**151.7**	**662.6**	**814.3**	**152.0**	**700.5**	**852.5**
Value of plan assets						
Amount as at the beginning of the period	**15.4**	**283.4**	**298.8**	**16.3**	**280.1**	**296.4**
Projected return on plan assets	0.5	10.0	10.5	0.6	11.0	11.6
Actuarial gains/(losses)	(0.1)	(7.9)	(8.0)	(1.0)	4.9	3.9
Other movements (including translation adjustment)	0.0	(13.4)	(13.4)	0.2	(0.6)	(0.4)
Employer contributions	0.5	4.8	5.3	1.0	6.7	7.7
Benefits paid	(0.7)	(18.4)	(19.1)	(1.7)	(18.7)	(20.4)
Curtailments and settlements	0.0	0.0	0.0	0.0	0.0	0.0
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	**15.6**	**258.5**	**274.1**	**15.4**	**283.4**	**298.8**
BALANCE OF PROVISIONS AS AT THE END OF THE PERIOD	**136.1**	**404.1**	**540.2**	**136.6**	**417.1**	**553.7**
TOTAL CHANGE EXPENSED AT THE END OF THE YEAR	**11.1**	**28.9**	**40.0**	**12.4**	**40.0**	**52.4**

These costs are recognized:

- in operating income for the portion relating to service cost;
- in "Other financial income and expenses" for restatement of vested rights and the projected return on external funds.

The actuarial gains and losses generated have been recorded in "Other comprehensive income" according to IAS 19R. It can be analyzed as follows:

	2024		
(in € million)	France	Abroad	Total
Detail of actuarial gains and losses of the period:			
– differences linked to financial assumptions	(2.0)	14.1	12.1
– differences linked to demographic assumptions	(0.4)	(0.2)	(0.6)
– other differences	0.5	(7.9)	(7.4)
TOTAL	**(1.9)**	**6.0**	**4.2**

F – Retirement pension liabilities: sensitivity to changes in the discount rate and in the inflation rate in the main scope

The impact of a 25 basis point increase in the discount rate and in the inflation rate for the projected benefit obligation is as follows:

(in %)	Discount rate +0.25 pts	Inflation rate +0.25 pts
France	(1.8)%	+2.1%
Germany	(3.2)%	+2.2%

26.3 Long-service awards

The Group evaluates its liability for the payment of long-service awards, given to employees based on certain seniority requirements. The Group calculates its liability for the payment of long-service awards using the same method and assumptions as for its pension liability. Provisions for long-service awards have been set aside as follows:

(in € million)	2024	2023
France	3.8	4.0
Foreign*	34.2	33.6
TOTAL	**38.0**	**37.6**

(*) The provision of €34.2 million as of December 31, 2024 relates mainly to Germay (€ 17.5 million).

26.4 Healthcare costs

In addition to pension plans, some Group companies, mainly in the United States, cover the healthcare costs of their employees.

The related liability can be analyzed as follows:

(in € million)	2024	2023
Foreign companies	8.2	7.7
TOTAL	**8.2**	**7.7**

The increase of 25 basis points in the discount rate and 1 percentage point in the healthcare cost trend rates would lead to the following variations on the Group's projected benefits obligations:

(in %)	**Discount rate +0.25 pts**	**Healthcare cost trend rate +1 pt**
Projected benefit obligation	(1.7)%	+6.8%

Expenses recognized in connection with this liability break down as follows:

(in € million)	**2024**	**2023**
Service cost	0.0	0.0
Interest cost [1]	(0.4)	(0.4)
TOTAL	**(0.4)**	**(0.4)**

(1) Interest cost is recorded under "Other financial income and expenses".

Financial liabilities

The Group's financial liabilities fall within the IFRS 9 categories of (i) financial liabilities at fair value through profit or loss, and (ii) other financial liabilities measured at amortized cost.

They are recorded on the following balance sheet items: "Current financial liabilities" and "Non-current financial liabilities" (Note 27), "Accrued taxes and payroll costs" (Note 29) and "Sundry payables" (Note 30).

Financial assets and liabilities are broken down into current and non-current components for maturities at the balance sheet date: under or over a year.

NOTE 27 Net debt

The Group's financial liabilities are generally measured at amortized cost using the effective interest method.

27.1 Analysis of net debt

(in € million)	2024	2023
Bonds	6,155.2	6,424.9
Bank borrowings	3,110.3	2,189.1
Other borrowings	1.3	2.0
Non-current lease liabilities	813.9	836.5
Non-current derivatives	88.5	70.7
NON-CURRENT FINANCIAL LIABILITIES	**10,169.2**	**9,523.2**
Current portion of long term debt	218.2	950.3
Current portion of lease liabilities	240.4	219.1
Short-term borrowings [(1)]	485.8	590.0
Current derivatives	18.4	4.6
CURRENT FINANCIAL LIABILITIES	**962.8**	**1,763.9**
FINANCIAL LIABILITIES	**11,132.0**	**11,287.1**
Derivatives classified under non-current and current assets	(9.0)	(25.9)
Cash and cash equivalents	(4,500.4)	(4,273.9)
NET DEBT	**6,622.6**	**6,987.3**
(1) Including bank overdrafts.	*32.5*	*35.1*

The change in net financial debt during the year is as follows:

(in € million)	Balance as of December 31, 2023	Impact on cash	Translation adjustments	Impact of fair value changes	Change in consolidation scope and other changes	Balance as of December 31, 2024
Bonds	6,424.9	1,198.3	0.0	1.8	(1,469.7)	6,155.2
Bank borrowings	2,189.1	1,282.8	15.2	0.6	(377.4)	3,110.3
Other borrowings	2.0	0.0	0.0	0.0	(0.8)	1.3
Non-current lease liabilities	836.5	0.0	18.9	0.0	(41.4)	813.9
Non-current derivatives	70.7	0.0	0.1	17.7	0.0	88.5
NON-CURRENT FINANCIAL LIABILITIES	**9,523.2**	**2,481.1**	**34.2**	**20.1**	**(1,889.3)**	**10,169.2**
Current portion of long term debt	950.3	(2,537.1)	2.8	(13.8)	1,816.1	218.2
Current portion of lease liabilities	219.1	(249.4)	4.0	0.0	266.7	240.4
Short-term borrowings	590.0	(90.1)	(20.6)	(4.7)	11.1	485.8
Current derivatives	4.6	0.0	0.0	13.7	0.2	18.4
CURRENT FINANCIAL LIABILITIES	**1,763.9**	**(2,876.5)**	**(13.8)**	**(4.8)**	**2,094.0**	**962.8**
FINANCIAL LIABILITIES	**11,287.1**	**(395.5)**	**20.4**	**15.3**	**204.7**	**11,132.0**
Derivatives classified under non-current and current assets	(25.9)	0.0	(0.4)	17.2	0.0	(9.0)
Cash and cash equivalents	(4,273.9)	(165.7)	(31.8)	0.0	(29.0)	(4,500.4)
NET DEBT	**6,987.3**	**(561.2)**	**(11.7)**	**32.5**	**175.8**	**6,622.6**

27.2 Maturities of financial debt

(in € million)	2025	2026	2027	2028	2029	2030 and beyond	Total
Bonds	0.0	1,149.8	2,621.4	701.8	897.9	784.4	6,155.3
Schuldscheindarlehen	0.0	324.5	42.2	421.3	585.8	99.5	1,473.3
Bank borrowings	262.0	72.2	893.3	256.2	287.5	61.2	1,832.4
Lease liabilities	240.4	202.9	162.7	130.7	98.8	218.8	1,054.3
Other debt	460.4	36.3	0.0	23.0	6.3	90.7	616.7
TOTAL AS OF DECEMBER 31, 2024	**962.8**	**1,785.7**	**3,719.6**	**1,533.0**	**1,876.3**	**1,254.6**	**11,132.0**
Undrawn committed facilities	*0.0*	*0.0*	*541.7*	*1,500.0*	*0.0*	*0.0*	*2,041.7*

27.3 Financing

The main components of FORVIA financing are described below:

Bonds in EUR

Bonds	Amount (€ million)	Coupon	Issuance	Maturity	Outstanding as of 12/31/2024 (€ million)
2025 Bonds	700	2.625%	03/08/2018	06/15/2025	0 [6]
Additional 2025 Bonds [1]	300	2.625%	07/31/2020	06/15/2025	
2026 Bonds	500	3.125%	03/27/2019	06/15/2026	750
Additional 2026 Bonds [2]	250	3.125%	10/31/2019	06/15/2026	
2026 Sustainability-Linked Bonds	700	7.250%	11/15/2022	06/15/2026	330.2 [7]
Additional 2026 Sustainability-Linked Bonds [3]	250	7.250%	02/01/2023	06/15/2026	
2027 Bonds	700	2.375%	11/27/2019	06/15/2027	890
Additional 2027 Bonds [4]	190	2.375%	02/03/2021	06/15/2027	
2027 Sustainability-Linked Bonds	1,200	2.750%	11/10/2021	02/15/2027	1,200
2028 Bonds	700	3.750%	07/31/2020	06/15/2028	700
2029 Bonds	500	5.125%	03/11/2024	06/15/2029	500
2029 Green Bonds	400	2.375%	03/22/2021	06/15/2029	400
2031 Bonds	500	5.500%	03/11/2024	06/15/2031	700
Additional 2031 Bonds [5]	200	5.500%	05/07/2024	06/15/2031	

(1) Consolidated into 2025 bonds from September 9, 2020.
(2) Consolidated into 2026 bonds from December 16, 2019.
(3) Consolidated into Sustainability-Linked 2026 bonds from March 14, 2023.
(4) Consolidated into 2027 bonds from March 15, 2021 – Issued through a private placement.
(5) Consolidated into 2031 bonds from June 16, 2024.
(6) Partial repurchases of €580.25 million have been done on March 11, 2024 and the reimbursement by anticipation of outstanding amount of bond for €421 million has been done on August 27, 2024.
(7) Amount outstanding taking into consideration partial repurchases of €150.1 million on December 14, 2023, €219.8 million on March 11, 2024; €250 million on May 7, 2024.

The 2026 and 2027 sustainability-Linked bonds include scope 1 & 2 CO_2 emission reduction targets in 2025 in line with the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026.

The FORVIA S.E bonds include a covenant restricting the additional indebtedness if the EBITDA after certain adjustments is lower than twice the gross interest costs. As of December 31, 2024, this condition was met.

These bonds are listed on the Global Exchange Market of Euronext Dublin.

Bonds in JPY

Bonds	Amount (¥ million)	Coupon	Issue	Maturity	Outstanding as of 12/31/2024 (¥ million)	Outstanding as of 12/31/2024 (€ million)
JPY 2026 Bonds	11,700	2.48%	12/15/2024	03/13/2026	11,700	71.8
JPY 2027 Bonds	6,800	2.81%	12/15/2024	03/15/2027	6,800	41.7
JPY 2028 Bonds	700	3.19%	12/15/2024	12/15/2028	700	4.3

HELLA bonds

Bonds	Amount *(€ million)*	Coupon	Issuance	Maturity	Outstanding as of 12/31/ 2024 *(€ million)*
2024 Bonds	300	1.00%	05/17/2017	05/17/2024	0
2027 Bonds	500	0.50%	09/03/2019	01/26/2027	500

The HELLA bonds are listed on the Luxembourg stock exchange.

