

**AUDIT REPORT ON THE CONSOLIDATED YEARLY FINANCIAL  
STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR  
CONCERNING**

**TEKNIA MANUFACTURING GROUP, S.L., A SOLE  
PROPRIETORSHIP COMPANY AND  
ITS SUBSIDIARY COMPANIES**

**AS OF 31 DECEMBER 2024**

Patricia Álvarez Chamosa  
Traductora/Intérprete Jurada de INGLÉS  
Nº 8391

**AUDIT REPORT ON THE CONSOLIDATED YEARLY FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR**

To the Sole Shareholder of TEKNIA MANUFACTURING GROUP, S.L. A PROPRIETORSHIP COMPANY AND ITS SUBSIDIARY COMPANIES:

**Opinion**

We have audited the Consolidated Yearly Financial Statements of TEKNIA MANUFACTURING GROUP, S.L., a Sole Proprietorship Company (the controlling Company) and its SUBSIDIARY COMPANIES (the Group), which include the Balance Sheet as of 31 December 2024, the Profit and Loss Account, the Statement of Changes in Corporate Net Worth, the Statement of Cash Flows and the Annual Report, consolidated all of them, for the financial year that ended on that date.

In our opinion, the attached Consolidated Yearly Financial Statements express, in all significant respects, the faithful image of the Group's assets and financial situation as of 31 December 2024, as well as its results and cash flows, consolidated all of them, concerning the financial year that ended on that date, in accordance with the applicable regulatory framework for financial information (identified in note 2.1 of the consolidated report) and, in particular, with the accounting principles and criteria contained therein.

**Basis of opinion**

We have carried out our audit in accordance with the regulations governing the account audit activity in force in Spain. Our responsibilities under these standards are described below in the *Auditor's Responsibilities in relation to the audit of the Consolidated Yearly Financial Statements* section of our report.

We are independent from of the Group in accordance with the ethical requirements, including those of independence, which are applicable to our audit of the Consolidated Yearly Financial Statements in Spain, as required by the regulatory framework of the audit activity of Yearly Financial Statements. In this respect, we have not provided services other than those of the audit of Yearly Financial Statements, nor have we been in situations or circumstances which, in accordance with the provisions of the aforementioned regulatory framework, have compromised our necessary independence.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

**Most relevant aspects of the audit**

The most relevant aspects of the audit are those which, in our professional judgement, have been considered as the most significant material misstatement risks in our audit of the current period's Consolidated Yearly Financial Statements. These risks have been dealt with in the context of our audit of the Consolidated Yearly Financial Statements as a whole and in the formation of our opinion on these, and we do not express a separate opinion on these risks.

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*Audit report on the Consolidated Yearly Financial Statements of Teknia Manufacturing Group, S.L. Sole Proprietorship and its Subsidiaries companies, as of December 31, 2024*

*Recovery rate of deferred tax assets.*

As of 31st December 2024, the Group has deferred tax assets registered for an amount of 12,430 thousand euros. The recovery of these assets is subject to the collection, by certain companies of the group, of positive taxable bases in the future, sufficient to be able to offset this amount. Estimates of positive taxable bases are based on the business plan of these companies and are therefore subject to significant judgements and estimates by the Directors. Due to the above, we have considered this chapter as a relevant aspect to be included in our report.

To address this important aspect of the audit, we have analysed the projections, based on the Group's Strategic Plan approved by the Directors of the Controlling Company, of the future results of the companies that contribute the most significant amounts of these assets to the Consolidated Yearly Financial Statements, bringing to the attention of the Financial Management area of the group the analysis carried out on their recovery possibilities.

The most significant information concerning these assets is given in Notes 3.7 and 14 of the Consolidated Yearly Financial Statements Annual Report.

*Goodwill*

According to Note 4 of the Consolidated Yearly Financial Statements Annual Report, the Group has registered goodwill amounting to 11,309 thousand euros as of 31st December 2024, in respect of certain Affiliated Companies. The impairment of these assets is contingent on their fair value being higher than their recorded amount. Fair value is calculated on the basis of the future cash flows of the companies of the group that contribute to this goodwill. The estimate of these cash flows is based on the business plans of these companies, and is therefore subject to significant subjective judgement and estimates by the Directors. Due to the above, we have considered this chapter as a relevant aspect to be included in our report.

To address this important aspect of the audit, we have analysed the assessment process that the Controlling Company follows, with respect to these companies that contribute goodwill, in order to understand the criteria used by the Controlling Company and its conformity with the current regulations. In addition, for the Companies that generate this goodwill, we have discussed with the Financial Management team of the group the significant assumptions on which their estimates are based, in order to verify their reasonableness, and the fact that the depreciation criteria for these assets was consistent with those used the previous year has been verified.

In addition, we have assessed whether the information disclosed in notes 3.15 and 4 of the Consolidated Yearly Financial Statements Annual Report in relation to this issue is adequate with the requirements of the financial information regulatory framework applicable to the group.

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### **Other information: Management Consolidated Report**

The other information covers exclusively the management consolidated report for the financial year 2024, the formulation of which is the responsibility of the Directors of the Controlling Company and is not an integral part of the Consolidated Yearly Financial Statements.

Our audit opinion on the Consolidated Yearly Financial Statements does not cover the Management Consolidated Report. Our responsibility over the Management Consolidated Report, as required by the regulatory framework of the accounts audit activity, is:

- a) Verifying only, that the Non-Financial Information Consolidated Statement has been provided in the manner established by the applicable regulations, and if not, reporting this fact.
- b) Evaluating and reporting on the consistency of the rest of the information contained in the Management Consolidated Report with the Consolidated Yearly Financial Statements, based on the knowledge of the Group obtained in carrying out the audit of those Statements, as well as evaluating and reporting whether the content and submission of this part of the Management Consolidated Report comply with the applicable regulations. If, on the basis of the work we have done, we conclude that there are inaccuracies, we are obliged to report it.

On the basis of the work carried out, as described above, we have found that the information referred to in the previous paragraph a) is submitted in the manner established by the applicable regulations and that the rest of information contained in the Management Consolidated Report is consistent with that of the Consolidated Yearly Financial Statements for the financial year 2024 and its content and submission comply with the applicable regulations.

### **Responsibility of the Directors of the Controlling Company in relation to the Consolidated Yearly Financial Statements**

The Directors of the Controlling Company are responsible for formulating the attached Consolidated Yearly Financial Statements, in such a way as to express the faithful image of the Company's assets, its financial situation and consolidated results of the Group, in accordance with the financial reporting regulatory framework applicable to the Group in Spain, and of the internal control they consider necessary to allow the preparation of Yearly Financial Statements free of material misstatement, due to fraud or error.

In the preparation of the Consolidated Yearly Financial Statements, the Directors the Controlling Company are responsible for the assessment of the Company's ability to continue as an operating company, revealing, as appropriate, any matters related to the operating company and using the company-in-operation accounting principle except if the aforementioned Directors intend to liquidate the Group or cease operations, or there is no other realistic alternative.

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**Responsibilities of the auditor in relation to the Consolidated Yearly Financial Statements audit**

Our goals are to obtain reasonable assurance that the Consolidated Yearly Financial Statements as a whole are free of material misstatement, due to fraud or error, and to issue an audit report containing our opinion.

Reasonable assurance is a high level of security but does not guarantee that an audit conducted in accordance with the regulatory framework for the audit activity in force in Spain always detects a material misstatement when it exists. Misstatements may be due to fraud or error and are considered material if, individually or in an aggregated manner, they can be reasonably expected to influence economic decisions that users make based on the Consolidated Yearly Financial Statements.

As part of an audit in accordance with the regulations framework for the audit activity in force in Spain, we apply our professional judgement and maintain a professional scepticism attitude throughout the audit. Also:

- We identify and value the risks of material misstatement in the Consolidated Yearly Financial Statements, due to fraud or error, we design and implement audit procedures to respond to such risks, and we obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting material misstatement due to fraud is higher than in the case of material misstatement due to error, as fraud may involve collusion, counterfeiting, deliberate omissions, intentionally erroneous statements, or circumvention of internal control.
- We gain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate depending on the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- We evaluate whether the accounting policies applied are adequate and the reasonableness of the accounting estimates and the corresponding information disclosed by the Directors of the Controlling Company.
- We conclude on whether the use, by the Directors the Controlling Company, of the company-in-operation accounting principle is appropriate and, based on the audit evidence obtained, we conclude whether or not there is material uncertainty related to facts or with conditions that may generate significant doubts about the Group's ability to continue as an operating company. If we conclude that there is material uncertainty, we are required to draw attention in our audit report to the corresponding information disclosed in the Consolidated Yearly Financial Statements or, if such disclosures are not appropriate, to express a modified opinion. Our findings are based on the audit evidence obtained up to the date of issue of our audit report. However, future facts or conditions may cause the Group to cease being an operating company.

Patricia Álvarez Chamosa  
Traductora/Intérprete Titular de INGLÉS  
Nº 8394

*Audit report on the Consolidated Yearly Financial Statements of Teknia Manufacturing Group, S.L. Sole Proprietorship and its Subsidiaries companies, as of December 31, 2024*

- We evaluate the overall submission, structure and content of the Consolidated Yearly Financial Statements, including disclosed information, and whether they represent underlying transactions and facts in a way that is able to reflect the faithful image.
- Planificamos y ejecutamos la auditoría del grupo para obtener evidencia suficiente y adecuada en relación con la información financiera de las entidades o de las unidades de negocio del Grupo como base para la formación de una opinión sobre las cuentas anuales consolidadas. We are responsible for the direction, supervision and conduct of the Group audit. We are solely responsible for our audit opinion.

We communicate with the Directors of the Controlling Company regarding, among other issues, the scope and timing of the planned audit and its significant findings, as well as any significant internal control deficiencies that we identify during the audit.

Among the significant risks that have been communicated to the Directors of the Controlling Company, we determine those that have been of the greatest importance in the audit of the Consolidated Yearly Financial Statements for current period and that are, therefore, considered as the most significant risks.

We describe these risks in our audit report unless laws or regulations prohibit public disclosure of the matter.

MOORE AMS AUDITORES, S.L.  
ROAC No: S0516

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Signed: Ignacio Barturen Fernandez  
ROAC No: 18420  
(Partner)

Bilbao, May 22, 2025

Patricia Álvarez Chamosa  
Traductora/Intérprete Jurada de INGLÉS  
Nº 8391

I, Patricia Álvarez Chamosa, Sworn Translator of English, appointed by the Spanish Ministry of Foreign Affairs, European Union and Cooperation, certify that the foregoing is a true and complete translation into English of an original document written in Spanish.

In Madrid, 18 September 2025

  
Patricia Álvarez Chamosa  
Traductora/Intérprete Jurada de INGLÉS  
Nº 8391

Signed: Patricia Álvarez

Yo, Patricia Álvarez Chamosa, Traductora e Intérprete Jurado de inglés, nombrado por el Ministerio de Asuntos Exteriores, Unión Europea y Cooperación, certifico que la que antecede es traducción fiel y completa al inglés de un documento original redactado en español.

Madrid, 18 de septiembre de 2025

  
Patricia Álvarez Chamosa  
Traductora/Intérprete Jurada de INGLÉS  
Nº 8391

Fdo: Patricia Álvarez

Firmado por ALVAREZ CHAMOSA PATRICIA - \*\*\*2617\*\* el día 18/09/2025 con un certificado emitido por AC FNMT Usuarios

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET FOR THE FINANCIAL YEAR THAT ENDED ON 31 December 2024

ASSETS	REPORT NOTES	Thousands of Euros	
		2024	2023
<b>A) NON-CURRENT ASSETS</b>		<b>149.458</b>	<b>136.994</b>
<b>I. Intangible fixed assets</b>			
1. Consolidation goodwill	4	11.309	12.953
2. Other intangible fixed assets	8	2.968	1.897
		<b>14.277</b>	<b>14.850</b>
<b>II. Tangible fixed assets</b>			
1. Property and structures	9	22.127	20.741
2. Technical installations, and other tangible fixed assets	9	85.957	80.615
3. In-progress fixed assets and advanced payments	9	10.225	7.554
		<b>118.309</b>	<b>108.910</b>
<b>IV. Long-term investments on group and associated companies</b>			
3. Other financial assets	10.1 and 11.1.1	372	395
		<b>372</b>	<b>395</b>
<b>V. Long-term financial investments</b>	11.1.1	<b>3.876</b>	<b>1.833</b>
<b>VI. Deferred tax assets</b>	14.3	<b>12.430</b>	<b>11.006</b>
<b>VIII. Non-current trade receivables</b>	11.1.1	<b>194</b>	<b>-</b>
<b>B) CURRENT ASSETS</b>		<b>175.959</b>	<b>190.578</b>
<b>II. Stock</b>	12	<b>72.242</b>	<b>76.313</b>
<b>III. Trade and other accounts receivables</b>			
1. Customer receivables for sales and services	11.1.1	54.066	68.726
3. Current tax assets	14.1 and 14.6	2.889	1.834
4. Other receivables	11.1.1 and 14.1	10.806	11.218
		<b>67.761</b>	<b>81.778</b>
<b>V. Short-term financial investments</b>	11.1.1	<b>140</b>	<b>19</b>
<b>VI. Short-term accruals</b>		<b>1.323</b>	<b>1.018</b>
<b>VII. Cash and other cash equivalents</b>		<b>34.493</b>	<b>31.450</b>
<b>TOTAL ASSETS (A + B)</b>		<b>325.417</b>	<b>327.572</b>

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET FOR THE FINANCIAL YEAR THAT ENDED ON 31 December 2024

NET WORTH AND LIABILITIES	REPORT NOTES	Thousands of Euros	
		2024	2023
<b>A) NET WORTH</b>		<b>95.992</b>	<b>102.984</b>
<b>A-1) Stockholder equity</b>			
<b>I. Capital</b>	<b>13.1</b>	<b>20.000</b>	<b>20.000</b>
<b>III. Reserves</b>	<b>13.2</b>	<b>82.084</b>	<b>73.399</b>
<b>VI. Profits/losses of the financial year attributed to the Controlling Company</b>		<b>3.088</b>	<b>14.027</b>
		<b>105.172</b>	<b>107.426</b>
<b>A-2) Adjustments due to changes in value</b>			
II. Consolidated company conversion differences	13.3	(8.491)	(4.629)
III. Other value adjustments for changes in value of consolidated companies	13.4	(823)	-
		<b>(9.314)</b>	<b>(4.629)</b>
<b>A-3) Subsidies, donations and legacies received</b>			
I. In consolidated companies	15	134	187
		<b>134</b>	<b>187</b>
<b>B) NON-CURRENT LIABILITIES</b>		<b>77.350</b>	<b>70.092</b>
<b>I. Long-term provisions</b>	<b>16</b>	<b>2.500</b>	<b>3.311</b>
<b>II. Long-term debts</b>			
2. Bank loans	11.1.2	60.149	53.288
3. Creditors by financial lease	10.2 and 11.1.2	8.730	7.320
4. Other liabilities	11.1.2	913	1.738
		<b>69.792</b>	<b>62.346</b>
<b>IV. Deferred tax liabilities</b>	<b>14.3</b>	<b>3.884</b>	<b>4.354</b>
<b>V. Long-term accruals</b>		<b>1.174</b>	<b>81</b>
<b>C) CURRENT LIABILITIES</b>		<b>152.075</b>	<b>154.496</b>
<b>II. Short-term provisions</b>	<b>16</b>	<b>835</b>	<b>774</b>
<b>III. Short-term debts</b>			
2. Bank loans	11.1.2	31.549	28.383
3. Creditors by financial lease	10.2 and 11.1.2	2.766	2.480
4. Other liabilities	11.1.2	22.492	30.387
		<b>56.807</b>	<b>61.250</b>
<b>V. Trade creditors and other accounts payable</b>			
1. Suppliers	11.1.2	52.230	52.868
3. Current tax liabilities	14.1 and 14.6	371	998
4. Other creditors	11.1.2 and 14.1	38.953	36.461
		<b>91.554</b>	<b>90.327</b>
<b>VI. Short-term accruals</b>		<b>2.879</b>	<b>2.145</b>
<b>TOTAL NET WORTH AND LIABILITIES (A + B+ C)</b>		<b>325.417</b>	<b>327.572</b>

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2024			
	REPORT NOTES	Thousands of Euros	
		2024	2023
<b>A) CONTINUED OPERATIONS</b>			
<b>1. Turnover net amount</b>	<b>17.1</b>	<b>430.599</b>	<b>459.463</b>
a) Sales		428.187	458.129
b) Services provided		2.412	1.334
<b>2. Change in stock of finished and in-process products</b>		<b>(1.892)</b>	<b>504</b>
<b>3. Works performed by the group for its assets</b>		<b>472</b>	<b>390</b>
<b>4. Supplies</b>		<b>(219.448)</b>	<b>(247.098)</b>
a) Consumption of goods	17.2	(3.733)	(7.766)
b) Consumption of raw materials and other consumable materials	17.2	(185.098)	(208.147)
c) Works carried out by other companies		(30.657)	(30.954)
d) Goods, raw materials and other supplies impairment		40	(231)
<b>5. Other operating income</b>		<b>5.916</b>	<b>6.536</b>
a) Additional and other routine management income		5.682	5.588
b) Operating subsidies incorporated into the profits/losses of the financial year	15	234	948
<b>6. Personnel expenses</b>		<b>(122.772)</b>	<b>(112.666)</b>
a) Salaries, wages and the like		(94.249)	(86.743)
b) Social security contributions		(28.013)	(25.069)
c) Provisions		(510)	(854)
<b>7. Other operating expenses</b>		<b>(54.478)</b>	<b>(58.364)</b>
a) Losses, impairment and variation of provisions due to trade operations	11.1.1	(119)	(52)
b) Other routine management expenditure		(54.359)	(58.312)
<b>8. Amortisation of fixed assets</b>	<b>4, 8 and 9</b>	<b>(24.865)</b>	<b>(22.951)</b>
<b>9. Allocation of subsidies for non-financial fixed assets and others</b>	<b>15</b>	<b>36</b>	<b>20</b>
<b>11. Impairment and profits/losses on disposals of fixed assets</b>		<b>(142)</b>	<b>661</b>
a) Impairment and losses		(150)	(16)
b) Profits/losses on disposals and others	9	8	677
<b>14. Other profits/losses</b>		<b>(2.162)</b>	<b>(641)</b>
<b>A.1) OPERATING PROFITS/LOSSES (1+2+3+4+5+6+7+8+9+10+11+12+13+14)</b>		<b>11.264</b>	<b>25.854</b>
<b>15. Financial income</b>		<b>201</b>	<b>401</b>
b) From negotiable securities and other financial instruments	15	147	312
c) Allocation of subsidies, donations and legacies of a financial nature		54	89
<b>16. Financial expenses</b>		<b>(6.294)</b>	<b>(5.139)</b>
<b>18. Exchange differences</b>		<b>(1.284)</b>	<b>(1.670)</b>
<b>A.2) FINANCIAL PROFITS/LOSSES (14+15+16+17+18)</b>		<b>(7.377)</b>	<b>(6.408)</b>
<b>A.3) PRE-TAX PROFITS/LOSSES (A.1 + A.2 +19+20+21)</b>		<b>3.887</b>	<b>19.446</b>
<b>24. Taxes on profits</b>	<b>14.2</b>	<b>(799)</b>	<b>(5.419)</b>
<b>A.4) FINANCIAL YEAR PROFITS/LOSSES FROM CONTINUED OPERATIONS (A.3 + 22)</b>		<b>3.088</b>	<b>14.027</b>
<b>B) DISCONTINUED OPERATIONS</b>		<b>-</b>	<b>-</b>
<b>A.5) CONSOLIDATED PROFITS/LOSSES OF THE FINANCIAL YEAR (A.4 + 23)</b>		<b>3.088</b>	<b>14.027</b>
Profits/losses attributed to the Controlling Company		3.088	14.027
Profits/losses attributed to external partners		-	-

