INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS OF

TEKNIA MANUFACTURING GROUP, S.L., A SINGLE-MEMBER COMPANY AND ITS SUBSIDIARY COMPANIES

AS AT 31 DECEMBER 2025

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the Sole Shareholder of TEKNIA MANUFACTURING GROUP, S.L. (A SINGLE-MEMBER COMPANY) AND ITS SUBSIDIARY COMPANIES:

Opinion

We have audited the Consolidated Annual Accounts of TEKNIA MANUFACTURING GROUP, S.L., a Single-Member Company (the Parent Company) and its SUBSIDIARY COMPANIES (the Group), which include the Balance Sheet as at 31 December 2025, the Profit and Loss Account, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Consolidated Annual Accounts, all consolidated, for the financial year that ended on that date.

In our opinion, the attached Consolidated Annual Accounts give a true and fair view, in all material respects, of the state of the Group's affairs as at 31 December 2025, and of its consolidated results and consolidated cash flows, for the financial year then ended, in accordance with the applicable financial reporting framework (identified in note 2.1 of the consolidated report) and, in particular, with the accounting principles and criteria contained therein.

Basis for opinion

We have conducted our audit in accordance with the statutory audit regulations in force in Spain. Our responsibilities in accordance with these standards are described later in the *Auditor's responsibilities for the audit of the Consolidated Annual Accounts* section in our report.

We are independent of the Group in accordance with the ethical requirements, including those of independence, which apply to our audit of Consolidated Annual Accounts in Spain, as demanded by the regulatory standards for account auditing in Spain. In this regard, we have not provided any services other than those of account auditing nor have there been situations or circumstances that, in accordance with the stipulations of the regulatory standards, may have affected our necessary independence in such a way as to compromise it.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Annual Accounts of the current period. These matters were addressed in the context of our audit of the Consolidated Annual Accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of deferred tax assets.

As at 31 December 2025, the Group has deferred tax assets registered for an amount of 13,339 thousand euros. The recovery of these assets is subject to the generation, by certain companies of the group, of taxable profits in the future, sufficient to be able to offset this amount. Estimates of future taxable profits 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 to be a key audit matter.

To address this key audit matter, we have analysed the projections, based on the Group's Strategic Plan approved by the Directors of the Parent Company, of the future results of the companies that contribute the most significant amounts of these assets to the Consolidated Annual Accounts, discussing with the group's financial management the analysis carried out on their recoverability.

The most significant information concerning these assets is given in Notes 3.7 and 14 of the Notes to the Consolidated Annual Accounts.

Goodwill

According to Note 4 to the Consolidated Annual Accounts, the Group has registered goodwill amounting to 6,979 thousand euros as at 31 December 2025, in respect of certain Investees. The impairment for these assets depends on whether their fair value exceeds their carrying 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 to be a key audit matter.

To address this key audit matter, we have analysed the assessment process that the Parent Company follows, with respect to these companies that contribute goodwill, in order to understand the criteria used by the Parent 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 were 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 to the Consolidated Annual Accounts in relation to this issue is in accordance with the requirements of the applicable financial reporting framework.

Other information: Consolidated Management Report

The other information covers exclusively the Consolidated Management Report for the financial year 2025, the preparation of which is the responsibility of the Directors of the Parent Company and is not an integral part of the Consolidated Annual Accounts.

Our audit opinion on the Consolidated Annual Accounts does not cover the Consolidated Management Report. Our responsibility regarding the Consolidated Management Report, as required by the statutory audit regulations, is:

a) Verifying only that the Consolidated Non-Financial Information 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 Consolidated Management Report with the Consolidated Annual Accounts, 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 presentation of this part of the Consolidated Management Report comply with the applicable regulations. If, on the basis of the work we have done, we conclude that there are misstatements, we are obliged to report them.

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 the information contained in the Consolidated Management Report is consistent with that of the Consolidated Annual Accounts for the financial year 2025 and its content and presentation comply with the applicable regulations.

Responsibility of the Directors of the Parent Company for the Consolidated Annual Accounts

The Directors of the Parent Company are responsible for preparing the attached Consolidated Annual Accounts, in such a way as to give a true and fair view of the state of the Group's affairs and of its consolidated results, in accordance with the applicable financial reporting framework in Spain, and of the internal control they consider necessary to allow the preparation of Annual Accounts free from material misstatement, whether due to fraud or error.

In the preparation of the Consolidated Annual Accounts, the Directors of the Parent Company are responsible for the assessment of the Group's ability to continue as a going concern, disclosing, as appropriate, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance that the Consolidated Annual Accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with statutory audit regulations in force in Spain always detects a material misstatement when one is present. Misstatements may be due to fraud or error and are considered material when, individually or in the aggregate, it may reasonably be assumed that they influence the economic decisions that users make when they are based on the consolidated annual accounts.

As part of an audit in accordance with the statutory audit regulations in force in Spain, we apply our professional judgement and maintain an attitude of professional scepticism during the whole audit. Also:

- We identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a misstatement due to error, because fraud implies collusion, forgery, deliberate omissions, intentionally misleading statements and evasion of internal controls.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, and not for the purpose of expressing an opinion about the effectiveness of the Group's internal controls.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Parent Company.

- We conclude on whether the use, by the Directors of the Parent Company, of the going concern basis of accounting is appropriate and, based on the audit evidence obtained, we conclude whether or not there is material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. 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 Annual Accounts or, if such disclosures are not appropriate, to express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may be the cause of the Group ceasing to be a going concern.

- We evaluate the overall presentation, structure and content of the Consolidated Annual Accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to provide a basis for our opinion on the Consolidated Annual Accounts. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We have sole responsibility for our audit opinion.

We communicate with the Directors of the Parent 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 Parent Company, we determine those that have been of the greatest importance in the audit of the Consolidated Annual Accounts for the 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

Signed: Ignacio Barturen Fernandez
ROAC No: 18420
Partner

Bilbao, 24 April 2026

TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET FOR THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

ASSETS	REPORT NOTES	Thousands of Euros	
		2025	2024
A) NON-CURRENT ASSETS		**144.864**	**149.458**
I. Intangible fixed assets			
1. Consolidation goodwill	4	6.979	11.309
2. Other intangible fixed assets	8	6.266	2.968
		13.245	**14.277**
II. Tangible fixed assets			
1. Property and structures	9	23.161	22.127
2. Technical installations, and other tangible fixed assets	9	80.029	85.957
3. In-progress fixed assets and advanced payments	9	10.640	10.225
		113.830	**118.309**
IV. Long-term investments in group and associated companies			
1. Equity-accounted investments	**11.3**	890	-
3. Other financial assets	**10.1 and 11.1.1**	372	372
		1.262	**372**
V. Long-term financial investments	**11.1.1**	**3.188**	**3.876**
VI. Deferred tax assets	**14.3**	**13.339**	**12.430**
VIII. Non-current trade receivables	**11.1.1**	**-**	**194**
B) CURRENT ASSETS		**180.906**	**175.959**
II. Stock	**12**	**63.788**	**72.242**
III. Trade and other accounts receivables			
1. Customer receivables for sales and services	11.1.1	46.549	54.066
3. Current tax assets	14.1 and 14.6	3.309	2.889
4. Other receivables	11.1.1 and 14.1	13.115	10.806
		62.973	**67.761**
V. Short-term financial investments	**11.1.1**	**176**	**140**
VI. Short-term accruals		**1.032**	**1.323**
VII. Cash and other cash equivalents		**52.937**	**34.493**
TOTAL ASSETS (A + B)		**325.770**	**325.417**

Patricia Álvarez Chamosa
Traductora/Intérprete Jurada de INGLÉS
Nº 8391

Elorrio (Spain), 31 March 2026

TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET FOR THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

NET WORTH AND LIABILITIES	REPORT NOTES	Thousands of Euros	
		2025	2024
A) NET WORTH		**93.384**	**95.992**
A-1) Equity			
I. Capital	**13.1**	**20.000**	**20.000**
III. Reserves	**13.2**	**79.521**	**82.084**
VI. Profits/losses of the financial year attributed to the Controlling Company		**1.227**	**3.088**
		100.748	**105.172**
A-2) Adjustments due to changes in value			
II. Consolidated company conversion differences	13.3	(7.464)	(8.491)
III. Other value adjustments for changes in value of consolidated companies	13.4	-	(823)
		(7.464)	**(9.314)**
A-3) Subsidies, donations and legacies received			
I. In consolidated companies	15	100	134
		100	**134**
B) NON-CURRENT LIABILITIES		**70.281**	**77.350**
I. Long-term provisions	**16**	**3.052**	**2.500**
II. Long-term debts			
2. Bank loans	11.1.2	50.960	60.149
3. Creditors by financial lease	10.2 and 11.1.2	9.001	8.730
4. Other liabilities	11.1.2	3.164	913
		63.125	**69.792**
IV. Deferred tax liabilities	**14.3**	**3.694**	**3.884**
V. Long-term accruals		**410**	**1.174**
C) CURRENT LIABILITIES		**162.105**	**152.075**
II. Short-term provisions	**16**	**200**	**835**
III. Short-term debts			
2. Bank loans	11.1.2	30.480	31.549
3. Creditors by financial lease	10.2 and 11.1.2	3.545	2.766
4. Other liabilities	11.1.2	29.249	22.492
		63.274	**56.807**
V. Trade creditors and other accounts payable			
1. Suppliers	11.1.2	57.127	52.230
2. Trade payables to group companies and associates		35	-
3. Current tax liabilities	14.1 and 14.6	463	371
4. Other creditors	11.1.2 and 14.1	39.655	38.953
		97.280	**91.554**
VI. Short-term accruals		**1.351**	**2.879**
TOTAL NET WORTH AND LIABILITIES (A + B+ C)		**325.770**	**325.417**

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TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

	REPORT NOTES	Thousands of Euros	
		2025	2024
A) CONTINUED OPERATIONS			
1. Net turnover	**17.1**	**408.429**	**407.204**
a) Sales		403.826	405.137
b) Services provided		4.603	2.067
2. Changes in inventories of finished goods and work in progress		**(2.357)**	**(1.777)**
3. Works performed by the group for its assets		**549**	**472**
4. Supplies		**(196.121)**	**(206.724)**
a) Cost of goods sold	17.2	(17.260)	(3.561)
b) Consumption of raw materials and other consumable materials	17.2	(151.883)	(173.287)
c) Works carried out by other companies		(27.450)	(29.916)
d) Goods, raw materials and other supplies impairment		472	40
5. Other operating income		**2.816**	**5.471**
a) Additional and other routine management income		2.368	5.314
b) Operating subsidies incorporated into the profits/losses of the financial year	15	448	157
6. Personnel expenses		**(114.931)**	**(115.521)**
a) Salaries, wages and the like		(88.317)	(88.478)
b) Social security contributions		(26.369)	(26.581)
c) Provisions		(245)	(462)
7. Other operating expenses		**(59.167)**	**(50.508)**
a) Losses, impairment and variation of provisions due to trade operations	11.1.1	52	(107)
b) Other operating expenses		(59.219)	(50.401)
8. Depreciation and amortisation	**4, 8 and 9**	**(20.994)**	**(23.629)**
9. Allocation of subsidies for non-financial fixed assets and others	**15**	**175**	**36**
10. Reversal of provisions		**32**	**-**
11. Impairment and gains/(losses) on disposal of fixed assets		**56**	**(139)**
a) Impairment and losses		25	(147)
b) Profits/losses on disposals and others	**9**	31	8
14. Other profit/loss		**31**	**(2.112)**
A.1) OPERATING PROFIT/(LOSS) (1+2+3+4+5+6+7+8+9+10+11+12+13+14)		**18.518**	**12.773**
15. Financial income		**193**	**478**
b) From negotiable securities and other financial instruments		184	424
c) Allocation of subsidies, donations and legacies of a financial nature	15	9	54
16. Financial expenses		**(4.222)**	**(6.479)**
18. Exchange differences		**(1.039)**	**(982)**
A.2) FINANCIAL PROFITS/LOSSES (14+15+16+17+18)		**(5.068)**	**(6.983)**
21. Share of profit/(loss) of equity-accounted companies	**11.3**	(37)	-
A.3) PROFIT/(LOSS) BEFORE TAX (A.1 + A.2 +19+20+21)		**13.413**	**5.790**
24. Income tax	**14.2**	**(3.242)**	**(641)**
A.4) FINANCIAL YEAR PROFITS/LOSSES FROM CONTINUED OPERATIONS (A.3 + 24)		**10.171**	**5.149**
B) DISCONTINUED OPERATIONS		**(8.944)**	**(2.061)**
25. Profit/(loss) for the financial year from discontinued operations net of tax	1.4, 6 and 23	**(8.944)**	**(2.061)**
A.5) CONSOLIDATED PROFITS/LOSSES OF THE FINANCIAL YEAR (A.4 + 23)		**1.227**	**3.088**