Syndicated credit facility

On December 15, 2014, FORVIA signed a syndicated credit facility, with a five-year maturity, for an amount of €1,200 million. This credit facility was renegotiated on June 24, 2016, then on June 15, 2018 in order to extend the maturity to five years from that date. In May 2021, FORVIA has signed with its banks an Amend & Extend agreement of this syndicated credit line enabling the Group to increase the amount up to €1,500 million, as well as indexing its costs on FORVIA's environmental performance, the interest rate varying depending upon the achievement of the Group's target of CO_2 neutrality for its scopes 1 & 2, and to extend its maturity to five years, i.e. May 2026, with two one-year extension options submitted to the banks' agreement.

On April 26, 2022, FORVIA has renegotiated its covenant related to its leverage ratio (ratio Net debt [(1)]/adjusted EBITDA [(2)] and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2024, this condition was met.

On June 10, 2024, FORVIA has extended the maturity of the syndicated credit facility to May 26, 2028 for an amount of €1,500 million.

This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

As of December 31, 2024, this facility was not drawn.

Syndicated credit facility HELLA

On September 30, 2022, HELLA signed a new syndicated credit facility, replacing the previous one, for an amount of €450 million, with maturity on September 30, 2025, with two one year extension options and an option to increase the amount up to €150 million. In September 2024, HELLA has exercised its second extension option to extend the maturity of this credit line to December 29, 2027.

The cost of this syndicated credit line has been indexed on HELLA's environmental performance (in term of neutrality of its CO_2 emissions on scopes 1 and 2) and on the gender parity objectives within management.

As of December 31, 2024, this facility was not drawn.

Term Loan 2023

FORVIA has signed on June 9, 2023 a new €500 million syndicated loan (Term Loan 2023) with a maturity to June 2, 2026 and including two one year extension options until June 2, 2028, submitted to the banks' agreement, the interest rate varying depending upon the achievement of the Group's target of CO neutrality for its scopes 1, 2 & 3 (controlled emissions). On May 24, 2024, the maturity of this loan has been extended to June 2, 2027.

This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the Term Loan) and on the debt level of some subsidiaries.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

Schuldscheindarlehen

FORVIA has signed on December 17, 2018 a private placement under German Law *(Schuldscheindarlehen)* for a total amount of €700 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of 4, 5 and 6 years, i.e. December 2022, 2023 and 2024. €378 million have been received on December 20, 2018 and the remaining amount has been received in early January 2019. The USD tranches have been partially converted in EUR resources through long term cross currency swaps. This private placement has been used to finance the acquisition of Clarion Co., Ltd.

On June 21, 2021 FORVIA has reimbursed by anticipation €226.5 million of the variable rate tranche of the *Schuldscheindarlehen* with 2022 maturity. On December 20, 2022, FORVIA has reimbursed €58.5 million of the fixed rate tranche of the *Schuldscheindarlehen* with 2022 maturity.

On June 20, 2023, FORVIA has reimbursed by anticipation US$165 million of the variable rate tranche of the *Schuldscheindarlehen* with December 2023 maturity. The US$55 million long term cross currency swap linked to the repaid tranche has also been closed by anticipation.

On June 20, 2024, FORVIA has reimbursed by anticipation €137 million of the variable rate tranche of the *Schuldscheindarlehen* with December 2024 maturity. The long term cross currency swap linked to the repaid tranche has also been closed by anticipation.

FORVIA has signed on December 17, 2021 a private placement under German Law *(Schuldscheindarlehen)* including ESR performance criteria for a total amount of €700 million and on June 15, 2022 an additional placement of €50 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of 2.5, 4, 5 and 6 years, i.e. July 2024 and January 2026, 2027 and 2028. €435 million have been received on December 22, 2021 and the remaining amount has been received in early January 2022. The USD tranches have been partially converted in EUR resources through long term cross currency swaps. This private placement is part of the prefinancing of the acquisition of HELLA.

FORVIA has signed on July 12, 2024 a private placement under German Law *(Schuldscheindarlehen)* including ESR performance criteria for a total amount of €542.6 million. An additional placement of €200 million has been signed on July 24, 2024 and July 31, 2024. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of 2, 3.5, 5 and 7 years, i.e. July 2026, January 2028, July 2029 and July 2031. This private placement has been used to finance the reimbursement by anticipation of *Schuldschein* with 2024 maturity and the remaining outstanding amount of 2025 bonds for €421 million with a maturity in June 2025.

Schuldscheindarlehen HELLA

HELLA has issued in March 2024 a private placement under German Law *(Schuldscheindarlehen)* for a total amount of €200 million. This transaction is structured into several tranches in EUR, at fixed and variable rates, with maturities of 3, 5 and 7 years, i.e. March 2027, March 2029 and March 2031. This *Schuldschein* has been used to finance the reimbursement of €300 million of the 2024 bonds that took place in May 2024.

¥30 billion credit facility

On February 7, 2020, FORVIA has signed a credit facility in yen for an amount of ¥30 billion, with a five-year maturity, aiming at refinancing on a long term basis the debt of Clarion Co., Ltd. The credit facility comprises two tranches of ¥15 billion each, one being a loan and the other one a renewable credit line.

The maturity of the credit line has been extended from February 2026 to February 2027 by exercising the second extension option.

On April 26, 2022, FORVIA has renegotiated its covenant related to its leverage ratio (ratio Net debt [(1)]/adjusted EBITDA [(2)]) and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2024, this condition was met.

As of December 31, 2024, the drawn amount was at ¥15 billion, representing €92 million.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

Syndicated loan Latin America

On September 22, 2022, Faurecia Sistemas Automotrices de Mexico Srl signed a syndicated credit facility for an amount of US$210 million, with various investors from Latin America. On this basis, FORVIA Sistemas Automotrices de Mexico Srl has borrowed US$100 million and 2 billion mexican pesos at a variable rate with a maturity on March 22, 2028, the amount in pesos being converted in USD resources through long term cross currency swaps.

On February 10, 2023, Faurecia Sistemas Automotrices de Mexico Srl has suscribed an additional loan for US$90 million with the same conditions and a maturity to March 22, 2028.

This credit facility includes some restrictive clauses on the debt level of some subsidiaries.

European Investment Bank (EIB) credit facility

On July 1, 2022, FORVIA signed a credit facility for an amount of €315 million, with a seven year maturity with the European Investment Bank (EIB). This credit facility aims at financing investments in research and development, in production and deployment of the hydrogen technology for mobility applications, advanced systems for driving assistance and driver control systems. It is composed of two tranches: (i) one for an amount of €289 million (ii) one for an amount of €26 million.

This credit facility includes a covenant on the ratio Net debt [(1)]/adjusted EBITDA [(2)] which compliance is a condition affecting the availability of this credit facility, identical to the syndicated credit facility and which cannot exceed 3.75x for December 31, 2022 and 3.0x from December 31, 2023 onwards. As of December 31, 2024, this condition was met. It includes as well some restrictive clauses on asset disposals and on the debt level of some subsidiaries.

In compliance with IAS 20, the difference between the market rate for a comparable loan at initial date and the interest rate for this loan has been recognized as a grant; it is recognized in P&L against the costs that the grant aims to compensate over the loan duration.

As of December 31, 2024, the drawn amount was at €315 million.

2032 & 2033 loan facilities HELLA in yen

On September 17, 2002, HELLA issued a notes certificate for an amount of ¥12 billion due September 17, 2032, carrying annual interest of 3.50%, payable on March 17 and September 17 each year, as from March 17, 2003.

On June 16, 2003, HELLA signed a loan for an amount of ¥10 billion due June 20, 2033, carrying annual interest of 4.02%, payable in USD on June 20 and December 20 each year, as from December 20, 2003.

As of December 31, 2024, the outstanding amount of these loans amounted to ¥22 billion (€134.9 million).

Negotiable debt instruments

In the framework of its programs of NEU CP and of NEU MTN, FORVIA issues regularly NEU CP amounts (with a maturity between one month and one year) and NEU MTN (maturity above one year). As of December 31, 2024, the outstanding amounts was respectively of €348.8 million and €69.2 million.

Credit ratings

The Group is rated:

- BB+ negative outlook by Fitch since October 9, 2024;
- BB negative outlook by S&P since August 3, 2024;
- Ba3 stable outlook by Moody's since October 17, 2024 and at the same date, Moody's downgraded the bonds' rating of FORVIA S.E. from Ba2 to B1 ;
- A- negative outlook by JCR since November 26, 2024.

Moreover, HELLA held at 81.59% by FORVIA is rated Ba1 stable outlook by Moody's since December 16, 2024.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

The Group's global contractual maturity schedule as of December 31, 2024 breaks down as follows:

	Carrying Amount			Remaining contractual maturities				
(in € million)	**Assets**	**Liabilities**	**Total**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**>5 years**
Other non-current financial assets	158.5		158.5				158.5	
Other non-current assets	144.3		144.3				144.3	
Trade accounts receivables	3,962.3		3,962.3	3,848.0	27.0	87.2		
Cash and cash equivalents	4,500.4		4,500.4	4,500.4				
Accrued interests		(65.3)	(1,327.3)	(50.8)	(148.5)	(193.4)	(849.0)	(85.4)
Current portion of lease liabilities		(240.4)	(240.4)	(60.7)	(60.2)	(119.5)		
Bank borrowings and other financial debts – current								
Other current debts		(258.0)	(258.0)	(200.5)	(2.1)	(55.4)		
Trade accounts payables		(8,508.7)	(8,508.7)	(8,405.1)	(21.8)	(81.8)		
Bonds non current portion (excluding interest)								
2026 Bonds		(749.8)	(749.8)				(749.8)	
2026 SLB Bonds		(329.0)	(329.0)				(329.0)	
2026 JPY Bonds		(71.0)	(71.0)				(71.0)	
2027 Bonds		(884.2)	(884.2)				(884.2)	
2027 SLB Bonds		(1,196.1)	(1,196.1)				(1,196.1)	
2027 JPY Bonds		(41.7)	(41.7)				(41.7)	
2027 HELLA Bond		(499.4)	(499.4)				(499.4)	
2028 Bonds		(697.5)	(697.5)				(697.5)	
2028 JPY Bonds		(4.3)	(4.3)				(4.3)	
2029 Bonds		(500.0)	(500.0)				(500.0)	
2029 Green Bonds		(397.9)	(397.9)				(397.9)	
2031 Bonds		(695.6)	(695.6)					(695.6)
2032 HELLA Bond		(88.8)	(88.8)					(88.8)
Bank borrowings and other financial debts – non current								
Term Loan		(498.1)	(498.1)				(498.1)	
Schuldschein		(1,473.3)	(1,473.3)				(1,373.8)	(99.5)
Other non current debts		(1,140.8)	(1,140.8)				(1,033.4)	(106.8)
Non-current lease liabilities		(813.9)	(813.9)				(595.1)	(218.8)
Interest rate derivatives	**3.1**	**(7.5)**	**(4.4)**	**0.3**	**0.0**	**0.0**	**(7.5)**	**2.8**
– o/w cash flow hedges	2.8	(7.5)	(4.7)	0.0	0.0	0.0	(7.5)	2.8
– o/w derivatives not qualifying for hedge accounting under IFRS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- o/w accrued premiums to be paid/paid	0.3	0.0	0.3	0.3	0.0	0.0	0.0	0.0
Currency hedges	**34.5**	**(149.9)**	**(115.4)**	**(4.0)**	**(15,8)**	**(15,2)**	**(5,9)**	**(74,6)**
– o/w fair value hedges	5.8	(17.0)	(11.2)	2.3	(8.9)	(2.4)	(2.2)	0.0
– o/w cash flow hedges	27.9	(125.0)	(97.1)	(6.5)	(7.0)	(7.5)	(1.5)	(74.6)
– o/w derivatives not qualifying for hedge accounting under IFRS	0.4	0.0	0.4	0.1	0.1	0.2	0.0	0.0
– o/w derivatives of net investment hedge	0.4	(7.9)	(7.5)	0.1	0.0	(5.5)	(2.1)	0.0
TOTAL	**8,803.1**	**(19,310.4)**	**(11,769.4)**	**(372.4)**	**(221.4)**	**(378.1)**	**(9,430.8)**	**(1,366.7)**

27.4 Analysis of borrowings

As of December 31, 2024, the fixed portion of the gross financial debt amounted to 73.6% before taking into account the impact of hedging.