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

STATEMENT OF CHANGES TO THE CONSOLIDATED NET WORTH PERTAINING  
TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2024

A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENDITURE PERTAINING  
TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2024

	REPORT NOTES	Thousands of Euros	
		2024	2023
<b>A) Consolidated profits/losses of the financial year</b>		<b>3.088</b>	<b>14.027</b>
<b>Income and expenditure allocated directly to net worth</b>			
III. Subsidies, donations and legacies received	15	22	91
VI. Exchange differences	13.3	(4.685)	3.421
VII. Tax-effected basis	15	(7)	(29)
<b>B) Total income and expenditure allocated directly to consolidated net worth (I+II+III+IV+V+VI+VII)</b>		<b>(4.670)</b>	<b>3.483</b>
<b>Transfers to the consolidated profit and loss account</b>			
X. Subsidies, donations and legacies received	15	(90)	(109)
XIII. Tax-effected basis	15	22	28
<b>C) Total transfers to the consolidated profit and loss account (VIII+IX+X+XI+XII+XIII)</b>		<b>(68)</b>	<b>(81)</b>
<b>TOTAL RECOGNISED CONSOLIDATED INCOME AND EXPENDITURE (A+B+C)</b>		<b>(1.650)</b>	<b>17.429</b>
Total income and expenditure attributed to the Controlling Company		(1.650)	17.429
Total income and expenditure attributed to external partners		-	-

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

B) TOTAL STATEMENT OF CHANGES TO THE CONSOLIDATED NET WORTH PERTAINING  
TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2024  
Thousands of Euros

	Capital	Reserves and profits/losses prior financial years (*)	Profits/Losses of the financial year attributed to the Controlling Company	Adjustments due changes of value	Grants donations and legacies received	Total
<b>A. 2022 closing balance</b>	<b>20.000</b>	<b>63.815</b>	<b>15.973</b>	<b>(8.050)</b>	<b>206</b>	<b>91.944</b>
I. Adjustments due to changes in criteria 2022 and earlier	-	-	-	-	-	-
II. Adjustments for errors in 2022 and earlier	-	-	-	-	-	-
<b>C. Adjusted balance, beginning of the financial year 2023</b>	<b>20.000</b>	<b>63.815</b>	<b>15.973</b>	<b>(8.050)</b>	<b>206</b>	<b>91.944</b>
I. Total recognised income and expenditure			14.027	3.421	(19)	17.429
II. Operations with partners or owners						
4. (-) Distribution of dividends	-	(6.389)	-	-	-	(6.389)
III. Other variations in net worth						
2. Other movements	-	15.973	(15.973)	-	-	-
<b>C. End balance for the financial year 2023</b>	<b>20.000</b>	<b>73.399</b>	<b>14.027</b>	<b>(4.629)</b>	<b>187</b>	<b>102.984</b>
I. Adjustments due to changes in criteria 2023	-	-	-	-	-	-
II. Adjustments for errors 2023	-	-	-	-	-	-
<b>D. Adjusted balance, beginning of the financial year 2024</b>	<b>20.000</b>	<b>73.399</b>	<b>14.027</b>	<b>(4.629)</b>	<b>187</b>	<b>102.984</b>
I. Total recognised income and expenditure			3.088	(4.685)	(53)	(1.650)
II. Operations with partners or owners						
4. (-) Distribution of dividends	-	(5.611)	-	-	-	(5.611)
III. Other variations in net worth						
1. Transfer to reserves	-	269	-	-	-	269
2. Other movements	-	14.027	(14.027)	-	-	-
<b>E. End balance for the financial year 2024</b>	<b>20.000</b>	<b>82.084</b>	<b>3.088</b>	<b>(9.314)</b>	<b>134</b>	<b>95.992</b>

TEKNIA MANUFACTURING GROUP, S.L., A SOLE PROPRIETORSHIP COMPANY AND SUBSIDIARY COMPANIES

CONSOLIDATED CASH FLOWS STATEMENT PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2024

	REPORT NOTES	Thousands of Euros	
		2024	2023
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Pre-tax profits/losses of the financial year</b>		<b>3.887</b>	<b>19.446</b>
<b>2. Profits/losses adjustments</b>		<b>32.897</b>	<b>31.179</b>
a) Amortisation of fixed assets (+)	4, 8 and 9	24.865	22.951
b) Valuation corrections for impairment (+/-)		229	299
c) Variation of provisions (+/-)		-	253
d) Allocation of subsidies (-)	15	(90)	(109)
e) Profits/losses due to cancellation and disposals of fixed assets (+/-)		(8)	(677)
g) Financial income (-)		(147)	(312)
h) Financial expenses (+)		6.294	5.139
i) Exchange rate differences (+/-)		1.284	1.670
k) Other income and expenses (-/+)		470	1.965
<b>3. Changes in current capital</b>		<b>20.519</b>	<b>(5.288)</b>
a) Stock (+/-)	12	4.111	965
b) Debtors and other accounts receivables (+/-)		13.958	(9.887)
c) Other current assets (+/-)		(305)	(39)
d) Creditors and other accounts payable (+/-)		928	2.536
e) Other current liabilities (+/-)		1.827	1.137
<b>4. Other cash flows from operating activities</b>		<b>(10.355)</b>	<b>(10.375)</b>
a) Interest payments (-)		(6.307)	(4.623)
c) Interest collected (+)		147	312
d) Collections (payments) on income tax		(4.195)	(6.064)
<b>5. Other cash flows from operating activities (+/-1+/-2+/-3+/-4)</b>		<b>46.948</b>	<b>34.962</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>6. Investment Payments (-)</b>		<b>(42.821)</b>	<b>(46.822)</b>
a) Group companies, net of cash in consolidated companies	6	(303)	(14.814)
d) Intangible fixed assets	8	(1.428)	(579)
e) Tangible fixed assets	9	(38.926)	(30.664)
j) Other financial assets		(2.164)	(765)
<b>7. Receivables from divestitures (+)</b>		<b>1.355</b>	<b>2.688</b>
a) Group companies, net of cash in consolidated companies		1	1.144
e) Tangible fixed assets		1.354	1.474
g) Other financial assets		-	70
<b>8. Other cash flows from investing activities (6+7)</b>		<b>(41.466)</b>	<b>(44.134)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>9. Collections and payments from equity instruments</b>		<b>22</b>	<b>91</b>
g) Subsidies, donations and legacies received (+)		22	91
<b>10. Collections and payments from financial liabilities</b>		<b>3.150</b>	<b>15.112</b>
a) Issue			
2. Bank loans (+)	11.1.2	31.710	30.178
5. Other debts (+)		-	6.066
b) Return and amortisation of			
2. Bank loans (-)	11.1.2	(20.374)	(19.672)
5. Other debts (-)		(8.186)	(1.460)
<b>11. Dividend payments and remuneration from other equity instruments</b>		<b>(5.611)</b>	<b>(6.389)</b>
a) Dividends (-)		(5.611)	(6.389)
<b>12. Cash flows from financing activities (+/-9+/-10-11)</b>		<b>(2.439)</b>	<b>8.814</b>
<b>D) EFFECT OF EXCHANGE RATE VARIATIONS</b>			
<b>E) NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (+/-5+/-8+/-12+/-D)</b>		<b>3.043</b>	<b>(358)</b>
Cash or cash equivalents at the beginning of the financial year		31.450	31.872
Cash or cash equivalents at the end of the financial year		34.493	31.450

**CONSOLIDATED REPORT PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON THE 31 December 2024**

**1. COMPANIES OF THE GROUP**

**1.1 Controlling Company**

The Controlling Company Teknia Manufacturing Group, S.L., (a Sole Proprietorship Company), was incorporated in Bilbao on the 30th of July of 1998, before the Notary Mr. Andrés Maria Urrutia Badiola. It was domiciled in Barrio San Agustín without number, Elorrio (Vizcaya).

The activity of the Controlling Company is detailed in its Articles of Association, being at the present time the promotion of companies, the acquisition, holding and enjoyment of all kinds of securities, as well as the provision of consulting and advice services to companies.

The activity of the various companies that make up the Group is indicated in Annex I to this Consolidated Report, which is an integral part of it.

The company Teknia Manufacturing Group, S.L. (Sole proprietorship) is, in turn, dependent on the company Siuled, S.L. with registered office at Calle María de Molina, 39 - 8º. (Madrid). The Consolidated Yearly Financial Statements and the Management Consolidated Report of Siuled, S.L. and its subsidiary companies pertaining to the financial year 2024 shall be formulated in good time and in an appropriate manner and submitted, together with the appropriate Audit Report, in the Commercial Registry within the legally established deadlines.

The Consolidated Yearly Financial Statements of the Teknia Manufacturing Group, S.L., (a Sole Proprietorship Company), and its Subsidiary Companies and the Management Consolidated Report pertaining to the financial year 2023 were formulated on the 15th of April, 2020 and have been submitted to the Companies Registry of Vizcaya.

The Consolidated Yearly Financial Statements and Management Consolidated Report of Grupo Siuled, S.L. and its Subsidiary Companies pertaining to the financial year 2023 were formulated on the 15th of June, 2020 and have been submitted to the Commercial Registry of Madrid, together with the appropriate Audit Report.

**1.2 Consolidated Subsidiary Companies**

The Companies that have been consolidated by the method of global integration, and of which none are listed on the Stock Exchange, are indicated in Annex I which is an integral part of this Consolidated Annual Report.

Subsidiary Companies are those in which the total direct and indirect shareholding of Teknia Manufacturing Group, S.L. (a Sole Proprietorship Company) exceeds 50% in these companies.

The end date of the Yearly Financial Statements and the Financial Statements of all companies used in the consolidation is the 31st of December, 2024.

**1.3. Variation in the composition of the Group and other operations**

In 2024, the entire shareholding was acquired in Teknia Xpander, S.L.U. (formerly KH Xpander, S.L.), and the companies Teknia & Partners, S.L.U. and Teknia Mobility Innovation, S.L.U. have been incorporated.

In 2023, the entire shareholding was acquired in Teknia Vimmerby AB . (formerly STIMP Swedish Technical Industry Manufactory Progress AB)

**2. BASIS FOR THE SUBMISSION OF CONSOLIDATED YEARLY FINANCIAL STATEMENTS**

**2.1. Financial Information and Faithful Image Regulatory Framework**

Both the Controlling Company and all Subsidiary Companies have been consolidated with their Financial Statements as of 31 December, 2024 (as of the 31st of December, 2023 in the previous financial year).

The Financial Statements of the Spanish companies that make up the Consolidated Group have been obtained from the accounting records of the companies and are submitted in accordance with the Royal Decree 1514/2007 approving the Spanish General Chart of Accounts, and subsequent amendments thereto.

The financial reporting framework is also indicated in Note 2.7.

The consolidated annual accounts are presented in accordance with R.D. 1159/2010 of 17 September, which approves the Rules for the Preparation of Consolidated Annual Accounts (NOFCAC) and amends the General Plan of Accounts approved by R.D. 1514/2007 of 16 November and the General Plan of Accounts for Small and Medium-Sized Companies, approved by R.D. 1515/2007 of 16 November, as well as subsequent regulations that have amended the aforementioned Royal Decree (Royal Decree 602/2016 of 2 December and Royal Decree 1/2021 of 12 January), and give a true and fair view of the Group's equity, financial position and results, as well as the veracity of the flows included in the consolidated cash flow statement.

All Companies have applied generally accepted accounting principles when preparing their Yearly Financial Statements and Individual Financial Statements, the information of all companies being comparable to each other.

The attached Consolidated Yearly Financial Statements pertaining to the financial year 2024 have been formulated by the Board of Directors of the Controlling Company, Teknia Manufacturing Group, S.L. (a Sole Proprietorship Company), and are those that will be submitted for approval by the Sole Shareholder, hoping that they will be approved without changes.

All figures in these Consolidated Yearly Financial Statements are presented in thousands of euros, except where otherwise indicated in any of the notes.

**2.2. Non-mandatory accounting principles applied**

In the preparation of these Consolidated Yearly Financial Statements, no non-mandatory accounting principles have been applied.

### **2.3. Critical Aspects of Assessing and Estimating Uncertainty**

Estimates made by the Directors of the Controlling Company have been used in the preparation of the attached Consolidated Yearly Financial Statements in order to assess some of the assets, liabilities, income, expenses and commitments recorded in them. They basically refer to:

- Valuation of tangible and intangible fixed assets and their useful lives.
- Valuation of financial instruments.
- Assessment of asset deterioration, including goodwill.
- The calculation of provisions.
- The recoverability of tax credits.

Although these estimates have been made on the basis of the best information available at the end of the year 2024, it is possible that events that may occur in the future will force a revision (upward or downward) upon them in the following years, which will be done, if any, prospectively.

### **2.4. Comparing the information**

The information pertaining to 2023 contained in the Consolidated Yearly Financial Statements pertaining to the financial year 2024 is presented for comparative purposes.

As indicated in Notes 1.3 and 6 of these consolidated annual accounts, in 2024 all the shares of the Spanish company Teknia Xpander, S.L.U. were acquired and the companies Teknia & Partners, S.L.U. and Teknia Mobility Innovation, S.L.U. were incorporated, and therefore these consolidated annual accounts should be read taking into account this change in the consolidated group.

### **2.5. Grouping of items**

Certain items of the Consolidated Statement, of the Consolidated Profit and Loss Account, of the Consolidated Statement of Changes in Corporate Net Worth and the Consolidated Statement of Cash Flows, could appear as aggregate data to facilitate understanding, although whenever relevant, the itemized information has been included in the appropriate Annual Report notes.

In particular, collections and payments from financial assets, as well as those pertaining to high-turnover financial liabilities, are shown as net in the Statement of Cash Flows. The turnover period is considered to be high when the period between the acquisition date and the expiration date does not exceed six months.

### **2.6. Error correction**

When preparing the attached Consolidated Yearly Financial Statements, no significant errors have been detected that would have made it necessary to adjust the amounts included in the Consolidated Yearly Financial Statements pertaining to the financial year 2023.

### **2.7. Principles of consolidation**

The Directors of the Controlling Company have formulated these Consolidated Yearly Financial Statements in accordance with all mandatory accounting principles. The following have been used for preparation:

## **TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

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- The Commercial Code.
- The Spanish General Chart of Accounts, considering the Group as the accounting subject to which the accounts relate.
- Royal Decree 1159/2010 of the 17th of September, approving the Rules for the Formulation of Consolidated Yearly Financial Statements (hereinafter NOFCAC) and amending the Spanish General Chart of Accounts and its subsequent amendments.

The Subsidiary Companies listed in Annex I, which is an integral part of this Consolidated Annual Report, have been consolidated by the method of global integration, incorporating into the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Corporate Net Worth and the Statement of Cash Flows of the Controlling Company, all assets, liabilities, income, expenses, cash flows and other items in the Individual Yearly Financial Statements of the companies of the Group, after performing the relevant previous homogenizations and deletions.

The Individual Yearly Financial Statements of the foreign companies have been converted to euros by the closing exchange rate method for their assets and liabilities. The net worth items have been converted to euros at the historical exchange rate. The income and expenses in the profit and loss account for 2024 have been translated into euro at the monthly average exchange rate and in the year 2023 at the closing exchange rate provided that there were no significant differences with the weighted monthly average rate, and in case of significant differences, the latter was used. All exchange rate differences arising on income and expenses in relation to the closing exchange rate are recorded as translation differences in equity in the consolidated balance sheet.

Exchange rate differences arising on monetary items that are part of the net investment in a foreign company, because they are not expected to be liquidated in the foreseeable future, are recognised for consolidation purposes as a translation difference.

### Global integration

- All annual accounts of the companies covered a period of one financial year, with the financial year ending on 31 December 2024, except for Teknia Xpander, S.L.U. which joined the Group on 31 January 2024. Therefore, the profit and loss account, the statement of changes in equity and the cash flow statement of this company cover the period from the date of joining the Group until 31 December 2024. (In the previous year, all annual accounts of the companies covered a period of one financial year, with the financial year ending on 31 December 2023, except for Teknia Vimmerby AB, which joined the Group on 28 February 2023. Therefore, the profit and loss account, the statement of changes in equity and the cash flow statement of this company cover the period from the date of joining the Group until 31 December 2023.
- All balances, transactions made, losses and profits from operations between companies of the Group that have not been carried out outside of it have been eliminated.
- The item of external partners, if any, is included in the net worth of the Consolidated Balance Sheet, except for the amount that needs to be classified as liabilities (if agreements have been reached, forcing cash or other assets to be delivered, which will be presented in the Consolidated Balance Sheet as financial liabilities).
- External partners are attributed, where appropriate, the share of “reserves”, “adjustments due to changes in value” and “subsidies, donations and legacies received” that corresponds to their shareholding and, where appropriate, uncalled outstanding disbursements on shares of external partners have been deducted.

### **3. STANDARDS OF REGISTRATION AND VALUATION**

The main registration and valuation standards used by the Group when preparing its Consolidated Yearly Financial Statements, in accordance with those established by the Spanish General Chart of Accounts and the NOFCAC, have been as follows:

#### **3.1. Homogenization of items**

##### Temporary homogenization:

All companies in the Group have been consolidated with their Financial Statements as of the 31st of December 2020.

When a company becomes part or is left out of the Group, the Profit and Loss Account, the Statement of Changes in Corporate Net Worth and the Individual Statement of Cash Flows of that company included in the consolidation refer only to the part of the financial year in which that company has been a part of the Group.

##### Valuing homogenization

The elements of the Consolidated Yearly Financial Statements have been valued using uniform methods, in accordance with those set out in the Commercial Code, the Spanish General Chart of Accounts and other applicable laws. The necessary adjustments for homogenization are made in cases where a consolidated company has valued some element according to methods not uniform to those applied in consolidation and provided that the effect of applying that method is significant.

##### Homogenization by internal operations:

Where the amounts of the items derived from internal transactions do not match, or in the event of an operation pending recording, the Group has made the appropriate adjustments in order to carry out the appropriate deletions at a later date.

##### Homogenization to perform aggregation:

The Group has made the necessary reclassifications to adapt the structure of the Financial Statements of the Subsidiary Companies that did not match the structure of the Consolidated Yearly Financial Statements.

#### **3.2. Intangible fixed assets, except goodwill**

The intangible fixed assets were initially valued by their purchase price or production cost. They have subsequently been valued at their reduced cost by the corresponding accumulated amortization. These assets are amortized based on their estimated useful life.

##### Computer software:

The Group records in this account the costs incurred in the acquisition and development of computer software. This amount is amortized, linearly, over a maximum period of five years. The costs of maintaining the computer software are recorded in the profit and loss account for the year in which they are incurred.

Research and development expenses:

The Group follows the criterion of recording in the Consolidated Profit and Loss Account the research expenses incurred into during the year. For development expenses, they are activated when the following conditions are met:

- They are specifically itemized by projects and their cost can clearly be established.
- There are well-founded reasons to rely on the technical success and the economic and commercial profitability of the project.

The assets thus generated are amortized linearly over their useful life (within a maximum period of 5 years).

If doubts exist about the technical success or economic profitability of the project, then the amounts recorded on the asset are directly allocated to the Consolidated Profit and Loss Account for the financial year.

Patents, licenses, trademarks and the like

This account records the amounts satisfied for the acquisition of the property or the right to use the different manifestations of the same, or for the expenses incurred in connection with the registration of the property developed by the Group.

