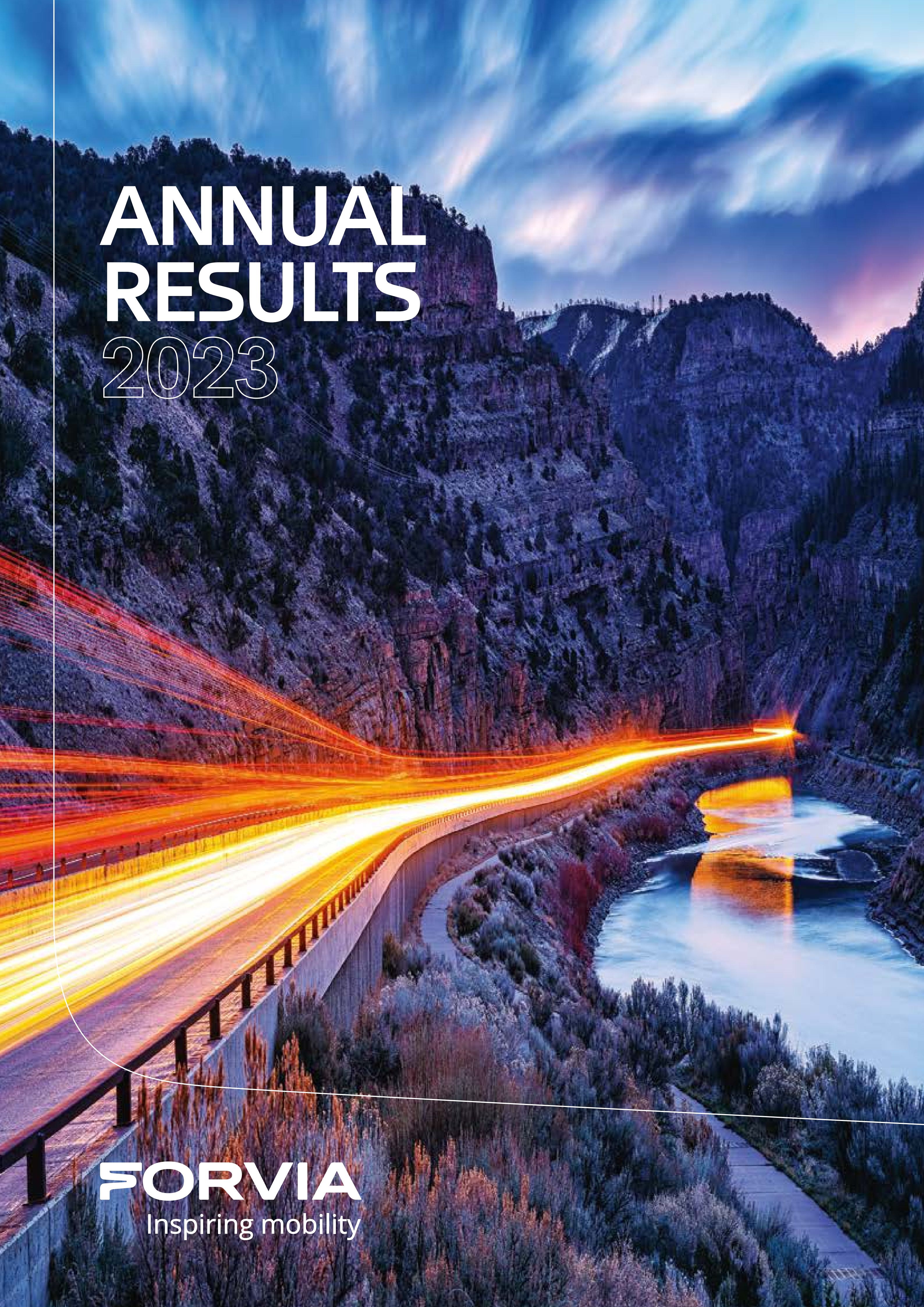


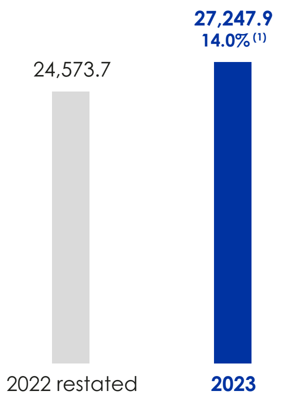
ANNUAL RESULTS 2023

FORVIA

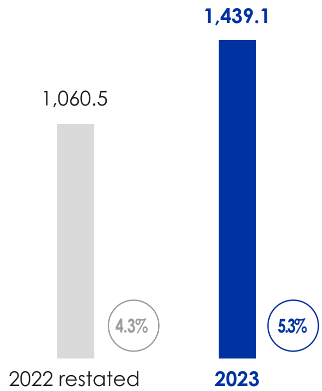
Inspiring mobility

Contents

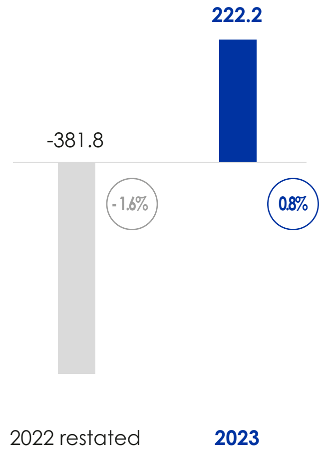
Key figures*



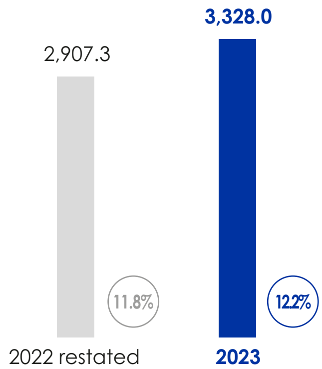
Sales
(in €m)



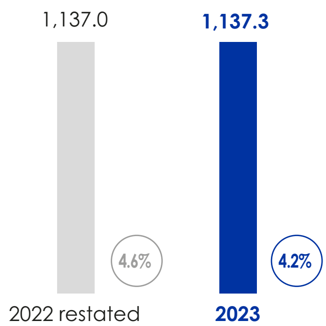
Operating Income [2]
(in €m and as a% of Sales)



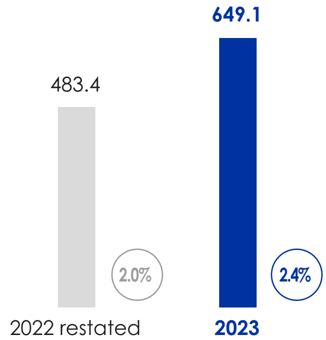
Net income/(loss) attributable to equity holders
(in €m and as a% of Sales)



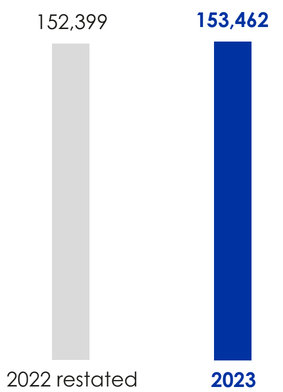
EBITDA adjusted [3]
(in €m and as a% of Sales)



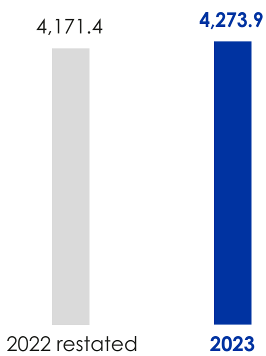
Capital expenditure
(in €m and as a% of Sales)



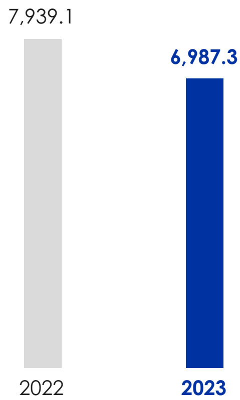
Net Cash Flow
(in €m and as a% of Sales)



Number of employees



Cash & cash equivalents
(in €m)



Net debt [4]
(in €m)

** All results presented after application of IFR5 for 2022.*
(1) At constant currencies and scope.
(2) Before amortization ofacquired intangible assets (§ 2.1 to the consolidated financial statements).
(3) Operating income before depreciations and amortization of assets (§ 2.3 to the consolidated financial statements).
(4) Note 26.1 to the consolidated financial statements.

1. Business review

1.1. Notable facts

The worldwide automotive production showed strong dynamics in 2023 with a global production of 90.3 million light vehicles, corresponding to a 9.7% growth year on year. The market was supported by a very robust global demand and the progressive normalization of semi-conductor's supply. The 2023 level exceeded the c. 89 million light vehicle production reached in 2019 (pre-Covid level), but with a different regional mix: in 2023, China represented 32% of worldwide light vehicle production (vs. 27% in 2019) and Europe represented 20% (vs. 24% in 2019).

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

The impact of cost inflation has however persisted during the year 2023; compared to 2022, which predominantly caused by increase in raw material prices, cost inflation in 2023 mainly related to energy, labor and, to a lesser extent, raw material prices (some of them starting to go down).

During 2023, FORVIA signed and closed agreements finalizing the €1 billion first disposals program initiated in 2022 :

- the sale of the SAS Cockpit Modules division to the Motherson group for a value of €540 million (see Note 2.1);
- the sale of part of its exhaust after-treatment business for commercial vehicles to the Cummins group for a value of €199.2 million (see Note 2.2);
- the sale of part of its stake in Symbio to Stellantis for a value of €150 million. Upon closing of this transaction FORVIA, Michelin and Stellantis will be equal partners in Symbio;

and has initiated the second €1 billion disposals program in October with the agreement of :

- the sale of HELLA BHTC shares for a total enterprise value of €600 million (€300 million for each of the two co-owners).

In August and November 2023, FORVIA's corporate ratings assigned by S&P (BB), Moody's (Ba2) and Fitch (BB+) were reaffirmed and the outlook was raised from "negative" to "stable" by the three rating agencies.
The Group's financial debt stood at €6,987 million at December 31, 2023 compared to €7,939 million at December 31, 2022. The €952 million decrease in the net debt mainly stems from the positive net cash flow evolution, the disposals that took place in 2023 and other elements.

In accordance with IFRS 5, "net income of discontinued operations" presented in the consolidated statement of comprehensive income amounted to €-5.4 million including the operations of the SAS business from January 1, 2023 to July 31, 203 for total sales of €593.6 million as well as the net loss on disposal related to this activity of €-6.3 million and the directly incrementable expenses related to the sale.

The accounting principles and methods applied to discontinued operations are identical to those used for the annual financial statements.

MSCI, leading ESG rating agency upgraded FORVIA's rating from "BBB" to "A". The agency welcomes positive evolution in the governance, specifically the alignment of the Board structure with investor's interests. MSCI also highlights the entry in the Lighting business which has intrinsically lower exposure to product liability risks than other products in the auto supplier sector. After the previous upgrade from "BB" to "BBB" obtained in July 2022, this new step underlines the Group's constant progress on ESG topics and now ranks FORVIA within the first quartile of the MSCI 32 auto components manufacturers universe.

1.2. Main events

January 2023

- FORVIA has successfully priced the New Notes, sustainability-linked 7.25% senior notes due 2026 (the "New Notes") following a private placement arranged by BNP Paribas. FORVIA priced the New Notes at 101.75% of par, or a yield of 6.65%.

February 2023

- As announced in January, FORVIA has issued on February 1, 2023 €250 million of New Notes, sustainability-linked 7.25% senior notes due 2026. The proceeds of the issuance of the New Notes will be used to fully reimburse the Bridge-to-Bond and the Bridge-to-Equity in connection with the HELLA acquisition and for general corporate purposes.
- FORVIA has entered in February 2023 into exclusive negotiations with Cummins for the potential sale of a part of its Commercial Vehicle exhaust aftertreatment business. The potential transaction would be subject to customary conditions precedents, including regulatory approvals and completion of applicable employee representative consultations.
- FORVIA has announced mid-February 2023 to have signed with the Motherson group an agreement by which Motherson commits to acquire FORVIA SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment, for an enterprise value of €540 million. The transaction will be subject to customary conditions precedents, including regulatory approvals.
- HELLA has appointed Jörg Weisgerber and Stefan van Dalen, two executives from its own ranks, to the Management Board. Jörg Weisgerber is taking over from Björn Twiehaus as head of HELLA's electronics business on April 1. Stefan van Dalen is succeeding Dr. Lea Corzilius as new Managing Director Lifecycle Solutions also as of April 1. Jörg Weisgerber and Stefan van Dalen both joined HELLA back in 2016.

March 2023

- FORVIA has added to its operational capacity in the Americas with the opening of a new, state-of-the-art manufacturing facility in Monterrey, Nuevo León, Mexico. Featuring bioclimatic design principles to optimize energy efficiency and support the Group's commitment to achieving carbon neutrality by 2045, the more than 33,500 square-meter facility will employ approximately 1,500 people and manufacture automotive seat structures, instrument panels, and center consoles aligned with industry megatrends in sustainability and light weighting.

April 2023

- Auto Shanghai 2023 – From electrification to captain chair: FORVIA displayed deep understanding of Chinese market. FORVIA showcased breakthrough technologies at Auto Shanghai, participating for the first time as the world's 7th largest automotive technology supplier. FORVIA presented its new solutions developed for the Chinese market alongside its global state-of-the-art portfolio, including its award-winning Solid-State Lighting High-Definition headlamp (SSL | HD).
- FORVIA, attended Hannover Messe 2023, in Hannover, Germany alongside Symbio, its joint-venture created with Michelin. Two breakthrough hydrogen solutions for Automotive and Infrastructure in the European Market were showcased:
  - containerized Hydrogen Storage: a lightweight storage solution aiming at drastically lowering the cost and CO_2 footprint of transporting hydrogen, by storing c. 1 ton of H2 in the equivalent of a 40 feet container,
  - XL Gaseous Storage: a new 700 bar tank for truck applications which increases hydrogen capacity by 80% vs current 350 bar solution and provides new vehicle integration opportunities.

May 2023

- FORVIA, Michelin and Stellantis have announced the signing of a binding agreement for Stellantis to acquire 33.3% stake in Symbio, a leader in zero-emission hydrogen mobility. FORVIA and Michelin will remain shareholders with 33.3% holding each.

- With the acquisition by Stellantis of a stake in Symbio (a joint venture between FORVIA and Michelin), confirmed in a joint press release by the three partners, FORVIA will receive a total amount of €150 million which will contribute to its €1 billion asset disposal program by the end of 2023. This asset disposal program includes two other operations already announced, representing together a cumulated enterprise value of almost €700 million:
  - the sale of FORVIA's SAS Cockpit Modules division (assembly and logistics services) to the Motherson group, announced on February 19, is currently subject to regulatory approvals and the closing is expected early Q3 2023,
  - the sale of part of FORVIA's commercial vehicle exhaust gas aftertreatment business in Europe and the United States, announced on February 16, is currently under exclusive and final negotiations with Cummins.

  These three operations are in addition to the two transactions already closed, the sale by FORVIA of its Interiors business in India to TAFE and the sale by HELLA of its stake in HBPO.

  FORVIA confirms it will deliver its €1 billion asset disposal program by the end of 2023. Those divestments contribute to FORVIA's net debt reduction, its top priority following the acquisition of a majority stake in HELLA at the end of January 2022.
- FORVIA signed an agreement to transfer to Cummins a part of its commercial vehicle business in Europe and in the United States. Following an exclusive negotiations phase, FORVIA and Cummins have signed a Share and Asset Purchase Agreement under which FORVIA will sell a part of its commercial vehicle exhaust aftertreatment business in Europe and the US to Cummins for an enterprise value of €142 million after final technical adjustments.
- FORVIA boosts its renewable energy capacity to up to 70% across Europe with Renewable Power Capital deal. FORVIA continues to implement its decarbonization roadmap by signing a ten-year Power Purchase Agreement (PPA) with Renewable Power Capital. This deal is securing almost all the output from the 417 GWh, 24 wind turbines, Klevberget onshore farm in Sweden and will generate the equivalent of more than 40% of all FORVIA's European yearly electric consumption. Building on existing deals, up to 70% of FORVIA's consumption – 650 GWh – will be powered by renewable electricity thanks to a portfolio of 37 wind turbines. In addition to this capacity, 130 hectares of solar panels are being installed at more than 150 FORVIA sites, which provides up to 5% of its renewable energy mix.
- At the Shareholders' Meeting of May 30, 2023, shareholders have renewed Denis Mercier as Board member for a period four years, and have appointed Esther Gaide and Dr Michael Bolle as Board members for a period four years. All three are considered as independent within the meaning of AFEP-MEDEF Code. Yan Mei and Dr Peter Mertens, whose terms of office expired at the close of this Shareholders' Meeting, did not wish to be renewed.

June 2023

- The FORVIA Foundation joins forces with the Maud Fontenoy Foundation and Plastic Odyssey to protect the oceans. Through its Corporate Foundation, FORVIA is extending its action to protect the environment by joining forces with the Maud Fontenoy Foundation and Plastic Odyssey, two renowned organizations dedicated to protecting marine biodiversity.
- FORVIA starts deliveries of hydrogen tanks from first mass production plant in France. Type IV Hydrogen tanks have started rolling out from FORVIA's groundbreaking mass production plant in Allenjoie, France. This first-of-its-kind facility in Europe and North America aims to produce 100,000 tanks annually. With hydrogen as a driving force behind the decarbonization of mobility and industry, FORVIA is committed to delivering safe and affordable hydrogen storage technology.

July 2023

- FORVIA and BYD have launched the construction of a new state-of-the-art seat-assembly plant in the Rayong province of Thailand.

  This strategic leap strengthens the global technical partnership developed with Chinese electric vehicles manufacturer BYD, propelling both companies further into the Asia-Pacific market. The collaboration has already yielded impressive results, with seven cutting-edge factories established in China, including four within the past 18 months.

- HELLA, the automotive supplier operating under the umbrella brand FORVIA, and the luxury car manufacturer Porsche, have launched the world's first high-resolution headlamp based on matrix LED technology. With over 32,000 individually controllable pixels per headlamp, this agreement raises automotive lighting technology to a new level. The digital headlamp system SSL | HD is now available for the first time in the new Porsche Cayenne.
- FORVIA manufacturing sites received more than 80 supplier quality awards from customers around the world in the first six months of 2023. FORVIA sites received awards from a globally diverse range of customers located in Europe, Asia, and the Americas. The awards reflect a variety of Quality and Total Customer Satisfaction achievements including innovation, project support and development, problem solving, and response timing.

August 2023

- Motherson group has acquired 100% of “SAS” Cockpit Modules division (“SAS”), a global provider of assembly and logistics services for the automotive industry, based on an enterprise value of €540 million. Motherson is a diversified manufacturing specialist and one of the world’s leading automotive Group. The transaction complements its Modules and Polymer Products portfolio.
- In August 2023, FORVIA’s corporate ratings assigned by S&P (BB), Moody’s (Ba2) were reaffirmed and the outlook was raised from “negative” to “stable” by the two rating agencies
- FORVIA has confirmed the sale of part of its shareholding in Symbio to Stellantis, completed on July 27. It enabled Stellantis to acquire a stake alongside Michelin and FORVIA in the leading company for fuel cell mobility, with each shareholder holding 33.33%.

September 2023

- Five FORVIA Innovations were named Automotive News PACE and PACEpilot Finalists. FORVIA was honored to have five technologies selected as finalists for the 2023 Automotive News PACE and PACEpilot Awards. The PACE awards, now in their 29^{th} year, are given to automotive suppliers in recognition of a technological innovation in product or process that have reached the commercial market. Automotive News had selected 34 finalists for the PACE award, including two FORVIA technologies:
  - FORVIA’s Immersive Display, a next-generation system that combines high and low-definition screen areas to create a seamless user experience, customizable to screen shapes and sizes,
  - FORVIA’s All-in-one seating innovation, where seat sensors can help identify potential physical pain.
- FORVIA has announced two innovations showcased in the Esprit Alpine trim of the highly anticipated, All-new Renault Rafale. These groundbreaking technologies, LUMI and Ecorium, are set to transform the way drivers interact with their vehicles, adding enhanced style, emotional connection and sustainability to the driving experience.
- FORVIA has showcased its technology at AAI Mobility, Europe’s largest automotive trade show. It presented its technology portfolio in three strategic growth areas at the IAA Mobility 2023 in Munich: Electrification and energy management, safe and automated driving, and digital and sustainable cockpit experiences.
- FORVIA has unveiled the world premiere of a seat structure made from fossil-free steel, produced with a very low CO_2 footprint, reduced by almost 90% compared to a traditional steel seat structure. This groundbreaking achievement, realized through a collaboration with leading Nordic-based steel manufacturer SSAB, marked a momentous stride towards sustainable innovation.
- On September 11, FORVIA and CHERY, the world-renowned large-scale automobile manufacturing enterprise, signed a strategic cooperation agreement in presence of Patrick Koller, CEO of FORVIA; Ma Chuan, China Deputy Executive Vice President, Yin Tongyue, Chairman of CHERY and Qi Shilong, Deputy General Manager at CHERY among other guests. Based on the strong business synergy and solid cooperation foundation, FORVIA and CHERY established a long-term strategic partnership and further deepened all-round cooperation, especially in the field of smart cockpits.
- Bernard Schäferbarthold, currently Chief Financial Officer of HELLA, will become the new Chairman of the Management Board. This was decided by the Shareholders' Committee of HELLA GmbH & Co. KGaA at its meeting on September 29. Bernard Schäferbarthold will take over the position on January 1, 2024 from Michel Favre, who has mutually agreed with the Shareholders' Committee on an early termination of his mandate.