Profits/losses attributed to the Controlling Company	1.227	3.088
Profits/losses attributed to external partners	-	-

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Nº 8391

Elorrio (Spain), 31 March 2026

TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

STATEMENT OF CHANGES TO THE CONSOLIDATED NET WORTH PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENDITURE PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

	REPORT NOTES	Thousands of Euros	
		2025	2024
A) Consolidated profits/losses of the financial year		**1.227**	**3.088**
Income and expenditure allocated directly to net worth			
III. Subsidies, donations and legacies received	15	149	22
VI. Exchange differences	13.3	-	(823)
VII. Tax-effected basis	15	(41)	(7)
B) Total income and expenditure allocated directly to consolidated net worth (I+II+III+IV+V+VI+VII)		**108**	**(808)**
Transfers to the consolidated profit and loss account			
X. Subsidies, donations and legacies received	15	(190)	(90)
XI. Exchange differences	13.3	823	-
XIII. Tax-effected basis	15	48	22
C) Total transfers to the consolidated profit and loss account (VIII+IX+X+XI+XII+XIII)		**681**	**(68)**
TOTAL RECOGNISED CONSOLIDATED INCOME AND EXPENDITURE (A+B+C)		**2.016**	**2.212**
Total income and expenditure attributed to the Controlling Company		2.016	2.212
Total income and expenditure attributed to external partners		-	-

Elorrio (Spain), 31 March 2026

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TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

B) TOTAL STATEMENT OF CHANGES TO THE CONSOLIDATED NET WORTH PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2025
Thousands of Euros

	Capital	Reserves and profits/losses prior financial years (*)	rofits/Losses of the financial year attributed to the Controlling Company	Adjustments due changes of value	Grants donations and legacies received	Total
A. 2023 closing balance	**20.000**	**73.399**	**14.027**	**(4.629)**	**187**	**102.984**
I. Adjustments due to changes in criteria 2023 and earlier	-	-	-	-	-	-
II. Adjustments for errors in 2023 and earlier	-	-	-	-	-	-
C. Adjusted balance, beginning of the financial year 2024	**20.000**	**73.399**	**14.027**	**(4.629)**	**187**	**102.984**
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)	-	-	-
C. End balance for the financial year 2024	**20.000**	**82.084**	**3.088**	**(9.314)**	**134**	**95.992**
I. Adjustments due to changes in criteria 2024	-	-	-	-	-	-
II. Adjustments for errors 2024	-		-	-	-	-
D. Adjusted balance, beginning of the financial year 2025	**20.000**	**82.084**	**3.088**	**(9.314)**	**134**	**95.992**
I. Total recognised income and expenditure			1.227	1.446	(34)	2.639
II. Operations with partners or owners						
4. (-) Distribution of dividends	-	(4.207)		-	-	(4.207)
III. Other variations in net worth						
1. Transfer to reserves	-	(1.444)	-	404	-	(1.040)
2. Other movements	-	3.088	(3.088)	-	-	-
E. End balance for the financial year 2025	**20.000**	**79.521**	**1.227**	**(7.464)**	**100**	**93.384**

Elorrio (Spain), 31 March 2026

Patricia Álvarez Chamosa
Traductora/Intérprete Jurada de INGLÉS
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TEKNIA MANUFACTURING GROUP, S.L., SINGLE-MEMBER COMPANY, AND SUBSIDIARY COMPANIES

CONSOLIDATED CASH FLOWS STATEMENT PERTAINING TO THE FINANCIAL YEAR THAT ENDED ON 31 December 2025

	REPORT NOTES	Thousands of euros 2025	2024
A) CASH FLOWS FROM OPERATING ACTIVITIES			
1. Pre-tax profits/losses of the financial year		**13.413**	**5.790**
2. Profits/losses adjustments		**25.550**	**31.911**
a) Amortisation of fixed assets (+)	4, 8 and 9	20.994	23.629
b) Valuation corrections for impairment (+/-)		(596)	217
c) Variation of provisions (+/-)		(32)	-
d) Allocation of subsidies (-)	15	(184)	(90)
e) Profits/losses due to cancellation and disposals of fixed assets (+/-)		(56)	(8)
g) Financial income (-)		(184)	(147)
h) Financial expenses (+)		4.222	6.294
i) Exchange rate differences (+/-)		1.039	1.284
j) Change in fair value of financial instruments (+/-)		-	162
k) Other income and expenses (-/+)		310	570
l) share of profit/(loss) of equity-accounted companies—net of dividends (-/+)		37	-
3. Changes in current capital		**17.436**	**19.424**
a) Stock (+/-)	12	8.998	3.908
b) Debtors and other accounts receivables (+/-)		3.745	13.723
c) Other current assets (+/-)		291	(243)
d) Creditors and other accounts payable (+/-)		6.694	299
e) Other current liabilities (+/-)		(2.292)	1.737
4. Other cash flows from operating activities		**(6.187)**	**(10.164)**
a) Interest payments (-)		(4.437)	(6.307)
c) Interest collected (+)		184	147
d) Collections (payments) on income tax		(1.934)	(4.004)
5. Other cash flows from operating activities (+/-1+/-2+/-3+/-4)		**50.212**	**46.961**
B) CASH FLOWS FROM INVESTING ACTIVITIES			
6. Investment Payments (-)		**(23.797)**	**(40.955)**
a) Group companies, net of cash in consolidated companies	6	-	(303)
c) Associated companies		(201)	-
d) Intangible fixed assets	8	(3.966)	(1.428)
e) Tangible fixed assets	9	(19.290)	(37.105)
j) Other financial assets		(340)	(2.119)
7. Receivables from divestitures (+)		**603**	**1.355**
a) Group companies, net of cash in consolidated companies		-	1
e) Tangible fixed assets		112	1.354
g) Other financial assets		491	-
8. Other cash flows from investing activities (6+7)		**(23.194)**	**(39.600)**
C) CASH FLOWS FROM FINANCING ACTIVITIES			
9. Collections and payments from equity instruments		**108**	**22**
g) Subsidies, donations and legacies received (+)		108	22
10. Collections and payments from financial liabilities		**(605)**	**2.362**
a) Issue			
2. Bank loans (+)	11.1.2	22.002	30.927
5. Other debts (+)		9.992	(5)
b) Repayment of			
2. Bank loans (-)	11.1.2	(30.642)	(20.374)
5. Other debts (-)		(1.957)	(8.186)
11. Dividend payments and remuneration from other equity instruments		**(4.207)**	**(5.611)**
a) Dividends (-)		(4.207)	(5.611)
12. Cash flows from financing activities (+/-9+/-10-11)		**(4.704)**	**(3.227)**
D) EFFECT OF EXCHANGE RATE VARIATIONS		-	-
E) EFFECT OF DISCONTINUED OPERATIONS	23	**(3.870)**	**(1.091)**
F) NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (+/-5+/-8+/-12+/-D)		**18.444**	**3.043**
Cash or cash equivalents at the beginning of the financial year		34.493	31.450
Cash or cash equivalents at the end of the financial year		52.937	34.493

Patricia Álvarez Chamosa
Traductora/Intérprete Jurada de INGLÉS
Nº 8391

Elorrio (Spain), 31 March 2026

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 May 2026

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 mayo de 2026

Patricia Álvarez Chamosa
Traductora/Intérprete Jurada de INGLÉS
Nº 8391

Fdo: Patricia Álvarez

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CONSOLIDATED ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. COMPANIES OF THE GROUP

1.1 Parent Company

The Parent Company Teknia Manufacturing Group, S.L., (Single-Member Company), was incorporated in Bilbao on the 30th of July of 1998, before Notary Public Mr Andrés Maria Urrutia Badiola. It was domiciled in Barrio San Agustín (unnumbered), Elorrio (Vizcaya).

The activity of the Parent Company is detailed in its Articles of Association, which currently consists of the promotion of companies, the acquisition, holding and beneficial ownership 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. (Single-Member Company) is, in turn, a subsidiary of Siuled, S.L. with registered office at Calle María de Molina, 39 - 8º. (Madrid). The consolidated annual accounts and the consolidated management report of Siuled, S.L. and its subsidiary companies pertaining to the financial year 2025 shall be drawn up in due time and form and submitted, together with the appropriate Audit Report, in the Commercial Registry within the legally established deadlines.

The consolidated annual accounts of the Teknia Manufacturing Group, S.L. (Single-Member Company) and its subsidiary companies, and the consolidated management report for the 2024 financial year, were drawn up on 31 March 2025 and are filed with the Commercial Registry of Biscay.

The consolidated annual accounts and the consolidated management report of the Siuled, S.L. Group and its subsidiary companies for the 2024 financial year were drawn up on 31 March 2025 and are filed with the Commercial Registry of Madrid, together with the corresponding audit report.

1.2 Consolidated Subsidiary Companies

The Companies that have been consolidated by the full consolidation method, 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 Single-Member Company Company) exceeds 50% in these companies.

The closing date of the annual accounts and financial statements of all the companies used in the consolidation is 31 December 2025.

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1.3 Associated companies

Associated companies are considered to be those in which the total direct and indirect shareholding of Teknia Manufacturing Group, S.L. (Single-Member Company) is between 20% and 50%, with the information relating to them being as follows:

	ZUMA INNOVATION, S.L.
Registered office	Oletxe nº 45-1º izda, Galdakao (Biscay)
Activity	Development and marketing of innovative mechatronic products and their exploitation through patents
	2025 Financial Year
Cost	932 thousand euros
Impairment	-
% shareholding	21.04%, the owner being Teknia & Partners, S.L.U., and not having control of the company.

The most significant financial information for this company is as follows, in thousands of euros:

	2025 Financial Year
Assets	1,256
Liabilities	199
Financial Results	(178)

Investments in associated companies are accounted for using the equity method.

1.4. Variation in the composition of the Group and other operations

During the 2025 financial year, the following companies were removed from the consolidation perimeter:

a) All the shares of the company Teknia Gebze Makine Sanayi Ve Ticaret A.S. were sold in June 2025 for an amount of 250 thousand euros, being considered during this 2025 financial year as a Non-current asset held for sale.

b) Likewise, on 28 August 2025, Teknia Stuttgart GmbH proceeded with the merger by absorption of Teknia Germany GmbH, which was extinguished on that date. The company, obliged by German legislation, initiated an operational and financial restructuring process in November 2025 under the supervision of an external administrator who was ratified in his position by order of the Court of First Instance of Rottweil dated 1 February 2026, at which time the transferable restructuring process began, and therefore the shareholding and the remaining associated debit balances have been classified as Non-current assets held for sale.

During the 2024 financial year, the entire share capital of the company Teknia Xpander, S.L.U. (formerly KH Xpander, S.L.) was acquired, and the companies Teknia & Partners, S.L.U. and Teknia Mobility Innovation, S.L.U. were incorporated.

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2. BASIS FOR THE SUBMISSION OF CONSOLIDATED ANNUAL ACCOUNTS

2.1. Financial Reporting Framework and True and Fair View

Both the Parent Company and all subsidiary companies have been consolidated with their financial statements as of 31 December 2025 (as of 31 December 2024 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 fair presentation of the cash 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 annual accounts pertaining to the financial year 2025 have been drawn up by the Board of Directors of the Parent Company, Teknia Manufacturing Group, S.L. (Single-Member 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 annual accounts 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 annual accounts, no non-mandatory accounting principles have been applied.

2.3. Critical accounting estimates and judgements

Estimates made by the Directors of the Parent Company have been used in the preparation of the attached consolidated annual accounts 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 assets and their useful lives.
- Valuation of financial instruments.
- Assessment of asset impairment, including goodwill.
- The calculation of provisions.

