



# **Auditor's Report on CIE Automotive, S.A.**

**(Together with the annual accounts and directors' report of CIE Automotive, S.A. for the year ended 31 December 2025)**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*



KPMG Auditores, S.L.  
Torre Iberdrola  
Plaza Euskadi, 5  
Planta 17  
48009 Bilbao

## **Independent Auditor's Report on the Annual Accounts**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the Shareholders of CIE Automotive, S.A.

### **REPORT ON THE ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the annual accounts of CIE Automotive, S.A. (the "Company"), which comprise the balance sheet at 31 December 2025, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

#### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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



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## Key Audit Matters

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

### Valuation of non-current and current investments in Group companies and associates

See notes 3.3(c), 6 and 7 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Company has shares and loans in Group companies and associates which are recorded under "Non-current investments in Group companies and associates" and "Current investments in Group companies and associates" in the balance sheet amounting to Euros 2,353,372 thousand and Euros 62,069 thousand, respectively. As required by the applicable financial reporting framework, the Company calculates the recoverable amount of investments in companies for which there is objective evidence of impairment.</p> <p>This recoverable amount is calculated by applying valuation techniques that often require the application of value judgements and estimates by management and the Directors.</p> <p>Due to the uncertainty and judgement associated with these estimates, as well as the significance of the carrying amount of these investments, we have considered the valuation thereof a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>– evaluating the design and implementation of the key controls related to the process of measuring investments;</li><li>– assessing the criteria used by Company management to identify indications, if any, of impairment of the investments;</li><li>– assessing the reasonableness of the methodology, assumptions and data considered by the Company in estimating the recoverable amount of investments in Group companies and associates, with the involvement of our valuation specialists.</li></ul> <p>Furthermore, we assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</p>

## Other Information: Directors' Report

Other information solely comprises the 2025 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility regarding the information contained in the directors' report is defined in the legislation regulating the audit of accounts, as follows:

- Determine, solely, whether certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.



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- b) Assess and report on the consistency of the rest of the information included in the directors' report with the annual accounts, based on knowledge of the entity obtained during the audit of the aforementioned annual accounts. Also, assess and report on whether the content and presentation of this part of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2025, and that the content and presentation of the report are in accordance with applicable legislation.

## **Directors' and Audit and Compliance Committee's Responsibilities for the Annual Accounts**

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The Directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Audit and Compliance Committee is responsible for overseeing the preparation and presentation of the annual accounts.

## **Auditor's Responsibilities for the Audit of the Annual Accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.



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As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our 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 cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the audit and compliance committee of CIE Automotiva, S.A. regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit and compliance committee with a statement that we have complied with the ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, safeguarding measures adopted to eliminate or reduce the threat.

From the matters communicated to the audit and compliance committee of the entity, we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



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## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### European Single Electronic Format

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We have examined the digital file of CIE Automotive, S.A. for 2025 in European Single Electronic Format (ESEF) comprising an XHTML file with the annual accounts for the aforementioned year, which will form part of the annual financial report.

The Directors of CIE Automotive, S.A. are responsible for the presentation of the 2025 annual financial report in accordance with the format requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the “ESEF Regulation”). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors’ Remuneration by means of a reference thereto in the directors’ report.

Our responsibility consists of examining the digital file prepared by the Company’s Directors, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the annual accounts included in the aforementioned digital file fully corresponds to the annual accounts we have audited, and whether the annual accounts have been formatted, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital file examined fully corresponds to the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.

### Additional Report to the Audit and Compliance Committee

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The opinion expressed in this report is consistent with our additional report to the Company’s audit and compliance committee dated 25 February 2026.

### Contract Period

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We were appointed as auditor by the shareholders at the ordinary general meeting on 28 April 2022 for a period of three years, from the year ended 31 December 2023.

KPMG Auditores, S.L.

On the Spanish Official Register of Auditors (“ROAC”) with No. S0702

*(Signed on original in Spanish)*

Cosme Carral López-Tapia

On the Spanish Official Register of Auditors (“ROAC”) with No. 18,961

25 February 2026

This report  
corresponds to stamp  
no. 03/26/00174  
issued by the Spanish  
Institute of Registered  
Auditors (ICJCE)



**CIE** Automotive



***MANAGING HIGH VALUE  
ADDED PROCESSES***

**Annual Accounts and  
Management Report  
for the year ended 2025**

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**This 2025 Annual Report is a translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.**

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**CIE AUTOMOTIVE, S.A.**
**BALANCE SHEET AT 31<sup>ST</sup> DECEMBER 2025  
(Thousand euro)**

		At December 31 <sup>st</sup>	
	Note	2025	2024
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>	<b>5</b>	<b>2,842</b>	<b>5,735</b>
<b>Property, plant and equipment</b>		<b>1,036</b>	<b>878</b>
<b>Non-current investments in group companies and associates</b>	<b>6-7</b>	<b>2,353,372</b>	<b>2,550,550</b>
Equity instruments		1,094,467	1,094,467
Credits to companies		1,258,905	1,456,083
<b>Non-current financial investments</b>	<b>6</b>	<b>20,925</b>	<b>16,271</b>
Equity instruments		96	96
Credits to third parties		11,401	15,445
Derivatives	9	9,405	705
Other financial assets		23	25
<b>Deferred tax assets</b>	<b>16</b>	<b>12,890</b>	<b>17,152</b>
<b>Total non-current assets</b>		<b>2,391,065</b>	<b>2,590,586</b>
<b>CURRENT ASSETS</b>			
<b>Trade and other receivables</b>	<b>6-8</b>	<b>23,924</b>	<b>23,276</b>
Receivables from Group companies and associates		23,392	22,993
Other receivables		3	7
Credits with public authorities		529	276
<b>Current investments in group companies and associates</b>	<b>6-7</b>	<b>62,069</b>	<b>64,537</b>
Credits to companies		62,069	64,537
<b>Current financial investments</b>	<b>6</b>	<b>9,109</b>	<b>18,113</b>
Credits to third parties		1,300	1,300
Other financial assets		7,809	16,813
<b>Prepaid expenses</b>		<b>3,780</b>	<b>2,900</b>
<b>Cash and cash equivalents</b>	<b>6-10</b>	<b>232,441</b>	<b>114,687</b>
<b>Total current assets</b>		<b>331,323</b>	<b>223,513</b>
<b>TOTAL ASSETS</b>		<b>2,722,388</b>	<b>2,814,099</b>

**CIE AUTOMOTIVE, S.A.**
**BALANCE SHEET AT 31<sup>ST</sup> DECEMBER 2025  
(Thousand euro)**

		<b>At December 31<sup>st</sup></b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>
<b>EQUITY</b>			
<b>Capital and reserves</b>		<b>329,713</b>	<b>332,991</b>
Share capital	11	29,952	29,952
Share premium	11	152,171	152,171
(Treasury shares)	11	(29,638)	(1,570)
Reserves	12	98,923	85,090
Profit /(loss) for the year	13	134,055	122,430
Interim dividend	13	(55,750)	(55,082)
<b>Total equity</b>		<b>329,713</b>	<b>332,991</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Non-current provisions</b>	<b>15</b>	<b>4,276</b>	<b>5,365</b>
<b>Long-term payables</b>	<b>6-9-14</b>	<b>1,322,427</b>	<b>1,474,659</b>
Bank borrowings	6-14	1,322,427	1,474,659
<b>Group companies and associates, non-current</b>	<b>6-14</b>	<b>329,390</b>	<b>250,723</b>
<b>Other non-current payables</b>	<b>6-14</b>	<b>39,969</b>	<b>50,088</b>
Other non-current payables		39,969	50,088
<b>Total non-current liabilities</b>		<b>1,696,062</b>	<b>1,780,835</b>
<b>CURRENT LIABILITIES</b>			
<b>Current provisions</b>	<b>15</b>	<b>451</b>	<b>5,476</b>
<b>Current borrowings</b>		<b>569,333</b>	<b>584,782</b>
Bank borrowings	6-14	171,333	216,982
Commercial paper program	6-14	398,000	367,800
<b>Other current payables</b>	<b>6-14</b>	<b>9,150</b>	<b>-</b>
Other current payables		9,150	-
<b>Group companies and associates, current</b>	<b>6-14</b>	<b>35,128</b>	<b>20,887</b>
<b>Trade and other payables</b>	<b>6-14</b>	<b>82,353</b>	<b>88,922</b>
Trade payables		5,420	6,207
Payables to group companies and associates		6,446	11,464
Other payables		55,750	55,082
Fixed asset suppliers		148	226
Accrued wages and salaries		9,311	10,808
Debts with public authorities		5,278	5,135
<b>Deferred revenue</b>		<b>198</b>	<b>206</b>
<b>Total current liabilities</b>		<b>696,613</b>	<b>700,273</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,722,388</b>	<b>2,814,099</b>

**CIE AUTOMOTIVE, S.A.**
**INCOME STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2025  
(Thousand euro)**

	Note	As of 31 <sup>st</sup> December	
		2025	2024
<b>CONTINUING OPERATIONS</b>			
<b>Revenue</b>	<b>17</b>	<b>257,161</b>	<b>263,236</b>
Services rendered and other income		257,161	263,236
<b>Other operating income</b>		<b>985</b>	<b>923</b>
Non-trading and other operating income		985	923
<b>Employee benefit expense</b>	<b>17</b>	<b>(22,460)</b>	<b>(21,178)</b>
Wages and salaries		(21,110)	(20,149)
Social security		(1,350)	(1,029)
<b>Other operating expenses</b>	<b>17</b>	<b>(5,580)</b>	<b>(11,261)</b>
External services		(5,452)	(11,198)
Taxes		(128)	(63)
<b>Depreciation and amortization</b>		<b>(3,805)</b>	<b>(3,722)</b>
<b>OPERATING PROFIT</b>		<b>226,301</b>	<b>227,998</b>
Finance income	19	1,840	1,800
Finance expense	19	(80,677)	(96,179)
Change in fair value of financial instruments	19	9,510	1,523
Net exchange differences	19	(1,135)	551
<b>FINANCIAL RESULTS</b>		<b>(70,462)</b>	<b>(92,305)</b>
<b>PROFIT BEFORE TAX</b>		<b>155,839</b>	<b>135,693</b>
Income tax	18	(21,784)	(13,263)
<b>PROFIT FOR THE YEAR</b>		<b>134,055</b>	<b>122,430</b>

**CIE AUTOMOTIVE, S.A.**
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2025**
**A) STATEMENT OF RECOGNISED INCOME AND EXPENSE  
(Thousand euro)**

	Note	2025	2024
<b>Profit for the year</b>	<b>13</b>	<b>134,055</b>	<b>122,430</b>
<b>Income and expense recognised directly in equity</b>			
Cash flow hedges	9	-	-
Tax effect	16	-	-
		-	-
<b>TOTAL RECOGNISED INCOME AND EXPENSE</b>		<b>134,055</b>	<b>122,430</b>

**B) TOTAL STATEMENT OF CHANGES IN EQUITY  
(Thousand euro)**

	Share capital (Note 11)	(Treasury shares) (Note 11)	Share premium (Note 11)	Reserves (Note 12)	Profit for the year (Note 13)	Interim dividend (Note 13)	Valuation adjustments (Note 9)	Total
<b>Opening balance, 2024</b>	<b>29,952</b>	<b>(1,202)</b>	<b>152,171</b>	<b>80,796</b>	<b>111,972</b>	<b>(53,893)</b>	<b>-</b>	<b>319,796</b>
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,430</b>	<b>-</b>	<b>-</b>	<b>122,430</b>
Transactions with shareholders and owners:								
Distribution of profit	-	-	-	4,194	(111,972)	53,893	-	(53,885)
Interim dividend (Note 13)	-	-	-	-	-	(55,082)	-	(55,082)
Acquisition of treasury shares (Note 11)	-	(16,130)	-	-	-	-	-	(16,130)
Sale of treasury shares (Note 11)	-	15,762	-	100	-	-	-	15,862
<b>Closing balance, 2024</b>	<b>29,952</b>	<b>(1,570)</b>	<b>152,171</b>	<b>85,090</b>	<b>122,430</b>	<b>(55,082)</b>	<b>-</b>	<b>332,991</b>
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134,055</b>	<b>-</b>	<b>-</b>	<b>134,055</b>
Transactions with shareholders and owners:								
Distribution of profit	-	-	-	12,801	(122,430)	55,082	-	(54,547)
Interim dividend (Note 13)	-	-	-	-	-	(55,750)	-	(55,750)
Acquisition of treasury shares (Note 11)	-	(39,435)	-	-	-	-	-	(39,435)
Sale of treasury shares (Note 11)	-	11,367	-	1,032	-	-	-	12,399
<b>Closing balance, 2025</b>	<b>29,952</b>	<b>(29,638)</b>	<b>152,171</b>	<b>98,923</b>	<b>134,055</b>	<b>(55,750)</b>	<b>-</b>	<b>329,713</b>

**CIE AUTOMOTIVE, S.A.**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2025  
(Thousand euro)**

	2025	2024
<b>Profit for the year before tax</b>	<b>155,839</b>	<b>135,693</b>
- Depreciation	3,805	3,722
- Change in provisions	(5,025)	-
- Finance income (Note 19), dividend income and interest income from CIE Automotive Group companies (Note 17)	(143,986)	(157,490)
- Finance expense (Note 19)	80,677	96,179
- Exchange rate differences (Note 19)	1,135	(551)
- Change in fair value of financial instruments (Note 19)	(9,510)	(1,523)
<b>Adjustments to the income statement</b>	<b>(72,904)</b>	<b>(59,663)</b>
- Trade and other receivables	294	3,464
- Trade and other payables	(8,717)	89
<b>Changes in working capital</b>	<b>(8,423)</b>	<b>3,553</b>
- Interests paid	(75,622)	(94,168)
- Dividends received (Note 17)	82,110	88,446
- Interests received	67,244	61,357
<b>Other cash flows from operating activities</b>	<b>73,732</b>	<b>55,635</b>
<b>Cash flows from operating activities</b>	<b>148,244</b>	<b>135,218</b>
- Intangible assets	(723)	(817)
- Property, plant and equipment	(347)	(280)
<b>Payments for investments:</b>	<b>(1,070)</b>	<b>(1,097)</b>
- Other financial assets	13,720	4,556
<b>Proceeds from disposals:</b>	<b>13,720</b>	<b>4,556</b>
<b>Cash flows from investing activities</b>	<b>12,650</b>	<b>3,459</b>
- Issuance:		
- Bank borrowings (Note 14)	350,522	380,500
- Commercial paper program (Note 14)	30,200	93,380
- Other debts (Note 14)	20,000	20,000
- Net change in loans to/from Group companies and associates	259,264	-
- Repayment and depreciation of:		
- Bank borrowings (Note 14)	(545,492)	(364,791)
- Other debts (Note 14)	(20,969)	(19,969)
- Net change in loans to/from Group companies and associates	-	(92,108)
<b>Proceeds from and repayments of financial liabilities</b>	<b>93,525</b>	<b>17,012</b>
- Sale/(Acquisition) of treasury shares (Note 11.c)	(27,036)	(268)
- Payment of dividends and remuneration of other equity instruments (Note 13.b)	(109,629)	(107,778)
<b>Payment of dividends and remuneration of other equity instruments</b>	<b>(136,665)</b>	<b>(108,046)</b>
<b>Cash flows from financing activities</b>	<b>(43,140)</b>	<b>(91,034)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>117,754</b>	<b>47,643</b>
Cash and cash equivalents at beginning of period	114,687	67,044
Cash and cash equivalents at end of period	232,441	114,687

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### 1. Activity of CIE Automotive, S.A.

#### CIE Automotive Group and activity

CIE Automotive, S.A., parent company of CIE Automotive Group, came into existence in 2002 as a result of the merger of two business groups, Egaña and Aforasa. Following the merger between Acerías y Forjas de Azcoitia, S.A. (transferee) and Egaña, S.A. (transferor), the former took CIE Automotive, S.A. as its registered name. Since then, CIE Automotive, S.A. has become a financially solid Group with global presence.

The shares of CIE Automotive, S.A. are traded on the continuous market of Madrid and Bilbao Stock Exchanges.

The business is carried out through an industrial group formed by several companies that are mainly engaged in the design, manufacture and sale of automotive components and sub-assemblies, on the global automotive market, using complementary technologies – aluminium, forging, metals and plastics – and several associated processes: machining, welding, painting and assembly, as well as the design and production of roof systems.

Its main facilities are in the following territories: Spain (Biscay, Araba/Álava, Gipuzkoa, Navarre, Barcelona, Cádiz, Orense and Pontevedra), Germany, France, Portugal, Czechia, Romania, Italy, Morocco, Lithuania, Slovakia, Hungary, North America (Mexico and the United States of America), South America (Brazil), India, the People's Republic of China and Russia.

The Company's registered office is located in Spain at "Alameda Mazarredo 69, 8º, Bilbao".

#### Group structure

At present, CIE Automotive, S.A. (publicly listed company) has a 100% direct share in the following companies: CIE Berriz, S.L., Advanced Comfort Systems Ibérica, S.L.U., Advanced Comfort Systems France, S.A.S., Autokomp Ingeniería, S.A.U., CIE Automotive Boroa, S.L.U., CIE Roof Systems, S.L.U. and CIE Automotive Roof Systems Korea, Ltd; mainly, holding companies which own the investments in the CIE Automotive Group's productive companies.

The list of subsidiaries and associates at 31<sup>st</sup> December 2025, together with the information concerning them, is disclosed in the Appendix I to these Annual Accounts.

These Annual Accounts were prepared by the Board of Directors on 25<sup>th</sup> February 2025.

#### Business evolution

During the 2024 financial year, the global automotive market decreased its production by 1.1% compared to the previous year. Thus, car production in the year 2024 reached 89.5 million of produced vehicles.

During the 2025 financial year, the global automotive market has increased its production by 3.9% compared to the same period of the previous year, having reached an amount of 93.0 million vehicles manufactured, 3.5 million more than in the previous year.

In this market context, the Group has decreased its turnover by 3.8% at constant exchange rates, overperforming the geographic markets in which it operates by 1.7 percentage points. This reflects a differentiated market positioning and once again demonstrates its ability to adapt operationally and achieve sustainable growth over time, even in the most challenging environments.

As of 31<sup>st</sup> December 2025, the Group has a liquidity reserve amounting to €1,838.3 million, which will allow it to fulfil with the necessary payments for the continuity of its business during 2026. In the same way, the Group has complied with the "covenants" of all its structural financing.

At the date of preparation of these Annual Accounts, the Directors of CIE Automotive, S.A., with the available information, estimate that the continuity of the business is not at risk given the solvency and liquidity position of the Group.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### **Changes in the scope of consolidation**

#### **2025**

On 1<sup>st</sup> August 2025, the Group, through its Brazilian subsidiary Autometal, Ltda., and once the usual precedent conditions had been met, entered into a share purchase agreement to acquire the entire capital stock of the Brazilian company Engrecon, S.A. The acquisition cost, adjusted for debt, amounted to €15.8 million (Note 2). After the acquisition of this company, the company name was modified to CIE Engrecon, Ltda.

On 2<sup>nd</sup> September 2025, the Group, through its Brazilian subsidiary Autometal, Ltda., and once the usual precedent conditions had been met, entered into a share purchase agreement for the acquisition of 100% of the share capital of the Brazilian company Weidplas Brasil Indústria e Comércio de Plásticos, Ltda. The transaction value (enterprise value) amounts to approximately €64 million (Note 2). After the acquisition of this company, the company name was modified to CIE Autometal Piracicaba, Ltda.

On 17<sup>th</sup> December 2025, the Group entered into an agreement for the acquisition of 100% of the share capital of Aludec, S.A., excluding treasury shares. The transaction value (enterprise value) amounts to approximately €200 million. Aludec, S.A. controls a group of entities (the "Aludec Group") operating a total of ten manufacturing plants, eight of which are located in Europe (Spain and Portugal) and two in North America (Mexico and the United States of America). Completion of the transaction is subject to conditions precedent to be met. Accordingly, as of 31<sup>st</sup> December 2025, the Aludec Group companies are not included in the consolidation scope of the CIE Automotive Group.

Additionally, during the year 2025, the following corporate transactions were carried out without any of them having significant impact on the consolidated financial statements:

- On 1<sup>st</sup> June, CIE Automotive, S.A. sold to CIE Berriz, S.L. the only share that the former owned in Mecanizaciones del Sur-Mecatur, S.A.U. In this way, Mecanizaciones del Sur-Mecatur, S.A.U. acquired the status of a sole ownership.
- On 5<sup>th</sup> June, the Barbadian company Inteva Products (Barbados), Ltd. was liquidated.
- On 27<sup>th</sup> June, the Indian company BF Precision Pvt, Ltd. was liquidated
- On 30<sup>th</sup> September, the deed of the merger by absorption of Mecanizaciones del Sur-Mecatur, S.A.U. (Absorbed Company) by CIE Mecatur, S.A.U. (Absorbing Company) was signed. Likewise, On 30<sup>th</sup> October, the deed of the merger by absorption of Somaschini Automotive, SRL (Absorbed Company) by Somaschini, SPA (Absorbing Company) was signed. The mergers have entailed the extinction of the Absorbed Companies and the transfer of its net assets to the Absorbing Companies, which have acquired by universal succession the rights and obligations of the Absorbed Companies.

#### **2024**

On 26<sup>th</sup> March 2024, the Group, through its subsidiary CIE Berriz, S.L., and once the usual precedent conditions were met, entered into a share purchase agreement to acquire the entire capital stock of the company AKT Plásticos, S.L.U. amounting a value (Enterprise Value) of €19 million.

Additionally, during the year 2024, the following corporate transactions were carried out without any of them having significant impact on the consolidated financial statements:

- On 20<sup>th</sup> February, the company BillForge México, S.A. de C.V. carried out a capital increase that was fully subscribed by CIE Galfor, S.A.U.
- On 16<sup>th</sup> September, CIE Automotive, S.A. sold to CIE Berriz, S.L. the only share that the former owned in Orbelan Plásticos, S.A.U. In this way, Orbelan Plásticos, S.A.U. acquired the status of a sole ownership.
- On 22<sup>nd</sup> October, the Czech company CIE Joamar, s.r.o. was liquidated.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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- On 8<sup>th</sup> November, the deed of the merger by absorption of AKT Plásticos, S.L.U. (Absorbed Company) by Orbelan Plásticos, S.A.U. (Absorbing Company) was signed. The merger entailed the extinction of the Absorbed Company and the transfer of its net assets to the Absorbing Company, which acquired by universal succession the rights and obligations of the Absorbed Company.

### **Consolidated Annual Accounts of CIE Automotive Group**

Under the Spanish Royal Decree 1,815/1,991 of December 20, the Company is obliged to present Consolidated Annual Accounts.

On 25<sup>th</sup> February 2026, the Company authorized the issuance of the Consolidated Annual Accounts of CIE Automotive, S.A. and its subsidiaries for the year ended 31<sup>st</sup> December 2025, which presented profit for the year attributable to owners of the parent of €335,782 thousand and equity, including profit for the year and non-controlling interests, of €1,847,673 thousand (2024: €325,660 thousand and €1,913,941 thousand, respectively).

Those Consolidated Annual Accounts were prepared under the International Financial Reporting Standards adopted by the European Union (IFRS-EU). Appendix II, attached, includes the Groups' consolidated 2025 and 2024 balance sheets and income statements under IFRS-EU.

The Consolidated Annual Accounts include all CIE Automotive Group companies defined under Article 42 of Spain's Code of Commerce, each of which is consolidated using the appropriate method. All subsidiaries under the control of CIE Automotive Group have been consolidated using the full consolidation method. The list of CIE Automotive Group companies together with the information concerning them is disclosed in the Appendix I to these Annual Accounts.

## **2. Basis of presentation**

### **2.1 Fair presentation**

The Annual Accounts were prepared from the Company's accounting records and are presented in accordance with current commercial legislation and with the rules established in the General Accounting Plan, approved by Royal Decree 1514/2007 and the modifications incorporated therein, being the last ones incorporated by means of Royal Decree 1/2021, of 12<sup>th</sup> January in force for fiscal years beginning on or after 1<sup>st</sup> January 2021, in order to give a true and fair view of the Company's equity, financial position and results, as well as the veracity of the cash flows included in the statements of cash flows. These annual accounts were authorized for issue by the Company's Directors and will be submitted for shareholder approval at the Annual General Meeting at which they are expected to be ratified without modification.

### **2.2 Comparative information**

The Annual Accounts present for comparative purposes, with each of the line items of the balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the Annual Accounts, in addition to the figures of the year 2025, the corresponding figures to the previous year, which were part of the Annual Accounts for the year 2024 approved at the Annual General Meeting held on 7<sup>th</sup> May 2025.

### **2.3 Key sources of estimation uncertainty**

The preparation of the Annual Accounts requires the Company to make certain estimates and judgments concerning the future. These are continually evaluated and are based on historical experience and other factors, including expectations of future events considered being reasonable under current circumstances.

The resulting accounting estimates will, by definition, seldom match the related actual results. The most relevant estimates and assumptions are addressed below.

#### Impairment of investments in group companies and associates

The Company annually tests if investments in the equity of group companies and associates have suffered an impairment applying, according to the accounting policy described in Note 3.3.c). The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimations.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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This analysis is based on comparing the book value of each holding with the recoverable value associated with each of its direct holdings, and which in most cases correspond to holding companies whose main activity consists of holding of participations in the legal companies of the plants that make up the Group. This analysis is carried out considering the cost of the shares to be recovered from the shares at the lowest level at which they are found. In cases where the equity value of the investment is less than the share held by its direct participating company, the Company verifies that the value in use of each of the companies exceeds the cost of shares.

For the analysis of the value recovery of its holdings, the Company considers the value in use of each of its direct investees, understanding the value in use as the present value of the future cash flows derived from each investment and its corresponding subsidiaries, reduced by the net financial debt contributed by each of the shares (equity value).

The assumptions used, as well as the results obtained from the analysis carried out as of 31<sup>st</sup> December 2025 and 2024 are included in Note 7.c.

As of 31<sup>st</sup> December 2025 and 2024, within the current macroeconomic and sectoral context, updated market projections have been taken into consideration and have not modified the conclusions regarding the recoverability of the shares held by the Company. In this sense, the projections made by the Management already include different considerations about potential future events that may affect projected cash flows of each of its businesses.

### Deferred tax asset recognition

Deferred tax assets are recorded for all deductible temporary differences, tax credits and losses carried forward pending application for which it is probable that the tax companies that make up the Group will have future tax profits that allow the application of such assets. To determine the amount of deferred tax assets may be recoverable, the amounts and periods in which future tax profits will be obtained and the reversal period of temporary differences are estimated.