### **3.3. Tangible fixed assets**

The tangible fixed assets are initially valued for their acquisition price or production cost, and are subsequently reduced by the appropriate accumulated amortization and impairment losses, if any.

The costs of maintaining the various elements that make up the tangible fixed assets are allocated to the profit and loss account for the financial year in which they are incurred. On the contrary, amounts invested on improvements that contribute to increasing the capacity or efficiency of such goods or to extending their useful life are recorded as their higher costs.

The Group amortizes the tangible fixed assets following the linear method, applying annual amortization percentages calculated on the basis of the years of estimated useful life of each of the assets, according to the following detail:

	<u>Coefficients</u>
Structures	2.5% - 4%
Technical installations and equipment	6% - 33%
Tools	10% - 30%
Other installations and furniture	10% - 20%
Information processing equipment	20% - 30%
Transport elements	8% - 25%

The calculation of the provisions for the amortization of the assets takes into account the working shifts of the different assets, as well as their quality of new or used, so that in some installations and equipment the percentage can reach 30%, although they are not material figures.

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The Group shall record the valuation correction for amortization of its intangible and tangible fixed assets provided that there are signs of loss of value that reduce the recoverable value of such assets to an amount lesser than its book value.

During 2024, the amortisation rates of certain items were reduced as the technical management considers, after the corresponding analysis, that the useful lives of these tangible fixed assets are longer than those considered until the previous year, given their lower use and expected physical wear and tear. The effect was a lower amortisation in 2024 in the amount of approximately EUR 402 thousand.

### **3.4. Leases**

#### Operating Lease

Expenses arising from operating lease agreements are allocated to the Consolidated Profit and Loss Account in the year of accrual.

#### Financial Lease

In the financial leasing operations in which the Group acts as a tenant, the cost of the leased assets is presented on the Consolidated Balance Sheet according to the nature of the property and, simultaneously, a liability of the same amount. This amount shall be the lesser of the fair value of the leased property and the present value at the start of the lease of the agreed minimum amounts, including the purchase option, where there are no reasonable doubts about its exercise. The calculation does not include contingent fees, the cost of services and taxes incurred by the lessor. The total financial burden of the contract is allocated to the Consolidated Profit and Loss Account for the financial year in which it is accrued, using the effective interest rate method. Quotas of a contingent nature are recognized as expenditure for the financial year in which they are incurred.

Assets registered by this type of operation are amortized using criteria similar to those applied to all material assets, depending on their nature.

### **3.5. Financial instruments**

A financial instrument is a contract that gives rise to a financial asset in one enterprise or group of enterprises and, simultaneously, to a financial liability or equity instrument in another enterprise or group of enterprises.

#### **3.5.1 Financial assets**

The financial assets held by the Group fall into the following categories:

##### Financial assets at amortized cost

A financial asset is included in this category, even when it is admitted to trading on an organised market, if the Group holds the investment for the purpose of receiving cash flows from the performance of the contract and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

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Contractual cash flows that are solely collections of principal and interest on the principal amount outstanding are inherent to an arrangement that has the nature of an ordinary or common loan, notwithstanding the fact that the transaction is arranged at a zero or below-market interest rate.

In general, trade and non-trade receivables are included in this category:

- a) Trade receivables: these are financial assets arising from the sale of goods and the rendering of services in connection with the company's business transactions with deferred payment, and
- b) Non-trade receivables: financial assets which, not being equity instruments or derivatives, do not have a commercial origin and whose collections are of a determined or determinable amount, derive from loans or credit operations granted by the Group.

Financial assets at cost:

This valuation category includes, among others:

- a) Investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or cannot be reliably estimated, and derivatives that have these investments as their underlying.
- b) Any other financial asset that is initially classified in the fair value portfolio with changes in the profit and loss account when it is not possible to obtain a reliable estimate of its fair value.

Initial Valuation

- Financial assets at amortised cost

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. However, loans for commercial transactions with a maturity of no more than one year and no explicit contractual interest rate, as well as other loans expected to be received in the short term, may be valued at their par value when the effect of not discounting cash flows is not significant.

- Financial assets at cost:

Investments included in this category are initially measured at cost, which is the fair value of the consideration given plus directly attributable transaction costs.

Subsequent Valuation

- Financial assets at amortised cost

They are subsequently measured at their amortised cost if the maturity is more than one year. Accrued interest shall be recognised in the profit and loss account using the effective interest method.

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Nevertheless, trade receivables which mature within less than one year which, in accordance with the provisions of the paragraph above, are measured initially at nominal value, shall continue to be measured at that amount unless there is any impairment.

- Financial assets at cost:

Equity instruments included in this category are measured at net cost, minus, where appropriate, any accumulated impairment.

Where these assets are to be valued due to derecognition or otherwise, the weighted average cost method by homogeneous group shall be applied.

Impairment calculation

- Financial assets at amortised cost

At least at the end of the financial year, the necessary valuation adjustments must be made whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics measured collectively, has been impaired as a result of one or more events that occurred after its initial recognition and that cause a reduction or delay in the estimated future cash flows, which may be caused by the insolvency of the debtor. The impairment loss on these financial assets is the difference between their book value and the present value of future cash flows, including, as applicable, those arising from the real and personal guarantees, estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition.

Impairment losses, and reversals of such losses when the amount of the impairment decreases due to a subsequent event, are recognised as an expense or income, respectively, in the income statement.

In particular, with regard to valuation corrections relating to trade and other accounts receivables, the criterion used by the Group to calculate the appropriate valuation corrections is estimated on the basis of an individualized analysis of the debt age and the financial situation of the debtor.

- Financial assets at cost:

At least at the end of the reporting period, the necessary valuation allowances must be made when there is objective evidence that the carrying amount of an investment will not be recovered.

The impairment shall be measured as the difference between the carrying amount and the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the present value of future cash flows from the investment, estimated in the case of equity instruments as either those from dividends expected to be received from the investee and the disposal or derecognition of the investment, or from the share in the cash flows expected to be generated by the investee in the ordinary course of business and from disposal or derecognition. When estimating impairment of these types of assets, the investee's equity shall be taken into consideration, corrected for any unrealised gains existing at the measurement date, net of taxes, unless better evidence of the recoverable amount of the equity investment is available.

In determining this value, and as long as the investee has itself invested in another investee, the net assets included in the consolidated annual accounts prepared in accordance with the criteria of the Commercial Code and its implementing rules must be taken into account.

The recognition of impairment losses and, as applicable, their reversal, shall be recorded as an expense or income, respectively, in the profit and loss account.

#### Cancellation of financial assets

The Group cancels its financial assets when the rights over the cash flow of the financial asset expire or have been relinquished and the risks and benefits inherent in its ownership have been substantially transferred, such as in firm sales of assets, commercial loan assignments in factoring operations where the company does not retain any credit or interest risk, sales of financial assets with a repurchase agreement for their fair value or financial asset securitisations in which the endorsing company does not retain subordinated financings, grant any collateral or assume any other risk.

On the contrary, the Group does not cancel financial assets, and recognizes a financial liability of an amount equal to the compensation received, in the assignments of financial assets in which the risks and benefits inherent in its ownership are substantially retained, such as draft discount, factoring with recourse, sales of financial assets with repurchase agreements at a fixed price or at the selling price plus interest and financial asset securitisations in which the endorsing company retains subordinated financing or other collateral that substantially absorb all expected losses.

#### **3.5.2 Financial liabilities**

Financial liabilities held by the Group are classified as financial liabilities at amortised cost.

The Group classifies all financial liabilities in this category unless they are to be measured at fair value through profit or loss. In general, this category includes both trade and non-trade payables:

- a) Trade payables: these are financial liabilities arising from the purchase of goods and services by companies with deferred payment,
- b) Non-trade payables: financial liabilities that are not derivatives and are not of commercial origin but arise from lending or borrowing transactions received by the companies.

#### Initial Valuation

Financial liabilities are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration received adjusted for directly attributable transaction costs.

However, trade payables maturing within one year that have no contractual interest rate, and capital called up by third parties, which is expected to be paid in the short term, may be measured at their nominal amount, when the effect of discounting the cash flows is immaterial.

#### Subsequent Valuation

Its subsequent valuation is based on its amortized cost. However, debits for business operations with a maturity of not more than one year, as well as disbursements required by third parties on shareholdings, whose amounts are expected to be received in the short term, are valued at their nominal value, when the effect of not updating cash flows is not significant.

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Accrued interest shall be recognised in the consolidated profit and loss account using the effective interest method. Nevertheless, trade payables which mature within less than one year which, in accordance with the provisions of the paragraph above, are measured initially at nominal value, shall continue to be measured at that amount.

Cancellation of financial liabilities

The Group cancels its financial liabilities when the obligations that have generated them are terminated.

**3.6. Foreign currency transactions**

The functional currency used by the Group is the Euro. As a result, transactions in currencies other than the Euro are considered denominated in foreign currency.

In this respect, Spanish companies which at the end of the financial year have monetary assets and liabilities denominated in foreign currency convert them by applying the exchange rate on the balance sheet date. The profits or losses shown are directly allocated to the Profit and Loss Account for the financial year in which they occur.

On the other hand, the Yearly Financial Statements of foreign companies whose functional currency is different from the Euro, as indicated above, have been converted to Euros using the method indicated in Note 2.7.

**3.7. Taxes on profits**

The expense or income derived from the taxes on profits includes the portion of the current tax expense or income and the portion of the deferred tax expense or income.

Current tax is the amount that the Group's companies satisfy as a result of the tax settlements of profit tax for one year. Deductions and other tax benefits in the tax rate, excluding withholdings and payments on account, as well as compensable tax losses from prior financial years and actually applied to the current one, result in a lower amount of current tax.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include temporary differences that are identified as expected amounts payable or recoverable from differences between the book amounts of assets and liabilities and their tax value, as well as negative tax bases outstanding and tax deduction credits not applied tax-wise. These amounts are recorded by applying to the appropriate temporary difference or credit the type of taxation to which they are expected to be recovered or settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except those arising from the initial recognition of goodwill or other assets and liabilities in an operation that does not affect the tax result or the accounting result.

Deferred tax assets are only recognized to the extent that each company in the Group is likely to have future tax gains against which they can be made effective within 10 years.

Deferred tax assets and liabilities, originating from transactions with direct debits or credits in equity accounts, are also accounted for in net worth.

At each accounting year end, deferred tax assets recorded are reconsidered, and appropriate corrections are made to them to the extent that there are doubts about their future recovery. Similarly, deferred tax assets that are not recorded on the balance sheet are evaluated at each year end and are recognized to the extent that they are likely to recover with future tax benefits over a period of no more than 10 years.

### **3.8. Income and expenses**

Income and expenses are allocated on the basis of the accrual basis, i.e. when the actual flow of goods and services that they represent occurs, regardless of when the monetary or financial flow from them occurs. Such income is valued at the fair value of the payment received, once discounts and taxes have been deducted.

Revenue from sales is recognised when the significant risks and rewards of ownership of the asset sold have been transferred to the buyer, but the buyer does not retain current management or effective control over the asset.

As regards service delivery income, this is recognized considering the degree of completion of the service as of the consolidated balance sheet date, provided that the outcome of the transaction can be reliably estimated.

### **3.9. Patrimonial elements of an environmental nature**

Assets of an environmental nature mean those assets that are used in a lasting manner within the Group's activity and whose main purpose is the minimization of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

### **3.10. Compensations for dismissal**

In accordance with the legislation in force, the Group is obliged to pay a compensation to those employees with whom, under certain conditions, it terminated its work relations. Compensations for dismissal that are reasonably measurable are recorded as expenditure in the financial year in which the dismissal decision is made and communicated.

### **3.11. Subsidies**

For the accounting record of subsidies, donations and legacies received, the Group follows the following criteria:

- *Non-refundable grants, donations and capital bequests*: these are measured at the fair value of the amount or the asset granted, depending on whether or not they are of a monetary nature, and are taken to profit or loss in proportion to the depreciation charge made in the period for the subsidised items or, where appropriate, when they are disposed of or impaired.
- *Refundable grants*: as long as they are refundable, they are recorded as liabilities.

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## TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies

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- *Operating grants*: these are credited to income when they are granted, unless they are intended to finance operating deficits in future years, in which case they are charged to income in those years. If they are granted to finance specific expenses, the allocation shall be made as the financed expenses accrue.

### 3.12. Transactions with affiliated companies

Companies of the Group are those companies that are affiliated by a relationship of direct or indirect control in accordance with the provisions of article 42 of the Commercial Code related to groups of companies, or where companies are controlled by any means by one or more natural or legal persons acting jointly or under the sole direction of statutory agreements or clauses. Affiliated parties are those defined in the Standard for the Preparation of the Yearly Financial Statements (NECA) No. 15 of the 2007 Spanish General Chart of Accounts and in Article 83 of Royal Decree 1159/2010, of the 17th of September, approving the NOFCAC.

The Group carries out all its operations with affiliated companies using market values.

### 3.13. Provisions and contingencies

Provisions are credit balances that cover current obligations arising from past events, the cancellation of which is likely to result in an outflow of resources, but which are indeterminate in terms of their amount and/or time of cancellation. Contingent liabilities are possible obligations arising as a result of past events, whose future materialization is conditioned on whether or not one or more future events occur, independently of the will of each company.

The Consolidated Yearly Financial Statements contain all provisions for which it is estimated that the probability of the obligation having to be met is greater than the opposite case. Contingent liabilities are not recognized in the Consolidated Yearly Financial Statements, but are reported in the Consolidated Annual Report notes, to the extent that they are not considered as remote.

The provisions are valued at the current value of the best possible estimate of the amount necessary to settle or transfer the obligation, taking into account the available information about the occurrence and its consequences, and the adjustments arising from the updating of those provisions as a financial expense as it accrues.

### **3.14. Commitments concerning pensions**

#### **Defined benefit plans**

Plans that do not have a defined contribution nature are considered defined benefit plans. Generally, defined benefit plans establish the amount of the benefit the employee will receive at the time of retirement, usually based on one or more factors such as age, years of service, and salary.

The Group recognizes in the consolidated balance sheet a provision in respect of benefit plans defined by the difference between the present value of the committed remuneration and the fair value of any assets subject to the commitments to which the obligations are to be settled, reduced, where appropriate, for the amount of costs for past services not yet recognized.

If an asset arises from the above difference, its valuation may not exceed the present value of the benefits that may return to the Group in the form of direct refunds or lower future contributions, plus, where appropriate, the part that is pending allocation to cost results for past services. Any adjustments that the Group has to make for this limit in the valuation of the asset are directly allocated to net worth, being recognized as reserves.

The present value of the obligation is determined by actuarial methods of calculation and financial and actuarial assumptions.

Certain foreign companies, on the basis of their national legislation, are obliged to make certain payments to their staff once they stop providing their services (Note 16.1).

The variation in the calculation of the present value of the committed remunerations or, where appropriate, of the affected assets, derived from post-employment plans, on the year-end date, due to actuarial gains and losses is recognized in the financial year in which it arises, directly on the net worth, as reserves. Variations in long-term benefit plans are recognized in the financial year in which they arise directly in the Consolidated Income Statement. For these purposes, losses and gains are exclusively the variations arising from changes in actuarial assumptions or adjustments for experience.

Costs for past services are immediately recognized in the Consolidated Profit and Loss Account, except in the case of revocable rights, in which case, they are allocated to the Consolidated Profit and Loss Account linearly in the remaining period until the rights for past services are irrevocable. However, if an asset arises, the revocable rights are allocated to the Consolidated Profit and Loss Account immediately, unless there is a reduction in the present value of benefits that may be returned by the Group in the form of direct refunds or lower future contributions, in which case, the excess on such a reduction is immediately allocated to the Consolidated Profit and Loss Account.

### **3.15. Goodwill and negative consolidation difference**

In accordance with Article 46, Rule 2, of the Commercial Code, the difference between the book value of the shareholding in the Subsidiary Company and the value attributable to such shareholding of the fair value of the assets acquired and liabilities assumed under NRV 19 shall be recognized, if positive, as a consolidation goodwill. On the exceptional case that it is negative, as income of the financial year in the Consolidated Profit and Loss Account.

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**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

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The assets and liabilities of the companies acquired in the business combinations already in the Group are valued at the amount with which they appear in the Consolidated Yearly Financial Statements and those acquired from third parties outside the Group at their fair value, performing the valuation of assets and liabilities acquired within one year of acquisition.

In accordance with Royal Decree 602/2016, of the 2nd of December, amending the Spanish General Chart of Accounts, the Spanish General Chart of Accounts for SMEs and the NOFCAC, the Goodwill shall be valued at the acquisition price less the accumulated amortization and, where appropriate, the cumulative amount of impairment valuation corrections recognized in accordance with the criteria included in the registration and valuation rule 6, Specific Rules on Intangible Fixed Assets of the Spanish General Chart of Accounts.

The Group considers that the useful life of the goodwill is 10 years and its recovery is linear.

### **3.16. Information by segments**

Operational segments are the components of the Group, which develop activities in which revenue is obtained and costs are incurred, the result of which is the subject of regular review, discussion and evaluation, by the highest authority in the decision-making process in the entity. For this purpose, the members of the Board of Directors of the Group's Controlling Company are considered to be the highest authority. Until the 2018 financial year, the segments designated as such and used by the Directors of the Controlling Company for the study, analysis and decision-making of the Group were the automotive segment in general (industrial area), Teknia Automotive and the research and development segment, activity started in 2010, Teknia Technologies.

However, in the 2019 financial year, the Group decided that each company should carry out its own projects as an additional role within its own management and not consider the area of research and development as an independent segment. Therefore, from and including 2019, the directors have not had any information on this activity available for study, analysis or decision-making in the Group and have considered that only the automotive segment exists.

The new companies incorporated and acquired during financial year 2024 are not yet sufficiently developed to be considered as a segment.

### **3.17 Stock**

Stocks are valued at their acquisition price, production cost or net realisable value, the smallest. The commercial discounts, reductions obtained, other similar items and interests included in the nominal debits are deducted in the determination of the purchase price.

The cost of production includes direct material costs and, where applicable, direct labour costs and manufacturing overhead.

Net realizable value represents the estimate of the sale price minus all estimated costs to complete its manufacture and the costs to be incurred in the marketing, sales and distribution processes.

The Group makes appropriate valuation corrections, recognizing them as an expense in the Consolidated Profit and Loss Account when the net realisable value of the stock is lower than its acquisition price or its cost of production.

### **3.18 Business Combination**

In 2024, all shares in the share capital of Teknia Xpander, S.L.U. were acquired by Teknia Manufacturing Group, S.L. (Sole-Proprietorship).

In 2023, all the shares in the share capital of Teknia Vimmerby AB were acquired by Teknia Manufacturing Group, S.L. (Sole-Proprietorship).

In its individual annual accounts for 2024 and 2023, the Parent Company Teknia Manufacturing Group, S.L. (Sole-Shareholder Company) valued the investment in the equity of Teknia Xpander, S.L.U. and Teknia Vimmerby AB in accordance with valuation standard 9 of the General Plan of Accounts, relating to financial instruments.

Note 6 to these consolidated annual accounts shows the valuation of the assets acquired and liabilities assumed in these business combinations to which the acquisition method set out in Valuation Standard 19 of the Spanish National Plan of Accounts has been applied in the consolidated annual accounts.

### **3.19 Derivative financial instruments**

The Group uses derivative financial instruments to hedge the risks to which its sales of finished goods are exposed. Within the framework of these transactions, it enters into financial hedging instruments.