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- 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 2025, 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. Comparison of information

In accordance with commercial legislation, for comparative purposes, together with each of the items on the balance sheet, the profit and loss account, the statement of changes in equity and the cash flow statement, in addition to the figures for the financial year ended 31 December 2025, those corresponding to the previous financial year ended 31 December 2024 are presented. The notes to the annual accounts also include quantitative information for the previous financial year, except when an accounting standard specifically establishes that it is not necessary.

As detailed in note 23, the businesses in Turkey and Germany that have left the consolidation perimeter have been reclassified as discontinued operations. This circumstance must be taken into account in the interpretation of these consolidated annual accounts, and especially in the comparison of the information in the consolidated Profit and Loss Account and the consolidated Cash Flow Statement, which present restated figures for the 2024 financial year.

In accordance with the provisions of note 23, this divestment process has been classified as a discontinued operation. Consequently, and in accordance with accounting regulations, the comparative information derived from this situation has been reclassified so that it is comparable with that of the current financial year.

2.5. Aggregation of items

Certain items of the Consolidated Balance Sheet, of the Consolidated Profit and Loss Account, of the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows, could appear as aggregate data to facilitate understanding, although whenever relevant, the itemised 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

In the preparation of the attached consolidated annual accounts, no significant error has been detected that would have required the restatement of the amounts included in the annual accounts for the 2024 financial year.

2.7. Consolidation principles

The Directors of the Parent Company have drawn up these consolidated annual accounts in accordance with all mandatory accounting principles. These have been used for preparation:

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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 Annual Accounts (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 full consolidation method, incorporating into the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Equity and the Statement of Cash Flows of the Parent 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 homogenisations 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. Income and expenses in the profit and loss account for the 2025 and 2024 financial years have been converted to euros at the average monthly exchange rate. 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 the annual accounts of the companies cover a one-year period, with the financial year closing on 31 December 2025. (In the previous financial year, all the annual accounts of the companies covered a one-year period, with the financial year closing on 31 December 2024, except for the company Teknia Xpander, S.L.U., which joined the Group on 31 January 2024, and therefore the profit and loss account, the statement of changes in equity and the cash flow statement of that company cover the period from the date of its incorporation into the Group until 31 December 2024).

- 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 non-controlling interests, 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).

- Non-controlling interests 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 non-controlling interests have been deducted.

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Equity method: participation method

- On the first application of the equity method, the initial value of the shareholding in the consolidated accounts is the amount corresponding to the percentage represented by said investment over the fair value of the acquired assets and the assumed liabilities.

- In subsequent consolidations, in accordance with the criteria contained in the Commercial Code, Article 47, 5 b) and c), the value of the shareholding adjustments incorporates all variations in the equity of the equity-accounted company, being recognised as group equity under the heading corresponding to its nature.

- The group's investment in associated companies includes, if applicable, the goodwill identified in the acquisition, which is charged to profit and loss over a period of 10 years.

3. RECOGNITION AND MEASUREMENT POLICIES

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

3.1. Homogenisation of items

Temporary homogenisation:

All the companies in the Group have been consolidated using their financial statements as of 31 December 2025.

When a company becomes part or is left out of the Group, the Profit and Loss Account, the Statement of Changes in Equity 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 homogenisation

The elements of the consolidated annual accounts 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 homogenisation 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.

Homogenisation 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 later on.

Homogenisation 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 annual accounts.

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3.2. Intangible assets, except goodwill

The intangible assets are initially measured at their purchase price or production cost. It has subsequently been valued at its reduced cost by the corresponding accumulated amortisation. These assets are amortised 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 amortised, on a straight-line basis, 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 itemised 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 amortised on a straight-line basis 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. Property, plant and equipment

The property, plant and equipment are initially valued for their acquisition price or production cost, and are subsequently reduced by the appropriate accumulated amortisation and impairment losses, if any.

The costs of maintaining the various elements that make up the property, plant and equipment 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.

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The Group amortises the property, plant and equipment following the linear method, applying annual amortisation percentages calculated on the basis of the years of estimated useful life of each assets, according to the following detail:

	Coefficients
Buildings	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 amortisation 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.

The Group shall record the valuation correction for amortisation of its intangible assets and property, plant and equipment 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 2025, the amortisation rates of certain items were reduced as the technical management considers, after the corresponding analysis, that the useful lives of these property, plant and equipment are longer than those considered until the previous year, given their lower use and expected physical wear and tear. The effect has been a lower depreciation charge in the 2025 financial year amounting to approximately 1,425 thousand euros.

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.

Finance 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. Contingent lease payments are recognised as expenditure for the financial year in which they are incurred.

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

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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 amortised 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.

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

In general, this category includes trade receivables and non-trade receivables:

a) Trade receivables: these are financial assets originating from the sale of goods and the rendering of services in the company's ordinary course of business with deferred payment terms, 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 would initially be classified in the fair value through profit or loss portfolio when it is not possible to obtain a reliable estimate of its fair value.

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Initial measurement

- 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 measurement

- 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.

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 shall be the difference between their carrying amount and the present value of estimated future cash flows, including, where applicable, those arising from the execution of collateral and personal guarantees, discounted at the effective interest rate calculated upon initial recognition.

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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 individualised 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 recognises 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.

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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 trade payables 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 measurement

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 do not have a contractual interest rate, as well as capital calls by third parties on shareholdings, which are expected to be paid in the short term, may be measured at their nominal amount, provided the effect of not discounting the cash flows is immaterial.

Subsequent measurement

Its subsequent valuation is based on its amortised 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.

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.

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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. Income tax

The expense or income derived from the income tax 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 recognised 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 recognised 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 recognised to the extent that they are likely to recover with future tax benefits over a period of no more than 10 years.

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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 recognised 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. Environmental assets

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 minimisation of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

3.10. Severance pay

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. Severance pay that is reasonably measurable is recorded as expenditure in the financial year in which the dismissal decision is made and communicated.

3.11. Grants and 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.

- *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.

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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 materialisation is conditioned on whether or not one or more future events occur, independently of the will of each company.

The consolidated annual accounts 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 recognised in the consolidated annual accounts, 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. Pension commitments

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 recognises 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 recognised.

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 recognised as reserves.

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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 recognised in the financial year in which it arises, directly on the net worth, as reserves. Variations in long-term benefit plans are recognised 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 recognised 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 on a straight-line basis 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 recognised, 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.

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 annual accounts 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 amortisation and, where appropriate, the cumulative amount of impairment valuation corrections recognised in accordance with the criteria included in the registration and valuation rule 6, Specific Rules on Intangible 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 (Note 4).

In accordance with Note 2.7, the goodwill corresponding to equity-accounted investments is intrinsically included and is charged to profit or loss over 10 years.

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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 Parent 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 Parent 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 the 2024 financial year are not yet sufficiently developed in the 2025 financial year to be considered as an operating segment.

3.17 Inventories

Inventories are valued at the lowest of their acquisition price, production cost or net realisable value. 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 realisable 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, recognising 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. (Single-Member Company).

In its individual annual accounts for the 2024 financial year, the Parent Company Teknia Manufacturing Group, S.L. (Single-Member Company) measured its equity investment in Teknia Xpander, S.L.U. in accordance with recognition and measurement standard 9 of the General Chart 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.

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3.19 Hedging operations

To mitigate the risks in its sales of finished products, the Group uses hedging operations by contracting specific assets for this purpose.

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.

3.20. Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups whose carrying amount will be recovered principally through a sale transaction to third parties, rather than through continuing use, are classified as non-current assets held for sale. For this classification to apply, they must be available for immediate sale in their present condition, subject only to terms that are usual and customary for sales of such assets, and it is equally necessary that the sale is considered highly probable.

Non-current assets or disposal groups classified as held for sale are not depreciated or amortised; they are measured at the time of their classification into this category at the lower of their carrying amount and fair value less costs to sell, giving rise, where applicable, to an impairment loss in profit or loss.

If these items cease to be classified as non-current assets held for sale, they are reclassified to the balance sheet item corresponding to their nature and are measured at that date at the lower of their carrying amount before classification – adjusted for any depreciation or amortisation that would have been recognised had they not been classified as such – and their recoverable amount, recording any difference in the profit and loss account item corresponding to their nature.

A disposal group held for sale is understood to be a group of assets and directly associated liabilities to be disposed of, by sale or otherwise, together as a group in a single transaction, measured by applying the same rules set out in the preceding paragraphs.

A discontinued operation is a component of the group that has been disposed of or otherwise dealt with, or is classified as held for sale, and that:

a) Represents a separate major line of business or geographical area of operations.

b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

c) Is a subsidiary acquired exclusively with a view to resale.

A component of the group comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.

4. CONSOLIDATION GOODWILL

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

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(thousands of euros)	**Initial balance**	**Exchange differences**	**Amortisation of the financial year**	**Other variations**	**31.12.2025**
Teknia Bilbao XXI, S.L.U.	117	-	(117)	-	-
Teknia Nashville, L.L.C.	803	(74)	(506)	-	223
Teknia Polska Sp. z o.o. (and its subsidiary companies)	37		(37)	-	-
Teknia Mexico City, S.A. de C.V.	100		(100)	-	-
Teknia Gebze Makine Sanayi VE Ticaret, A.S.(*)	97	(18)	(79)	-	-
Teknia Ampuero, S.L.U.	1,887	-	(596)	-	1,291
Teknia Stuttgart GmbH (*)	2,348	-	(261)	(2,087)	-
Teknia Vimmerby AB	4,992	294	(647)	-	4,639
Teknia Xpander, S.l.U.	928	-	(102)	-	826
	11,309	**202**	**(2,445)**	**(2,087)**	**6,979**

(*): Discontinued operations

The composition and movement of this chapter in the 2024 financial year were as follows:

(thousands of euros)	**Initial balance**	**Exchange differences**	**Amortisation of the financial year**	**Other variations**	**31.12.2024**
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
	12,953	**(147)**	**(2,519)**	**1,022**	**11,309**

The Parent 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. Future cash flow assumptions are used in line with the global situation of the markets in which the Group operates, as well as their expected evolution. The discount rates used are between 7.75% and 8.25% (7.75% and 8.25% in the financial year 2024). This amount is compared with the company's carrying amount of equity, and if the difference is greater, it is considered that the recognised goodwill does not need to be impaired.

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5. NON-CONTROLLING INTERESTS

The Group has no non-controlling interests.

6. BUSINESS COMBINATIONS

2025 Financial Year

In the 2025 financial year, the following were carried out:

- A shareholder contribution to the equity of Teknia Mobility Innovation, S.L.U. amounting to 42,364.65 euros.
- A shareholder contribution to the equity of Teknia Bilbao, S.L.U. amounting to 500,000.00 euros.
- Several shareholder contributions to the equity of Teknia & Partners, S.L.U. amounting to 2,025,683.46 euros.

Additionally, on 20 June 2025, a capital increase was carried out in Teknia Gebze in the amount of 2,283,583.42 euros through the contribution of past-due receivables, subsequently culminating in its sale for 250 thousand euros, which is the reason for its consideration as a non-current asset held for sale.

Likewise, on 28 August 2025, Teknia Stuttgart GmbH proceeded with the merger by absorption of Teknia Germany GmbH, which was extinguished on that date. The company, obliged by German legislation, initiated an operational and financial restructuring process in November 2025 under the supervision of an external administrator who was ratified in his position by order of the Court of First Instance of Rottweil dated 1 February 2026, at which time the transferable restructuring process began, and therefore the shareholding and the remaining associated debit balances have been classified as Non-current assets held for sale.

2024 Financial Year

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 Sttutgart 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.

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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:

(thousands of euros)	Amount
ASSETS	
Cash and cash equivalents	1
Accounts receivable	58
Net fixed assets	202
LIABILITIES	
Other financial liabilities	(53)
Accounts payable	(927)
Total net assets and liabilities	(719)
Price paid	(303)
Goodwill	(1,022)

7. MERGER AND SEGREGATION PROCESSES PERFORMED WITHIN THE GROUP

On 28 August 2025, Teknia Stuttgart GmbH also proceeded with the merger by absorption of Teknia Germany GmbH. 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 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.