As of 31<sup>st</sup> December 2025 and 2024, within the current macroeconomic and sectoral context, updated market projections have been taken into account, as well as the latest internal information available on the near future of each of the businesses owned by the Group. In this sense, the projections made by the Management already include different considerations about potential future events that may affect the projected tax results for the companies of the tax group, whom the Company is the Parent.

If the final outcome (on judgment areas) differs by 10% not favourable from management estimates, deferred assets would decrease and income tax would increase by approximately €1.1 million (2024: €3.2 million), and if these variations were favourable these deferred assets would increase, and income would decrease by approximately €1.3 million (2024: €2.8 million). These estimates include, mainly, possible changes to the consolidated taxable income of the Basque tax group, as well as the remaining significant tax credits and losses carried forward, which are deemed recoverable within these assumptions.

## **2.4 Aggregation**

For clarity, the items presented in the balance sheet, income statement, statement of changes in equity and cash flow statement are grouped together and, where necessary, a breakdown is included in the relevant notes to the accounts.

## **2.5 Presentation currency**

The Annual Accounts are expressed in thousand euros, unless otherwise indicated.

## **3. Accounting policies**

The principal accounting policies applied in the preparation of these Annual Accounts are set out below.

### **3.1. Intangible assets**

#### Goodwill

Goodwill represents the excess of acquisition cost over the interest in the acquisition-date fair value of the net identifiable assets, liabilities and contingent liabilities of the subsidiary acquired. Goodwill arising on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and is carried at cost less cumulative impairment losses; goodwill impairment cannot be reversed in the future. Gains and losses on the sale of an entity include the carrying amount of goodwill allocated to the entity sold.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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Goodwill recognized separately is amortised on a straight-line basis over its estimated useful life, being valued at acquisition cost less accumulated amortization, and, if applicable, the accumulated amount of recognized impairment corrections. The useful life is determined separately for each of the CGU groups to which it has been assigned and is estimated to be 10 years. At least annually, it is analysed if there are indications of impairment of the value of the cash-generating unit groups to which goodwill has been assigned, and if there is one, its eventual deterioration is checked.

The valuation adjustments for impairment recognized in goodwill are not reversed in subsequent years.

### Computer applications

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and prepare them for use of the specific software. These costs are amortised over the assets' estimated useful lives (between 4 to 6 years).

Software maintenance expenses are recognised when incurred. Costs directly related to the production of identifiable and unique computer programs controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of the relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed 6 years and the period from when it is capitalized to when it begins to be amortized shall not exceed one year.

### Patents

Patents are carried at cost less accumulated amortization and corrections for impairment of recognized value. Amortization is calculated using the straight-line method to allocate the cost over its estimated useful life (10 years).

## **3.2. Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets, other than goodwill, that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

## **3.3. Financial assets**

### **a) Financial assets at fair value with changes in the profit and loss account**

This category includes equity instruments that are not held for trading, or that are to be valued at cost, and over which the irrevocable choice has been made at the time of their initial recognition to present subsequent changes in fair value directly in equity.

Additionally, those financial assets designated, at the time of initial recognition irrevocably as measured at fair value with changes in the profit and loss account, and that would otherwise have been included in another category, are included to eliminate or significantly reduce a valuation inconsistency or accounting asymmetry that would arise in another case from the valuation of assets or liabilities on different bases.

### *Initial valuation*

The financial assets included in this category will initially be valued at their fair value, which, unless there is evidence to the contrary, will be the transaction price, which will be equivalent to the fair value of the consideration delivered. Transaction costs directly attributable to them shall be recognised in the profit and loss account for the financial year.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### *Subsequent valuation*

After initial recognition, the company will value the financial assets included in this category at fair value with changes in the profit and loss account.

#### **b) Financial assets at amortised cost**

This category includes those financial assets, including those admitted to trading on an organized market, in which the Company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are only settlements of principal and interest on the amount of outstanding principal.

Contractual cash flows that are only charges of principal and interest on the amount of the outstanding principal are inherent in an agreement that has the nature of an ordinary or common loan, without prejudice to the fact that the operation is agreed at a zero or below market interest rate.

This category includes credits for commercial operations and credits for non-commercial operations:

- a) Credits for commercial operations: are those financial assets that originate in the sale of goods and the provision of services for traffic operations of the company with deferred collection, and
- b) Credits for non-commercial operations: are those financial assets that, not being instruments of equity or derivatives, have no commercial origin and whose collections are of a determined or determinable amount, which come from loan or credit operations granted by the company.

### *Initial valuation*

Financial assets classified in this category shall initially be valued at their fair value, which, unless there is evidence to the contrary, shall be the transaction price, which shall be equal to the fair value of the consideration delivered, plus the transaction costs directly attributable to them.

However, credits for commercial transactions with a maturity not exceeding one year and which do not have an explicit contractual interest rate, as well as staff credits, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value to the extent that the effect of not updating the cash flows is considered not significant.

### *Subsequent valuation*

Financial assets included in this category shall be valued at their amortised cost. Accrued interest shall be accounted for in the profit and loss account, applying the effective interest rate method.

However, loans with a maturity not exceeding one year that, in accordance with the provisions of the previous section, are initially valued at their nominal value, continue to be valued at that amount, unless they have been deteriorated.

When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the company analyses whether it is appropriate to account for an impairment loss.

### Impairment

The necessary valuation corrections are made, at least at closing and provided that there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, has been deteriorated as a result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in future estimated cash flows, which may be motivated by the debtor's insolvency.

In general, the impairment loss of these financial assets is the difference between their carrying value and the present value of future cash flows, including, where appropriate, those arising from the enforcement of the collateral and personal guarantees, which are expected to be generated, discounted at the effective interest rate calculated at the time of their initial recognition.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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Impairment value adjustments, as well as their reversal when the amount of such loss decreases for reasons related to a subsequent event, are recognized as an expense or an income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying value of the asset that would be recognized on the date of reversal if the impairment had not been recorded.

### **c) Financial assets at cost**

In any case, investments in the equity of group companies, jointly controlled entities and associated companies are included in this valuation category.

#### *Initial valuation*

Investments included in this category will initially be valued at the cost, which is equivalent to the fair value of the consideration delivered plus the transaction costs that are directly attributable to them, the latter not being incorporated into the cost of investments in group companies.

However, in cases where there is an investment prior to its classification as a group, jointly controlled or associated company, the cost of said investment is considered to be the book value that it should have immediately before the company becomes qualified.

Part of the initial valuation is the amount of preferential subscription rights and similar that, where appropriate, have been acquired.

#### *Subsequent valuation*

Equity instruments included in this category are valued at their cost, less, where appropriate, the cumulative amount of impairment valuation corrections.

When these assets must be assigned a value due to derecognition from the balance sheet or other reason, the method of the average cost weighted by homogeneous groups is applied, these being understood as the values that have equal rights.

In the case of sale of preferential subscription rights and similar or segregation thereof to exercise them, the amount of the cost of the rights decreases the book value of the respective assets.

Contributions made as a result of a joint venture account contract and similar shall be valued at the cost, increased or decreased by the profit or loss, respectively, that correspond to the company as a non-managing unit-holder, and less, where appropriate, the accumulated amount of the impairment valuation corrections.

The same criterion applies to participating loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the fulfilment of a milestone in the borrowing company (for example, the obtaining of profits), or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company. If, in addition to a contingent interest, an irrevocable fixed interest is agreed, the latter is accounted for as a financial income based on its accrual. Transaction costs are charged to the profit and loss account on a straight-line basis over the life of the equity loan.

#### Impairment

At least at the end of the financial year, the necessary valuation corrections are made whenever there is objective evidence that the carrying value of an investment will not be recoverable. The amount of the valuation correction is the difference between its carrying value and the recoverable amount, understood as the largest amount between its fair value minus the costs of sale and the present value of the future cash flows derived from the investment, which in the case of equity instruments is calculated, either by estimating those expected to be received as a result of the distribution of dividends made by the investee company and the disposal or withdrawal from accounts of the investment in it, or by estimating its participation in the cash flows that are expected to be generated by the investee company, from both its ordinary activities and its disposal or withdrawal from accounts.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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Would the evidence from estimated future cash flows be insufficient, it is used as a basis, the estimate of the impairment loss of this asset class is calculated on the basis of the equity of the investee and the tacit capital gains existing at the date of valuation, net of the tax effect. In determining this value, and provided that the investee company has invested in another, the equity included in the Consolidated Annual Accounts prepared by applying the criteria of the Commercial Code and its implementing rules is taken into account.

The recognition of impairment valuation corrections and, where appropriate, their reversal, is recorded as an expense or income, respectively, in the profit and loss account. Impairment reversal is limited to the carrying value of the investment that would be recognized on the date of reversal if the impairment had not been recorded.

### 3.4. Derivative financial instruments and accounting hedge

Financial derivatives are measured at fair value upon initial recognition and for subsequent measurement purposes. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

#### a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the profit and loss account, along with any change in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Where the hedged item is an unrecognised firm commitment or a component thereof, the cumulative change in the fair value of the hedged item after its designation is recognised as an asset or liability, and the corresponding gain or loss is reflected in the profit and loss account.

Changes in the carrying amount of covered items valued at amortised cost imply the correction, either from the moment of the modification, or subsequently from the cessation of hedge accounting, of the effective interest rate of the instrument.

#### b) Cash flow hedges

The loss or gain of the hedging instrument, in the part that constitutes an effective hedge, is directly recognised in the equity. Thus, the equity component that arises as a result of the coverage is adjusted to be equal, in absolute terms, to the lower of the following two values:

- (i) The cumulative loss or gain of the hedging instrument since the start of the hedging.
- (ii) The cumulative change in the fair value of the hedged item (i.e., the present value of the cumulative change in the hedged expected future cash flows) since the start of the hedge.

Any remaining loss or gain of the hedging instrument or any loss or gain required to offset the change in the cash flow hedging adjustment calculated in accordance with the preceding paragraph, represents an ineffectiveness of the hedging that is recognised in the result for the year.

If a highly probable covered transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a covered expected transaction relating to a non-financial asset or a non-financial liability becomes a firm commitment to which fair value hedge accounting applies, that amount is removed from the cash flow coverage adjustment and is included directly in the initial cost or other carrying amount of the asset or liability. The same criterion applies to the exchange rate risk hedges of the acquisition of an investment in a group, jointly controlled or associated company.

In all other cases, the recognised equity adjustment is transferred to the profit and loss account to the extent that the hedged expected future cash flows affect the result for the year.

However, if the recognised equity adjustment is a loss and all or part of it is not expected to be recovered in one or more future periods, that amount that is not expected to be recovered is immediately reclassified in the result for the year.

### 3.5. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### 3.6. Equity

The Company's share capital is represented by ordinary shares.

Costs of issuing new shares or options are recognised directly in equity as a reduction in reserves.

If the Company purchases treasury shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until the shares are redeemed, reissued or sold. When these shares are sold or subsequently reissued, any amount received, net of any incremental directly attributable transaction costs, is included in equity.

### 3.7. Financial liabilities

Financial liabilities, for the purposes of their valuation, shall be included in one of the following categories:

#### Financial liabilities at amortised cost

In general, this category includes debits for commercial operations and debits for non-commercial operations:

- a) Debits for commercial operations: are those financial liabilities that originate in the purchase of goods and services for traffic operations of the company with deferred payment, and
- b) Debits for non-commercial operations: are those financial liabilities that, not being derivative instruments, have no commercial origin, but come from loan or credit operations received by the company.

Equity loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice to the agreed interest rate (zero or below market).

#### *Initial valuation*

Financial liabilities included in this category are initially valued at their fair value, which is the transaction price, which is equivalent to the fair value of the consideration received adjusted for transaction costs directly attributable to them.

However, debits for commercial transactions with a maturity not exceeding one year and which do not have a contractual interest rate, as well as disbursements required by third parties on shares, the amount of which is expected to be paid in the short term, are valued at their nominal value, when the effect of not updating cash flows is not significant.

#### *Subsequent valuation*

Financial liabilities included in this category are valued at their amortised cost. Accrued interest is accounted for in the profit and loss account, applying the effective interest rate method.

However, debits with a maturity not exceeding one year which are initially valued at their nominal value continue to be valued at that amount.

#### Financial liabilities at fair value with changes in the profit and loss account

This category includes financial liabilities that meet any of the following conditions

- a) Liabilities that are maintained for negotiation.
- b) Those irrevocably designated from the moment of initial recognition to account for fair value with changes in the profit and loss account, given that:
  - An inconsistency or "accounting asymmetry" with other fair value instruments with changes in profit and loss is eliminated or significantly reduced; or
  - A group of financial liabilities or financial assets and liabilities is managed and its performance is assessed on the basis of its fair value in accordance with a risk management strategy or documented investment and group information is also provided on the basis of fair value to key management personnel.
- c) Non-segregable hybrid financial liabilities included optionally and irrevocably.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### *Initial and subsequent assessment*

Financial liabilities included in this category are initially valued at fair value, this being the transaction price, which is equivalent to the fair value of the consideration received. Transaction costs directly attributable to them are recognised in the profit and loss account for the period.

After initial recognition, financial liabilities falling under this category are valued at fair value with changes in the profit and loss account.

In the case of convertible bonds, the fair value of the liability component is determined by applying the interest rate for similar non-convertible bonds. This amount is accounted for as a liability on the basis of the cost amortised until its settlement at the time of its conversion or maturity. The rest of the income obtained is allocated to the conversion option that is recognised in the equity.

In the event of renegotiation of existing debts, it is considered that there are no substantial changes in financial liabilities when the lender of the new loan is the same as the lender who granted the initial loan and the present value of cash flows, including net commissions, does not differ by more than 10% from the present value of unpaid cash flows from the original liability calculated under the same method.

### **3.8. Current and deferred income tax**

The Company files its taxes under the consolidated tax system as the parent of a group of companies (Note 18). The subsidiaries included in the Company's consolidated tax group for tax return purposes, according to Bizkaia provincial tax laws, in 2024 are as follows:

- CIE Berriz, S.L.
- Autokomp Ingeniería, S.A.U.
- CIE Mecauto, S.A.U. (absorbing company on the merger with Mecanizaciones del Sur - Mecasur, S.A.U. carried out in 2025)
- CIE Udalbide, S.A.U.
- Egaña 2, S.L.
- Gameko Fabricación de Componentes, S.A.
- Inyectametal, S.A.
- Leaz Valorización, S.L.U.
- Orbelan Plásticos, S.A.
- Transformaciones Metalúrgicas Norma, S.A.
- Componentes de Automoción Recytec, S.L.U.
- Nova Recyd, S.A.U.
- Recycle, S.A.U.
- Alcasting Legutiano, S.L.U.
- Gestión de Aceites Vegetales, S.L.
- Reciclado de Residuos Grasos, S.L.U.
- Participaciones Internacionales Autometal Dos, S.L.U.
- Industrias Amaya Tellería, S.L.U.
- CIE Automotive Goiaín, S.L.U.
- CIE Automotive Boroa, S.L.U.
- CIE Roof Systems, S.L.U.
- Recogida de Aceites y Grasas Maresme, S.L.U.
- CIE Golde Holding, S.L.U.

Income tax expense (income) is that amount of income tax that accrues during the period. It includes both current and deferred tax expense (income).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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Income tax is calculated on the basis of accounting profit adjusted for any permanent differences between profit for accounting and tax purposes. Tax credits available at the consolidated tax group level, arising mainly from corporate investing activities, are analyzed annually for future utilization and offset and are recognised as a function of current expectations regarding their utilization. This analysis not only encompasses estimable taxable income but also expectations regarding the use of tax credits granted (Note 16).

Both current and deferred tax expense (income) are recognised in the income statement. However, the tax effect of items recognised directly in equity is recognised in equity.

Current tax assets and liabilities are measured at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred taxes are calculated, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred income tax is not accounted for if it arises from initial recognition of a goodwill or an initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor tax base. Deferred income tax is determined implementing applicable legislation and the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

### 3.9. Employee benefits

#### a) Profit-sharing and bonus plans

The Company recognizes a liability and an expense for bonuses and profit-sharing where contractually obliged or where there is a past practice that has created a constructive obligation.

#### b) Termination benefits

Termination benefits are paid to employees as a result of the Company's decision to terminate employment contracts before the retirement age or when employees voluntarily agree to resign in return for benefits offered by the Company. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or as a result of an offer of termination benefits made to encourage voluntary redundancy. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

#### c) Share-based payments

At the General Shareholder's Meeting held on 8<sup>th</sup> May 2024, it was approved the modification of certain terms of the long-term incentive plan based on the increase in the share value of CIE Automotive, S.A. in favour of the CEO approved by the General Shareholder's Meeting on 24<sup>th</sup> April 2018 and modified by the General Shareholder Meeting of 5<sup>th</sup> May 2021 and 4<sup>th</sup> May 2023. In light of the extraordinary remuneration received by the CEO in 2023 due to exceptional circumstances and also considering the approval of the 2025-2027 Remuneration Policy for the Board of Directors which included a proposal of a new fixed remuneration for the CEO, it was deemed appropriate to adjust the reference value of the share price for executing the long-term Incentive. Accordingly, the benchmark share price was set at €45.00 per share, with the final reference period for partial exercise of the Incentive concluding on 31<sup>st</sup> December 2027 (Note 21).

The total estimated cost of this incentive is recognised as personnel expenses in the period when the conditions must be fulfilled.

### 3.10. Provisions and contingent liabilities

The Company recognises provisions when it has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the best estimate of the expenditure required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

Provisions due within one year or for which the effect of the time value of money is not material are not discounted.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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When some of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised separately when, and only when, it is virtually certain that reimbursement will be received.

Contingent liabilities, meanwhile, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognised in the financial statements but are disclosed in the accompanying Notes as warranted.

### **3.11. Business combinations**

Mergers, spin-offs and non-monetary contributions of businesses among entities under common control are recognised following the rules for accounting for related-party transactions (Note 3.15).

Mergers and spin-offs that are not common control transactions and business combinations arising from the acquisition of all of the assets and liabilities of a company or a portion thereof that constitutes one or more businesses are recognised using the acquisition method.

The Company recognises business combinations arising from the acquisition of shares or equity interests in another company in accordance with the rules for accounting for investments in Group companies, joint ventures and associates (Note 3.3.c).

### **3.12. Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable in exchange for the goods delivered and services rendered in the course of the Company's ordinary activities, less returns, discounts and value added tax.

The Company recognises revenue when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the specific conditions applicable to each of its activities are met. The amount of revenue cannot be measured reliably until all of the contingencies associated with the sale have been resolved. The Company's estimates are based on historical data, taking into account customer and transaction types, as well as the specific terms of each contract.

According to the interpretation published by the ICAC in its official journal in September 2009 (interpretation no. 79), companies classified as 'industrial holding companies', such as CIE Automotive, S.A., must present dividends, interest income and management fees from their investments in Group companies, jointly controlled entities and associates within revenue in their income statements.

#### a) Sales of services

The Company invoices CIE Automotive Group companies for sales commission, for providing general management and administration services, as well as services in the field of IT, according to contracts with each.

Service revenue is recognised in the financial year in which the services are provided with reference to the outcome of the transaction in question and on the basis of the actual level of service performed as a percentage of total services performable.

Revenue from royalties is recognised on an accrual basis in accordance with the substance of the relevant agreements.

#### b) Interest income

Interest income of financial assets valued at amortised cost is recognised using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues updating the receivable as interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

#### c) Dividend income

Dividend income is recognised as revenue in the income statement when the right to receive payment is established, provided that, since the date of acquisition, an investee company or any subsidiary of the Group has generated profits for an amount greater than the equity distributed. However, if the dividends distributed come from results generated prior to the date of acquisition, they are not recognized as income, reducing the carrying amount of the investment.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### 3.13. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

### 3.14. Foreign currency transactions

#### a) Functional and presentation currency

The Company's Annual Accounts are presented in euro, which is both its functional and presentation currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign currency gains and losses resulting from the settlement of transactions and translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognised in the income statement, unless they are deferred in equity as eligible cash flow hedges and eligible net investment hedges (Note 3.4).

Exchange gains and losses are presented in the income statement under "Net exchange differences".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

### 3.15. Related-party transactions

As a general rule, intragroup transactions are initially recognised at fair value. If the price agreed differs from fair value, the difference is recognised based on the economic substance of the transaction. Subsequent measurement follows prevailing accounting rules.

However, in mergers, spin-offs or non-monetary business contributions, the constituent elements of the acquired business are valued at the amount corresponding to them, once the operation has been carried out, in accordance with their previous values according to the Consolidated Annual Accounts of the group or subgroup, or in case of waiver, the greater between the cost of acquiring the business in the contributing company, and the amount representing its percentage of participation in the equity of the investee company whose business is transferred.

When the parent of the group or subgroup of the subsidiary does not intervene, the annual accounts used for this purpose are those of the highest-level Spanish-parented group or subgroup to recognize the assets and liabilities.

In these cases, any difference between the acquiree's net assets and liabilities, adjusted for grants, donations and bequests received, valuation adjustments and any equity (capital or share premium) issued by the acquiring company, is recognised in reserves.

### 3.16. Dividend distribution

The payment of dividends to shareholders is recognised, to the extent outstanding, as a liability in the annual accounts in the year in which the dividends are approved by the shareholders in General Meeting or declared by the Board of Directors.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### 4. Financial risk management

#### 4.1 Financial risk factors

The Directors consider that the financial risks affecting the Company are the same as those of the Group, given its nature as a holding company. Therefore, the information and breakdowns included in this section are presented with reference to the Group.

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk, liquidity risk and raw material price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

In the broadest sense, the goal of the management of financial risk is to control the incidents generated by fluctuations in exchange and interest rates and the price of raw materials. Management of these risk factors, which is the responsibility of the Group's Finance Department, focuses on the arrangement of financial instruments in order to build, as far as possible, exposure to favourable trends in exchange and interest rates, subject to compatibility with the mitigation, in part or in whole, of the adverse effects of an unfavourable environment.

##### a) Market risk

###### (i) Foreign exchange risk

CIE Automotive Group's presence in international markets obliges it to arrange an exchange rate risk management policy. The overriding objective is to reduce the adverse impact on its activities in general and on the income statement in particular of the variation in exchange rates so that it is possible to hedge against adverse movements and, if appropriate, leverage favourable trends.

In order to arrange such a policy, CIE Automotive Group uses the Management Scope concept. This concept encompasses all collection/payment flows in a currency other than the euro expected to materialise over a specific time period. The Management Scope includes assets and liabilities denominated in foreign currency and firm or highly probable commitments for purchases or sales in a currency other than the euro. Assets and liabilities denominated in foreign currency are subject to management, irrespective of timing, while firm commitments for purchases or sales that form part of the Management Scope would also apply to management if are expected to be recognised on the balance sheet within a period of no more than 18 months.

Once defined the Management Scope, CIE Automotive Group uses a series of financial instruments for risk management purposes that in some instances permit a certain degree of flexibility. These instruments are essentially the following:

- Currency forwards: These contracts lock in an exchange rate for a specific date; the timing can be adjusted to match expected cash flows.
- Other instruments: Other hedging derivatives may also be used, the arrangement of which requires specific approval by the relevant management body. This body must be informed beforehand as to whether or not it complies with requirements for consideration as a hedging instrument, therefore qualifying for hedge accounting.

The Group protects against loss of value as a result of movements in the exchange rates other than the euro in which its investments in foreign operations are denominated by similarly denominating, to the extent possible, its borrowings in the currency of the countries of these operations if the market is sufficiently deep or in a strong currency such as the dollar, insofar as dollar correlation to the local currency is significantly higher than that of the euro. Correlation, estimated cost and depth of the debt and derivative markets determine policy in each country.

The Group has several investments in foreign operations whose net assets are exposed to foreign exchange translation risk. The exchange risk on the net assets of the Group's foreign operations is mainly managed through natural hedges achieved by borrowings (loans) denominated in the corresponding foreign currency.

The exposure on the rest of the assets denominated in other foreign currencies in respect of operations in countries outside the Eurozone is mitigated basically by borrowings denominated in these currencies.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

If at 31<sup>st</sup> December 2025, the euro had been devalued/revalued by 10% with respect to all other functional currencies other than euro, all other variables remaining constant, equity would have increased/decreased by €298/€244 million (2024: increased/decreased by €320/€262 million), due to the impact of the net assets contributed by the subsidiaries operating in a functional currency different from the euro.

If the average exchange rate of the euro had devalued/revalued by 10% in 2025 with respect to all functional currencies other than the euro, all other variables remaining constant, profit after tax for the year attributable to the parent company would have been €27.1/€22.2 million higher/lower, respectively (2024: €27.6/€22.6 million higher/lower), mainly as a result of the exchange gains/losses on the translation of accounts receivable denominated in currencies other than the euro.

If as of 31<sup>st</sup> December 2025, the euro had been devalued/revalued by 10% with respect to the following currencies, keeping the rest of the currencies and variables constant, the net worth and the profit after tax attributable to the parent company would have varied according to the following table:

	Equity (€ million)		Profit after tax (€ million)	
	Devalued Euro 10%	Revalued Euro 10%	Devalued Euro 10%	Revalued Euro 10%
Chinese yuan	70	(57)	3.2	(2.6)
US dollar	104	(85)	8.7	(7.1)
Indian rupee	66	(54)	5.8	(4.8)
Brazilian real	39	(32)	7.4	(6.1)

### (ii) Price risk

The Group is exposed to equity securities price risk because of investments that are classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. However, the scant weight of these securities as a percentage of total Group assets and equity means that this risk factor is not material.

### (iii) Interest rate risk

Group's borrowings are largely benchmarked to floating rates, exposing it to interest rate risk, with a direct impact on the income statement. The general objective of interest rate risk management strategy is to reduce the adverse impact of increases in interest rates and to leverage as far as possible the positive impact of potential interest rate cuts.

In order to attain this objective, the risk management strategy materialises in the arrangement of financial instruments designed to provide such flexibility. The strategy expressly contemplates the possibility of arranging hedges for identifiable and measurable portions of cash flows, which enables hedge efficiency testing as required to evidence that the hedging instrument reduces the risk of the hedged item in the portion designated and is not incompatible with the established strategy and objectives.

The Management Scope encompasses the borrowings recognised in the balance sheet of the Group and any of its companies. On occasion, hedges are arranged to cover loans committed and in the final stages of arrangement the principal on which needs to be hedged against rate increases.