October 2023

- FORVIA confirmed the successful completion of the transaction first announced on May 23, 2023 transferring designated parts of FORVIA's commercial vehicle exhaust aftertreatment business in Europe and in the United States, for a total transaction value of €199.2 million, to its longstanding partner Cummins. The decision to transfer this business to Cummins was part of FORVIA's strategy to focus on ultra-low emission solutions for light vehicles, where it is a leader in the market, and its hydrogen roadmap to bring a comprehensive portfolio of hydrogen storage solutions to market.
- HELLA, jointly with MAHLE, has announced the sale of their BHTC shares for a total enterprise value of €600 million (€300 million for each of the two co-owners). With the divestment of its stake in BHTC (accounted for by the equity method within HELLA's accounts), HELLA will strengthen its focus on its core business areas: Electronics, Lighting and Lifecycle Solutions. The transaction is subject to approval by the relevant foreign trade and antitrust authorities and closing is expected to take place by mid-2024.
- At its meeting on 19 October 2023, the Board of Directors of FORVIA SE decided to coopt with immediate effect Nicolas Peter as an independent Board member. This cooptation follows Jürgen Behrend's resignation for personal reasons. Nicolas Peter is co-opted for the remainder of Jürgen Behrend's term of office, i.e., until the 2026 Annual General Meeting. Nicolas Peter worked for the BMW Group in various positions for more than three decades and was the chief financial officer and a member of the Board of Management from 2017 to May 2023. He has been chairman of the Board of Trustees of the BMW Foundation Herbert Quandt since 2020. Nicolas Peter serves also as a member of the German Government Commission for the German Corporate Governance Code (GCGC).
- FORVIA has officially inaugurated its industrial platform in Allenjoie (France) in the presence of Ms. Marie-Guite Dufay, President of the Bourgogne-Franche-Comté region, Mr. Franck Robine, Prefet of the region and Mr. Bruno Bonnell, Secretary General for Investments. Inaugurated in 2023, the Allenjoie platform includes two major sites and is FORVIA's technological flagship in France. One plant produces seating components at an unparalleled degree of digitalization and automation, making it one of our most advanced facilities worldwide. The other is the first mass production site of vehicle hydrogen storage systems in Europe and will allow production costs for hydrogen solutions to be cut by five within two years. By 2030, this "Clean Mobility" plant will produce 100,000 hydrogen tanks a year, supporting the evolution in transport from ultra-low to zero emissions. Both plants are industry-leading examples of sustainable production, meeting the strictest environmental standards. The platform's rooftop solar arrays, biomass-fired boilers, heat recovery and rainwater sanitation systems have earned it BREEAM Excellent certification – the first awarded to an industrial site in France.
- FORVIA has concluded a groundbreaking contract with a premium German OEM to introduce VIBE®, its cutting-edge immersive technology that redefines consumers' time behind the wheel. FORVIA's VIBE® technology delivers an unparalleled and safe experience by embedding tactile sensations within the car seat, creating a fully-immersive journey. After five years of intensive research and development in collaboration with Aurasens, pioneers in vibro-haptic composition, VIBE® has been set to make its debut in a next-generation premium SUV end 2025.
- FORVIA received three accolades at the CLEPA Innovation Awards 2023. The European Association of Automotive Suppliers, CLEPA, has recognized FORVIA for its outstanding contributions to shaping the future of mobility. In the eighth edition of the international competition, with a focus on Digital and Green innovations, three technologies from different FORVIA Business Groups received an award from CLEPA:
  - Automatic Diagnostics: a world's-first strongly increasing vehicle repair efficiency,
  - NAFILean-R: more recycled content in sustainable materials,
  - XL Tank: game-changing solution to address the needs of Heavy-Duty hydrogen mobility.

November 2023

- FORVIA has been awarded a contract from a major automotive manufacturer to supply Type IV hydrogen storage systems for medium-duty commercial trucks in the North American market, with start of production in 2025.
- In November 2023 FORVIA's corporate ratings assigned by Fitch (BB+) was reaffirmed and the outlook was raised from "negative" to "stable" by Fitch.

- FORVIA, has officially inaugurated its latest Electronics mega plant Poenix in Fengcheng (Jiangxi, China) in the presence of government representatives, partners and more than 40 customers. The Phoenix plant in Fengcheng, China, is best-in-class both in smart manufacturing and sustainability. This new Electronics megaplant uses end-to-end digitalization to produce electronics systems for cockpit displays and automated driving, with a capacity of 2 million units per year. It sets a precedent for FORVIA – the first plant to be designed using digital-twin technology at such a level and scale to simulate its 89 production lines and workflows in a virtual environment, allowing streamlined construction and improved operational efficiency. This strategic pilot plant is on track to become a full "lighthouse" for the group, setting the standard for other similar plants around the world with real-time data analysis, state-of-the-art automation tools and intelligent digitalized warehousing. It is also FORVIA's first plant to achieve net zero on scopes 1 and 2: its green building design has been awarded LEED Gold certification.
- One year after its creation, MATERI'ACT, a company of the FORVIA group, inaugurated its Headquarters and R&D center in Villeurbanne (France) on November 13. At the cutting edge of technology, this center brings together engineers, researchers and data scientists, and is destined to become a world-class center of excellence, and one of Europe's leading centers in the field of materials with very low CO_2 footprints.
- FORVIA, combining the complementary strengths of Faurecia and HELLA, has received four accolades at the CES 2024 Innovation Awards in the category "Vehicle Tech & Advanced Mobility":
  - HELLA's FlatLight | µMX technology,
  - Skyline Immersive Display,
  - eMirror Safe UX,
  - Light Tile for Transparent Door.

December 2023

- TMD Friction and HELLA, a company of the group FORVIA, have agreed to transfer the 50 percent share currently held by TMD Friction in the brake joint venture HELLA Pagid to HELLA. The two companies signed a letter of intent. HELLA would thus become the sole shareholder of HELLA Pagid. Founded in 2013, HELLA Pagid, a joint venture between automotive supplier HELLA and brake friction manufacturer TMD Friction, sells brake components and accessories on the global automotive aftermarket.
- Symbio, an equally owned joint venture between FORVIA, Michelin and Stellantis, has inaugurated SymphonHy, its first gigafactory, a center of technological and industrial excellence. Located in Saint-Fons, in the Auvergne-Rhône-Alpes region, SymphonHy is the largest integrated fuel cell production site in Europe, confirming Symbio's role as a technological and industrial leader.
- FORVIA has set up a 4-year strategic partnership with CentraleSupélec, a renowned French Higher Education and Research Institution specialized in engineering and systems sciences, to shape the future of Smart Vehicles. In pursuit of scientific advancements, FORVIA's Clarion Electronics Business Group has harnessed its expertise and research activities in Artificial Intelligence (AI) for automotive applications, with a focus on data fusion and image processing.
- On December 8, 2023, FORVIA, successfully raised JPY19.2 billion – corresponding to c. €123 million - through a three-tranches senior bond issuance on the Japanese market. The three maturities of 2.25 years, 3.25 years and 5 years offer an average coupon of 2.62%. This transaction represented FORVIA's first issuance of a "Samurai bond" – yen-denominated bonds issued by non-domestic issuers as well as the first-ever Samurai bond issuance by an international automotive supplier. It contributed to the diversification of FORVIA's debt investor base and supports the globalization of its footprint.
- At its meeting held on December 14, 2023, the Board of Directors of FORVIA SE decided to propose, for approval at the 2024 Annual Shareholders' Meeting, the renewal of the following Board members, each of whose current terms expire in 2024: Judy CURRAN, Jean-Bernard LÉVY, and Michel de ROSEN.

January 2024

- Effective 19th December 2023, Jill GREENE is appointed Executive Vice-President, Group General Counsel and Board Secretary. She succeeds Nolwenn DELAUNAY and reports to CEO of FORVIA Patrick KOLLER.
- Effective 1st January 2024, Chuan MA is appointed Executive Vice-President, China. He reports to the CEO of FORVIA Patrick Koller. This appointment takes place at a time when Chinese OEMs are becoming Global Automotive players in the context of electrification of the Automotive industry.

February 2024

- FORVIA, has been recognized for leadership in corporate transparency and performance on climate change by global environmental non-profit Carbon Disclosure Project (CDP), securing a place on its annual 'A List'. Based on data reported through CDP's 2023 Climate Change questionnaire, FORVIA is one of the very few companies that achieved 'A' – out of over 21,000 companies scored.

All press releases related to these events are available on the site www.forvia.com.

1.3. Automotive production

Worldwide automotive production increased by 9.7% from 2022 to 2023. It increased in EMEA (Europe Middle East and Africa) by 11.5%, increased in Americas by 8.6% and increased in Asia by 9.4%, of wich increased in China by 10.0%.

The data related to automotive production and volume evolution is based on S&P Global Mobility (ex-IHS Markit) forecast dated February 2024 (vehicles segment in line with CAAM for China).

Automotive production and volume evolution from 2022 to 2023

	Q1	Q2	H1	Q3	Q4	H2	FY
EMEA	14.9%	15.9%	15.4%	7.5%	7.7%	7.6%	11.5%
Americas	10.2%	13.7%	12.0%	6.5%	4.2%	5.4%	8.6%
Asia	3.2%	18.4%	10.5%	3.7%	13.2%	8.5%	9.4%
China	*-4.9%*	*22.2%*	*7.8%*	*2.3%*	*21.3%*	*11.7%*	*10.0%*
TOTAL	**7.3%**	**16.8%**	**11.9%**	**5.0%**	**10.3%**	**7.7%**	**9.7%**

1.4. Sales

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

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

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

In 2023, there was no effect from "bolt-on acquisitions".

(in € millions)	H2 2023	Currencies	Scope Effect*	At constant scope & currencies	H2 2022 restated
Product Sales	12,872.7	(889.5)	(100.5)	1,276.9	12,585.8
Var. in %	2.3%	-7.1%	-0.8%	10.1%	
Tooling, Prototypes and Other Services	754.6	(60.8)	(1.1)	61.9	754.6
Var. in %	0%	-8.1%	-0.1%	8.2%	
SALES	**13,627.3**	**(950.3)**	**(101.6)**	**1,338.8**	**13,340.4**
VAR. IN %	**2.2%**	**-7.1%**	**-0.8%**	**10.0%**	

* *Scope effect includes CVI sales from September to December 2022.*

(in € million)	2023	Currencies	Scope Effect*	At constant scope & currencies	2022 restated
Product Sales	25,950.2	(1,193.9)	502.4	3,408.7	23,233.1
Var. in %	11.7%	-5.1 %	2.2%	14.7%	
Tooling, Prototypes and Other Services	1,297.7	(78.1)	12.8	22.4	1,340.6
Var. in %	-3.2%	- 5.8 %	1.0%	1.7%	
SALES	**27,247.9**	**(1,272.0)**	**515.2**	**3,431.1**	**24,573.7**
VAR. IN %	**10.9%**	**- 5.2 %**	**2.1%**	**14.0%**	

* *Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.*

Sales of products (parts, components and R&D sold to manufacturers) reached €25,950.2 million in 2023 compared to €23,233.1 million in 2022. This represents an increase of 11.7% on a reported basis and by an increase of 14.7% at constant scope & currencies.

Sales of tooling, prototypes and other services reached €1,297.7 million in 2023 compared to €1,340.6 million in 2022. This represents a decrease of 3.2% on a reported basis and an increase of 1.7% at constant scope & currencies.

Sales reached €27,247.9 million in 2023 compared to €24,573.7 million in 2022. This represents an increase of 10.9% on a reported basis and an increase of 14.0% at constant scope & currencies.

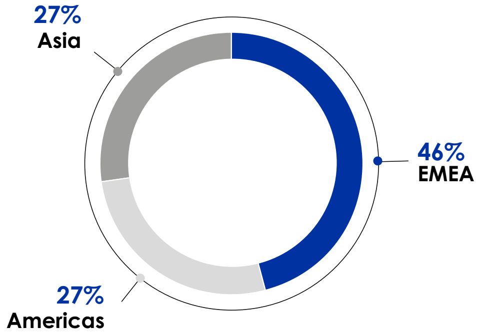
1.4.1. **Sales by region**

(in € million)	H2 2023	Scope Effect*	H2 2022 restated	Reported	At constant scope & currencies	Automotive Production
EMEA	6,121.1	(35.5)	5,768.3	6.1%	9.6%	7.6%
Americas	3,582.3	(66.1)	3,639.2	-1.6%	11.4%	5.4%
Asia	3,923.9		3,932.9	-0.2%	9.4%	8.5%
o/w China	*3,142.3*		*3,150.9*	*-0.3%*	*9.9%*	*11.7%*
TOTAL	**13,627.3**	**(101.6)**	**13,340.4**	**2.2%**	**10.0%**	**7.7%**

* *Scope effect includes CVI sales from September to December 2022.*

(in € million)	2023	Scope Effect*	2022 restated	Reported	At constant scope & currencies	Automotive Production
EMEA	12,650.6	327.6	11,050.2	14.5%	14.0%	11.5%
Americas	7,207.2	68.8	6,822.7	5.6%	10.9%	8.6%
Asia	7,390.1	118.8	6,700.8	10.3%	17.0%	9.4%
o/w China	*5,850.8*	*104.6*	*5,282.5*	*10.8%*	*17.7%*	*10.0%*
TOTAL	**27,247.9**	**515.2**	**24,573.7**	**10.9%**	**14.0%**	**9.7%**

* *Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.*

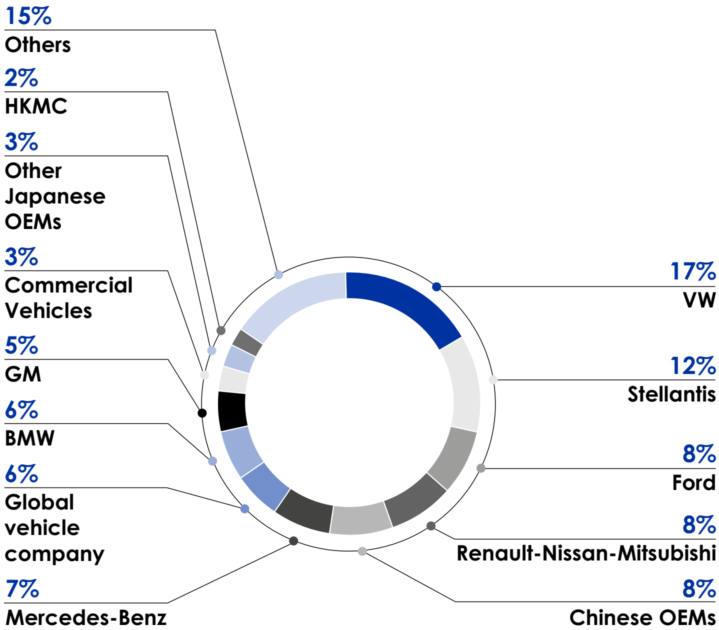


Sales by region in 2023 were as follows:

- in EMEA, sales reached €12,650.6 million (46.4% of total sales), compared to €11,050.2 million in 2022. This represents an increase of 14.5% on a reported basis and by 14.0% at constant scope and currencies. This is to be compared to a 11.5% upturn in production market in EMEA;
- in Americas, sales reached €7,207.2 million (26.5% of total sales), compared to €6,822.7 million in 2022. This represents an increase of 5.6% on a reported basis and by 10.9% at constant scope and currencies. This is to be compared to a 8.6% upturn in production market in Americas;
- in Asia, sales reached €7,390.1 million (27.1% of total sales), compared to €6,700.8 million in 2022. This represents an increase of 10.3% on a reported basis and by 17.0% at constant scope and currencies. This is to be compared to a 9.4% upturn in Asia and 10.0% in China;

Worldwide sales amounted to €27,247.9 million compared to €24,573.7 million in 2022. This represents an increase of 10.9% on a reported basis and 14.0% at constant scope and currencies. This is to be compared to a 9.7% upturn in production market in the world source S&P Global Mobility (ex-IHS Markit) forecast dated February 2024.

1.4.2. **Sales by customer**



In 2023, sales to FORVIA four main customers (VW, Stellantis, Renault-Nissan - Mitsubishi, Ford) amounted to €12,557.9 million or 46.1% compared to 47.9% in 2022:

- sales to the VW group totaled €4,739.3 million. They accounted for 17.4% of FORVIA's total sales. They increased by 13.5% on a reported basis and by 12.7% at constant scope & currencies compared to 2022;
- sales to the Stellantis group totaled €3,391.6 million. They accounted for 12.4% of FORVIA's total sales. They increased by 1.1% on a reported basis and by 3.8% at constant scope & currencies compared to 2022;
- sales to Renault-Nissan - Mitsubishi totaled €2,231.1 million. They accounted for 8.2% of FORVIA's total sales. They increased by 10.9% on a reported basis and by 15.2% at constant scope & currencies compared to 2022;
- sales to the Ford group totaled €2,195.9 million. They accounted for 8.1% of FORVIA's total sales. They decreased by 1.2% on a reported basis and increaed by 8.5% at constant scope & currencies compared to 2022;
- sales to the Chinese OEMs totaled €2,190.9 million. They accounted for 8.0% of FORVIA's total sales. They increased by 2.9% on a reported basis and by 10.3% at constant scope & currencies compared to 2022;
- sales to the Mercedes-Benz group totaled €1,915.1 million. They accounted for 7.0% of FORVIA's total sales. They increased by 16.2% on a reported basis and by 12.6% at constant scope & currencies compared to 2022;
- sales to a Global vehicle company group totaled €1,624.1 million. They accounted for 6.0% of FORVIA's total sales. They increased by 34.2% on a reported basis and by 36.4% at constant scope & currencies compared to 2022;
- sales to the BMW group totaled €1,513.0 million. They accounted for 5.6% of FORVIA's total sales. They increased by 30.8% on a reported basis and by 28.0% at constant scope & currencies compared to 2022.

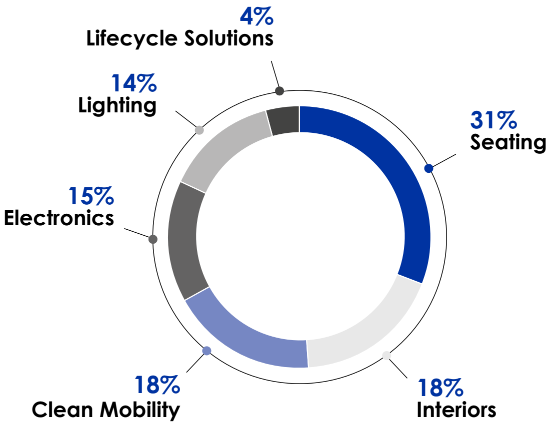
1.4.3. **Sales by Business Group**

(in € million)	H2 2023	Scope Effect*	H2 2022 restated	Reported	At constant scope & currencies
Seating	4,303.2		4,174.4	3.1%	10.3%
Interiors	2,484.7		2,473.2	0.5%	8.0%
Clean Mobility	2,364.6	(101.6)	2,451.0	-3.5%	11.2%
Electronics	2,090.7		1,971.3	6.1%	11.8%
Lighting	1,871.6		1,792.6	4.4%	8.3%
Lifecycle Solutions	512.5		477.9	7.3%	11.6%
TOTAL	**13,627.3**	**(101.6)**	**13,340.4**	**2.2%**	**10.0%**

* *Scope effect includes CVI sales from September to December 2022.*

(in € million)	2023	Scope Effect*	2022 restated	Reported	At constant scope & currencies
Seating	8,551.1		7,704.3	11.0%	16.2%
Interiors	4,922.7		4,644.9	6.0%	11.5%
Clean Mobility	4,832.2	(101.6)	4,735.8	2.0%	11.4%
Electronic	4,137.9	247.1	3,521.7	17.5%	14.8%
Lighting	3,745.9	281.4	3,074.0	21.9%	15.2%
Lifecycle Solutions	1,058.1	88.3	893.0	18.5%	12.8%
TOTAL	**27,247.9**	**515.2**	**24,573.7**	**10.9%**	**14.0%**

* *Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.*



In 2023:

- Seating totaled €8,551.1 million sales, up 11.0% on a reported basis and up 16.2% at constant scope & currencies compared to 2022;
- Interiors totaled €4,922.7 million sales, up 6.0% on a reported basis and up 11.5% at constant scope & currencies compared to 2022;
- Clean Mobility totaled €4,832.2 million sales, up 2.0% on a reported basis and up 11.4% at constant scope & currencies compared to 2022;
- Electronics totaled €4,137.9 million sales, up 17.5% on a reported basis and up 14.8% at constant scope & currencies compared to 2022;
- Lighting totaled €3,745.9 million sales, up 21.9% on a reported basis and up 15.2% at constant scope & currencies compared to 2022;
- Lifecycle Solutions totaled €1,058.1 million sales, up 18.5% on a reported basis and up 12.8% at constant scope & currencies compared to 2022.