For these financial instruments to qualify for hedge accounting, they are initially designated as hedges and the hedging relationship is documented. The Group also verifies initially and periodically throughout its life (at least at each reporting date) that the hedging relationship is effective, i.e. that changes in the fair value or cash flows of the hedged item (attributable to the hedged risk) can be expected, prospectively, to be almost completely offset by those of the hedging instrument and that, retrospectively, the results of the hedge have varied within a range of 80% to 125% of the results of the hedged item.

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**4. CONSOLIDATION GOODWILL**

The composition and movement of this chapter in the financial year were as follows:

<i>(thousands of euros)</i>	<b>Initial balance</b>	<b>Exchange differences</b>	<b>Amortization of the financial year</b>	<b>Other variations</b>	<b>31.12.2024</b>
Teknia Bilbao XXI, S.L.U.	234	-	(117)	-	117
Teknia Nashville, L.L.C.	1.322	84	(603)	-	803
Teknia Polska Sp. z o.o. (and its subsidiary companies)	73	1	(37)	-	37
Teknia Mexico City, S.A. de C.V.	231	(31)	(100)	-	100
Teknia Gebze Makine Sanayi VE Ticaret, A.S.	163	(18)	(48)	-	97
Teknia Ampuero, S.L.U.	2.483	-	(596)	-	1.887
Teknia Stuttgart GmbH	2.661	-	(313)	-	2.348
Teknia Vimmerby AB	5.786	(183)	(611)	-	4.992
Teknia Xpander, S.L.U.	-	-	(94)	1.022	928
	<b>12.953</b>	<b>(147)</b>	<b>(2.519)</b>	<b>1.022</b>	<b>11.309</b>

The composition and movement of this chapter in the 2023 financial year were as follows:

<i>(thousands of euros)</i>	<b>Initial balance</b>	<b>Exchange differences</b>	<b>Amortization of the financial year</b>	<b>Other variations</b>	<b>31.12.2023</b>
Teknia Bilbao XXI, S.L.U.	351	-	(117)	-	234
Teknia USA Inc (and subsidiary company Teknia Nashville, L.L.C.)	1.956	(67)	(567)	-	1.322
Teknia Polska Sp. z o.o. (and its subsidiary companies)	101	8	(36)	-	73
Teknia Mexico City, S.A. de C.V.	311	35	(115)	-	231
Teknia Gebze Makine Sanayi VE Ticaret, A.S.	356	(138)	(55)	-	163
Teknia Ampuero, S.L.U.	3.079	-	(596)	-	2.483
Teknia Stuttgart GmbH	2.974	-	(313)	-	2.661
Teknia Vimmerby AB	-	-	(526)	6.312	5.786
	<b>9.128</b>	<b>(162)</b>	<b>(2.325)</b>	<b>6.312</b>	<b>12.953</b>

The Controlling Company carries out an impairment test of the accounted goodwill, through the valuation of the company that generated it, on the basis of the cash flows expected in the future. The discount rates used are between 7.75% and 8.25% (10% and 10.5% in the financial year 2023). This amount is compared to the company's net worth and if the difference is greater, it is considered that the accounted goodwill is not impaired.

**5. EXTERNAL PARTNERS**

The Group has no external partners.

**6. BUSINESS COMBINATIONS**

**Financial Year 2024**

In financial year 2024, capital increases totalling 2,500 thousand euros were carried out at Teknia Pedrola, S.L.U. Likewise, shareholders made equity contributions of Euros 2,963 thousand in Teknia Pedrola, S.L.U. and Euros 1,600 thousand in Teknia Azuqueca, S.L.U. and an equity contribution of Euros 1,800 thousand in Teknia Stuttgart GmbH.

In addition, Teknia & Partners, S.L.U. and Teknia Mobility Innovation, S.L.U. were incorporated with 3 thousand euros each.

On 31 January 2024, 100% of the shares of the Spanish company KH XPANDER, S.L. were acquired for 303 thousand euros and a shareholder contribution of 947 thousand euros was made. The name at year-end of the company in which it holds an interest is Teknia Xpander, S.L.U.

The assets and liabilities identified in the business combination of this subgroup, which involved the acquisition of Teknia Xpander, S.L.U., are as follows:

<i>(thousands of euros)</i>	Amount
<b>ASSETS</b>	
Cash at bank and in hand	1
Accounts receivable	58
Net fixed assets	202
<b>LIABILITIES</b>	
Other financial liabilities	(53)
Accounts payable	(927)
<b>Total net assets and liabilities</b>	<b>(719)</b>
Price paid	<b>(303)</b>
<b>Goodwill</b>	<b>(1,022)</b>

**Financial Year 2023**

In financial year 2023, two capital increases were carried out at Teknia Brasil Ltda. for a total amount of 4,509 thousand euros and an equity contribution of 4,150 thousand euros at Teknia Stuttgart GmbH.

On 23 March 2023 (effective 28 February 2023) 100% of the shares of the Swedish company STIMP Swedish Technical Industry Manufactury Progress AB were acquired for EUR 15,594 thousand. Until its reverse merger, this company formed a subgroup with its production subsidiary Svensk Tryckgjutning Sven Hjelte AB. The name at year-end of the investee company is Teknia Vimmerby AB.

The amount of the assets and liabilities identified in the business combination of this subgroup are as follows:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

<i>(thousands of euros)</i>	Amount
<b>ASSETS</b>	
Cash at bank and in hand	1,144
Accounts receivable	2,948
Stock	2,619
Accruals	64
Net fixed assets	5,392
Financial Investments	2
<b>LIABILITIES</b>	
Deferred tax liabilities	(345)
Other financial liabilities	(26)
Accounts payable	(2,516)
<b>Total net assets and liabilities</b>	<b>9,282</b>
Price paid	(15,594)
<b>Goodwill</b>	<b>(6,312)</b>

In the 2023 financial year, this incorporation resulted in sales revenue and income for the Group since its acquisition of Euros 14,130 thousand and Euros 1,200 thousand, respectively.

**7. MERGER AND SEGREGATION PROCESSES PERFORMED WITHIN THE GROUP**

On 23 December 2024, the merger by absorption by Teknia Nashville LLC of its parent company (reverse merger) Teknia USA Inc. was approved, effective 31 December 2024. The merger process was carried out by extinction through dissolution without winding-up of the absorbed company and the block transfer of all its assets and liabilities to the absorbing company, which acquired, by universal succession, the rights and obligations of the absorbed company.

On 29 December 2023, a reverse merger took place between STIMP Swedish Technical Industry Manufactory Progress AB (registration no. 556575-6003), the acquired company, and its production subsidiary Svensk Tryckgjutning Sven Hjelte AB, the acquiring company. The merger process was carried out by extinction through dissolution without winding-up of the absorbed company and the block transfer of all its assets and liabilities to the absorbing company, which acquired, by universal succession, the rights and obligations of the absorbed company. The name of the acquiring company was changed to Teknia Vimmerby AB in financial year 2023.

The acquiring company did not carry out any exchange of shares as it is wholly owned. The date from which the merger has accounting effects is the 1st of May 2023, in accordance with the accounting rules, as they are companies of the same Group.

In recent financial years, the Group has carried out various corporate reorganisation operations, conducting merger operations between Group companies. The most significant information for each of these operations, carried out mainly since the financial year 2010, is reflected in the Consolidated Yearly Financial Statements for the financial years in which these operations happened. In chronological order:

- Merger by takeover of the Industrial Company J. Gispert S.A.U. by Teknia Manresa, S.L.U.
- Merger by takeover of Construcciones Mecánicas Crolí, S.A. by Teknia Barcelona, S.L.U.

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- Merger by takeover of Teknia Dej , S.L.U. by Teknia Elorrio, S.L.U.
- Merger by takeover of Acabados Plásticos, S.L. by Teknia Martos, S.L.U.
- Merger by takeover of Fegomi, S.L. by Teknia Martos, S.L.U.
- Merger by takeover of Segove Cataluña, S.L.U. by Teknia Barcelona, S.L.U.
- Spin-off of Teknia Manufacturing Group, S.L.U. in favour of Teknia Entidad de Gestión, S.L.U.
- Merger by takeover of Teknia Montmeló, S.L.U. by Bilbao XXI, S.L.U.
- Merger by takeover of Teknia R&D, S.L.U. by Teknia Entidad de Gestión, S.L.U.
- Merger by takeover of Teknia Épila, S.L.U. into Teknia Pedrola, S.L.U.
- Merger by takeover of Teknia Vimmerby AB (formerly STIMP Swedish Technical Industry Manufactory Progress AB) into Svensk Tryckgjutning Sven Hjelte AB.
- Merger by takeover of Teknia USA Inc. into Teknia Nashville LLC.

**8. RESEARCH AND OTHER INTANGIBLE FIXED ASSETS**

The movement in this Chapter in financial year 2024 was as follows:

<i>(thousands of euros)</i>	<b>R&amp;D expenses</b>	<b>Patents, licenses, trademarks and the like</b>	<b>Computer software</b>	<b>Other intangible fixed assets</b>	<b>Advanced payments and current intangible fixed assets</b>	<b>TOTAL</b>
<b>INITIAL BALANCE COST, 2024</b>	<b>10.841</b>	<b>408</b>	<b>8.534</b>	<b>1.976</b>	<b>43</b>	<b>21.802</b>
(+) Additions	-	5	1.192	56	175	1.428
(-) Outputs, cancellations and reductions	-	-	(25)	(12)	(17)	(54)
(+) Perimeter inputs	-	-	204	-	-	204
(-) Exchange differences	-	3	(129)	(59)	-	(185)
<b>GROSS FINAL BALANCE, FINANCIAL YEAR 2024</b>	<b>10.841</b>	<b>416</b>	<b>9.776</b>	<b>1.961</b>	<b>201</b>	<b>23.195</b>
<b>ACCUMULATED AMORTIZATION, INITIAL BALANCE FINANCIAL YEAR 2024</b>	<b>(10.841)</b>	<b>(307)</b>	<b>(7.123)</b>	<b>(1.634)</b>	<b>-</b>	<b>(19.905)</b>
(+) Funding allowance to the amortization of the financial year	-	(41)	(260)	(83)	-	(384)
reductions	-	-	15	12	-	27
(+) Perimeter inputs	-	-	(3)	-	-	(3)
(-) Exchange differences	-	(2)	27	13	-	38
<b>ACCUMULATED AMORTIZATION, FINAL BALANCE FINANCIAL YEAR 2024</b>	<b>(10.841)</b>	<b>(350)</b>	<b>(7.344)</b>	<b>(1.692)</b>	<b>-</b>	<b>(20.227)</b>
<b>NET BOOK VALUE, 2024</b>	<b>-</b>	<b>66</b>	<b>2.432</b>	<b>269</b>	<b>201</b>	<b>2.968</b>

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The movement in this Chapter in the financial year 2023 was as follows:

<i>(thousands of euros)</i>	<b>R&amp;D expenses</b>	<b>Patents, licenses, trademarks and the like</b>	<b>Computer software</b>	<b>Other intangible fixed assets</b>	<b>Advanced payments and current intangible fixed assets</b>	<b>TOTAL</b>
<b>INITIAL BALANCE COST, 2023</b>	<b>10.841</b>	<b>395</b>	<b>8.060</b>	<b>1.809</b>	<b>32</b>	<b>21.137</b>
(+) Additions	-	-	499	69	11	579
(+-) Transfers	-	-	19	(21)	-	(2)
(-) Outputs, cancellations and reductions	-	-	(50)	(6)	-	(56)
(+) Perimeter inputs	-	-	-	-	-	-
(-) Exchange differences	-	13	6	125	-	144
<b>GROSS FINAL BALANCE, FINANCIAL YEAR 2023</b>	<b>10.841</b>	<b>408</b>	<b>8.534</b>	<b>1.976</b>	<b>43</b>	<b>21.802</b>
<b>ACCUMULATED AMORTIZATION, INITIAL BALANCE FINANCIAL YEAR 2023</b>	<b>(10.841)</b>	<b>(296)</b>	<b>(6.900)</b>	<b>(1.460)</b>	<b>-</b>	<b>(19.497)</b>
(+) Funding allowance to the amortization of the financial year	-	(3)	(295)	(91)	-	(389)
(+-) Transfers	-	-	-	-	-	-
(-) reductions	-	-	50	6	-	56
(+) Perimeter inputs	-	-	-	-	-	-
(-) Exchange differences	-	(8)	22	(89)	-	(75)
<b>ACCUMULATED AMORTIZATION, FINAL BALANCE FINANCIAL YEAR 2023</b>	<b>(10.841)</b>	<b>(307)</b>	<b>(7.123)</b>	<b>(1.634)</b>	<b>-</b>	<b>(19.905)</b>
<b>NET BOOK VALUE, 2023</b>	<b>-</b>	<b>101</b>	<b>1.411</b>	<b>342</b>	<b>43</b>	<b>1.897</b>

Fully amortized items

The Group has items within the intangible fixed assets, including R&D expenditure, fully amortized at 31st of December 2024 amounting to 12,289 thousands of euros (18,491 thousands of euros in 2023).

Investments abroad

The net amount of intangible fixed assets held by foreign companies at the end of financial year 2024 amounts to 1,583 thousands of euros (1,563 thousands of euros in the previous financial year).

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**9. TANGIBLE FIXED ASSETS**

The movement of the tangible fixed assets in this Chapter in the financial year 2024 was as follows:

<i>(thousands of euros)</i>	<b>Property and structures</b>	<b>Technical installations, and other tangible fixed</b>	<b>In-progress fixed assets and advanced payments</b>	<b>TOTAL</b>
<b>INITIAL BALANCE COST, FINANCIAL YEAR 2024</b>	<b>33.529</b>	<b>346.616</b>	<b>7.554</b>	<b>387.699</b>
( + ) Acquisitions	1.705	30.010	6.599	38.314
( + ) Entries in the consolidation perimeter	-	1	-	1
( - ) Outputs, cancellations or reductions	(41)	(6.472)	(1.015)	(7.528)
( -/+ ) Exchange differences	(198)	(6.868)	(219)	(7.285)
( -/+ ) Adjustments to reflect the effects of inflation	27	2.334	-	2.361
( - /+ ) Transfers to / from other items	885	1.365	(2.694)	(444)
<b>FINAL BALANCE COST, FINANCIAL YEAR 2024</b>	<b>35.907</b>	<b>366.986</b>	<b>10.225</b>	<b>413.118</b>
<b>ACCUMULATED AMORTIZATION, INITIAL BALANCE FINANCIAL YEAR 2024</b>	<b>(12.788)</b>	<b>(265.903)</b>	<b>-</b>	<b>(278.691)</b>
( + ) Funding allowance to the amortization of the	(1.084)	(20.878)	-	(21.962)
( + ) Entries in the consolidation perimeter	-	-	-	-
( + ) Outputs, cancellations or reductions	40	6.019	-	6.059
( -/+ ) Exchange differences	79	1.557	-	1.636
( -/+ ) Adjustments to reflect the effects of inflation	(27)	(1.635)	-	(1.662)
( - /+ ) Transfers to / from other items	-	(91)	-	(91)
<b>ACCUMULATED AMORTIZATION, FINAL BALANCE FINANCIAL YEAR 2024</b>	<b>(13.780)</b>	<b>(280.931)</b>	<b>-</b>	<b>(294.711)</b>
<b>IMPAIRMENT, INITIAL BALANCE FINANCIAL YEAR 2024</b>	<b>-</b>	<b>(98)</b>	<b>-</b>	<b>(98)</b>
( + ) Funding allowances for the financial year	-	-	-	-
( -/+ ) Exchange differences	-	-	-	-
( + ) Outputs, cancellations or reductions	-	-	-	-
<b>IMPAIRMENT, FINAL BALANCE FINANCIAL YEAR 2024</b>	<b>-</b>	<b>(98)</b>	<b>-</b>	<b>(98)</b>
<b>NET BOOK VALUE 2024</b>	<b>22.127</b>	<b>85.957</b>	<b>10.225</b>	<b>118.309</b>

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The movement of the tangible fixed assets in this Chapter in the financial year 2023 was as follows:

<i>(thousands of euros)</i>	Property and structures	Technical installations, and other tangible fixed	In-progress fixed assets and advanced payments	TOTAL
<b>INITIAL BALANCE COST, FINANCIAL YEAR 2023</b>	<b>30.158</b>	<b>302.634</b>	<b>2.529</b>	<b>335.321</b>
( + ) Acquisitions	811	26.581	6.458	33.850
( + ) Entries in the consolidation perimeter	2.765	16.002	-	18.767
( - ) Outputs, cancellations or reductions	(606)	(4.703)	(65)	(5.374)
( -/+ ) Exchange differences	(184)	5.035	(13)	4.838
( -/+ ) Transfers to / from other items	585	1.067	(1.355)	297
<b>FINAL BALANCE COST, FINANCIAL YEAR 2023</b>	<b>33.529</b>	<b>346.616</b>	<b>7.554</b>	<b>387.699</b>
<b>ACCUMULATED AMORTIZATION, INITIAL BALANCE FINANCIAL YEAR 2023</b>	<b>(11.444)</b>	<b>(234.594)</b>	-	<b>(246.038)</b>
( + ) Funding allowance to the amortization of the	(1.040)	(19.197)	-	(20.237)
( + ) Entries in the consolidation perimeter	(472)	(12.903)	-	(13.375)
( + ) Outputs, cancellations or reductions	173	4.388	-	4.561
( -/+ ) Exchange differences	75	(3.684)	-	(3.609)
( -/+ ) Transfers to / from other items	(80)	87	-	7
<b>ACCUMULATED AMORTIZATION, FINAL BALANCE FINANCIAL YEAR 2023</b>	<b>(12.788)</b>	<b>(265.903)</b>	-	<b>(278.691)</b>
<b>IMPAIRMENT, INITIAL BALANCE FINANCIAL YEAR 2023</b>	-	<b>(98)</b>	-	<b>(98)</b>
( + ) Funding allowances for the financial year	-	-	-	-
( -/+ ) Exchange differences	-	-	-	-
( + ) Outputs, cancellations or reductions	-	-	-	-
<b>IMPAIRMENT, FINAL BALANCE FINANCIAL YEAR 2023</b>	-	<b>(98)</b>	-	<b>(98)</b>
<b>NET BOOK VALUE 2023</b>	<b>20.741</b>	<b>80.615</b>	<b>7.554</b>	<b>108.910</b>

Real estate

All the companies that are part of the Group carry out their activities in rented properties, with the exception of Teknia Uhersky Brod, AS, Componentes de Automoción Marroquíes S.A.R.L., Teknia KG doo, Kragujevac, Teknia Ampuero, S.L.U., Teknia Oradea, SRL. and Teknia Santander, S.L.U. (Note 10.1) In financial year 2023, Teknia Germany GmbH sold its business premises. This transaction had an impact on the consolidated income statement for the year 2023 of EUR 392 thousand.

Collateral securities offered

Various Group companies have offered mortgage collaterals and other guarantees as set out in Note 19.1 to this Consolidated Annual Report.

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

Other information on the tangible fixed assets

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Amortized Items in Use (Cost)	<b>188.047</b>	<b>181.215</b>
Property and structures, separation of values		
- Property	3.304	2.769
- Construction Cost	32.418	30.760
- Constructions / Amortization	(13.595)	(12.788)
Net Totals	<b>22.127</b>	<b>20.741</b>
Fixed assets outside of Spanish territory (net amount)	<b>77.645</b>	<b>64.334</b>
Profits/losses on disposals of fixed assets	<b>8</b>	<b>677</b>

The fixed assets located outside the Spanish territory corresponds to those owned by foreign companies and equipment of a Spanish company. Its composition is as follows:

<i>(thousands of euros)</i>	2024		2023	
	Property and structures	All other fixed assets	Property and structures	All other fixed assets
Cost	22.785	164.974	20.448	141.050
Amortization	(6.020)	(104.093)	(7.315)	(89.849)
Impairment	-	(2)	-	-
	<b>16.765</b>	<b>60.879</b>	<b>13.133</b>	<b>51.201</b>

At the end of the financial year, firm commitments to purchase assets were approximately 3,153 thousands of euros (3,095 thousands of euros at the end of financial year 2023). At the end of the financial years 2024 and 2023, there were no firm commitments for sales of tangible fixed assets.