In order to manage this risk factor, the Group uses financial derivatives that may qualify as hedging instruments and therefore hedge accounting. The corresponding accounting standard (IFRS 9) does not specify the type of derivatives that may be considered hedging instruments except for options issued or sold. It does, however, specify the prerequisites for consideration as hedging instruments. In line with the management of foreign exchange risk, the arrangement of any financial derivative which is suspected not to comply with the prerequisites for consideration as a hedging instrument requires the express approval of the relevant management body. By way of example, the basic hedging instruments are the following:

- Interest-rate swaps: Through these derivatives, the Group converts the benchmarked floating interest rate on a loan to a fixed benchmark with respect to all or part of the loan and affecting all or part of the term of the loan.
- Other instruments: As discussed in the section on foreign exchange risk management, other hedging derivatives may also be used, the arrangement of which requires the specific approval of the relevant management body. The management body must be informed beforehand as to whether the instrument meets the prerequisites for qualifying as a hedging instrument and, by extension, hedge accounting.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

If during 2025 the average interest rate on borrowings denominated in euro had been 100 basis points higher/lower, all other variables remaining constant, profit after tax for the year would have been €9,976 thousand lower/higher (2024: €10,521 thousand), largely as a result of an increase/decrease in the interest expense on floating-rate loans.

### b) Liquidity risk

The prudent management of liquidity risk entails maintaining enough cash and available financing through sufficient credit facilities. In this respect, the Group's strategy is to maintain the necessary financing flexibility by maintaining sufficient headroom on its undrawn committed borrowing facilities. Additionally, and on the basis of its liquidity needs, the Group usually uses liquidity facilities (non-recourse factoring and the sale of receivables, transferring the related risks and rewards).

Management monitors the Group's forecast liquidity requirements together with the trend in net debt. The calculation of liquidity and net debt at 31<sup>st</sup> December 2025 and 2024 is calculated as follows:

Thousand euro	31.12.2025	31.12.2024
Cash and cash equivalents	842,393	947,454
Other financial assets	260,063	264,078
Undrawn lines of credit	735,817	561,748
<b>Liquidity buffer</b>	<b>1,838,273</b>	<b>1,773,280</b>
Bank borrowings	2,015,271	2,216,554
Other financial liabilities	21	42
Cash and cash equivalents	(842,393)	(947,454)
Other financial assets	(260,063)	(264,078)
<b>Net financial debt</b>	<b>912,836</b>	<b>1,005,064</b>

Additionally, as of 31<sup>st</sup> December 2025, Shanghai Golde Auto Parts, Co. Ltd., a joint venture in which the Group has a 50% and consolidates using the equity method, has a net treasury of €27 million (€35 million as of 31<sup>st</sup> December 2024).

The evolution of the Net Financial Debt in 2025 and 2024 is shown in the following table:

Thousand euro	Cash and cash equivalents	Other financial assets	Bank borrowings	Other financial liabilities	TOTAL
<b>Net Financial debt 1<sup>st</sup> January 2024</b>	<b>839,921</b>	<b>194,897</b>	<b>(2,169,467)</b>	<b>(24)</b>	<b>(1,134,673)</b>
Cash flow	138,287	37,297	(18,609)	-	156,975
Translation differences	(12,597)	2,843	(9,095)	-	(18,849)
Other non-monetary movements	-	3,110	(11,922)	(18)	(8,830)
Additions in consolidation scope	(18,157)	25,931	(7,461)	-	313
<b>Net Financial debt 31<sup>st</sup> December 2024</b>	<b>947,454</b>	<b>264,078</b>	<b>(2,216,554)</b>	<b>(42)</b>	<b>(1,005,064)</b>
Cash flow	23,554	4,000	198,002	-	225,556
Translation differences	(55,738)	(28,317)	10,330	-	(73,725)
Other non-monetary movements	-	9,557	(2,961)	21	6,617
Additions in consolidation scope	(72,877)	10,745	(4,088)	-	(66,220)
<b>Net Financial debt 31<sup>st</sup> December 2025</b>	<b>842,393</b>	<b>260,063</b>	<b>(2,015,271)</b>	<b>(21)</b>	<b>(912,836)</b>

The Group's treasury department estimates that actions in progress will allow avoiding lack of liquidity situations. In that sense, is considered that cash generation in 2026 will allow facing recurrent payments without increasing net financial debt.

The Group's treasury department monitors Group's liquidity needs forecasts in order to ensure that there is enough cash to meet operative needs at the same time that maintains undrawn credit facilities at any time to ensure Group doesn't fail limits and rates ("covenants") established by financial entities.

The Group is strategically diversifying the financial markets and financing sources, it taps as a tool for eliminating liquidity risk and retaining financing flexibility; this strategy has opened up access to internationalize the banking pool.

Amounts payable to credit institutions in the short term include recurring loans over time amounting to €25 million with financial institutions used for the management of operating working capital (€6 million as of 31<sup>st</sup> December 2024). Although this component of the bank debt is presented as a current liability for accounting purposes, it is stable as evidenced by the usual operation of the business and therefore provides financing that is equivalent to long-term debt.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

Noteworthy is the existence at 31<sup>st</sup> December 2025 of €736 million of undrawn credit lines and loans (31<sup>st</sup> December 2024: €562 million).

The following table shows a breakdown of working capital in the Group's consolidated balance sheet as of 31<sup>st</sup> December 2025 and 2024:

Thousand euro	31.12.2025	31.12.2024
Inventories	457,296	457,161
Trade and other receivables	188,478	201,131
Other current assets	50,981	73,898
Current tax assets	67,499	71,669
<b>Current operating assets</b>	<b>764,254</b>	<b>803,859</b>
Other current financial assets	188,713	183,462
Cash and other cash equivalents	842,393	947,454
<b>Current assets</b>	<b>1,795,360</b>	<b>1,934,775</b>
Trade and other payables	925,798	936,187
Current tax liabilities	72,640	82,504
Current provisions	119,017	118,730
Other current liabilities	171,452	163,582
<b>Current operating liabilities</b>	<b>1,288,907</b>	<b>1,301,003</b>
Current financial borrowings	635,377	642,858
Other current financial liabilities	21	42
<b>Current liabilities</b>	<b>1,924,305</b>	<b>1,943,903</b>
<b>TOTAL WORKING CAPITAL</b>	<b>(128,945)</b>	<b>(9,128)</b>

Although the standalone figure for working capital is not a key parameter for the understanding of the financial statements, the Group actively manages working capital through net operating working capital and short- and long-term net borrowings, on the basis of the solidity, quality and stability of relations with customers and suppliers, and comprehensive monitoring of the situation with respect to financial institutions with whom in many cases automatically renews its credit lines.

One of the Group's strategies is to ensure the optimisation and maximum saturation of the resources assigned to the business. The Group therefore pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work is being performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories through excellent logistic and industrial management, allowing JIT (Just In Time) supplies to the Group's customers.

In parallel, the Group's Management efficiently controls the exercise of payment of expenses and the exercise of realization of current assets, carrying out an exhaustive monitoring of the treasury forecasts, in order to ensure that it has enough cash to meet the operation needs while maintaining sufficient availability of undrawn credit facilities at all times so that the Group does not breach the limits or the indices ("covenants") established by the financing entities. As of 31<sup>st</sup> December 2025 and 2024, the Group complies with all the ratios required in its financing. Therefore, it is estimated that cash generation in 2025 will sufficiently cover the needs to meet short-term commitments, avoiding any situation of tension in the liquidity position with the actions in progress.

As a result of the above, it may be confirmed that there is no liquidity risk at the Group.

Likewise, there are no significant restrictions to the use of cash/other cash equivalents.

### c) Credit risk

Group's credit risks are managed by customer groups. Credit risk arising from cash and cash equivalents, derivative financial instruments and bank deposits is considered immaterial in view of the creditworthiness of the banks the Group works with. If management detects liquidity risk in respect of its banks under certain specific circumstances, it recognises the corresponding impairment provisions if necessary.

In addition, each management unit has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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With respect to customer credit limits, it should be noted that Group policy is not to concentrate more than 10% of business volumes with individual customers or manufacturing platforms.

Given the characteristics of the Group's customers, management historically deemed that those receivables due within 60 days presented no credit risk. The Group continues to consider the credit quality of these outstanding balances to be strong, although it is determined the expected loss.

### **d) Raw material price risk**

The Group has not a significant risk in raw price variations. In these companies where the risk could exist in market specific situations (plants which use raw materials with market price), the risk is controlled thanks to price financing repercussion agreements to customers considering the current market conditions.

### **4.2 Hedge accounting**

The Group determines the effectiveness of the hedge at the beginning of the same and periodically through prospective reviews of its effectiveness to ensure that there is adequate coverage between the hedged risk and the hedging instrument.

The treatment and classification of the Group's hedging transactions are described below:

#### **a) Fair value hedges of a recognised asset or liability or a firm commitment**

Changes in the fair value of these derivatives are recognised in the income statement together with any change in the fair values of the assets or liabilities hedged which is attributable to the hedged risk.

#### **b) Cash flow hedges**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the period in which the hedged item affects profit or loss (for instance, when the forecast sale that is hedged takes place). However, when a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or liability, the gains or losses previously deferred in equity are removed from equity and included in the initial cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the requirements for hedge accounting, any cumulative gain or loss that remains recognised in equity remains in equity and is reclassified to profit or loss when the forecast transaction occurs.

Occasionally, despite the goal of achieving a perfect hedge of flows, mismatches may arise between the characteristics of the hedges and the debts hedged. Once a mismatch is detected, and provided that this does not entail disproportionate costs, the derivative is fine-tuned in order to adapt it to the new characteristics of the underlying.

This circumstance may arise in the case of a hedge arranged in anticipation of a highly probable underlying which, when confirmed, requires the readjustment of the derivative to adapt it to the underlying to which it is designated. This situation may arise whether or not the derivative is designated as a hedge at inception i.e., if the underlying has been defined as a highly probable transaction.

#### **c) Net investment hedges**

The Group holds investments which net assets are exposed to the risk of conversion into foreign currency, and also held, until the second half of 2024, financing loans denominated in foreign currency whose main purpose is to support the Group's sustainable growth. In the first half of 2024, the negative exchange difference generated by this financing, which amounted to €2,544 thousand, was recognized under the heading "Net investment coverage" in the Consolidated Global Income Statement.

#### **d) Derivatives that do not qualify for hedge accounting**

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### 4.3 Valuation method (fair value estimation)

The regulations in force establish the information to be disclosed on valuations at fair value applicable also to non-financial assets and liabilities. Based on the provisions of Royal Decree 1/2021, of 12<sup>th</sup> January, fair value is the price that would be received for the sale of an asset or paid to transfer or cancel a liability through an orderly transaction between market participants on the valuation date.

The Company discloses the fair value estimation according to the following level hierarchy:

- Listed prices (unadjusted) in active markets for identical assets and liabilities (Level 1).
- Inputs other than Level 1 quoted prices that are observable for the asset or liability, either directly (for example, as prices) or indirectly (for example, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024:

2025 - thousand euro	Note	Level 2	Level 3	TOTAL
Credits at fair value	9	-	10,101	10,101
Derivatives	9	9,405	-	9,405
<b>Total assets at fair value</b>		<b>9,405</b>	<b>10,101</b>	<b>19,506</b>
<b>Total liabilities at fair value</b>		<b>-</b>	<b>-</b>	<b>-</b>
2024 - thousand euro	Note	Level 2	Level 3	TOTAL
Credits at fair value	9	-	12,845	12,845
Derivatives	9	705	-	705
<b>Total assets at fair value</b>		<b>705</b>	<b>12,845</b>	<b>13,550</b>
<b>Total liabilities at fair value</b>		<b>-</b>	<b>-</b>	<b>-</b>

There were no transfers between levels during 2025 and 2024.

#### a) Level 2 financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods such as estimated discounted cash flows and makes assumptions that are based on market conditions existing at each balance sheet date. If all the significant inputs required to calculate an instrument's fair value are observable, the instrument is included in Level 2.

Specific financial instrument valuation techniques include:

- i) Fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- ii) Fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.
- iii) It is assumed that the carrying amount of trade receivables and payables is similar to their fair value.
- iv) The fair value of financial liabilities for financial reporting purposes is estimated by discounting future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The instruments included in Level 2 relate to financial instruments derivatives (Note 9).

#### b) Level 3 financial instruments

If one or more of the significant inputs are not based on data observable in the market, the financial instrument is included in Level 3.

As of 31<sup>st</sup> December 2025 there are loans granted to Group employees valued at fair value and amounting to €10,101 thousand, after the incorporation of new employees to the long-term incentive plant, as well as the increase of certain loan amounts (€12,845 thousand as of 31<sup>st</sup> December 2024) (Note 6.5).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The Company has no agreements for the offset of financial assets and liabilities.

### 4.4 Capital risk management

The Group's objectives in relation to capital management are to safeguard its ability to continue as a going concern, to generate returns for shareholders and provide benefits to other holders of equity instruments, while maintaining an optimal capital structure that minimizes its cost.

In order to maintain or adjust the capital structure, the Group can adjust the number of dividends payable to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the leverage ratio. This ratio is calculated as net debt divided by total capital used. Net debt is calculated as total borrowings plus financial liabilities less cash, cash equivalents and financial assets, all of which are shown in the Consolidated Annual Accounts. Total capital employed is calculated as 'equity', as shown in the Consolidated Annual Accounts, plus net financial debt.

The Group's strategy, as in previous years, has been to maintain a leverage rate close to 0.50.

The gearing ratios at 31<sup>st</sup> December 2025 and 2024 are as follows:

Thousand euro	2025	2024
Borrowings	2,015,271	2,216,554
Financial liabilities	21	42
Less: Cash and cash equivalents and financial assets	(1,102,456)	(1,211,532)
<b>Net financial debt</b>	<b>912,836</b>	<b>1,005,064</b>
Equity	1,847,673	1,913,941
<b>Total capital used</b>	<b>2,760,509</b>	<b>2,919,005</b>
<b>Gearing ratio</b>	<b>0.33</b>	<b>0.34</b>

At 31<sup>st</sup> December 2025 and 2024, the Group has agreements formalised related with credit and bank loans that oblige it to comply with certain covenants. As of 31<sup>st</sup> December 2025 and 2024, the Group complies with all the ratios required in its financing.

### 4.5 Climate risk factors

The Corporate Engineering, Quality and Environment Department is responsible for establishing the guidelines and coordinating with the plants the actions related to the transition plan for climate change mitigation, which is included in the Group's 2025 Strategic Plan.

In this sense, the Group keeps updated its Environment Policy, where it was recognized as aligned with the Sustainable Development Goals. Thus, the Group develops products and processes under eco-design concepts, oriented to efficiency, providing necessary resources in continuous improvement through prevention and preservation, the minimization of risks, the reduction of the environmental footprint, the efficient use of natural resources, the minimization of waste, the circularity of materials and the collaboration of the people involved in the processes. Moreover, the Group is aligned with the United Nations 2030 Agenda by establishing environmental objectives to be met by each of the plants and regions where it operates, based on the *Global Reporting Initiative* standards.

In December 2022, the Group committed to setting targets, within 24 months, aligned with limiting global warming to 1.5°C, in line with the Paris Agreement, and the "net-zero" target by 2050, based on science. By the end of fiscal year 2024, the Group had fulfilled this commitment, joining a group of 235 companies in the automotive and components sector with targets approved by the "Science Based Targets initiative" (SBTi). With the latest available data, only 35 of these companies, including CIE Automotive, are aligned with meeting both objectives.

Action plans established to address each of the climate-related risks that have an impact on the Group's Consolidated Annual Accounts are disclosed as follows:

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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### The risks arising from the transition to low-carbon economies

The authorities and governments of different countries have implemented policies to fight against climate change that have affected differently in the different countries where the Group operates. All of these policies and actions have been part of the analysis carried out by the Group when carrying out the Transition Plan, as well as the double materiality analysis. These policies basically consist of promoting sustainable energy consumption in industrial production through tax and operational incentives, while in other cases, the use of energies that have a direct impact on the climate has been penalized or no longer promoted.

Regarding the automotive industry, it has been possible to reduce polluting emissions from vehicles, although the latest regulations to fight climate change – the most restrictive in Europe and China – are forcing manufacturers and their suppliers to implement additional solutions to reduce their environmental footprint, as well as to promote the electrification of their vehicle platforms. In recent years, the Group has been adapting its production process, as well as the goods produced, to a changing environment, demonstrating its resilience to the challenges offered by the fight against climate change.

The Group aims to anticipate the aforementioned measures, having launched certain action plans that allow mitigating in advance the impact of new policies, regulations and trends that climate change has entailed. The lines of work established for this have been the following, and have as main axes the actions on the goods produced and actions on their productive process.

#### - Actions on goods produced

In the context of a changing environment and increasingly aware of the effects of global climate change, the Group has been adapting the sale of its assets to new challenges in the climate and environmental field, and they are directly related to the latest trends in the automotive sector. In this sense, the Group is immersed in a technological transformation, aimed at reducing its corporate footprint, as well as the goods it produces. To achieve these objectives, the Group develops different technologies that provide the efficiency and flexibility necessary to face all challenges with changing volumes and scenarios.

Technological diversity also allows to focus investments on those technologies most demanded by the market in each circumstance. Currently, the market is betting on the electrification of vehicles and more than 80% of the components and subassemblies produced by the Group can be used in any type of vehicle (combustion, electric, hybrid). Despite this considerable percentage of versatility in the goods it produces, the Group has proposed to take advantage of the opportunity offered by the decarbonization of transport to position itself in new products of high added value. These products are related to the engine and power electronics, gearboxes and batteries.

Additionally, the Group's technological commitment to meet these environmental objectives focuses on the eco-efficiency and circularity, the light-weighting of vehicles, the improvement of the user experience (noise reduction, light integration, etc.), the bet for electric and autonomous vehicles and Industry 4.0 as a key to competitiveness and eco-efficiency, always aiming at the path towards the decarbonization of transport.

These actions are naturally linked to the reduction of environmental impact and mitigation of climate change. For those products that do not yet have a clear substitute in zero-emission vehicles, the Group has defined a strategy with different action plans.

Thus, the Group's spirit of adaptation and flexibility in the products it markets, together with the ability to always be aligned with new market trends, are the Group's main measure to address any market risks to its goods, as well as those that may arise from the transition to low-carbon economies.

#### - Actions on the productive process

Some of the environmental actions on the production process, which are part of those mentioned above, for the realization of the goods sold to the market have been the following:

- a) *Environmental Investments*: the Group adapts its production facilities to the conditions required by the environmental legislation of the countries where it is located. Consequently, the Group makes investments aimed at minimizing environmental impact, protecting and improving the environment; and incurs expenses derived from environmental actions, which basically correspond to the ordinary expenses for the removal of waste, consulting, measurements and environmental certifications.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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The adaptation and incorporation of investments that meet the most current environmental requirements implies a direct mitigation of the risk derived from the transition to low-carbon economies in the recovery of the value of their productive assets.

- b) *Energetic efficiency*: the improvement of energy efficiency is a priority objective for the Group, since it contributes to reducing its environmental impact, in addition to implying a direct improvement in competitiveness. The main lines of action consist of energy saving, and emission control. In this line, the Group contracts clean energy for the operation of its facilities wherever this option is available; and with the same philosophy of reducing their emissions and their energy bill, photovoltaic panels have been installed in different facilities in Europe, where, in addition, contracts were signed for the supply of green energy for own consumption; and India, where investment in new solar power plants has continued.

In this sense, it is expected that the action plans carried out by the Group in terms of efficiency will mean, in the medium and long term, an improvement in the margin on the goods it produces.

- c) *Water and material consumption*: in the Group's production process, an intensive use of water is carried out. In order to reduce discharges as much as possible, it has its own systems and facilities for water treatment, recirculation and recovery. With regard to raw materials, the Group constantly reviews all processes to make responsible use of raw materials. An example of these practices is the reduction of the gross weight of the products it manufactures, and that implies the reduction of the consumption of energy and other products necessary for the production process.

As in the case of energy efficiency action plans, it is estimated that these actions will also improve the margins of the goods produced.

- d) *Pollution control and waste management*: the Group's environmental management systems are based on the ISO14001 standard, and ensure that pollution does not exceed the levels established by current regulations. On the other hand, the Group's recycling system allows the reincorporation of recycled raw materials into its production process. Those materials that cannot be recycled are collected by specialized managers who prioritize their recycling over their landfill.

All of these action plans and expected results have been included for each plant in the projections used for the subsidiary impairment assessment described in Note 7.

### The risk of the impact on the margins of adapting to low-carbon economies

Cost pressure can occur on car producers. During the deployment phase of more sustainable vehicles, the final cost will be higher and, to maintain sales volumes, there is a risk of increased cost pressure on component suppliers.

Faced with this type of scenarios and risks, the Group's model is very effective. Commercial diversification makes dependence on a project or its renovation low, so the freedom to invest in projects is key. To this is added another of the axes of the group, the investment discipline, which leads to a detailed analysis of the projects with volume sensitivity analysis, avoiding those projects with volumes lower than those initially announced have a definitive impact on the returns.

The Group not only adapts to the low-carbon economy through the final product it offers to the market, but also by modifies its production process, which is highlighted by signing of clean energy purchase agreements for the use of its operating plants. As a consequence, in Spain 100% of the energy consumed is green energy, which has resulted in emissions savings.

### The direct physical risk posed by climate change in the production process and operations of a business

As of 31<sup>st</sup> December 2025 and 2024, the Group's production facilities, as well as the customers to which it provides, were not located in areas or geographical areas where an imminent climate risk is foreseen.

However, the Group is aware of the unpredictability of the effects of climate change and monitors the impacts that any adverse circumstance may generate in the valuation of the Group's assets, and therefore, in its Consolidated Financial Statements. In this sense, the Group is exposed to physical risks whose possible impacts it manages depending on the typology of each of them:

- a) *Water stress risks*: are the risks that can result in the lack of water supply.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

- b) *Acute physical risks*: are the risks arising from the occurrence of acute climatic phenomena. These accidental risks are covered by the global Civil Liability policy. To strengthen the management of environmental and safety risks, the Group has initiated a collaboration project with the technical departments of its insurance companies, where risks are evaluated and monetized and an elimination plan is established, or where appropriate, mitigation.
- c) *Chronic physical risks*: they are risks that cause gradual changes with more lasting impact, such as rising average temperatures, rising sea levels or prolonged periods of heat.

Although the Group's production facilities are not directly threatened by the effect of these chronic physical risks, there are environmental objectives established to be met in all the plants and regions where it operates.

- d) *Protection of biodiversity*: due to the location of its production facilities, mostly in industrial estates, the impact of its activities on biodiversity is not considered significant.

In this sense, for the assumptions used in the subsidiary impairment assessment described in Note 7, the company has considered macroeconomic variables that already take into account, implicitly, the impacts that climate change may have in each of the geographies where it operates. The growth rates, discount rates and risk rates used are market ratios that implicitly also reflect the valuation of climate risk. These rates do not show significant differences with those used in previous years. Due to the very nature of the activity, it is considered that there is no material impact of the risk of climate change that implies an indication of impairment, for any of the Group's subsidiaries.

As a consequence, based on the foregoing, it is not expected that there will be substantial changes in the Group's future estimates (provisions, changes in useful lives, etc.) nor significant impacts on the recovery analysis of non-financial assets taking into account that these impacts have already been incorporated into the Group's business plans.

### 5. Intangible assets

The movement schedule in intangible assets during the period is as follows:

	Computer applications	Patents	Goodwill	Total
<b>Cost</b>				
<b>Balance at 1<sup>st</sup> January 2024</b>	<b>21,888</b>	<b>1,000</b>	<b>27,718</b>	<b>50,606</b>
Additions	817	-	-	817
<b>Balance at 31<sup>st</sup> December 2024</b>	<b>22,705</b>	<b>1,000</b>	<b>27,718</b>	<b>51,423</b>
Additions	723	-	-	723
<b>Balance at 31<sup>st</sup> December 2025</b>	<b>23,428</b>	<b>1,000</b>	<b>27,718</b>	<b>52,146</b>
<b>Accumulated amortization</b>				
<b>Balance at 1<sup>st</sup> January 2024</b>	<b>(19,364)</b>	<b>(600)</b>	<b>(22,176)</b>	<b>(42,140)</b>
Additions	(676)	(100)	(2,772)	(3,548)
<b>Balance at 31<sup>st</sup> December 2024</b>	<b>(20,040)</b>	<b>(700)</b>	<b>(24,948)</b>	<b>(45,688)</b>
Additions	(746)	(100)	(2,770)	(3,616)
<b>Balance at 31<sup>st</sup> December 2025</b>	<b>(20,786)</b>	<b>(800)</b>	<b>(27,718)</b>	<b>(49,304)</b>
<b>Carrying amount</b>				
<b>Balance at 1<sup>st</sup> January 2024</b>	<b>2,524</b>	<b>400</b>	<b>5,542</b>	<b>8,466</b>
<b>Balance at 31<sup>st</sup> December 2024</b>	<b>2,665</b>	<b>300</b>	<b>2,770</b>	<b>5,735</b>
<b>Balance at 31<sup>st</sup> December 2025</b>	<b>2,642</b>	<b>200</b>	<b>-</b>	<b>2,842</b>

- a) Fully-amortised intangible assets

At 31<sup>st</sup> December 2025 there are fully-amortised items of intangible assets with an historic cost of €46.3 million (2024: €17.8 million).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### 6. Analysis of financial instruments

#### 6.1 Analysis by category

The carrying amounts of the Company's financial instruments by each category of financial assets and liabilities, which does not include balances with public administrations, are as follows:

Financial assets in thousands of euros	At cost		At amortised cost		At fair value with changes in profit and loss		Others	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>Non-current</i>								
- Balances with group companies								
Investments in group companies (Note 7.a)	1,094,467	1,094,467	-	-	-	-	-	-
Credits to group companies (Note 7.d)	-	-	1,258,905	1,456,083	-	-	-	-
-Other investments (Note 6.4)	96	96	-	-	-	-	-	-
-Credits to third parties (Note 6.5)	-	-	1,300	2,600	10,101	12,845	-	-
-Derivatives (Note 9)	-	-	-	-	9,405	705	-	-
-Other financial assets	-	-	23	25	-	-	-	-
<b>TOTAL</b>	<b>1,094,563</b>	<b>1,094,563</b>	<b>1,260,228</b>	<b>1,458,708</b>	<b>19,506</b>	<b>13,550</b>		
<i>Current</i>								
- Trade and other receivables (Note 8)	-	-	23,395	23,000	-	-	-	-
-Credits to group companies (Note 7.d)	-	-	62,069	64,537	-	-	-	-
-Credits to third parties (Note 6.5)	-	-	1,300	1,300	-	-	-	-
-Other financial assets (Note 6.6)	-	-	7,809	16,813	-	-	-	-
-Cash and other cash equivalents (Note 10)	-	-	-	-	-	-	232,441	114,687
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>94,573</b>	<b>105,650</b>	<b>-</b>	<b>-</b>	<b>232,441</b>	<b>114,687</b>

Financial liabilities in thousands of euros	At amortised cost	
	2025	2024
<i>Non-current</i>		
- Borrowings received (Note 14)	1,322,427	1,474,659
- Borrowings from group companies (Note 14)	329,390	250,723
- Other debts (Note 14)	39,969	50,088
<b>TOTAL</b>	<b>1,691,786</b>	<b>1,775,470</b>
<i>Current</i>		
-Borrowings received (Note 14)	171,333	216,982
-Commercial paper program (Note 14)	398,000	367,800
-Borrowings from group companies (Note 14)	35,128	20,887
- Other debts (Note 14)	9,150	-
- Trade and other payables (Note 14)	77,075	83,787
<b>TOTAL</b>	<b>690,686</b>	<b>689,456</b>

#### 6.2 Classification by maturity

The maturity schedule for financial instruments having fixed or determinable maturities is as follows:

##### 2025

	Financial assets						
	2026	2027	2028	2029	2030	Subsequent years	Total
<b>Investments in group companies and associates:</b>							
Credits to group companies <sup>(1)</sup>	62,069	-	-	-	-	1,258,905	1,320,974
<b>Other financial investments:</b>							
Trade and other receivables (Note 8)	23,395	-	-	-	-	-	23,395
Credits to third parties (Note 22)	1,300	1,300	-	-	-	-	2,600
Other financial assets	7,809	-	-	-	-	23	7,832
<b>TOTAL</b>	<b>94,573</b>	<b>1,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,258,928</b>	<b>1,354,801</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

	Financial liabilities					Subsequent years	Total
	2026	2027	2028	2029	2030		
<b>Borrowings from group companies and associates<sup>(1)</sup></b>	35,128	-	-	-	-	329,390	364,518
<b>Other financial liabilities:</b>							
Bank borrowings	171,333	285,585	297,948	306,675	329,955	102,264	1,493,760
Commercial paper program	398,000	-	-	-	-	-	398,000
Other debts	9,150	9,150	9,663	10,000	2,000	9,156	49,119
Trade and other payables	77,075	-	-	-	-	-	77,075
<b>TOTAL</b>	<b>690,686</b>	<b>294,735</b>	<b>307,611</b>	<b>316,675</b>	<b>331,955</b>	<b>440,810</b>	<b>2,382,472</b>

<sup>(1)</sup> The long-term credits and loans extended to group companies take the form of unlimited 5-year current credit accounts that are tacitly renewed one year before its maturity for additional periods of one year unless it exists a previous cancellation one year before the established maturity (Note 7.d).