1.5. Operating income

In 2023:

- the operating income before amortization of acquired intangible assets totaled €1,439.1 million (5.3% of sales) in 2023, compared to €1,060.5 million (4.3% of sales) in 2022;
- gross expenditures for R&D totaled €2,197.5 million, or 8.1% of sales in 2023, compared to €2,067.5 million, or 8.4% of sales in 2022. The portion of R&D expenditure capitalized amounted to €1,269.9 million, compared to €1,170.8 million in 2022. The R&D capitalization ratio represented 57.8% of total R&D expenditure, whereas it represented 56.6% over the same period in 2022;
- the net R&D expenses reached €953.0 million (3.5% of sales) compared to €896.0 million in 2022 (3.6% of sales);
- selling and administrative expenses reached €1,270.3 million (4.7% of sales) compared to €1,175.1 million (4.8% of sales) in 2022;
- adjusted EBITDA – which represents operating income before depreciation, amortization and provisions for impairment of property, plant and equipment and capitalized R&D expenditures – totaled to €3,328.0 million (12.2% of sales), to be compared to €2,907.3 million (11.8% of sales) in 2022.

1.5.1. By region

	H2 2023			H2 2022 restated		
(in € millions)	Sales	Operating Income	%	Sales	Operating Income	%
EMEA	6,121.1	145.7	2.4%	5,768.3	69.2	1.2%
Americas	3,582.3	164.1	4.6%	3,639.2	132.8	3.6%
Asia	3,923.9	454.4	11.6%	3,932.9	460.7	11.7%
TOTAL	**13,627.3**	**764.2**	**5.6%**	**13,340.4**	**662.7**	**5.0%**

	2023			2022 restated		
(in € millions)	Sales	Operating Income	%	Sales	Operating Income	%
EMEA	12,650.6	316.4	2.5%	11,050.2	175.0	1.6%
Americas	7,207.2	308.1	4.3%	6,822.7	175.5	2.6%
Asia	7,390.1	814.6	11.0%	6,700.8	710.0	10.6%
TOTAL	**27,247.9**	**1,439.1**	**5.3%**	**24,573.7**	**1,060.5**	**4.3%**

The operating income in 2023 compared to 2022 increased by €378.6 million:

- in EMEA, the operating income increased by €141.4 million, to reach €316.4 or 2.5% of sales. This is to be compared to €175.0 million or 1.6% in 2022;
- in Americas, the operating income increased by €132.6million, to reach €308.1 or 4.3% of sales. This is to be compared to €175.5 million or 2.6% in 2022;
- in Asia, the operating income increased by €104.5 million, to reach €814.5 or 11.0% of sales. This is to be compared to €710.0 million or 10.6% in 2022.

1.5.2. **By Business Group**

(in € millions)	H2 2023 Sales	H2 2023 Operating Income	H2 2023 %	H2 2022 restated Sales	H2 2022 restated Operating Income	H2 2022 restated %
Seating	4,303.2	175.4	4.1%	4,174.4	132.4	3.2%
Interiors	2,484.7	107.4	4.3%	2,473.2	128.8	5.2%
Clean Mobility	2,364.6	193.3	8.2%	2,451.0	184.4	7.5%
Electronics	2,090.7	131.1	6.3%	1,971.3	77.9	4.0%
Lighting	1,871.6	101.5	5.4%	1,792.6	95.8	5.3%
Lifecycle Solutions	512.5	55.5	10.8%	477.9	43.4	9.1%
TOTAL.	**13,627.3**	**764.2**	**5.6%**	**13,340.4**	**662.7**	**5.0%**

(in € millions)	2023 Sales	2023 Operating Income	2023 %	2022 restated Sales	2022 restated Operating Income	2022 restated %
Seating	8,551.1	314.7	3.7%	7,704.3	197.0	2.6%
Interiors	4,922.7	200.9	4.1%	4,644.9	191.3	4.1%
Clean Mobility	4,832.2	383.7	7.9%	4,735.8	336.3	7.1%
Electronics	4,138.0	219.4	5.3%	3,521.7	140.8	4.0%
Lighting	3,745.8	192.8	5.1%	3,074.0	106.5	3.5%
Lifecycle Solutions	1,058.1	127.6	12.1%	893.0	88.5	9.9%
TOTAL	**27,247.9**	**1,439.1**	**5.3%**	**24,573.7**	**1,060.5**	**4.3%**

In 2023 :

- Seating operating income amounted to € 314.7 million (3.7% of sales) compared to € 197.0 million in 2022 (2.6% of sales);
- Interiors operating income amounted to € 200.9 million (4.1% of sales) compared to € 191.3 million in 2022 (4.1% of sales);
- Clean Mobility operating income amounted to € 383.7 million (7.9% of sales) compared to € 336.3 million in 2022 (7.1% of sales);
- Electronics operating income amounted to € 219.4 million (5.3% of sales) compared to € 140.8 million in 2022 (4.0% of sales);
- Lighting operating income amounted to € 192.8 million (5.1% of sales) compared to € 106.5 million in 2022 (3.5% of sales);
- Lifecycle Solutions operating income amounted to €127.6 million (12.1% of sales) compared to € 88.5 million in 2022 (9.9% of sales).

1.6. Net income

The net income group share is a gain of €222.2 million, or 0.8% of sales in 2023. This is to be compared to a loss of €381.8 million or -1.6% of sales in 2022. It represented an increase of €604.0 million.

In 2023:

- the amortization of intangible assets acquired represented an expense of €193.2 million compared to an expense of €189.9 million in 2022;
- the “other non-recurring operating income and expenses” represented an expense of €181.4 million, compared to an expense of €442.5 million in 2022. This item included €170.8 million in restructuring charges compared to an expense of €349.2 million in 2022;
- financial income amounted to €90.7 million, compared to €50.3 million in 2022;
- financial costs totaled €586.2 million, versus €377.1 million in 2022, mainly because of an increase in interest rates;
- other financial income and expense represented an income of €36.6 million, of which € 158.0 millions due to the partial session of Symbio shares and CVI activities, compared to an expense of €168.4 million in 2022. This income included €22.4 million from discounting pension benefit liabilities;
- the tax expense reached €232.4 million, compared to €177.0 million in 2022;
- the share of net income of associates is a loss of €2.2 million, compared to a gain of €11.4 million in 2022;
- net income attributable to minority interests totaled €143.4 million in 2023. It consists of net income accruing to investors in companies in which FORVIA is not the sole shareholder, mainly in China and HELLA, compared to €131.4 million in 2022.

Basic earnings per share amounted to €1.17 (diluted net earnings per share at €1.16) compared to €-2.20 in 2022 (diluted net earnings per share at €-2.20).

1.7. Financial structure

1.7.1. Net cash flow

Net cash flow *(in € millions)*	**2023**	**2022 restated**
Operating income (before amortization of acquired intangible assets)	1,439.1	1,060.5
Depreciations and amortizations of assets	1,888.9	1,846.8
EBITDA adjusted	**3,328.0**	**2,907.3**
Change in working capital requirement	769.9	588.3
Paid restructuring	(170.2)	(181.9)
Capital expenditures	(1,137.3)	(1,137.0)
Capitalized development costs	(1,046.0)	(954.2)
Paid finance costs net of income	(529.0)	(362.4)
Paid taxes	(515.3)	(362.1)
Other	(51.1)	(14.6)
Net cash flow	**649.1**	**483.4**

The net cash flow was an inflow of €649.1 million or 2.4% of sales compared to a net cash inflow of €483.4 million or 2.0% of sales over the same period in 2022 after IFRS 5:

- the operating margin before depreciations and amortizations of non-current assets or adjusted EBITDA reached €3,328.0 million compared to €2,907.3 million in 2022, due to the increase in operating income by €378.6 million and the increase in depreciation and amortization by €42.1 million;
- restructuring represented cash outflows of €170.2 million compared to €181.9 million in 2022;
- the change in working capital requirement, including receivables factoring, represented a positive impact of €769.9 million compared to a positive impact of €588.3 million in 2022. This change consisted in part of a negative impact in inventories of €135.1 million mainly concentrated on Tooling inventories with €139.1 million, a positive impact in trade receivables of €207.6 million, payables of €444.2 million and other trade receivables and payables for €253.2 million. The evolution of these balance sheet positions was impacted by exchange rate changes;
- capital expenditures on property, plant and equipment and on intangible assets represented cash outflows of €1,137.3 million or 4.2% of sales , versus €1,137.0 million or 4.6% of sales in 2022;
- capitalized research and development costs represented cash outflows of €1,046.0 million or 3.8% of sales, versus €954.2 million or 3.9% of sales in 2022;
- income taxes represented cash outflows of €515.3 million, compared to €362.1 million in 2022;
- finally, other cash flow items represented €51.1 million in outflows, compared to €14.6 million in outflows in 2022.

Growth in net cash flow in 2023 is supported by the initial results of the "Manage by cash" program launched in mid-2022.

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

(in € millions)	Notes	2023	2022 restated
Net cash flow		**649.1**	**483.4**
Other changes		0.0	0.0
Net cash flow		**649.1**	**483.4**
Acquisitions/Sales of investments and business (net of cash and cash equivalents) from continued activities	2.3	303.6	(4 885.5)
Proceed from disposal of financial assets from continued activities	2.3	0.0	0.0
Other changes from continued activities	2.3	30.9	628.7
Financing surplus (used) from discontinued operations	2.3	106.8	(12.6)
Other changes from discontinued activities		0.0	0.0
Surplus (used) from operating and financing activities	**2.3**	**1 090.4**	**(3 786.1)**

1.7.3. Net Debt

(in € million)	12/31/2023	12/31/2022
Net Debt	**6,987.3**	**7,939.1**

The main elements of long-term financial resources are the following (Note 26 provides more details on each of these financings).

A series of bonds issued on the euro and yen financial markets:

- €300 million euros (1.00%) of bonds issued by Hella, maturing in May 2024;
- €1,000 million (2.625%) of bonds maturing in June 2025;
- ¥11.7 billion (2.48%) of bonds maturing in March 2026;
- €750 million (3.125%) of bonds maturing in June 2026;
- €950 million (7.25%) of sustainability-linked bonds maturing in June 2026 (of which €150 million have been tendered in 2023 bringing the balance at the end of December 2023 to 799.9 million euros);
- €500 million (0.50%) of Hella bonds maturing in January 2027;
- €1,200 million (2.75%) of sustainability-linked bonds maturing in February 2027;
- ¥6.8 billion (2.81%) of bonds maturing in March 2027;
- €890 million (2.375%) of bonds maturing in June 2027 (including a tap of €190 million issued in February 2021);
- €700 million (3.75%) of bonds maturing in June 2028;
- ¥0.7 billion (3.19%) of bonds maturing in December 2028;
- €400 million (2.375%) of Green Bonds maturing in June 2029;
- ¥12 billion (3.50%) of Hella Note maturing in 2032.

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

- 213 million euros (out of the 700 million euros issued in 2018 and partially repaid since then) maturing in December 2024;
- 747 million euros issued in 2021 and 2022, maturing in July 2024, January 2026, January 2027 and January 2028.

A series of bank loans:

- a ¥30 billion credit facility maturing in February 2026. As at December 31 2023, this facility was used up to ¥20 billion;
- a €315 million Credit Agreement with the European Investment Bank (EIB) maturing in July 2029 ; the amount drawn under the facility is €289 million euros as of December 31, 2023;
- a $300 million syndicated loan, signed by Faurecia Sistemas Automotrices SA DE CV with Latin American investors, maturing in March 2028;
- a €500 million Term loan maturing in June 2026 with two one-year extension options;
- a ¥10,000 million loan signed by Hella with maturity June 2033.

Besides, Forvia holds a €1,500 million syndicated credit facility whose maturity has been extended to May 2027, with a remaining one-year maturity extension option. As at December 31, 2023, this facility was not used and fully available for its total amount.

Hella's syndicated credit facility amounts to €450 million, with one option to increase the available amount by €150 million and its maturity is December 2026, with a remaining one-year maturity extension option. As at December 31, 2023, this facility was not used and fully available for its total amount

1.8. **Outlook**

2024 GUIDANCE

This guidance is based on:

- *broadly stable worldwide automotive production in 2024 vs. 2023, in line with S&P's latest forecast dated February 2024 that estimates 90.0 million light vehicles produced in 2024 vs. 90.3 million in 2023 (-0.4%);*
- *average 2024 currency rates of 1.10 for €/USD and of 7.50 for €/CNY.*

And assumes no major lockdown impacting production or retail sales in any automotive region during the year.

It takes into consideration:

- *a limited negative scope effect on sales of c. €50 million as the net effect of the disposal of the CVI business to Cummins (deconsolidated as from Q4 2023) for €(300) million largely offset by the consolidation as from January 1, 2024 of HELLA's joint-venture in Lighting in China for c. €250 million;*
- *the impact of the first step, already announced, of the second €1 billion disposal program underway, i.e. the disposal by HELLA of its 50% stake in BHTC that should contribute cash proceeds estimated at c. €200 million.*

2024 guidance is on track to reach POWER25 ambition:

- **sales of between €27.5 billion and 28.5 billion;**
- **operating margin between 5.6% and 6.4% of sales;**
- **NCF ≥ 2023 in value;**
- **net debt/Adjusted EBITDA ratio ≤ 1.9x at Dec. 31, 2024.**

ON TRACK TO POWER25 AMBITION

The Group reiterates its FY2025 objectives, as presented at the Capital Markets Day held in November 2022:

- **sales of c. €30bn;**
- **operating margin > 7% of sales;**
- **NCF of 4% sales;**
- **net debt/Adjusted EBITDA ratio of < 1.5x at Dec. 31, 2025.**

These objectives were based on average 2025 currency rates of 1.05 for €/USD and of 7.00 for €/CNY and assumed no major lockdown impacting production or retail sales in any major automotive region over the period.

These objectives, evidently, did not take into consideration any impact from the second €1 billion disposal program that was announced in October 2023.

2. Consolidated financial statements

In the financial statements reported thereafter, please note that figures reported for the year 2023 include 12 months of activity of HELLA (major acquisition of 2022) vs 11 months in 2022.

2.1. Consolidated statement of comprehensive income

(in € million)	*Notes*	2023	2022 restated*
SALES	*4*	**27,247.9**	**24,573.7**
Cost of sales	*5*	(23,585.5)	(21,442.1)
Research and development costs	*5*	(953.0)	(896.0)
Selling and administrative expenses	*5*	(1,270.3)	(1,175.1)
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	*4*	**1,439.1**	**1,060.5**
Amortization of intangible assets acquired in business combinations	*11*	(193.2)	(189.9)
OPERATING INCOME (AFTER AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)		**1,245.9**	**870.6**
Other non-recurring operating income	6	7.8	1.8
Other non-recurring operating expense	6	(189.2)	(444.3)
Income from loans, cash investments and marketable securities		90.7	50.3
Finance costs	*7*	(586.2)	(377.1)
Other financial income and expense	*7*	36.6	(168.4)
INCOME BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		**605.6**	**(67.1)**
Taxes	*8*	(232.4)	(177.0)
of which deferred taxes	*8*	*181.6*	*177.5*
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		**373.2**	**(244.1)**
Share of net income of associates	*13*	(2.2)	11.4
NET INCOME FROM CONTINUED OPERATIONS		**371.0**	**(232.7)**
NET INCOME FROM DISCONTINUED OPERATIONS	*2.1*	**(5.4)**	**(17.7)**
CONSOLIDATED NET INCOME (LOSS)		**365.6**	**(250.4)**
Attributable to owners of the parent		**222.2**	**(381.8)**
Attributable to minority interests from continued operations	*23*	143.4	131.4
Attributable to minority interests from discontinued operations		0.0	0.0
Basic earnings (loss) per share *(in €)*	9	1.13	(2.20)
Diluted earnings (loss) per share *(in €)*	9	1.12	(2.20)
Basic earnings (loss) from continued operations per share *(in €)*	9	1.15	(2.10)
Diluted earnings (loss) from continued operations per share *(in €)*	9	1.15	(2.10)
Basic earnings (loss) from discontinued operations per share *(in €)*	9	(0.03)	(0.10)
Diluted earnings (loss) from discontinued operations per share *(in €)*	9	(0.03)	(0.10)

* *See Note 1 C.*

Other comprehensive income

(in € million)	Notes	2023	2022 restated*
CONSOLIDATED NET INCOME (LOSS)		365.6	(250.4)
Amounts to be potentially reclassified to profit or loss from continued operations		**(320.6)**	**79.5**
Gains (losses) arising on fair value adjustments to cash flow hedges		(25.6)	92.6
of which recognized in equity		*69.1*	*82.5*
of which transferred to net income (loss) for the period		*(94.7)*	*10.1*
Exchange differences on translation of foreign operations		(297.7)	11.8
Tax impact		2.6	(24.9)
Amounts not to be reclassified to profit or loss from continued operations		**(29.2)**	**168.6**
Actuarial gain/(loss) on post-employment benefit obligations	*25*	(43.0)	244.2
Tax impact		13.8	(75.6)
Other comprehensive income from discontinued operations		**(13.3)**	**(8.9)**
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		**2.5**	**(11.2)**
Attributable to owners of the parent		(102.2)	(150.8)
Attributable to minority interests		104.7	139.6

* *See Note 1 C.*

2.2 Consolidated balance sheet

Assets

(in € million)	Notes	2023	2022 *
Goodwill	*10*	5,129.6	5,260.3
Intangible assets	*11*	4,374.8	4,590.1
Property, plant and equipment	*12A*	4,934.9	5,055.8
Right-of-use assets	*12B*	946.1	1,183.5
Investments in associates	*13*	307.8	333.9
Other equity interests	*14*	116.4	128.5
Other non-current financial assets	*15*	156.5	158.1
Other non-current assets	*16*	154.7	187.1
Deferred tax assets	*8*	852.9	690.5
TOTAL NON-CURRENT ASSETS		**16,973.7**	**17,587.8**
Inventories, net	*17*	2,903.7	2,924.2
Contract assets		149.6	275.6
Trade accounts receivables	*18*	4,132.9	5,065.9
Other operating receivables	*19*	593.4	720.5
Other receivables	*20*	1,449.2	1,425.7
Other current financial assets	*30*	8.8	17.6
Cash and cash equivalents	*21*	4,273.9	4,201.1
TOTAL CURRENT ASSETS		**13,511.5**	**14,630.6**
Assets held for sale		0.0	N/A
TOTAL ASSETS		**30,485.2**	**32,218.4**

* *See Note 1 C.*

Liabilities

(in € million)	*Notes*	**2023**	**2022 ***
EQUITY			
Capital	*22*	1,379.6	1,379.6
Additional paid-in capital		1,408.7	1,408.7
Treasury stock		(0.2)	(4.5)
Retained earnings		1,759.1	2,162.5
Translation adjustments		(260.0)	(16.5)
Net income (loss)		222.2	(381.8)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS		**4,509.4**	**4,548.0**
Minority interests	*23*	1,662.0	1,691.1
TOTAL SHAREHOLDERS' EQUITY		**6,171.4**	**6,239.1**
Non-current provisions	*25*	630.0	575.2
Non-current financial liabilities	*26*	8,686.7	9,106.2
Non-current lease liabilities	*26*	836.5	1,049.2
Other non-current liabilities		72.0	48.2
Deferred tax liabilities	*8*	327.8	390.4
TOTAL NON-CURRENT LIABILITIES		**10,553.0**	**11,169.2**
Current provisions	*24*	602.9	795.5
Current financial liabilities	*26*	1,544.8	1,773.7
Current portion of lease liabilities	*26*	219.1	251.8
Prepayments on customers contracts		1,051.4	975.4
Trade payables	*27*	8,397.9	9,181.3
Accrued taxes and payroll costs	*27*	1,061.3	1,104.3
Sundry payables	*28*	883.4	728.1
TOTAL CURRENT LIABILITIES		**13,760.8**	**14,810.1**
Liabilities linked to assets held for sale		0.0	N/A
TOTAL EQUITY AND LIABILITIES		**30,485.2**	**32,218.4**