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 annual accounts for the financial years in which these operations happened. In chronological order:

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- Merger by takeover of the Industrial Company J. Gispert S.A.U. by Teknia Manresa, S.L.U.
- Merger by takeover of Construcciones Mecánicas Croli, S.A. by Teknia Barcelona, S.L.U.
- 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 Teknia 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.
- Merger by absorption of the company Teknia Germany GmbH by the company Teknia Stuttgart GmbH.

8. RESEARCH AND OTHER INTANGIBLE ASSETS

The movement in this heading in the 2025 financial year was as follows:

(thousands of euros)	**R&D expenses**	**Patents, licenses, trademarks and the like**	**Computer software**	**Other intangible assets**	**Advanced payments and current intangible fixed assets**	**TOTAL**
INITIAL BALANCE COST, 2025	**10,841**	**416**	**9,776**	**1,961**	**201**	**23,195**
(+) Additions	-	27	3,232	380	327	3,966
(+-) Transfers	-	(194)	74	245	(125)	-
(-) Outputs, cancellations and reductions	(3,144)	(2)	(566)	(393)	-	(4,105)
(-) Departures from the consolidation perimeter	-	-	(326)	(42)	-	(368)
(-) Exchange differences	-	3	40	22	-	65
GROSS FINAL BALANCE, FINANCIAL YEAR 2025	**7,697**	**250**	**12,230**	**2,173**	**403**	**22,753**
ACCUMULATED AMORTISATION, INITIAL BALANCE FINANCIAL YEAR 2025	**(10,841)**	**(350)**	**(7,344)**	**(1,692)**	**-**	**(20,227)**
(+) Funding allowance to the amortisation of the financial year	-	(8)	(307)	(43)	-	(358)
(+-) Transfers	-	155	-	(155)	-	-
(+) Outputs, cancellations or reductions	3,144	2	566	393	-	4,105
(-) Departures from the consolidation perimeter	-	-	17	39	-	56
(-) Exchange differences	-	(2)	(43)	(18)	-	(63)
ACCUMULATED AMORTIZATION, FINAL BALANCE FINANCIAL YEAR 2025	**(7,697)**	**(203)**	**(7,111)**	**(1,476)**	**-**	**(16,487)**
NET BOOK VALUE, 2025	**-**	**47**	**5,119**	**697**	**403**	**6,266**

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

(thousands of euros)	**R&D expenses**	**Patents, licenses, trademarks and the like**	**Computer software**	**Other intangible assets**	**Advanced payments and current intangible fixed assets**	**TOTAL**
INITIAL BALANCE COST, 2024	**10,841**	**408**	**8,534**	**1,976**	**43**	**21,802**
(+) 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)
GROSS FINAL BALANCE, FINANCIAL YEAR 2024	**10,841**	**416**	**9,776**	**1,961**	**201**	**23,195**
ACCUMULATED AMORTISATION, INITIAL BALANCE FINANCIAL YEAR 2024	**(10,841)**	**(307)**	**(7,123)**	**(1,634)**	**-**	**(19,905)**
(+) Funding allowance to the amortisation of the financial year	-	(41)	(260)	(83)	-	(384)
(+) Outputs, cancellations or reductions	-	-	15	12	-	27
(+) Perimeter inputs	-	-	(3)	-	-	(3)
(-) Exchange differences	-	(2)	27	13	-	38
ACCUMULATED AMORTISATION, FINAL BALANCE FINANCIAL YEAR 2024	**(10,841)**	**(350)**	**(7,344)**	**(1,692)**	**-**	**(20,227)**
NET BOOK VALUE, 2024	**-**	**66**	**2,432**	**269**	**201**	**2,968**

Fully amortised items

The Group has items of intangible assets, including R&D expenditure, that were fully amortised as of 31 December 2025 with a cost amount of 15,514 thousand euros (19,289 thousand euros in 2024).

Investments abroad

The net amount of intangible assets belonging to foreign companies at the close of the 2025 financial year stands at 1,599 thousand euros (1,583 thousand euros in the 2024 financial year).

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9. TANGIBLE FIXED ASSETS

The movement of property, plant and equipment in the 2025 financial year was as follows:

(thousands of euros)	**Land and buildings**	**Technical installations, and other tangible fixed assets**	**In-progress fixed assets and advanced payments**	**TOTAL**
INITIAL BALANCE COST, FINANCIAL YEAR 2025	**35,907**	**366,986**	**10,225**	**413,118**
(+) Acquisitions	418	13,651	5,221	19,290
(-) Departures from the consolidation perimeter	(1,362)	(14,649)	(319)	(16,330)
(-) Outputs, cancellations or reductions	-	(5,792)	-	(5,792)
(-/+) Exchange differences	141	(208)	(183)	(250)
(- /+) Transfers to / from other items	2,959	1,345	(4,304)	-
FINAL BALANCE COST, FINANCIAL YEAR 2025	**38,063**	**361,333**	**10,640**	**410,036**
ACCUMULATED AMORTISATION, INITIAL BALANCE FINANCIAL YEAR 2025	**(13,780)**	**(280,931)**	**-**	**(294,711)**
(+) Funding allowance to the amortisation of the financial year	(1,106)	(17,425)	-	(18,531)
(-) Departures from the consolidation perimeter	247	10,174	-	10,421
(+) Outputs, cancellations or reductions	-	5,736	-	5,736
(-/+) Exchange differences	(222)	1,199	-	977
(- /+) Transfers to / from other items	(41)	41	-	-
ACCUMULATED AMORTISATION, FINAL BALANCE FINANCIAL YEAR 2025	**(14,902)**	**(281,206)**	**-**	**(296,108)**
IMPAIRMENT, INITIAL BALANCE FINANCIAL YEAR 2025	**-**	**(98)**	**-**	**(98)**
(+) Funding allowances for the financial year	-	-	-	-
(-/+) Exchange differences	-	-	-	-
(+) Outputs, cancellations or reductions	-	-	-	-
IMPAIRMENT, FINAL BALANCE FINANCIAL YEAR 2025	**-**	**(98)**	**-**	**(98)**
NET BOOK VALUE 2025	**23,161**	**80,029**	**10,640**	**113,830**

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

(thousands of euros)	**Land and buildings**	**Technical installations, and other tangible fixed assets**	**In-progress fixed assets and advanced payments**	**TOTAL**
INITIAL BALANCE COST, FINANCIAL YEAR 2024	**33,529**	**346,616**	**7,554**	**387,699**
(+) 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)
FINAL BALANCE COST, FINANCIAL YEAR 2024	**35,907**	**366,986**	**10,225**	**413,118**
ACCUMULATED AMORTISATION, INITIAL BALANCE FINANCIAL YEAR 2024	**(12,788)**	**(265,903)**	**-**	**(278,691)**
(+) Funding allowance to the amortisation of the financial year	(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)
ACCUMULATED AMORTISATION, FINAL BALANCE FINANCIAL YEAR 2024	**(13,780)**	**(280,931)**	**-**	**(294,711)**
IMPAIRMENT, INITIAL BALANCE FINANCIAL YEAR 2024	**-**	**(98)**	**-**	**(98)**
(+) Funding allowances for the financial year	-	-	-	-
(-/+) Exchange differences	-	-	-	-
(+) Outputs, cancellations or reductions	-	-	-	-
IMPAIRMENT, FINAL BALANCE FINANCIAL YEAR 2024	**-**	**(98)**	**-**	**(98)**
NET BOOK VALUE 2024	**22,127**	**85,957**	**10,225**	**118,309**

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) The same situation applied in the 2024 financial year.

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.

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Other information on the tangible fixed assets

(thousands of euros)	**2025**	**2024**
Amortised Items in Use (Cost)	**173,297**	**188,047**
Property and structures, separation of values		
- Property	6,036	3,304
- Construction Cost	29,067	32,418
- Constructions / Amortisation	(11,943)	(13,595)
Net Totals	**23,160**	**22,127**
Fixed assets outside of Spanish territory (net amount)	**68,365**	**77,645**
Gains/(losses) on disposal of fixed assets	**31**	**8**

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:

	2025		2024	
(thousands of euros)	Land and buildings	All other fixed assets	Land and buildings	All other fixed assets
Cost	21,066	155,950	22,785	164,974
Accumulated depreciation	(6,685)	(101,935)	(6,020)	(104,093)
Impairment	-	(6)	-	(2)
	14,381	**54,009**	**16,765**	**60,879**

At the close of the financial year, there were firm commitments to purchase property, plant and equipment for an approximate amount of 83 thousand euros (3,153 thousand euros at the close of the 2024 financial year). At the end of the financial years 2025 and 2024, 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.

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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:

Company	Lessor	Annual amount *(thousands of euros)*		Expiration	
		2025	2024	2025	2024
Teknia Elorrio, S.L.U.	Veradale, S.L.	(240)	(210)	2026	2025
Teknia Pedrola, S.L.U.	Veradale, S.L.	(240)	(234)	2026	2026
Teknia Barcelona, S.L.U.	Third parties	(339)	(327)	2026	2026
Teknia Martos, S.L.U.	Third parties	(272)	(237)	Annual extendable	Annual extendable
Teknia Azuqueca, S.L.U.	Third parties	(415)	(405)	2032 extendable for a further 10 years	2032 extendable for a further 10 years
	Third parties	(286)	(259)	2033	2033
Teknia Brasil Ltda.	Veradale, S.L.	(861)	(877)	2028	2028
Teknia Mexico City S.A. de C.V.	Third parties	(228)	(133)	Annual extendable	Annual extendable
Teknia Manresa, S.LU.	Third parties	(390)	(365)	Annual extendable and 2026	Annual extendable and 2026
Teknia Bilbao XXI, S.L.U.	Third parties	(487)	(475)	2032 extendable for a further 10 years	2032 extendable for a further 10 years
Teknia Ampuero, S.L.U.	Third parties	(41)	(40)	2028	2028
Teknia Rzeszow Sp. Z.o.o.	Veradale Polska, Sp. z.o.o	(441)	(431)	2027	2027
Teknia Kalisz Sp. Z.o.o.	Veradale Polska, Sp. z.o.o	(753)	(738)	2027	2027
Teknia Gebze Makíne Sanayi ve Ticaret A.S	Third parties	-	(192)	2032	2032
Teknia Tepejí , S.A. de C.V.	Third parties	(735)	(535)	2028	2028
Teknia Nashville, LLC	Third parties	(678)	(780)	2034	2034
Teknia Xpander, S.L.U.	Third parties	(11)	(9)	2027	2027
Teknia Mobility Innovation, S.L.U.	Third parties	(41)	(14)	2028	2028

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All transactions with companies affiliated to the Group amount to:

(thousands of euros)	Operating expenses	
	2025	**2024**
Veradale, S.L.	1,341	1,321
Veradale Polska, Sp. z.o.o	1,194	1,169

The outstanding balance for leases and other concepts at 31 December 2025 and 2024 were as follows:

(thousands of euros)	**2025**		
	Customers	Short-term creditors and suppliers	Long-term guarantees
Veradale, S.L.	-	-	221
Veradale Polska, Sp. z.o.o	-	-	151

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

10.2. Finance lease

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

	Net book value of the asset *(thousands of euros)*	
Item	**2025**	**2024**
Installations, equipment and other fixed assets	11,740	10,338

The schedule of future payments for these contracts at year-end 2025 and 2024 is as follows, in thousands of euros:

Years	**31.12.2025**	**Years**	**31.12.2024**
Short-term:		**Short-term:**	
2026	(3,545)	2025	(2,766)
	(3,545)		**(2,766)**
Long-term:		**Long-term:**	
2027	(3,419)	2026	(2,935)
2028	(3,677)	2027	(2,577)
2029	(1,237)	2028	(2,877)
2030 et seq	(668)	2029 et seq	(341)
	(9,001)		**(8,730)**

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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:

	2025		
	Long-term financial instruments		Short-term financial instruments
(euro)	Equity instruments	Loans, derivatives and others	Loans, derivatives and others
Financial assets at amortised cost	-	1,786	47,779
Financial assets at cost	1,775	-	-
Total	**1,775**	**1,786**	**47,779**

	2024		
	Long-term financial instruments		Short-term financial instruments
(euro)	Equity instruments	Loans, derivatives and others	Loans, derivatives and others
Financial assets at amortised cost	-	2,146	55,450
Financial assets at cost	2,296	-	-
Total	**2,296**	**2,146**	**55,450**

Long-term financial assets

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

2025 Financial Year *(thousands of euros)*	2027	2028	2029	2030 et seq	No expiration set	Total
Bonds and deposits	369	265	7	423	397	1,461
Equity instruments	-	-	-	-	1,775	1,775
Others	134	52	52	87	-	325
						3,561

The year maturities of the most significant long-term financial assets of the financial year 2024 are as follows:

2024 Financial Year *(thousands of euros)*	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
Others	153	-	-	41	-	194
						4,442

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Equity instruments

The composition of equity instruments is as follows:

(thousands of euros)	**2025**	**2024**
Zuma Innovation S.L.	-	731
Libattion AG	1,040	1,040
A&G Energy Transition Tech Fund	735	525
	1,775	2,296

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 others" for a total amount of 1,786 thousand euros (2,146 thousand euros in the previous financial year), mainly includes guarantees and deposits for an amount of 1,461 thousand euros (1,952 thousand euros in the previous financial year), of which 372 thousand euros are with related parties (372 thousand euros in the 2024 financial year) (Note 10.1).