(in € million)	2024	
Variable rate borrowings	2,941.3	26.4 %
Fixed rate borrowings	8,190.7	73.6 %
TOTAL	**11,132.0**	**100.0 %**

Borrowings, taking into account foreign exchange swaps, break down by repayment currency as follows:

(in € million)	2024		2023	
Euros	9,357.1	84.1%	9,710.7	86.0%
US Dollars	1,139.6	10.2%	931.4	8.3%
Japanese Yen	367.9	3.3%	379.7	3.4%
Other currencies	267.4	2.4%	265.2	2.3%
TOTAL	**11,132.0**	**100.0%**	**11,287.1**	**100.0%**

As of December 31, 2024, the weighted average interest rate on gross outstanding borrowings was 4.79%.

NOTE 28 Trade payables, accrued taxes and payroll costs

FORVIA has implemented a reverse factoring program since 2017. This program enables suppliers participating to sell their receivables towards FORVIA to a financial institution (factor) before their contractual payment term. Relations between the parties are structured through two contracts:

- FORVIA suppliers are entering a factoring contract with the factor, for the receivables they have towards FORVIA;
- FORVIA signs a contract with the factor in which FORVIA commits to pay these invoices at the contractual payment term to the factor (once the invoices have been validated).

This program enables the participating suppliers to have their receivables paid on a short term by the factor. FORVIA pays these invoices at their contractual due date to the factor.

The scheme's analysis has led FORVIA to consider that the nature of these invoices was not changed by the implementation of this program. They are therefore still classified as trade payables in the balance sheet and in change in working capital requirement in the consolidated cash flow statement.

(in € million)	2024	2023
Total trade payables	8,508.7	8,397.9
out of which trade payables for which the suppliers have already been paid by the factor at their initiative	*723.7*	*844.0*
memo: Amount of trade payables being part to a supplier finance arrangement program (within the limit on the negotiated lines)	*1,066.9*	*1,123.0*

Average payment terms corresponding to the total trade payables are of around 115 days; average payment terms corresponding to the trade payables from suppliers having subscribed to the supplier finance arrangements are of between 80 and 90 days, they can vary depending on the geographical area of origin of the suppliers.

There has been no significant non cash change in the amount of trade payables being part to a supplier finance arrangement program apart from variances linked to foreign exchange rates.

(in € million)	2024	2023
Trade payables (A)	(8,509)	(8,398)
Material Consumption + External Charges (C1) (over 12 months)	(18,896)	(19,629)
Agent Flow (C2) (over 12 months)	(5,226)	(7,385)
Material Consumption with Agent Flows (C=C1+C2)	(24,122)	(27,014)
Days of Purchases Outstanding - DPO (A excl VAT/C/360)	**115 days**	**102 days**
of which FX and scope effect year-on-year	*5 days*	

	Total Group	o/w		
Days of Purchases Outstanding -DPO	**2024**	**EMEA**	**Americas**	**Asia**
Total trade payables	115 days	97 days	96 days	167 days
Total trade payables from suppliers having subscribed to the supplier finance arrangements within the limit on the negotiated lines	*82 days*	*95 days*	*76 days*	*57 days*

Nota : the computation of the days of purchases outstanding ratio necessitates the reintegration of the gross amount of agent flows (see note 1.3) which are neither included in the consolidated sales, nor in cost of goods sold in compliance with IFRS15, but are included in the working capital in inventory, trade payables and trade receivables.

NOTE 29 Accrued taxes and payroll costs

(in € million)	2024	2023
Accrued payroll costs	672.9	699.4
Payroll taxes	148.5	152.7
Employee profit-sharing	44.6	40.4
Other accrued taxes and payroll costs	164.8	168.8
TOTAL	**1,030.8**	**1,061.3**

NOTE 30 Sundry payables

(in € million)	2024	2023
Due to suppliers of non-current assets	313.4	313.2
Prepaid income	45.7	77.2
Current taxes	162.7	168.8
Other	337.4	313.6
Currency derivatives for operations	48.1	10.6
TOTAL	**907.3**	**883.4**

NOTE 31 Financial instruments

31.1 Financial instruments recorded in the balance sheet

	12/31/2024		Breakdown by category of instrument [1]			
(in € million)	Balance Sheet Carrying amount	Carrying amount not defined as financial instruments	Financial assets/ liabilities at fair value through profit or loss [2]	Financial assets/ liabilities at fair value through equity [2]	Assets and liabilities at amortized cost	Financial assets/ liabilities measured at fair value
Other equity interests	114.9		114.9			114.9
Other non-current financial assets	158.5		0.9	2.8	154.8	158.5
Trade accounts receivables	3,962.3	3,962.3				0.0
Other operating receivables	510.6	483.2	1.4	26.0		27.4
Other non-current assets	144.3	143.4		0.9		0.9
Other receivables and prepaid expenses	1,335.0	1,306.3		28.7		28.7
Currency derivatives	4.8		4.8			4.8
Interest rate derivatives	0.0		0.0	0.0		0.0
Cash and cash equivalents	4,500.4		4,500.4			4,500.4
FINANCIAL ASSETS	**10,730.8**	**5,895.2**	**4,622.4**	**58.4**	**154.8**	**4,835.6**
Long-term debt [3]	9,355.3	1.3	33.8	51.6	9,268.6	9,111.2
Non-current lease liabilities	813.9				813.9	813.9
Short-term debt	722.4		13.6	4.9	704.0	722.4
Current portion of lease liabilities	240.4				240.4	240.4
Prepayments on customers contracts	1,048.8	1,048.8				0.0
Trade payables	8,508.7	8,508.7				0.0
Accrued taxes and payroll costs	1,030.8	1,030.8				0.0
Other non current liabilities	69.5	38.8	28.3	2.4		30.7
Sundry payables	907.3	859.2	9.3	38.8		48.1
FINANCIAL LIABILITIES	**22,697.1**	**11,487.5**	**85.0**	**97.7**	**11,026.9**	**10,966.7**

(1) No financial instruments were transferred between categories during the year 2024.
(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.
(3) The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2024): for the 2026 bonds quoted 98.79% of par, at €740.9 million ; for the SLB 7.25% 2026 bonds quoted 103.20% of par, at €340.7 million ; for the 2026 bonds in Yen quoted 99.67% of par, at €71.5 million ; for the 2027 bonds quoted 95.00% of par, at €845.5 million; for the 2027 bonds SL quoted 96.16% of par, at €1,153.9 million; for the 2027 HELLA bonds quoted 94.99% of par, at €474.9 million; for the 2027 bonds in Yen quoted 99.45% of par, at €41.5 million ; for the 2028 bonds quoted 97.27% of par, at €680.9 million; for the 2028 bonds in Yen quoted 99.34% of par, at €4.3 million, for the 2029 green bonds quoted 89.73% of par, at €358.9 million, for the 2029 bonds quoted 100.02% of par, at €500.1 million and for the 2031 bonds quoted 99.88% of par, at €699.2 million.

(in € million)	12/31/2023		Breakdown by category of instrument [1]			
	Balance Sheet Carrying amount	Carrying amount not defined as financial instruments	Financial assets/ liabilities at fair value through profit or loss [2]	Financial assets/ liabilities at fair value through equity [2]	Assets and liabilities at amortized cost	Financial assets/ liabilities measured at fair value
Other equity interests	116.4		116.4			116.4
Other non-current financial assets	156.5		16.6	0.5	139.4	156.5
Trade accounts receivables	4,132.9	4,132.9				0.0
Other operating receivables	593.4	541.3	2.5	49.6		52.1
Other non-current assets	154.7	152.8		1.9		1.9
Other receivables and prepaid expenses	1,449.2	1,414.6		34.6		34.6
Currency derivatives	4.5		4.5			4.5
Interest rate derivatives	4.2		0.1	4.1		4.2
Cash and cash equivalents	4,273.9		4,273.9			4,273.9
FINANCIAL ASSETS	**10,885.7**	**6,241.7**	**4,414.1**	**90.6**	**139.4**	**4,644.1**
Long-term debt [3]	8,686.7	2.0	29.6	41.1	8,614.0	8,744.1
Non-current lease liabilities	836.5				836.5	836.5
Short-term debt	1,544.8		3.9	0.7	1,540.3	1,544.8
Current portion of lease liabilities	219.1				219.1	219.1
Prepayments on customers contracts	1,051.4	1,051.4				0.0
Trade payables	8,397.9	8,397.9				0.0
Accrued taxes and payroll costs	1,061.3	1,061.3				0.0
Other non-current liabilities	72.0	42.2	29.4	0.4		29.8
Sundry payables	883.4	872.9	0.3	10.2		10.5
FINANCIAL LIABILITIES	**22,753.1**	**11,427.6**	**63.2**	**52.4**	**11,209.8**	**11,384.9**

(1) No financial instruments were transferred between categories during the year 2023.
(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.
(3) The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2023): for the 2024 HELLA bonds quoted 98.60% of par, at €295.8 million; for the 2025 bonds quoted 98.17% of par, at €981.7 million; for the 2026 bonds quoted 98.06% of par, at €735.5 million; for the SLB 7.25% 2026 bonds quoted 106.06% of par, at €848.4 million; for the 2026 bonds in Yen quoted 100.10% of par, at €74.9 million; for the 2027 bonds quoted 94.59% of par, at €841.9 million; for the 2027 bonds SL quoted 95.70% of par, at €1,148.4 million; for the 2027 HELLA bonds quoted 91.56% of par, at €457.8 million; for the 2027 bonds in Yen quoted 100.36% of par, at €43.7 million; for the 2028 bonds quoted 98.07% of par, at €686.5 million; for the 2028 bonds in Yen quoted 100.61% of par, at €4.5 million and for the 2029 green bonds quoted 91.33% of par, at €365.3 million.