### 2024

	Financial assets					Subsequent years	Total
	2025	2026	2027	2028	2029		
<b>Investments in group companies and associates:</b>							
Credits to group companies <sup>(1)</sup>	64,537	-	-	-	-	1,456,083	1,520,620
<b>Other financial investments:</b>							
Trade and other receivables (Note 8)	23,000	-	-	-	-	-	23,000
Credits to third parties (Note 22)	1,300	-	-	-	-	2,600	3,900
Other financial assets	16,813	-	-	-	-	25	16,838
<b>TOTAL</b>	<b>105,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,458,708</b>	<b>1,564,358</b>

	Financial liabilities					Subsequent years	Total
	2025	2026	2027	2028	2029		
<b>Borrowings from group companies and associates<sup>(1)</sup></b>	20,887	-	-	-	-	250,723	271,610
<b>Other financial liabilities:</b>							
Bank borrowings	216,982	326,600	298,677	227,194	537,984	84,204	1,691,641
Commercial paper program	367,800	-	-	-	-	-	367,800
Other liabilities	-	8,500	8,500	25,000	8,088	-	50,088
Trade and other payables	83,787	-	-	-	-	-	83,787
<b>TOTAL</b>	<b>689,456</b>	<b>335,100</b>	<b>307,177</b>	<b>252,194</b>	<b>546,072</b>	<b>334,927</b>	<b>2,464,926</b>

<sup>(1)</sup> The long-term credits and loans extended to group companies take the form of unlimited 5-year current credit accounts that are tacitly renewed one year before its maturity for additional periods of one year unless it exists a previous cancellation one year before the established maturity (Note 7.d).

### 6.3 Credit quality of financial assets

Financial assets that have not expired are not impaired. Management perceives no risk of impairment whatsoever as the Company's financial assets mainly relate to balances due from CIE Automotive group companies and associates that present no indications of credit risk.

### 6.4 Other investments

The Company at 31<sup>st</sup> December 2025 and 2024 has under this heading the investment in Fundación CIE I+D+I as Funding Trustee, having given an initial (and unchanged) endowment of €60 thousand.

**NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025**  
**(Denominated in thousand euro)**

**6.5 Credits to third parties**

	<b>Balance at 01.01.24</b>	<b>Profit/(Loss) adjustment</b>	<b>(Collections)</b>	<b>Balance at 31.12.24</b>	<b>Profit/(Loss) adjustment</b>	<b>(Collections)</b>	<b>Balance at 31.12.25</b>
Credits to employees (Notes 17.b and 24)	15,415	670	(3,240)	12,845	670	(3,414)	10,101
Advances (Note 22.a)	5,200	-	(1,300)	3,900	-	(1,300)	2,600
<b>TOTAL</b>	<b>20,615</b>	<b>670</b>	<b>(4,540)</b>	<b>16,745</b>	<b>670</b>	<b>(4,714)</b>	<b>12,701</b>

**6.6 Other current financial assets**

The Company records an account receivable with possibility of immediate availability with INSSEC DOS which balance at 31<sup>st</sup> December 2025 stood at €7,800 thousand (€16,800 thousand as of 31 December 2024) (Note 22).

**7. Investments and credits to group companies**

a) Investments in group companies, jointly-controlled entities and associates

The main group companies owned directly by the Company (not listed) are as follows:

<b>Name and registered office</b>	<b>Legal structure</b>	<b>Activity</b>	<b>% of total voting rights held directly</b>	
			<b>2025</b>	<b>2024</b>
<b>Group companies and jointly-controlled entities</b>				
CIE Berriz, S.L. (Bizkaia)	S.L.	Holding company	100%	100%
CIE Automotive Boroa, S.L.U. (Bizkaia)	S.L.U.	Holding company	100%	100%
CIE Roof Systems, S.L.U. (Bizkaia)	S.L.U.	Holding company	100%	100%
Autokomp Ingeniería, S.A.U. (Bizkaia)	S.A.U.	Services and installations	100%	100%
Advanced Comfort Systems Ibérica, S.L.U. (Orense)	S.L.U.	Manufacture of automotive components	100%	100%
Advanced Comfort Systems France, S.A.S. (France)	S.A.S.	Manufacture of automotive components	100%	100%
CIE Automotive Roof systems Korea Limited	Ltd	Manufacture of automotive components	100%	100%

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The amounts of capital, share premium, reserves and profit for the year and other relevant information, as taken from the individual annual accounts of the respective group companies and jointly controlled entities, at 31<sup>st</sup> December 2025 and 2024, are as follows:

Company	Equity							Dividends received (Note 22)
	Capital	Share premium	Reserves	Interim dividend	Operating profit	Profit/(loss) for the year	Investment book value	
<b>2025:</b>								
CIE Berriz, S.L.	60,101	-	174,453	-	157,444	125,062	251,874	-
Advanced Comfort Systems Ibérica, S.L.U.	450	2,803	3,001	-	751	643	8,528	598
Advanced Comfort Systems France, S.A.S.	3,100	-	15,557	-	2,451	15,886	57,132	10,000
Autokomp Ingeniería, S.A.U.	180	-	154	-	13,934	10,819	4,804	1,305
CIE Automotive Boroa, S.L.U.	368,535	368,525	9,375	(17,500)	30,523	23,194	737,060	20,207
CIE Roof Systems, S.L.U.	10	-	18,371	(50,000)	127,793	96,268	34,996	50,000
CIE Automotive Roof Systems Korea Limited	73	-	(335)	-	97	91	73	-
<b>TOTAL</b>							<b>1,094,467</b>	<b>82,110</b>
<b>2024:</b>								
CIE Berriz, S.L.	60,101	-	173,124	-	56,001	(83)	251,874	60,000
Advanced Comfort Systems Ibérica, S.L.U.	450	2,803	3,001	-	652	597	8,528	906
Advanced Comfort Systems France, S.A.S.	3,100	-	24,898	-	623	640	57,132	-
Autokomp Ingeniería, S.A.U.	180	-	154	-	4,640	1,304	4,804	869
CIE Automotive Boroa, S.L.U.	368,535	368,525	6,630	(22,000)	36,117	27,452	737,060	26,671
CIE Roof Systems, S.L.U.	10	-	8,842	-	46,082	9,529	34,996	-
CIE Automotive Roof Systems Korea Limited	73	-	(459)	-	247	106	73	-
<b>TOTAL</b>							<b>1,094,467</b>	<b>88,446</b>

b) Movements in investments in group companies, joint arrangements and associates:

The movements in 2025 and 2024 are summarized below:

	Balance at 01.01.24	Additions/ (Disposals)	Balance at 31.12.24	Additions/ (Disposals)	Balance at 31.12.25
CIE Berriz, S.L.	251,874	-	251,874	-	251,874
Advanced Comfort Systems Ibérica, S.L.U.	8,528	-	8,528	-	8,528
Advanced Comfort Systems France, S.A.S.	57,132	-	57,132	-	57,132
Autokomp Ingeniería, S.A.U.	4,804	-	4,804	-	4,804
CIE Automotive Boroa, S.L.U.	737,060	-	737,060	-	737,060
CIE Roof Systems, S.L.U.	34,996	-	34,996	-	34,996
CIE Automotive Roof Systems Korea Limited	73	-	73	-	73
<b>TOTAL</b>	<b>1,094,467</b>	<b>-</b>	<b>1,094,467</b>	<b>-</b>	<b>1,094,467</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### Movement in investment in group companies

#### c) Analysis of impairment of investments in group companies and associates

##### *c.1 Application methodology*

The impairment analysis of each investment held by the Company is carried out individually both at the level of the Company itself and at lower levels. In the case of investee companies whose activity is the holding of the Group's subsidiaries, their value in use is determined by adding the value in use of their shares, since an individualized value in use of the same does, in no case, reflect its economic reality. The value in use of each of its direct investees is understood as the present value of the future cash flows derived from each investment and its corresponding subsidiaries, reduced by the net financial debt (including intercompany loans and credits) contributed by each of the participations (equity value).

##### *c.2 Assumptions used*

#### Sales projection and margins

Sales estimates are made at the level of each CGU and below it, at the level of each project, taking into account the confirmed purchase orders at the time of the budget, the portfolio of the different customers for each project, the estimated production units for ongoing projects in the forecasted period and future projects for which the Group has already been nominated.

The gross operating margin (EBITDA) applied to forecasted sales are estimated based on the current profitability of the contracts in production corrected, if applicable, for adjustments, positive or negative, in future profitability already known at the time of preparation of the forecast; as well as expected future returns from each of the projects which production has not started.

The average<sup>(4)</sup> of the margins projected for the aggregated cash flows for each of the following subsidiaries through the period of the projections has been as follows:

<b>Companies</b>	<b>2025</b>	<b>2024</b>
CIE Berriz, S.L.	19.71%	19.78%
Autokomp Ingeniería, S.A.U.	21.14%	19.34%
Advanced Comfort Systems Ibérica, S.LU.	20.18%	16.82%
Advanced Comfort Systems France, S.A.S.	12.79%	15.19%
CIE Roof Systems, S.LU.	17.48%	17.83%

<sup>(4)</sup> The average of the detailed margins is the result of dividing the sum of the gross operating profits (EBITDA) by the sum of the sales of the years that make up the projection period.

The company CIE Automotive Boroa, S.LU., incorporated in 2019, has as its activity the financing of different companies of the Group, without it having any subsidiary; and the recovery of the cost of this holding is directly related to the flows generated by the Group companies to which it has granted financing. In addition, at 31<sup>st</sup> December 2025 and 2024, the equity value of the same exceeds the cost of the participation that the Company has recognized.

#### Calculation of residual value

The residual value is calculated by applying the "normalized annual cash flow", which is made up of the EBITDA of the last year of the budget, minus the maintenance investments necessary to keep the activity at each plant (in the case of the Group it amounts between 2% and 4% of revenue depending on the region and technology); discounted by the normalized payment of taxes in the face of a future recurrence according to the tax situation of each of the tax territories/jurisdictions.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### Annual growth rate

The growth rates (g) used for the period beyond the projections used in 2025 and 2024 in the CGUs and groups of CGUs, which are reported by segment, have been as follows:

	2025	2024
North America	2.0%	2.0%
Brazil	5.0%	5.0%
Asia	2.5%-7.5%	2.5%-7.5%
CIE Forging Europe	1.5%	1.5%
Rest of Europe	1.5%	1.5%

The Company estimates the growth rate for each of the cash-generating units based on macroeconomic data related to inflation and growth in the economies of each of the countries where it operates, considering these as the main measurement factors for estimating the growth rate in current valuation models, due to the direct relationship between macroeconomic growth and the sale of vehicles.

### Discount rate

The pre-tax discount rate was determined on the basis of the weighted average cost of capital (WACC) plus a premium to reflect the tax effect. The WACC was determined using the Capital Asset Pricing Model (CAPM), which is widely used for discount rate calculation purposes.

The methodology for calculating the discount rate consists of adding to the risk-free rate of each market the specific risks of the assets assigned to each of the CGUs.

The risk-free rate corresponds to the 10-year Treasury in the market in question. In the case of countries with economies or currencies with doubtful solvency levels, the Group carries out an estimate of its own risk applicable to each country.

The specific risk premium assigned to the Group's assets corresponds to the specific risks of the Automotive business itself, for which an estimated beta is used, based on the betas assigned to comparable companies or groups of companies.

The discount rates applied to cash flow projections in years 2025 and 2024 are as follows:

	2025	2024
North America	7.99%-10.74%	7.73%-11.14%
Brazil	15.87%	14.61%
Asia	6.14%-9.99%	6.11%-10.05%
CIE Forging Europe	6.58%-6.97%	6.27%-6.94%
Rest of Europe	6.47%-6.97%	6.18%-6.94%

### c.3 Results of the impairment test

The impairment analysis carried out has not reflected any indication of impairment for investments in group companies and associates as of 31<sup>st</sup> December 2025 and 2024.

#### d) Credits to CIE Automotive Group companies

The loans extended to CIE Automotive Group companies take the form of unlimited 5-year current credit accounts that are tacitly renewed at maturity for additional successive or equal periods of 5 years. They accrue interest at market rates. Cancellation of the loans must be notified by the parties with one year's notice, which is why €1,258,905 thousand amount is recognized as non-current loans at the 2025 year-end (2024: €1,456,083 thousand) (Note 6).

These receivable balances and those payable (Note 14) arise mainly from the Company's role as a financing centre for Group companies.

The opening balance of current loans to group companies includes the interest due on these credit accounts as well as income tax due from CIE Automotive Group companies under the consolidated tax regime in an aggregate amount of €62.069 thousand (2024: €64,537 thousand) (Note 6).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The detail of the non-current credits to other group companies at 31<sup>st</sup> December 2025 and 2024 is as follows:

	2025	2024
Alcasting Legutiano, S.LU.	-	4,478
Autokomp Ingeniería, S.A.U.	50,522	62,067
CIE Automotive Goian, S.LU.	15,073	14,974
CIE Berriz, S.L.	1,009,054	1,134,475
CIE Galfor, S.A.U.	-	25,523
CIE Legazpi, S.A.U.	9,576	11,904
CIE Mecauto, S.A.U.	4,284	6,149
CIE Metal CZ, s.r.o.	11,624	16,723
Componentes de Automoción Recytec, S.LU.	16,052	14,260
Egaña 2, S.L.	6,157	5,194
Grupo Componentes Vilanova, S.L.	-	4,990
Nova Recyd, S.A.U.	2,262	4,407
Participaciones Internacionales Autometal Dos, S.LU.	118,815	133,267
Transformaciones Metalúrgicas Norma, S.A.	-	8,243
Other less significant balances	15,486	9,429
<b>TOTAL</b>	<b>1,258,905</b>	<b>1,456,083</b>

### 8. Trade and Other receivables

The detail of trade and other receivables at 31<sup>st</sup> December 2025 and 2024 is as follows:

	2025	2024
- Receivables from group companies and associates	23,392	22,993
- Other receivables	3	7
<b>TOTAL</b>	<b>23,395</b>	<b>23,000</b>

This heading mainly includes trade receivable balances from CIE Automotive Group companies. The breakdown per company is as follows:

	2025	2024
ACS Shanghai Co., Ltd.	78	245
Automotive Mexico Body Systems, S. de R.L. de C.V.	988	1,663
Century Plastics, LLC	3,802	76
Autometal, Ltda.	348	384
CIE Golde Shanghai Innovation Co., Ltd.	1,990	2,751
Forjas de Celaya, S.A. de C.V.	1,191	1,101
Golde Auburn Hills, LLC	637	882
Golde Oradea, S.R.L.	1,538	977
Golde Pune Automotive India Private, Ltd.	1,293	2,964
Machine, Tool and Gears, Inc.	1,305	1,085
Maquinados Automotrices y Talleres Industriales de Celaya, S.A. de C.V.	925	1,379
Nugar, S.A. de C.V.	2,101	2,977
Pintura, Estampado y Montaje, S.A.P.I. de C.V.	2,965	4,047
Pintura y Ensamblajes de México, S.A. de C.V.	978	631
SC CIE Matricon, S.A.	371	-
Other less significant balances	2,882	1,831
<b>TOTAL</b>	<b>23,392</b>	<b>22,993</b>

The carrying amounts of trade and other accounts receivable approximate their fair value as they are due in the short term.

The credit risk on trade and other accounts receivable is managed by classifying each of the Company's customers by their credit risk.

Credit risk arising on trade receivables is not concentrated.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

Receivables that have passed their nominal due date but that are within the usual collection periods established with the various customers and debtors are not considered past due. All receivables exceeding the established collection agreements had been provided for at 31<sup>st</sup> December 2025 and 2024. Trade receivables not impaired relate to customers and debtors that have no recent history of default. All trade and other receivables are due within twelve months of the balance sheet date.

The accounts included in 'Trade and other receivables' have not been impaired.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above. The Company does not maintain any guarantee as insurance.

### 9. Derivative financial instruments

	Assets/(Liabilities)	
	2025	2024
Equity Swap:		
- Non cash-flow hedges	9,405	705
	<b>9,405</b>	<b>705</b>

Derivatives are classified in the year according to their maturity.

#### Equity swap

On 6<sup>th</sup> August 2018 the parent company arranged a swap associated with the listed share price of CIE Automotive, S.A., which was novated on 28<sup>th</sup> December 2022 and on 28<sup>th</sup> November 2024. The underlying asset of the operation amounts to 2 million shares with an initial value of €25.09 per share. This underlying's valuation amounts to €9,405 thousand positive at 31<sup>st</sup> December 2025 (€705 thousand positive at 31<sup>st</sup> December 2024), and is due in 2028.

### 10. Cash and cash equivalents

Cash and other cash equivalents at 31<sup>st</sup> December 2024 and 2025 break down as follows:

	2025	2024
Cash	217,388	112,404
Cash equivalents	15,053	2,283
<b>TOTAL</b>	<b>232,441</b>	<b>114,687</b>

Other liquidity assets correspond to investments of cash surplus, maturing in less than three months or with immediate availability.

### 11. Share capital, share premium and treasury shares

#### a) Share capital

The share capital of the parent company as of 31<sup>st</sup> December 2025 and 2024 is represented by 119,807,484 fully paid ordinary bearer shares, represented through accounting entries, with a par value of €0.25 each, listed on the Madrid stock market.

As of 31<sup>st</sup> December 2025 and 2024, the most relevant participations in the share capital of CIE Automotive S.A., that is, the companies that, directly or indirectly, participate in the share capital in a percentage equal to or greater than 10%, are the following:

Shareholding %	31.12.2025	31.12.2024
Acek Desarrollo y Gestión Industrial, S.L. <sup>(*)</sup>	16.05%	16.05%
Corporación Financiera Alba, S.A.	13.66%	13.66%
Elidoza Promoción de Empresas, S.L.	10.58%	10.58%

<sup>(\*)</sup> 5.93% directly and 10.12% indirectly, through Risteel Corporation, B.V., as of 31<sup>st</sup> December 2025 and 2024.

The stock price of the parent company CIE Automotive, S.A. listed in the Madrid Stock Exchange was €29.75 at 31<sup>st</sup> December 2025 (last listed session of the period).

#### b) Share premium

This reserve is freely available for distribution.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### c) Treasury shares

The movement of treasury shares during the periods ended 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024 is broken down in the following table:

	31 <sup>st</sup> December 2025		31 <sup>st</sup> December 2024	
	Number of shares	Amount (Thousand euro)	Number of shares	Amount (Thousand euro)
<b>Opening balance</b>	<b>62,048</b>	<b>1,570</b>	<b>47,517</b>	<b>1,202</b>
Acquisitions	1,593,485	39,435	629,446	16,130
(Sales) for the year	(464,054)	(11,367)	(614,915)	(15,762)
<b>Ending balance</b>	<b>1,191,479</b>	<b>29,638</b>	<b>62,048</b>	<b>1,570</b>

During 2025, the parent company has acquired a net amount of 1,129,431 treasury shares directly, up to a total of 1,191,479 shares (reaching 0.99% of the total voting rights issued by the Company), which are added to the indirect participation resulting from the equity swap agreement signed in the year 2018 with Banco Santander, S.A. for the acquisition of 2,000,000 shares (equivalent to 1.67% of the total voting rights). During 2024, the parent company acquired a net amount of 14,531 treasury shares directly, up to a total of 62,048 shares (reaching 0.05% of the total voting rights issued by the Company), which were added to the indirect participation resulting from the equity swap agreement signed in the year 2018 with Banco Santander, S.A. for the acquisition of 2,000,000 shares (equivalent to 1.67% of the total voting rights).

Also, rescinding the resolution adopted by the General Meeting of Shareholders on 8<sup>th</sup> May 2024 for the unexecuted part, the General Meeting of Shareholders on 7<sup>th</sup> May 2025 agreed to authorize the parent company, directly or through any of its subsidiaries, for a maximum of five years from the date of the General Meeting of Shareholders, to acquire, at any time and as many times as it deems appropriate, shares of CIE Automotive, S.A., by any means permitted by Law, including against profits for the year and/or unrestricted reserves, and to subsequently dispose of or redeem such shares, all accordance with article 146 and related provisions of the Spanish Companies' Act.

Under this authorization framework, on 7<sup>th</sup> May 2025, the Company's General Shareholders' Meeting approved a program to repurchase the Company's treasury shares in order to reduce up to a maximum of 10% of the parent company's share capital through the redemption of treasury shares, reserving the right to terminate this program prior to the expiration date in accordance with the agreed terms.

On the other hand, on 7<sup>th</sup> May 2025, the General Shareholders' Meeting of the parent company approved a voluntary partial public tender offer of acquisition for a maximum of 11,591,517 of its own shares, representing 9.675% of its share capital, addressed to all shareholders of CIE Automotive, S.A. The consideration offered was €24.00 per share, to be paid in cash at the time of settlement.

Following the authorization of the voluntary public tender offer by the Spanish National Securities Market Commission (CNMV) on 13<sup>th</sup> June 2025, CIE Automotive's Share Public Offering was executed from 18<sup>th</sup> of June to 2<sup>nd</sup> of July. The results of this public offering of shares were announced on 8<sup>th</sup> July 2025, with the final number of shares acquired from its shareholders reaching 1,138,292, which represent 9.82% of the total offering and 0.95% of the share capital of the parent company. The acquired treasury shares were paid to the sellers on 11<sup>th</sup> July 2025, amounting €27.3 million.

## 12. Reserves

The breakdown of the reserves as of 31<sup>st</sup> December 2025 and 2024 is as follows:

	2025	2024
<b>Legal and statutory reserves:</b>		
- Legal reserve	6,450	6,450
	<b>6,450</b>	<b>6,450</b>
<b>Other reserves:</b>		
- Voluntary reserves	26,170	12,337
- Merger reserve	66,303	66,303
	<b>92,473</b>	<b>78,640</b>
<b>TOTAL</b>	<b>98,923</b>	<b>85,090</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### a) Legal reserve

In accordance with Article 274 of the Spanish Companies Act, 10% of profits must be transferred to the legal reserve each year until it represents at least 20% of share capital. Both in the fiscal years ended 31<sup>st</sup> December 2025 and 2024, the legal reserve is fully allocated.

The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase.

Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

### b) Merger reserve

The amount of merger reserve contains the equity effect on CIE Automotive S.A. of the merger agreement between the Company and INSSEC in 2011 and the equity effect of the merger among CIE Berriz, S.L, CIE Inversiones e Inmuebles, S.L.U. and CIE Automotive Bioenergía, S.L.U. in 2012.

The merger reserve is available for distribution.

## 13. Profit/(loss) for year

### a) Proposed distribution of profit

The proposed distribution of 2025 profit to be put before the shareholders in General Meeting, along with that approved at the Annual General Meeting of 7<sup>th</sup> May 2025 in respect of 2024 profit is shown below:

	2025	2024
<b>Available for distribution</b>		
Profit for the year	134,055	122,430
<b>TOTAL</b>	<b>134,055</b>	<b>122,430</b>
<b>Distribution:</b>		
Interim dividend	56,310	55,111
Final dividend	56,310	55,111
Voluntary reserves	21,435	12,208
<b>TOTAL</b>	<b>134,055</b>	<b>122,430</b>

### b) Dividends paid

On 12<sup>th</sup> December 2025, the Board of Directors of the Company agreed the payment of an interim dividend charged to the profit of the year 2025 for a gross amount of €0.47 per share entitled to a dividend, amounting to a total of €55,750 thousand (Note 22). Payment was made effective on 7<sup>th</sup> January 2026.

The amounts proposed for distribution did not exceed the profits obtained by the parent company since the end of the last financial year, after deducting the estimated corporate income tax, in accordance with the provisions of Article 277 of the Spanish Companies Act.