Short-term financial assets

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

(thousands of euros)	**2025**	**2024**
Customers	46,549	54,066
Workforce	102	82
Other debtors	952	1,162
Other financial assets	176	140
	47,779	55,450

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

Impairment loss at the beginning of the financial year 2025	(710)
(+) Departure from the consolidation perimeter	(9)
(+) Impairment allowance	(23)
(-) Reversal of impairment	84
(-) Provisions applied	-
(+) Exchange differences and others	22
Impairment loss at the end of the financial year 2025	**(636)**

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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:

	(thousands of euros)
Impairment loss at the beginning of the financial year 2024	(619)
(+) 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	(710)

Factoring lines without recourse.

Several Group companies have signed non-recourse factoring policies with various financial institutions. The combined limit at the close of the 2025 financial year amounts to 32,254 thousand euros and 5,100 thousand dollars (30,786 thousand euros and 3,118 thousand dollars in 2024).

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 2025, the total amount factored by the Group amounts to 21,994 thousand euros and 2,469 thousand dollars (18,687 thousand euros and 2,469 thousand dollars at the close of the 2024 financial year).

11.1.2. Financial liabilities

The composition of financial liabilities by class and category at year-end 2025 and 2024 is as follows:

	2025			
	Long-term financial instruments		Short-term financial instruments	
(thousands of euros)	Bank loans	Derivatives and others	Bank loans	Derivatives and others
Financial liabilities at amortised cost	(60,185)	(3,164)	(33,801)	(119,669)
Total	**(60,185)**	**(3,164)**	**(33,801)**	**(119,669)**

	2024			
	Long-term financial instruments		Short-term financial instruments	
(thousands of euros)	Bank loans	Derivatives and others	Bank loans	Derivatives and others
Financial liabilities at amortised cost	(68,879)	(913)	(34,315)	(107,373)
Total	**(68,879)**	**(913)**	**(34,315)**	**(107,373)**

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Bank loans

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

(thousands of euros)	2025			2024		
	Long-term	**Short-term**	**Total**	**Long-term**	**Short-term**	**Total**
Bank loans	(51,184)	(30,256)	**(81,440)**	(60,149)	(31,549)	**(91,698)**
Creditors by finance lease	(9,001)	(3,545)	**(12,546)**	(8,730)	(2,766)	**(11,496)**
	(60,185)	**(33,801)**	**(93,986)**	**(68,879)**	**(34,315)**	**(103,194)**

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 2025 and 2024 is broken down as follows, in thousands of euros:

Maturity		**2025**
Short-term:		
	2026	**(30,256)**
Long-term:		
	2027	(16,963)
	2028	(13,077)
	2029	(7,606)
	2030	(6,220)
	2031 and beyond	(7,318)
		(51,184)

Maturity		**2024**
Short-term:		
	2025	**(31,549)**
Long-term:		
	2026	(27,517)
	2027	(12,821)
	2028	(8,873)
	2029	(3,423)
	2030 and beyond	(7,515)
		(60,149)

Included within the short-term credit institutions heading are discounted bills pending maturity, amounting to 3,689 thousand euros and 5,438 thousand dollars (4,025 thousand euros and 4,845 thousand dollars in the previous financial year). In the 2025 financial year, the limit for discounting bills, invoice advances, etc. amounts to 30,000 thousand euros (25,000 thousand euros in the 2024 financial year).

Furthermore, at the close of the 2025 financial year, the Group has credit facilities granted by financial institutions with a total limit amounting to 36,150 thousand euros (24,050 thousand euros, 6,000 thousand zlotys and 15,900 thousand Swedish kronor in 2024) of which, at the close of the 2025 financial year, it had drawn down an amount of nil euros (562 thousand euros and nil zlotys and Swedish kronor at the close of the 2024 financial year). Of the 36,150 thousand euros in credit facilities granted as of 31 December 2025, 31,150 thousand euros mature in 2026 (of the 24,050 thousand euros in credit facilities granted as of 31 December 2024, 1,400 thousand euros matured in 2026).

At the close of the 2025 financial year, the Parent Company has a total of 1,776 thousand euros (5,285 thousand euros at the close of the 2024 financial year) in loans that are partially guaranteed by the Official Credit Institute (ICO), covered by 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; therefore, the use of these funds is subject to the provisions of said entity (Note 19.1).

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Likewise, during the 2025 financial year, the Group formalised a long-term financing operation with the European Investment Bank (EIB) for up to 30 million euros, of which no amount had been drawn down as of the closing date, with some of the group's companies acting as guarantors. This financing is framed within the Group's strategy to strengthen its long-term investment and industrial transformation capabilities, in areas aligned with the priorities of innovation, digitalisation and sustainability promoted by the EIB. It features a 4-year grace period, a final maturity in 2035, and includes financial covenants that must be met.

Reverse factoring (Confirming)

Likewise, the Group has formalised reverse factoring arrangements with suppliers with a maximum limit of 15 million euros. The duration of these contracts is indefinite, although either party may request their termination one month prior to it taking effect. At 31 December 2025, the Group had drawn down an amount of 2,594 thousand euros (nil euros at 31 December 2024) through reverse factoring financing.

Derivatives and others

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

	2025		**2024**	
(thousands of euros)	Long term	Short-term	Long-term	Short-term
Advanced payments and reimbursable loans	(2,064)	(883)	(741)	(582)
Suppliers of fixed assets	(76)	(3,338)	(143)	(4,231)
Other debts	(1,024)	(78)	(29)	(759)
Promissory notes	-	(24,950)	-	(16,920)
Suppliers	-	(57,162)	-	(52,230)
Other creditors:	-			
Personnel	-	(10,414)	-	(9,129)
Advances from customers	-	(12,383)	-	(12,720)
Others	-	(10,461)	-	(10,802)
	(3,164)	**(119,669)**	**(913)**	**(107,373)**

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

The nominal value of the interest-free loans amounts to 2,402 thousand euros (1,103 thousand euros in the previous financial year). The maturities at the end of the financial year 2025 and 2024 are as follows:

2025		*(thousands of euros)*
Short-term:		
	2026	(883)
		(883)
Long-term:		
	2027	(238)
	2028	(82)
	2029	(95)
	2030	(95)
	Remainder	(1,554)
		(2,064)

2024		*(thousands of euros)*
Short-term:		
	2025	(582)
		(582)
Long-term:		
	2026	(348)
	2027	(170)
	2028	(27)
	2029	(54)
	Remainder	(142)
		(741)

During the 2025 financial year, the Group was the beneficiary of a grant under the Strategic Project for the Economic Recovery and Transformation of the Electric and Connected Vehicle (PERTE VEC III), aimed at developing investments in new-generation equipment to manufacture casings for electric vehicle inverters at the Ampuero plant. The aid granted amounts to 1,603 thousand euros, of which 922 thousand euros correspond to a grant and 681 thousand euros to a repayable loan. As of the financial year close, the grant awarded is considered repayable, as all the conditions set out in the granting resolution have not yet been fulfilled.

Suppliers of fixed assets

The maturities of suppliers of fixed assets at the end of the financial year 2025 and 2024 are as follows:

2025		*(thousands of euros)*
Short-term:		
	2026	(3,338)
		(3,338)
Long-term:		
	2027	(6)
	2028	(6)
	2029	(6)
	2030	(6)
	Remainder	(52)
		(76)

2024		*(thousands of euros)*
Short-term:		
	2025	(4,231)
		(4,231)
Long-term:		
	2026	(78)
	2027	(6)
	2028	(6)
	2029	(6)
	Remainder	(47)
		(143)

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Other debts

Other long-term payables at the close of the 2025 financial year include tax instalments for Teknia Brasil. The short-term maturity portion is included under short-term public body payables. The maturities of the long-term debt are as follows:

2025	
Long-term:	
2027	(478)
2028	(336)
2029	(158)
2030	(52)
Remainder	-
	(1,024)

Issuance of promissory notes

On 20 February 2026, the Board of Directors resolved to register the promissory note programme and authorise issuances under it; accordingly, the Base Information Document for Investors (DBII) for short-term securities will shortly be admitted to the Alternative Fixed-Income Market (MARF), to be applied over the next 24 months, named the "*Commercial Paper Programme Teknia 2026*", for a maximum amount of up to 50,000,000 euros.

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

At the end of the financial year 2025 the nominal value of the debt for the promissory notes amounts to 25,100,000 euros and they expire in the course of the financial year 2026, with the interest rate between 2.70% and 2.91%.

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%.

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 centralised 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:

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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.

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.

Management monitors the Group's liquidity reserve forecasts as well as the evolution of Net Financial Debt. Its calculation at 31 December 2025 and 2024 would be as follows:

(Thousands of euros)	**2025**	**2024**
Cash and cash equivalents	52,937	34,493
Short-term financial investments	23	140
Other financial assets	336	372
Undrawn credit lines and loans	129,717	62,354
Liquidity reserve	**183,013**	**97,359**
Bank loans	81,440	91,698
Creditors by finance lease	12,546	11,496
Other financial liabilities: promissory notes	24,950	16,920
Cash and cash equivalents	(52,937)	(34,493)
Short-term financial investments	(23)	(140)
Other financial assets	(336)	(372)
Net Financial Debt	**65,640**	**85,109**

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

At 31 December, 12% 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

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of each country, which helps to reduce conversion risks without resorting to financial derivatives. A portion of this risk is concentrated in the sales of finished products referenced in US dollars With the aim of mitigating this risk, and having verified the effectiveness of the cash flow hedge, during this 2024 financial year the Group designated a USD 20 million loan to hedge customer transactions to be carried out during the 2025 financial year for the same amount, thereby reducing foreign exchange differences from 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 minimise the possible impact of different developments in manufacturing costs and car consumption in each country.

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.

11.3. Equity-accounted investments

The movement in equity-accounted investments during the financial year was as follows, in thousands of euros:

(thousands of euros)	**Opening balance 2025**	**Additions and disposals**	**Results 2025**	**Other variations**	**31.12.2025**
Zuma Innovation, S.L.	-	932	(37)	(5)	890
	-	**932**	**(37)**	**(5)**	**890**

During the 2025 financial year, the shareholding in Zuma Innovation, S.L. was increased to 21.04%, thereby becoming considered an associated company.

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12. INVENTORIES

The composition of this chapter at year-end 2025 and 2024 is as follows, in thousands of euros:

(thousands of euros)	**2025**	**2024**
Goods, auxiliary raw materials and others	24,320	31,940
Ongoing product	17,285	18,667
Finished product	17,714	20,165
By-products and waste	2	6
Advanced payments to suppliers	6,723	4,247
Impairment	(2,256)	(2,783)
	63,788	**72,242**

13. EQUITY AND VALUE ADJUSTMENTS

13.1. Share capital

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

	(thousands of euros)
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)
	20,000

13.2. Reserves

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

(thousands of euros)	**2025**	**2024**
Legal reserve of the Parent Company	4,000	4,000
Voluntary reserves of the Parent Company	26,768	23,386
Consolidation Reserves	48,846	54,698
	79,614	**82,084**

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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 Equity.