Moreover, FORVIA has signed in 2022 two power purchase contracts (VPPA) in wind farms in Sweden for a total production of 638 GWh per year (ten years contracts). These contracts, except the component of guarantees of origin acquisition, are considered as financial instruments according to IFRS 9. As of December 31, 2024, the variance of the fair value of the contracts represented a loss of €0.7 million accounted for in other financial income and expense (fair value at level 3). The guarantees of origin are for FORVIA own-use.

The main measurement methods applied are as follows:

- items accounted for at fair value through profit or loss, as well as hedging instruments, are measured using a valuation technique based on rates quoted on the interbank market, such as Euribor and exchange rates set daily by the European Central Bank;
- financial liabilities are primarily recognized at amortized cost calculated using the effective interest rate method;
- the fair value of trade receivables and payables related to manufacturing and sales operations corresponds to their carrying value given of their very short maturities.

The impact of financial instruments on income:

	2024	Breakdown by category of instrument		
(in € million)	Impact Income	Financial assets/ liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Instruments derivatives
Translation differences on commercial transactions	11.7	14.9		(3.2)
Income on loans, cash investments and marketable securities	129.4	129.4		
Finance costs	(624.6)		(624.6)	
Other financial income and expenses	(66.6)	(34.3)	(36.5)	4.2
Net income (expenses)	**(550.1)**	**110.0**	**(661.1)**	**1.0**

	2023	Breakdown by category of instrument		
(in € million)	Impact Income	Financial assets/ liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Instruments derivatives
Translation differences on commercial transactions	63.8	61.4		2.4
Income on loans, cash investments and marketable securities	90.7	90.7		
Finance costs	(586.2)		(586.2)	
Other financial income and expenses	(52.3)	(14.5)	(22.7)	(15.1)
Net income (expenses)	**(484.0)**	**137.6**	**(608.9)**	**(12.7)**

As of December 31, 2024, movements in provisions for impairment break down as follows by category of financial asset:

(in € million)	Balance as of January 1, 2024	Additions	Utilizations	Reversals (surplus provisions)	Change in scope of consolidation and other changes	Balance as of December 31, 2024
Doubtful accounts	(31.1)	(44.8)	37.7	0.0	(0.3)	(38.6)
Shares in non-consolidated companies	(24.6)	(13.1)	0.3	0.0	(0.7)	(37.9)
Non-current financial assets	(16.3)	(19.7)	1.0	0.0	(1.7)	(36.7)
Other receivables	(17.4)	0.0	0.8	0.0	0.2	(16.3)
TOTAL	**(89.4)**	**(77.5)**	**39.8**	**0.0**	**(2.4)**	**(129.5)**

31.2 Financial instruments – fair value hierarchy

The Group's financial instruments that are measured at fair value break down as follows by level of fair value measurement:

Level 1 (prices quoted in active markets) for short-term cash investments and Level 2 (measured using a valuation technique based on rates quoted on the interbank market and exchange rates set daily by the European Central Bank) for currency and interest rate instruments.

NOTE 32 Hedging of currency and interest rate risks

32.1 Transactions in foreign currencies and derivatives

Transactions in foreign currencies are converted at the exchange rate prevailing on the transaction date. Receivables and payables are converted at the year-end exchange rate. Resulting gains or losses are recorded in the income statement as operating income or expenses for operating receivables and payables, and under "Other financial income and expenses" for other receivables and payables.

FORVIA uses derivative instruments traded on organized markets or purchased over the counter from first-rate counterparties to hedge currency and interest rate risks. They are recorded at fair value in the balance sheet.

32.2 Hedging of currency risks

Currency risks relating to the commercial transactions of the Group's subsidiaries are managed centrally by FORVIA, except HELLA and its subsidiaries, using forward purchase and sale contracts and options as well as foreign currency financing. FORVIA manages the hedging of currency risks on a central basis, through the Group Finance and Treasury department, which reports to the Executive Management. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

Currency risks relating to the commercial transactions of the HELLA's subsidiaries, are managed centrally by HELLA, using forward purchase and sale contracts and options as well as foreign currency financing. HELLA manages the hedging of currency risks on a central basis, through the Treasury department, which reports to the Executive Management.

Currency risks on forecasted transactions are hedged on the basis of estimated cash flows determined when budgets are prepared, validated by Executive Management; these forecasts are updated on a regular basis. The related derivatives are classified as cash flow hedges when there is a hedging relationship that satisfies the IFRS 9 criteria.

Subsidiaries with a functional currency different from the euro are granted inter-company loans in their operating currencies. Although these loans are refinanced in euros and eliminated in consolidation, they contribute to the Group's currency risk exposure and are therefore hedged through foreign exchange swaps or financing in the concerned currency.

The effective portion of changes in the fair value of instruments used to hedge future revenues is recorded in equity and taken to operating income when the hedged revenues are received.

Changes in the fair value of instruments used to hedge trade receivables and payables are recorded as operating income or expense.

The portion of the change in fair value of these hedges that is ineffective (time value of the hedges) is recorded under "Other financial income and expenses" together with changes in the fair value of instruments used to hedge otherreceivables and payables except for the changes in the fair value of cash flow hedges which are recorded in amounts to be potentially reclassified to profit or loss.

The foreign exchange exposure of investments in equity (in different currency than euro) is generally not hedged using financial instruments. However, the Group has decided to partially hedge its net investment in China. Foreign exchange gains or losses related to these hedges directly impact equity for the variance of the intrinsic value; variances of the timevalue are recorded under "Other financial income and expenses".

2024

Currency exposure *(in € million)*	USD	CZK	CNY	GBP	PLN	MXN	JPY
Trade receivables (net of payables)	109.6	(108.6)	116.3	12.0	(43.1)	(122.4)	53.8
Financial assets (net of liabilities) [1]	344.2	(2.6)	(487.1)	(123.2)	0.0	(7.0)	154.1
Forecast transactions [2]	129.6	(156.6)	(2.3)	(43.7)	(88.3)	(134.5)	105.2
Net position before hedging	**583.3**	**(267.7)**	**(373.0)**	**(154.9)**	**(131.4)**	**(263.9)**	**313.1**
Currency hedges	(484.4)	200.4	347.2	133.6	109.6	298.0	(271.6)
Net position after hedging	**99.0**	**(67.4)**	**(25.8)**	**(21.3)**	**(21.8)**	**34.1**	**41.5**

(1) Including inter-company financing.
(2) Commercial exposure anticipated over the next 6 months.

2023

Currency exposure *(in € million)*	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
Trade receivables (net of payables)	94.6	(111.3)	159.2	2.5	2.1	(21.4)	(95.6)	52.9
Financial assets (net of liabilities) [1]	226.7	(1.8)	(349.0)	(27.6)	(97.2)	0.0	15.2	34.8
Forecast transactions [2]	147.4	(139.4)	41.5	0.5	(33.4)	(92.0)	(158.3)	31.4
Net position before hedging	**468.7**	**(252.4)**	**(148.3)**	**(24.6)**	**(128.4)**	**(113.4)**	**(238.7)**	**119.1**
Currency hedges	(354.0)	196.3	178.0	0.0	118.8	79.0	212.3	(211.2)
Net position after hedging	**114.7**	**(56.1)**	**29.7**	**(24.6)**	**(9.6)**	**(34.4)**	**(26.4)**	**(92.0)**

(1) Including inter-company financing.
(2) Commercial exposure anticipated over the next six months.

Hedging instruments are recognized in the balance sheet at fair value. Fair value is determined based on measurements confirmed by banking counterparties.

Information on hedged notional amounts

(in € million)	Carrying amount		Notional amount [1]	Maturities of notional amount		
December 31, 2024	Assets	Liabilities		< 1 year	1 to 5 years	> 5 years
Fair value hedges						
– forward currency contracts	0.1	(0.1)	10.8	10.8	0.0	0.0
– foreign currencies swaps	4.8	(13.7)	1,230.2	1,230.2	0.0	0.0
– cross-currency swaps	0.9	(3.0)	106.5	0.0	106.5	0.0
Cash flow hedges						
– forward currency contracts	23.3	(46.5)	2,134.3	1,973.6	160.7	0.0
– currency option	4.5	(3.9)	363.7	363.7	0.0	0.0
– cross-currency swaps	0.0	(74.7)	134.9	0.0	0.0	134.9
Net Investment Hedge						
– forward currency contracts	0.0	(7.7)	409.4	274.2	135.2	0.0
– currency option	0.4	(0.3)	100.2	100.2	0.0	0.0
Not eligible for hedge accounting	0.4	0.0	26.3	26.3	0.0	0.0
TOTAL	**34.5**	**(149.9)**				

(1) Notional amounts based on absolute values.

(in € million)	Carrying amount		Notional amount[1]	Maturities of notional amount		
12/31/2023	**Assets**	**Liabilities**		**< 1 year**	**1 to 5 years**	**> 5 years**
Fair value hedges						
– Forward currency contracts	0.0	(0.1)	23.6	23.6	0.0	0.0
– Foreign currencies swaps	4.6	(4.2)	1,141.3	1,141.3	0.0	0.0
– Cross-currency swaps	17.0	(1.5)	137.1	0.0	137.1	0.0
Cash flow hedges						
– Forward currency contracts	48.2	(10.0)	1,871.9	1,730.8	141.1	0.0
– Currency option	5.7	(0.9)	372.8	372.8	0.0	0.0
– Cross-currency swaps	0.0	(68.4)	140.7	0.0	0.0	140.7
Net Investment Hedge						
– Forward currency contracts	0.0	(0.5)	195.8	195.8	0.0	0.0
Not eligible for hedge accounting	0.0	0.0	8.8	8.8	0.0	0.0
TOTAL	**75.5**	**(85.6)**				

(1) Notional amounts based on absolute values.

The sensitivity of Group income and equity as of December 31, 2024 to a fluctuation in exchange rates against the euro is as follows:

Currency	**USD**	**CZK**	**CNY**	**GBP**	**PLN**	**MXN**	**JPY**
2024	**1.04**	**25.19**	**7.58**	**0.83**	**4.28**	**21.55**	**163.06**
Currency fluctuation scenario (depreciation of currency/EUR)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Exchange rate after currency depreciation	**1.09**	**26.44**	**7.96**	**0.87**	**4.49**	**22.63**	**171.21**
Impact on pre-tax income *(in € million)*	(7.7)	5.5	2.9	(0.4)	2.3	7.0	(7.3)
Impact on other comprehensive income *(in € million)*	14.5	(14.6)	23.9	0.0	(6.9)	(8.6)	(1.0)

These impacts reflect (i) the effect on the income statement of currency fluctuations on the year-end valuation of assets and liabilities recognized on the balance sheet, net of the impact of the change in the intrinsic value of hedging instruments (both those qualifying and not qualifying as fair value hedges) and (ii) the effect on equity of the change in the intrinsic value of hedging instruments for derivatives qualifying as cash-flow hedges.