* *See Note 1 C.*

2.3 Consolidated cash flow statement

(in € million)	Notes	2023	2022 restated*
I- OPERATING ACTIVITIES			
Operating income (before amortization of acquired intangible assets)		1,439.1	1,060.5
Depreciations and amortizations of assets	5.5	1,888.9	1,846.8
o/w depreciations and amortizations of R&D assets	*5.5*	*712.4*	*684.5*
o/w other depreciations		*1,176.5*	*1,162.3*
EBITDA adjusted		**3,328.0**	**2,907.3**
Operating current and non-current provisions		(143.8)	(99.3)
Capital (gains) losses on disposals of operating assets		5.0	(2.4)
Paid restructuring		(170.2)	(181.9)
Paid finance costs net of income		(529.0)	(362.4)
Other non-recurring operating income and expenses paid		(1.1)	(79.4)
Paid taxes		(515.3)	(362.1)
Dividends from associates		19.7	24.4
Change in working capital requirement		**769.9**	**588.3**
Change in inventories		(135.1)	(154.1)
o/w R&D inventories increase	*5.4*	*(223.8)*	*(216.7)*
o/w R&D inventories decrease		*237.4*	*194.9*
Change in trade accounts receivables		207.6	(395.8)
Change in trade payables		444.2	1,144.0
Change in other operating receivables and payables		214.2	56.9
Change in other receivables and payables (excl. Tax)		39.0	(62.8)
Operating cash flows from discontinued activities		**(148.9)**	**32.0**
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		2,614.5	2,464.6
II- INVESTING ACTIVITIES			
Additional property, plant and equipment	12	(1,122.9)	(1,119.3)
Additional intangible assets	11	(14.4)	(17.7)
Capitalized development costs	5.4 & 11	(1,046.0)	(954.2)
Acquisitions/Sales of investments and business (net of cash and cash equivalents)		303.6	(4,885.5)
Proceeds from disposal of property, plant and equipment		46.6	21.0
Proceed from disposal of financial assets		0.0	0.0
Change in investment-related receivables and payables		22.3	120.9
Other changes		30.9	628.7
Investing cash flows from discontinued operations		**255.7**	**(44.6)**
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		(1,524.1)	(6,250.7)
CASH PROVIDED BY (USED IN) OPERATING AND INVESTING ACTIVITIES (I) + (II)		1,090.4	(3,786.1)
III- FINANCING ACTIVITIES			
Shares issued by Forvia and fully consolidated companies (net of costs)		1.5	1,216.8
Dividends paid to owners of the parent company		(0.0)	(0.0)
Dividends paid to minority interests in consolidated subsidiaries		(132.5)	(54.9)
Acquisitions/disposals of treasury stocks		1.3	(1.1)
Debt securities issued and increase in other financial liabilities		588.1	4,739.7
Repayment of debt and other financial liabilities		(1,162.0)	(2,539.8)
Repayments on lease debts		(246.0)	(239.9)
Financing cash flows from discontinued activities		**60.6**	**(0.9)**
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		(889.0)	3,119.9
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents		(123.3)	(38.4)
Net cash flows from discontinued operations		**24.5**	**(29.7)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		102.5	(734.3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		4,171.4	4,905.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD		4,273.9	4,171.4**

* See Note 1C.

** Cash and cash equivalents at end of 2022 are only restated in consolidated cash flow statement (cf. note 1C).

The net cash flow amounts to €649.1 million as of December 31, 2023 and €483.4 million as of December 31, 2022 restated (cf. chapter 1, note1.7.1).

2.4 Consolidated statement of changes in equity

(in € million)	Number of shares [1]	Capital stock	Additional paid-in capital	Treasury Stock	Retained earnings and net income (loss) for the period	Valuation adjustments: Translation adjustments	Valuation adjustments: Cash flow hedges	Valuation adjustments: Actuarial gain/(loss) on post employment benefit obligations	Equity attributable to owners of the parent	Minority interests	Total
Shareholders' equity as of January 1, 2022 before appropriation of net income (loss)	**138,035,801**	**966.3**	**605.2**	**(4.0)**	**1,993.2**	**(34.3)**	**2.2**	**(103.0)**	**3,425.6**	**386.3**	**3,811.9**
Net income (loss)					(381.8)				(381.8)	131.4	(250.4)
Other comprehensive income						17.3	63.5	150.2	231.0	8.2	239.2
Comprehensive income					***(381.8)***	***17.3***	***63.5***	***150.2***	***(150.8)***	***139.6***	***(11.2)***
Capital increase [2]	59,053,539	413.3	803.5						1,216.9		1,216.9
2021 dividends									0.0	(55.2)	(55.2)
Allocation of free shares					9.2				9.2		9.2
Purchases and sales of treasury stock				(0.5)					(0.5)		(0.5)
Changes in scope of consolidation and other					184.1	0.5	(51.1)	(85.9)	47.7	1,220.4	1,268.1
Shareholders' equity as of December 31, 2022 before appropriation of net income (loss)	**197,089,340**	**1,379.6**	**1,408.7**	**(4.5)**	**1,804.7**	**(16.5)**	**14.7**	**(38.7)**	**4,548.0**	**1,691.1**	**6,239.1**
Net income (loss)					222.2				222.2	143.4	365.6
Other comprehensive income						(277.8)	(21.6)	(25.0)	(324.4)	(38.7)	(363.1)
Comprehensive income					***222.2***	***(277.8)***	***(21.6)***	***(25.0)***	***(102.2)***	***104.7***	***2.5***
Capital increase									0.0	6.8	6.8
2022 dividends									0.0	(142.6)	(142.6)
Allocation of free shares					8.4				8.4		8.4
Purchases and sales of treasury stock				4.3					4.3		4.3
Changes in scope of consolidation and other					16.9	34.3	0.0	(0.3)	50.9	2.0	52.9
Shareholders' equity as of December 31, 2023 before appropriation of net income (loss)	**197,089,340**	**1,379.6**	**1,408.7**	**(0.2)**	**2,052.2**	**(260.0)**	**(6.9)**	**(64.0)**	**4,509.4**	**1,662.0**	**6,171.4**

(1) Of which 5,091 treasury stock as of 12/31/2023 and 84,171 treasury stock as of 12/31/2022 – See Note 9.
(2) Of which €524.5 million on January 31, 2022 and €692.3 million on June 24, 2022.

2.5. Notes to the consolidated financial statements

Contents

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

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

The consolidated financial statements were approved by FORVIA's Board of Directors on February 16, 2024.

The accounts were prepared on a going concern basis.

Note 1 Summary of significant accounting policies

1.A Accounting principles

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

The standards used to prepare the 2023 consolidated financial statements and comparative data for 2022 are those published in the Official Journal of the European Union (OJEU) as of December 31, 2023, whose application was mandatory at that date. The new standards, amendments and revisions to the existing standards, whose publication is mandatory from January 1, 2023, have no significant impact on the Group consolidated financial statements.

Concerning the amendments to IAS 12 « International Tax Reform – Pillar 2 Model Rules » published in the OJEU on November 9, 2023, the Group has applied the temporary and mandatory exception related to accounting of deferred tax related to the Pillar 2 income taxes.

The Finance law published in the Official Journal on December 30, 2023 has transposed the European Directive 2022/2023, in order to implement the OECD tax reform ("Pillar 2"). This law is applicable for all accounting periods starting from December 31, 2023 and enforces for all big multinational companies a minimum taxation on income generated in each of the jurisdictions where they are active. The Group has performed the estimation of the potential impacts. In most of the cases, the application of the transitory measures should be possible, generating nil additional income tax. For the countries where these transitory measures can not be applied, no significant impact is expected for the Group.

Moreover, FORVIA has not undertaken any early application of new standards, amendments or interpretations whose application is mandatory after December 31, 2023, irrespective of whether or not they are adopted by the European Union.

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

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

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

These estimates consider also the Group plans in terms of carbon neutrality as approved by the Science Based Target Initiative (SBTi) in July 2022 and more specifically, achieving by 2025 CO2 neutral scopes 1 & 2 and by 2030 reducing green house gas (GHG) emissions by 45% of scope 3, among others by solar energy production on its sites (on site PPA), purchases of renewable energy (off site PPA) and the development of its transversal division for cutting edge sustainable and smart materials launched in July 2021, as well as the review of the group industrial portfolio to climatic risks on the basis on the GIEC *scenarii*.

The results of the sensitivity tests carried out on the carrying amounts of goodwill and provisions for pensions and other employee benefits are provided in notes 10 and 25.2, respectively. In addition, Note 11 “Intangible Assets” describes the main assumptions used for measuring intangible assets and Note 8.2 the assumptions for recognition of deferred tax assets.

1.B Consolidation principles

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

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

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

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

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

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

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

Balance sheets and net income of Group entities active in hyperinflation economies are restated to take into account the changes in purchasing power of the local currencies using the official indexes at closing date. They are then translated in euros using the exchange rate of the closing date; without restatement of comparative periods in accordance with IAS 21. This is applied in 2022 and 2023 to Group affiliates in Argentina and in Türkiye.

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

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

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

1.C Modifications to the previously published consolidated financial statements

IFRS 5 – DISCONTINUED ACTIVITIES

FORVIA has announced mid February 2023 to have signed with the Motherson group an agreement by which Motherson commits to acquire FORVIA's SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment. All the conditions were met from an IFRS point of view to qualify the activity as discontinued, mainly regarding the criteria of being a major line of business and the highly probable character of the sale.

Since January 1, 2023, applying IFRS 5, the corresponding assets and liabilities have been isolated in dedicated lines as the net result of the corresponding discontinued activities and so until July 31, 2023, effective date of the sale of these activities (see Note 2.1).

Due to the effective sale of these activities on July 31, 2023, there are no assets nor liabilities presented in separated lines in the consolidated balance sheet as of December 31, 2023.

The net income, other comprehensive income and cash flows items of discontinued operations are presented separately in the statement of financial position for the year 2023 and all prior periods presented in the financial statements. The comparative balance sheet for the previous year is not restated, as per IFRS5.

Inter-company transactions other than the ones linked to management fees remain eliminated. The classification of management fees for which the sale of the SAS will have no impact has been maintained in operating income. The net impact of this sale is also presented in the net income of discontinued activities.

The restatements of the previously published financial statements for the year 2022 are detailed in the tables below.

RESTATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Full-Year 2022

(in € million)	Full-Year 2022 published in February 2023	IFRS 5 impact	2022 restated
SALES	25,458.2	(884.5)	24,573.7
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	1,114.9	(54.4)	1,060.5
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES	(261.8)	17.7	(244.1)
NET INCOME FROM CONTINUED OPERATIONS	(250.4)	17.7	(232.7)
NET INCOME FROM DISCONTINUED OPERATIONS	0.0	(17.7)	(17.7)
CONSOLIDATED NET INCOME (LOSS)	(250.4)	0.0	(250.4)
Attributable to owners of the parent	**(381.8)**	**0.0**	**(381.8)**
Attributable to minority interests from continued operations	**131.4**	**0.0**	**131.4**
Attributable to minority interests from discontinued operations	**0.0**	**0.0**	**0.0**

RESTATED CONSOLIDATED CASH FLOW STATEMENT

Full-Year 2022

(in € million)	Full-Year 2022 published in February 2023	Impact IFRS 5	2022 restated
I- OPERATING ACTIVITIES			
EBITDA adjusted	**3,011.9**	**(104.6)**	**2,907.3**
Change in working capital requirement	**557.2**	**31.1**	**588.3**
Operating cash flows from discontinued activities	**0.0**	**32.0**	**32.0**
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	2,464.6	0.0	2,464.6
II- INVESTING ACTIVITIES			
Investing cash flows from discontinued operations	**0.0**	**(44.6)**	**(44.6)**
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES	(6,250.7)	0.0	(6,250.7)
CASH PROVIDED BY (USED IN) OPERATING AND INVESTING ACTIVITIES (I) +(II)	(3,786.1)	0.0	(3,786.1)
III- FINANCING ACTIVITIES			
Financing cash flows from discontinued activities	**0.0**	**(0.9)**	**(0.9)**
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	3,119.9	0.0	3,119.9
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents	**(38.4)**	**0.1**	**(38.4)**
Net cash flows from discontinued operations	**0.0**	**(29.7)**	**(29.7)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(704.6)	(29.7)	(734.3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	4,905.7	0.0	4,905.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,201.1	(29.7)	4,171.4

The net cash flow published in 2022 (€470.8 million) amounts to €483.4 million as of December 31, 2022 after IFRS5 restatement.

Note 2 Change in scope of consolidation and recent events

2.1 Disposal of SAS

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

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

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

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

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

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

2.2 Other changes in scope in 2023

DISPOSAL OF CVI BUSINESS

FORVIA has finalized the sale of designated parts of FORVIA’s commercial vehicle exhaust aftertreatment business in Europe and in the United States, on October 2, 2023, for a total transaction value of €199.2 million, to its longstanding partner Cummins. As part of this transaction, Cummins acquired two plants located in Roermond (Netherlands) and Columbus South (Indiana, USA) as well as their related programs. According to the sale contract, the calculation of prospective price adjustments based on CVI accounts on transaction date is ongoing.

DISENGAGEMENT FROM RUSSIA

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

OTHER CHANGES IN SCOPE

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

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

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

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

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

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

2.3 Reminder of change in scope of consolidation introduced in 2022

FORVIA has completed on January 31, 2022 the acquisition of 79.5% of HELLA, group listed on the Frankfort Stock Exchange, comprising the 60% acquired from the family pool, of which 8.95% were paid through newly issued FORVIA shares and 19.5% as a result of the public tender offer mentioned above. FORVIA also acquired additional shares on the market, representing 2.09% of HELLA shares as of March 18, 2022. As of December 31, 2023, FORVIA holds 81.6% of HELLA shares. FORVIA has an exclusive control on HELLA, which is fully consolidated (including all its significant affiliates) since February 1, 2022.

Within the Seating perimeter, in China the companies Xian Faurecia Automotive Parts Co., Ltd and Changzhou Faurecia Automotive Parts Co., Ltd have been created and are fully consolidated since February 2022; they are held at 70% by the Group. The company Faurecia (Tianjin) Automotive Systems Co., Ltd has been created and is fully consolidated since February 2022; it is held at 100%. The company Faurecia (Changshu) Automotive System Co., Ltd in China, fully consolidated, is being held at 60% since october 2022 vs initially at 55%.

For the Electronics perimeter, in Mexico, the company Hitachi Automotive Systems San Juan Del Rio, S.A. de C.V held at 20% and consolidated in equity method had been sold in June 2022. In China, the company Changchun FAWSN Faurecia Cockpit of Future System Co., Ltd in China, has been acquired in July 2022 at 50% and is fully consolidated and the company Faurecia Clarion (Wuhan) has been created and is fully consolidated since September 2022, it is held at 100%.

Within the Lighting perimeter, the company HBPO Beteiligungsgesellschaft mbH in Germany, consolidated in equity method with a share of 27% since February 2022 following HELLA acquisition has been sold in December 2022.

2.4 Recent events

ECONOMICAL CONTEXT

The worldwide automotive production showed strong dynamics in 2023 with a global production of 90.3 million light vehicles, corresponding to a 9.7% growth year on year. The market was supported by a very robust global demand and the progressive normalization of semi-conductor's supply. The 2023 level exceeded the 89 million LV production reached in 2019 (pre-Covid level), but with a different regional mix ; In 2023, China represented 32% of worldwide LVP (vs. 27% in 2019) and Europe represented 20% (vs. 24% in 2019).

The impact of cost inflation has however persisted during the year 2023. Compared to 2022, which predominantly caused by increase in raw material prices, cost inflation in 2023 mainly related to energy, labor and, to a lesser extent, raw material prices (some of them starting to go down).

Note 3 Post-balance sheet events

No significant post-balance sheet events have occurred.

Note 4 Information by operating segment

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

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

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

4.1 Accounting principles

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

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

FORVIA operates as an agent for monoliths sales, as well as for some cockpit components, these sales are then recorded at net value in the income statement. These agent flows represented €7,384.7 million in 2023 (€8,325.2 million in 2022 restated IFRS5) ; the counterparts in balance sheet are presented in the lines *Contract assets* (cf. note 17) and *Trade accounts receivables* in assets and *Trade payables* in liabilities.

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

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

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

4.2 Key figures by operating segment

Full-Year 2023

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

Full-Year 2022 restated

(in € million)	Seating	Interiors restated	Clean Mobility	Electronics	Lighting	Lifecycle Solutions	Other	Total
TOTAL SALES	7,750.1	4,699.2	4,754.1	3,806.9	3,096.1	902.7	199.2	25,208.3
Inter-segment eliminations	(45.8)	(54.3)	(18.4)	(285.0)	(22.1)	(9.8)	(199.2)	(634.6)
Consolidated sales	**7,704.3**	**4,645.0**	**4,735.7**	**3,521.7**	**3,074.0**	**893.0**	**0.0**	**24,573.7**
Operating income (before amortization of acquired intangible assets)	**197.0**	**191.3**	**336.3**	**140.8**	**106.5**	**88.5**	**0.0**	**1,060.5**
Amortization of intangible assets acquired in business combinations								(189.9)
Operating income (after amortization of acquired intangible assets)								**870.6**
Other non recurring operating income								1.8
Other non recurring operating expenses								(444.3)
Finance costs, net								(326.8)
Other financial income and expenses								(168.4)
Corporate income tax								(177.0)
Share of net income of associates								11.4
Net income from continued activities								**(232.7)**
Net income from discontinued activities								**(17.7)**
NET INCOME (LOSS)								(250.4)
Segment assets	**5,246.6**	**5,040.9**	**4,993.7**	**5,979.9**	**3,064.3**	**1,317.3**	**553.6**	**26,196.4**
Net property, plant and equipment	898.5	860.7	890.9	1,179.2	975.2	134.3	117.0	5,055.8
Right-of-use assets	259.6	400.2	219.7	71.6	64.3	13.5	154.7	1,183.5
Other segment assets	4,088.5	3,780.0	3,883.1	4,729.2	2,024.8	1,169.6	282.0	19,957.1
Investments in associates								333.9
Other equity interests								128.5
Short and long-term financial assets								4,573.2
Tax assets (current and deferred)								986.3
Assets held for sale								0.0
TOTAL ASSETS								32,218.4
Segment liabilities	**2,845.2**	**2,951.4**	**3,830.4**	**1,409.2**	**1,486.3**	**229.1**	**597.3**	**13,348.8**
Borrowings								10,879.9
Lease liabilities								1,301.0
Tax liabilities (current and deferred)								449.5
Liabilities linked to assets held for sale								0.0
Equity and minority interests								6,239.1
TOTAL LIABILITIES								32,218.4
Capital expenditure	226.4	168.3	132.0	270.3	270.8	33.2	26.7	1,127.7
Depreciation of property, plant and equipment	(155.7)	(157.6)	(171.7)	(189.7)	(178.4)	(17.1)	(22.8)	(893.2)
Depreciation of Right-of-use assets	(71.4)	(64.0)	(50.9)	(22.0)	(11.3)	(4.5)	(22.4)	(246.4)
Impairment of property, plant and equipment	(10.1)	(13.7)	(17.9)	(2.8)	0.0	0.0	(11.7)	(56.1)
Headcounts	45,052	33,541	20,462	19,817	22,779	4,870	5,878	152,399

4.3 Sales by operating segment

Sales by operating segment break down as follows:

(in € million)	2023 Consolidated Sales	2023 %	2022 restated Consolidated Sales	2022 restated %
Seating	8,551.1	31	7,704.3	31
Interiors	4,922.7	18	4,644.9	19
Clean Mobility	4,832.2	18	4,735.8	19
Electronics	4,138.0	15	3,521.7	14
Lighting	3,745.8	14	3,074.0	13
Lifecycle solutions	1,058.1	4	893.0	4
TOTAL	**27,247.9**	**100**	**24,573.7**	**100**

4.4 Sales by major customer

Sales* by major customer break down as follows:

(in € million)	2023 Consolidated Sales	2023 %	2022 restated Consolidated Sales	2022 restated %
VW group	3,895.8	14	3,454.4	14
Stellantis	2,920.5	11	2,937.3	12
Ford group	1,994.4	7	1,973.1	8
Renault-Nissan	1,729.6	6	1,585.6	7
Daimler	1,695.6	6	1,505.5	6
Global vehicle company	1,434.1	5	1,113.3	5
BMW	1,427.0	5	1,071.5	4
Others	12,150.7	46	10,933.0	44
TOTAL	**27,247.9**	**100**	**24,573.7**	**100**

* *The presentation of sales invoiced may differ from that of sales by end customer when products are transferred to intermediary assembly companies.*

4.5 Key figures by geographic area

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

2023

(in € million)	France	Germany	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,685.1	2,976.2	7,989.2	7,207.2	7,390.1	27,247.9
Net property, plant and equipment	352.0	764.1	1,686.2	1,124.4	1,008.1	4,934.9
Right-of-use assets	187.0	103.2	226.4	287.8	141.7	946.1
Capital expenditure	93.9	127.5	414.6	285.2	201.6	1,122.9
Headcounts as of December 31	10,561	14,025	53,058	33,121	42,697	153,462

2022 restated

(in € million)	France	Germany	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,551.4	2,688.8	6,810.1	6,822.7	6,700.7	24,573.7
Net property, plant and equipment	343.5	806.0	1,662.1	1,160.5	1,083.8	5,055.8
Right-of-use assets	195.9	147.4	293.9	391.8	154.6	1,183.5
Capital expenditure	78.4	134.5	381.2	275.4	258.2	1,127.7
Headcounts as of December 31	11,034	14,221	53,303	33,297	40,544	152,399

Note 5 Analysis of operating expenses

5.1 Analysis of operating expenses by function

(in € million)	2023	2022 restated
Cost of sales	(23,585.5)	(21,442.1)
Research and development costs	(953.0)	(896.0)
Selling and administrative expenses	(1,270.3)	(1,175.1)
TOTAL	**(25,808.8)**	**(23,513.2)**

5.2 Analysis of operating expenses by nature

(in € million)	2023	2022 restated
Purchases consumed	(16,560.3)	(14,885.3)
External costs	(3,069.3)	(2,711.3)
Personnel costs	(5,785.8)	(5,293.3)
Taxes other than on income	(54.9)	(62.2)
Other income and expenses	1,428.6	1,212.4
Depreciation, amortization and provisions for impairment in value of non-current assets	(1,888.4)	(1,846.8)
Charges to and reversals of provisions	121.3	73.3
TOTAL	**(25,808.8)**	**(23,513.2)**

5.3 Personnel costs

(in € million)	2023	2022 restated
Wages and salaries*	(4,616.8)	(4,198.2)
Payroll taxes	(1,169.0)	(1,095.1)
TOTAL	**(5,785.8)**	**(5,293.3)**
* *Of which temporary employee costs.*	*(418.3)*	*(358.7)*

Details of expenses relating to the Group's free shares plans and pension costs are provided in Notes 22.2 and 25, respectively.