13.3 Exchange differences

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

(thousands of euros)	**2025**	**2024**
Teknia Brasil, Ltda.	(7,976)	(8,085)
Teknia Polska Spolka z o.o and its subsidiary companies	66	(208)
Teknia Uhersky Ubrod, AS	1,124	614
Teknia Nashville L.L.C.	(766)	1,112
Componentes de Automoción Marroquíes SARL	5	20
Teknia San Luis Potosí, S.A. de C.V.	(494)	(670)
Teknia Mexico City, S.A. de C.V.	(48)	(107)
Teknia KG doo, Kragujeva	47	45
Teknia Gebzre Makine Sanayi VE Ticaret, A.S.	-	(949)
Teknia Japan, GK	(26)	(18)
Teknia Tepeji, S.A. de C.V.	470	189
Teknia Vimmerby AB	257	(332)
Teknia Oradea, S.R.L.	(123)	(102)
	(7,464)	**(8,491)**

The exchange rates against the euro applied in translating the financial statements of foreign companies were as follows at 31 December 2025, 2024 and 2023:

	2025	**2024**	**2023**	**% var. 2024/2023**	**% var. 2023/2022**
Brazilian Real	6.4364	6.4253	5.3618	0.17%	19.83%
Polish Zloty	4.2210	4.275	4.3395	-1.26%	-1.49%
Czech Crown	24.2370	25.1850	24.7240	-3.76%	1.86%
American Dollar	1.1750	1.0389	1.105	13.10%	-5.98%
Mexican Peso	21.1180	21.5504	18.7231	-2.01%	15.10%
Moroccan Dirham	10.7121	10.519	10.9445	1.84%	-3.89%
Serbian Dinar	117.2820	117.0149	117.1737	0.23%	-0.14%
Turkish Lira	50.4838	36.7372	32.6531	37.42%	12.51%
Romanian Leu	5.0968	4.9743	4.9756	2.46%	-0.03%
Japanese Yen	184.0900	163.06	156.33	12.90%	4.30%
Swedish Krona	10.8215	11.459	11.096	3.27%	n/a

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13.4 Other value adjustments

The movement during the financial year 2025 is as follows, in thousands of euros:

	Initial balance	Allocation to profit and loss	Additions	Final Balance
Exchange rate hedges	(823)	823	-	-
Total	**(823)**	**823**	**-**	**-**

Its movement during the 2024 financial year was as follows, in thousands of euros:

	Initial balance	Allocation to profit and loss	Additions	Final Balance
Exchange rate hedges	-	-	(823)	(823)
Total	**-**	**-**	**(823)**	**(823)**

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 authorities

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

(thousands of euros)	2025		2024	
	Debtor	Creditor	Debtor	Creditor
Current tax	**3,309**	**(463)**	**2,889**	**(371)**
Personal Income Tax	-	(1,926)	239	(1,844)
VAT	11,867	(1,927)	9,127	(1,438)
Others	2	(255)	143	(396)
Social Security	192	(2,289)	53	(2,624)
Tax authorities, debtor/(creditor)	**12,061**	**(6,397)**	**9,562**	**(6,302)**

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14.2. Reconciliation of the income and expenses net amount with the income tax base

The appropriate information in financial year 2025 is as follows:

(thousands of euros)	**Consolidated Profit and Loss Account Amount for the financial year 2025**			**Income and expenses allocated directly to net worth Amount for the financial year 2025**		
Balance of income and expenses for the financial year from continuing operations			10,171			108
Balance of income and expenses for the financial year from discontinued operations			(8,944)			-
	Increase	**Decrease**	**Net Effect**	**Increase**	**Decrease**	**Net Effect**
Corporation Tax from continuing operations	3,242	-	3,242	-	-	-
Corporation Tax from discontinued operations	-	(2,735)	(2,735)	-	-	-
Permanent differences:						
- from consolidation adjustments	16,551	-	16,551	-	(108)	(108)
- from individual companies	4,229	(17,005)	(12,777)	-	-	-
Temporary differences of consolidation adjustments	4,459	(9,994)	(5,535)	-	-	-
Temporary differences of individual companies	10,459	(5,011)	5,448	-	-	-
Offset of prior years' tax losses			(3,981)			-
Taxable income/(tax loss)			**10,385**			**-**

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The appropriate information in financial year 2024 was as follows:

(thousands of euros)	Consolidated Profit and Loss Account			Income and expenses allocated directly to net worth		
	Amount for the financial year 2024			Amount for the financial year 2024		
Balance of income and expenses during the financial year			3,088			(4,670)
	Increase	**Decrease**	**Net Effect**	**Increase**	**Decrease**	**Net Effect**
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)	-	-	-
Offset of prior years' tax losses			(203)			-
Taxable Base (Tax Result)			**3,847**			-

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 2025 and in the financial year 2024, 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:

(thousands of euros)	2025		2024	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Initial balance	**12,430**	**(3,884)**	**11,006**	**(4,354)**
Increases				
* Due to negative taxable bases and deductions to be cleared	3,095	-	2,269	-
* Subsidies allocated directly to net worth (Note 15)	-	(41)	-	(7)
* Adjustments in consolidation	-	-	35	-
* Others	-	(42)	422	(40)
* Exchange differences	-	-	-	(36)
Decreases				
* Negative taxable bases and deductions	(2,134)	-	(677)	-
* Subsidies transferred to the P&L account (Note 15)	-	48	-	22
* Adjustments in consolidation	(52)	104	-	153
* Others	-	121	(275)	378
* Exchange differences	-	-	(350)	-
Closing Balance	**13,339**	**(3,694)**	**12,430**	**(3,884)**

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The Spanish companies have tax deductions for investments, research expenses and others, pending application amounting to 13,444 thousand euros (12,798 thousand euros in the previous financial year) and tax loss carryforwards pending offset amounting to 26,993 thousand euros (23,196 thousand euros in the previous financial year). Foreign companies have tax loss carryforwards amounting to 28 million euros (similar amount in the previous financial year) and tax deductions amounting to 889 thousand euros (nil in the previous financial year).

With regard to group companies domiciled in Bizkaia, the law applicable to the settlement of Company Tax for the financial year 2025, 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.

At the date these annual accounts were drawn up, Teknia Manufacturing Group, S.L. is attending to a procedure to obtain information of tax significance initiated by the Provincial Treasury of Biscay, focusing on the review of its transfer pricing policy and, specifically, on the licensing of trademarks and royalties for the 2021 financial year. The Company is in the process of submitting the requested supporting documentation.
Furthermore, the company Teknia Ampuero, S.L. is subject to an inspection procedure regarding Corporation Tax, specifically relating to the transfer pricing applied in transactions with non-resident related entities, as well as the tax loss carryforwards applied in the 2021 and 2022 financial years.

The directors of the Parent Company and of the consolidated subsidiary companies, along with their tax advisors, consider that tax settlements have been properly calculated. Consequently, even if discrepancies were to arise in the interpretation of current regulations regarding the tax treatment of these operations, any resulting contingent liabilities, should they materialise, would not significantly affect the accompanying consolidated annual accounts.

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 Parent Company Siuled, S.L., sole shareholder of Teknia Manufacturing Group, S.L. (Single-Member Company), is not part of the Tax Group which taxes under territory special Tax (Regional) Regulations.

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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. (Single-Member Company) would act as the representative of the Tax Group.

The consolidated Tax Group in the 2025 and 2024 financial years comprises Teknia Manufacturing Group, S.L. (Single-Member Company), Teknia Elorrio, S.L. (Single-Member Company), Teknia Bilbao XXI, S.L. (Single-Member Company) and Teknia Mobility Innovation, S.L. (Single-Member Company).

14.6 Current tax assets and liabilities

The breakdown in terms of corporate tax to the various Tax Authorities is as follows:

(thousands of euros)	Debtor		Creditor	
	2025	**2024**	**2025**	**2024**
Basque Country Tax Agency	111	111	-	-
Spanish Common Territory Tax Agency	1,073	1,111	(13)	(19)
Foreign Tax Agencies	2,125	1,667	(450)	(352)
	3,309	**2,889**	**(463)**	**(371)**

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:

	(thousands of euros)	
	2025	**2024**
Balance at the beginning of the financial year	**134**	**187**
Increases	149	30
Returns	-	(8)
Tax Effect (Note 14.3)	(41)	(7)
Allocation to profits/losses	(190)	(90)
Tax Effect (Note 14.3)	48	22
Balance at year-end of the financial year	**100**	**134**

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.

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Subsidies allocated to the consolidated profit and loss account.

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

(thousands of euros)	2025	2024
Operating subsidies incorporated into the profits/losses of the financial year	448	157
Allocation of subsidies for non-financial fixed assets	175	36
Allocation of subsidies of a financial nature	9	54
	632	**247**

16. PROVISIONS

The composition of this chapter is as follows:

(thousands of euros)	2025		2024	
	Short-term	Long-term	Short-term	Long-term
Remuneration to staff members	(31)	(2,605)	(88)	(2,150)
Other provisions	(169)	(447)	(747)	(350)
	(200)	**(3,052)**	**(835)**	**(2,500)**

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 capitalisation interest rates and life tables and other generally accepted actuarial assumptions, following the legal standards of each country (Note 3.14)

The movement during the 2025 and 2024 financial years was as follows:

(thousands of euros)	2025	2024
Balance at the beginning of the financial year	**(2,238)**	**(1,868)**
Funding allowances variation	(366)	(497)
Exchange differences	(32)	127
Closing Balance	**(2,636)**	**(2,238)**

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17. INCOME AND EXPENSES

17.1. Net turnover

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

	2025	2024
Domestic	18%	14%
Rest of the European Union	44%	47%
Rest of the World	38%	39%

The Group has 1 customer (1 in 2024) 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 2025 and 2024 for the following percentages:

%	
2025	2024
24%	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:

	%	
	2025	2024
Domestic	42%	32%
Rest of the European Union	43%	42%
Rest of the World	14%	26%

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:

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	Average staff 2025	Staff as of the 31st of December 2025 Total	Men	Women	Average of staff with disabilities
Directors (external staff)	**3.00**	**3**	**3**	**-**	**-**
Directors (internal staff)	1.00	1	1	-	-
Senior management	6.00	6	5	1	-
Structure	273.64	257	134	123	1.00
Indirect workforce	967.70	951	778	173	15.00
Direct workforce	2,111.01	2,063	1,193	870	39.00
Totals	**3,359.35**	**3,278**	**2,111**	**1,167**	**55.00**

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

	Average staff 2024	Staff as of the 31st of December 2024 Total	Men	Women	Average of staff with disabilities
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
Totals	**3,662.18**	**3,543**	**2,277**	**1,266**	**66.00**

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):

(thousands of euros)	Dividends 2025	2024
Siuled, S.L.	4,207	5,611

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Additionally, during the 2025 financial year, the Sole Shareholder received 51 thousand euros in consultancy fees (20 thousand euros in 2024).

At 31 December 2025, as at the close of the 2024 financial year, the Group does not hold any balances with this company.

18.2 Remuneration of the Directors and key staff

The total amount received in the 2025 financial year by all the Directors of the Parent Company amounted to 214 thousand euros (522 thousand euros in the 2024 financial year), of which nil euros (372 thousand euros in 2024) are included under personnel expenses, and 214 thousand euros for services (149 thousand euros in the 2024 financial year) are included under external services in the profit and loss account.

The Sole Shareholder of the Parent 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).

The remuneration paid in the 2025 financial year to key management personnel of the Group amounted to 759 thousand euros (1,298 thousand euros in the 2024 financial year).

Similarly, the Parent Company has taken out a Directors and Officers liability insurance policy, the premium for which amounts to 9 thousand euros, inclusive of taxes (10 thousand 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 Parent Company has centralised 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 2025, the Parent Company has loans partially guaranteed by the Official Credit Institute (ICO), the balance of which at 31 December 2025 amounts to 1,776 thousand euros (5,285 thousand euros in the 2023 financial year).