32.3 Interest rate hedges

FORVIA manages the hedging of interest rate risks on a central basis. Such management is implemented through the Group Finance and Treasury department, which reports to the Executive Management. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

HELLA manages the hedging of interest rate risks on a central basis. Such management is implemented through the Group Finance and Treasury department, which reports to the Executive Management.

Changes in the fair value of interest rate hedges are recorded directly in "Other financial income and expenses" when the hedging relationship cannot be demonstrated under IFRS 9, or where the Group has elected not to apply hedge accounting principles.

The table below shows the Group's interest rate position, with assets, liabilities and derivatives broken down into fixed or variable rates. Financial assets include cash and cash equivalents and interest rate hedges include interest rate swaps as well as in-the-money options.

(in € million)	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
2024	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate
Financial assets		4,505.7				0.9		2.8		4,509.4
Financial liabilities	(260.4)	(702.4)	(1,469.6)	(316.0)	(5,287.5)	(1,841.4)	(1,173.2)	(81.5)	(8,190.7)	(2,941.2)
Net position before hedging	**(260.4)**	**3,803.3**	**(1,469.6)**	**(316.0)**	**(5,287.5)**	**(1,840.4)**	**(1,173.2)**	**(78.7)**	**(8,190.7)**	**1,568.2**
Interest rate hedges	0.0	0.0	0.0	0.0	(317.5)	317.5	(200.0)	200.0	(517.5)	517.5
Net position after hedging	**(260.4)**	**3,803.3**	**(1,469.6)**	**(316.0)**	**(5,605.0)**	**(1,522.9)**	**(1,373.2)**	**121.3**	**(8,708.2)**	**2,085.7**

(in € million)	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
2023	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate
Financial assets		4,282.7				17.0		0.1		4,299.8
Financial liabilities	(613.2)	(1,236.9)	(1,200.6)	(190.0)	(5,471.2)	(1,469.7)	(1,105.5)	0.0	(8,390.4)	(2,896.6)
Net position before hedging	**(613.2)**	**3,045.8**	**(1,200.6)**	**(190.0)**	**(5,471.2)**	**(1,452.7)**	**(1,105.5)**	**0.1**	**(8,390.4)**	**1,403.2**
Interest rate hedges	(137.0)	137.0	0.0	0.0	30.3	(30.3)	(225.0)	225.0	(331.7)	331.7
Net position after hedging	**(750.2)**	**3,182.8**	**(1,200.6)**	**(190.0)**	**(5,440.9)**	**(1,483.0)**	**(1,330.5)**	**225.1**	**(8,722.1)**	**1,734.9**

Cross-currency swaps variable/fixed rate are included in the above detailed position, but their value in the balance sheet as well as the notional amounts are included in the corresponding table for currency hedging instruments in Note 32.2 and not in the interest rate hedging instruments hereafter.

The main components of the fixed rate debt are the bonds issued by FORVIA S.E. and HELLA; EIB credit facility maturing in 2029; a part of the *Schuldscheindarlehen* issued in December 2021 and in July 2024; HELLA Bilaterals maturing in 2032 and 2033 (see Note 27.3).

The majority of interest rate derivatives as of December 31, 2024 aim at hedging the variable part of the *Schuldscheindarlehen* against an interest rate increase.

In December 2024, FORVIA has implemented a pre hedging with rate swaps with delayed start, in order to hedge a portion of the future issuance of debt. As of December 31, 2024, the nominal value of this pre hedge was €300 million, with a value booked in assets for €2.8 million.

The notional amounts of the Group's interest rate hedges break down as follow:

(in € million)	Carrying amount		Notional amounts by maturity		
12/31/2024	**Assets**	**Liabilities**	**< 1 year**	**1 to 5 years**	**> 5 years**
Interest rate options	0.0	0.0	0.0	0.0	0.0
Variable rate/fixed rate swaps	2.2	(7.5)	0.0	217.5	300.0
Swaption	0.6	0.0	0.0	0.0	100.0
Accrued premiums payable	0.3	0.0	0.0	0.0	0.0
TOTAL	**3.1**	**(7.5)**	**0.0**	**217.5**	**400.0**

(in € million)	Carrying amount		Notional amounts by maturity		
12/31/2023	**Assets**	**Liabilities**	**< 1 year**	**1 to 5 years**	**> 5 years**
Interest rate options	0.0	0.0	0.0	0.0	0.0
Variable rate/fixed rate swaps	4.3	(0.6)	137.0	225.0	0.0
Swaption	0.0	0.0	0.0	0.0	0.0
Accrued premiums payable	0.0	0.0	0.0	0.0	0.0
TOTAL	**4.3**	**(0.6)**	**137.0**	**225.0**	**0.0**

A part of the Group borrowings being at variable rates as stated in Note 27.4, a rise in short-term rates would therefore have an impact on financial expense.

The sensitivity tests performed, assuming a 100 bp increase in average interest rates compared to the rate curve as of December 31, 2024, show that the effect on net financial expense (before taxes) would not be significant, taking into account the profile of the Group's borrowings and derivatives in place as of December 31, 2024.

32.4 Counterpart risk on derivatives

FORVIA's counterparty risk connection with its derivatives is not significant as the majority of its derivatives are arranged with banks with strong ratings that form part of its banking pool. The consideration of derivatives compensation agreements existing with counterparts, is summarized as follows:

	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fullfiling IAS 32 compensation criteria)		(e) = (c) - (d)
Financial assets as of December 31, 2024	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	37.4	0.0	37.4	20.3	0.0	17.1
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**37.4**	**0.0**	**37.4**	**20.3**	**0.0**	**17.1**

	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fullfiling IAS 32 compensation criteria)		(e) = (c) - (d)
Financial liabilities as of December 31, 2024	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	157.4	0.0	157.4	20.3	0.0	137.1
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**157.4**	**0.0**	**157.4**	**20.3**	**0.0**	**137.1**

NOTE 33 Commitments given and contingent liabilities

Commitments given

(in € million)	2024	2023
Future minimum lease payments [1]	28.6	70.5
Debt collateral:		
– mortgages	1.9	2.2
Other debt guarantees	86.4	106.6
Firm orders for property, plant and equipment and intangible assets	252.7	353.1
Other	10.5	4.0
TOTAL	**380.1**	**536.4**

(1) Commitments on future lease payments are considering for December 2024 only obligations not reflected in the lease liability, such as payments on contracts corresponding to exemption criteria allowed by IFRS 16 and considered by the Group as well as future payments on signed contracts which execution has not yet started.

Future minimum lease payments break down as follows:

(in € million)	2024	2023
N+1	11.9	22.4
N+2	7.5	11.3
N+3	5.8	10.7
N+4	2.0	6.9
N+5 and above	1.4	19.1
TOTAL	**28.6**	**70.5**

Expiry dates of mortgages and guarantees:

(in € million)	2024
– less than a year	41.4
– 1 to 5 years	27.5
– more than 5 years	19.5
TOTAL	**88.3**

NOTE 34 Related party transactions

Transactions with consolidated entities are eliminated by the consolidation process. FORVIA's business relations with non-consolidated or Equity consolidated entities are considered as non-significant.

NOTE 35 Management compensation

Total compensation for 2024 awarded to the members of the Board of Directors and the Group Executive Committee serving in this capacity as at December 31, 2024 amounted to €19,573,390 including directors' fees of €1,200,000 compared with the 2023 figures of €17,382,859 and €703,571 respectively.

NOTE 36 Fees paid to the Statutory Auditors

	EY				Forvis Mazars			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
(in € million)	2024	2023	2024	2023	2024	2023	2024	2023
Audit								
Statutory and contractual audits								
Issuer	1.4	1.3	20.0%	22.8%	1.5	1.2	14.3%	14.6%
Fully consolidated companies	4.0	3.8	55.6%	66.7%	7.7	6.7	73.3%	82.9%
Certification of Sustainability Information (CSRD)	0.6	NA	7.8%	NA	0.5	NA	4.8%	NA
SUB-TOTAL	**6.0**	**5.1**	**83.3%**	**89.5%**	**9.7**	**7.9**	**92.4%**	**97.5%**
Other services								
Issuer	1.0	0.4	13.9%	7.0%	0.8	0.2	7.6%	2.5%
Fully consolidated companies	0.2	0.2	2.8%	3.5%	0.0	0.0	0.0%	0.0%
SUB-TOTAL	**1.2**	**0.6**	**16.7%**	**10.5%**	**0.8**	**0.2**	**7.6%**	**2.5%**
TOTAL	**7.2**	**5.7**	**100.0%**	**100.0%**	**10.5**	**8.1**	**100.0%**	**100.0%**

Other services provided by EY to the Company and its subsidiaries mainly relate to issuance of statements as independent auditors, contractual audit reports, procedures in connection with divestment projects, consultations and comfort letters in connection with a financing operation.

Other services provided by Forvis Mazars to the Company and its subsidiaries mainly relate to issuance of statements as independent auditors, verification of the non-financial statement included in management report, contractual audit reports, procedures in connection with divestment projects, consultations and comfort letters in connection with a financing operation.

NOTE 37 Dividends

The Board of Directors has decided to propose to the next Annual Shareholders' Meeting not to distribute any dividend for the year 2024.

List of consolidated companies as of December 31, 2024

	Country	Interest of (%)	Stake (%) [1]
I - FULLY CONSOLIDATED COMPANIES			
FORVIA S.E.	France	Holding	Holding
South Africa			
Faurecia Interior Systems South Africa (Pty), Ltd	South Africa	100	100
Faurecia Interior Systems Pretoria (Pty), Ltd	South Africa	100	100
Faurecia Emission Control Technologies South Africa (CapeTown) (Pty), Ltd	South Africa	100	100
HELLA Automotive South Africa (Pty) Ltd	South Africa	81.59	100
Germany			
Faurecia Autositze GmbH [2]	Germany	100	100
Faurecia Automobiltechnik GmbH [2] [3]	Germany	100	100
Faurecia Automotive GmbH [2] [3]	Germany	100	100
Faurecia Innenraum Systeme GmbH [2]	Germany	100	100
Faurecia Emissions Control Technologies, Germany GmbH [2]	Germany	100	100
Clarion Europa GmbH	Germany	100	100
FORVIA Germany GmbH [2] [3]	Germany	100	100
HELLA GmbH & Co. KGaA	Germany	81.59	100
HELLA Innenleuchten-Systeme GmbH	Germany	81.59	100
HELLA Fahrzeugkomponenten GmbH	Germany	81.59	100
HFK Liegenschaftsgesellschaft mbH	Germany	81.59	100
HELLA Aglaia Mobile Vision GmbH	Germany	81.59	100
HELLA Distribution GmbH	Germany	81.59	100
RP Finanz GmbH	Germany	81.59	100
Docter Optics SE	Germany	81.59	100
Docter Optics Components GmbH	Germany	81.59	100
HELLA Werkzeug Technologiezentrum GmbH	Germany	81.59	100
HELLA Corporate Center GmbH	Germany	81.59	100
HELLA Gutmann Holding GmbH	Germany	81.59	100
HELLA Gutmann Solutions GmbH	Germany	81.59	100
HELLA Gutmann Anlagenvermietung GmbH	Germany	81.59	100
TecMotive GmbH	Germany	81.59	100
HELLA Geschaftsführungsgesellschaft GmbH	Germany	81.59	100
HELLA Holding International GmbH	Germany	81.59	100
Faurecia Hydrogen Solutions Germany	Germany	100	100
Argentina			
Faurecia Sistemas De Escape Argentina S.A.	Argentina	100	100
Faurecia Argentina S.A.	Argentina	100	100