The usual practice of the Group is to take out insurance policies to cover all its companies against the possible risks to which the various elements of their tangible fixed assets are exposed.

**10. LEASES**

**10.1. Operating Lease**

In its position as a tenant, the Consolidated Profit and Loss Account includes expenses for the leasing of real estate, premises and land, the main contracts being the following:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

Company	Lessor	Annual amount <i>(thousands of euros)</i>		Expiration	
		2024	2023	2024	2023
Teknia Elorrio, S.L.U.	Veradale, S.L.	(210)	(204)	2025	2024
Teknia Pedrola, S.L.U.	Veradale, S.L.	(234)	(258)	2026	2026
Teknia Barcelona, S.L.U.	Third parties	(327)	(316)	2026	2026
Teknia Martos, S.L.U.	Third parties	(237)	(216)	Annual extendable	Annual extendable
Teknia Azuqueca, S.L.U.	Third parties	(405)	(393)	2032 extendable for a further 10 years	2032 extendable for a further 10 years
	Third parties	(259)	(278)	2033	2033
Teknia Brasil Ltda.	Veradale, S.L.	(877)	(946)	2028	2028
Teknia Mexico City S.A. de C.V.	Third parties	(133)	(143)	Annual extendable	Annual extendable
Teknia Manresa, S.L.U.	Third parties	(365)	(363)	Annual extendable and 2026	Annual extendable and 2026
Teknia San Luis Potosí, S.A. de CV	Third parties	-	(32)	-	2025
Teknia Bilbao XXI, S.L.U.	Third parties	(475)	(473)	2032 extendable for a further 10 years	2032 extendable for a further 10 years
Teknia Ampuero, S.L.U.	Third parties	(40)	(39)	2028	2028
Teknia Rzeszow Sp. Z.o.o.	Veradale Polska, Sp. z.o.o	(431)	(419)	2027	2027
Teknia Kalisz Sp. Z.o.o.	Veradale Polska, Sp. z.o.o	(738)	(740)	2027	2027
Teknia Gebze Makíne Sanayi ve Ticaret A.S	Third parties	(192)	(138)	2032	2032
Teknia Tepejí, S.A. de C.V.	Third parties	(535)	(588)	2028	2028
Teknia Nashville, LLC	Third parties	(780)	(716)	2034	2034
Teknia Xpander, S.L.U.	Third parties	(9)	-	2027	-
Teknia Mobility Innovation, S.L.U.	Third parties	(14)	-	2028	-

All transactions with companies affiliated to the Group amount to:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

<i>(thousands of euros)</i>	Operating expenses	
	<b>2024</b>	<b>2023</b>
Veradale, S.L.	1,321	1,408
Veradale Polska, Sp. z.o.o	1,169	1,159

The outstanding balance for leases and other concepts at 31 December 2024 and 2023 were as follows:

<i>(thousands of euros)</i>	<b>2024</b>		
	Customers	Short-term creditors and suppliers	Long-term guarantees
Veradale, S.L.	-	-	221
Veradale Polska, Sp. z.o.o	-	-	151

<i>(thousands of euros)</i>	<b>2023</b>		
	Customers	Short-term creditors and suppliers	Long-term guarantees
Veradale, S.L.	-	-	244
Veradale Polska, Sp. z.o.o	-	-	151

**10.2. Financial Lease**

The Group maintains certain financial leasing contracts for tangible fixed assets whose most significant data are:

<b>Object</b>	<b>Net book value of the asset</b> <i>(thousands of euros)</i>	
	<b>2024</b>	<b>2023</b>
Installations, equipment and other fixed assets	10,338	10,435

The schedule of future payments for these contracts at year-end 2024 and 2023 is as follows, in thousands of euros:

<b>Years</b>	<b>31.12.2024</b>	<b>Years</b>	<b>31.12.2023</b>
<b>Short-term:</b>		<b>Short-term:</b>	
2025	(2,766)	2024	(2,480)
	<b>(2,766)</b>		<b>(2,480)</b>
<b>Long-term:</b>		<b>Long-term:</b>	
2026	(2,935)	2025	(2,009)
2027	(2,577)	2026	(1,820)
2028	(2,877)	2027	(1,714)
2029 et seq	(341)	2028 et seq	(1,777)
	<b>(8,730)</b>		<b>(7,320)</b>

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

**11. FINANCIAL INSTRUMENTS**

**11.1. Category of financial assets and liabilities**

**11.1.1. Financial assets**

The breakdown, in thousands of euros, of the financial asset items at 31 December is as follows:

(euro)	<b>2024</b>		
	Long-term financial instruments		Short-term financial instruments
	Equity instruments	Loans, derivatives and others	Loans, derivatives and others
Financial assets at amortized cost	-	2.146	55.450
Financial assets at cost	2.296	-	-
<b>Total</b>	<b>2.296</b>	<b>2.146</b>	<b>55.450</b>

(euro)	<b>2023</b>		
	Long-term financial instruments		Short-term financial instruments
	Equity instruments	Loans, derivatives and others	Loans, derivatives and others
Financial assets at amortized cost	-	1.853	71.151
Financial assets at cost	375	-	-
<b>Total</b>	<b>375</b>	<b>1.853</b>	<b>71.151</b>

**Long-term financial assets**

The year maturities of long-term financial assets are as follows:

**Financial Year 2024**

<i>(thousands of euros)</i>	2026	2027	2028	2029 et seq	No expiration set	Total
Bonds and deposits	549	153	119	734	397	1.952
Equity instruments	-	-	-	-	2.296	2.296
Miscellaneous	153	-	-	41	-	194
						<b>4.442</b>

The year maturities of the most significant long-term financial assets of the financial year 2023 are as follows:

**Financial year 2023**

<i>(thousands of euros)</i>	2025	2026	2027	2028 et seq	No expiration set	Total
Bonds and deposits	672	75	151	805	22	1.725
Equity instruments	-	-	-	-	375	375
Miscellaneous	-	-	-	-	128	128
						<b>2.228</b>

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

Equity instruments

The composition of equity instruments is as follows:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Zuma Innovation, S.L.	731	-
Libattion AG	1.040	-
A&G Energy Transition Tech Fund	525	375
	<b>2.296</b>	<b>375</b>

In relation to the A&G Private Banking Fund there is a disbursement commitment of up to EUR 1,500 thousand.

Long-term loans, derivatives and other

The heading "Loans, derivatives and other" for a total amount of 2,146 thousand euros (1,853 thousand euros in the previous year), mainly includes guarantees and deposits for an amount of 1,952 thousand euros (1,725 thousand euros in the previous year) of which 372 thousand euros are with related parties (395 thousand euros in the year 2023) (Note 10.1).

**Short-term financial assets**

The composition of short-term loans, derivatives and others is as follows:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Customers	54.066	68.726
Staff	82	137
Other debtors	1.162	2.269
Other financial assets	140	19
	<b>55.450</b>	<b>71.151</b>

The movement of corrections due to value impairment caused by credit risk with customers during the financial year was as follows:

	<i>(thousands of euros)</i>
Impairment loss at the beginning of the financial year 2024	<u>(619)</u>
(+) Inclusion in the scope	-
(+) Impairment allowance	(122)
(-) Reversal of impairment	3
(-) Provisions applied	-
(+) Exchange differences and others	28
Impairment loss at the end of the financial year 2024	<u><b>(710)</b></u>

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The movement of corrections due to value impairment caused by credit risk with customers during the previous financial year was as follows:

	<i>(thousands of euros)</i>
Impairment loss at the beginning of the financial year 2023	<u>(651)</u>
(+) Inclusion in the scope	-
(+) Impairment allowance	(23)
(-) Reversal of impairment	75
(-) Provisions applied	-
(+) Exchange differences and others	<u>(20)</u>
Impairment loss at the end of the financial year 2023	<u><b>(619)</b></u>

Factoring lines without recourse.

Several Group companies have signed non-recourse factoring policies with various financial institutions. The joint limit at year-end 2024 amounts to EUR 30,786 thousand and USD 3,118 thousand (EUR 23,760 thousand and USD 2,661 thousand in 2023).

The factored amounts have been reduced from the number of Clients because the risks have been derived to the financial institutions and because of a lack of the Group's continued involvement with them. At 31 December 2024 the total amount factored by the Group amounts to 18,687 thousand euros and 2,469 thousand US dollars (11,466 thousand euros and 1,387 thousand US dollars at year-end 2023).

**11.1.2. Financial liabilities**

The composition of financial liabilities by class and category at year-end 2024 and 2023 is as follows:

<i>(thousands of euros)</i>	<b>2024</b>			
	Long-term financial instruments		Short-term financial instruments	
	Bank loans	Derivatives and others	Bank loans	Derivatives and others
Financial liabilities at amortised cost	(68.879)	(913)	(34.315)	(107.373)
<b>Total</b>	<b>(68.879)</b>	<b>(913)</b>	<b>(34.315)</b>	<b>(107.373)</b>

<i>(thousands of euros)</i>	<b>2023</b>			
	Long-term financial instruments		Short-term financial instruments	
	Bank loans	Derivatives and others	Bank loans	Derivatives and others
Financial liabilities at amortized cost	(60.608)	(1.738)	(30.863)	(113.795)
<b>Total</b>	<b>(60.608)</b>	<b>(1.738)</b>	<b>(30.863)</b>	<b>(113.795)</b>

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

**Bank loans**

This chapter covers financial leasing debts and debts due to bank loans and other items.

<i>(thousands of euros)</i>	2024			2023		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Bank loans	(60.149)	(31.549)	<b>(91.698)</b>	(53.288)	(28.383)	<b>(81.671)</b>
Creditors by financial lease	(8.730)	(2.766)	<b>(11.496)</b>	(7.320)	(2.480)	<b>(9.800)</b>
	<b>(68.879)</b>	<b>(34.315)</b>	<b>(103.194)</b>	<b>(60.608)</b>	<b>(30.863)</b>	<b>(91.471)</b>

The financial leasing creditors refer to the debts for the leasing operations indicated in Note 10.2.

The maturity of the debts with credit institutions at the end of financial years 2024 and 2023 is broken down as follows, in thousands of euros:

<u>Expiration</u>	<u>2024</u>	<u>Expiration</u>	<u>2023</u>
Short-term:		Short-term:	
2025	<u><b>(31.549)</b></u>	2024	<u><b>(28.383)</b></u>
Long-term:		Long-term:	
2026	(27.517)	2025	(22.884)
2027	(12.821)	2026	(14.935)
2028	(8.873)	2027	(9.484)
2029	(3.423)	2028	(5.896)
2030 and beyond	<u>(7.515)</u>	2029 and beyond	<u>(89)</u>
	<u><b>(60.149)</b></u>		<u><b>(53.288)</b></u>

Within the chapter on short-term credit institutions are outstanding discounted bills of 4,025 thousands of euros and 4,845 thousands of dollars (4,057 thousands of euros and 4,911 thousands of dollars in the previous year). For the financial year 2024, the limit for the discounted bills, advance payments of invoices, etc. amounts to 25,000 thousands of euros (21,300 thousands of euros in the financial year 2023).

Furthermore, at year-end 2024, the Group had credit accounts granted by financial institutions with a total limit of EUR 24,050 thousand, PLN 6,000 thousand and SEK 15,900 thousand (EUR 16,100 thousand and PLN 6,000 thousand in 2023) of which it had drawn down EUR 562 thousand and PLN nil at year-end 2024 (EUR 125 thousand and PLN nil at year-end 2023). Of the 24,050 thousand euros of loans granted at 31 December 2024, 1,400 thousand euros will mature in 2026 (Of the 16,100 thousand euros of loans granted at 31 December 2023, 400 thousand euros will mature in 2025).

At year-end 2024, the Parent Company had a total of Euros 5,285 thousand (Euros 8,734 thousand at year-end 2023) of loans partially secured by the Official Credit Institute (ICO) under one of the lines referred to in Royal Decree-Law 8/2020, of 17 March, on urgent extraordinary measures to address the economic and social impact of COVID-19, and, therefore, the use of these funds is subject to the provisions of said entity (Note 19.1).

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**Derivatives and others**

The breakdown of this chapter is as follows, in thousands of euros:

	2024		2023	
	Long term	Short term	Long term	Short term
<i>(thousands of euros)</i>				
Advanced payments and reimbursable loans	(741)	(582)	(1.064)	(1.182)
Suppliers of fixed assets	(143)	(4.231)	-	(4.986)
Other debts	(29)	(759)	(674)	(810)
Promissory notes	-	(16.920)	-	(23.409)
Suppliers	-	(52.230)	-	(52.868)
Other creditors:				
Staff	-	(9.129)	-	(8.252)
Advanced payments from customers	-	(12.720)	-	(12.726)
Miscellaneous	-	(10.802)	-	(9.562)
	<b>(913)</b>	<b>(107.373)</b>	<b>(1.738)</b>	<b>(113.795)</b>

**Advanced payments and reimbursable loans (CDTI, Ministry of Education and Science, Ministry of Industry and Technology and Competitiveness Plan):**

The nominal of non-interest-rate loans amounts to 1,103 thousands of euros (2,728 thousands of euros in the previous financial year). The maturities at the end of the financial year 2024 and 2023 are as follows:

<u>Year 2024</u>		<i>(thousands of euros)</i>	<u>Year 2023</u>		<i>(thousands of euros)</i>
Short-term:			Short-term:		
	2025	(582)		2024	(1.182)
		<b>(582)</b>			<b>(1.182)</b>
Long-term:			Long-term:		
	2026	(348)		2025	(655)
	2027	(170)		2026	(250)
	2028	(27)		2027	(159)
	2029	(54)		2028	0
	Rest	(142)		Rest	-
		<b>(741)</b>			<b>(1.064)</b>

**Suppliers of fixed assets**

The maturities of suppliers of fixed assets at the end of the financial year 2024 and 2023 are as follows:

<u>Year 2024</u>		<i>(thousands of euros)</i>	<u>Year 2023</u>		<i>(thousands of euros)</i>
Short-term:			Short-term:		
	2025	(4.231)		2024	(4.986)
		<b>(4.231)</b>			<b>(4.986)</b>
Long-term:					
	2026	(78)			
	2027	(6)			
	2028	(6)			
	2029	(6)			
	Rest	(47)			
		<b>(143)</b>			

Other debts

Other long-term liabilities at year-end 2023 included the amount payable to the former owners of Teknia Stuttgart, GmbH (formerly Forschner PTM GmbH) for the acquisition in 2022 of the ownership of the debt of this subsidiary (Note 6).

Issuance of promissory notes

On 14 March 2025, the Parent Company incorporated in the Alternative Fixed Income Market (MARF) the Base Document for Investor Information (DBII) of short-term securities, called "*Commercial Paper Programme Teknia 2025*", for a maximum amount of up to 50,000,000 euros.

In the previous financial year, on 12 March 2024, the Parent Company incorporated in the Alternative Fixed Income Market (MARF) the Base Document for Investor Information (DBII) for short-term securities, called "*Commercial Paper Programme Teknia 2024*", for a maximum amount of up to 30,000,000 euros.

At the end of the financial year 2024 the nominal value of the debt for the promissory notes amounts to 17,000,000 euros and they expire in the course of the financial year 2025, with the interest rate between 3.906% and 4.413%.

At the end of the financial year 2023 the nominal value of the debt for the promissory notes amounted to 23,600,000 euros and they expired in the course of the financial year 2024, with the interest rate between 4.98% and 5.042%.

**11.2. Information on the nature and level of risk of financial instruments**

**11.2.1. Qualitative**

The management of the Group's financial risks is centralized on the Financial Management Team of Group, which has established the necessary mechanisms to control exposure to changes in interest and exchange rates, as well as credit and liquidity risks. These are the main financial risks that impact the Group:

a) Credit risk:

Generally, the Group maintains its cash and cash equivalents in high-level of solvency financial institutions.

Credit risk is determined by the group companies' sales to their customers. At this time, given the current economic climate, each customer has been studied individually to minimise the impact of this type of risk.

b) Liquidity Risk:

The Group maintains a solid liquidity position, backed by a large cash reserve and access to ample credit and financing facilities, as shown in the consolidated balance sheet, which enables it to meet all its operating commitments with full solvency.

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The dividend policy followed is prudent and takes into account the investments necessary to maintain the Group's competitiveness. The credit limits indicated in Note 11.1.2 are also maintained.

The management monitors the Group's liquidity reserve forecasts as well as the evolution of the Net Financial Debt, the calculation as at 31 December 2024 and 2023 being as follows:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	34.493	31.450
Short-term financial investments	140	19
Other financial assets	372	395
Undrawn credit lines and loans	62.354	51.913
<b>Liquidity reserve</b>	<b>97.359</b>	<b>83.777</b>
Bank loans	91.698	81.671
Creditors by financial lease	11.496	9.800
Other financial liabilities: promissory notes	16.920	23.409
Cash and cash equivalents	(34.493)	(31.450)
Short-term financial investments	(140)	(19)
Other financial assets	(372)	(395)
<b>Net Financial Debt</b>	<b>85.109</b>	<b>83.016</b>

c) Market risk (Interest rate, exchange rates, etc.):

At 31 December, 17% of the Group's significant long-term financial liabilities were arranged at a fixed rate, which helps to reduce exposure to the risk of interest rate rises. The Finance Department closely monitors the structure of debt and its cost, focusing its efforts on optimising financing conditions and reducing credit spreads. This policy helps to mitigate possible impacts derived from stress scenarios in the financial markets, although so far, no significant increases in interest rates are expected.

The Group's international presence implies a structural exposure to exchange rate risk, which requires an active and prudent foreign exchange management policy. The goal is to mitigate the impact that currency volatility may have on operating activity, results and consolidated equity. Against this backdrop, the Group mainly hedges its positions through borrowings in local currency or in currencies with a high correlation to the functional currency of each country, which helps to reduce translation risk without resorting to financial derivatives. A portion of this risk is concentrated in the sales of finished products referenced in US dollars. To mitigate this risk, and having verified the effectiveness of the cash flow hedge, the Group allocated a loan of USD 20 million in 2024 to hedge transactions to be carried out with customers during 2025 for the same amount, thereby reducing exchange differences on transactions in that currency (see note 13.4).

The Group's activity is focused on the automotive sector, so the risk of market drop is the same as that of the sector in which it operates. The Group is present in several countries to minimize the possible impact of different developments in manufacturing costs and car consumption in each country.

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**11.2.2. Quantitative information**

As indicated above, the main risk would be the exchange rate changes of companies whose functional currency is not the Euro. A policy of natural coverage of companies operating in more than one currency is applied. Quantitative information in this respect can be found in Note 20.5.

**12. STOCK**

The composition of this chapter at year-end 2024 and 2023 is as follows, in thousands of euros:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Goods, auxiliary raw materials and others	31.940	28.602
Ongoing product	18.667	22.892
Finished product	20.165	20.494
By-products and waste	6	1
Advanced payments to suppliers	4.247	7.069
Impairment	(2.783)	(2.745)
	<b>72.242</b>	<b>76.313</b>

**13. EQUITY AND VALUE ADJUSTMENTS**

**13.1. Capital Stock**

The share capital of the Controlling Company is represented by 332,779 shares (332,779 shares in the previous year) of 60.10 euros in nominal value being Siuled, S.L. the Sole Shareholder.