In the 2024 financial year, the Parent Company issued four generic letters of comfort to customers of Teknia Bilbao XXI, S.L. (Single-Member Company) and Teknia Brasil Ltda., alongside another letter of comfort to financial institutions corresponding to Componentes de Automoción Marroquíes, SARL. (In the 2024 financial year, the Parent Company had issued three generic letters of comfort to customers of Teknia Bilbao XXI, S.L. (Single-Member

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Company) and Teknia Brasil Ltda., alongside another letter of comfort to financial institutions corresponding to Componentes de Automoción Marroquíes, SARL.)

Likewise, in the 2025 financial year, the Parent Company acts as joint and several guarantor for the payment of rent under lease agreements signed by the subsidiaries Teknia Azuqueca, S.L. (Single-Member Company) and Teknia Bilbao XXI, S.L. (Single-Member Company) with a third party; it is a joint and several guarantor for payments under energy contracts signed by Teknia San Luis Potosí, S.A. de C.V. and Teknia Tepeji, S.A. de C.V.; and it acts as surety and joint and several guarantor for loans held by subsidiary companies, the total balance of which at the close of the 2025 financial year stands at 18,283 thousand euros (17,604 thousand euros at the close of the 2024 financial year).

The company Teknia Rzeszów Sp. z o.o. has signed contracts with financial institutions to guarantee the repayment of loans, credit facilities, discount lines and other financing obtained for an amount of 1,703 thousand zlotys (3,103 thousand zlotys in 2024).

The company Teknia Kalisz, Sp. z o.o had signed contracts with financial institutions to guarantee active discount lines amounting to 6,000 thousand zlotys at the close of the 2024 financial year (Note 11.1.2).

The Czech Republic company, Teknia Uherský Brod, a.s., has a mortgage guarantee granted amounting to 196 thousand euros (532 thousand euros in 2024), and has also signed a blank promissory note ("Blank Bill") for these loans.
The company Teknia Oradea, S.R.L. held a mortgage loan maturing in the 2025 financial year, the amount of which at the close of the 2024 financial year stood at 35 thousand euros. This loan was guaranteed by its parent company Teknia Ampuero, S.L. (Single-Member Company).

20. OTHER INFORMATION

20.1 Information on the purchase cost prices of the contributed shares

The values for which the shares contributed to the Parent Company were entered into the accounts at the time of its incorporation are reflected in the consolidated annual accounts 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 Parent Company's auditors for auditing the consolidated annual accounts and the annual accounts of the Group companies amounted to 152 thousand euros (148 thousand euros in the previous financial year), and for carrying out other work, 20 thousand euros (23 thousand euros in the previous financial year).

Likewise, audit fees for foreign and Spanish companies carried out by other auditors within the Moore Global Network amounted to 60 thousand euros (56 thousand euros in 2024) and 2 thousand euros for other work for the group (4 thousand euros in the 2024 financial year).

Other auditors received an amount of 162 thousand euros for audit work (129 thousand euros in 2024), and other work was carried out in 2025 amounting to 11 thousand euros. (27 thousand euros in 2024).

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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 the 2025 financial year, Group companies made contributions to non-profit organisations amounting to 95 thousand euros (425 thousand euros in 2024).

20.5 Foreign currency

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

	(thousands of euros)											
	Brazilian Real		**PLN**		**Dirham**		**Czech Crown**		**Mexican Peso**		**USD**	
ASSETS	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Property, plant and equipment	5,972	6,403	10,250	9,436	3,617	4,132	10,199	9,952	13,250	18,342	5,580	9,253
Inventories	4,080	3,008	8,935	9,305	416	661	2,962	3,313	14,850	15,085	3,150	3,248
Trade and other receivables	3,177	2,903	1,580	8,492	2,606	2,609	2,585	3,882	10,525	13,486	5,890	6,958
Cash and other cash equivalents	1,445	634	641	1,855	258	213	12	2,925	229	1,155	5,081	5,285

	(thousands of euros)											
	Brazilian Real		**PLN**		**Dirham**		**Czech Crown**		**Mexican Peso**		**USD**	
LIABILITIES	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Long-term bank borrowings		-	-	-	-	(126)	-	(196)	-	-	(1,386)	(325)
Short-term bank borrowings	(734)	-	-	-	(123)	(131)	-	(336)	-	-	(594)	(4,185)
Trade creditors and other accounts payable	(3,078)	(3,609)	(4,585)	(8,212)	(1,771)	(1,649)	(369)	(4,187)	(398)	(14,850)	(283)	(4,895)

	(thousands of euros)											
	Brazilian Real		**PLN**		**Dirham**		**Czech Crown**		**Mexican Peso**		**USD**	
PROFITS AND LOSSES	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Procurements	(11,927)	(11,105)	(13,285)	(15,875)	(3,677)	(5,917)	(9,211)	(12,337)	(1,852)	(25,369)	(10,305)	(19,657)
Net turnover	23,995	19,146	21,350	23,280	6,381	9,052	1,086	517	104	10,159	28,398	72,748

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	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
ASSETS	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Property, plant and equipment	4,985	5,119	-	1,387	1,282	6,367	-	-	4,287	4,366
Inventories	1,250	1,633	-	833	701	1,137	-	-	2,052	2,455
Trade and other receivables	985	1,168	-	550	42	1,074	4	1	1,761	2,290
Cash and other cash equivalents	313	318	-	9	26	261	6	35	113	285

	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
LIABILITIES	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Long-term debt to credit institutions	-	-	-	-	-	(3,941)	-	-	-	-
Short-term debt to credit institutions	-	-	-	(18)	-	(683)	-	-	-	-
Trade creditors and other accounts payable	(1,485)	(1,641)	-	(1,777)	(548)	(1,048)	(9)	(12)	(1,677)	(2,541)

	(thousands of euros)									
	Serbian Dinar		Turkish Lira		Romanian LEU		Japanese Yen		Swedish krona	
PROFITS AND LOSSES	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Procurements	(3,465)	(3,966)	-	(3,718)	924	(2,755)	-	-	(6,243)	(8,930)
Net turnover	7,062	7,246	-	2,825	95	5,574	120	115	2,354	4,550

21. ENVIRONMENTAL AND GREENHOUSE GAS EMISSIONS RIGHTS INFORMATION

21.1. Environmental information

The Group, within the development of its productive activities, is committed to the elimination, or at least, the minimisation 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 CO2).

Expenses incurred by the Spanish companies for the protection and improvement of the environment, charged directly to the consolidated profit and loss account for the 2025 financial year, amount to 388 thousand euros (371 thousand euros in the 2024 financial year) and essentially correspond to costs arising from 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.

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22. INFORMATION ABOUT THE AVERAGE SUPPLIER PAYMENT PERIOD. THIRD ADDITIONAL PROVISION. "REPORTING REQUIREMENT" OF LAW 15/2010, OF 5 JULY.

The information on the average supplier payment period for the financial years 2025 and 2024 is as follows:

	Made and pending payments at the year-end date of the Consolidated Balance Sheet	
	2025	**2024**
	Days	
Average supplier payment period	64.68	60.95
Paid transactions ratio	66.39	62.81
Outstanding payment transactions ratio	55.08	50.73
	Amount (thousands of euros)	
Total payments made	140,114	142,631
Total outstanding payments	37,307	30,085
Volume paid < or = 60 days	61,744	51,479
No. of paid invoices < or = 60 days	13,758	14,135
% Monetary volume	44%	36%
% No. of invoices paid	49%	39%

23. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets held for sale

As a consequence of the decision taken in May 2025 to proceed with the sale of Teknia Gebze, this company ceased to be part of the consolidation perimeter. In this context, both the shareholding and its associated debit balances were classified as non-current assets held for sale, and its transactions for the 2025 financial year were recorded as discontinued operations until its transfer in June 2025.

Likewise, as a result of the decision taken in November 2025 to advance with a restructuring process and the eventual transfer of Teknia Stuttgart, this company also ceased to be part of the consolidation perimeter. In this context, both the shareholding and its associated debit balances were classified as non-current assets held for sale, with its transactions for the 2025 financial year being recorded as discontinued operations.

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The breakdown of non-current assets held for sale at 31 December 2025 is as follows:

	2025
Shareholding in Teknia Stuttgart	6,569,644.00
Impairment of shareholding in Teknia Stuttgart	(6,569,644.00)
Teknia Stuttgart debit balances	5,756,963.82
Impairment of Teknia Stuttgart debit balances	(5,756,963.82)
	-

Discontinued operations

The profit and loss account for discontinued operations for the financial years ended 31 December 2025 and 2024 is as follows, in thousands of euros:

	2025	2024
1. Net turnover	15,315	23,395
2. Changes in inventories of finished goods and work in progress	(215)	(115)
4. Supplies	(8,121)	(12,724)
5. Other operating income	14	445
6. Personnel expenses	(4,910)	(7,251)
7. Other operating expenses		
a) Losses, impairment and variation of provisions due to trade operations	(6,520)	(12)
b) Other operating expenses	(3,015)	(3,958)
8. Depreciation and amortisation	(1,156)	(1,236)
11. Impairment and gains/(losses) on disposal of fixed assets	(2,087)	(3)
14. Other profit/loss	(448)	(50)
A.1) OPERATING PROFIT/(LOSS) (1+2+3+4+5+6+7+8+9+10+11+12+13+14)	**(11,143)**	**(1,509)**
15. Financial income	12	60
16. Financial expenses	(253)	(152)
18. Exchange differences	(295)	(302)
A.2) FINANCIAL PROFITS/LOSSES (14+15+16+17+18)	**(536)**	**(394)**
A.3) PROFIT/(LOSS) BEFORE TAX (A.1 + A.2 +19+20+21)	**(11,679)**	**(1,903)**
24. Income tax	2,735	(158)
A.5) PROFIT/(LOSS) FOR THE FINANCIAL YEAR (A.4 + 23)	**(8,944)**	**(2,061)**

The turnover corresponding to discontinued operations is broken down by the following countries:

	2025	2024
Germany (Teknia Stuttgart)	11,438	16,800
Turkey (Teknia Gebze)	3,877	6,595
NET TURNOVER	**15,315**	**23,395**

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<u>Statement of cash flows</u>

The breakdown of cash flows related to these operations is as follows, in thousands of euros:

	2025	2024
Profit/(loss) before tax from discontinued operations	(11,679)	(1,903)
Cash flows from operating activities	(1,716)	(13)
Cash flow from investing activities	(1,054)	(1,866)
Cash flows from financing activities	(1,100)	788
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	(3,870)	(1,091)

24. EVENTS AFTER THE REPORTING PERIOD

There are no further noteworthy developments that could significantly affect the attached consolidated annual accounts.

25. SEGMENT REPORTING

25.1. 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 2025 and 2024 the Board of Directors of the Parent Company has identified a single segment (Automotive), so it is not necessary to collect segment reporting concerning this financial year.

Elorrio, 31 March 2026.

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2025 CONSOLIDATED MANAGEMENT REPORT

1. STATUS OF THE TEKNIA GROUP AND LIKELY FUTURE DEVELOPMENTS

The 2025 financial year unfolded in a demanding sector environment, characterised by uneven performance across geographies, a transition towards electrification that remains selective, and greater caution from manufacturers in their investment and launch decisions. In this context, the Group has geared its management towards protecting profitability, strengthening cash generation, optimising its industrial perimeter and maintaining rigorous discipline in capital allocation.

Looking ahead to 2026, S&P Global Mobility projects a scenario of technical stagnation and extreme caution, with global sales growth of barely 0.1%–0.2% (91.8 million units). It is expected to be a highly demanding year operationally due to the potential impact of new tariff policies in the US, the slowdown in global GDP (estimated at 2.7%) and a shift in consumer preferences towards hybrid models over the BEV segment in key markets.

In a highly demanding context for the sector, Teknia is driving forward its new strategic plan, "One Teknia, One North", as a framework for action to strengthen its competitiveness, resilience and adaptability. This plan combines, on the one hand, the improvement of the Group's efficiency and operational integration through the harmonisation of processes, the strengthening of the supply chain, company-wide digitalisation and the optimisation of the industrial footprint, and, on the other, focusing growth on geographies and segments with greater potential. Furthermore, this strategy is underpinned by technological leadership and a sustained commitment to innovation, electrification, connectivity and sustainability, with the aim of strengthening profitability, preserving operational solidity and positioning the Group to capture growth opportunities in a market environment characterised by volatility and the structural transformation of mobility.