(1) Cumulated percentages of interest for fully consolidated companies.
(2) Application of Section 264 (3) HGB (German Commercial Code).
(3) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) [1]
Australia			
HELLA Asia Pacific Pty Ltd	Australia	81.59	100
HELLA Australia Pty Ltd	Australia	81.59	100
HELLA Asia Pacific Holdings Pty Ltd	Australia	81.59	100
Austria			
HELLA Handel Austria GmbH	Austria	81.59	100
HELLA Fahrzeugteile Austria GmbH	Austria	81.59	100
Belgium			
Faurecia Automotive Belgium	Belgium	100	100
Brazil			
Faurecia Automotive do Brasil, Ltda	Brazil	100	100
FMM Pernambuco Componentes Automotivos, Ltda	Brazil	100	100
HELLA do Brazil Automotive Ltda.	Brazil	81.59	100
Canada			
Faurecia Emissions Control Technologies Canada, Ltd	Canada	100	100
Irystec Software Inc.	Canada	100	100
China			
Faurecia Exhaust Systems Changchun Co., Ltd	China	51	100
Changchun Faurecia Xuyang Automotive Seat Co., Ltd	China	60	100
Faurecia - GSK (Wuhan) Automotive Seating Co., Ltd	China	51	100
Faurecia (Wuxi) Seating Components Co., Ltd	China	100	100
Faurecia Tongda Exhaust Systems Wuhan Co., Ltd	China	50	100
Faurecia Honghu Exhaust Systems Shanghai, Co., Ltd	China	66	100
Faurecia (Changchun) Automotive Systems Co., Ltd	China	100	100
Faurecia Emissions Control Technologies Development (Shanghai) Co., Ltd	China	100	100
Faurecia (Shanghai) Automotive Systems Co., Ltd	China	100	100
Faurecia (Qingdao) Exhaust Systems Co., Ltd	China	100	100
Faurecia (China) Holding Co., Ltd	China	100	100
Faurecia (Guangzhou) Automotive Systems Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Chongqing) Co., Ltd	China	72.5	100
Faurecia Emissions Control Technologies (Yantai) Co., Ltd.	China	100	100
Faurecia (Chengdu) Emissions Control Technologies Co., Ltd	China	51	100
Faurecia (Nanjing) Automotive Systems Co., Ltd	China	100	100
Faurecia (Shenyang) Automotive Systems Co., Ltd	China	100	100
Faurecia (Wuhan) Automotive Components Systems Co., Ltd	China	100	100
Changchun Faurecia Xuyang Interior Systems Co., Ltd	China	60	100
Chengdu Faurecia Automotive Systems Co., Ltd	China	100	100
Faurecia (Yancheng) Automotive Systems Co., Ltd	China	100	100
CSM Faurecia Automotive Parts Co., Ltd	China	50	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
Faurecia NHK (Xiangyang) Automotive Seating Co., Ltd	China	51	100
Faurecia Emissions Control Technologies (Beijing) Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd	China	51	100
Faurecia (Chengdu) Automotive Components Manufacturing Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Foshan) Co., Ltd	China	51	100
Foshan Faurecia Xuyang Interior Systems Co., Ltd	China	60	100
Faurecia PowerGreen Emissions Control Technologies (Shanghai) Co., Ltd	China	100	100
Shanghai Faurecia Automotive Seating Co., Ltd	China	55	100
Changsha Faurecia Emissions Control Technologies Co., Ltd	China	100	100
Dongfeng Faurecia Automotive Interior Co., Ltd	China	50	100
Borgward Faurecia (Tianjin) Auto Systems Co., Ltd	China	51	100
Faurecia Automotive Parts (Foshan) CO., LTD.	China	100	100
Faurecia (Jimo) Emissions Control Technologies Co., Ltd	China	100	100
Faurecia (Tianjin) Emission Control Technologies Co., Ltd	China	51	100
Faurecia Yinlun (Weifang) Emission Control Technologies Co., Ltd	China	52	100
Tianjin Faurecia Xuyang Automotive System Co., Ltd	China	60	100
Dongfeng Faurecia (Xianyang) Emissions Control Technologies Co. Ltd	China	50	100
Faurecia (Changshu) Automotive System Co., Ltd	China	60	100
Faurecia Clarion Electronic Fengcheng Co., Ltd	China	100	100
Shenzhen Faurecia Automotive Parts Co., Ltd	China	70	100
Faurecia (Haining) Automotive Systems Co., Ltd.	China	100	100
Faurecia (Liuzhou) Automotive Interior Systems Co.,Ltd	China	50	100
Faurecia Clarion Electronic Foshan Co., Ltd	China	100	100
Faurecia Chongqing Zhuotong Automotive Interior Systems Co.,Ltd	China	50	100
Shanghai Faurecia Automotive Seating component Co., Ltd	China	55	100
HUG Engineering Shanghai Co., Ltd	China	100	100
Faurecia Clarion Electronics (Dongguan) Co. Ltd.	China	100	100
Faurecia Clarion Electronics (Xiamen) Co. Ltd.	China	100	100
Chengdu Faurecia Xuyang Automotive Seat Co., Ltd	China	60	100
Zhejiang Faurecia Interior & Exterior Systems Co., Ltd	China	100	100
Faurecia Clarion Electronic Chongqing LTD	China	100	100
Changchun Faurecia Xuyang Display Technology Co., Ltd.	China	100	100
Nanjing Faurecia Emission Control Technology Co.,ltd	China	66	100
Faurecia (Shanghai) Automotive Component Co.LTD	China	100	100
Faurecia (Jiaxing) Automotive Systems Co., Ltd.	China	100	100
Faurecia CLD Safety Technology (Shenyang) Co., Ltd.	China	100	100
FSVAP Electronics (Wuhan) Co., Ltd.	China	100	100
Faurecia (Tianjin) Automotive Systems Co., Ltd	China	100	100
HELLA Shanghai Electronics Co., Ltd.	China	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
HELLA Changchun Tooling Co., Ltd.-5	China	81.59	100
HELLA Corporate Center (China) Co., Ltd.	China	81.59	100
Changchun HELLA Automotive Lighting Ltd.	China	81.59	100
Beifang HELLA Automotive Lighting Ltd.	China	81.59	100
HELLA Trading (Shanghai) Co., Ltd.	China	81.59	100
HELLA China Holding Co., Ltd.	China	81.59	100
HELLA (Xiamen) Electronic Device Co., Ltd.	China	81.59	100
Jiaxing HELLA Lighting Co., Ltd.	China	81.59	100
Xian Faurecia Automotive Parts Co.,LTD	China	70	100
Changzhou Faurecia Automotive Parts Co.,LTD	China	70	100
Changchun FAWSN Faurecia Cockpit of Future System Co., Ltd	China	50	100
Faurecia (Jiaxing) Automotive Seating Co., Ltd	China	100	100
Faurecia Hydrogen Solutions China	China	100	100
Zhengzhou Faurecia Automotive Parts Co LTD	China	70	100
JinHua LEAP Faurecia Automotive Parts Co LTD	China	51	100
Faurecia (Shanghai) Automotive Interior Systems Co. Ltd	China	100	100
Beijing Hella BHAP Automotive Lighting Co., Ltd	China	40.8	100
Hella BHAP (Sanhe) Automotive Lighting Co., Ltd	China	40.8	100
Hella BHAP (Tianjin) Automotive Lighting Co., Ltd	China	40.8	100
Shenzhen Faurecia Automotive Parts System Co., Ltd	China	70	100
AnHui Chery Faurecia Cockpit of Future System Co.,LTD.	China	51	100
HELLA Nanjing Electronics Co., Ltd.	China	81.59	100
Hella BHAP (Changzhou) Automotive Lighting Co., Ltd.	China	40.8	100
Faurecia FCM System (shanghai) Co. Ltd.	China	100	100
Faurecia Clarion Electronics Asia Pacific Limited	China	100	100
Chang Ming Co., Ltd.	China	100	100
Clarion (H.K.) Industries Co., Ltd	China	100	100
China Taiwan			
Covatech Inc.	China Taiwan	100	100
Colombia			
Hella Colombia Autopartes S.A.S.	Colombia	81.59	100
South Korea			
Faurecia Korea, Ltd	South Korea	100	100
FCM Yeongcheon	South Korea	100	100
FAS Yeongcheon	South Korea	100	100
Docter Optics Asia Ltd.	South Korea	81.59	100
HELLA Korea Inc.	South Korea	81.59	100
Faurecia Hydrogen Solutions Korea	South Korea	100	100
Denmark			
Amminex Emissions Technology AS	Denmark	100	100
HELLA Gutmann Solutions A/S	Denmark	81.59	100
HELLA A/S	Denmark	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
United Arab Emirates			
HELLA Middle East FZE	United Arab Emirates	81.59	100
HELLA Middle East LLC	United Arab Emirates	39.98	100
Spain			
Asientos de Castilla Leon, S.A.	Spain	100	100
Asientos del Norte, S.A.	Spain	100	100
Faurecia Asientos Para Automovil España, S.A.	Spain	100	100
Faurecia Sistemas De Escape España, SA	Spain	100	100
Tecnoconfort	Spain	50	100
Asientos de Galicia, S.L.	Spain	100	100
Faurecia Automotive España, S.L.	Spain	100	100
Faurecia Interior System España, S.A.	Spain	100	100
Faurecia Interior System SALC España, S.L.	Spain	100	100
Valencia Modulos de Puertas, S.L.	Spain	100	100
Faurecia Emissions Control Technologies, Pamplona, S.L.	Spain	100	100
Incalplas, S.L.	Spain	100	100
Faurecia Holding España S.L.	Spain	100	100
HELLA España Holdings S. L.	Spain	81.59	100
Manufacturas y Accesorios Electricos S.A.	Spain	81.59	100
HELLA S.A.	Spain	81.59	100
United States			
Faurecia Emissions Control Systems NA, LLC	United States	100	100
Faurecia Automotive Seating, LLC	United States	100	100
Faurecia USA Holdings, Inc.	United States	100	100
Faurecia Emissions Control Technologies, USA, LLC	United States	100	100
Faurecia Interior Systems, Inc.	United States	100	100
Faurecia Madison Automotive Seating, Inc.	United States	100	100
Faurecia Interiors Louisville, LLC	United States	100	100
Faurecia Interior Systems Saline, LLC	United States	100	100
Faurecia Mexico Holdings, LLC	United States	100	100
FNK North America, Inc.	United States	100	100
Faurecia NAO, INC.	United States	100	100
Clarion Corporation of America	United States	100	100