The provisional accounting statement of the parent company at 30<sup>th</sup> November 2025, which has been formulated according to legal requirements and shows the existence of enough cash-flow to distribute the dividend mentioned above, is as follows (thousand euro):

<b>Provisional cash-flow statement</b>	<b>€ thousand</b>
<b>Profit forecast:</b>	
- Available net profit for 2025	136,454
<b>To deduct:</b>	
- Legal reserve	-
<b>Maximum amount to distribute</b>	<b>136,454</b>
<b>Amount distribution proposal</b>	<b>112,620</b>
<b>Treasury forecast for one year</b>	<b>174,394</b>
<b>Interim dividend</b>	<b>(56,310)</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

On 7<sup>th</sup> May 2025, the General Meeting of Shareholders of CIE Automotive, S.A. approved the proposal on the distribution of the individual result for the 2024 fiscal year, approving the distribution of a final dividend for a gross amount of €0.46 per share entitled to a dividend, amounting to a total of €54,547 thousand. The payment was made effective on 15<sup>th</sup> July 2025.

On 12<sup>nd</sup> December 2024, the Board of Directors of CIE Automotive, S.A. agreed the payment of an interim dividend charged to the profit of the year 2024 for a gross amount of €0.46 per share entitled to a dividend, amounting to a total of €55,082 thousand. Payment was made effective on 8<sup>th</sup> January 2025.

On 8<sup>th</sup> May 2024, the General Meeting of Shareholders of CIE Automotive, S.A. approved the proposal on the distribution of the individual result for the 2023 year, approving the distribution of a final dividend for a gross amount of €0.45 per share entitled to a dividend, amounting to a total of €53,885 thousand. Payment was made effective on 8<sup>th</sup> July 2024.

On 14<sup>th</sup> December 2023, the Board of Directors of CIE Automotive, S.A. agreed the payment of an interim dividend charged to the profit of the year 2023 for a gross amount of €0.45 per share entitled to a dividend, which meant a total of €53,893 thousand. Payment was made effective on 5<sup>th</sup> January 2024.

### 14. Financial liabilities at amortised cost

The detail of financial liabilities at amortised cost as of 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024 classified by concept is as follows:

	2025	2024
<b>Non-current financial liabilities at amortised cost</b>		
- Bank borrowings (Notes 6 and 14.a)	1,322,427	1,474,659
- CIE Automotive Group companies and associates, non-current (Note 14.b)	329,390	250,723
<b>Other non-current payables</b>		
- Other non-current payables (Note 14.c)	39,969	50,088
	<b>1,691,786</b>	<b>1,775,470</b>
<b>Current financial liabilities at amortised cost</b>		
- Bank borrowings (current portion of non-current borrowings) (Notes 6 and 14.a)	171,333	216,982
- Commercial paper program (Note 14.a)	398,000	367,800
	9,150	-
- Payables to CIE Automotive Group companies (Note 14.b)	35,128	20,887
- Trade payables	5,420	6,207
- Trade payables to Group companies	6,446	11,464
- Fixed asset suppliers	148	226
- Accrued wages and salaries	9,311	10,808
- Dividend payable (Note 13)	55,750	55,082
<b>TOTAL</b>	<b>690,686</b>	<b>689,456</b>

#### a) Borrowings and commercial paper

The Company's policy is to diversify its financing sources. There is no concentration of loan/credit risk in respect of its bank borrowings as the Group works with multiple entities.

The exposure to interest rate changes deriving from long term bank borrowings is as follows:

Thousand euro	Balance at December 31	More than 1 year	More than 5 years
<b>At 31<sup>st</sup> December 2025</b>			
Total borrowings	1,891,760	1,322,427	102,264
Borrowings at fixed rate	(1,002,774)	(502,641)	(3,896)
<b>Exposure</b>	<b>888,986</b>	<b>819,786</b>	<b>98,368</b>
<b>At 31<sup>st</sup> December 2024</b>			
Total borrowings	2,059,441	1,474,659	84,204
Borrowings at fixed rate	(1,064,828)	(546,599)	(11,982)
<b>Exposure</b>	<b>994,613</b>	<b>928,060</b>	<b>72,222</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

Non-current borrowings mature as follows:

	2025	2024
Between 1 and 2 years	285,585	326,600
Between 3 and 5 years	934,578	1,063,855
Over 5 years	102,264	84,204
<b>TOTAL</b>	<b>1,322,427</b>	<b>1,474,659</b>

The effective interest rates at the balance sheet dates are the usual market rates (benchmark rate plus a market spread) and there are no significant differences with respect to other companies of a similar size and with similar risk and borrowing levels. Bank loans and credit facilities generated a weighted average annual rate of interest of 3.29% (4.07% as in the year 2024).

The Company has the following undrawn credit lines:

Thousand euro	2025	2024
Maturity below one year	136,830	102,500
Maturity over one year	474,704	320,000
<b>TOTAL UNDRAWN CREDIT LINES</b>	<b>611,534</b>	<b>422,500</b>

The carrying amounts of non-current borrowings approximate their fair value.

The carrying amounts of current borrowings approximate their fair value as the effect of discounting is not significant.

The carrying amounts of the Company's borrowings are all denominated in euro.

During 2025, the Company repaid €545.5 million under these financing agreements (2024: €364.8 million) and raised new funding in the amount of €350.5 million (2024: €380.5 million).

### Syndicated loan 2014

On 28<sup>th</sup> July 2014, CIE Automotive, S.A. entered into a financing agreement with a syndicate of six financial institutions for a total amount of €450 million. The initial amortisation period was five years, with an average life of 4.7 years, which improved both the average life of the Group's financing and the economic terms compared to the previous syndicated financing. The subsequent amendments were as follows:

- On 13<sup>th</sup> April 2015, a first amendment to the aforementioned syndicated loan was executed, pursuant to which a reduction in the initially agreed interest margin was approved, together with an extension of the maturity dates, with the new final maturity set in April 2020.
- On 14<sup>th</sup> July 2016, a second amendment to the syndicated financing was executed, pursuant to which the total amount was increased by €150 million, reaching a total of €600 million, and the maturity was extended by one additional year, with the final repayment therefore scheduled for April 2021. In addition, a modification to the interest margin grid agreed and amended in 2015 was approved.
- On 6<sup>th</sup> June 2017, the parent company executed a third amendment to the syndicated financing agreement, pursuant to which the maturity was extended by one additional year for most of the financial institutions, with the final repayment due in April 2022.
- On 27<sup>th</sup> April 2018, the parent company executed a fourth amendment to the syndicated financing agreement, pursuant to which the maturity was extended by one additional year, with the final repayment due in April 2023.
- On 12<sup>th</sup> April 2019, the parent company executed a fifth amendment to the syndicated financing agreement, pursuant to which the facility limit was increased by €90 million, reaching a total amount of €690 million, and the maturity was extended until April 2024.
- On 27 February 2020, the parent company requested an extension of the final maturity date until 13 April 2025, which was approved by most of the financing institutions.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

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- In June 2020, the financing became a sustainability-linked facility. It is assessed annually by an external agent, and the applicable interest margin is adjusted based on improvements in the Group's Environmental, Social and Governance (ESG) performance indicators.
- On 16<sup>th</sup> June 2021, the financing was extended until April 2026, with such extension being unanimously approved by the financing institutions.
- On 6<sup>th</sup> June 2022, the financing was further extended until April 2027, with the extension being unanimously approved by the financing institutions.
- On 7<sup>th</sup> June 2023, the financing was further extended until April 2028. This renewal continues to prioritize sustainability, remaining linked to improvements in the Group's Environmental, Social and Governance (ESG) performance. The extension was unanimously approved by the financing institutions.
- On 23<sup>rd</sup> April 2024, the parent company executed an amendment to the syndicated loan, resulting in a one-year extension of the maturity, with the final repayment due in April 2029, and without any material changes to the other terms. This financing agreement continues to be linked to ESG criteria, and the amendment was unanimously approved by all financing institutions.
- On 12<sup>th</sup> May 2025, the parent company formalized the novation of the syndicated loan, through which the maturity date was extended by one year, setting the final payment for April 2030. As part of this novation, there was also a change in the agent bank of the contract and the replacement of one of the financial entities participating in the syndicate with a new entity. The remaining contractual terms have remained substantially unchanged.

The drawn amount of this syndicated financing agreement on 31<sup>st</sup> December 2025 amounted to €250 million (31<sup>st</sup> December 2024: €430 million), and its interest rate is indexed to Euribor plus a variable margin based on the Net Finance Debt/EBITDA ratio.

### Other financing agreements

On 14<sup>th</sup> July 2016, the Company entered into a financing agreement with various financial and insurance institutions for a total amount of €85 million, with a final maturity of ten years. This financing was structured partially at a fixed interest rate and partially at a floating rate, referenced to Euribor. In July 2021, an extension of the maturity by an additional two years was agreed, setting the final maturity in 2028, while the financial terms were simultaneously modified to establish a fixed interest rate at market conditions. The drawn balance of this financing as of 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024 amounts to €68 million.

The Company maintains financing agreements with the European Investment Bank (EIB) to support research and development activities in the automotive components sector. In September 2020, the Company executed an amendment to the financing originally contracted in 2018 with the EIB, under which the loan amount was increased by €40 million, with an initial maturity set for 2030, later extended to 2031. The outstanding balance of this financing as of 31<sup>st</sup> December 2025 amounts to €69 million (€82 million as of 31<sup>st</sup> December 2024). Additionally, on 31<sup>st</sup> May 2024, the Company entered into a new financing agreement, under which it obtained a loan of €36 million with an initial ten-year maturity. This financing is intended to support the Group's research and development projects in Europe, aimed at strengthening competitiveness and growth through the development of innovative technologies that contribute to improving sustainability and efficiency in the use of materials. The balance of this financing as of 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024 amounts to €36 million.

All the financings described above are subject to compliance with certain financial covenants or ratios, customary for this type of agreement. As of 31<sup>st</sup> December 2025 and 2024, the Company was in compliance with all the obligations and undertakings that, in accordance with the respective financing agreements, were in force and enforceable by the different lenders as of those dates.

Financing contracts for the 2025 and 2024 financial years relates mainly to non-structural contracts signed with Spanish financial entities.

In line with its commitment to sustainability and in accordance with its strategic plan, the Group has progressively incorporated sustainable financing criteria into its funding structure, thereby meeting its objective of having more than half of the Group's gross debt classified as sustainable debt by 2025. As of 31<sup>st</sup> December 2025, 68% of the Group's borrowings are aligned with Environmental, Social and Governance (ESG) criteria (31<sup>st</sup> December 2024: 68%).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### Commercial Paper Program

On 19<sup>th</sup> July 2018, the Company established a commercial paper issuance programme for a maximum amount of €200 million, registered on the Irish Stock Exchange, with the aim of diversifying the financing of the Group's working capital requirements and as an alternative to bank financing for such purposes. On 18<sup>th</sup> July 2019, the programme was renewed and the maximum amount was increased to €300 million, and subsequently, on 18<sup>th</sup> March 2020, it was further increased to €400 million. The programme was renewed again on 21<sup>st</sup> July 2020. As of 31<sup>st</sup> December 2024, the outstanding balance amounted to €37 million.

In July 2024, this programme was replaced by a new promissory notes programme registered on the Spanish Alternative Fixed Income Market (MARF), with a maximum limit of €400 million. From that date, this financing has become the main alternative to bank financing, replacing the commercial paper programme registered in Ireland in 2018. Both programmes coexisted until the maturity of the last notes issued in Ireland during the first quarter of 2025. As of 31<sup>st</sup> December 2025, the outstanding balance under the MARF promissory notes programme amounts to €398 million (€331 million as of 31<sup>st</sup> December 2024).

### b) Payables to group companies

The payables with group companies take the form of unlimited 5-year current credit accounts that are tacitly renewed at maturity for additional successive or equal periods of 5 years. They accrue interest at market rates. The cancellation must be notified between the parts with a year of anticipation, for that reason is registered as non-current debts, €329,390 thousand (2024: €250,723 thousand).

These payable balances, as well as the receivable balance to receive (Note 7), arise principally from the action of the Company as financing management center for the Group companies.

The breakdown of non-current payables to group companies, at 31<sup>st</sup> December 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Advanced Comfort Systems France, S.A.S.	24	7,024
Advanced Comfort Systems Ibérica, S.A.U.	1,850	2,950
Biosur Transformación, S.L.U.	5,280	5,813
CIE Compiègne, S.A.S.	10,668	8,906
CIE Galfor, S.A.U.	6,752	-
CIE Plasty CZ, s.r.o.	9,531	10,635
CIE Roof Systems, S.L.U.	232,517	138,616
CIE Udalbide, S.A.U.	1,519	-
CIE Unitools Press, a.s.	3,542	7,197
CIE Zdanice, s.r.o.	1,061	9,543
CIE Praga Louny, a.s.	3,687	-
Gameko Fabricación de Componentes, S.A.	531	1,332
Gestión de Aceites Vegetales, S.L.	1,266	1,523
Industrias Amaya Tellería, S.A.U.	6,757	13,243
Inyectametal, S.A.	7,310	607
MAR SK, s.r.o.	3,816	12,861
Mecanizaciones del Sur-Mecasur, S.A.	-	2,235
Orbelan Plásticos, S.A.	24,961	23,335
Reciclado de Residuos Grasos, S.L.U.	992	-
Other less significant balances	7,326	4,903
<b>TOTAL</b>	<b>329,390</b>	<b>250,723</b>

The balance included under the heading of current liabilities with group companies and associates includes the interests accrued by the credit accounts as well as the debts with subsidiaries of the group related to the liquidation of corporate income tax of companies in regime of tax consolidation, both amounting to €35,128 thousand (2024: €20,887 thousand).

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### c) Other debts

The heading includes the loan granted by COFIDES in March 2019, being the outstanding balance of €9,963 thousand as of 31<sup>st</sup> December 2025, of which €6,813 thousand is classified as non-current (31<sup>st</sup> December 2024: €29,932 thousand, entirely classified as non-current). In addition, in 2025 and 2024, the Group's parent company entered into two loans with a public financing entity for an amount of €20,000 thousand each, of which €33,000 thousand is classified as non-current and €6,000 thousand as current. The three loans bear interest at a rate benchmarked to Euribor plus a market spread and include sustainability clauses (ESG).

### d) Average payment period information

The breakdown of trade payables settled during 2025 and 2024 those pending of payment at the year-end in relation to the legally-permitted payment terms stipulated in Spanish Law 15/2010 of 5<sup>th</sup> July, is as follows:

	Days	
	2025	2024
Average payment period to suppliers	51	52
Paid operations ratio	54	56
Outstanding operations ratio	47	46

  

	Thousand euros	
	2025	2024
Payments made	15,422	15,763
Outstanding payments	11,856	10,546

Additionally, and in accordance with the obligations required in the Spanish Law 18/2022 on creation and growth of companies, it is reported that the total amount of payments made in before than the maximum established by Law 5/2010 has amounted to €12,148 thousand (2024: €12,741 thousand) and 1,207 invoices (2024: 1,125 invoices), which represent 79% of the total payments made and 72% of the total invoices (2024: 81% and 66% respectively).

## 15. Provisions

As of 31<sup>st</sup> December 2025, and 2024 the Company has provisions relating the hedge of various non-operating risks and other contingencies.

## 16. Deferred taxes

The analysis of deferred taxes is as follows:

	2025	2024
<b>Deferred tax assets:</b>		
- Deductible temporary differences	2,859	5,926
- Tax credits	10,031	11,226
	<b>12,890</b>	<b>17,152</b>
<b>Deferred taxes (net)</b>	<b>12,890</b>	<b>17,152</b>

The deductible temporary differences mainly stem from the different timing of expense recognition for accounting and tax purposes and the limitation of the deductibility of financial expenses, among other factors. These differences will revert when the aforementioned expenses turn deductible for tax purposes.

The net movement in the deferred income tax account in 2025 and 2024 is as follows:

	2025	2024
<b>Opening balance</b>	17,152	17,496
(Charged)/credited to the income statement (Note 18)	(4,262)	(344)
<b>Closing balance</b>	<b>12,890</b>	<b>17,152</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The movements in deferred tax assets in 2025 and 2024 are as follows:

Deferred tax assets	Provisions & other	Tax credits	Total
<b>Balance at 1<sup>st</sup> January 2024</b>	<b>6,937</b>	<b>10,559</b>	<b>17,496</b>
(Charged)/credited to the income statement	(1,011)	667	(344)
<b>Balance at 31<sup>st</sup> December 2024</b>	<b>5,926</b>	<b>11,226</b>	<b>17,152</b>
(Charged)/credited to the income statement	(3,067)	(1,195)	(4,262)
<b>Balance at 31<sup>st</sup> December 2025</b>	<b>2,859</b>	<b>10,031</b>	<b>12,890</b>

Deferred tax assets are recognised for tax-loss carry forwards to the extent that the realization of the related tax benefit through future taxable profits is probable.

At 31<sup>st</sup> December 2025 the Company had the following tax losses that were generated by CIE Automotive tax group of which the Company is parent (Note 3.10):

Year generated	2025	2024
2010	274	274
2011	1,027	1,027
2013	16,082	16,082
2018	12,426	12,426
2019	264	264
2020	366	366
2021	244	244
2022	376	376
2023	221	221
2024	236	236
2025 (estimated)	301	-
<b>TOTAL</b>	<b>31,817</b>	<b>31,516</b>

The tax-loss carry forwards are allocated to each of the companies that contributed to generating them, for the purpose of their possible recognition as deferred tax assets, amounting to €7,636 thousand (€7,536 thousand in 2024). Out of these losses carried forward, €13,798 thousand correspond to the Company. The recognition of losses carried forward in the Company results in the recognition of deferred tax assets amounting to €3,311 thousand.

At 31<sup>st</sup> December 2025, no losses carried forward generated previous to its integration to the consolidated fiscal Group are kept by the Company.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

In addition, the amounts and years of generation of individual tax credits (deriving from various items and including those recognised as tax assets) pending of offset are as follows:

Year generated	2025	2024
1996	134	134
1997	86	86
1998	102	102
1999	83	83
2000	2,660	2,660
2001	238	238
2002	34	34
2003	45	45
2004	323	323
2005	30	30
2006	7,209	7,209
2007	2,595	2,595
2008	1,829	1,829
2009	586	586
2010	92	92
2011	118	118
2012	118	118
2013	241	241
2014	267	267
2015	29	29
2016	122	122
2017	242	242
2018	123	123
2019	253	253
2020	244	244
2021	839	839
2022	561	561
2023	461	461
2024	370	666
2025 (estimated)	299	-
<b>TOTAL</b>	<b>20,333</b>	<b>20,330</b>

From the aforementioned tax credits, an amount of €5,103 thousand derive from the merged company Instituto Sectorial de Promoción y Gestión de Empresas, S.A. (INSSEC) and those are considered tax credits earned before the fiscal group.

The applicable tax legislation establishes a 30-year time limitation for the use of generated tax credits and tax loss carryforwards. It further provides that, for those tax credits and tax losses existing prior to 1<sup>st</sup> January 2014, the 30-year period begins to run from 1<sup>st</sup> January 2014.

### 17. Income and expense

#### a) Revenue

Revenue breaks down as follows:

	2025	2024
Rendering of services	115,015	107,546
Dividend income (Note 7.a)	82,110	88,446
Interest income	60,036	67,244
<b>TOTAL</b>	<b>257,161</b>	<b>263,236</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### a.1) Rendering of services

The geographic breakdown of revenue from the core business of rendering corporate services to CIE Automotive Group companies (Note 1 and Appendix I), totalling €115,015 thousand (2024: €107,546 thousand), based on the locations of the receiving companies, is as follows:

Market	2025	2024
Spain	25%	26%
America	55%	55%
Rest of the world	20%	19%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

### a.2) Dividends received from CIE Automotive Group companies

The Company received in 2025 dividends from the subsidiaries Advanced Comfort Systems, Ibérica, S.L.U., Autokomp Ingeniería, S.A.U. and CIE Automotive Boroa, S.L.U. for its distribution of results for the year 2024 amounting to €598 thousand, €1,305 thousand and €2,707 thousand, respectively.

Likewise, the company has received dividends from its subsidiary Advanced Comfort Systems, S.A.S. amounting to €10,000 thousand.

In year 2025, the Company has also received interim dividends from its subsidiaries CIE Automotive Boroa, S.L.U. and CIE Roof Systems, S.L.U. amounting to €17,500 thousand and €50,000 thousand respectively.

These distributions were approved at each of the corresponding General Meetings of Partners/Shareholders held during the month of December 2025. These dividends have been collected by the Company during the year.

The Company received in 2024 dividends from the subsidiaries Advanced Comfort Systems, Ibérica, S.L.U., Autokomp Ingeniería, S.A.U. and CIE Automotive Boroa, S.L.U. for its distribution of results for the year 2023 amounting to €906 thousand, €870 thousand and €4,671 thousand, respectively.

In year 2024, the Company has also received interim dividends from its subsidiary CIE Automotive Boroa, S.L.U. amounting to €22,000 thousand.

Likewise, the Company has also received dividends charged to voluntary reserves of its subsidiaries CIE Berriz, S.L. amounting to €60,000 thousand.

These distributions were approved at each of the corresponding General Meetings of Partners/Shareholders held during the month of December 2024. These dividends have been collected by the Company during the year.

### a.3) Interest income

At 31<sup>st</sup> December 2025 the Company accrued interest income for an amount of €60,036 thousand (2024: €67,244 thousand), whereof income for interests on credits to CIE Automotive Group companies and associated have amounted to €59,174 thousand (2024: €66,810 thousand).

### b) Employee benefit expense

	2025	2024
Wages and salaries	20,990	20,143
Termination benefits	120	6
Social security costs		
- Social security	1,350	1,029
<b>TOTAL</b>	<b>22,460</b>	<b>21,178</b>

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The average number of employees by category during the year was as follows:

	Headcount	
	2025	2024
Executives	9	9
University graduates and specialists	64	56
<b>TOTAL</b>	<b>73</b>	<b>65</b>

The distribution of the Company's personnel by women and men, and Board of Directors members at the year-end is as follows:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Directors	5	7	12	5	8	13
Executives	4	4	8	4	4	8
University graduates and specialists	28	38	66	29	30	59
<b>TOTAL</b>	<b>37</b>	<b>49</b>	<b>86</b>	<b>38</b>	<b>42</b>	<b>80</b>

Likewise, there were no persons employed in 2025 and 2024 with a functional disability greater than or equal to 33%. However, the Company has subcontracted Lantegi Batuak Foundation, an entity qualified as a special employment center, having obtained the corresponding approval by the Basque Service of Employment - Lanbide. Likewise, also in 2025 and 2024, services from Fundación Osga Reintegra, focused in the integration of people with disabilities or social inclusion risk, have been externalized.

### Long-term incentive

The Board of Directors of CIE Automotive, S.A. agreed in 2018 to implement a plan to allow the participation of certain Group employees in the Company's share capital, granting said employees a loan due at maturity at date of 31<sup>st</sup> December 2022, with zero interest rate. On December 2022, the maturity of these loans to executives was extended for a period of 5 years, as well as the incorporation of new employees to the long-term incentive plan. During year 2023, certain loan amounts increased, keeping the rest of the conditions of the plan unchanged. The objective of the plan is twofold: (i) to motivate, promote loyalty and encourage the most important members of the Group's management to achieve the strategic objectives and (ii) as a result of the commitment to the Group, to allow that the aforementioned employees benefit from any increase in the quoted price of the shares of CIE Automotive, S.A. from 1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2027. These loans, which meet the conditions to be considered as full recourse, are valued at fair value, being classified under non-current financial assets in the consolidated balance sheet and, as of 31<sup>st</sup> December 2025, amount to €10 million (31<sup>st</sup> December 2024: €13 million) (Note 6).

### c) Other operating expenses

Other operating expenses are broken down as follows:

	2025	2024
Travel expenses	1,113	1,133
Repairs and maintenance	2,542	2,316
Independent professional services and other services	2,352	1,987
Leases	574	544
Insurance premiums	2,421	2,508
Reversal of provisions	(5,025)	-
Other	1,603	2,773
<b>TOTAL</b>	<b>5,580</b>	<b>11,261</b>

### 18. Income tax and tax matters

As mentioned in the section covering measurement standards (Note 3.10), CIE Automotive, S.A. is authorized to file consolidated tax returns with certain subsidiaries.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

As certain transactions are treated differently for income tax purposes with respect to how they are treated in preparing the annual accounts, taxable income for the year differs from accounting profit.

The reconciliation of net income and expenses for the year to taxable income as per the Company's individual tax return is set forth below:

	2025			2024		
	Increases	Decreases	Net	Increases	Decreases	Net
Profit/(loss) for year			134,055			122,430
Income tax			21,784			13,263
Permanent differences	8,403	(82,110)	(73,707)	15,037	(88,446)	(73,409)
Temporary differences:						
- originated in current year	-	-	-	-	-	-
- originated in previous years	-	(8,417)	(8,417)	-	(2,393)	(2,393)
<b>Individual taxable income tax base</b>			<b>73,715</b>			<b>59,891</b>

The calculation of tax income is disclosed in the following table:

	2025	2024
Individual taxable income tax base	73,715	59,891
Tax Group taxable base	<b>73,715</b>	<b>59,891</b>
Current tax payable	17,692	14,374
Current tax	<b>17,692</b>	<b>14,374</b>

The breakdown of income tax expense is as follows:

	2025	2024
Current tax	17,692	14,374
Deferred tax (Note 16)	3,067	1,011
Tax credits (Note 16)	1,195	(667)
Withholding taxes in foreign countries	919	667
Minimum tax expense (Regional act 06/2025)	5	150
Register of provisions and other	(1,094)	(2,272)
<b>Total</b>	<b>21,784</b>	<b>13,263</b>

No corporate income tax was payable to the Tax Administration in 2025 and 2024 (Note 16).

The periods not prescribed under prevailing legislation are opened to inspection by the tax authorities, which are the years between 2021 and 2025.

The accounting obligations arising from the merger between the Company and Instituto Sectorial de Promoción y Gestión de Empresas, S.A. (Absorbed Company) appear in the 2011 Annual Report, the first approved report that includes the accounting effects of the merger by absorption dated 1<sup>st</sup> January 2011.

As a result, among others, of the different interpretations of current tax law, additional liabilities could arise as a result of an inspection. In any event, the Directors consider that any such liabilities that may arise will not have a significant impact on the Annual Accounts for 2025 or 2024.

The corporate income tax legislation applicable to the Company in 2025 is that relating to Bizkaia Regional Regulation 11/2013, 5<sup>th</sup> December; modified by the Foral Regulation 2/2018, of 12<sup>th</sup> March.

### Minimum tax – Pillar 2

In December 2021, the OECD published the PILLAR 2 Model Rules with the objective of setting minimum taxation in each of the jurisdictions where large multinational corporations operate, setting a turnover threshold of more than 750 million for their application. Consequently, in December 2022, the European Union published Directive (EU) 2022/2523 on ensuring an overall minimum level of taxation for multinational business groups and large groups in the Union. This directive has been transposed in Bizkaia on 27<sup>th</sup> December 2024 – Regional Act 4/2024 and definitively approved in Regional Act 6/2025 as of 12<sup>th</sup> December 2025 and aims to ensure that the results of each constituent entity (legal companies) aggregated by country are subject to a minimum taxation of 15%.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

The tax expense registered by the Group related to the transposition of Directive (EU) 2022/2523 in Bizkaia amounted to €5 thousand, the payment of which is estimated to be made in the 2026 financial year (€150 thousand in 2024).