The share capital of the Controlling Company is fully subscribed and disbursed, through the following contributions, in thousands of euros:

	<i>(thousands of euros)</i>
Non-cash contribution of company shares	23.547
Cash contribution at incorporation	1.030
Cash contribution at capital increases	5.053
Redenomination in euros	(1)
Share capital reduction in 2013	(9.629)
	<b>20.000</b>

**13.2. Reserves**

The composition at year-end of the financial year of this chapter is as follows:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Legal reserve of the Controlling Company	4.000	4.000
Voluntary reserves of the Controlling Company	23.386	30.996
Consolidation Reserves	54.698	38.403
	<b>82.084</b>	<b>73.399</b>

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According to article 214 of the Spanish Capital Companies Act, in any case, a figure equal to 10 per 100 of the profit from the financial year will be allocated to the legal reserve until it reaches at least 20 per 100 of the share capital.

The legal reserve, until it reaches the limit indicated, may only be used for loss compensation in the event that no other reserves are available for this purpose.

The movement of reserves is reflected in the Consolidated Statement of Changes in Corporate Net Worth.

### 13.3 Exchange differences

This amount comes from certain companies of the Group, according to the following details in thousands of euros:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Teknia Brasil, Ltda.	(8.085)	(6.212)
Teknia Polska Spolka z o.o and its subsidiary companies	(208)	(684)
Teknia Uhersky Ubrod, AS	614	855
Teknia Nashville L.L.C (Teknia USA Inc, and its subsidiary in 2023)	1.112	134
Componentes de Automoción Marroquíes SARL	20	(93)
Teknia San Luis Potosí, S.A. de C.V.	(670)	569
Teknia Mexico City, S.A. de C.V.	(107)	319
Teknia KG doo, Kragujeva	45	48
Teknia Gebzre Makine Sanayi VE Ticaret, A.S.	(949)	(1.272)
Teknia Japan, GK	(18)	(15)
Teknia Tepeji, S.A. de C.V.	189	1.841
Teknia Vimmerby AB	(332)	(15)
Teknia Oradea, S.R.L.	(102)	(104)
	<b>(8.491)</b>	<b>(4.629)</b>

The exchange rates in relation to the Euro applied in the conversion of the financial statements of foreign companies were as follows as of the 31st of December 2024, 2023 and 2022:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>% var. 2024/2023</b>	<b>% var. 2023/2022</b>
Brazilian Real	6,4253	5,3618	5,6386	19,83%	-4,91%
Polish Zloty	4,2750	4,3395	4,6808	-1,49%	-7,29%
Czech Crown	25,1850	24,7240	24,1160	1,86%	2,52%
American Dollar	1,0389	1,105	1,0666	-5,98%	3,60%
Mexican Peso	21,5504	18,7231	20,8560	15,10%	-10,23%
Moroccan Dirham	10,5190	10,9445	11,1592	-3,89%	-1,92%
Serbian Dinar	117,0149	117,1737	117,3224	-0,14%	-0,13%
Turkish Lira	36,7372	32,6531	19,9649	12,51%	63,55%
Romanian Leu	4,9743	4,9756	4,9495	-0,03%	0,53%
Japanese Yen	163,0600	156,33	140,66	4,30%	11,14%
Swedish Krona	11,4590	11,096	n/a	3,27%	n/a

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

**13.4 Other value adjustments**

The movement during the financial year 2024 is as follows, in thousands of euros:

	<u>Initial balance</u>	<u>Allocation to profit and loss</u>	<u>Additions</u>	<u>Final Balance</u>
Exchange rate hedges	-	-	(823)	(823)
<b>Total</b>	<u>-</u>	<u>-</u>	<u>(823)</u>	<u>(823)</u>

The exchange rate hedge corresponds in its entirety to Teknia Tepeji, S.A. de C.V. in accordance with Note 11.2.1 in relation to exchange rate risk.

**14. TAXATION SITUATION**

**14.1. Public Governments**

The composition of this chapter is as follows, in thousands of euros:

<i>(thousands of euros)</i>	<u>2024</u>		<u>2023</u>	
	<u>Debtor</u>	<u>Creditor</u>	<u>Debtor</u>	<u>Creditor</u>
<b>Current tax</b>	<u>2.889</u>	<u>(371)</u>	<u>1.834</u>	<u>(998)</u>
Personal Income Tax	239	(1.844)	155	(1.710)
VAT	9.127	(1.438)	8.404	(1.124)
Miscellaneous	143	(396)	138	(340)
Social Security	53	(2.624)	115	(2.747)
<b>Treasury debtor/(creditor)</b>	<u>9.562</u>	<u>(6.302)</u>	<u>8.812</u>	<u>(5.921)</u>

**14.2. Reconciliation of the income and expenses net amount with the tax base of taxes on profits**

The appropriate information in financial year 2024 is as follows:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

<i>(thousands of euros)</i>	<b>Consolidated Profit and Loss Account</b>			<b>Income and expenses allocated directly to net worth</b>		
	<b>Amount for the financial year 2024</b>			<b>Amount for the financial year 2024</b>		
	<b>Increase</b>	<b>Decrease</b>	<b>Net Effect</b>	<b>Increase</b>	<b>Decrease</b>	<b>Net Effect</b>
Balance of income and expenses during the financial year			3.088			(4.670)
Corporate Tax	799	-	799	-	-	-
Permanent differences:						
- from consolidation adjustments	3.846	(479)	3.367	4.670	-	4.670
- from individual companies	11.909	(10.232)	1.677			-
Temporary differences of consolidation adjustments	196	(1.528)	(1.332)	-	-	-
Temporary differences of individual companies	3.098	(6.647)	(3.549)	-	-	-
Prior Year Negative Taxable Basis Compensation			<u>(203)</u>			-
Taxable Base (Tax Result)			<u><b>3.847</b></u>			<u>-</u>

The appropriate information in financial year 2023 was as follows:

<i>(thousands of euros)</i>	<b>Consolidated Profit and Loss Account</b>			<b>Income and expenses allocated directly to net worth</b>		
	<b>Amount for the financial year 2023</b>			<b>Amount for the financial year 2023</b>		
	<b>Increase</b>	<b>Decrease</b>	<b>Net Effect</b>	<b>Increase</b>	<b>Decrease</b>	<b>Net Effect</b>
Balance of income and expenses during the financial year			14.027			3.483
Corporate Tax	5.419	-	5.419	-	-	-
Permanent differences:						
- from consolidation adjustments	3.726	(337)	3.389	-	(3.483)	(3.483)
- from individual companies	9.184	(10.455)	(1.271)			-
Temporary differences of consolidation adjustments	451	(1.127)	(676)	-	-	-
Temporary differences of individual companies	5.370	(1.035)	4.335	-	-	-
Prior Year Negative Taxable Basis Compensation			<u>(576)</u>			-
Taxable Base (Tax Result)			<u><b>24.647</b></u>			<u>-</u>

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

With regard to the most significant permanent differences that have arisen from the consolidation entries, as well as in the individual companies, both in the financial year 2024 and in the financial year 2023, they refer to the dividends and impairment of the shareholdings in Subsidiary Companies.

**14.3. Reconciliation of deferred tax liabilities and assets**

The deferred tax reconciliation is as follows, in thousands of euros:

<i>(thousands of euros)</i>	<b>2024</b>		<b>2023</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Initial balance</b>	<b>11.006</b>	<b>(4.354)</b>	<b>10.644</b>	<b>(4.042)</b>
<b>Increases</b>				
* Due to negative taxable bases and deductions to be cleared	2.269		910	-
* Subsidies allocated directly to net worth (Note 15)		(7)	-	(29)
* Adjustments in consolidation	35		-	-
* Others	422	(40)	65	(571)
* Exchange differences		(36)	218	-
<b>Decreases</b>				
* Negative taxable bases and deductions	(677)		(657)	-
* Subsidies transferred to the P&L account (Note 15)		22	-	28
* Adjustments in consolidation		153	(122)	117
* Others	(275)	378	(52)	140
* Exchange differences	(350)	-		3
<b>Final Balance</b>	<b>12.430</b>	<b>(3.884)</b>	<b>11.006</b>	<b>(4.354)</b>

The Spanish companies have deductions for investments, research and other expenses pending application amounting to 12,798 thousand euros (12,193 thousand euros in the previous year) and tax losses pending offset amounting to 23,196 thousand euros (12,478 thousand euros in the previous year). Foreign companies have tax loss carryforwards of EUR 25 million (similar amount in the previous year).

With regard to group companies domiciled in Bizkaia, the law applicable to the settlement of Company Tax for the financial year 2024, as in the previous financial year, is that applicable to the Bizkaia territory special Tax (Regional) Standard.

**14.4. Years open for inspection**

In accordance with current legislation, taxes cannot be considered definitively paid until the submitted tax returns have been inspected by the tax authorities, or the statutory submission period has elapsed.

The Group companies are open to inspection for all tax years for which the statute-of-limitations period has not expired.

## TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies

The Directors of the Controlling Company and of the consolidated Subsidiary Companies, consider that the tax settlements have been properly performed, so that, even if discrepancies arise in the interpretation of the regulations in force for the tax treatment granted to the operations, any resulting liabilities, if realized, would not significantly affect the attached Consolidated Yearly Financial Statements.

### 14.5 Consolidated Tax Group

The Parent Company forms part of and is the representative company of a consolidated tax group that is taxed in the territory of Bizkaia.

In accordance with the approval of the Regulatory territory special Tax (Regional) Decree 2/2015 of the 10th of February, amending the territory special Tax (regional) Standard 12/2013 of the 5th of December, on the Tax on the Income of Non-Residents and the territory special Tax (regional) Standard 11/2013, of the 5th of December, on the Company Tax (NFIS) and more specifically, of Article 2, Section 2, amending Article 85 of the NFIS, the Controlling Company Siuled, S.L., sole shareholder of Teknia Manufacturing Group, S.L. (A Sole Proprietorship Company), is not part of the Tax Group which taxes under territory special Tax (Regional) Regulations.

In accordance with the provisions of Articles 83.2 and 88.6 of the NFIS, Siuled, S.L., a non-resident in the regional territory and the parent company of the Tax Group under the applicable regulations since 1 January 2015, agreed that Teknia Manufacturing Group, S.L. (Sole Proprietorship) would act as the representative of the Tax Group.

The consolidated tax group in 2023 comprised Teknia Manufacturing Group, S.L. (Sole-Shareholder Company), Teknia Elorrio, S.L. (Sole-Shareholder Company) and Teknia Bilbao XXI, S.L. (Sole-Shareholder Company), with Teknia Mobility Innovation, S.L. (Sole-Shareholder Company) joining the group in 2024.

### 14.6 Current tax assets and liabilities

The breakdown in terms of corporate tax to the various Public Governments is as follows:

<i>(thousands of euros)</i>	Debtor		Creditor	
	2024	2023	2024	2023
Basque Country Tax Agency	111	116	-	-
Spanish Common Territory Tax Agency	1.111	681	(19)	(116)
Foreign Tax Agencies	1.667	1.037	(352)	(882)
	<u>2.889</u>	<u>1.834</u>	<u>(371)</u>	<u>(998)</u>

**15. SUBSIDIES**

The following details the movement in the financial year in the Subsidies chapter:

**Subsidies, donations and legacies contained in the Consolidated Balance Sheet, granted by third parties other than the partners:**

	<i>(thousands of euros)</i>	
	<b>2024</b>	<b>2023</b>
<b>Balance at the beginning of the financial year</b>	<b>187</b>	<b>206</b>
Increases	30	121
Returns	(8)	(30)
Tax Effect (Note 14.3)	(7)	(29)
Allocation to profits/losses	(90)	(109)
Tax Effect (Note 14.3)	22	28
<b>Balance at year-end of the financial year</b>	<b>134</b>	<b>187</b>

The capital subsidies basically cover those subsidies granted by the CDTI for investments made, as well as the updating of the loan from the competitiveness plans granted to the companies of the Group.

All subsidies originate from the Subsidiary Companies, and the Group considers that the conditions associated with them are being fulfilled.

**Subsidies allocated to the consolidated profit and loss account.**

The composition of this chapter is as follows, in thousands of euros:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
Operating subsidies incorporated into the profits/losses of the financial year	234	948
Allocation of subsidies for non-financial fixed assets	36	20
Allocation of subsidies of a financial nature	54	89
	<b>324</b>	<b>1.057</b>

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

**16. PROVISIONS**

The composition of this chapter is as follows:

<i>(thousands of euros)</i>	<b>2024</b>		<b>2023</b>	
	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>
Remuneration to staff members	(88)	(2.150)	(181)	(1.687)
Other provisions	(747)	(350)	(593)	(1.624)
	<b>(835)</b>	<b>(2.500)</b>	<b>(774)</b>	<b>(3.311)</b>

Other long-term provisions at 31 December 2023 included Euros 1,373 thousand from the Brazilian company for tax litigation, which were cancelled in 2024 as an agreement was reached with the local authorities.

**16.1. Remuneration to staff members**

This chapter includes provisions for pension commitments made by the Polish and Mexican companies, in accordance with the legislation of their countries. The present value of the commitments has been determined, applying for their quantification the capitalization interest rates and life tables and other generally accepted actuarial assumptions, following the legal standards of each country (Note 3.14)

The movement in the financial years 2024 and 2023 was as follows:

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>
<b>Balance at the beginning of the financial year</b>	<b>(1.868)</b>	<b>(1.708)</b>
Funding allowances variation	(497)	(15)
Exchange differences	127	(145)
<b>Final Balance</b>	<b>(2.238)</b>	<b>(1.868)</b>

**17. INCOME AND EXPENSES**

**17.1. Turnover net amount**

The turnover net amount breakdown, according to the destination of the geographic markets, is as follows:

	<b>2024</b>	<b>2023</b>
Domestic	14%	15%
Rest of the European Union	47%	44%
Rest of the World	39%	41%

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

The Group has 1 customer (1 in 2023) who have been individually billed a percentage greater than 10% of the net amount of the Group's turnover. This customer has been billed in 2024 and 2023 for the following percentages:

%	
2024	2023
22%	22%

For the purposes of this note, a company or group of companies is considered a customer.

**17.2. Procurement**

The purchases of goods and raw materials and other supplies breakdown by geographic markets are as follows:

	%	
	2024	2023
Domestic	32%	34%
Rest of the European Union	42%	39%
Rest of the World	26%	27%

**17.3. Staff**

The breakdown of average staff as well as staff at year-end of the Group by category and gender is shown below:

	Average staff 2024	Staff as of the 31st of December 2024			Average of staff with disabilities
		Total	Men	Women	
Directors (external staff)	2,00	2	2	-	-
Directors (internal staff)	1,92	1	1	-	-
Senior Management	11,08	9	7	2	-
Structure	328,98	296	156	140	2,00
Indirect workforce	1.154,54	1.064	881	183	18,00
Direct workforce	2.165,66	2.173	1.232	941	46,00
<b>Totals</b>	<b>3.662,18</b>	<b>3.543</b>	<b>2.277</b>	<b>1.266</b>	<b>66,00</b>

Almost two of the Parent companies' directors in financial year 2024 are themselves employees of the Group (two in financial year 2023).

The breakdown of average staff as well as staff at previous year-end of the Group by category and gender is shown below:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

	Average staff 2023	Staff as of the 31st of December 2023			Average of staff with disabilities
		Total	Men	Women	
Directors (external staff)	<b>2,00</b>	<b>2</b>	<b>2</b>	-	-
Directors (internal staff)	2,00	2	2	-	-
Senior Management	9,00	9	7	2	-
Structure	318,46	305	156	149	7,00
Indirect workforce	1.087,76	1.067	879	188	18,00
Direct workforce	2.199,42	2.204	1.237	967	43,00
<b>Totals</b>	<b>3.616,64</b>	<b>3.587</b>	<b>2.281</b>	<b>1.306</b>	<b>68,00</b>

**18. OPERATIONS AND BALANCES WITH ASSOCIATED PARTIES**

**18.1 Balances and transactions with the sole shareholder**

In addition to the transactions with the related companies indicated in Note 10, the Group has had the following transactions with the Sole Shareholder of Teknia Manufacturing Group, S.L. (Sole-Proprietorship):

<i>(thousands of euros)</i>	Dividends	
	2024	2023
Siuled, S.L.	5.611	6.389

In addition, the Sole Shareholder received EUR 20 thousand in consultancy fees in 2024 (EUR nil in 2023).

As of the 31st of December 2024, as at the year-end date of the financial year 2023, the Group does not maintain balances with this company.

**18.2 Remuneration of the Directors and key staff**

The remuneration paid in 2024 to all the Directors of the Controlling Company amounted to 522 thousands of euros (423 thousands of euros in the financial year 2023), of which 372 thousands of euros were paid as wages (274 thousands of euros in 2023) and 150 thousands of euros as services (149 thousands of euros in 2023).

The Sole Shareholder of the Controlling Company, Siuled, S.L., which in turn is an administrator, has balances and transactions that are indicated in the appropriate notes of this Consolidated Annual Report (Note 18.1).

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## **TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

The remuneration met in the financial year 2024 for the staff considered key by the group amounted to 1,298 thousands of euros (1,276 thousands of euros in the financial year 2023).

In addition, the Controlling Company has a Liability of Directors and Officers Insurance Policy in place, whose Premium amounts to 10 thousands of euros (taxes included) (6 thousands of euros in the previous financial year).

### **19. FINANCIAL STRUCTURE**

The Group's Financial Management is the one that arbitrates the overall financial policy, but it also allows the national companies freedom of management. Although each company generates its own treasury and manages its collection and payment schedules, and puts its own cash budgets together, the Controlling Company has centralized the financial management of the Group's subsidiaries, obtaining financing, through bank loans and issuance of bonds and promissory notes, that is subsequently transferred to the subsidiaries and maintaining a checking account with each subsidiary company.

Foreign companies independently manage their treasury on the basis of the guidelines set by the Group Management.

#### **19.1 Guarantees and collateral**

At 31 December 2024, the Parent Company partially secured loans from the Official Credit Institute (ICO), the balance of which at 31 December 2024 amounts to Euros 5,285 thousand (Euros 8,734 thousand in 2023).

In 2024, the Parent Company issued three generic Comfort Letters to customers of Teknia Bilbao XXI, S.L. (Sole-Shareholder Company) and Teknia Brasil Ltda. and another Comfort Letter to financial institutions of Componentes de Automoción Marroquíes, SARL. (in 2023, three generic Comfort Letters to customers of Teknia Azuqueca, S.L. (Sole-Proprietorship), Teknia Bilbao XXI, S.L. (Sole-Proprietorship) and Teknia Brasil Ltda. and, in addition, another Comfort Letter to financial institutions of Componentes de Automoción Marroquíes, SARL).

Also, in 2024, the Parent secures as joint and several guarantor the payment of rent under the lease agreements concluded by the subsidiaries Teknia Azuqueca, S.L. (Sole-Proprietorship) and Teknia Bilbao XXI, S.L. (Sole-Proprietorship) with a third party, is joint and several guarantor of the payments under the energy contracts concluded by Teknia San Luis Potosí, S.A. de C.V. and Teknia Tepeji, S.A. de C.V. and is guarantor and joint and several guarantor of loans whose holders are subsidiaries, the total balance of which at year-end 2024 amounts to Euros 17,604 thousand (Euros 11,746 thousand at year-end 2023).

Teknia Rzeszów Sp. z o.o. has signed contracts with financial institutions to secure the repayment of loans, credits, discount lines and other financing in the amount of PLN 3,103 thousand (PLN 3,103 thousand in 2023).