Net Turnover Evolution

The 2025 financial year was marked by a strategy of prioritising profitability over volume, in a global market context which, as previously mentioned, showed notable weakness in the Group's core regions, such as Europe and North America.

Net turnover stood at 408.4 million euros, representing an increase of 0.3% compared to 2024. This figure has been affected both by the reduction in the corporate perimeter undertaken during the financial year and by the business performance on a like-for-like basis.

The market within our perimeter experienced a 1% decline in 2025, according to S&P Global data, while we saw a 0.3% improvement in sales compared to 2024. We outperformed the market by 1.3 p.p. within our perimeter.

This approach has translated into an improvement in operating margins, supported by cost containment and more selective management of the Group's investments, order intake and assets.

Despite the lower revenue volume, the Group has achieved a notable recovery in its margins, validating the success of the extraordinary cost adjustment and workforce optimisation measures implemented since 2024.

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As a result, adjusted EBITDA stood at 41.5 million euros, equivalent to 10.2% of net turnover, compared to 10.0% in the previous year. This figure excludes the non-recurring costs associated with the restructuring processes undertaken under the Elcano Plan, allowing it to more accurately reflect the Group's recurring operational performance.

Operating profit (adjusted EBIT): Experienced solid growth of 18.8%, reaching 20.6 million euros. This rebound, despite the negative "volume effect", is explained by the improved absorption of fixed costs and the containment of structural expenses.

The turnovers and their evolution in recent years are:

	2025 Euros '000	%	*2025 Vs 2024*	2024 Euros '000	%	*2024 Vs 2023*	2023 Euros '000	%	*2023 Vs 2022*
Turnover Net Amount	**408,429**	100%	0.30%	**407,204**	100%	-11.37%	**459,463**	100%	19.48%
Operating margin	**20,554**	5.03%	18.80%	**17,302**	4.25%	-33.08%	**25,854**	5.63%	11.27%
EBITDA[1]	**39,249**	9.61%	7.52%	**36,505**	8.96%	-25.17%	**48,785**	10.62%	20.31%
Adjusted EBITDA[2]	**41,548**	10.17%	1.51%	**40,931**	10.05%	-17.19%	**49,426**	10.76%	23.46%

The 2025 financial year was affected by notable volatility in the awarding of new programmes (order intake), stemming from a highly complex macroeconomic and geopolitical environment. The uncertainty generated by the threat of tariffs announced by the US administration in March 2025 provoked a reaction of systemic caution in the industry.

In this scenario, Teknia has maintained a selective approach to order intake, prioritising those projects with a clear logic of return, economic sustainability and contribution to the Group's technological positioning. Rather than competing for volume in lower-margin programmes, the Group has concentrated its financial and technical resources on opportunities with a better profitability profile.

€'000	2025	2024	2023	2022
Order intake[3]	67,204	81,452	97,543	71,315

The lower order intake has been operationally mitigated by the extension of the end of production (EOP) of certain ongoing programmes. The prolongation of existing series has made it possible to sustain a recurring billing base, reduce the investment intensity associated with new start-ups and preserve the utilisation of production capacities in an environment of lower visibility.

Teknia continues to steer its portfolio towards higher value-added solutions, more aligned with the needs of new mobility, weight reduction, energy efficiency and the growing technological sophistication of vehicles.

[1] EBITDA calculated as operating profit less the depreciation and amortisation charge, the allocation of grants for non-financial fixed assets, impairment on disposal of fixed assets and reversal of provisions.

[2] EBITDA calculated as operating profit less the depreciation and amortisation charge, the allocation of grants for non-financial fixed assets, reversal of provisions, other profit/loss and compensation for staff restructuring plans (2,274 thousand euros in 2025 and 2,453 thousand euros in 2024).

[3] The Order intake refers to parts manufacturing projects in terms of expected annual sales.

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Perimeter reorganisation and industrial optimisation

During the 2025 financial year, the Group agreed and executed the divestment of Teknia Gebze Makine Sanayi ve Ticaret A.Ş. and Teknia Stuttgart GmbH, thereby ceasing its activity in Turkey and Germany through these companies. This decision is part of the process of reorganising the Group's perimeter, aimed at reinforcing the focus on its strategic activities, optimising its structure and preserving the recurring capacity to generate results and cash. As a consequence, certain assets, liabilities and activities have been classified as held for sale and/or discontinued operations, in accordance with applicable Spanish accounting regulations.

The negative result recorded in the consolidated profit and loss account for these operations amounts to 8.9 million euros, of which 5.9 million euros correspond to Teknia Stuttgart GmbH and 3.0 million euros to Teknia Gebze Makine Sanayi ve Ticaret A.Ş.

Consequently, the impact recorded is predominantly non-cash in nature, with the cash effect associated with the discontinuation decision being limited (0.8 million euros) and significantly lower than the impact recognised in profit or loss.

EBITDA and DEBT levels

Teknia has demonstrated its adaptability in a demanding market environment, transforming a scenario of lower activity volume into an improvement in margins, supported by the operational flexibility achieved following the reorganisation measures undertaken in previous years.

Looking ahead to 2026, the Group anticipates a still demanding sector environment, marked by weak demand in certain markets, macroeconomic uncertainty, pressure on costs and greater investment selectivity on the part of manufacturers. In this context, and within the framework of the "One Teknia, One North" strategic plan, Teknia will maintain as priorities the protection of profitability, cash generation, discipline in capital allocation, the continuous improvement of operational efficiency and the strengthening of its positioning in higher value-added technologies and programmes.

Regarding balance sheet management, the Group closes the 2025 financial year with a solid financial structure, placing the Net Financial Debt to Adjusted EBITDA ratio, excluding non-recurring effects, at 1.58 times. This performance highlights Teknia's ability to continue reducing its leverage and maintain a balanced financial position, in line with its growth objectives and prudent risk management.

The operating cash generation during the year has made it possible to meet recurring commitments and sustain activity without significant increases in net borrowing, thereby reinforcing the Group's financial autonomy.

Furthermore, at 31 December 2025, Teknia has a liquidity position of 183 million euros, compared to 97 million euros at the close of the previous financial year, which includes cash and cash equivalents, as well as availability under committed financing lines. This position strengthens the Group's capacity to solvently face an uncertain environment, meet its operational and financial needs and analyse, with criteria of discipline and value creation, potential inorganic growth opportunities.

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In this regard, the financial position achieved provides the Group with greater strategic flexibility to assess potential corporate transactions that may contribute to strengthening its industrial, technological and geographical positioning, always under criteria of profitability, strategic fit and financial sustainability.

Exchange Differences (Financial)

The chart below shows the annual variation of the most significant currencies in which TEKNIA Group operates in recent years.[4]

	% var. 2025 vs 2024	2025	% var. 2024 vs 2023	2024	% var. 2023 vs 2022	2023
Brazilian Real	6.4364	0.17%	6.4253	19.83%	5.3618	(4.91%)
Polish Zloty	4.2210	(1.26)%	4.275	(1.49%)	4.3395	(7.29%)
Czech Crown	24.2370	(3.76)%	25.1850	1.86%	24.724	2.52%
US dollar	1.1750	13.10%	1.0389	(5.98%)	1.105	3.60%
Moroccan Dirham	10.7121	1.84%	10.5190	(3.89%)	10.9445	(1.92%)
Mexican Peso	21.118	(2.01)%	21.5504	15.10%	18.7231	(10.23%)
Serbian Dinar	117.282	0.23%	117.0149	(0.14%)	117.1737	(0.13%)
Turkish Lira	50.4838	37.42%	36.7372	12.51%	32.6531	63.55%
Romanian Leu	5.0968	2.46%	4.9743	(0.03%)	4.9756	0.53%
Japanese Yen	184.09	12.90%	163.06	4.30%	156.33	11.14%
Swedish krona	10.8215	(5.56)%	11.459	3.27%	11.096	n/a

Source: www.ecb.europa.eu, data as of the 31st of December of each year.

It is worth highlighting in this area the significant devaluation of the Turkish lira, where the Teknia Group no longer has exposure at the end of the period.

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.

Likewise, the Group maintains the objective of diversifying its sources of financing. Within this framework, at the close of 2025, the composition of debt was distributed as 21% in alternative financing and 79% in bank financing, compared to 18% and 82%, respectively, recorded at the close of 2024. This evolution reinforces the Group's financial flexibility and reduces its relative dependence on traditional bank financing.

[4] In the chart, variation (-) means appreciation and variation (+) depreciation

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(thousands of euros)	**2025**	**2024**	**2023**	**2022**	**2021**
Debt Cost[5]	(4,222)	(6,479)	(5,139)	(2,146)	(2,088)
Debt	(118,936)	(120,114)	(123,596)	(104,700)	(95,567)
Debt/ Cost	3.55%	5.39%	4.16%	2.05%	2.2%

In 2025, the evolution of the monetary environment was determined by the reduction in benchmark interest rates in the eurozone, in a context of moderating inflation. This scenario favoured a reduction in the Group's finance costs, which stood at 4.2 million euros, compared to 6.5 million euros in 2024, representing a decrease of 35.4%.

This performance is mainly due to two factors: on the one hand, the decline in market interest rates, with the consequent favourable impact on floating-rate debt; and, on the other hand, the reduction in the volume of debt, which stood at 118.9 million euros at the close of the financial year, compared to 120.1 million euros in 2024. As a result, the Cost of Debt / Debt ratio improved to 3.55%, compared to 5.39% in the previous financial year.

RATIOS

	2025	**2024**	**2023**	**2022**	**2021**
DEBT AND LIQUIDITY					
CURRENT ASSETS / CURRENT LIABILITIES	1.12	1.16	1.23	1.32	1.23
CURRENT LIABILITIES + NON-CURRENT / EQUITY	2.49	2.39	2.18	2.16	2.04
NET F. DEBT / EQUITY	0.70	0.89	0.81	0.71	0.86
Net Financial Debt / Adjusted EBITDA	1.58x	2,07x	1,66x	1.60x	2.05x
PROFITABILITY					
RETURN ON SALES (ROS)	0.30%	0.72%	3.05%	4.15%	3.31%
RETURN ON ASSETS (ROA)	0.38%	0.95%	7.89%	7.99%	6.80%
FINANCIAL RETURN (ROE)	1.31%	3.22%	13.62%	17.37%	13.41%
RETURN ON INVESTMENT (ROCE)	13.70%	10.02%	14.94%	14.88%	12.08%

3. DEVELOPMENTS AFTER THE YEAR-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

Within the framework of its technological transformation, the Teknia Group steers its R&D&I strategy towards the development of solutions linked to sustainable mobility and digitalisation, relying on various lines of action aimed at strengthening its competitiveness and contributing to the decarbonisation of the sector.

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[5] The item Debt Cost comprises all financial expenditure and both short- and long-term debt interests

Among the main lines of work, electrification, the lightweighting of components through the use of advanced materials, the application of ecodesign and circular economy criteria, the promotion of Industry 4.0 initiatives based on real-time data analysis and the strengthening of industrial cybersecurity stand out.

This strategy seeks to generate greater added value through the development and evolution of the Group's key technologies in plastic injection, aluminium, machining and stamping, in line with the growing demands for efficiency, innovation and sustainability in the automotive industry.

Likewise, Teknia actively participates in sector initiatives and collaborative environments aimed at promoting industrial and technological innovation. Within this framework, the Group maintains a relevant presence in leading sector organisations, such as ACICAE (Automotive Cluster of the Basque Country) and SERNAUTO (Spanish Association of Automotive Suppliers), through its participation in their respective representative bodies.

Similarly, the Group continuously participates in R&D&I forums and platforms linked to the industrial and technological development of the sector, thereby reinforcing its capacity to anticipate and adapt to the main trends in the automotive industry.

5. HOLDINGS IN TREASURY STOCK

During the financial year 2025, 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.

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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.

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, 12% 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 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.

  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.

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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

7. PAYMENT TO SUPPLIERS AVERAGE PERIOD

The average supplier payment period in 2025 is 64.68 days, stable compared to the previous year (60.95 days in 2024).

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 2026

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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 May 2026

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 mayo de 2026

Patricia Álvarez Chamosa
Traductora/Intérprete Jurada de INGLÉS
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Fdo: Patricia Álvarez

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