Docter Optics Inc.	United States	81.59	100
HELLA Corporate Center USA, Inc.	United States	81.59	100
HELLA Electronics Corporation	United States	81.59	100
HELLA Automotive Sales, Inc.	United States	81.59	100
HELLA Ventures, LLC	United States	81.59	100
Faurecia Hydrogen Solutions North America, Inc.	United States	100	100
Materi'act Dallas LLC	United States	55.4	100
FSVAP USA, INC	United States	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
France			
Faurecia Sièges d'automobile	France	100	100
Faurecia Industries	France	100	100
ECSA - Etudes Et Construction de Sièges pour l'Automobile	France	100	100
Siedoubs	France	100	100
Siemar	France	100	100
Faurecia Seating Flers	France	100	100
Faurecia Investments	France	100	100
Trecia	France	100	100
Faurecia Automotive Holdings	France	100	100
Faurecia Intérieur Industrie	France	100	100
Faurecia Systèmes d'Echappement	France	100	100
Faurecia Services Groupe	France	100	100
Faurecia Exhaust International	France	100	100
Faurecia Exhaust Russia Holding	France	100	100
Materi'Act	France	100	100
Faurecia Hydrogen Solutions	France	100	100
Faurecia Ventures	France	100	100
Faurecia Automotive Composites	France	100	100
Hambach Automotive Exteriors	France	100	100
Hennape Six	France	100	100
Faurecia Clarion Electronics Europe S.A.S.	France	100	100
Clarion Europe S.A.S	France	100	100
Faurecia Hydrogen Solutions France	France	100	100
HELLA S.A.S.	France	81.59	100
HELLA Engineering France S.A.S.	France	81.59	100
FH Services S.A.S.	France	95.4	100
FSVAP Europe	France	100	100
Great Britain			
Faurecia Automotive Seating UK, Ltd	Great Britain	100	100
Faurecia Midlands, Ltd	Great Britain	100	100
SAI Automotive Fradley, Ltd	Great Britain	100	100
SAI Automotive Washington, Ltd	Great Britain	100	100
Faurecia Emissions Control Technologies UK, Ltd	Great Britain	100	100
Design LED Products, Ltd	Great Britain	100	100
HELLA UK Holdings Limited	Great Britain	81.59	100
HELLA Limited	Great Britain	81.59	100
Hungary			
Faurecia Emissions Control Technologies, Hungary Kft.	Hungary	100	100
Clarion Hungary Electronics Kft.	Hungary	100	100
HELLA Hungaria Kft.	Hungary	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
India			
Faurecia Automotive Seating India Private, Ltd	India	100	100
Faurecia Emissions Control Technologies India Private, Ltd	India	74	100
Faurecia Interior Systems India Private, Ltd	India	100	100
Clarion India Pvt, Ltd	India	100	100
HELLA India Automotive Private Limited	India	81.59	100
HELLA Emobionics Pvt Ltd	India	81.59	100
Hella India Lighting Ltd	India	69.5	100
HELLA India autoparts and services private limited	India	81.59	100
Indonesia			
FCM Indonesia	Indonesia	100	100
Israel			
Faurecia Security Technologies	Israel	100	100
Italy			
Faurecia Emissions Control Technologies, Italy SRL	Italy	100	100
HELLA S.p.A.	Italy	81.59	100
Japan			
Faurecia Japan K.K.	Japan	100	100
Faurecia Howa Interiors Co., Ltd	Japan	50	100
Faurecia Clarion Electronics Co., Ltd	Japan	100	100
Clarion Lifecycle Solutions Co., Ltd	Japan	100	100
FSVAP Japan Co., Ltd	Japan	100	100
Lithuania			
UAB HELLA Lithuania	Lithuania	81.59	100
Luxembourg			
FORVIA Ré	Luxembourg	100	100
Morocco			
Faurecia Équipements Automobiles Maroc	Morocco	100	100
Faurecia Automotive Systems Technologies	Morocco	100	100
Faurecia Automotive Industries Morocco SARL	Morocco	100	100
Mexico			
Faurecia Sistemas Automotrices De Mexico, S.R.L de C.V.	Mexico	100	100
Servicios Corporativos de Personal Especializado, S.A. de C.V.	Mexico	100	100
Faurecia Howa Interior Mexico, S.A. de C.V.	Mexico	51	100
Electronica Clarion, S.A. de C.V.	Mexico	100	100
HELLA Centro Corporativo Mexico S.A. de C.V.	Mexico	81.59	100
HELLA Automotive Mexico S.A. de C.V.	Mexico	81.59	100
HELLAmex S.A. de C.V.	Mexico	81.59	100
FSVAP Mexico, S.A. de C.V.	Mexico	100	100
GMD Stamping Mexico	Mexico	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
Norway			
HELLA Gutmann Solutions AS	Norway	81.59	100
New Zealand			
HELLA-New Zealand Limited	New Zealand	81.59	100
Netherlands			
ET Dutch Holdings B.V.	Netherlands	100	100
HELLA Benelux B.V.	Netherlands	81.59	100
Poland			
Faurecia Automotive Polska S.A.	Poland	100	100
Faurecia Walbrzych S.A.	Poland	100	100
Faurecia Grojec R&D Center S.A.	Poland	100	100
Faurecia Gorzow S.A.	Poland	100	100
HELLA Polska Sp. z o.o.	Poland	81.59	100
Portugal			
Faurecia - Assentos de Automovel, Lda	Portugal	100	100
SASAL	Portugal	100	100
Faurecia - SIstemas De Escape Portugal, Lda	Portugal	100	100
EDA - Estofagem de Assentos, Lda	Portugal	100	100
Faurecia Sistemas de Interior de Portugal, Componentes Para Automoveis S.A.	Portugal	100	100
Faurecia Aptoide Automotive	Portugal	100	100
Czech Republic			
Faurecia Exhaust Systems, S.R.O.	Czech Republic	100	100
Faurecia Automotive Czech Republic, S.R.O.	Czech Republic	100	100
Faurecia Interior Systems Bohemia, S.R.O.	Czech Republic	100	100
Faurecia Components Pisek, S.R.O.	Czech Republic	100	100
Faurecia Interiors Pardubice, S.R.O.	Czech Republic	100	100
Faurecia Emissions Control Technologies Mlada Boleslav, S.R.O.	Czech Republic	100	100
Faurecia Plzen	Czech Republic	100	100
Docter Optics s.r.o.	Czech Republic	81.59	100
HELLA Autotechnik Nova s.r.o.	Czech Republic	81.59	100
Romania			
Faurecia Romania S.R.L.	Romania	100	100
Euro Auto Plastic Systems S.R.L.	Romania	50	100
HELLA Romania s.r.l.	Romania	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
Russia			
OOO Faurecia Automotive Development	Russia	100	100
Singapore			
HELLA Asia Singapore Pte. Ltd.	Singapore	81.59	100
Slovakia			
Faurecia Automotive Slovakia s.r.o.	Slovakia	100	100
HELLA Slovakia Holding s.r.o.	Slovakia	81.59	100
HELLA Slovakia Signal-Lighting s.r.o.	Slovakia	81.59	100
Slovenia			
HELLA Saturnus Slovenija d.o.o.	Slovenia	81.59	100
Sweden			
Faurecia Interior Systems Sweden AB	Sweden	100	100
Faurecia CREO	Sweden	100	100
Switzerland			
Faurecia Switzerland Sàrl	Switzerland	100	100
Faurecia Switzerland Group AG	Switzerland	100	100
Thailand			
Faurecia Interior Systems (Thailand) Co., Ltd	Thailand	100	100
Faurecia Emissions Control Technologies, Thailand Co., Ltd	Thailand	100	100
Faurecia & Summit Interior Systems (Thailand) Co., Ltd	Thailand	50	100
Clarion Asia (Thailand) Co., Ltd	Thailand	100	100
Faurecia Automotive Parts (Thailand) Co.,Ltd	Thailand	70	100
FSVAP (Thailand) Co., Ltd	Thailand	100	100
Tunisia			
Société Tunisienne D'Équipements d'Automobile	Tunisia	100	100
Faurecia Informatique Tunisie	Tunisia	100	100
Türkiye			
Faurecia Polifleks Otomotiv Sanayi Ve Ticaret Anonim Sirketi	Türkiye	100	100
Intermobil Otomotiv Mumessillik Ve Ticaret A.S.	Türkiye	45.69	100
Uruguay			
Faurecia Automotive Del Uruguay, S.A.	Uruguay	100	100
Vietnam			
Faurecia Vietnam Haiphong	Vietnam	100	100
HELLA Vietnam Company Limited	Vietnam	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
II - COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD			
Germany			
InnoSenT GmbH	Germany	40.8	40.8
China			
Changchun Xuyang Faurecia Acoustics & Soft Trim Co., Ltd	China	40	40
Jinan Jidao Auto Parts Co., Ltd	China	50	50
Changchun Faurecia Xuyang Automotive Components Technologies R&D Co., Ltd	China	45	45
Dongfeng Faurecia (Wuhan) Automotive Parts Sales Co., Ltd	China	50	50
Qinhuangdao WKW-FAD Automotive Interior Parts Co., Ltd	China	50	50
Dongfeng Faurecia (Xiangyang) Emissions Systems Co., Ltd	China	50	50
Faurecia Liuzhou Automotive Seating Sales Co., Ltd	China	50	50
Chongqing Guangneng Faurecia Interior Systems Co., Ltd	China	50	50
Faurecia (Liuzhou) Emissions Control Technologies Co., Ltd.	China	50	50
Wuhan Clarion Kotei Software Technology Co., Ltd	China	25	25
Beijing BAIC Faurecia Automotive Systems Co., Ltd	China	50	50
Kaishi Faurecia Aftertreatment Control Technologies Co., Ltd.	China	35	35
Changchun Hella Faway Automotive Lighting Co., Ltd.	China	39.98	39.98
Hella BHAP Electronics (Jiangsu) Co., Ltd.	China	40.8	40.8
HELLA Evergrande Electronics (Shenzhen) Co.,Ltd.	China	39.98	39.98
HELLA MINTH Jiaxing Automotive Parts Co., Ltd.	China	40.8	40.8
Faway Hainuo Automotive Technology (Changzhou) Co., Ltd.	China	24.39	24.39
Beijing SamLip Automotive Lighting Ltd.	China	19.99	19.99
Hella Faway Automotive Lighting (Tianjin) Co., Ltd	China	39.98	39.98
Liuzhou Wuling Automotive Industry Co., Ltd	China	50	50
HELLA BHAP (Beijing) Automotive Lighting Sales Company	China	40.8	40.8
Spain			
Componentes de Vehiculos de Galicia, S.A.	Spain	50	50
Copo Iberica, S.A.	Spain	50	50
United States			
Total Network Manufacturing LLC	United States	49	49