Teknia Kalisz, Sp. z o.o. has signed contracts with financial institutions to secure existing discount lines in the amount of PLN 6,000 thousand which at year-end 2024 are undrawn (PLN 6,000 thousand in 2023 which at year-end 2023 were undrawn) (Note 11.1.2).

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## **TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

The Czech Republic company, Teknia Uhersky Brod, a.s., has been granted a mortgage guarantee amounting to EUR 532 thousand (EUR 1,028 thousand in 2023) and has signed a "Blank Bill" for these loans.

Teknia Brasil Ltda. Secured with machinery and equipment a loan guaranteed by the Parent Company. At 31 December 2024 this loan was extinguished (as of 31 December 2023 an amount of 320 thousand Brazilian reals was outstanding).

Teknia Oradea, S.R.L. has a mortgage loan maturing in 2025, the amount of which at the end of 2024 is 35 thousand euro (117 thousand euro in 2023), the cost of the mortgaged asset being higher. This loan is secured by its parent company Teknia Ampuero, S.L. (Sole Proprietorship).

## **20. OTHER INFORMATION**

### **20.1 Information on the purchase cost prices of the contributed shares**

The values for which the shares contributed to the Controlling Company were entered into the accounts at the time of its incorporation are reflected in the Consolidated Yearly Financial Statements for the financial year 2007 and earlier.

In the case of the sale of these stocks, the tax gain to be reported would be the difference between the sale price and the tax cost value mentioned above.

### **20.2 Auditors' fees**

The fees accrued by the auditors of the Controlling Company for the audit of the Group and its companies' Consolidated Yearly Financial Statements amounted to 148 thousands of euros (140 thousands of euros in the previous financial year) and for performing other tasks, 23 thousands of euros, (24 thousands of euros in the previous financial year).

In addition, fees for audits of foreign and Spanish companies by other auditors of the Moore Global Network amounted to 56 thousand euros (50 thousand euros in 2023) and 4 thousand euros for other work for the group (6 thousand euros in 2023).

Other auditors have received an amount of EUR 129 thousand for audit work (EUR 122 thousand in 2023) and other work has been performed in 2024 amounting to EUR 27 thousand. (20 thousand euros in 2023).

### **20.3 Article 229 of the Consolidated Text of the Spanish Capital Companies Act**

The Directors state that neither they nor the persons associated with them, as defined in Article 231 of the Spanish Capital Companies Act, incur none of the conflict of interest situations listed in article 229 of said Act. Although it is indicated that they have stakes and hold positions in the affiliated companies.

#### **20.4 Donations and contributions to non-profit associations**

It is in the interest of the Board of Directors, the Sole Shareholder and, ultimately, the Founder, to promote and increase the philanthropic activity of the various companies of the Teknia Group on an annual basis.

In 2024, Group companies have made contributions to non-profit organisations amounting to EUR 425 thousand (EUR 476 thousand in 2023).

#### **20.5 Foreign currency**

The overall amount of the most significant assets and liabilities elements denominated in foreign currency is as follows:

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

	<i>(thousands of euros)</i>											
	Brazilian Real		PLN		Dirham		Czech Crown		Mexican Peso		USD	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>												
Tangible fixed assets	6,403	6,111	9,436	10,289	4,132	3,783	9,952	10,674	18,342	14,867	9,253	8,886
Stock	3,008	3,207	9,305	8,372	661	611	3,313	2,889	15,085	15,447	3,248	3,075
Trade and other accounts receivables	2,903	5,573	8,492	2,842	2,609	3,240	3,882	5,585	13,486	11,758	6,958	6,982
Cash and other cash equivalents	634	467	1,855	1,394	213	83	2,925	1,474	1,155	876	5,285	4,715

	<i>(thousands of euros)</i>											
	Brazilian Real		PLN		Dirham		Czech Crown		Mexican Peso		USD	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>LIABILITIES</b>												
Long-term debt to credit institutions	-	-	-	-	(126)	(289)	(196)	(594)	-	(9,450)	(325)	676
Short-term debt to credit institutions	-	(60)	-	(251)	(131)	(128)	(336)	(539)	-	(2,861)	(4,185)	(2,999)
Trade creditors and other accounts payable	(3,609)	(7,080)	(8,212)	(11,089)	(1,649)	(1,814)	(4,187)	(4,388)	(14,850)	(16,250)	(4,895)	(5,236)

	<i>(thousands of euros)</i>											
	Brazilian Real		PLN		Dirham		Czech Crown		Mexican Peso		USD	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>PROFITS AND LOSSES</b>												
Supplies	(11,105)	(9,672)	(15,875)	(17,813)	(5,917)	(5,816)	(12,337)	(19,467)	(25,369)	(42,216)	(19,657)	(11,095)
Turnover net amount	19,146	17,301	23,280	26,530	9,052	8,287	517	(42)	10,159	19,180	72,748	68,553

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

ASSETS	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Tangible fixed assets	5,119	5,566	1,387	373	6,367	3,368	-	-	4,366	5,289
Stock	1,633	1,324	833	936	1,137	762	-	-	2,455	2,830
Trade and other accounts receivables	1,168	1,524	550	608	1,074	876	1	1	2,290	1,070
Cash and other cash equivalents	318	39	9	4	261	262	35	40	285	221

LIABILITIES	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Long-term debt to credit institutions	-	-	-	-	(3,941)	(993)	-	-	-	-
Short-term debt to credit institutions	-	-	(18)	-	(683)	(299)	-	-	-	-
Trade creditors and other accounts payable	(1,641)	(3,422)	(1,777)	(5,050)	(1,048)	(1,063)	(12)	(13)	(2,541)	(3,635)

PROFITS AND LOSSES	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Supplies	(3,966)	(5,562)	(3,718)	(7,276)	(2,755)	(2,976)	-	-	(8,930)	(11,271)
Turnover net amount	7,246	7,775	2,825	3,277	5,574	4,849	115	235	4,550	2,785

**21. ENVIRONMENTAL AND GREENHOUSE GAS EMISSIONS RIGHTS INFORMATION**

**21.1. Environmental information**

The Group, in the course of its productive activities, is committed to the elimination, or at least, the minimization of environmental impact.

In this sense, most of the Group's production plants have an environmental management system certified according to international standards (ISO 14001 or ISO/TS 16949). As a tier 2 automotive agent, TEKNIA Group companies are committed to continuous investment in R&D in order to improve the energy efficiency of their production processes and to develop new products or lighter parts in order to support the development of new generation vehicles (with reduced emissions of CO<sub>2</sub>).

The expenditure incurred by the Spanish companies for the protection and improvement of the environment directly allocated to the Consolidated Profit and Loss Account for the financial year 2024 amounts to 371 thousands of euros (402 thousands of euros in the financial year 2023) and they refer basically to the costs of waste treatment.

**21.2. Information on greenhouse gas emissions rights**

The group companies do not perform activities in facilities that give rise to trade in greenhouse gas emission rights, and therefore no such items are recorded.

**22. INFORMATION REGARDING THE AVERAGE SUPPLIER PAYMENT PERIOD. THIRD ADDITIONAL PROVISION. "DUTY OF INFORMATION" OF LAW 15/2010, OF 5 OF JULY.**

The information on the average supplier payment period for the financial years 2024 and 2023 is as follows:

	Made and pending payments at the year-end date of the Consolidated Balance Sheet	
	2024	2023
	<b>Days</b>	
Payment to suppliers average period	60,95	62,65
Rate of paid transactions	62,81	66,20
Rate of outstanding transactions	50,73	61,69
	<b>Amount (thousands of euros)</b>	
Total payments made	142.631	158.759
Total payments outstanding	30.085	32.643
Volume paid < or = 60 days	51.479	52.688
No. of paid invoices < or = 60 days	14.135	14.085
% Monetary volume	36%	33%
No. of invoices paid	39%	39%

**23. SUBSEQUENT FACTS**

There are no further noteworthy developments that could significantly affect the attached Consolidated Yearly Financial Statements.

**24. SEGMENTED INFORMATION**

**24.1. Assignment and allocation criteria used to determine and offer the information for each of the segments**

As indicated above (Note 3.16), in the financial years 2024 and 2023 the Board of Directors of the Controlling Company has identified a single segment (Automotive), so it is not necessary to collect segmented information concerning this financial year.

Elorrio, 31 March 2025.

**2024 CONSOLIDATED MANAGEMENT REPORT**

**1. STATUS OF TEKNIA GROUP AND FORESEEABLE EVOLUTION**

In 2024, the overall light vehicle production volume reaches around 89.5 million units (-0.9% YoY, compared to 90.3 million units in 2023). Only South Asia and America, both North and South, experienced growth. However, year-end results showed different results, with mainland China being the region where the largest absolute growth occurred, increasing production by more than half a million units.

Registrations of passenger cars and SUVs in Europe reached 10,632,381 units in 2024, 0.8% more than in the previous year, according to data published by the European Automobile Manufacturers' Association (ACEA). The ageing of vehicles in Europe has been a constant concern, and policies to promote the renewal of the car fleet have, at least by 2024, succeeded in sustaining the figures.

The European Automobile Employers' Association states that in the last year, vehicle sales decreased in three of the four major car markets in the European Union, except in Spain where there was an annual growth of 7.1% by exceeding one million registrations, specifically to 1,016,885 units.

Confidence in the EU automotive industry remains markedly weaker than in other European manufacturing sectors. Importantly, the disparity between sales growth and the contraction of the traditional automotive market raises questions about the speed and nature of the transition to electromobility. Thus, the European market, led by Germany and France, shows signs of economic recession and weakness in the manufacturing industry, resulting in a 3% contraction in EV sales, with around 3 million units sold.

Looking ahead to 2025, global light vehicle production is forecast to maintain 2024 levels to reach 88.5 million units, which appears to be a major challenge due to key factors, such as the implementation of new wide-ranging US tariffs, and intertwined with other factors such as inventory management and changes in manufacturers' product strategies in response to regional demand patterns, which include slower growth in key markets, in some cases linked to slower electric vehicle adoption rates.

**Changes in Turnover**

The 2024 financial year was marked by a slight contraction in Group sales, which amounted to 430.6 million euros, a decrease of 6.3% compared to the previous year. This change reflects both the delay in the start-up of new projects and the general weakness of demand in the sector, especially in the second half of the year, in line with the contraction of the overall light vehicle market.

Against this backdrop, the Group has implemented a series of extraordinary cost adjustment measures, the most relevant of which is the optimisation of the workforce. These actions could be expanded during 2025 if imbalances in profitability levels persist

## TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies

The distribution of the Group's revenues by market remains unchanged from the previous year: EMEA accounted for 78% of the total (78% in 2023), NAFTA for 18% (18% in 2023) and Brazil for 4% (4% in 2023).

In terms of sales by technology, there is a slight increase in the contribution of machining and aluminium injection moulding, in line with recent inorganic growth operations. The distribution by technology remains relatively stable, with plastic injection moulding accounting for 32% of the total (32% in 2023), metal - which includes stamping and tube forming - 29% (31% in 2023), machining 22% (22% in 2023) and aluminium injection moulding 17% (16% in 2023).

The turnovers and their evolution in recent years are:

	2024		2024		2023		2023		2022		2022	
	Euros		Vs		Euros		Vs		Euros		Vs	
	'000	%	2023	%	'000	%	2022	%	'000	%	2021	%
Turnover Net Amount	<b>430,599</b>	100%	(6.28%)		<b>459,463</b>	100%	19.48%		<b>384,568</b>	100%	18.78%	
Operating margin	<b>11,264</b>	2.62%	(56.43%)		<b>25,854</b>	5.63%	11.27%		<b>23,234</b>	6.04%	40.88%	
EBITDA <sup>1</sup>	<b>36,093</b>	8.38%	(26.02%)		<b>48,785</b>	10.62%	20.31%		<b>40,549</b>	10.54%	23.46%	
Adjusted EBITDA <sup>2</sup>	<b>40,683</b>	9.45%	(18.46%)		<b>49,891</b>	10.86%	22.05%		<b>40,877</b>	10.63%	21.09%	

During financial year 2024, the Group's operating result decreased to EUR 11,264 thousand compared to EUR 25,854 thousand in 2023. This fall can mainly be explained by the volume effect, i.e. the loss of margin associated with the decline in sales.

The Group has successfully navigated a demanding macroeconomic climate —marked by inflation, rising interest rates, and a general environment of uncertainty— and an automotive sector undergoing significant transformation, with challenges linked to technological transition, new distribution dynamics, and the efficient management of more specialised and variable production.

Against this backdrop, Teknia has demonstrated high operational efficiency, being able to contain the effects of these tensions and maintaining an agile and adaptable structure as a result of the extraordinary personnel restructuring measures undertaken.

Teknia also closed the 2024 financial year with record-breaking figures with an average annual turnover of 81.5 million euros. With this change, Teknia not only ensures the maintenance of the current business level, but also guarantees the organic growth of the company for the coming years.

€'000	2024	2023	2022	2021
Gainings <sup>3</sup>	81,452	97,543	71,315	59,428

With the total amount of new business won, TEKNIA is not only confirming its geographical and technological diversification, but also laying the foundations for organic growth in the coming years, as well as the consolidation of new customers vital for the fulfilment of the Group's demanding strategic plan in terms of sales.

<sup>1</sup>EBITDA calculated as operating profit less depreciation and amortisation charge, the allocation of grants for non-financial fixed assets, and excess provisions.

<sup>2</sup>EBITDA calculated as operating profit less depreciation, the allocation of grants for non-financial fixed assets, excess provisions, other results and compensation for staff restructuring plans (2,428 thousand euros).

<sup>3</sup>The Gainings refer to parts manufacturing projects in terms of expected annual sales.

### EBITDA and DEBT LEVELS

Although profitability for the year was affected, in line with the evolution of the sector at European level, the Group activated measures aimed at optimising costs, strengthening organisational resilience and ensuring the sustainability of the business in the medium and long term.

By isolating the non-recurring EBITDA effects, mainly associated with restructuring costs resulting from the reorganisation of personnel, EBITDA amounts to EUR 40.7 million in 2024, a decrease of 18% compared to the previous year. However, if the impact of the volume effect, i.e. the loss of margin associated with the decline in sales, estimated at approximately EUR 11 million, were also excluded, EBITDA would have clearly exceeded the levels recorded in 2023. The Group is highly focused on cost control, efficient management and optimising profitability.

With regard to debt levels, the Group remains firmly focused on preserving a sound balance sheet, having managed to maintain a ratio of 2 times net financial debt to EBITDA, excluding the non-recurring effects of the year. This position reflects a balanced financial structure, which ensures operational flexibility and responsiveness to different market scenarios. Cash generation in 2025 is expected to enable recurring payments to be met without requiring an increase in net financial debt.

In addition to the cash recorded on the balance sheet at year-end, the Group has a liquidity reserve of EUR 97 million at 31 December (compared to EUR 84 million in 2023), which includes both liquid cash positions and the undrawn amount of credit lines, discounting instruments and other contracted financial facilities. This position enables the Group to meet its short-term commitments while remaining solvent and provides it with operational flexibility and a solid capacity to respond to possible tensions or changing market scenarios.

In short, the industry is undergoing a profound structural transformation, and Teknia is facing this process with a clear strategic vision, a strong commitment to continuous improvement and a proven ability to operate effectively even in complex and demanding environments.

### Exchange Differences (Financial)

The chart below shows the annual variation of the most significant currencies in which TEKNIA Group operates in recent years.<sup>4</sup>

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<sup>4</sup> In the chart, variation (-) refers to appreciation and variation (+) depreciation

**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

	% var.		% var.		% var.	
	2024 vs 2023	2024	2023 vs 2022	2023	2022 vs 2021	2022
Brazilian Real	6.4253	19.83%	5.3618	(4.91%)	5.6386	(10.64%)
Polish Zloty	4.275	(1.49%)	4.3395	(7.29%)	4.6808	1.83%
Czech Crown	25.1850	1.86%	24.724	2.52%	24.116	(2.98%)
American Dollar	1.0389	(5.98%)	1.105	3.60%	1.0666	(5.83%)
Moroccan Dirham	10.5190	(3.89%)	10.9445	(1.92%)	11.1592	6.11%
Mexican Peso	21.5504	15.10%	18.7231	(10.23%)	20.8560	(9.89%)
Serbian Dinar	117.0149	(0.14%)	117.1737	(0.13%)	117.3224	(0.22%)
Turkish Lira	36.7372	12.51%	32.6531	63.55%	19.9649	31.06%
Romanian Leu	4.9743	(0.03%)	4.9756	0.53%	4.9495	0.01%
Japanese Yen	163.06	4.30%	156.33	11.14%	140.66	7.88%
Swedish krona	11.459	3.27%	11.096	n/a	n/a	n/a

Source: [www.ecb.europa.eu](http://www.ecb.europa.eu), data as of the 31st of December of each year.

In this area, the significant devaluation of the Brazilian real, the Mexican peso and the Turkish lira should be highlighted.

Against this backdrop, the Group mainly hedges its positions through borrowings in local currency or in currencies with a high correlation to the functional currency of each country, which helps to reduce conversion risks without resorting to financial derivatives.

## **2. THE GROUP'S FINANCIAL SITUATION, POLICY AND RATIOS**

The management of the Group's financial risks is centralized on the Financial Management Team of the Group, which has established the necessary mechanisms to control exposure to changes in interest and exchange rates, as well as credit and liquidity risks.

The Group aims to diversify its sources of funding. This diversification plan closes 2024 with the Group's debt composition distributed 18% in alternative financing and 82% in bank financing (28% and 72% respectively in 2023).

<i>(thousands of euros)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Debt Cost <sup>5</sup>	(6,294)	(5,139)	(2,146)	(2,088)	(2,505)
Debt	(126,514)	(123,596)	(104,700)	(95,567)	(106,890)
Debt/Cost	4.97%	4.16%	2.05%	2.2%	2.3%

2024 saw a pause and subsequent start of moderation in interest rate hike policies by the main central banks. With respect to the European Central Bank (ECB) whose policy directly impacts the Teknia Group, it maintained a cautious stance for much of 2024. While inflation in the euro area showed signs of easing, the ECB remained steadfast in its approach to controlling inflationary pressures.

<sup>5</sup> The item Debt Cost comprises all financial expenditure and both short- and long-term debt interests

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**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

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In response to stabilisation and expectations of future rate cuts by the ECB, the Euribor curve continued its downward trend throughout 2024. Rates remained relatively stable for most of the year, reflecting the pause in the ECB's rate hikes, and came under slight downward pressure towards the end of the year on growing expectations of future monetary easing.

Towards the end of the year, a growing consensus emerged on the need to begin to partially reverse rate hikes in the near future, in the face of moderating inflation and concerns about economic growth. Most forecasts expect Euribor to continue to decline throughout 2025, reaching levels close to or slightly above 2% by the end of the year.

**RATIOS**

	2024	2023	2022	2021	2020
<b>DEBT AND LIQUIDITY</b>					
CURRENT ASSETS / CURRENT LIABILITIES	1.16	1.23	1.32	1.23	1.14
CURRENT LIABILITIES + NON-CURRENT / EQUITY	2.39	2.18	2.16	2.04	2.65
NET F. DEBT / EQUITY	0.89	0.81	0.71	0.86	0.79
Net Financial Debt / Adjusted EBITDA	2.09x%	1,66x%	1,60x%	2.05x%	2.18x%
<b>PROFITABILITY</b>					
SALES RETURN (ROS)	0.72%	3.05%	4.15%	3.31%	0.67%
ECONOMIC RETURN (ROA)	3.46%	7.89%	7.99%	6.80%	3.59%
FINANCIAL RETURN (ROE)	3.22%	13.62%	17.37%	13.41%	2.65%
RETURN ON INVESTMENT (ROCE)	6.50%	14.94%	14.88%	12.08%	7.27%

**3. DEVELOPMENTS AFTER THE END OF THE FINANCIAL YEAR**

Since the end of the financial year to date there have been no events, in addition to those already mentioned, which, due to their significance, have a special effect on the financial statements and the overall position of the Group and which have not been mentioned in the notes to the consolidated annual accounts.