5.4 Research and development costs

(in € million)	2023	2022 restated
Research and development costs, gross	(2,197.5)	(2,067.5)
Allowance/reversal of depreciation of assets in development	(25.4)	0.6
Capitalized development costs	1,269.9	1,170.8
of which in inventory	*223.8*	*216.7*
of which in intangible assets	*1,046.1*	*954.1*
TOTAL	**(953.0)**	**(896.0)**

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

The development costs recognized in the cost of sales (stock decrease and R&D assets depreciation) amount to €924.4 million as of December 31, 2023, vs €877.8 million as of December 31, 2022 restated.

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

(in € million)	2023	2022 restated
Amortization of capitalized development costs	(691.8)	(674.5)
Provisions for impairment of capitalized development costs	(20.6)	(10.0)
Amortization of other intangible assets	(43.4)	(39.5)
Depreciation of specific tooling	(10.0)	(10.1)
Depreciation and impairment of other property, plant and equipment	(875.1)	(866.3)
Depreciation of Right-of-use assets	(247.5)	(246.4)
TOTAL	**(1,888.4)**	**(1,846.8)**

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

Note 6 Other non-recurring operating income and expenses

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

OTHER NON-RECURRING OPERATING INCOME

(in € million)	2023	2022 restated
Release of provision for impairment of assets	2.4	0.0
Gain on disposals of assets	2.4	1.5
Others	3.0	0.3
TOTAL	**7.8**	**1.8**

OTHER NON-RECURRING OPERATING EXPENSES

(in € million)	2023	2022 restated
Other provisions for impairment of assets	(0.6)	0.0
Reorganization expenses (1) (3)	(170.8)	(349.2)
Impairment of goodwill	0.0	0.0
Losses on disposal of assets	0.0	0.0
Others (2) (3)	(17.8)	(95.1)
TOTAL	**(189.2)**	**(444.3)**

(1) As of December 31, 2023, this item includes restructuring costs in the amount of €(171.5) million and reversal of provisions for impairment in value of assets in the amount of €0.7 million versus €(205.1) million and €(144.1) million as of December 31, 2022 restated.

(2) Of which €(43.0) million of costs linked to the acquisition and integration of HELLA as of December 31, 2022.

(3) Russia : €28.9 million of reversal of provision linked to the reduction of Russia activities of which €25.1 million of reversal of provision for reorganization and €3.8 million of income in others as of December 31, 2023 versus €(130.3) million as of December 31, 2022 of which €(103.9) million of reorganization expenses and €(26.4) million of others.

RESTRUCTURING

Reorganization costs (€170.8 million) include redundancy and site relocation payments for 2,796 people.

Note 7 Finance costs and Other financial income and expenses

7.1 Finance costs

(in € million)	2023	2022 restated
Finance costs	(527.4)	(325.1)
Finance costs on leases	(58.8)	(52.0)
TOTAL	**(586.2)**	**(377.1)**

7.2 Other financial income and expenses

(in € million)	2023	2022 restated
Impact of discounting pension benefit obligations	(22.4)	(11.2)
Changes in the ineffective portion of currency hedges	0.1	(0.3)
Changes in fair value of currency hedged relating to debt	0.2	(1.1)
Foreign exchange gains and losses on borrowings	(43.6)	(34.0)
Hyperinflation impact (Argentina-Türkiye)	(31.5)	(29.8)
Others(1) (3)	133.8	(92.0)(2)
TOTAL	**36.6**	**(168.4)**

(1) This item includes amortization of costs related to long-term debts and commissions for non-use of the credit facility.
(2) Of which €(34.3) million in 2022 of financial costs linked to the acquisition of HELLA.
(3) Of which €158.0 million of gain on sale (mainly shares of Symbio and CVI activity - cf. note 2.2) and €(13.6) million for the variance of the fair value of the off-site VPPA contracts in 2023 - cf. Note 26.

Note 8 Income tax

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

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

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

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

In compliance with IFRIC 23, accruals for risk on income tax are part of the income tax within the statement of comprehensive income and of income tax payables within the balance sheet (Note 28).

Corporate income tax can be analyzed as follows:

(in € million)	2023	2022 restated
Current taxes		
■ Current corporate income tax	(414.0)	(354.5)
Deferred taxes		
■ Deferred taxes for the period	181.6	177.5
TOTAL	**(232.4)**	**(177.0)**

8.1 Analysis of the tax charge

Corporate income tax can be analyzed as follows:

(in € million)	2023	2022 restated
Pre-tax income of consolidated companies	605.6	(67.1)
Theoritical Tax (25.83%)	*(156.4)*	*17.3*
Effect of rate changes on deferred taxes recognized on the balance sheet	0.9	(1.0)
Effect of local rate differences*	61.0	44.6
Tax credits	3.4	6.4
Change in unrecognized deferred tax	(169.9)	(173.5)
Permanent differences & others**	28.6	(70.8)
Corporate tax recognized	**(232.4)**	**(177.0)**

* *The impact of local rate differences mainly relates to Chinese and German entities.*
** *Mainly due to withholding tax in 2022.*

8.2 Analysis of tax assets and liabilities

(in € million)	2023	2022
Current taxes		
■ Assets	389.9	295.8
■ Liabilities	(168.8)	(167.2)
Total	**221.1**	**128.6**
Deferred taxes		
■ Assets*	852.9	690.5
■ Liabilities	(327.8)	(390.4)
Total	**525.1**	**300.1**
* *Of which tax assets on tax losses.*	*174.5*	*221.9*

The Group considers the recovery of the deferred tax net balance as at December 31, 2023, i.e. €525.1 million, as probable.

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

(in € million)	2023	2022
Amount as at the beginning of the year	**300.1**	**496.5**
Deferred taxes carried to net income for the period	181.6	181.4
■ Deferred taxes recognized directly in equity*	14.3	(75.4)
■ Effect of currency fluctuations and other movements	(3.0)	(14.9)
■ Effect of scope variations	32.2	(287.5)
Amount at the end of the year	**525.1**	**300.1**

* *Mainly related to actuarial gains and losses directly recognized in equity.*

8.3 Deferred tax assets and liabilities by nature

(in € million)	2023	2022
Tax asset carryforwards	174.5	221.9
Intangible assets	(499.4)	(631.9)
Other tangible assets and long term assets	73.4	20.4
Pensions	120.6	103.0
Other reserves	48.2	38.1
Stocks	246.7	229.4
Other working capital	361.2	319.2
TOTAL	**525.1**	**300.1**
of which deferred tax assets	*852.9*	*690.5*
of which deferred tax liabilities	*(327.8)*	*(390.4)*

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

8.4 Impairment of tax asset carryforwards

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

(in € million)	2023	2022
N+1	12.9	13.5
N+2	9.4	17.0
N+3	18.6	10.8
N+4	13.8	14.1
N+5 and above	177.7	157.3
Unlimited	600.1	523.5
TOTAL	**832.4**	**736.2**

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

Note 9 Earnings per share

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

	2023	2022
Number of shares outstanding at year-end (1)	**197,089,340**	**197,089,340**
Adjustments :		
■ treasury stock	(5,091)	(84,171)
■ weighted impact of share issue prorated	0	(23,332,976)
Weighted average number of shares before dilution	**197,084,249**	**173,672,193**
Weighted impact of dilutive instruments:		
■ free shares attributed	521,273	81,117
■ bonds with conversion option	0	0
Weighted average number of shares after dilution	**197,605,522**	**173,753,310**

(1) Changes in the number of shares outstanding as of December 31, 2023, are analyzed as follows:

As of December 31, 2022: Number of FORVIA shares outstanding	***197,089,340***
change of number of shares	*0*
As of December 31, 2023: Number of FORVIA shares outstanding	***197,089,340***

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

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

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

Earnings per share

Earnings per share break down as follows:

	2023	2022 restated
Net Income (loss) *(in € million)*	**222.2**	**(381.8)**
Basic earnings (loss) per share	1.13	(2.20)
After dilution	1.12	(2.20)
Net Income (loss) from continued operations *(in € million)*	**227.6**	**(364.1)**
Basic earnings (loss) per share	1.15	(2.10)
After dilution	1.15	(2.10)
Net Income (loss) from discontinued operations *(in € million)*	**(5.4)**	**(17.7)**
Basic earnings (loss) per share	(0.03)	(0.10)
After dilution	(0.03)	(0.10)

Note 10 Goodwill

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

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

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

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

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

(in € million)	Gross	Impairment	Net
Amount as of January 1, 2022	**2,896.7**	**(660.5)**	**2,236.2**
Acquisitions	3,014.0	0.0	3,014.0
Provision for impairment	0.0	0.0	0.0
Scope variations	0.0	0.0	0.0
Translation adjustments and other	10.2	(0.1)	10.1
Amount as of December 31, 2022	**5,920.9**	**(660.6)**	**5,260.3**
Acquisitions	0.0	0.0	0.0
Provision for impairment	0.0	0.0	0.0
Scope variations	(123.2)	0.0	(123.2)
Translation adjustments and other	(7.7)	0.2	(7.5)
Amount as of December 31, 2023	**5,790.1**	**(660.4)**	**5,129.6**

Breakdown of the net amount of goodwill by operating segment:

(in € million)	2023	2022
Seating	1,141.8	1,141.8
Interiors	761.7	889.0
Clean Mobility	691.6	694.9
Electronics	1,661.5	1,661.5
Lighting	291.1	291.1
Lifecycle solutions	581.9	581.9
TOTAL	**5,129.6**	**5,260.3**

Cash-generating units and impairment tests

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

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

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

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

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

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

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

Within the frame of the impairment tests of goodwill and group of CGUs, the cash flow forecasts used to calculate value in use were based on the Group's 2024-2028 forecasts which were drafted in the second semester of 2023. The volume assumptions used in the strategic plan are based on worldwide automotive market assumptions of 88 million of cars in 2024, 88 million in 2025 and 93 million in 2028, based themselves on external information sources. The impacts of group commitment on carbon neutrality as well as the consequences of governmental policies linked to the global warming are as well part of the assumptions used for these forecasts.

The main assumption affecting value in use is the level of operating income used to calculate future cash flows and particularly the terminal value. The operating margin assumption for 2028 remains above 8% of sales for the Group as a whole.

Projected cash flows for the last year (2028) have been projected to infinity by applying a growth rate determined based on analysts' trend forecasts for the automotive market. The growth rate applied for the 2023 test was 1.4% (1.4% applied at the end of 2022), except for Electronics for which 2% has been considered given the specific development of this segment (2% applied at the end of 2022).

FORVIA called on an independent expert to update the weighted average cost of capital used to discount future cash flows. The market parameters used in the expert's calculation are based on a sample of companies operating in the automotive supplier sector. Taking into account these parameters and a market risk premium of 6.5% on average, the weighted cost of capital used to discount future cash flows was set at 10.6% (on the basis of a range of values provided by the independent expert) in 2023 (10.5% in 2022). This rate was applied for the impairment tests carried out on all of the groups of CGUs, as they all bear the same specific risks relating to the automotive supplier sector and the CGUs multinational operation does not justify using geographically different discount rates.

The tests performed as of December 31, 2023 did not show any indication of impairment in goodwill.

The table below shows the sensitivity of the impairment test results to changes in the assumptions used as of December 31, 2023 to determine the value in use of the CGUs groups to which the Group's goodwill is allocated:

Sensitivity *(in € million)*	**Test income (value in use – net carrying value)**	**Cash flow discount rate + 0.5 pt**	**Growth rate to infinity - 0.5 pt**	**Operating margin rate for terminal value - 0.5 pt**	**Combination of the 3 factors**
Seating	2,151	1,887	1,953	1,896	1,488
Interiors	1,176	971	1,018	1,013	687
Clean Mobility	1,675	1,533	1,571	1,557	1,336
Electronics	48	(258)	(194)	(186)	(671)
Lighting	122	2	32	(2)	(188)
Lifecycle solutions	216	143	161	179	63

Note 11 Intangible assets

A. Research and development expenditure

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

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

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

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

B. Other intangible assets

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

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

Intangible assets break down as follows:

(in € million)	Development costs	Software and other	Intangible assets acquired	Total
AMOUNT AS OF JANUARY 1, 2022	**2,268.4**	**66.2**	**465.8**	**2,800.4**
Additions	969.1	18.7	0.0	987.8
Depreciation and amortization	(680.0)	(40.7)	(218.6)	(939.3)
Funding of provisions	(45.4)	(0.5)	0.0	(45.9)
Scope variations	483,9	25,9	1,270.0	1,779.7
Translation adjustments and other	2,6	19,7	(15,0)	7,3
AMOUNT AS OF DECEMBER 31, 2022	**2,998.6**	**89.3**	**1,502.1**	**4,590.1**
Additions	1,060.8	14.4	0.0	1,075.2
Depreciation and amortization	(691,8)	(38.1)	(193.2)	(923,1)
Funding of provisions	(52,3)	(4.0)	0.0	(56,4)
Scope variations	(21.6)	(2.5)	(146.1)	(170.2)
Translation adjustments and other	(139,7)	15.4	(16.5)	(140.8)
AMOUNT AS OF DECEMBER 31, 2023	**3,154.0**	**74.5**	**1,146.4**	**4,374.8**

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

Note 12A Property, plant and equipment

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

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

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

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

Buildings	20 to 30 years
Leasehold improvements, fixtures and fittings*	10 to 20 years
Machinery, tooling and furniture	3 to 10 years

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

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

(in € million)	Land	Buildings	Plant, tooling and equipment	Specific tooling	Other property, plant and equipment and property, plant and equipment in progress	Total
AMOUNT AS OF JANUARY 1, 2022	**97.5**	**372.5**	**1,731.5**	**24.5**	**576.4**	**2,802.4**
Additions (including own work capital)	0.0	14.1	193.2	6.4	952.9	1,166.7
Disposals	(3.4)	(55.0)	(260.6)	(36.5)	(34.3)	(389.7)
Depreciation	(0.2)	(77.4)	(718.5)	(10.1)	(112.5)	(918.8)
Non-recurring impairment losses	(0.0)	(17.7)	(27.8)	(0.0)	(10.6)	(56.1)
Depreciation written off on disposals	1.2	55.2	240.9	36.5	34.7	368.6
Scope variations	0.2	562.2	999.2	(0.0)	504.3	2 065.8
Translation adjustments and other	2.2	69.5	626.2	0.0	(681.0)	16.9
AMOUNT AS OF DECEMBER 31, 2022	**97.4**	**923.4**	**2,784.3**	**20.9**	**1,229.8**	**5,055.8**
Additions (including own work capital)	0.6	18.1	177.5	6.3	920.8	1,123.2
Disposals	(1.7)	(40.5)	(274.3)	(2.8)	(35.9)	(355.3)
Funding of depreciation, amortization and impairment provisions	(1.5)	(78.4)	(708.9)	(10.0)	(90.3)	(889.1)
Non-recurring impairment losses	0.5	3.5	(22.4)	0.0	(0.2)	(18.5)
Depreciation written off on disposals	0.6	39.1	220.1	2.8	33.3	295.9
Scope variations	(3.1)	(10.3)	(86.3)	(0.0)	(50.3)	(150.0)
Translation adjustments and other	120.1	(78.9)	662.8	0.0	(831.1)	(127.0)
AMOUNT AS OF DECEMBER 31, 2023	**213.0**	**776.1**	**2,752.7**	**17.2**	**1,176.0**	**4,934.9**

	2023			2022	
(in € million)	Gross	Depreciation	Net	Gross	Net
Land	255.0	(42.0)	213.0	105.3	97.4
Buildings	1,988.7	(1,212.6)	776.1	2,163.9	923.4
Plant, tooling and technical equipment	9,866.6	(7,114.0)	2,752.7	9,773.5	2,784.3
Specific tooling	95.7	(78.5)	17.2	93.3	20.9
Other property, plant and equipment & property, plant and equipment in progress	2,070.4	(894.4)	1,176.0	2,132.2	1,229.8
TOTAL	**14,276.3**	**(9,341.4)**	**4,934.9**	**14,268.2**	**5,055.8**

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

Note 12B Right-of-use assets

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

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

(in € million)	Land	Buildings	Plant and equipment	Others	Total
AMOUNT AS OF JANUARY 1, 2022	**0.3**	**799.0**	**78.2**	**73.5**	**950.9**
New contracts	0.0	256.0	20.4	55.6	332.0
Depreciation	0.0	(191.3)	(26.2)	(46.7)	(264.2)
Funding of impairment provisions	0.0	(5.5)	0.0	(0.4)	(5.9)
Scope variations	0.0	117.6	2.2	8.5	128.3
Translation adjustments and other	0.0	45.0	(2.2)	(0.4)	42.3
AMOUNT AS OF DECEMBER 31, 2022	**0.3**	**1,020.7**	**72.4**	**90.2**	**1,183.5**
New contracts	0.0	88.2	13.8	58.0	160.0
Depreciation	0.0	(175.4)	(25.1)	(47.0)	(247.5)
Funding of impairment provisions	0.0	(1.6)	(0.2)	(0.6)	(2.4)
Scope variations	0.0	(91.1)	(2.0)	(8.6)	(101.7)
Translation adjustments and other	0.0	(39.1)	0.1	(6.8)	(45.8)
AMOUNT AS OF DECEMBER 31, 2023	**0.3**	**801.7**	**59.0**	**85.1**	**946.1**

Variable lease contracts : contracts corresponding to the qualification of lease contracts, for which all payments are variable payments, leading to no recognition of right-of-use assets and financial debt, have been signed for the lease of solar panel producing electricity (on site PPA) in plants of the Group. As at December 31, 2023, 43 contracts were effectively signed, mainly for a duration of 20 years, out of which 5 were already in operation.