(1) Cumulated percentages of interest for fully consolidated companies.

	Country	Interest of (%)	Stake (%) [1]
France			
Automotive Performance Materials (APM)	France	50	50
Symbio	France	33.33	33.33
India			
NHK F. Krishna India Automotive Seating Private, Ltd	India	19	19
Basis Mold India Private Limited	India	38	38
Italy			
Ligneos Srl	Italy	50	50
Japan			
Faurecia - NHK Co., Ltd	Japan	50	50
Malaysia			
Clarion (Malaysia) Sdn. Bhd.	Malaysia	45	45
Portugal			
Vanpro Assentos, Lda	Portugal	50	50
Türkiye			
Teknik Malzeme Ticaret Ve Sanayi AS	Türkiye	50	50

(1) Cumulated percentages of interest for fully consolidated companies.

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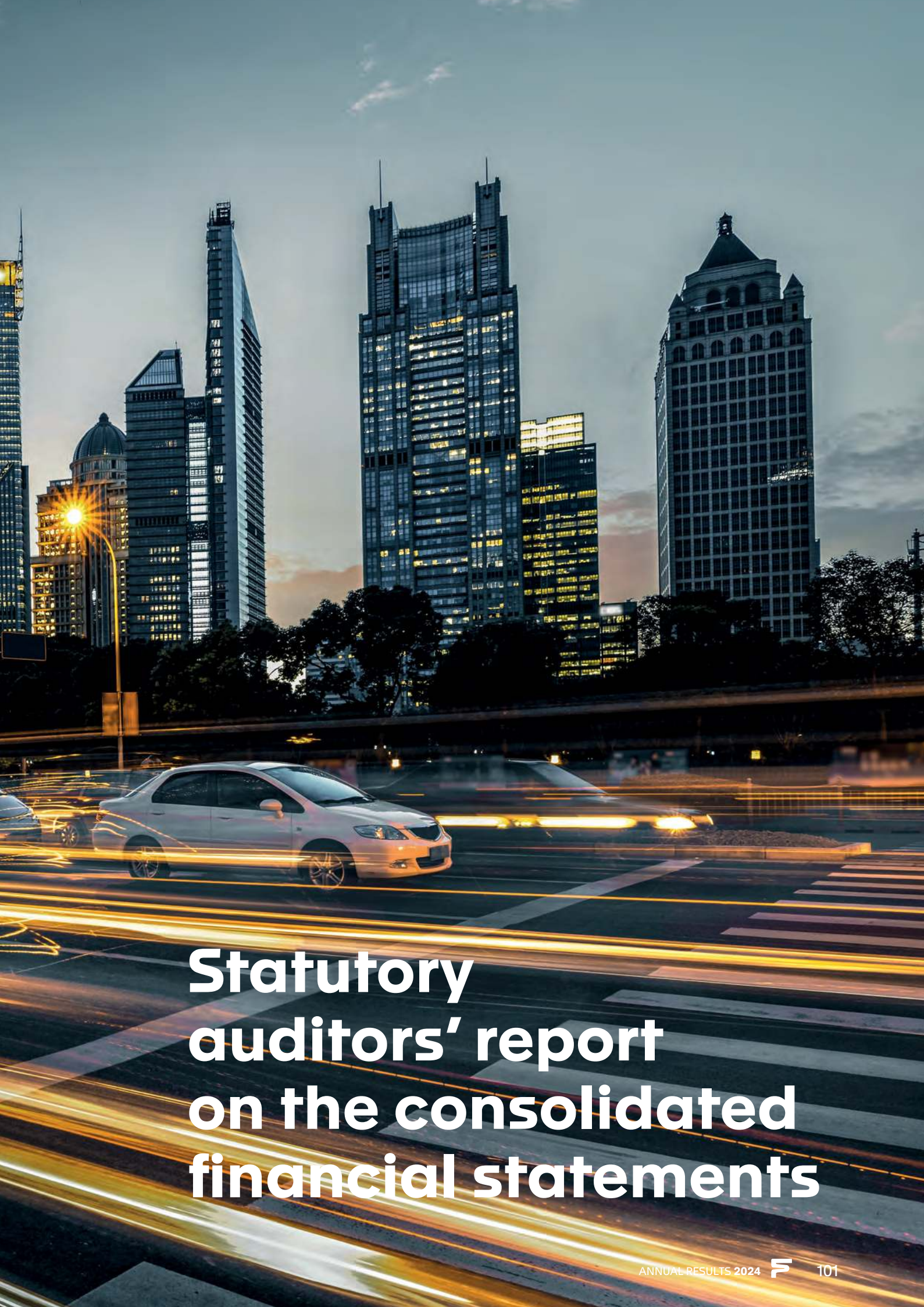

Statutory auditors' report on the consolidated financial statements

3.1. Statutory auditors' report on the consolidated financial statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31st, 2024

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by the annual general meeting, we have audited the accompanying consolidated financial statements of FORVIA for the year ended December 31st, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from January 1st, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment testing of goodwill

(Note 10 "Goodwill" to the consolidated financial statements)

Risk identified	Our response
The carrying amount of goodwill is €5,158.7 million at December 31, 2024. Goodwill is allocated to the six groups of cash generating units (CGUs) corresponding to the Group's operating segments at which goodwill is monitored for internal management purposes : Seating, Clean Mobility, Interiors, Electronics, Lighting and Lifecycle solutions. In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired. For the purpose of impairment testing, goodwill is allocated between groups of CGUs. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, as described in Note 10 to the consolidated financial statements. Impairment tests are performed to compare the carrying amount of assets and liabilities by group of CGUs with the higher of their value in use equal to the present value of the net future cash flows expected and their net market value including costs of disposal. For a given group of CGUs, an impairment loss is recognized whenever its value then determined falls below its carrying amount. The cash flow forecasts used to calculate value in use were based on the Group's 2025-2029 forecasts for all six CGUs. Those forecasts were established during 2024 last semester. The volume assumptions used in the forecasts are based on external information sources. As mentioned in Note 10 to the consolidated financial statements, impairment test performed as of December 31, 2024 confirmed goodwill value accounted for in the balance sheet. We considered the measurement of the recoverable amount of goodwill to be a key audit matter for the following reasons : • the amount of goodwill recorded in the consolidated financial statements is material ; • defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular regarding future cash flows, discount rates (WACC) and long-term growth rates, which are inherently impacted by the economic environment.	We assessed the method used by management to determine the goodwill recoverable amount of each group of CGUs in order to assess its compliance with IAS 36. With asset valuation experts part of the audit team, we assessed the key assumptions used by management to determine projected future cash flows and, in particular, we : • reconciled the components taken in the impairment tests of each group of CGUs with the consolidated financial statements ; • compared to external market data the key assumptions used to determine the value in use of the group of CGUs, in particular the discount rate, growth rate and volumes assumptions of the global automotive market considered by your Group ; • assessed the consistency of projected cash flows with historical data ; • reperformed the calculations and reconciled the main forecasts including those for the 2025-2029 period with the data used in impairment testing ; • performed sensitivity analyses on the recoverable amounts calculated by management, in particular with regard to discount rates and operating income to estimate their effects and assumptions related to the volume for the global automotive market considered by the Group. We also assessed the appropriateness of the disclosures on goodwill provided in the notes to the consolidated financial statements.

Accounting and recoverability of development costs

(Notes 10 and 11 to the consolidated financial statements)

Risk identified	Our response
Net capitalized development costs amount to €3,531.9 million as of December 31, 2024. In accordance with IAS 38, development costs incurred in connection with producing and delivering modules for specific customer orders are recorded as an intangible asset pursuant to the conditions set out in Note 11 to the consolidated financial statements. These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances. Research costs, and development costs that do not meet the above criteria, are expensed as incurred. As mentioned in Notes 10 and 11 to the consolidated financial statements, the capitalized development costs are tested for impairment whenever there is an indication that they may be impaired. Impairment tests involve comparing the carrying amount of the tangible and intangible assets allocated to a customer contract with the present value of the expected net future cash flows to be derived from the contract, considering the best estimates of the future sales. We considered the accounting and recoverability of development costs to be a key audit matter for the following reasons : • the amount of capitalized development costs in the consolidated financial statements is material ; • defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular as regards future cash flows, discount rates and the expected gross margin per customer contracts.	Regarding the capitalization of development costs : • we obtained an understanding of the procedures implemented by management to determine the eligibility of development costs for capitalization and analyzed their compliance with IAS 38 ; • we performed certain specific testing on a sample of customer contracts to evaluate whether the related development costs were eligible for capitalization in compliance with IAS 38. With regard to the measurement of the recoverable amount of capitalized development costs : • we made inquiries of management about any indications of impairment ; • we obtained an understanding of the method used by management to determine the recoverable amount of these assets and assessed the consistency of performed calculations ; • we assess the consistency of the key assumptions used by management to determine projected cash flows including assumptions considered by management, for a sample of customer contracts subject to an impairment test and, in particular, we : – reconciled the components of the carrying amount of these tangible and intangible assets allocated to a customer contract with the consolidated financial statements ; – compared, with asset valuation experts, the key assumptions used, such as discount rates, with independent market data ; – reconciled, on a sample basis, the data specific to each customer contracts, such as projected delivery quantities and negotiated selling unit price per product, with the customer contract or observable external data, where applicable taking into account ongoing negotiations. We also assessed the appropriateness of the disclosures provided on development costs in the notes to the consolidated financial statements.

Accounting and recoverability of deferred tax assets

(Note 8 "Corporate Income Tax" to the consolidated financial statements)

Risk identified	Our response
Deferred tax assets amount to €983.8 million in the balance sheet as of December 31, 2024, while deferred tax liabilities amount to €266.3 million. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carryforward can be utilized, based on the management's forecasts. The Group's ability to recover deferred tax assets is assessed by management at the end of the year. The assessment of the ability to recover net deferred tax assets as of December 31, 2024 (€717.5 million) is based on the management's forecasts for the long-term recovery of tax losses. We considered the accounting and the recoverability of deferred tax assets to be a key audit matter due to the importance of the assumptions and judgments used by management to recognize these assets and considering the materiality of their amounts in the consolidated financial statements.	We assessed the consistency of the assumptions used by management to recognize and measure deferred tax assets and their compliance with IAS 12. With the support of our tax experts, we assessed the probability that the Group would be able to utilize the tax loss carryforwards currently recognized in its balance sheet, in particular with regard to : • deferred tax liabilities existing in the same tax jurisdiction that may be used to offset existing tax loss carryforwards, prior to their expiry date if applicable ; • the ability of the Group companies concerned to generate future taxable profit against which the existing tax loss carryforwards can be utilized, reconciling the future flows used in tax planning with the projections validated by the board. We also assessed the consistency of the key data and assumptions underlying the taxable income projections, underlying the recognition and recoverability of deferred tax assets relating to the Tax Loss Carryforward, with the supporting items we otherwise obtained, such as, in particular, the Group's guidance for the period 2025-2029 presented to the Board of Directors. Lastly, we also assessed the appropriateness of the disclosures on deferred tax assets provided in the notes to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of preparation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the chief executive officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of FORVIA by the Annual General Meetings held on May 28, 2019 for Forvis Mazars and on June 17, 1983 for ERNST & YOUNG Audit.

At December 31, 2024, Forvis Mazars were respectively in their sixth year of their engagement and ERNST & YOUNG were in the fourty two year of total uninterrupted engagement (which is the twenty-six year since securities of the Company were admitted to trading on a regulated market).

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore :

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, February 28, 2025

The Statutory Auditors

French original signed by

FORVIS MAZARS		**ERNST & YOUNG Audit**
Anne-Laure Rousselou	Grégory Derouet	Guillaume Brunet-Moret

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FORVIA

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