**4. RESEARCH AND DEVELOPMENT ACTIVITIES**

With our new strategic plan for 2023-2025, innovation is the engine that drives Teknia forward.

To this end, at the beginning of 2024, the Group incorporated Teknia Xpander with the aim of deepening our technological transformation with greater determination, as its experience will be key in the implementation of digitalisation and Industry 4.0 initiatives in the Group's plants, a priority at the present time, as set out in the strategic plan "Moving Teknia 2025".

In addition, in 2024, Teknia created two companies: Teknia Movility Innovation, S.L. and Teknia & Partners, S.L., the former located in the AIC (Automotive Intelligence Center) in Boroa (Vizcaya), an international innovation centre focused on automotive and mobility, has the mission to become a centre of excellence by unifying our expertise in R&D&I and advanced manufacturing solutions to create pioneering solutions in key technologies such as plastic injection and metal forming.

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## **TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

For its part, Teknia & Partners, S.L., was set up as an investment vehicle with the aim of supporting companies in the field of new mobility through financial participation in emerging companies that create innovative solutions in this field. The first two investments made by Teknia & Partners were in the Spanish company Zuma and the Swiss company Libattion.

At the same time, we are transforming our operations with a focus on efficiency, digitalisation and automation, preparing for Industry 4.0. The renewal of our IT systems will allow us to implement even more advanced solutions.

Teknia is seeking to standardise the Group's production processes through the implementation of the Corporate Operating Model (COM), aimed at improving operational efficiency and strategic alignment. It will also improve the quality and reliability of data for decision making such as detailed analysis for cost optimisation.

In short: Teknia is investing heavily in innovation and cutting-edge technology to offer market-leading products and processes, building a promising future full of opportunities.

### **5. HOLDINGS IN TREASURY STOCK**

During the financial year 2024, there has been no acquisition of treasury stock (or shares) by any of the companies that make up TEKNIA Group.

### **6. GROUP EXPOSURE TO PRICE RISK, CREDIT RISK, LIQUIDITY RISK AND CASH FLOW RISK.**

The management of the Group's financial risks is centralized on the Financial Management Team of Group, which has established the necessary mechanisms to control exposure to changes in interest and exchange rates, as well as credit and liquidity risks. These are the main financial risks that impact the Group:

- Credit risk:

Generally the Group maintains its cash and cash equivalents in high-level of solvency financial institutions.

Credit risk is determined by the group companies' sales to their customers. At this time, given the current economic climate, each customer has been studied individually to minimise the impact of this type of risk.

- Liquidity Risk:

The Group maintains a solid liquidity position, backed by a large cash reserve and access to ample credit and financing facilities, as shown in the consolidated balance sheet, which enables it to meet all its operating commitments with full solvency.

The dividend policy followed is prudent and takes into account the investments necessary to maintain the Group's competitiveness. The credit limits indicated in Note 11.1.2 of the Consolidated Annual Report are maintained.

This solid financial base is the result of a prudent and proactive management policy aimed at preserving operational flexibility even in volatile environments, ensuring that the Company can respond quickly to any short and medium-term financing needs.

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**TEKNIA MANUFACTURING GROUP, S.L., (a Sole Proprietorship Company) and subsidiary companies**

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Maintaining this ample availability of liquid resources is a key pillar of the financial strategy, enabling not only current obligations to be met, but also investment and growth opportunities to be seized quickly and securely.

- Market risk (Interest rate, exchange rates, etc.):

At 31 December, 17% of the Group's significant long-term financial liabilities were arranged at a fixed rate, which helps to reduce exposure to the risk of interest rate rises. The Finance Department closely monitors the structure of debt and its cost, focusing its efforts on optimising financing conditions and reducing credit spreads. This policy helps to mitigate possible impacts derived from stress scenarios in the financial markets, although so far, no significant increases in interest rates are expected.

The Group's international presence implies a structural exposure to exchange rate risk, which requires an active and prudent foreign exchange management policy. The goal is to mitigate the impact that currency volatility may have on operating activity, results and consolidated equity.

Against this backdrop, the Group mainly hedges its positions through borrowings in local currency or in currencies with a high correlation to the functional currency of each country, which helps to reduce conversion risks without resorting to financial derivatives.

- Insurance Policies

- i. Property damage

The standard practice of the Group is to take out insurance policies to cover all its companies against the possible risks to which the various elements of their tangible fixed assets are exposed.

The calculation criterion for insured capital is the reinstatement to new to market values, so we believe that with current Teknia policies and future upgrades, the company's assets are 100% insured in the event of possible and unforeseen incidents.

In turn, in collaboration with the insurer, accident studies are being carried out at the plants in order to obtain a detailed report of the possible needs in order to avoid them.

- ii. Civil Liability

The company secures the risks of its activity through a General Liability Policy whose objective is to ensure to the maximum the claims that may be derived from the Group's activity.

In relation to operating and product coverage, the claim limits are as follows:

Operating Civil Liability	€12,000,000	Per claim
Product/Post work Civil Liability	€12,000,000	Per claim and year
Export Extension USA/Canada	€12,000,000	Per claim and year

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**7. PAYMENT TO SUPPLIERS AVERAGE PERIOD**

The average supplier payment period in 2024 is 60.95 days, stable compared to the previous year (62.65 days in 2023).

The Group continues to work on improving its internal processes and strengthening supplier relations, with the aim of ensuring efficient and responsible management of payments and a focus on sustainability throughout the supply chain.

**8. NON-FINANCIAL INFORMATION STATEMENT**

In accordance with the provisions of Law 11/2018 of the 28th of December, amending the Commercial Code, the consolidated text of the Spanish Capital Companies Act and Law 22/2015 of the 20th of July on audit of accounts, in the area of non-financial information and diversity, the group has prepared the non-financial information statement, which is a part of this management report and is submitted as a separate report.

Elorrio, 31 March 2025.

**TEKNIA MANUFACTURING GROUP, S.L. (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**  
**ANNEX I (Thousands of Euros)**

	Teknia Elorrio, S.L.U		Teknia Bilbao XXI, S.L.U.		Teknia Martos, S.L.U.		Teknia Brasil, Ltda.		Teknia Barcelona, S.L.U.	
Registered Office	Barrio San Agustín nº11 Elorrio – (Bizkaia)		Abanto and Ciervana (Bizkaia)		Martos (Jaén)		Jacareí (São Paulo) BRAZIL		Cl Comte de Montemolin 39, Pol. Ind. Leixample (Parets del Valles)	
Activity	Manufacture of tube assemblies		Bar cutting		Plastic Injection		Manufacture of plastic tube assemblies, printing and injection		Bar cutting	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding										
- Direct	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
- Indirect	-	-	-	-	-	-	-	-	-	-
Holder of the indirect participation	-	-	-	-	-	-	-	-	-	-
Dividends declared during the year	-	-	-	-	319	89	-	-	2.458	2.054
<b>Net worth:</b>										
- Share Capital	60	60	174	174	139	139	25.234	30.239	240	240
- Share premium, reserves and results from previous financial years.	5.350	4.568	889	1.104	4.886	4.886	(20.707)	(25.772)	3.258	3.258
- Other items of treasury stock	21	-	3	14	14	28	-	-	83	97
- Results of the financial year	467	782	(288)	(215)	(929)	319	(2.267)	958	1.651	2.458
- Operating results	745	1.190	1	16	(1.397)	164	(845)	1.117	2.240	3.288
- Results of interrupted operations	-	-	-	-	-	-	-	-	-	-
Shareholding accounted value	9.443	7.822	3.209	3.209	6.841	5.373	2.261	4.509	11.289	11.289
Auditor of the Company	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Moore MSL Lima Lucchesi	Moore MSL Lima Lucchesi	Moore Addveris Auditores Y Consultores S.L.P.	Moore Addveris Auditores Y Consultores S.L.P.

**TEKNIA MANUFACTURING GROUP, S.L. (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**  
**ANNEX I (Thousands of Euros)**

	Teknia Pedrola S.L.U.		Teknia Polska Sp. z o.o.		Teknia Kalisz Sp. z o.o.		Teknia Rzeszów, Sp. z o.o.		Teknia Azuqueca, S.L.U.	
Registered Office	Pol. Ind. El Pradillo Pedrola - Zaragoza		Nowogrodza, 12 (Warsaw) POLAND		Przemysłowa, 3-5, (Popówek) POLAND		Przemysłowa, 4 (Rzeszow) POLAND		Pol. Ind. Miralcampo de Arriba – Azuqueca de Henares (Guadalajara)	
Activity	Manufacture of tube assemblies		Holding		Printing and tube		Plastic injection		Plastic injection	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding										
- Direct	100%	100%	100%	100%	-	-	-	-	100%	100%
- Indirect	-	-	-	-	100%	100%	100%	100%	-	-
Holder of the indirect participation	-	-	-	-	Teknia Polska Sp. z o.o.		Teknia Polska Sp. z o.o.		-	-
Dividends declared during the year	-	-	-	-	-	-	-	-	-	-
<b>Net worth:</b>										
- Share Capital	3.000	500	2.315	2.281	315	311	136	135	3.500	3.500
- Share premium, reserves and results from previous financial years.	2.483	306	10.014	8.035	8.538	8.279	12.613	10.720	355	(1.154)
- Other items of treasury stock	8	28	-	-	-	-	-	-	6	21
- Results of the financial year	(2.410)	(787)	1.794	1.830	(14)	132	2.565	3.377	(1.592)	(91)
- Operating results	(2.075)	(670)	(20)	(421)	85	647	2.823	3.621	(876)	124
- Results of interrupted operations	-	-	-	-	-	-	-	-	-	-
Shareholding accounted value	3.081	47	2.395	2.395	-	-	-	-	1.600	-
Auditor of the Company	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Not audited	Not audited	TPA Sp. Z.o.o Spk.	TPA Sp. Z.o.o Spk.	TPA Sp. Z.o.o Spk.	TPA Sp. Z.o.o Spk.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.

**TEKNIA MANUFACTURING GROUP (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**  
**ANNEX I (Thousands of Euros)**

	Teknia Uhersky Brod a.s.		Teknia San Luis Potosí, S.A. de C.V.		Teknia Germany GmbH		Componentes de Automoción Marroquíes SARL		Teknia Manresa, S.L.U.	
Registered Office	Rybářská 2330 (Uherský Brod), CZECH REP.		Parque Industrial San Luis Potosí MEXICO		(Stuttgart) GERMANY		TFZ D'Exportation Ilot 30-Lot n02 Mod.1 (Tangier) MOROCCO		Pg Ind. Bufalvent, C/ Doctor Esteve Terrades 3 (Manresa)	
Activity	Plastic injection		Plastic injection		Management of commercial activities		Plastic injection		Metal parts printing	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding										
- Direct	100%	100%	100,0%	100,0%	100%	100%	100%	100%	100%	100%
- Indirect	-	-	-	-	-	-	-	-	-	-
Holder of the indirect participation	-	-	-	-	-	-	-	-	-	-
Dividends declared during the year	836	-	-	-	-	-	100	-	1.481	1.107
<b>Net worth:</b>										
- Share Capital	4.835	4.926	6.159	7.089	25	25	3.259	3.133	60	60
- Share premium, reserves and results from previous financial years.	6.810	6.937	1.517	886	1.106	839	844	(42)	6.235	6.235
- Other items of treasury stock	-	-	-	-	-	-	-	-	-	-
- Results of the financial year	197	846	907	860	50	267	193	952	1.121	1.481
- Operating results	409	1.322	2.107	2.257	16	369	354	1.188	1.394	1.926
- Results of interrupted operations	-	-	-	-	-	-	-	-	-	-
Shareholding accounted value	3.636	3.636	6.709	6.709	620	620	3.145	3.145	3.825	3.825
Auditor of the Company	Kratkyaudit, s.r.o.	Kratkyaudit, s.r.o.	Moore Orozco Medina, S.C.	Moore Orozco Medina, S.C.	Not audited	Not audited	Moore Bernossi	Moore Bernossi	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.

**TEKNIA MANUFACTURING GROUP (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**

**ANNEX I (Thousands of  
Euros)**

	Teknia USA Inc.		Teknia Nashville, LLC		Teknia Mexico City, S.A. de C.V.		Teknia KG doo, Kragujevac	
Registered Office	601 Abbot Road, East Lansing, Michigan 48823 UNITED STATES		94 Belinda Parkway, Mt Juliet, 37122 Tennessee, UNITED STATES.		Calle Avena nº 218, Colonia Granjas Mexico. Distrito Federal MEXICO		Kragujevac, 56 Dragoslav Sejovic street. SERBIA	
Activity	Management of commercial activities		Metal parts printing		Purchase-sale, distribution and manufacture of dies or turning, among others.		The production of other parts and additional equipment for vehicles	
	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding								
- Direct	-	100%	100%	-	100%	100%	100%	100%
- Indirect	-	-	-	100%	-	-	-	-
Holder of the indirect participation	-	-		Teknia USA Inc.	-	-	-	-
Dividends declared during the year	-	-	-	-	-	-	-	-
<b>Net worth:</b>								
- Share Capital	-	11.869	9.496	8.928	774	892	1.831	1.829
- Share premium, reserves and results from previous financial years.	-	5.463	8.251	(890)	1.738	1.666	1.028	883
- Other items of treasury stock	-	-	-	-	-	-	-	-
- Results of the financial year	-	394	(1.019)	(44)	450	335	(413)	144
- Operating results	-	(95)	(862)	282	583	561	(291)	351
- Results of interrupted operations	-	-	-	-	-	-	-	-
Shareholding accounted value	-	11.614	11.614	-	2.620	2.620	1.680	1.680
Auditor of the Company	-	Brown & Maguire CPAs, PLLC	Brown & Maguire CPAs, PLLC	Brown & Maguire CPAs, PLLC	Moore Orozco Medina, S.C.	Moore Orozco Medina, S.C.	Moore Stephens Revizija i Racunovodstvo d.o.o.	Moore Stephens Revizija i Racunovodstvo d.o.o.

**TEKNIA MANUFACTURING GROUP, S.L. (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**  
**ANNEX I (Thousands of Euros)**

	Teknia Gebze Makine Sanayi VE Ticaret A.S.		Teknia Entidad de Gestión S.L.U.		Teknia Japan GK		Teknia Ampuero, S.L.U.	
Registered Office	Dilovasi/Kocaeli, TURKEY		C/ Condesa Venadito, 8 1º 28027 (Madrid)		1-1+-7 Sakuragi-cho Naka-ku, Yokohama-shi, Kanagawa, JAPAN		Polígono Industrial barrio Marrón, Nº 1, Ampuero - Cantabria	
Activity	Manufacturing and marketing of industrial and automotive machinery parts		Provision of management services and technical, economic and financial advice		Management of commercial activities		Aluminium injection	
	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding								
- Direct	100%	100%	100%	100%	100%	100%	100%	100%
- Indirect	-	-	-	-	-	-	-	-
Holder of the indirect participation	-	-	-	-	-	-	-	-
Dividends declared during the year	-	-	125	-	-	-	1.800	2.543
<b>Net worth:</b>								
- Share Capital	344	24	153	153	18	19	2.889	2.889
- Share premium, reserves and results from previous financial years.	(498)	(521)	896	896	48	48	7.690	6.834
- Other items of treasury stock	-	124	-	-	-	-	-	-
- Results of the financial year	(41)	(587)	209	125	4	2	2.387	2.656
- Operating results	116	808	232	199	11	9	1.958	3.598
- Results of interrupted operations	-	-	-	-	-	-	-	-
Shareholding accounted value	-	(1.084)	468	468	36	36	14.308	14.308
Auditor of the Company	Consultation Bagimsiz Denetim ve YMM A.S.	Consultation Bagimsiz Denetim ve YMM A.S.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	Not audited	Not audited	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.

**TEKNIA MANUFACTURING GROUP, S.L. (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**  
**ANNEX I (Thousands of Euros)**

	TEKNIA TEPEJI, S.A. DE C.V.		Teknia Oradea, S.R.L.		Teknia Santander, S.L.U.		Teknia Stuttgart GmbH	
Registered Office	Tapejé del Río (Hidalgo) - MEXICO		Oradea - Bihor (Romania)		Ampuero (Cantabria)		(Stuttgart) GERMANY	
Activity	Aluminium injection		Aluminium injection		Manufacture and sale of metal parts of any kind		Manufacture and sale of metal parts of any kind	
	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of shareholding								
- Direct	-	-	-	-	100%	100%	100%	100%
- Indirect	100%	100%	100%	100%	-	-	-	-
Holder of the indirect participation	Teknia Ampuero, S.L.U.		Teknia Ampuero, S.L.U.		-	-	-	-
Dividends declared during the year	-	-	-	-	-	-	-	-
<b>Net worth:</b>								
- Share Capital	4.073	4.687	1.083	1.082	920	920	256	256
- Share premium, reserves and results from previous financial years.	7.302	6.736	2.064	1.683	2.906	2.553	1.869	1.127
- Other items of treasury stock	(823)	-	-	-	84	99	-	-
- Results of the financial year	1.274	1.669	34	382	240	353	(2.074)	(1.059)
- Operating results	1.982	3.095	157	498	313	412	(1.661)	(597)
- Results of interrupted operations	-	-	-	-	-	-	-	-
Shareholding accounted value	-	-	-	-	3.561	3.561	5.950	4.150
Auditor of the Company	Moore Orozco Medina, S.C.	Moore Orozco Medina, S.C.	S.C. Repoexpert, S.R.L.	S.C. Repoexpert, S.R.L.	Moore AMS Auditores, S.L.	Moore AMS Auditores, S.L.	HWS Reutlingen GmbH & Co. KG	HWS Reutlingen GmbH & Co. KG

**TEKNIA MANUFACTURING GROUP, S.L. (SOLE PROPRIETORSHIP COMPANY) AND SUBSIDIARY COMPANIES**

**ANNEX I (Thousands of Euros)**

	<b>Teknia Vimmerby AB</b>		<b>Teknia Xpander, S.L.U.</b>	<b>Teknia &amp; Partners, S.L.U.</b>	<b>Teknia Mobility Innovation, S.L.U.</b>
Registered Office	(Vimmerby) SWEDEN		Carrer Brac de L'Alter, 54 E2.2 ofi.1 46469 Beniparrell (Valencia)	C/ Condesa Venadito, 8 1º 28027 (Madrid)	Pol, Industrial Boroa, Automotive Intelligence Center P2, dependencia A4, 48340 Amorebieta-Etxano, Vizcaya
Activity	Aluminium injection				
	2024	2023	2024	2024	2024
Percentage of shareholding					
- Direct	100%	100%	100%	100%	100%
- Indirect	-	-	-	-	-
Holder of the indirect participation	-	-	-	-	-
Dividends declared during the year	2.098	-	-	-	-
<b>Net worth:</b>					
- Share Capital	87	90	3	3	3
- Share premium, reserves and results from previous financial years.	7.079	9.176	798	-	-
- Other items of treasury stock	-	-	-	-	-
- Results of the financial year	1.224	1.200	(772)	(68)	(27)
- Operating results	1.496	1.284	(763)	(10)	(28)
- Results of interrupted operations	-	-	-	-	-
Shareholding accounted value	14.691	15.594	1.250	3	3
Auditor of the Company	Solid Revision I Vimmerby AB	Solid Revision I Vimmerby AB	Moore AMS Auditores, S.L.	Not audited	Not audited