Note 13 Investments in associates

Investment in associates for continued operations:

As of December 31, 2023

(in € million)	% interest	Group share of equity*	Dividends received by the Group	Group share of sales	Group share of total assets
Changchun HELLA Faway Automotive Lighting Co.	40%	46.0	0.0	71.6	86.9
HELLA MINTH Jiaxing Automotive Parts Co.	41%	29.4	0.0	11.2	34.7
Behr-HELLA Thermocontrol GmbH	41%	57.5	0.0	256.1	202.5
Faurecia-NHK Co., Ltd	50%	0.0	0.0	227.9	57.0
TEKNIK MALZEME Ticaret Ve Sanayi A.S	50%	0.0	0.0	19.2	18.1
SYMBIO	33%	0.0	0.0	6.8	200.3
Total Network Manufacturing LLC	49%	0.9	0.0	149.1	46.5
Others		174.1	(19.7)	920.3	489.9
TOTAL		**307.8**	**(19.7)**	**1,662.2**	**1,135.9**

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

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

Change in investments in associates

(in € million)	2023	2022
Group share of equity at beginning of period	**333.9**	**150.8**
Dividends	(19.7)	(22.1)
Share of net income of associates	(2.2)	11.4
Change in scope of consolidation	5.5	197.8
Capital increase	(0.4)	2.8
Currency translation adjustments	(9.3)	(6.8)
Group share of equity at end of period	**307.8**	**333.9**

Note 14 Other equity interests

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

(in € million)	% of share capital	2023 Gross	2023 Net	2022 Net
Changchun Xuyang Industrial Group	18.8	12.3	12.3	13.2
TactoTek Oy	9.0	6.6	4.6	6.6
Guardknox Cyber Technologies Ltd	7.0	5.4	5.4	5.4
Canatu Oy	8.0	7.0	7.0	7.0
SL Corporation	1.6	0.0	0.0	13.4
HELLA Fast Forward Shanghai Co. Ltd	100.0	9.8	9.8	9.0
Light Field Lab	4.3	9.0	9.0	9.3
Other		90.9	68.4	64.7
TOTAL		**141.0**	**116.4**	**128.5**

Note 15 Other non-current financial assets

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

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

(in € million)	2023 Gross	2023 Provisions	2023 Net	2022 Net
Loans to companies consolidated by equity method and non-consolidated companies	110.1	(7.1)	102.9	88.7
Other loans	18.7	(5.5)	13.2	11.9
Derivatives	17.1	0.0	17.1	23.1
Others	27.0	(3.7)	23.3	34.4
TOTAL	**172.9**	**(16.3)**	**156.5**	**158.1**

Note 16 Other non-current assets

This item includes:

(in € million)	2023	2022
Pension plan surpluses	31.0	21.5
Guarantee deposits and other	123.7	165.6
TOTAL	**154.7**	**187.1**

Note 17 Inventories and work-in-progress

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

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

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

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

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

	2023			2022
(in € million)	Gross	Depreciations	Net	Net
Raw materials and supplies	1,407.0	(184.2)	1,222.8	1,284.5
Engineering, tooling and prototypes	926.9	(21.1)	905.8	825.5
Work in progress for production	110.1	(4.2)	105.9	106.4
Semi-finished and finished products	807.3	(138.1)	669.2	707.8
TOTAL	**3,251.3**	**(347.6)**	**2,903.7**	**2,924.2**

Note 18 Trade accounts receivables

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

The following table shows the amount of receivables sold with maturities beyond December 31, 2023, for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized, as well as the financing under these programs:

(in € million)	**2023**	**2022**
Financing	1,321.2	1,304.2
Guarantee reserve deducted from borrowings	(29.7)	(29.3)
Cash received as consideration for receivables sold	1,291.6	1,274.9
Receivables sold and derecognized	(1,291.6)	(1,274.9)

Individually impaired trade receivables are as follows:

(in € million)	**2023**	**2022**
Gross total trade receivables	4 164,0	5,115.8
Provision for impairment of receivables	(31,1)	(49.9)
TOTAL	**4 132,9**	**5,065.9**

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

Late payments as of December 31, 2023 were €213.4 million, breaking down as follows:

- €84.3 million less than one month past due;
- €36.2 million between one and two months past due;
- €17.9 million between two and three months past due;
- €27.1 million between three and six months past due;
- €47.9 million more than six months past due.

Note 19 Other operating receivables

(in € million)	**2023**	**2022**
Down payments	122.8	248.3
Currency derivatives for operations	52.1	48.5
Other receivables(1)	418.5	423.7
TOTAL	**593.4**	**720.5**
(1) Including the following amounts for VAT and other tax receivables.	*410.5*	*419.6*

Note 20 Other receivables

(in € million)	2023	2022
Short-term portion of loans	64.9	25.2
Prepaid expenses	785.1	884.9
Current taxes	389.9	295.8
Other sundry receivables	209.3	219.8
TOTAL	**1,449.2**	**1,425.7**

In 2023, the receivables on France *Crédit d'Impôt Recherche* (CIR) have been sold for an amount of €43.7 million vs €41.9 million in 2022.

Note 21 Cash and cash equivalents

Cash and cash equivalents include current account balances in the amount of €3,130.6 million (compared to €3,747.5 million in 2022) and short-term investments in the amount of €1,143.3 million (compared to €453.6 million in 2022), for a total of €4,273.9 million as of December 31, 2023 (€4,201.1 million as of December 31, 2022).

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

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

Note 22 Shareholders' equity

22.1 Capital

As of December 31, 2023, FORVIA capital stock totaled €1,379,625,380 divided into 197,089,340 fully paid-up shares with a par value of €7 each.

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

22.2 Share-based payment

FREE SHARE GRANT

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

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

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

Details of the share grant plans as of December 31, 2023 are set out in the table below:

Date of Annual Share-holders' Meeting	Date of Board meeting	Maximum number of free shares that can be granted* for: reaching the objective	exceeding the objective	Performance condition	Share market value at grant date *(in €)*	Adjustments: dividend rate	Non-trans-ferrability discount	Acquisition date	Sales date *(from)*
05/31/2021	10/25/2021	862,293	1,121,703	2023 after tax income target as stated in strategic plan when granted adjusted following the board decision of July 26th, 2023, FORVIA earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population	42.33	3.60%	NA	10/25/2025	10/25/2025
06/01/2022	07/28/2022	1,492,710	1,939,880	**For the CEO:** 2024 after tax income target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population **For the other beneficiaries:** 2024 operating income and net cash flow target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO_2 emissions reduction target	16.68	6.00%	NA	07/28/2026	07/28/2026
05/30/2023	07/26/2023	1,531,480	1,991,900	2025 operating income and net cash flow target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO_2 emissions reduction target	24.57	4.00%	NA	07/26/2027	07/26/2027
05/31/2021	07/23/2021	324,883	324,883	ESPI plan : FORVIA share relative performance (TSR) compared to a reference group of companies on a yearly basis; for the CEO, FORVIA share relative performance (TSR) compared to a reference group of companies on average over five years (2021-2026)	39.57	3.60%	NA	07/23/2026	07/23/2026

* *Net of free shares granted cancelled.*

The shares corresponding to the plan attributed by the Board of October 9, 2019 (72,002), has been distributed in October 2023. The performance conditions for the plan attributed by the Board of October 22, 2020 have been partially met, the corresponding shares (521,273) will be distributed in October 2024.

OTHER PLANS

Furthermore, a long-term variable remuneration (long-term incentive, LTI) has been implemented for HELLA Management Board before HELLA acquisition by FORVIA. This long term incentive is paid in cash. The performance criteria are based on the return on invested capital (RoIC), the income before tax as well as the performance of the HELLA share (total shareholder return). The LTI base amount is determined for the first fiscal year in the calculation period, as a fixed percentage of the annual fixed salary depending on the RoIC; the long term variable remuneration is based on a calculation period of five fiscal years and payment is made once the calculation period comprising a total of five fiscal years has come to an end. For example, the LTI allocated for the fiscal year 2020/2021 will be paid out at the end of the fiscal year 2024. As these LTI are share-based, their value is recognized according to IFRS 2. However, the LTI allocated for fiscal year 2023 do not include the performance of the HELLA share as a performance criteria and their calculation period comprises only a total of four fiscal years.

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

Plan		Grant date	Vesting date	Debt as at 12/31/23 *(in € million)*
LTI 19/20	(share-based)	April 1, 2020	December 31, 2023	0.1
LTI 20/21	(share-based)	June 1, 2020	December 31, 2024	4.3
LTI 21/22	(share-based)	June 1, 2021	December 31, 2025	2.4
LTI 22	(share-based)	June 1, 2022	December 31, 2026	2.5
LTI 23	(non share-based)	January 1, 2023	December 31, 2026	1.0

The amount recognized for the period for all these plans is an expense of €16.4 million, compared to €16.4 million in the year 2022.

22.3 Treasury stock

As of December 31, 2023, FORVIA held 5,091 treasury stock shares.

The cost of the shares held in treasury stock as of December 31, 2023 totaled €0.2 million, representing an average cost of €35.13 per share.

Note 23 Minority interests

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

Changes in minority interests were as follows:

(in € million)	2023	2022
Amount as at beginning of the period	**1,691.1**	**386.3**
Increase in minority shareholder interests	6.8	0.0
Other changes in scope of consolidation	2.0	1,220.4
Minority interests in net income for the year	143.4	131.4
Other comprehensive income	(7.2)	22.5
Dividends allocated to minority interests	(142.6)	(55.2)
Currency translation adjustments	(31.5)	(14.3)
Amount as the end of the year	**1,662.0**	**1,691.1**

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

Note 24 Current provisions and contingent liabilities

24.1 Current provisions

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

(in € million)	2023	2022
Restructuring	180.7	200.0
Risks on contracts and customer warranties	301.7	478.1
Litigation	57.2	65.4
Other provisions	63.3	52.0
TOTAL	**602.9**	**795.5**

Changes in these provisions during 2023 were as follows:

(in € million)	Amount as of January 1, 2023	Additions	Expenses charged	Reversals*	Sub total changes	Change in scope of consolidation and other changes	Amount as of December 31, 2023
Restructuring	200.0	151.5	(156.3)	0.0	(4.8)	(14.4)	180.8
Risks on contracts and customer warranties	478.1	117.4	(223.4)	(20.0)	(126.0)	(50.4)	301.7
Litigation	65.4	5.3	(11.8)	(0.1)	(6.6)	(1.5)	57.2
Other provisions	52.0	5.1	(3.4)	0.0	1.7	9.7	63.3
TOTAL	**795.5**	**279.3**	**(394.9)**	**(20.1)**	**(135.8)**	**(56.6)**	**602.9**

* *Surplus provisions.*

24.2 Contingent liabilities

LITIGATION

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

Note 25 Non-current provisions and provisions for pensions and other post-employment benefits

25.1 Non-current provisions

(in € million)	2023	2022
Provisions for pensions and other employee obligations	**630.0**	**575.2**
■ Pension plan benefit obligations	411.2	370.7
■ Post-retirement benefit obligations	173.5	155.3
■ Long-service awards	37.6	41.0
■ Healthcare costs	7.7	8.2
TOTAL	**630.0**	**575.2**

CHANGES IN NON-CURRENT PROVISIONS

(in € million)	2023	2022
Amount as at the beginning of the period	**575.2**	**447.3**
Scope variation	(2.1)	399.0
Other movement	12.9	(16.4)
Allowance (or reversal) of provision	63.6	48.8
Expenses charged to the period	(54.0)	(54.4)
Payment to external funds	(7.7)	(5.8)
Restatement differences	42.1	(243.3)
Amount as at the end of the period	**630.0**	**575.2**

25.2 Provisions for pensions and other post-employment benefits

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

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

The valuation takes into account the probability of employees staying with the Group up to retirement age and expected future salary levels as well as other economic assumptions (such as the inflation rate, the discount rate) for each concerned zone or country. It takes now also into account the 2021 IFRS IC decision on attributing benefit to periods of services. These assumptions are described in Note 25.2.

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

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

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

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

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

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

BENEFIT OBLIGATIONS

(in € million)	2023	2022
Present value of projected obligations		
Pension plan benefit obligations	676.7	633.7
■ Post -retirement indemnities obligations	175.8	167.2
■ Long-service awards	37.6	41.0
■ Healthcare costs	7.7	8.2
TOTAL	**897.8**	**850.1**
Value of plan assets :		
■ Provisions booked in the accounts	630.0	575.2
■ External funds (market value) (1)	298.8	296.4
■ Plan surplus (2)	(31.0)	(21.5)
TOTAL	**897.8**	**850.1**

(1) External funds mainly cover pension plan benefit obligations for €296.5 million in 2023.
(2) Pension plan surpluses are included in "Other non-current assets".

PENSION BENEFIT OBLIGATIONS

A – Description of the plans

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

Moreover, in France, following the pension reform published on April 14, 2023, the retirement age has been postponed by two years. The impact of this reform is not material.

In the United States, the two remaining plans, already closed to new participants, were combined as of January 1, 2020. The combined pension plan covers 784 participants.

In Germany, the main defined benefit pension plan still open covers 5,192 participants. The benefit granted is based on the number of years of service, starting after 14 years. The main defined benefit pension plan closed to new participants covers 7,949 participants.

In Japan, the main defined benefit plan covers 699 participants. Benefits are based on years of service and paid at the end of the contract or upon reaching the age of 60.

B – Assumptions used

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

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

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

(in %)	Euro zone	United Kingdom	USA	Japan
DISCOUNT RATE				
12/31/2023	**3.40%**	**4.55%**	**4.59%**	**1.39%**
12/31/2022	3.90%	4.85%	4.66%	1.20%
INFLATION RATE				
12/31/2023	**2.00%**	**3.10%**	**N/A**	**N/A**
12/31/2022	2.00%	3.15%	N/A	N/A

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

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

The average duration of the various plans is as follows:

(in number of years)	Euro zone	United Kingdom	USA	Japan
Average duration	13.6	15.5	6.2	8.4

C – Information on external funds

External funds are invested as follows:

	2023			2022		
(in %)	Equities	Bonds	Others	Equities	Bonds	Others
France	23%	70%	7%	23%	69%	8%
United Kingdom	28%	70%	3%	29%	69%	2%
United States	19%	79%	2%	52%	43%	5%
Japan	60%	19%	21%	50%	29%	21%

The fair value of shares and bonds falls in the level 1 category (price quoted in active markets) in 2023.

D – Provisions for pension liabilities recognized on the balance sheet

(in € million)	2023 France	2023 Abroad*	2023 Total	2022 France	2022 Abroad	2022 Total
Amount as at the beginning of the period	**127.9**	**376.7**	**504.5**	**167.1**	**205.1**	**372.1**
Effect of changes in scope of consolidation (provision net of plan surpluses)	(0.5)	(1.0)	(1.5)	0.5	378.5	379.0
Additions	12.4	40.0	52.4	11.3	32.0	43.3
Expenses charged to the provision	(3.6)	(34.9)	(38.5)	(2.8)	(41.6)	(44.4)
Payments to external funds	(1.0)	(6.7)	(7.7)	0.0	(5.8)	(5.8)
Actuarial gains/(losses)	1.4	41.0	42.4	(48.2)	(192.7)	(240.9)
Other movements	0.0	2.1	2.1	0.0	1.2	1.2
Amount as at the end of the period	**136.6**	**417.1**	**553.7**	**127.9**	**376.7**	**504.5**

* *The provision for €417.1 million as of December 31, 2023 relates mainly to Germany (€345.6 million).*

E – Changes in pension liabilities

In France, retirement commitments increased by €7.8 million at the closing compared to that of the previous year as detailed below:

(in € million)	2023 France	2023 Abroad	2023 Total	2022 France	2022 Abroad	2022 Total
PROJECTED BENEFIT OBLIGATION						
Amount as at the beginning of the period	**144.2**	**656.8**	**801.0**	**183.6**	**479.3**	**662.9**
Service costs	7.3	23.0	30.3	10.8	25.3	36.1
Annual restatement	5.7	27.5	33.2	2.2	14.0	16.2
Benefits paid	(5.3)	(53.6)	(58.9)	(3.9)	(65.4)	(69.3)
Actuarial gains/(losses)	0.4	45.9	46.3	(47.4)	(285.8)	(333.2)
Other movements (including translation adjustment)	(0.3)	0.5	0.2	0.5	491.7	492.2
Curtailments and settlements	0.0	0.5	0.5	(1.6)	(2.3)	(3.9)
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	**152.0**	**700.5**	**852.5**	**144.2**	**656.8**	**801.0**
VALUE OF PLAN ASSETS						
Amount as at the beginning of the period	**16.3**	**280.1**	**296.4**	**16.5**	**274.2**	**290.7**
Projected return on plan assets	0.6	11.0	11.6	0.1	5.0	5.1
Actuarial gains/(losses)	(1.0)	4.9	3.9	0.8	(93.1)	(92.3)
Other movements (including translation adjustment)	0.2	(0.6)	(0.4)	0.0	112.0	112.0
Employer contributions	1.0	6.7	7.7	0.0	5.8	5.8
Benefits paid	(1.7)	(18.7)	(20.4)	(1.1)	(23.8)	(24.9)
Curtailments and settlements	0.0	0.0	0.0	0.0	0.0	0.0
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	**15.4**	**283.4**	**298.8**	**16.3**	**280.1**	**296.4**
BALANCE OF PROVISIONS AS AT THE END OF THE PERIOD	136.6	417.1	553.7	127.9	376.7	504.5
TOTAL CHANGE EXPENSED AT THE END OF THE YEAR	**12.4**	**40.0**	**52.4**	**11.3**	**32.0**	**43.3**

These costs are recognized:

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

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

	2023		
(in € million)	France	Abroad	Total
Detail of actuarial gains and losses of the period:			
■ differences linked to financial assumptions	(1.5)	(43.5)	(45.0)
■ differences linked to demographic assumptions	(0.1)	(2.4)	(2.5)
■ other differences	0.2	4.9	5.1
TOTAL	**(1.4)**	**(41.0)**	**(42.4)**

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

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

(in %)	Discount rate +0.25 pts	Inflation rate +0.25 pts
France	(2.0)%	+2.1%
Germany	(3.3)%	+2.0%

25.3 Long-service awards

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

(in € million)	2023	2022
French companies	4.0	3.9
Foreign companies	33.6	37.1
TOTAL	**37.6**	**41.0**

25.4 Healthcare costs

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

The related liability can be analyzed as follows:

(in € million)	2023	2022
Foreign companies	7.7	8.2
TOTAL	**7.7**	**8.2**

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

(in %)	Discount rate +0.25 pt	Healthcare cost trend rate +1 pt
Projected benefit obligation	(1.7)%	+7.0%

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

(in € million)	2023	2022
Service cost	0.0	0,0
Interest cost*	(0.4)	(0.3)
TOTAL	**(0.4)**	**(0.3)**

* *Interest cost is recorded under "Other financial income and expenses".*

Financial liabilities

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

They are recorded on the following balance sheet items: "Current financial liabilities" and "Non-current financial liabilities" (Note 26), "Accrued taxes and payroll costs" (Note 27) and "Sundry payables" (Note 28).

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

Note 26 Net debt

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

26.1 Analysis of net debt

(in € million)	2023	2022
Bonds	6,424.9	6,499.5
Bank borrowings	2,189.1	2,461.7
Other borrowings	2.0	84.8
Non-current lease liabilities	836.5	1,049.2
Non-current derivatives	70.7	60.2
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	**9,523.2**	**10,155.4**
Current portion of long-term debt	950.3	849.5
Current portion of lease liabilities	219.1	251.8
Short-term borrowings (1)	590.0	922.1
Current derivatives	4.6	2.0
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	**1,763.9**	**2,025.5**
TOTAL FINANCIAL LIABILITIES	**11,287.1**	**12,180.9**
Derivatives classified under non-current and current assets	(25.9)	(40.7)
Cash and cash equivalents	(4,273.9)	(4,201.1)
NET DEBT	**6,987.3**	**7,939.1**
Net cash and cash equivalent	**4,273.9**	**4,201.1**
(1) Including bank overdrafts	*35.1*	*38.8*

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

(in € million)	Balance as of December 31, 2022	Impact on cash	Translation adjustments	Impact of fair value changes	Change in consolidation scope and other changes	Balance as of December 31, 2023
Bonds	6,499.5	376.1	0.0	(0.6)	(450.1)	6,424.9
Bank borrowings	2,461.7	153.8	(10.1)	(2.6)	(413.7)	2,189.1
Other borrowings	84.8	0.0	(1.5)	(29.1)	(52.2)	2.0
Non-current lease liabilities	1,049.2	0.0	(18.9)	0.0	(193.8)	836.5
Non-current derivatives	60.2	0.0	0.0	10.9	(0.4)	70.7
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	**10,155.4**	**529.9**	**(30.6)**	**(21.4)**	**(1,110.2)**	**9,523.2**
Current portion of long-term debt	849.5	(788.9)	(5.5)	(6.4)	901.5	950.3
Current portion of lease liabilities	251.8	(246.0)	(6.3)	0.0	219.6	219.1
Short-term borrowings	922.1	(276.9)	(35.2)	(3.6)	(16.5)	590.0
Current derivatives	2.0	0.0	0.0	2.1	0.4	4.6
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	**2,025.5**	**(1,311.8)**	**(47.0)**	**(7.8)**	**1,105.0**	**1,763.9**
TOTAL FINANCIAL LIABILITIES	**12,180.9**	**(781.8)**	**(77.6)**	**(29.2)**	**(5.3)**	**11,287.1**
Derivatives classified under non-current and current assets	(40.7)	0.0	0.4	14.5	0.0	(25.9)
Cash and cash equivalents	(4,201.1)	(246.5)	124.1	(0.8)	50.3	(4,273.9)
TOTAL	**7,939.1**	**(1,028.3)**	**46.9**	**(15.5)**	**45.0**	**6,987.3**

26.2 Maturities of long-term debt

(in € million)	2025	2026	2027	2028	2029 and beyond	Total
Bonds	992.5	1,624.2	2,618.3	698.6	491.2	6,424.9
Bank borrowings	436.9	1,038.1	30.3	323.0	360.8	2,189.1
Other borrowings	1.8	0.1	0.0	0.0	0.0	2.0
Non-current lease liabilities	188.1	155.1	126.3	100.2	266.9	836.5
Non-current derivatives	0.0	0.0	1.7	0.0	69.0	70.7
TOTAL AS OF DECEMBER 31, 2023	**1,619.2**	**2,817.6**	**2,776.6**	**1,121.8**	**1,188.0**	**9,523.2**

26.3 Financing

The main components of FORVIA financing are described below:

SYNDICATED CREDIT FACILITY

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

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

On June 27, 2023 FORVIA has extended the maturity of the syndicated credit facility to May 28, 2027 for an amount of €1,450 million. The available amount is of €1,500 million up to May 28, 2026. FORVIA also negotiated the possibility to extend the credit facility until June 2, 2028, submitted to the banks' agreement. This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

As of December 31, 2023, this facility was not drawn.