### 19. Finance income/expense

The breakdown of the financial result for the years 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
<b>Finance income:</b>		
Other finance income	1,840	1,800
	<b>1,840</b>	<b>1,800</b>
<b>Finance expense:</b>		
Borrowings from group companies (Note 25)	(14,267)	(8,344)
Third-party borrowings	(65,955)	(87,700)
Other finance expense	(455)	(135)
	<b>(80,677)</b>	<b>(96,179)</b>
<b>Change in fair value of financial instruments:</b>		
Gains/(losses) recognised regarding financial instruments	9,510	1,523
	<b>9,510</b>	<b>1,523</b>
<b>Net exchange differences</b>	<b>(1,135)</b>	<b>551</b>
<b>Finance income/expense</b>	<b>(70,462)</b>	<b>(92,305)</b>

### 20. Contingencies

#### Contingent liabilities

The Company had not extended any guarantees or pledges other than those disclosed at 31<sup>st</sup> December 2025 and 2024 (Note 14).

### 21. Director and Key Management compensation

#### a) Compensation paid to the members of the Board of Directors

Total compensation paid to the members of the Board of Directors has amounted to €10,216 thousand (2024: €7,881 thousand). The members of the Board of Directors received no compensation in respect of bonuses or profit-sharing arrangements. Nor did they receive shares or sell or exercise stock options or other rights related to pension plans or insurance policies of which they are beneficiaries.

The Company has entered into no commitments relating to pensions or other types of complementary retirement remuneration with the Directors.

#### b) Compensation and loans to Key Management personnel

As of 31<sup>st</sup> December 2025 and 2024, the Company's Senior Management was made up of 4 women and 3 men. The total compensation accrued by key management personnel in 2025 amounted to €6,287 thousand (2024: €6,351 thousand). Likewise, Senior management personnel do not have life or civil liability insurance at the expense of the Company. These amounts exclude the compensation related to the members of the Board of Directors, with have been disclosed in Note 17.b).

As explained in Note 17, the Board of Directors of CIE Automotive S.A. agreed in 2018 to implement a plan to allow the participation of certain Group employees in the company's capital stock. The total nominal amount of the loans to members of the Senior Management, pending collection as of 31<sup>st</sup> December 2025 is 4,029 thousand (2024: €5,354 thousand).

The Company has entered into no commitments related to pensions or other types of complementary post-employment benefits with Key Management personnel.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

### c) Article 228 of the Spanish Companies Act

In the duty to avoid situations of conflict of interest of the Company, during 2025 the administrators who have occupied charges in the Board of Directors during have complied with the obligations foreseen in the article 228 of the re-casted text of the Law of Capital companies. Likewise, both managing directors and their relatives have abstained from incurring in the suppositions of conflict of interest foreseen in the article 229 of the aforementioned norm. No communication about direct or indirect conflicts of interest has been notified during the current year to the Board of Directors.

### d) Complementary long-term incentive based on the increase in value of the shares of CIE Automotive, S.A.

At the General Shareholder's Meeting held on 8<sup>th</sup> May 2024, it was approved the modification of certain terms of the long-term incentive plan based on the increase in the share value of CIE Automotive, S.A. in favour of the CEO approved by the General Shareholder's Meeting on 24<sup>th</sup> April 2018 and modified by the General Shareholder Meeting of 5<sup>th</sup> May 2021 and 4<sup>th</sup> May 2023. In light of the extraordinary remuneration received by the CEO in 2023 due to exceptional circumstances and also considering the approval of the 2025-2027 Remuneration Policy for the Board of Directors which included a proposal of a new fixed remuneration for the CEO, it was deemed appropriate to adjust the reference value of the share price for executing the long-term Incentive. Accordingly, the benchmark share price was set at €45.00 per share, with the final reference period for partial exercise of the Incentive concluding on 31<sup>st</sup> December 2027.

## 22. **Transactions with group companies and related parties**

The Company is the ultimate parent company of Group (Appendix I).

The breakdown of the transactions conducted with group companies in 2025 and 2024 is provided below:

	<b>2025</b>	<b>2024</b>
<b>Services rendered:</b>	<b>256,299</b>	<b>262,820</b>
- Dividends received (Notes 7 and 17)	82,110	88,446
- Services (Note 17)	115,015	107,546
- Financial services (Note 17)	59,174	66,828
<b>Interest:</b>	<b>(14,267)</b>	<b>(8,344)</b>
- Financial (Note 19)	(14,267)	(8,344)

Closing balances at the 2025 and 2024 year-ends derived from the transactions described above are set out in Notes 6, 7, 8 and 14.b) above.

A breakdown of movements in non-current credit lines and loans granted to and received from companies of CIE Automotive Group in 2025 and 2024 is provided in Note 7.d) and Note 14.b).

In 2025 and 2024, no provision was required for the impairment of loans granted to group companies and associated.

## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025 (Denominated in thousand euro)

a) Balances and transactions of the Company with related parties not belonging to the CIE Automotive Group:

Balances in thousand euro	31.12.2025	
	Directors/ Key management	Other related parties
Receivables from related parties: trade receivables	-	-
Receivables from related parties: Loans	10,101	-
Payables to related parties: trade payables	-	(599)
Payables to related parties: Loans	-	(34,467)
Receivable balances with entities with significant influence	-	(7,800)
Dividend payable	-	(55,750)
Advances to related parties	2,600	-
Transactions in thousand euro	Directors/ Key management	Other related parties
Services provided	-	-
Services received	34	557
Finance income	-	12
Finance expense	-	1,192
Balances in thousand euro	31.12.2024	
	Directors/ Key management	Other related parties
Receivables from related parties: Customers	-	60
Receivables from related parties: Loans	12,845	-
Payables to related parties: Suppliers	-	(606)
Payables to related parties: Loans	-	(34,370)
Receivable balances with entities with significant influence	-	16,800
Dividend payable	-	(55,082)
Advances to related parties	3,900	-
Transactions in thousand euro	Directors/ Key management	Other related parties
Services provided	-	-
Services received	-	599
Finance income	-	17
Finance expense	-	1,709

### 23. Information on the environment

Environmental activity refers to any transaction, the main purpose of which is to minimize damage to the environment or enhance environmental protection efforts. Because of its holding company structure, the Company is not materially exposed to environmental risk.

The Company has not incurred significant expenses of an environmental nature in either 2025 or 2024.

The Company is not aware of the existence of any environmental protection related contingencies or liabilities and did not deem it necessary to recognize any provision for liabilities or charges of an environmental nature.

### 24. Auditor fees

Fees from KPMG Auditores, S.L. for the audit services of the Company's accounts (including the Company's consolidated annual accounts) and other assessment services amounted to €364 thousand in 2025 (2024: €357 thousand). Other services rendered by KPMG Auditores, S.L. have amounted to €185 thousand in 2025 (2024: €181 thousand), and mainly refer to agree upon procedures related to covenant compliance, review of the Spanish SCIIF report related to Internal Control Management on Financial Information and verification of non-financial indicators.

There are no other fees accrued and/or invoiced by other firms from the KPMG network in 2025 and 2024.

**NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2025**  
**(Denominated in thousand euro)**

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**25. Events after the balance sheet date**

At the date of preparation of these Annual Accounts, no significant subsequent event to the fiscal year 2025 has occurred which could arise on significant impacts to the financial statements of the period ended as of 31<sup>st</sup> December 2025.

**APPENDIX I: LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Company	Parent company	Activity	Location	% effective	
				Shareholding of CIE Automotive	
				Direct	Indirect
<b>CIE Berriz, S.L.</b> <sup>(1)</sup>	CIE Automotive, S.A.	Holding company	Biscay	100.00%	-
CIE Udalbide, S.A.U.	CIE Berriz, S.L.	Manufacture of auto parts	Biscay	-	100.00%
CIE Mecauto, S.A.U. <sup>(3)</sup>	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
Gameko Fabricación de Componentes, S.A.	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
Grupo Componentes Vilanova, S.L.	CIE Berriz, S.L.	Manufacture of auto parts	Barcelona	-	100.00%
Componentes de Automoción Recytec, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
Componentes de Dirección Recylan, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Navarre	-	100.00%
Nova Recyd, S.A.U.	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
Recyde, S.A.U.	CIE Berriz, S.L.	Manufacture of auto parts	Gipuzkoa	-	100.00%
Recyde CZ, s.r.o.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
CIE Zdánice, s.r.o.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
Alcasting Legutiano, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
Egaña 2, S.L.	CIE Berriz, S.L.	Manufacture of auto parts	Biscay	-	100.00%
Inyctametal, S.A.	CIE Berriz, S.L.	Manufacture of auto parts	Biscay	-	100.00%
Orbelan Plásticos, S.A.U.	CIE Berriz, S.L.	Manufacture of auto parts	Gipuzkoa	-	100.00%
Transformaciones Metalúrgicas Norma, S.A.	CIE Berriz, S.L.	Manufacture of auto parts	Gipuzkoa	-	100.00%
Plasfil Plásticos da Figueira, S.A. <sup>(1)</sup>	CIE Berriz, S.L.	Manufacture of auto parts	Portugal	-	100.00%
CIE Stratis-Tratamentos, Ltda.	Plasfil Plásticos da Figueira, S.A.	Manufacture of auto parts	Portugal	-	100.00%
CIE Metal CZ, s.r.o.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
CIE Plasty CZ, s.r.o.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
CIE Unitools Press, a.s.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
CIE Automotive Maroc, s.a.r.l. d'au	CIE Berriz, S.L.	Manufacture of auto parts	Morocco	-	100.00%
CIE Praga Louny, a.s.	CIE Berriz, S.L.	Manufacture of auto parts	Czechia	-	100.00%
CIE Deutschland, GmbH	CIE Berriz, S.L.	Facilities	Germany	-	100.00%
Leaz Valorización, S.L.U. (dormant)	CIE Berriz, S.L.	Waste management and recoveries	Biscay	-	100.00%
CIE Compiègne, S.A.S.	CIE Berriz, S.L.	Manufacture of auto parts	France	-	100.00%
Biosur Transformación, S.L.U.	CIE Berriz, S.L.	Biofuels	Huelva	-	100.00%
Gestión de Aceites Vegetales, S.L. <sup>(1) (2)</sup>	CIE Berriz, S.L.	Biofuels	Madrid	-	88.73%
Reciclado de Residuos Grasos, S.L.U. <sup>(2)</sup>	Gestión de Aceites Vegetales, S.L.	Biofuels	Madrid	-	88.73%
Recogida de Aceites y Grasas Maresme, S.L.U. <sup>(2)</sup>	CIE Berriz, S.L.	Biofuels	Barcelona	-	100.00%
Denat 2007, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Pontevedra	-	100.00%
Industrias Amaya Tellería, S.A.U.	CIE Berriz, S.L.	Manufacture of auto parts	Biscay	-	100.00%
MAR SK, s.r.o.	CIE Berriz, S.L.	Manufacture of auto parts	Slovakia	-	100.00%
Autocom Componentes Automotivos do Brasil Ltda.	CIE Berriz, S.L.	Manufacture of auto parts	Brazil	-	100.00%
GAT México, S.A. de C.V.	CIE Berriz, S.L.	Manufacture of auto parts	Mexico	-	100.00%
SC CIE Matricon, S.A.	CIE Berriz, S.L.	Manufacture of auto parts	Romania	-	100.00%
CIE Automotive Parts (Shanghai) Co., Ltd.	CIE Berriz, S.L.	Manufacture of auto parts	People's Republic of China	-	100.00%
CIE Automotive Rus, LLC	CIE Berriz, S.L.	Manufacture of auto parts	Russia	-	100.00%
CIE Automotive Goain, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Araba/Álava	-	100.00%
CIE Porriño, S.L.U.	CIE Berriz, S.L.	Manufacture of auto parts	Pontevedra	-	100.00%
Basquevolt, S.A.	CIE Berriz, S.L.	Sustainable batteries	Araba/Álava	-	9.74%
Somaschini, SPA <sup>(1) (4)</sup>	CIE Berriz, S.L.	Manufacture of auto parts	Italy	-	100.00%

**APPENDIX I: LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Company	Parent company	Activity	Location	% effective	
				Shareholding of CIE Automotive	
				Direct	Indirect
Somaschini International, Inc <sup>(*)</sup>	Somaschini Automotive, SRL	Holding company	USA	-	100.00%
Somaschini North America, LLC	Somaschini International, Inc	Manufacture of auto parts	USA	-	100.00%
Somaschini Realty, LLC	Somaschini International, Inc	Real state	USA	-	100.00%
Autometal, Ltda. <sup>(*)</sup>	CIE Berriz, S.L.	Manufacture of auto parts	Brazil	-	100.00%
Durametal, Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	84.88%
Autometal SBC Injeção e Pintura de Plásticos Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
Autometal Investimentos e Imóveis, Ltda. <sup>(*)</sup>	Autometal, Ltda.	Facilities	Brazil	-	100.00%
Gescrap-Autometal Comércio de Sucatas Ltda.	Autometal Investimentos e Imóveis, Ltda.	Scrap	Brazil	-	30.00%
Jardim Sistemas Automotivos e Industriais, Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
Metalúrgica Nakayone, Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
Autometal Minas Cromação, Pintura e Injeção de Plásticos Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
CIE Autometal Salto Indústria e Comércio, Ltda.	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
CIE Engrecon, Ltda. <sup>(0)</sup>	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
CIE Autometal Piracicaba, Ltda. <sup>(0)</sup>	Autometal, Ltda.	Manufacture of auto parts	Brazil	-	100.00%
CIE Automotive de México, S.A.P.I. de C.V. <sup>(*)</sup>	CIE Berriz, S.L.	Holding company	Mexico	-	100.00%
Pintura y Ensamblajes de México, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
CIE Celaya, S.A.P.I. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
Gescrap Autometal México, S.A. de C.V. <sup>(*)</sup>	CIE Automotive de México, S.A.P.I. de C.V.	Scrap	Mexico	-	30.00%
Soluciones de Gestión de Residuos Mexicana, S.A. de C.V.	Gescrap Autometal México, S.A. de C.V.	Facilities	Mexico	-	29.70%
Ges Trading Nar, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Facilities	Mexico	-	30.00%
Pintura, Estampado y Montaje, S.A.P.I. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
Maquinados Automotrices y Talleres Industriales de Celaya, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
CIE Berriz México Servicios Administrativos, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Facilities	Mexico	-	100.00%
Nugar, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
Maquinados de Precisión de México S. de R.L. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
CIE Plásticos México, S.A. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
CIE Metal Norte, S.A.P.I. de C.V.	CIE Automotive de México, S.A.P.I. de C.V.	Manufacture of auto parts	Mexico	-	100.00%
CIE Automotive USA, Inc <sup>(*)</sup>	CIE Automotive de México, S.A.P.I. de C.V.	Facilities	USA	-	100.00%
CIE Investments USA, Inc	CIE Automotive USA, Inc	Holding company	USA	-	100.00%
Century Plastics, LLC <sup>(*)</sup>	CIE Automotive USA, Inc	Manufacture of auto parts	USA	-	100.00%
Century Plastics Real State Holdings, LLC	Century Plastics, LLC	Real state	USA	-	100.00%
Newcor, Inc <sup>(*)</sup>	CIE Automotive USA, Inc	Holding company	USA	-	100.00%
Owosso Realty, LLC	Newcor, Inc	Real state	USA	-	100.00%
Corunna Realty, Corp.	Newcor, Inc	Real state	USA	-	100.00%

**APPENDIX I: LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Company	Parent company	Activity	Location	% effective	
				Shareholding of CIE Automotive	
				Direct	Indirect
Clifford Realty, Corp.	Newcor, Inc	Real state	USA	-	100.00%
Machine, Tool and Gear, Inc	Newcor, Inc	Manufacture of auto parts	USA	-	100.00%
Rochester Gear, Inc	Newcor, Inc	Manufacture of auto parts	USA	-	100.00%
Golde South Africa, LLC	CIE Automotive USA, Inc	Distributor company	USA	-	100.00%
Golde Auburn Hills, LLC	CIE Automotive USA, Inc	Manufacture of auto parts	USA	-	100.00%
Participaciones Internacionales Autometal Dos, S.L.U. <sup>(*)</sup>	CIE Berriz, S.L.	Holding company	Biscay	-	100.00%
CIE Automotive India, Ltd. <sup>(*)</sup>	Participaciones Internacionales Autometal Dos S.L.U.	Manufacture of auto parts	India	-	65.70%
CIE Galfor, S.A.U. <sup>(*)</sup>	CIE Automotive India, Ltd.	Manufacture of auto parts	Ourense	-	65.70%
CIE Forging Germany GmbH	CIE Galfor, S.A.U.	Holding company	Germany	-	65.70%
CIE Legazpi, S.A.U.	CIE Galfor, S.A.U.	Manufacture of auto parts	Gipuzkoa	-	65.70%
UAB CIE LT Forge	CIE Galfor, S.A.U.	Manufacture of auto parts	Lithuania	-	65.70%
Galfor Eólica, S.L.	CIE Galfor, S.A.U.	Power generation and trade	Ourense	-	16.43%
Metalcastello S.p.A.	CIE Galfor, S.A.U.	Manufacture of auto parts	Italy	-	65.67%
BillForge de México, S.A. de C.V.	CIE Galfor, S.A.U.	Manufacture of auto parts	Mexico	-	65.70%
CIE Aluminium Casting India, Ltd. <sup>(*)</sup>	CIE Automotive India, Ltd.	Manufacture of auto parts	India	-	65.70%
Sunseed Solar Pvt, Ltd	CIE Aluminium Casting India, Ltd.	Power generation and trade	India	-	17.40%
AMPIN Energy C&I Thirty One Pvt, Ltd. <sup>(0)</sup>	CIE Aluminium Casting India, Ltd.	Power generation and trade	India	-	26.22%
CIE Hosur, Ltd <sup>(*)</sup>	CIE Automotive India, Ltd.	Manufacture of auto parts	India	-	65.70%
Ojaha Renewables Pvt, Ltd.	CIE Hosur, Ltd.	Power generation and trade	India	-	18.32%
Gescrap India Pvt. Ltd.	CIE Automotive India, Ltd.	Manufacture of auto parts	India	-	19.71%
Clean Max Deneb Power, LLP	CIE Automotive India, Ltd.	Power generation and trade	India	-	17.08%
Sunbarn Renewables PVT., Ltd.	CIE Automotive India, Ltd.	Power generation and trade	India	-	17.16%
Renew Surya Alok Pvt, Ltd	CIE Automotive India, Ltd.	Power generation and trade	India	-	20.50%
Strongsun Solar Pvt, Ltd.	CIE Automotive India, Ltd.	Power generation and trade	India	-	17.97%
ReNew Green (MHK Two) Pvt, Ltd.	CIE Automotive India, Ltd.	Power generation and trade	India	-	20.50%
Amp Energy C&I Thirty Two Pvt, Ltd. <sup>(0)</sup>	CIE Automotive India, Ltd.	Power generation and trade	India	-	26.24%
<b>Advanced Comfort Systems Ibérica, S.L.U.</b>	CIE Automotive, S.A.	Manufacture of auto parts	Ourense	100.00%	-
<b>Advanced Comfort Systems France, S.A.S. <sup>(*)</sup></b>	CIE Automotive, S.A.	Manufacture of auto parts	France	100.00%	-
Advanced Comfort Systems Romania, S.R.L.	Advanced Comfort Systems France, S.A.S.	Manufacture of auto parts	Romania	-	100.00%
Advanced Comfort Systems México, S.A. de C.V.	Advanced Comfort Systems France, S.A.S.	Manufacture of auto parts	Mexico	-	100.00%
Advanced Comfort Systems Shanghai Co. Ltd. <sup>(*)</sup>	Advanced Comfort Systems France, S.A.S.	Manufacture of auto parts	People's Republic of China	-	100.00%
Wuhan Advanced Comfort Systems Co. Ltd.	Advanced Comfort Systems Shanghai Co. Ltd.	Manufacture of auto parts	People's Republic of China	-	100.00%
<b>Autokomp Ingeniería, S.A.U. <sup>(*)</sup></b>	CIE Automotive, S.A.	Facilities	Biscay	100.00%	-
Forjas de Celaya, S.A. de C.V.	Autokomp Ingeniería, S.A.U.	Manufacture of auto parts	Mexico	-	100.00%
Nanjing Automotive Forging Co., Ltd.	Autokomp Ingeniería, S.A.U.	Manufacture of auto parts	People's Republic of China	-	50.00%
CIE Forjas Minas, Ltda.	Autokomp Ingeniería, S.A.U.	Manufacture of auto parts	Brazil	-	100.00%
<b>CIE Automotive Boroa, S.L.U.</b>	CIE Automotive, S.A.	Financing	Biscay	100.00%	-
<b>CIE Automotive Roof systems Korea Ltd.</b>	CIE Automotive, S.A.	Manufacture of auto parts	Republic of Korea	100.00%	-
<b>CIE Roof Systems, S.L.U. <sup>(*)</sup></b>	CIE Automotive, S.A.	Holding company	Biscay	100.00%	-
Golde Tianjin Co., Ltd.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	People's Republic of China	-	100.00%

## APPENDIX I: LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Company	Parent company	Activity	Location	% effective	
				Direct	Indirect
Golde Wuhan Co., Ltd.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	People's Republic of China	-	100.00%
Golde Shandong Co., Ltd.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	People's Republic of China	-	100.00%
CIE Golde Holding, S.L.U. <sup>(*)</sup>	CIE Roof Systems, S.L.U.	Holding company	Biscay	-	100.00%
Golde Shanghai Co., Ltd.	CIE Golde Holding, S.L.U.	Manufacture of auto parts	People's Republic of China	-	100.00%
Golde Changchun Co., Ltd.	CIE Golde Holding, S.L.U.	Manufacture of auto parts	People's Republic of China	-	100.00%
CIE Golde Shanghai Innovation Co., Ltd.	CIE Golde Holding, S.L.U.	Technology center	People's Republic of China	-	100.00%
Golde Netherlands, BV <sup>(*)</sup>	CIE Roof Systems, S.L.U.	Holding company	The Netherlands	-	100.00%
Golde Mexico Holdings, LLC <sup>(*)</sup>	Golde Netherlands, BV	Holding company	USA	-	100.00%
Automotive Mexico Body Systems, S. de R.L. de C.V.	Golde Mexico Holdings, LLC	Manufacture of auto parts	Mexico	-	100.00%
Golde Bengaluru India Pvt Ltd.	CIE Roof Systems, S.L.U.	Technology center	India	-	100.00%
Roof Systems Germany, GmbH	CIE Roof Systems, S.L.U.	Technology center	Germany	-	100.00%
Golde Oradea, SRL	CIE Roof Systems, S.L.U.	Manufacture of auto parts	Romania	-	100.00%
Golde Lozorno, Spol, s.r.o.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	Slovakia	-	100.00%
SIR S.A.S.	CIE Roof Systems, S.L.U.	Holding company	France	-	100.00%
CIE Salgglas Üvegipari, Z.r.t.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	Hungary	-	100.00%
Shanghai Golde Automotive Parts Co., Ltd. <sup>(*)</sup>	CIE Roof Systems, S.L.U.	Manufacture of auto parts	People's Republic of China	-	50.00%
Golde Automotive Parts (Ningde) Co., Ltd. (in liquidation)	Shanghai Golde Automotive Parts Co., Ltd.	Manufacture of auto parts	People's Republic of China	-	50.00%
Golde Pune Automotive India Private Ltd.	CIE Roof Systems, S.L.U.	Manufacture of auto parts	India	-	100.00%

(1) Companies added in the consolidation scope in 2025.

(2) Discontinued companies as of 31<sup>st</sup> December 2025.

(3) Absorbing Company in the merger by absorption carried out with the company Mecanizaciones del Sur-Mecasur, S.A.U. (Absorbed Company).

(4) Absorbing Company in the merger by absorption carried out with the company Somaschini Automotive, SRL (Absorbed Company).

(\*) Parent company of the fellow subsidiaries disclosed thereafter on the table.