SYNDICATED CREDIT FACILITY HELLA

On September 30, 2022, HELLA signed a new syndicated credit facility, replacing the previous one, for an amount of €450 million, with maturity on September 30, 2025, with two one year extension options and an option to increase the amount up to €150 million. In September 2023, HELLA has exercised one of the extension options to extend the maturity of this credit line to December 29, 2026.

As of December 31, 2023, this facility was not drawn.

TERM LOAN 2023

FORVIA has signed on June 9, 2023 a new €500 million syndicated loan (Term Loan 2023) with a maturity to June 2, 2026 and including two one year extension options until June 2, 2028, submitted to the banks' agreement, the interest rate varying depending upon the achievement of the Group's target of CO_2 neutrality for its scopes 1, 2 & 3 (controlled emissions).

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

SCHULDSCHEINDARLEHEN

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

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

(1) Consolidated net debt.

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

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

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

¥30 BILLION CREDIT FACILITY

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

The proceeds of this credit line have enabled Clarion Co., Ltd to reimburse most of its bank debts.

The maturity of the credit line has been extended from February 2025 to February 2026 by exercising the first extension option.

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

As of December 31, 2023, the drawn amount was at ¥20 billion, representing €127.7 million.

SYNDICATED LOAN LATIN AMERICA

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

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

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

EUROPEAN INVESTMENT BANK (EIB) CREDIT FACILITY

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

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

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

As of December 31, 2023, the drawn amount was at €289 million.

(1) Consolidated net debt.

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

2024 BONDS HELLA (1.00%)

On May 17, 2017, HELLA issued bonds for an amount of €300 million due May 17, 2024, carrying annual interest of 1.00%, payable on May 17 each year, as from May 17, 2018.

The proceeds of these bonds have been used to redeem the €300 million bonds due September 07, 2017, carrying annual interest of 1.25%, issued in March 2014.

The bonds are listed on the Luxembourg Stock Exchange.

As of December 31, 2023, the outstanding amount of these 2024 bonds amounted to €300 million.

2025 BONDS (2.625%)

On March 8, 2018, FORVIA issued bonds for an amount of €700 million due June 15, 2025, carrying annual interest of 2.625%, payable on June 15 and December 15 each year, as from June 15, 2018.

These bonds include a covenant restricting the additional indebtedness if the EBITDA after certain adjustments is lower than twice the gross interest costs, and restrictions on the debt similar to those of the syndicated credit loan.

The proceeds of these bonds have been used to redeem the €700 million bonds due June 15, 2022, carrying annual interest of 3.125%, issued in March and April 2015.

The bonds are listed on the Global Exchange Market of Euronext Dublin (previously Irish Stock Exchange).

An additional issue for €300 million of these 2025 bonds has been done on July 31, 2020. These additional bonds have been issued at 97.50% of the par, which corresponds to a yield to maturity of 3.18%.

As of December 31, 2023, the outstanding amount of these 2025 bonds amounted to €1,000 million.

2026 SLB BONDS (7.25%)

On November 15, 2022, FORVIA issued bonds for an amount of €700 million due June 15, 2026, carrying annual interest of 7.25%, payable on June 15 and December 15 each year, as from June 15, 2023.

These bonds are subject to the same restrictions than the 2029 bonds and base the 2025 objectives of CO_2 emission reduction on scope 1 & 2 on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026.

The proceeds of these bonds have been used to redeem partially the syndicated bridge loan.

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

An additional issue for €250 million has been done on February 1, 2023. These additional bonds have been issued at 101.75% of the par, which corresponds to a yield to maturity of 6.65%. On December 14, 2023 FORVIA has launched a tender offer to purchase back a part of these bonds at 105.5%, for a total amount of €150.1 million.

As of December 31, 2023, the outstanding amount of these bonds amounted to €799.9 million.

2026 BONDS (3.125%)

On March 27, 2019, FORVIA issued bonds for an amount of €500 million due June 15, 2026, carrying annual interest of 3.125%, payable on June 15 and December 15 each year, as from June 15, 2019.

These bonds are subject to the same restrictions than the 2025 bonds.

The proceeds of these bonds have been used to finance the acquisition of Clarion Co., Ltd.

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

In order to prefinance the acquisition of 50% of SAS shares, an additional issue for €250 million of these 2026 bonds has been performed on October 31, 2019. These additional bonds have been issued at 104.50% of the par, which corresponds to a return at issuance of 2.40%.

As of December 31, 2023, the outstanding amount of these 2026 bonds amounted to €750 million.

2027 BONDS (2.375%)

On November 27, 2019, FORVIA issued bonds for an amount of €700 million due June 15, 2027, carrying annual interest of 2.375%, payable on June 15 and December 15 each year, as from June 15, 2020.

These bonds are subject to the same restrictions than the 2026 bonds.

The proceeds of these bonds have been used to refinance the €700 million bonds due June 15, 2023 carrying annual interest of 3.625%, issued on April 1, 2016.

This refinancing has been done through a tender offer through which 2023 bond holders could exchange their bonds against new 2027 bonds. The rate of exchange has reached 76%. The bonds that were not tendered in this offer have been redeemed in accordance with the offering memorandum. The settlement of these two operations has taken place respectively on November 25 and November 28, 2019.

The bond premium for bonds tendered in the offer is amortized over the duration of the new 2027 bonds; the bond premium for bonds redeemed by anticipation has been expensed in the year 2019.

On February 3, 2021, an additional issue for €190 million of these 2027 bonds has been performed via a private placement. These bonds have been issued at 100.75% of the par, which corresponds to a return at issuance of 2.26%.

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

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €890 million.

2027 SLB BONDS (2.75%)

On November 10, 2021, FORVIA issued bonds for an amount of €1,200 million due February 15, 2027, carrying annual interest of 2.75%, payable on June 15 and December 15 each year, as from June 15, 2022.

These bonds are subject to the same restrictions than the 2029 green bonds and base the 2025 objectives of CO_2 emission reduction on scope 1 & 2, on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026. The proceeds of these bonds have been used to pre finance the acquisition of HELLA.

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

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €1,200 million.

2027 BONDS HELLA (0.50%)

On September 3, 2019, HELLA issued bonds for an amount of €500 million due January 26, 2027, carrying annual interest of 0.50%, payable on January 26 each year, as from January 26, 2020.

The proceeds of these bonds have been used to redeem the €500 million bonds due January 24, 2020, carrying annual interest of 2.375%, issued in January 2013.

The bonds are listed on the Luxembourg Stock Exchange.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €500 million.

2028 BONDS (3.75%)

On July 31, 2020, FORVIA issued bonds for an amount of €700 million due June 15, 2028, carrying annual interest of 3.75%, payable on June 15 and December 15 each year, as from December 15, 2020.

These bonds are subject to the same restrictions than the 2027 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2028 bonds amounted to €700 million.

2029 GREEN BONDS (2.375%)

FORVIA issued on March 22, 2021 green bonds for an amount of €400 million due June 15, 2029, carrying annual interest of 2.375%. The proceeds will be used to finance or refinance the Group's investments in the hydrogen mobility, for both hydrogen storage and distribution systems and in fuel cell stacks and systems through Symbio, its joint venture with Michelin and Stellantis. The Green Bond Framework has been reviewed by ISS ESG, environmental rating agency.

These bonds are subject to the same restrictions than the 2028 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2029 bonds amounted to €400 million.

2026 YEN BONDS (2.48%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥11,700 million due March 13, 2026, carrying annual interest of 2.48%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥11,700 million (€73.2 million).

2027 YEN BONDS (2.81%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥6,800 million due March 15, 2027, carrying annual interest of 2.81%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥6,800 million (€43.4 million).

2028 YEN BONDS (3.19%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥700 million due December 15, 2028, carrying annual interest of 3.19%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥700 million (€5.0 million).

2032 & 2033 LOAN FACILITIES HELLA IN YEN

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

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

As of December 31, 2023, the outstanding amount of these loans amounted to ¥22 billion (€140.7 million).

Finally, during the year 2023, FORVIA regularly issued commercial papers with a maturity up to one year. As of December 31, 2023, the outstanding amount was €482.8 million.

CREDIT RATINGS

The Group is rated :

- BB+ stable outlook by Fitch since November 3, 2023;
- BB stable outlook by S&P since August 7, 2023;
- Ba2 stable outlook by Moody's since August 10, 2023; and
- A- stable outlook by JCR since August 18, 2023.

Moreover, HELLA held at 81.59% by FORVIA is rated Baa3 stable outlook by Moody's since August 11, 2023.

The Group's global contractual maturity schedule as of December 31, 2023 breaks down as follows:

	Carrying Amount		Remaining contractual maturities					
(in € million)	**Assets**	**Liabilities**	**Total**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**>5 years**
Other non-current financial assets	156.5		156.5				156.5	
Other current financial assets	154.7		154.7				154.7	
Trade accounts receivables	4,132.9		4,132.9	4,042.0	18.0	72.9		
Cash and cash equivalents	4,273.9		4,273.9	4,273.9				
Accrued interests		(51.2)	(1,151.1)	(45.0)	(143.1)	(172.7)	(751.1)	(39.2)
Current portion of lease liabilities		(219.1)	(219.1)	(54.9)	(54.8)	(109.4)		
Bonds current portion (excluding interest)								
2024 HELLA Bond		(299.9)	(299.9)		(299.9)			
Bank borrowings and other financial debts - current								
Schuldschein		(350.5)	(350.5)			(350.5)		
Other current debts		(320.8)	(320.8)	(158.4)	(13.6)	(148.8)		
Trade accounts payables		(8,397.9)	(8,397.9)	(8,092.3)	(288.6)	(17.0)		
Bonds non current portion (excluding interest)								
2025 Bonds		(992.5)	(992.5)				(992.5)	
2026 Bonds		(750.8)	(750.8)				(750.8)	
2026 JPY Bonds		(73.2)	(73.2)				(73.2)	
2026 SLB Bonds		(797.8)	(797.8)				(797.8)	
2027 SLB Bonds		(1,194.2)	(1,194.2)				(1,194.2)	
2027 Bonds		(881.5)	(881.5)				(881.5)	
2027 HELLA Bond		(499.3)	(499.3)				(499.3)	
2027 JPY Bonds		(43.4)	(43.4)				(43.4)	
2028 Bonds		(696.2)	(696.2)				(696.2)	
2028 JPY Bonds		(5.0)	(5.0)				(5.0)	
2029 Green Bonds		(397.4)	(397.4)					(397.4)
2032 HELLA JPY Bond		(93.8)	(93.8)					(93.8)
Bank borrowings and other financial debts - non current								
Term Loan		(497.5)	(497.5)				(497.5)	
Schuldschein		(609.9)	(609.9)				(609.9)	
Other non current debts		(1,083.7)	(1,083.7)				(722.9)	(360.8)
Non-current lease liabilities		(836.5)	(836.5)				(569.6)	(266.9)
Interest rate derivatives	**4.3**	**(0.5)**	**3.8**	**0.0**	**0.0**	**3.8**	**0.0**	**0.0**
■ o/w cash flow hedges	4.3	(0.5)	3.8	0.0	0.0	3.8	0.0	0.0
■ o/w derivatives not qualifying for hedge accounting under IFRS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency hedges	**75.5**	**(85.7)**	**(10.3)**	**18.5**	**10.1**	**12.8**	**16.8**	**(68.5)**
■ o/w fair value hedges	21.6	(5.9)	15.7	1.0	(1.8)	1.1	15.4	0.0
■ o/w cash flow hedges	53.9	(79.3)	(25.4)	17.4	12.0	12.2	1.5	(68.5)
■ o/w derivatives not qualifying for hedge accounting under IFRS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
■ o/w derivatives of net investment hedge	0.0	(0.5)	(0.5)	0.0	0.0	(0.5)	0.0	0.0
TOTAL	**8,797.7**	**(19,178.1)**	**(11,480.1)**	**(16.3)**	**(771.8)**	**(708.8)**	**(8,756.6)**	**(1,226.6)**

26.4 Analysis of borrowings

As of December 31, 2023, the variable rate borrowings were 25.7% of borrowings before taking into account the impact of hedging.

(in € million)	12/31/2023	
Variable rate borrowings	2,896.6	25.7%
Fixed rate borrowings	8,390.4	74.3%
TOTAL	**11,287.1**	**100.0%**

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

(in € million)	12/31/2023		12/31/2022	
Euros	9,710.7	86.0%	10,242.3	84.1%
US Dollars	931.4	8.3%	1,149.3	9.4%
Japanese Yen	379.7	3.4%	404.3	3.3%
Other currencies	265.2	2.3%	385.0	3.2%
TOTAL	**11,287.1**	**100.0%**	**12,180.9**	**100.0%**

As of December 31, 2023, the weighted average interest rate on gross outstanding borrowings was 4.46%.

Note 27 Trade payables, accrued taxes and payroll costs

27.1 Trade payables

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

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

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

The scheme's analysis has led FORVIA to consider that the nature of these invoices was not changed by the implementation of this program. They are therefore still classified as trade payables.

(in € million)	2023	2022
Trade payables	8,397.9	9,181.3
TOTAL	**8,397.9**	**9,181.3**

27.2 Accrued taxes and payroll costs

(in € million)	2023	2022
Accrued payroll costs	699.4	666.3
Payroll taxes	152.7	160.2
Employee profit-sharing	40.4	32.9
Other accrued taxes and payroll costs	168.8	244.9
TOTAL	**1,061.3**	**1,104.3**

Note 28 Sundry payables

(in € million)	2023	2022
Due to suppliers of non-current assets	313.2	176.9
Prepaid income	77.2	65.6
Current taxes	168.8	167.2
Other	313.6	301.9
Currency derivatives for operations	10.6	16.5
TOTAL	**883.4**	**728.1**

Note 29 Financial instruments

29.1 Financial instruments recorded in the balance sheet

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

(1) No financial instruments were transferred between categories in 12/31/2023.

(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.

* *The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2023) : for the 2024 HELLA bonds quoted 98.60% of par, at €295.8 million; for the 2025 bonds quoted 98.17% of par, at €981.7 million; for the 2026 bonds quoted 98.06% of par, at €735.5 million ; for the SLB 7.25% 2026 bonds quoted 106.06% of par, at €848.4 million ; for the 2026 bonds in Yen quoted 100.10% of par, at €74.9 million ; for the 2027 bonds quoted 94.59% of par, at €841.9 million; for the 2027 bonds SL quoted 95.70% of par, at €1,148.4 million; for the 2027 HELLA bonds quoted 91.56% of par, at €457.8 million; for the 2027 bonds in Yen quoted 100.36% of par, at €43.7 million ; for the 2028 bonds quoted 98.07% of par, at €686.5 million; for the 2028 bonds in Yen quoted 100.61% of par, at €4.5 million and for the 2029 green bonds quoted 91.33% of par, at €365.3 million.*

(in € million)	12/31/2022 Balance Sheet Carrying amount	Breakdown by category of instrument [1] Carrying amount not defined as financial instruments	Financial assets/ liabilities at fair value through profit or loss [2]	Financial assets/ liabilities at fair value through equity [2]	Assets and liabilities at amortized cost	Financial assets/ liabilities measured at fair value
Other equity interests	128.5		128.5			128.5
Other non-current financial assets	158.1		2.5	20.6	135.0	158.1
Trade accounts receivables	5,065.9	5,065.9				0.0
Other operating receivables	720.5	672.1	8.4	40.0		48.4
Other non-current assets	187.1	178.6		8.5		8.5
Other receivables and prepaid expenses	1,425.7	1,327.1		98.6		98.6
Currency derivatives	13.1		11.4	1.7		13.1
Interest rate derivatives	4.6		0.0	4.6		4.6
Cash and cash equivalents	4,201.1		4,201.1			4,201.1
FINANCIAL ASSETS	**11,904.6**	**7,243.7**	**4,351.9**	**174.0**	**135.0**	**4,660.9**
Long-term debt*	9,106.2	2.3	14.3	46.0	9,043.6	8,239.3
Non-current lease liabilities	1,049.2				1,049.2	1,049.2
Short-term debt	1,773.7		2.0		1,771.7	1,773.7
Current portion of lease liabilities	251.8				251.8	251.8
Prepayments on customers contracts	975.4	975.4				0.0
Trade payables	9,181.3	9,181.3				0.0
Accrued taxes and payroll costs	1,104.3	1,104.3				0.0
Other non current liabilities	48.1	47.0		1.1		1.1
Sundry payables	728.1	711.6	3.9	12.6		16.5
FINANCIAL LIABILITIES	**24,218.1**	**12,021.9**	**20.2**	**59.7**	**12,116.3**	**11,331.6**

(1) No financial instruments were transferred between categories in 12/31/2022.

(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.

* *The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2022) : for the 2024 HELLA bonds quoted 96.45% of par, at €289.3 million; for the 2025 bonds quoted 90.86% of par, at €908.6 million; for the 2026 bonds quoted 88.31% of par, at €662.3 million ; for the SLB 7.25% 2026 bonds quoted 100.89% of par, at €706.2 million; for the 2027 bonds quoted 83.54% of par, at €743.5 million; for the 2027 bonds SL quoted 84.21% of par, at €1,010.5 million; for the 2027 HELLA bonds quoted 83.60% of par, at €418.0 million; for the 2028 bonds quoted 85.09% of par, at €595.7 million and for the 2029 green bonds quoted 75.18% of par, at €300.7 million.*

Moreover, FORVIA has signed in 2022 two power purchase contracts (VPPA) in wind farms in Sweden for a total production of 638 GWh per year (ten years contracts). These contracts, except the component of guarantees of origin acquisition, are considered as financial instruments according to IFRS 9. As of December 31, 2023, the variance of the fair value of the contracts represented a loss of €13.6 million accounted for in other financial income and expense (fair value at level 3). The guarantees of origin are for Forvia own-use.

The main measurement methods applied are as follows:

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

The impact of financial instruments on income:

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

	2022 restated	Breakdown by category of instrument		
(in € million)	Impact Income	Financial assets/ liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Instruments derivatives
Translation differences on commercial transactions	(10.2)	(14.8)		4.6
Income on loans, cash investments and marketable securities	50.3	50.3		
Finance costs	(377.1)		(377.1)	
Other financial income and expenses	(168.4)		(165.1)	(3.3)
Net income (expenses)	**(505.4)**	**35.5**	**(542.2)**	**1.3**

As of December 31, 2023, movements in provisions for impairment break down as follows by category of financial asset:

(in € million)	Balance as of January 1, 2023	Additions	Utilizations	Reversals (surplus provisions)	Change in scope of consolidation and other changes	Balance as of December 31 2023
Doubtful accounts	(49.9)	(12.7)	29.4	0.0	2.1	(31.1)
Shares in non-consolidated companies	(22.3)	(3.4)	1.2	0.0	(0.1)	(24.6)
Non-current financial assets	(27.7)	(0.4)	0.0	0.0	11.7	(16.3)
Other receivables	(21.6)	(0.3)	3.2	0.0	1.3	(17.4)
TOTAL	**(121.4)**	**(16.8)**	**33.8**	**0.0**	**14.9**	**(89.4)**

29.2 Financial instruments – fair value hierarchy

The Group's financial instruments that are measured at fair value break down as follows by level of fair value measurement: Level 1 (prices quoted in active markets) for short-term cash investments and Level 2 (measured using a valuation technique based on rates quoted on the interbank market, such as Euribor and exchange rates set daily by the European Central Bank) for currency and interest rate instruments.