**APPENDIX II: CONSOLIDATED FINANCIAL STATEMENTS**
**CONSOLIDATED BALANCE SHEETS AS AT 31<sup>ST</sup> DECEMBER 2025  
PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS-EU)**

<b>Thousand euro</b>	<b>Note</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Property, plant and equipment	7/8	1,724,910	1,776,024
Intangible assets		1,783,335	1,852,331
Goodwill	7/8	1,764,551	1,829,756
Other intangible assets	7/8	18,784	22,575
Non-current financial assets	9	71,350	80,616
Investments accounted applying the equity method	9	56,053	55,317
Deferred tax assets	17	230,789	238,691
Other non-current assets	-	16,034	22,500
<b>Non-current assets</b>		<b>3,882,471</b>	<b>4,025,479</b>
Inventories	11	457,296	457,161
Trade debtors and other accounts receivable		306,958	346,698
Trade and other receivables	10	188,478	201,131
Other current assets	-	50,981	73,898
Current tax assets	-	67,499	71,669
Other current financial assets	9	188,713	183,462
Cash and cash equivalents	12	842,393	947,454
<b>Current assets</b>		<b>1,795,360</b>	<b>1,934,775</b>
<b>Disposal group assets classified as held for sale</b>		<b>616</b>	<b>651</b>
<b>TOTAL ASSETS</b>		<b>5,678,447</b>	<b>5,960,905</b>

**APPENDIX II: CONSOLIDATED FINANCIAL STATEMENTS**
**CONSOLIDATED BALANCE SHEET AT 31<sup>ST</sup> DECEMBER 2025  
PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS-EU)**

<b>Thousand euro</b>	<b>Note</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Equity attributable to the parent company's shareholders		1,449,584	1,497,920
Share capital	13	29,952	29,952
Treasury shares	13	(29,638)	(1,570)
Share premium	13	152,171	152,171
Retained earnings	13	1,878,001	1,659,290
Interim dividend	13	(55,750)	(55,082)
Translation differences	13	(525,152)	(286,841)
Non-controlling interests	13	398,089	416,021
<b>TOTAL EQUITY</b>		<b>1,847,673</b>	<b>1,913,941</b>
<b>Deferred income</b>		<b>16,312</b>	<b>17,680</b>
Non-current provisions	18	144,713	140,760
Non-current borrowings	14	1,379,894	1,573,696
Deferred tax liabilities	17	231,943	220,603
Other non-current liabilities	16	132,946	149,880
<b>Non-current liabilities</b>		<b>1,889,496</b>	<b>2,084,939</b>
Current borrowings	14	635,377	642,858
Trade creditors and other payables		998,438	1,018,691
Trade and other payables	15	925,798	936,187
Current tax liabilities	16	72,640	82,504
Other current financial liabilities	9	21	42
Current provisions	18	119,017	118,730
Other current liabilities	16	171,452	163,582
<b>Current liabilities</b>		<b>1,924,305</b>	<b>1,943,903</b>
<b>Disposal group liabilities classified as held for sale</b>		<b>661</b>	<b>442</b>
<b>TOTAL LIABILITIES</b>		<b>3,814,462</b>	<b>4,029,284</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,678,447</b>	<b>5,960,905</b>

**APPENDIX II: CONSOLIDATED FINANCIAL STATEMENTS**
**CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2025  
PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS-EU)**

Thousand euro	Note	2025	2024
<b>OPERATING REVENUE</b>		<b>4,067,481</b>	<b>4,089,225</b>
Revenue	19	3,958,253	3,960,555
Other operating income	19	111,149	125,332
Change in inventories of finished goods and work in progress	11/19	(1,921)	3,338
<b>OPERATING EXPENSES</b>		<b>(3,524,605)</b>	<b>(3,550,839)</b>
Consumption of raw materials and secondary materials	11	(2,240,496)	(2,273,193)
Employee benefit expense	21	(668,045)	(659,377)
Depreciation, amortisation and impairment	6/7/8	(203,320)	(189,490)
Other operating expenses	20	(412,744)	(428,779)
<b>OPERATING PROFIT</b>		<b>542,876</b>	<b>538,386</b>
Finance income	22	44,309	41,733
Finance costs	22	(110,547)	(125,976)
Net exchange differences	22	(1,178)	(1,774)
Result of financial instruments at fair value	9/22	9,363	1,347
Result of investments accounted applying the equity method	9	5,348	8,915
<b>PROFIT BEFORE TAX</b>		<b>490,171</b>	<b>462,631</b>
Income tax	23	(121,621)	(100,707)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>368,550</b>	<b>361,924</b>
<b>PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS AFTER TAX</b>		<b>932</b>	<b>1,033</b>
<b>PROFIT FOR THE YEAR</b>		<b>369,482</b>	<b>362,957</b>
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>	13	(33,700)	(37,297)
<b>PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY</b>		<b>335,782</b>	<b>325,660</b>
<hr/>			
Earnings per share from continuing operations (euro)	13		
- Basic		2.81	2.71
- Diluted		2.81	2.71
Earnings per share from discontinued operations (euro)	13		
- Basic		0.01	0.01
- Diluted		0.01	0.01

## MANAGEMENT REPORT FOR THE YEAR 2025

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### **CIE AUTOMOTIVE, S.A.**

CIE Automotive, S.A., parent company of CIE Automotive Group, came into existence in 2002 as a result of the merger of two business groups, Egaña and Aforasa. Following the merger between Acerías y Forjas de Azcoitia, S.A. (transferee) and Egaña, S.A. (transferor), the former took CIE Automotive, S.A. as its registered name. Since then, CIE Automotive, S.A. has become a financially solid Group with global presence.

The shares of CIE Automotive, S.A. are traded on the continuous market of Madrid and Bilbao Stock Exchanges.

This management report has been prepared following the guidelines of the "Guide to recommendations for the preparation of management reports for listed entities", published by the CNMV in July 2013.

### **1. CIE AUTOMOTIVE GROUP**

#### **1.1 Profile of the Group**

CIE Automotive (from now on, "CIE" or "The Group", interchangeably) is an industrial group specialist in high value-added processes, which develops its activity in the Automotive components business.

The business of Automotive components, which encompasses the design, production and distribution of integral services, components and sub-assemblies for the global automotive market, is CIE Automotive's main activity since its foundation.

CIE Automotive is an international industrial group that manages high added value processes. This concept of high value is applied in management, with a comprehensive vision in all phases of the value chain of sectors with good long-term projection.

CIE Automotive designs and manufactures components and subassemblies globally in 111 production centres. These plants are spread over 16 countries on 4 continents, multi-location being the option chosen for the internationalization process, based on decentralized management and led by local teams.

#### **1.2 Business units – auto parts**

CIE is a comprehensive services supplier, components and sub-assemblies for the Automotive market.

It develops its entire line of products through seven basic processes or technologies: machining, stamping and tube forming, forging, plastic, aluminium injection, steel casting and ceiling systems. With them, components and subassemblies are manufactured for all parts of a vehicle, such as: engine and transmission, chassis and steering assemblies, and exterior and interior of the vehicle.

For 25 years, after its creation in 1996 and integrating more than a hundred companies, CIE Automotive's progress as a components and sub-assemblies supplier for the Automotive industry has been driven by cycles of economic prosperity and hampered by others of crisis, which the Group has overcome and avoided as a result of the features that define its business model: geographical balance, commercial diversification, multi-technology, investment discipline and decentralized management and integration of ESG standards.

#### **1.3 Mission, Vision, and Values**

##### **Mission:**

CIE Automotive is a supplier of components, assemblies and sub-assemblies to the global Automotive market, global supplier with presence in 4 continents and multi-technological for its action based on the use of 7 technologies, complementary and various associated processes as well as with an integrated vision of the entire value chain.

We are a team committed to the development of a profitable automotive project that has been growing steadily for more than 25 years, positioning it as a reference partner through customer satisfaction with comprehensive, innovative and competitive with high added value solutions.

We seek excellence by providing value to all our stakeholders based on the following commitments:

- We guarantee quality and service.
- We are an innovating and participative team where each individual is proactive and feels proud to its belonging.
- We take care of the Earth by contributing to improve our environment and minimizing our environmental impact.

## MANAGEMENT REPORT FOR THE YEAR 2025

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### **Vision:**

We aspire to being a benchmark industrial group specialised in managing highly value-added processes supplying the best solutions for the mobility of the future. Moreover, we strive to be the paradigm of a socially-responsible company through our permanent commitment and our responsibility with the consequences and impacts derived from our actions being the following:

- To be climate neutral.
- To become value chain tractors.
- To be a social reference by warranting integrity, safety and health of the people.
- Management excellence by being transparent and integrity, as well as value generation.

### **Values:**

Honesty, fairness and integrity are the basis of all our values:

- We commit with good practices.
- We innovate as a response to any challenge.
- We focus on people, their families and their environment.
- We protect diversity, we defend equality and we promote inclusion.
- We are self-critic and we take ownership.
- We protected the climate and local entities where we are based, acting locally.
- Last but not least, we respect legality.

### **Corporate policies:**

The company promotes the creation of working teams to develop specific aspects of its Corporate Governance System in where authorised representatives of the interest group affected in each case, professionals of the Company and experts external in the matter of the highest level participate.

To develop its mission and advance on its vision, CIE Automotive guides its actions in accordance with its corporate values, based on which it has created a series of Corporate Policies, mandatory for all members of the organisation, approved for the first time by the Board of Directors in December 2015 and which have since been reviewed, updated and approved again, mostly between 2019 and February 2024.

The ethical framework is developed in this series of corporate policies prepared by each of the responsible departments, being mandatory for all members of the company and which are structured into:

#### Environmental, Social and Governance Policies (ESG)

- Environmental policy
- Environmental, Social and Good Governance (ESG)
- Sustainable purchasing
- Human rights
- Anti-corruption and anti-fraud
- Community work

#### Governance policies

- Internal control over financial and non-financial reporting systems
- Risk control and management
- Corporate governance

## MANAGEMENT REPORT FOR THE YEAR 2025

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- Tax policy
- Reporting to and communicating with shareholders and the market
- Shareholder remuneration policy
- Director selection and board diversity policy
- Recruitment and account auditor's relations policy
- Policy on Compliance and Compliance Risk Prevention
- Board members' compensation policy
- Internal Reporting System Policy
- Policy on Anti-Competitive Practices
- Policy on Information Technologies and Cybersecurity Risks

### 2. EVOLUTION OF THE BUSINESS OF CIE AUTOMOTIVE, S.A.

The Company CIE Automotive, S.A., as the parent company of the CIE Group, has as its main income the provision of services to the different subsidiaries of the Group, the interests received from the financing provided to the Group's subsidiaries and the income from dividends received from these subsidiaries.

CIE Automotive, S.A.'s turnover decreased in by €6.1 million to €257.1 million (2024: €263.2 million). On the one hand, the interest generated by loans granted to group companies, whose remuneration is updated according to the evolution of market prices, has decreased in line with the market evolution. Dividends received from investments in group companies have also decreased by €6.3 million, whereas income from the provision of services to subsidiary companies increased by €7.5 million.

The Company's operating profit remained stable compared to the previous year, decreasing by €1.7 million to €226.3 million (2024: €228.0 million).

With regard to the financial result, the Company has been profited from the evolution of the interest rates of its financing to variable prices. In this sense, financial expenses in year 2025 have amounted to €80.7 million, while in 2024 the expense amounted to €96.2 million. In addition, income from the fair value measurement of certain financial instruments increased to €9.5 million in 2025, while income in 2024 amounted to €1.5 million.

The net result for the year, after taxes, has amounted to €134.1 million (2024: €122.4 million).

#### 2.1 Summary of the year

##### **Economic context**

The automotive industry continues to be immersed in a profound transformation of its production model, aimed at advancing the decarbonization of the vehicle fleet while at the same time increasing levels of connectivity, digitalization, and comfort, all within an environment of strong pressure to keep prices under control. Following the recovery recorded in 2023 and the subsequent slowdown in global production during 2024, 2025 is characterized by a gradual normalization of the market, marked by differentiated regional dynamics and an environment still shaped by macroeconomic uncertainty.

Europe and North America continue to show moderate growth, influenced by interest rates which, although beginning to stabilize, still affect consumers' purchasing power and investment decisions. In this context, the transition to electric vehicles is progressing at a more selective pace, with greater rationalization of supply, adjustments in industrial planning, and an increasing focus on intermediate technological solutions that facilitate the gradual adoption of new powertrains.

The automotive market, in particular, is undergoing a cycle shift marked by intense price competition in the electric vehicle segment, the aging of the global vehicle fleet, and low levels of motorization in certain developing countries, factors which together are shaping a change in trend. These dynamics are compounded by global challenges arising from higher financing costs and economic slowdown. Nevertheless, experts are beginning to point to a moderation in the price war within the electric vehicle market, as well as growing consumer interest, further supported by incentive programs and public subsidies implemented in several countries to encourage adoption.

## MANAGEMENT REPORT FOR THE YEAR 2025

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Europe has, for a consecutive year, decreased its production by 1.1% to 16.4 million vehicles. This trend is mainly the result of market uncertainty, the weakening of the Eurozone economy, and the rise in imports of Chinese vehicles.

Vehicle production in North America decreased by 1.2%, reaching 15.3 million vehicles. Among the factors behind this contraction in volumes are market stagnation and economic uncertainty.

In the case of Brazil, the market recorded a moderate increase compared to the previous year, with vehicle production rising by 3.7% to 2.5 million units.

On the other side of the globe, India increased its vehicle production in 2025 by 8.3%, reaching 6.1 million units. The main driver of this growth continues to be the very low level of motorization and the significant market potential offered by this geography.

China grew by 10.0%, driven especially by exports from local brands. In any case, production has also been supported by the extension of tax reductions for electric vehicles through 2027.

### **Performance of the Group**

Despite the negative evolution of demand and fluctuations in exchange rates, CIE Automotive continued to grow its revenues at constant exchange rates in 2025, once again achieving a record net profit.

In this complex context, sales reached €3,958.3 million, a level slightly below that of 2024 due to currency fluctuations, but representing growth of 3.8% at constant exchange rates. Net profit increased by 3.1% compared to the previous year, reaching €335.8 million. All of this was achieved while maintaining healthy operating margins even amid global market uncertainty, demonstrating the robustness of the business model and the soundness of the operational strategy being implemented.

All lines of the income statement reflect the solid performance of the business. EBITDA increased by 2.5% to €746.2 million, while EBIT remained broadly in line at €542.9 million.

In 2025, all geographic areas and divisions continued to contribute to the Group's strong results, achieving double-digit margins. By geography, the year can be summarized as follows:

#### Europe:

It is CIE Automotive's main market with presence in Spain, France, Germany, Italy, Portugal and Portugal in Western Europe and the Czech Republic, Lithuania, Romania, Hungary and Slovakia in Central and Eastern Europe. It also has a plant in Morocco.

CIE Automotive's sales in Europe amounted to €1,415.2 million, with an increase in the sales/EBITDA margin to 18.2%, despite the decline in market demand. Likewise, the EBIT margin also improved, reaching 12.4%.

#### North America:

CIE Automotive has production centres in both Mexico and the US, which serve the North American light vehicle market and, to a lesser extent, Brazil, Europe and Asia.

In 2025, CIE Automotive's North American plants achieved revenues of €1,174.4 million. These solid results are particularly noteworthy given the decline in market demand. For another consecutive year, CIE Automotive outperformed the market, achieving strengthened EBITDA and EBIT margins on sales of 19.5% and 13.7%, respectively.

#### Brazil:

CIE Automotive's Brazilian plants focus on the manufacturing of plastic components, stamping, forging, iron casting, aluminium injection and machining, being especially competitive in plastic technology, body-colour painting and chrome plating.

In 2025, CIE Automotive recorded sales of €433.2 million in Brazil—representing growth of 7.9%—with an EBITDA margin of 19.8% and an EBIT margin of 16.5%, clearly demonstrating the strengthened position of its plants relative to the market, which grew by 3.1%. This above-market growth was also supported by the integration of CIE Engrecon and CIE Piracicaba during the 2025 financial year.

## MANAGEMENT REPORT FOR THE YEAR 2025

### Asia:

The Group has several plants in Asia, a joint-venture and a technology centre. Its presence in India comes from the alliance with the Indian group Mahindra & Mahindra Ltd., while the presence in China was reinforced with the incorporation of companies from Golde's solar roof business. India is one of the development engines of the region and China, the main car producer in the world.

In India, CIE Automotive generated revenues of €668.1 million in 2025, further improving its already strong operating margins (EBITDA of 18.2% and EBIT of 14.5%). These excellent margins are linked to the measures implemented to enhance efficiency.

In China, CIE Automotive's sales amounted to €267.3 million, with high EBITDA (19.8%) and EBIT (14.3%) margins, in a market experiencing solid growth but characterized by strong dynamism, where electric vehicle production by local manufacturers is setting an important trend. Despite the company's positive results, its performance was less dynamic than that of the overall market due to its lower exposure to Chinese OEMs, which are driving market growth.

### Financial indicators of the consolidated group

(Thousand euro)	2025	2024
Consolidated revenue	3,958,253	3,960,555
Gross operating profit/(loss)-EBITDA	746,196	727,876
Profit/(loss) attributable to parent company	335,782	325,660
Total Equity	1,847,673	1,913,941
Net financial debt	912,836	1,005,064

The disclosure of this performance by operating segments is as follows:

Thousand euro	31 <sup>st</sup> December 2025					TOTAL
	NORTH AMERICA	BRAZIL	ASIA	CIE FORGING EUROPE	REST OF EUROPE	
Revenue	1,174,416	433,217	935,400	290,264	1,124,956	<b>3,958,253</b>
<b>EBITDA <sup>(*)</sup></b>	<b>228,456</b>	<b>85,949</b>	<b>174,492</b>	<b>38,647</b>	<b>218,652</b>	<b>746,196</b>

Thousand euro	31 <sup>st</sup> December 2024					TOTAL
	NORTH AMERICA	BRAZIL	ASIA	CIE FORGING EUROPE	REST OF EUROPE	
Revenue	1,217,531	401,364	939,966	306,779	1,094,915	<b>3,960,555</b>
<b>EBITDA <sup>(*)</sup></b>	<b>228,701</b>	<b>79,565</b>	<b>174,058</b>	<b>49,454</b>	<b>196,098</b>	<b>727,876</b>

<sup>(\*)</sup> EBITDA (gross operating income) results from summing depreciation, amortisation and impairment to the net operating profit.

### SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE YEAR

At the date of preparation of these Annual Accounts, no significant subsequent event to the fiscal year 2025 has occurred which could arise on significant impacts to the financial statements of the period ended as of 31<sup>st</sup> December 2025.

#### 2.1 Predictable evolution of the Group

##### Market environment

According to the International Monetary Fund (IMF), global economic growth is expected to remain resilient in 2026, with projections placing world GDP growth at around 3.3% in 2026, essentially maintaining the pace estimated for 2025, and with a slightly moderating trend toward 3.2% in 2027. This outlook reflects a modest upward revision for 2026 compared with previous forecasts and highlights a context of balanced but divergent forces in the global economy.

In the automotive sector, 2025 has been a year of moderate growth, with 93.0 million vehicles produced, representing a 3.9% increase compared to 2024 production volumes, driven by emerging markets.

## MANAGEMENT REPORT FOR THE YEAR 2025

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### Trends of the automotive industry

In a context of profound structural transformation affecting both demand and supply and shaping a highly dynamic and competitive environment, component manufacturers play a key role in the evolution of the automotive ecosystem, supporting OEMs in adapting to the main megatrends arising from regulatory, technological, social and geopolitical requirements. These trends can be summarized as follows:

1. Climate change and energy transition. Decarbonization remains a key priority on the global regulatory agenda, driving the electrification of the vehicle fleet within a context of greater technological pragmatism, where different solutions (battery electric vehicles, hybrids and high-efficiency internal combustion engines) coexist under a technology-neutral approach. At the same time, the reduction of environmental footprint extends across the entire value chain, including manufacturing processes and the use of sustainable materials.
2. Demographic change and demand evolution. Population growth and low motorization rates in emerging economies, particularly in Asia, continue to shift expansion potential toward these regions. In developed markets, aging populations and increasing urbanization are reshaping consumption patterns, although private vehicles continue to play a relevant role alongside new mobility solutions.
3. Technological transformation and digitalization. The industry is progressing toward electrified platforms and centralized electronic architectures, with the growing importance of software-defined vehicles, connectivity and advanced driver assistance systems. At the same time, the digitalization and automation of production processes are enhancing industrial efficiency and flexibility.
4. Geopolitical reconfiguration. Industrial policies, incentives for local production and the increase in trade measures are fostering greater regionalization of manufacturing. The rising competitiveness of Asian manufacturers and the reconfiguration of global value chains are redefining the sector's competitive balance.
5. Sectoral changes and competitive pressure. Electrification, improvements in safety and comfort, and enhanced user experience remain strategic priorities in an environment of increasing competitive pressure and price adjustments, particularly in the electric vehicle segment, requiring high levels of operational efficiency and financial discipline.
6. Supply chain transformation. The supply chain is evolving toward more resilient and regionalized models, combining selective outsourcing with greater vertical integration in strategic areas such as batteries and software. Digitalization and rising technological and financial requirements are driving consolidation processes and greater specialization among suppliers.

### **2.2 Business Strategy**

In 2021, CIE began the rollout of its 2025 Strategic Plan, a new comprehensive strategy designed to respond to automotive market trends and stakeholder concerns, setting out the objectives to be pursued across all aspects of its activities.

For the first time, this 2025 Strategic Plan established a series of global Environmental, Social and Governance (ESG) commitments, to which all Group plants were required to contribute, under the leadership and supervision of the corporate cross-functional areas.

The objectives and financial commitments set out in this strategic plan are described below and take into account the evolution of the main automotive market trends.

- Operational strategic plan. The commitments of the strategic plan aimed to increase sales by 20 percentage points above market growth, exceeding an EBITDA margin on sales of 19% in 2025, with an investment of €1 billion in the period, representing 5% over the annual sales.

The operational strategy will revolve around the following lines of work:

- o Electrification: The clear trend toward electric vehicles led CIE Automotive to increase its presence in electrified powertrain systems in order to position itself in the market with new high value-added components, mainly related to electric motors and power electronics, gearboxes and batteries. Furthermore, this objective is directly linked to mitigating environmental impact and formed part of the roadmap to minimize its contribution to climate change.

## MANAGEMENT REPORT FOR THE YEAR 2025

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- *Industry 4.0:* In its pursuit of smart manufacturing, CIE Automotive develops and implements various Industry 4.0 tools that interact and reinforce each other, together with advanced sensing capabilities that enable data capture and analysis through algorithms. This results in increased process efficiency, reducing resource consumption and environmental impact – ranging from fewer required prototypes to lower energy and raw material consumption, as well as reduced rejection rates and scrap generation.
  - *Comfort:* CIE Automotive’s roof systems division operates in a growing market, supported by the development of electric and autonomous driving.
  - *Internationalization:* Throughout its history, CIE Automotive has progressively expanded its geographic footprint to become a leading global supplier in all regions in which it operates and across the automotive markets it serves. This geographic positioning is a guarantee of success and will continue to be strengthened daily, with an increasingly balanced presence across regions and greater weight in high-growth potential areas such as China, India, Mexico and Brazil. The company maintains a global technological vision while adapting the specific strategy of each division to different geographic areas, depending on the realities of each market.
- ESG 2025 Strategic Plan. Published in November 2021, marked the successful integration of Environmental, Social and Governance aspects into CIE’s strategy. Four cross-cutting workstreams were defined across the organization, affecting the different business areas:
- *CIE Culture:* Identifying, developing, retaining and attracting talent through collaboration with universities and local training centers in new technologies, actively participating in the design and supervision of dual training challenges and programs.
  - *Ethical commitment:* Respecting, complying with and developing the ethical framework. Aligning actions with CIE Automotive’s Code of Conduct and applying equivalent ethical standards, including Anti-Corruption, Anti-Bribery and Conflict of Interest policies.
  - *Eco-efficiency:* Production efficiency and environmental impact improvement. The efficient use of materials has for years been the foundation of CIE Automotive’s sustainability and competitiveness. Accordingly, initiatives aimed at improving raw material usage ratios relative to final product weight and reducing component weight are core projects within the annual technology roadmap.
  - *Active listening:* Proactive engagement and continuous communication with stakeholders in order to meet their expectations.

### **Fulfilment of the 2021–2025 Strategic Plan**

After five years of disciplined execution, the Group has fully met the operational, financial and ESG commitments established in the Plan. This achievement has been delivered in a demanding and volatile industry environment, validating the consistency of the Group’s industrial model, its execution capabilities and its financial discipline.

- Operational fulfilment:
  - *Outperformance versus the market:* cumulative sales growth 25 percentage points above market growth over the period.
  - *Profitability:* 18.9% EBITDA margin in 2025, consolidating levels of operational excellence.
  - *Investment:* €1,058 million invested over the five-year period, equivalent to approximately 5% of annual sales.
  - *Cash generation:* average conversion of 66.9% of EBITDA into operating cash flow, with more than €2.2 billion generated over the period.
  - *Financial strength:* progressive reduction of net financial debt, strengthening the balance sheet structure.

## MANAGEMENT REPORT FOR THE YEAR 2025

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- ESG fulfilment:
  - Within the framework of the 2025 ESG Strategic Plan, the Group has fulfilled the environmental, social and governance commitments defined, supported by a monitoring system based on 79 KPIs. Over the 2021–2025 period, the Group achieved a cumulative 18.7% reduction in CO<sub>2</sub> emissions intensity and a 41.9% reduction in energy intensity, exceeding the established targets, as well as 81.9% of waste recycled in 2025. In the social area, 100% of the plants within the defined scope are certified under ISO 45001, and 77% of purchases were made from local suppliers. Regarding sustainable financing, 68% of gross financial debt and 100% of net financial debt are linked to sustainability criteria, reflecting the effective integration of ESG principles into the Group's management and financial strategy.

### **New Strategic Phase**

The full execution of the 2021–2025 Plan positions the Group with operational and financial strength to address the next strategic phase.

In this context, CIE Automotive has defined a new framework for the 2026–2027 period, focused on:

- Maintaining margin excellence.
- Consolidating high levels of cash generation.
- Reducing indebtedness.
- Strengthening the shareholder remuneration policy.
- Focusing the strategy on selective inorganic growth.

In this way, CIE Automotive enters the new strategic cycle supported by a solid industrial base, a robust financial structure and a proven management model, while maintaining its commitment to sustained long-term value creation.

### **3. RISK MANAGEMENT**

CIE Automotive has a Risk Management System (RMS), which allows them to identify, evaluate and give response to eventual contingencies in the development of its activity, which, in case of materializing, might hinder the attainment of the corporate objectives.

This policy, whose supervision relapses into the Commission of Audit and Compliance, identifies the different types of risks that the company faces –between them, the financials or economics, the contingent liabilities and other risks out of the balance sheet-, fixes the level of risks that are considered acceptable and establishes the opportune measures to mitigate its impact in case it was materialized. To put it into practice, the company possesses informational systems and internal control.

The procedure of global management of CIE Automotive's risks is based on the methodology ISO 31000, a process of constant cycle in nine phases: communication, setting the context, risks identification, risk analysis, risk evaluation, risk treatment, risk supervision, updating and acting against non-compliance.

Annually, a Corporate Map of Risks is drawn, which contemplates and values not only the risks inherent to the countries, markets and businesses where it operates, also internal operation of the company.

#### **Risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk, liquidity risk and raw material price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

In the broadest sense, the goal of the management of financial risk is to control the incidents generated by fluctuations in exchange and interest rates and the price of raw materials. Management of these risk factors, which is the responsibility of the Group's Finance Management, focuses on the arrangement of financial instruments in order to build, as far as possible, exposure to favourable trends in exchange and interest rates, subject to compatibility with the mitigation, in part or in whole, of the adverse effects of an unfavourable environment.

## MANAGEMENT REPORT FOR THE YEAR 2025

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### a) Market risk

#### (i) Foreign exchange risk

CIE Automotive Group's presence in international markets obliges it to arrange an exchange rate risk management policy. The overriding objective is to reduce the adverse impact on its activities in general and on the income statement in particular of the variation in exchange rates so that it is possible to hedge against adverse movements and, if appropriate, leverage favourable trends.

In order to arrange such a policy, CIE Automotive Group uses the Management Scope concept. This concept encompasses all collection/payment flows in a currency other than the euro expected to materialise over a specific time period. The Management Scope includes assets and liabilities denominated in foreign currency and firm or highly probable commitments for purchases or sales in a currency other than the euro. Assets and liabilities denominated in foreign currency are subject to management, irrespective of timing, while firm commitments for purchases or sales that form part of the Management Scope would also apply to management if are expected to be recognised on the balance sheet within a period of no more than 18 months.

Once defined the Management Scope, CIE Automotive Group uses a series of financial instruments for risk management purposes that in some instances permit a certain degree of flexibility. These instruments are essentially the following:

- Current forwards: These contracts lock in an exchange rate for a specific date; the timing can be adjusted to match expected cash flows.
- Other instruments: Other hedging derivatives may also be used, the arrangement of which requires specific approval by the relevant management body. This body must be informed beforehand as to whether or not it complies with requirements for consideration as a hedging instrument, therefore qualifying for hedge accounting.

The protection against loss of value as a result of movements in the exchange rates other than the euro in which its investments in foreign operations are denominated by similarly denominating, to the extent possible, its borrowings in the currency of the countries of these operations if the market is sufficiently deep or in a strong currency such as the dollar, insofar as dollar correlation to the local currency is significantly higher than that of the euro. Correlation, estimated cost and depth of the debt and derivative markets determine policy in each country.

The Group has several investments in foreign operations whose net assets are denominated in US dollars, exposing it to foreign exchange translation risk. The exchange risk on the net assets of CIE Automotive Group's foreign operations is mainly managed through natural hedges achieved by borrowings (loans) denominated in the corresponding foreign currency.

The exposure on the rest of the assets denominated in other foreign currencies in respect of operations in countries outside the Eurozone is mitigated basically by borrowings denominated in these currencies.

#### (ii) Price risk

The Group is exposed to equity securities price risk because of investments that are classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. However, the scant weight of these securities as a percentage of total Group assets and equity means that this risk factor is not material.

#### (iii) Interest rate risk

Group's borrowings are largely benchmarked to floating rates, exposing it to interest rate risk, with a direct impact on the income statement. The general objective of interest rate risk management strategy is to reduce the adverse impact of increases in interest rates and to leverage as far as possible the positive impact of potential interest rate cuts.

In order to attain this objective, the risk management strategy materialises in the arrangement of financial instruments designed to provide such flexibility. The strategy expressly contemplates the possibility of arranging hedges for identifiable and measurable portions of cash flows, which enables hedge efficiency testing as required to evidence that the hedging instrument reduces the risk of the hedged item in the portion designated and is not incompatible with the established strategy and objectives.

The Management Scope encompasses the borrowings recognised in the balance sheet of the Group and any of its companies. On occasion, hedges are arranged to cover loans committed and in the final stages of arrangement the principal on which needs to be hedged against rate increases.

## MANAGEMENT REPORT FOR THE YEAR 2025

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In order to manage this risk factor, the Group uses financial derivatives that may qualify as hedging instruments and therefore hedge accounting. The corresponding accounting standard (IFRS 9) does not specify the type of derivatives that may be considered hedging instruments except for options issued or sold. It does, however, specify the prerequisites for consideration as hedging instruments. In line with the management of foreign exchange risk, the arrangement of any financial derivative which is suspected not to comply with the prerequisites for consideration as a hedging instrument requires the express approval of the relevant management body. By way of example, the basic hedging instruments are the following:

- Interest-rate swaps: Through these derivatives, the Group converts the benchmarked floating interest rate on a loan to a fixed benchmark with respect to all or part of the loan and affecting all or part of the term of the loan.
- Other instruments: As discussed in the section on foreign exchange risk management, other hedging derivatives may also be used, the arrangement of which requires the specific approval of the relevant management body. The management body must be informed beforehand as to whether the instrument meets the prerequisites for qualifying as a hedging instrument and, by extension, hedge accounting.

### **b) Liquidity risk**

The prudent management of liquidity risk entails maintaining enough cash and available financing through sufficient credit facilities. In this respect, the Group's strategy, articulated by its Treasury Department, is to maintain the necessary financing flexibility by maintaining sufficient headroom on its undrawn committed borrowing facilities. Additionally, and on the basis of its liquidity needs, the Group uses liquidity facilities (non-recourse factoring and the sale of receivables, transferring the related risks and rewards).

Management monitors the Group's forecast liquidity requirements together with the trend in net financial debt.

The Group's treasury department estimates that actions in progress will allow avoiding lack of liquidity situations. In that sense, it is considered that cash generation in 2026 will allow facing recurrent payments without increasing the net financial debt.

The Group's treasury department monitors Group's liquidity needs forecasts in order to ensure that there is enough cash to meet operative needs at the same time that maintains undrawn credit facilities at any time to ensure Group that doesn't fail limits and rates ("covenants") established by financial entities.

The Group is strategically diversifying the financial markets and financing sources, it taps as a tool for eliminating liquidity risk and retaining financing flexibility in light of the situation prevailing in the European financial markets; this strategy has opened up access to internationalize the banking pool.

Although the standalone figure for working capital is not a key parameter for the understanding of the financial statements, the Group actively manages working capital through net operating working capital and short- and long-term net borrowings, on the basis of the solidity, quality and stability of relations with customers and suppliers, and comprehensive monitoring of the situation with respect to financial institutions with whom in many cases automatically renews its credit lines.

One of the Group's strategies is to ensure the optimisation and maximum saturation of the resources assigned to the business. The Group therefore pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work is being performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories through excellent logistic and industrial management, allowing JIT (just in time) supplies to our customers.

Meanwhile, the Group's Management efficiently controls the payments for expenses and realization of current assets, carrying out an exhaustive follow-up of the treasury forecasts, in order to ensure that it has sufficient cash to meet the needs. operations while maintaining the availability of sufficient unused credit facilities at all times so that the Group does not breach the limits or indices ("covenants") established by the financing. Therefore, it is estimated that the generation of cash in 2026 will sufficiently cover the needs to meet the commitments in the short term, preventing any situation of tension in the cash position with the actions underway.

## MANAGEMENT REPORT FOR THE YEAR 2025

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### c) Credit risk

Credit risk is managed by customer groups. Credit risk arising from cash and cash equivalents, derivative financial instruments and bank deposits is considered immaterial in view of the creditworthiness of the banks the Group works with. If management detects liquidity risk in respect of its banks under certain specific circumstances, it recognises the corresponding impairment provisions if necessary.

In addition, each management unit has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors.

With respect to customer credit limits, it should be noted that Group policy is not to concentrate more than 10% of business volumes with individual customers or manufacturing platforms.

Given the characteristics of the Group's customers, management historically deemed that receivables due within 60 days presented no credit risk. The Group continues to consider the credit quality of these outstanding balances to be strong, although it is determined the expected loss.

### d) Raw material price risk

The Group has not a significant risk in raw price variations. In these companies where the risk could exist in market specific situations (plants which use raw materials with market price), the risk is controlled thanks to price financing repercussion agreements to customers.

### e) Climate risk factors

The Corporate Engineering, Quality and Environment Department is responsible for establishing the guidelines and coordinating with the plants the actions related to the transition plan for climate change mitigation, which is included in the Group's 2025 Strategic Plan.

As shown in section *E1 – 1 – 14* of the Consolidated Non-Financial Statement and Sustainability Information Statement, included as a separate document from the Consolidated Management Report, this plan contains both an operational and an ESG part. The environmental aspect of the plan is periodically reviewed by the Group's Engineering, Quality and Environment department, reflected in the 2024 Environmental Management Plan and reinforced by the Decarbonization Plan in 2025. Within these periodic reviews, the following points have been analysed in 2025:

- The Group's Governance in the area of the environment and, especially, climate change, including the communication of points related to environmental performance.
- Assessment of dependencies, Impacts, Risks and Opportunities, with a focus on resilience analysis.
- Goals and metrics.
- Emissions by geography and technology.
- Response of the CIE Automotive Group.
- Action Plan.

More detailed information on how Impacts, Risks and Opportunities (IROs) are managed can be found in section *ESRS 2 – SBM-3 – 19b* of the Consolidated Non-Financial Statement and Sustainability Information Statement. The analysis of IROs is performed with a unique approach. In this way, the process is unique, whether it is a general analysis, related to climate change, or to other areas such as water resources. To this end, the transition plan for climate change mitigation is provided with additional characteristics such as proactivity in the study, and includes tools such as vulnerability analysis, sensitivity and adaptation plans or actions. The process is fully integrated into the Group and is transversal, involving different instances and bodies, from the Board of Directors to the operational units.

## MANAGEMENT REPORT FOR THE YEAR 2025

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In this sense, the Group keeps updated its Environment Policy, where it was recognized as aligned with the Sustainable Development Goals. Thus, the Group develops products and processes under eco-design concepts, oriented to efficiency, providing necessary resources in continuous improvement through prevention and preservation, the minimization of risks, the reduction of the environmental footprint, the efficient use of natural resources, the minimization of waste, the circularity of materials and the collaboration of the people involved in the processes. Moreover, the Group is aligned with the United Nations 2030 Agenda by establishing environmental objectives to be met by each of the plants and regions where it operates, based on the *Global Reporting Initiative* standards.

In December 2022, the Group committed to setting targets, within 24 months, aligned with limiting global warming to 1.5°C, in line with the Paris Agreement, and the “net-zero” target by 2050, based on science. In 2024, the Group has fulfilled this commitment, joining a group of 235 companies in the automotive and components sector with targets approved by the “Science Based Targets initiative” (SBTi). With the latest available data, only 35 of these companies, including CIE Automotive, are aligned with meeting both objectives.

Below are the action plans established to address each of the climate-related risks that have an impact on the Group's Consolidated Annual Accounts.

### The risks arising from the transition to low-carbon economies

The authorities and governments of different countries have implemented policies to fight against climate change that have affected differently in the different countries where the Group operates. All of these policies and actions have been part of the analysis carried out by the Group when carrying out the Transition Plan, as well as the double materiality analysis. These policies basically consist of promoting sustainable energy consumption in industrial production through tax and operational incentives, while in other cases, the use of energies that have a direct impact on the climate has been penalized or no longer promoted.

Regarding the automotive industry, it has been possible to reduce polluting emissions from vehicles, although the latest regulations to fight climate change – the most restrictive in Europe and China – are forcing manufacturers and their suppliers to implement additional solutions to reduce their environmental footprint, as well as to promote the electrification of their vehicle platforms. In recent years, the Group has been adapting its production process, as well as the goods produced, to a changing environment, demonstrating its resilience to the challenges offered by the fight against climate change.

The Group aims to anticipate the aforementioned measures, having launched certain action plans that allow mitigating in advance the impact of new policies, regulations and trends that climate change has entailed. The lines of work established for this have been the following, and have as main axes the actions on the goods produced and actions on their productive process.

- Substitution of non-renewable fuels
- Purchase of renewable electricity
- Energy efficiency via Industry 4.0 initiatives
- Reduction of the gross weight vs net weight ratio
- Circularity projects
- Carbon Footprint Calculation of key products
- Digitization of environmental data management
- Supply Chain Race2Zero Project
- Ecodesign
- CIE Automotive integral management model
- Implementation of an environmental management system
- Durability of auxiliary materials and products
- Repairability, reuse and end-of-life of vehicles
- Governance and involvement of senior management
- Increased water circularity
- Improvement in water treatment systems

## MANAGEMENT REPORT FOR THE YEAR 2025

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### - Actions on produced goods

In the context of a changing environment and increasingly aware of the effects of global climate change, the Group has been adapting the sale of its assets to new challenges in the climate and environmental field, and they are directly related to the latest trends in the automotive sector. In this sense, the Group is immersed in a technological transformation, aimed at reducing its corporate footprint, as well as the goods it produces. To achieve these objectives, the Group develops different technologies that provide the efficiency and flexibility necessary to face all challenges with changing volumes and scenarios.

Technological diversity also allows to focus investments on those technologies most demanded by the market in each circumstance. Currently, the market is betting on the electrification of vehicles and more than 80% of the components and subassemblies produced by the Group can be used in any type of vehicle (combustion, electric, hybrid). Despite this considerable percentage of versatility in the goods it produces, the Group has proposed to take advantage of the opportunity offered by the decarbonization of transport to position itself in new products of high added value. These products are related to the engine and power electronics, gearboxes and batteries.

Additionally, the Group's technological commitment to meet these environmental objectives focuses on the eco-efficiency and circularity, the light-weighting of vehicles, the improvement of the user experience (noise reduction, light integration, etc.), the bet for electric and autonomous vehicles and Industry 4.0 as a key to competitiveness and eco-efficiency, always aiming at the path towards the decarbonization of transport.

These actions are naturally linked to the reduction of environmental impact and mitigation of climate change. For those products that do not yet have a clear substitute in zero-emission vehicles, the Group has defined a strategy with different action plans.

Thus, the Group's spirit of adaptation and flexibility in the products it markets, together with the ability to always be aligned with new market trends, are the Group's main measure to address any market risks to its goods, as well as those that may arise from the transition to low-carbon economies.

### - Actions on the productive process

Some of the environmental actions on the production process, which are part of those mentioned above, for the realization of the goods sold to the market have been the following:

- a) *Environmental Investments*: the Group adapts its production facilities to the conditions required by the environmental legislation of the countries where it is located. Consequently, the Group makes investments aimed at minimizing environmental impact, protecting and improving the environment; and incurs expenses derived from environmental actions, which basically correspond to the ordinary expenses for the removal of waste, consulting, measurements and environmental certifications.

The adaptation and incorporation of investments that meet the most current environmental requirements implies a direct mitigation of the risk derived from the transition to low-carbon economies in the recovery of the value of their productive assets.

- b) *Energetic efficiency*: the improvement of energy efficiency is a priority objective for the Group, since it contributes to reducing its environmental impact, in addition to implying a direct improvement in competitiveness. The main lines of action consist of energy saving, and emission control. In this line, the Group contracts clean energy for the operation of its facilities wherever this option is available; and with the same philosophy of reducing their emissions and their energy bill, photovoltaic panels have been installed in different facilities in Europe, where, in addition, in 2022 new contracts were signed for the supply of green energy for own consumption starting 2023; and India, where investment in new solar power plants has continued.

In this sense, it is expected that the action plans carried out by the Group in terms of efficiency will mean, in the medium and long term, an improvement in the margin on the goods it produces.

- c) *Water and material consumption*: in the Group's production process, an intensive use of water is carried out. In order to reduce discharges as much as possible, it has its own systems and facilities for water treatment, recirculation and recovery. With regard to raw materials, the Group constantly reviews all processes to make responsible use of raw materials. An example of these practices is the reduction of the gross weight of the products it manufactures, and that implies the reduction of the consumption of energy and other products necessary for the production process.

## MANAGEMENT REPORT FOR THE YEAR 2025

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As in the case of energy efficiency action plans, it is estimated that these actions will also improve the margins of the goods produced.

- d) *Pollution control and waste management:* the Group's environmental management systems are based on the ISO14001 standard, and ensure that pollution does not exceed the levels established by current regulations. On the other hand, the Group's recycling system allows the reincorporation of recycled raw materials into its production process. Those materials that cannot be recycled are collected by specialized managers who prioritize their recycling over their landfill.

### The risk of the impact on the margins of adapting to low-carbon economies

Cost pressure can occur on car producers. During the deployment phase of more sustainable vehicles, the final cost will be higher and, to maintain sales volumes, there is a risk of increased cost pressure on component suppliers.

Faced with this type of scenarios and risks, the Group's model is very effective. Commercial diversification makes dependence on a project or its renovation low, so the freedom to invest in projects is key. To this is added another of the axes of the group, the investment discipline, which leads to a detailed analysis of the projects with volume sensitivity analysis, avoiding those projects with volumes lower than those initially announced have a definitive impact on the returns.

The Group not only adapts to the low-carbon economy through the final product it offers to the market, but also by modifies its production process, which is highlighted by signing of clean energy purchase agreements for the use of its operating plants. As a consequence, in Spain 100% of the energy consumed is green energy, which has resulted in emissions savings.

### The direct physical risk posed by climate change in the production process and operations of a business

The Group's production facilities, as well as the customers to which it provides, were not located in areas or geographical areas where an imminent climate risk is foreseen.

However, the Group is aware of the unpredictability of the effects of climate change and monitors the impacts that any adverse circumstance may generate in the valuation of the Group's assets, and therefore, in its Consolidated Financial Statements. In this sense, the Group is exposed to physical risks whose possible impacts it manages depending on the typology of each of them:

- a) *Water stress risks:* are the risks that can result in the lack of water supply.
- b) *Acute physical risks:* are the risks arising from the occurrence of acute climatic phenomena. These accidental risks are covered by the global Civil Liability policy. To strengthen the management of environmental and safety risks, the Group has initiated a collaboration project with the technical departments of its insurance companies, where risks are evaluated and monetized and an elimination plan is established, or where appropriate, mitigation.
- c) *Chronic physical risks:* they are risks that cause gradual changes with more lasting impact, such as rising average temperatures, rising sea levels or prolonged periods of heat.

Although the Group's production facilities are not directly threatened by the effect of these chronic physical risks, there are environmental objectives established to be met in all the plants and regions where it operates.

- d) *Protection of biodiversity:* due to the location of its production facilities, mostly in industrial estates, the impact of its activities on biodiversity is not considered significant.

## 4. ENVIRONMENT

CIE Automotive is strongly committed to environmental sustainability, this being a priority in the development of its activities and its business strategy. Climate change is a challenge on which CIE has been working proactively for years on its path towards "net-zero" through various initiatives that have a positive impact on reducing its environmental footprint.

The Environment Chapter of the Non-Financial and Sustainability Information of this Report sets out the objectives, strategies and lines of work carried out in the area of environmental management of the Group.

## 5. HUMAN RESOURCES

People contribute one of the main assets of CIE Automotive, which bases its culture on values such as equality, diversity, equity, inclusion, teamwork, and talent development.

## MANAGEMENT REPORT FOR THE YEAR 2025

The distribution of the staff and members of the Board of Directors as of 31<sup>st</sup> December 2025 and 2024 between women and men is as follows:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Directors	5	7	12	5	8	13
Executives	4	4	8	4	4	8
University graduates and specialists	28	38	66	29	30	59
<b>TOTAL</b>	<b>37</b>	<b>49</b>	<b>86</b>	<b>38</b>	<b>42</b>	<b>80</b>

(\*) As of 31<sup>st</sup> December 2025 and 2024, two members of the Board of Directors are, equally, executives of the Group.

### 6. R&D ACTIVITIES

CIE Automotive is proactive in technological transformation and decarbonization to reduce its product and corporate footprint, in accordance with market trends. With this purpose, it works in different lines to materialize the opportunities generated by the current scenario and mitigate or eliminate the risks that arise.

Especially relevant are the new technologies in the plants that provide the flexibility, agility and reaction capacity necessary to face all the challenges with changing volumes and scenarios.

#### 2025 work lines

CIE Automotive is immersed in a technological transformation, which will allow it to reduce its corporate footprint and that of its products and improve its efficiency to compete in a competitive and changing market. In 2025, it continued to innovate and invest approximately 2% of its net profit to meet the objectives set out in its 2025 Strategic Plan. Its 10 research and development centres and the Engineering and R&D Areas work on development, innovation and improvement projects, following a roadmap based on 4 strategic lines: eco-efficiency, industry 4.0, new mobility concepts and electrification. Criteria are introduced for product and process eco-design, durability, repairability and reduction of environmental impact from the earliest phases of the product with a life cycle approach and taking into account the value chain. Innovation also plays a crucial role in achieving the goal of "net-zero".

The Group has continued to develop initiatives in the short, medium and long term, so that some of them are already reaching the market and others will gradually leave. Work in the technology area is entrusted to the 2025 Strategic Plan and develops five of the eight lines of action set:

- Vehicle lightness: reduction of the auto parts weight has a direct impact in its consumption and therefore, both in the emissions of combustion vehicles and autonomy of electric vehicles. CIE develops R&D and engineering projects in search of their maximum optimization.
- Electrification: technological progress in this area positions CIE Automotive as a key agent in mitigating environmental impact and is part of the way forward to help minimize climate change.
- Comfort: the line of innovation for the incorporation of circularity criteria through the use of new materials based on natural fibres and with a higher percentage of recycled material has an important market in the area of comfort and is linked, in turn, to the eco-efficiency.
- Industry 4.0: Sensorisation, capture, analysis and visualization of the parameters of the critical process variables.
- Eco-efficiency: the efficient use of materials, which has been the basis of the Group's sustainability and competitiveness for years.

As a prominent member of the automotive components industry, CIE Automotive works for a fair and responsible management of its activity for the benefit of the sector, its stakeholders and society.

In addition, the Group maintains its presence in regional, national and international forums (members of the board of directors of the Automotive cluster of the Basque Country ACICAE, members of the board of directors of the National Association of component manufacturers SERNAUTO, members of the executive committee of the TECNALIA technology center, we continue to participate in EGVIA and other R&D&i Industrial forums).

## MANAGEMENT REPORT FOR THE YEAR 2025

### 7. TRADING WITH TREASURY SHARES

At 31<sup>st</sup> December 2025 and 2024, the share capital of the Company is represented by 119,807,484 ordinary bearer shares, represented through accounting entries, with a par value of €0.25 each, fully paid, listed on the Madrid stock market.

The balance of treasury shares held by the parent company at the end of 2025 amounted to 1,191,479 shares, being the movement of the year as follows:

	<b>31<sup>st</sup> December 2025</b>	
	<b>Number of shares</b>	<b>Amount (Thousands of euros)</b>
<b>Initial balance</b>	<b>62,048</b>	<b>1,570</b>
Acquisitions of the year	1,593,485	39,435
(Sales) for the year	(464,054)	(11,367)
<b>Ending Balance</b>	<b>1,191,479</b>	<b>29,638</b>

During 2025, the parent company has acquired a net amount of 1,129,431 treasury shares directly, up to a total of 1,191,479 shares (reaching 0.99% of the total voting rights issued by the Company), which are added to the indirect participation resulting from the equity swap agreement signed in the year 2018 with Banco Santander, S.A. for the acquisition of 2,000,000 shares (equivalent to 1.67% of the total voting rights). During 2024, the parent company acquired a net amount of 14,531 treasury shares directly, up to a total of 62,048 shares (reaching 0.05% of the total voting rights issued by the Company), which were added to the indirect participation resulting from the equity swap agreement signed in the year 2018 with Banco Santander, S.A. for the acquisition of 2,000,000 shares (equivalent to 1.67% of the total voting rights).

Also, rescinding the resolution adopted by the General Meeting of Shareholders on 8<sup>th</sup> May 2024 for the unexecuted part, the General Meeting of Shareholders on 7<sup>th</sup> May 2025 agreed to authorize the parent company, directly or through any of its subsidiaries, for a maximum of five years from the date of the General Meeting of Shareholders, to acquire, at any time and as many times as it deems appropriate, shares of CIE Automotive, S.A., by any means permitted by Law, including against profits for the year and/or unrestricted reserves, and to subsequently dispose of or redeem such shares, all accordance with article 146 and related provisions of the Spanish Companies' Act.

Under this authorization framework, on 7<sup>th</sup> May 2025, the Company's General Shareholders' Meeting approved a program to repurchase the Company's treasury shares in order to reduce up to a maximum of 10% of the parent company's share capital through the redemption of treasury shares, reserving the right to terminate this program prior to the expiration date in accordance with the agreed terms.

On the other hand, on 7<sup>th</sup> May 2025, the General Shareholders' Meeting of the parent company approved a voluntary partial public tender offer of acquisition for a maximum of 11,591,517 of its own shares, representing 9.675% of its share capital, addressed to all shareholders of CIE Automotive, S.A. The consideration offered was €24.00 per share, to be paid in cash at the time of settlement.

Following the authorization of the voluntary public tender offer by the Spanish National Securities Market Commission (CNMV) on 13<sup>th</sup> June 2025, CIE Automotive's Share Public Offering was executed from 18<sup>th</sup> of June to 2<sup>nd</sup> of July. The results of this public offering of shares were announced on 8<sup>th</sup> July 2025, with the final number of shares acquired from its shareholders reaching 1,138,292, which represent 9.82% of the total offering and 0.95% of the share capital of the parent company. The acquired treasury shares were paid to the sellers on 11<sup>th</sup> July 2025, amounting €27.3 million.

## MANAGEMENT REPORT FOR THE YEAR 2025

### 8. AVERAGE PAYMENT PERIOD TO SUPPLIERS

The breakdown of trade payables settled during 2025 and 2024 those pending of payment at the year-end in relation to the legally-permitted payment terms stipulated in Spanish Law 15/2010 of 5<sup>th</sup> July, is as follows:

	Days	
	2025	2024
Average payment period to suppliers	51	52
Paid operations ratio	54	56
Outstanding operations ratio	47	46

  

	Thousand euros	
	2025	2024
Payments made	15,422	15,763
Outstanding payments	11,856	10,546

Additionally, and in accordance with the obligations required in the Spanish Law 18/2022 on creation and growth of companies, it is reported that the total amount of payments made in before than the maximum established by Law 5/2010 has amounted to €12,148 thousand (2024: €12,741 thousand) and 1,207 invoices (2024: 1,125 invoices), which represent 79% of the total payments made and 72% of the total invoices (2024: 81% and 66% respectively).

### 9. STOCK EXCHANGE INFORMATION

#### Listing price

CIE Automotive's share price raised by 17%, reaching a quotation of €29.75 euros on 31<sup>st</sup> December 2025. In a complex macroeconomic and sector backdrop, CIE Automotive is delivering excellent results for 2025, confirming its resilience and strengthening its position as one of the most profitable companies in the industry. Despite the challenging environment, CIE Automotive has outperformed the sector, with a stock market performance compared to the performance of the Stoxx Europe 600 Automobiles & Parts index (5% negative). This resilience reflects the strength of its business model and its ability to generate value on a sustained basis.

The gap between CIE Automotive's fundamentals and its share price persisted throughout the year. The share price remained significantly below its potential, set at more than €33 by the consensus of analysts who follow the company.

#### Shareholder remuneration

CIE Automotive once again fulfilled its commitment to allocate a third of its profits to shareholders in 2025. The company distributed €109.6 million euros in dividends corresponding to the previous year, making two payments of €0.46 gross per share, the first on 8<sup>th</sup> January amounting to €55.1 million and the second on 15<sup>th</sup> July amounting to €54.5 million.

In line with its remuneration policy, the Board of Directors, at the meeting held on 12<sup>th</sup> December, agreed to pay an interim dividend charged to the results of the 2025 financial year of €0.47 per share. The disbursement occurred on 7<sup>th</sup> January 2026.

### 10. ANNUAL REPORT ON CORPORATE GOVERNANCE AND REPORT ON REMUNERATION TO DIRECTORS

In order to guarantee transparency, both the legal framework defined by the Group as well as the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration are available on the corporate website [www.cieautomotive.com](http://www.cieautomotive.com), in line with the technical specifications and legal regulations established by the National Securities Market Commission in its Circular 3/2015, of June 23.

Additionally, considered as part of this Management Report, both the Annual Corporate Governance Report and the Annual Directors' Remuneration Report are incorporated by reference and may be consulted on the website of the National Securities Market Commission after being published by the Group:

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A-20014452>

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A-20014452>