Note 30 Hedging of currency and interest rate risks

30.1 Transactions in foreign currencies and derivatives

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

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

30.2 Hedging of currency risks

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

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

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

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

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

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

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

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

2023

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

* *Including inter-company financing.*

** *Commercial exposure anticipated over the next six months.*

2022

Currency exposure *(in € million)*	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
Trade receivables (net of payables)	(11.1)	(17.1)	(32.5)	6.7	(17.3)	(21.0)	0.0	44.2
Financial assets (net of liabilities)*	211.7	(0.4)	(93.5)	(33.5)	(65.9)	0.0	(0.9)	137.9
Forecast transactions**	244.9	(207.0)	147.7	5.6	(11.3)	(68.6)	(215.0)	69.5
Net position before hedging	**445.6**	**(224.5)**	**21.8**	**(21.2)**	**(94.6)**	**(89.6)**	**(215.8)**	**251.6**
Currency hedges	(325.3)	159.5	4.0	0.0	72.4	76.5	72.3	(225.9)
Net position after hedging	120.3	(65.0)	25.8	(21.2)	(22.1)	(13.1)	(143.5)	25.7

* *Including inter-company financing.*
** *Commercial exposure anticipated over the next six months.*

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

Information on hedged notional amounts

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

* *Notional amounts based on absolute values.*

(in € million) 12/31/ 2022	Carrying amount: Assets	Carrying amount: Liabilities	Notional amount*	Maturities: < 1 year	Maturities: 1 to 5 years	Maturities: > 5 years
Fair value hedges						
■ Forward currency contracts	0.0	(0.1)	4.0	4.0	0.0	0.0
■ Inter-company loans in foreign currencies swapped for euros	4.2	(2.1)	965.4	965.4	0.0	0.0
■ Cross-currency swaps	24.0	(63.0)	396.2	112.5	31.4	252.3
Cash flow hedges						
■ Forward currency contracts	48.1	(16.3)	1,693.6	1,554.5	139.1	0.0
■ Currency option	8.8	(0.9)	376.2	201.9	174.3	0.0
Not eligible for hedge accounting	0.0	(0.1)	4.8	4.8	0.0	0.0
	85.1	**(82.5)**				

* *Notional amounts based on absolute values.*

The sensitivity of Group income and equity as of December 31, 2023 to a fluctuation in exchange rates against the euro is as follows for the main currencies to which the Group is exposed:

Currency exposure	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
2023	**1.11**	**24.72**	**7.85**	**99.19**	**0.87**	**4.34**	**18.72**	**156.33**
Currency fluctuation scenario (depreciation of currency/EUR)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Exchange rate after currency depreciation	**1.16**	**25.96**	**8.24**	**104.15**	**0.91**	**4.56**	**19.66**	**164.15**
Impact on pre-tax income *(in € million)*	(7.5)	5.7	(3.4)	1.3	0.1	0.4	4.0	1.2
Impact on other comprehensive income *(in € million)*	12.9	(15.8)	18.2	0.0	(1.3)	(3.4)	(9.6)	(4.1)

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

30.3 Interest-rate hedges

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

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

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

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

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

	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
(in € million) **2022**	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate	Fixed rate	Variable Rate
Financial assets		4,218.7		7.9				15.2		4,241.8
Financial liabilities	(436.7)	(1,706.2)	(607.9)	(855.0)	(5,608.4)	(494.7)	(1,950.6)	(521.4)	(8,603.6)	(3,577.4)
Net position before hedging	**(436.7)**	**2,512.5**	**(607.9)**	**(847.1)**	**(5,608.4)**	**(494.7)**	**(1,950.6)**	**(506.2)**	**(8,603.6)**	**664.5**
Interest rate hedges	(401.6)	401.6	(137.0)	137.0	31.4	(31.4)	0.0	0.0	(507.2)	507.2
Net position after hedging	**(838.3)**	**2,914.0**	**(744.9)**	**(710.1)**	**(5,577.0)**	**(526.1)**	**(1,950.6)**	**(506.2)**	**(9,110.7)**	**1,171.6**

Cross-currency swaps variable/fixed rate are included in the above detailed position, but their value in the balance sheet as well as the notional amounts are included in the corresponding table for currency hedging instruments in Note 30.2 and not in the interest rate hedging instruments hereafter.

The main components of the fixed rate debt are the bonds issued by Forvia SE and HELLA; EIB credit facility maturing in 2029; a part of the Schuldscheindarlehen (see Note 26.3) issued in December 2018 and in December 2021 ; HELLA Bilaterals maturing in 2032 and 2033 (see note 26.3).

The majority of interest rate derivatives as of December 31, 2023 aim at hedging the variable part of the Schuldscheindarlehen against an interest rate increase.

In December 2023, FORVIA has implemented a pre hedging with rate swaps with delayed start, in order to hedge a portion of the future issuance of debt. As of December 31st, 2023, the nominal value of this pre hedge was €225 million, with a value booked in liabilities for €0.5 million.

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

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

(in € million)	**Carrying amount**		**Notional amounts by maturity**		
12/31/2022	**Assets**	**Liabilities**	**< 1 year**	**1 to 5 years**	**> 5 years**
Interest rate options	0.0	0.0	0.0	0.0	0.0
Variable rate/fixed rate swaps	12.5	0.0	350.0	137.0	0.0
Accrued premiums payable	0.0	0.0	0.0	0.0	0.0
Swaption	0.0	0.0	0.0	0.0	0.0
	12.5	**0.0**	**350.0**	**137.0**	**0.0**

A part of the Group borrowings being at variable rates as stated in Note 26.4, a rise in short-term rates would therefore have an impact on financial expense.

The sensitivity tests performed, assuming a 100 bp increase in average interest rates compared to the rate curve as of December 31, 2023 show that the effect on net financial expense (before taxes) would not be significant, taking into account the profile of the Group's borrowings and derivatives in place as of December 31, 2023.

30.4 Counterpart risk on derivatives

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

	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fulfilling IAS 32 compensation criteria)		(e) = (c) - (d)
Financial assets as of December 31, 2023 *(in € million)*	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	88.1	0.0	88.1	6.5	0.0	81.6
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**88.1**	**0.0**	**88.1**	**6.5**	**0.0**	**81.6**

	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fulfilling IAS 32 compensation criteria)		(e) = (c) - (d)
Financial liabilities as of December 31, 2023 *(in € million)*	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	96.4	0.0	96.4	6.5	0.0	89.9
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**96.4**	**0.0**	**96.4**	**6.5**	**0.0**	**89.9**

Note 31 Commitments given and contingent liabilities

Commitments given

(in € million)	12/31/2023	12/31/2022
Future minimum lease payments [(1)]	70.5	16.3
Debt collateral :		
■ mortgages	2.2	2.1
Other debt guarantees	106.6	118.1
Firm orders for property, plant and equipment and intangible assets	353.1	422.9
Other	4.0	1.0
TOTAL [(2)]	**536.4**	**560.4**

(1) Commitments on future lease payments are considering for 2023 only obligations not reflected in the lease liability, such as payments on contracts corresponding to exemption criteria allowed by IFRS 16 and considered by the Group as well as future payments on signed contracts which execution has not yet started.

(2) Of which respectively €12.2 million of commitments as at December 2022 for discountinued activities (mainly firm orders for assets).

Future minimum lease payments break down as follows:

(in € million)	2023	2022
N+1	22.4	9.2
N+2	11.3	2.8
N+3	10.7	1.3
N+4	6.9	1.3
N+5 and above	19.1	1.7
TOTAL	**70.5**	**16.3**

Expiry dates of mortgages and guarantees:

(in € million)	2023
■ less than a year	80.7
■ 1 to 5 years	5.6
■ more than 5 years	22.5
TOTAL	**108.8**

Note 32 Related party transactions

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

Note 33 Management compensation

Total compensation for 2023 awarded to the members of the Board of Directors and the Group Executive Committee serving in this capacity as at December 31, 2023 amounted to €17,382,859 including directors' fees of €703,571 compared with the 2022 figures of €13,837,012 and €885,045 respectively.

Note 34 Fees paid to the Statutory Auditors

	EY				Mazars			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
(in € million)	2023	2022	2023	2022	2023	2022	2023	2022
AUDIT								
Statutory and contractual audits								
Issuer	1.3	2.8	22.8%	35.9%	1.2	1.7	14.6%	26.1%
Fully consolidated companies	3.8	4.2	66.7%	53.8%	6.7	4.5	82.9%	68.0%
SUB TOTAL	**5.1**	**7.0**	**89.5%**	**89.8%**	**7.9**	**6.2**	**97.5%**	**94.1%**
Other services								
Issuer	0.4	0.5	7.0%	6.4%	0.2	0.3	2.5%	4.6%
Fully consolidated companies	0.2	0.3	3.5%	3.8%	0.0	0.1	0.0%	1.4%
SUB TOTAL	**0.6**	**0.8**	**10.5%**	**10.2%**	**0.2**	**0.4**	**2.5%**	**5.9%**
TOTAL	**5.7**	**7.8**	**100.0%**	**100.0%**	**8.1**	**6.6**	**100.0%**	**100.0%**

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

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

Note 35 Dividends

The Board of Directors has decided to propose to the next Annual Shareholders' Meeting a dividend of €0.50 per share.

List of consolidated companies as of December 31, 2023

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

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

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

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

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

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

	Country	Interest of (%)	Stake (%) (1)
HELLA Changchun Tooling Co., Ltd	China	81.59	100
HELLA Corporate Center (China) Co., Ltd	China	81.59	100
Changchun HELLA Automotive Lighting Ltd	China	81.59	100
Beifang HELLA Automotive Lighting Ltd	China	81.59	100
HELLA Trading (Shanghai) Co., Ltd	China	81.59	100
HELLA China Holding Co., Ltd.	China	81.59	100
HELLA (Xiamen) Electronic Device Co., Ltd	China	81.59	100
Jiaxing HELLA Lighting Co., Ltd	China	81.59	100
Xian Faurecia Automotive Parts Co., Ltd	China	70	100
Changzhou Faurecia Automotive Parts Co., Ltd	China	70	100
Changchun FAWSN Faurecia Cockpit of Future System Co., Ltd	China	50	100
Faurecia (Jiaxing) Automotive Seating Co., Ltd	China	100	100
Faurecia Hydrogen Solutions China	China	100	100
Zhengzhou Faurecia Automotive Parts Co., Ltd	China	70	100
JinHua LEAP Faurecia Automotive Parts Co., Ltd	China	51	100
Faurecia (Shanghai) Automotive Interior Systems Co. Ltd	China	100	100
Faurecia Clarion Electronics Asia Pacific Limited	China	100	100
Chang Ming Co., Ltd	China	100	100
Clarion (H.K.) Industries Co., Ltd	China	100	100
China Taiwan			
Covatech Inc.	China Taiwan	100	100
Clarion (Taiwan) Manufacturing Co., Ltd	China Taiwan	100	100
South Korea			
Faurecia Korea, Ltd	South Korea	100	100
FCM Yeongcheon	South Korea	100	100
FAS Yeongcheon	South Korea	100	100
Docter Optics Asia Ltd	South Korea	81.59	100
HELLA Korea Inc.	South Korea	81.59	100
Faurecia Hydrogen Solutions Korea	South Korea	100	100
Denmark			
AMMINEX Emissions Technology AS	Denmark	100	100
HELLA Gutmann Solutions A/S	Denmark	81.59	100
HELLA A/S	Denmark	81.59	100
United Arab Emirates			
HELLA Middle East FZE	United Arab Emirates	81.59	100
HELLA Middle East LLC	United Arab Emirates	39.98	100
Spain			
Asientos de Castilla Leon, S.A.	Spain	100	100
Asientos del Norte, S.A.	Spain	100	100
Faurecia Asientos Para Automovil España, S.A.	Spain	100	100
Faurecia Sistemas De Escape España, S.A.	Spain	100	100
Tecnoconfort	Spain	50	100

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

	Country	Interest of (%)	Stake (%) [1]
Asientos de Galicia, S.L.	Spain	100	100
Faurecia Automotive España, S.L.	Spain	100	100
Faurecia Interior System España, S.A.	Spain	100	100
Faurecia Interior System SALC España, S.L.	Spain	100	100
Valencia Modulos de Puertas, S.L.	Spain	100	100
Faurecia Emissions Control Technologies, Pamplona, S.L.	Spain	100	100
Incalplas, S.L.	Spain	100	100
Faurecia Holding España S.L.	Spain	100	100
HELLA España Holdings S. L.	Spain	81.59	100
Manufacturas y Accesorios Electricos S.A.	Spain	81.59	100
HELLA S.A.	Spain	81.59	100
United States			
Faurecia Emissions Control Systems NA, LLC	United States	100	100
Faurecia Automotive Seating, LLC	United States	100	100
Faurecia USA Holdings, Inc.	United States	100	100
Faurecia Emissions Control Technologies, USA, LLC	United States	100	100
Faurecia Interior Systems, Inc.	United States	100	100
Faurecia Madison Automotive Seating, Inc.	United States	100	100
Faurecia Interiors Louisville, LLC	United States	100	100
Faurecia Interior Systems Saline, LLC	United States	100	100
Faurecia Mexico Holdings, LLC	United States	100	100
FNK North America, Inc.	United States	100	100
Faurecia North America, Inc.	United States	100	100
Hug Engineering Inc.	United States	100	100
Clarion Corporation of America	United States	100	100
Docter Optics Inc.	United States	81.59	100
HELLA Corporate Center USA, Inc.	United States	81.59	100
HELLA Electronics Corporation	United States	81.59	100
HELLA Automotive Sales, Inc.	United States	81.59	100
HELLA Ventures, LLC	United States	81.59	100
Faurecia Hydrogen Solutions North America	United States	100	100
France			
Faurecia Sièges d'automobile	France	100	100
Faurecia Industries	France	100	100
ECSA - Études Et Construction de Sièges pour l'Automobile	France	100	100
Siedoubs	France	100	100
Siemar	France	100	100
Faurecia Seating Flers	France	100	100
Faurecia Investments	France	100	100
Trecia	France	100	100
Faurecia Automotive Holdings	France	100	100
Faurecia Intérieur Industrie	France	100	100

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

	Country	Interest of (%)	Stake (%) [1]
Faurecia Systèmes d'Echappement	France	100	100
Faurecia Services Groupe	France	100	100
Faurecia Exhaust International	France	100	100
Faurecia Exhaust Russia Holding	France	100	100
MATERI'ACT	France	100	100
Faurecia Hydrogen Solutions	France	100	100
Faurecia Ventures	France	100	100
Faurecia Automotive Composites	France	100	100
Hambach Automotive Exteriors	France	100	100
Hennape Six	France	100	100
Faurecia Clarion Electronics Europe S.A.S.	France	100	100
Clarion Europe S.A.S	France	100	100
Faurecia Hydrogen Solutions France	France	100	100
HELLA S.A.S.	France	81.59	100
HELLA Engineering France S.A.S.	France	81.59	100
FH Services S.A.S.	France	95.4	100
Great Britain			
Faurecia Automotive Seating UK, Ltd	Great Britain	100	100
Faurecia Midlands, Ltd	Great Britain	100	100
SAI Automotive Fradley, Ltd	Great Britain	100	100
SAI Automotive Washington, Ltd	Great Britain	100	100
Faurecia Emissions Control Technologies UK, Ltd	Great Britain	100	100
Design LED Products, Ltd	Great Britain	100	100
HELLA UK Holdings Limited	Great Britain	81.59	100
HELLA Limited	Great Britain	81.59	100
Hungary			
Faurecia Emissions Control Technologies, Hungary Kft	Hungary	100	100
Clarion Hungary Electronics Kft.	Hungary	100	100
HELLA Hungaria Kft.	Hungary	81.59	100
India			
Faurecia Automotive Seating India Private, Ltd	India	100	100
Faurecia Emissions Control Technologies India Private, Ltd	India	74	100
Faurecia Interior Systems India Private, Ltd	India	100	100
Clarion India Pvt, Ltd	India	100	100
HELLA India Automotive Private Limited	India	81.59	100
HELLA Emobionics Pvt Ltd	India	81.59	100
HELLA India Lighting Ltd	India	69.5	100
Indonesia			
PT Faurecia Clean Mobility Indonesia	Indonesia	100	100
Israel			
Faurecia Security Technologies	Israel	100	100

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

	Country	Interest of (%)	Stake (%) [1]
Italy			
Faurecia Emissions Control Technologies, Italy SRL	Italy	100	100
Hug Engineering Italia S.r.l.	Italy	100	100
HELLA S.p.A.	Italy	81.59	100
Japan			
Faurecia Japan K.K.	Japan	100	100
Faurecia Howa Interiors Co., Ltd	Japan	50	100
Faurecia Clarion Electronics Co., Ltd	Japan	100	100
Clarion Lifecycle Solutions Co., Ltd	Japan	100	100
Lithuania			
UAB HELLA Lithuania	Lithuania	81.59	100
Luxembourg			
FORVIA Ré	Luxembourg	100	100
Morocco			
Faurecia Équipements Automobiles Maroc	Morocco	100	100
Faurecia Automotive Systems Technologies	Morocco	100	100
Faurecia Automotive Industries Morocco SARL	Morocco	100	100
Mexico			
Faurecia Sistemas Automotrices de Mexico, SRL de C.V.	Mexico	100	100
Servicios Corporativos de Personal Especializado, S.A. de C.V.	Mexico	100	100
Faurecia Howa Interior Mexico, S.A. de C.V.	Mexico	51	100
Electronica Clarion, S.A. de C.V.	Mexico	100	100
HELLA Centro Corporativo Mexico S.A. de C.V.	Mexico	81.59	100
HELLA Automotive Mexico S.A. de C.V.	Mexico	81.59	100
HELLAmex S.A. de C.V.	Mexico	81.59	100
Norway			
HELLA Gutmann Solutions AS	Norway	81.59	100
New Zealand			
HELLA-New Zealand Limited	New Zealand	81.59	100
Netherlands			
ET Dutch Holdings B.V.	Netherlands	100	100
Hug Engineering B.V.	Netherlands	100	100
HELLA Benelux B.V.	Netherlands	81.59	100
Poland			
Faurecia Automotive Polska S.A.	Poland	100	100
Faurecia Walbrzych S.A.	Poland	100	100
Faurecia Grojec R&D Center S.A.	Poland	100	100
Faurecia Gorzow S.A.	Poland	100	100
Faurecia Legnica Decoration S.A	Poland	100	100
HELLA Polska Sp. z o.o.	Poland	81.59	100

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

	Country	Interest of (%)	Stake (%) [1]
Portugal			
Faurecia – Assentos de Automovel, Lda	Portugal	100	100
SASAL	Portugal	100	100
Faurecia – SIstemas De Escape Portugal, Lda	Portugal	100	100
EDA – Estofagem de Assentos, Lda	Portugal	100	100
Faurecia Sistemas de Interior de Portugal, Componentes Para Automoveis S.A.	Portugal	100	100
Czech Republic			
Faurecia Exhaust Systems, S.R.O.	Czech Republic	100	100
Faurecia Automotive Czech Republic, S.R.O.	Czech Republic	100	100
Faurecia Interior Systems Bohemia, S.R.O.	Czech Republic	100	100
Faurecia Components Pisek, S.R.O.	Czech Republic	100	100
Faurecia Interiors Pardubice, S.R.O.	Czech Republic	100	100
Faurecia Emissions Control Technologies Mlada Boleslav, S.R.O.	Czech Republic	100	100
Faurecia Plzen	Czech Republic	100	100
Docter Optics s.r.o.	Czech Republic	81.59	100
HELLA Autotechnik Nova s.r.o.	Czech Republic	81.59	100
Romania			
Faurecia Romania S.R.L.	Romania	100	100
Euro Auto Plastic Systems S.R.L.	Romania	50	100
HELLA Romania s.r.l.	Romania	81.59	100
Russia			
OOO Faurecia Interior Luga	Russia	100	100
OOO Faurecia Automotive Development	Russia	100	100
HELLA OOO	Russia	81.59	100
Singapore			
HELLA Asia Singapore Pte. Ltd	Singapore	81.59	100
Slovakia			
Faurecia Automotive Slovakia SRO	Slovakia	100	100
HELLA Innenleuchten-Systeme Bratislava, s.r.o.	Slovakia	81.59	100
HELLA Slovakia Holding s.r.o.	Slovakia	81.59	100
HELLA Slovakia Signal-Lighting s.r.o.	Slovakia	81.59	100
Slovenia			
HELLA Saturnus Slovenija d.o.o.	Slovenia	81.59	100
Sweden			
Faurecia Interior Systems Sweden AB	Sweden	100	100
Faurecia CREO	Sweden	100	100
Switzerland			
Hug Engineering AG	Switzerland	100	100
Faurecia Switzerland Sàrl	Switzerland	100	100
Faurecia Switzerland Group AG	Switzerland	100	100

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

	Country	Interest of (%)	Stake (%) [1]
Thailand			
Faurecia Interior Systems (Thailand) Co., Ltd	Thailand	100	100
Faurecia Emissions Control Technologies, Thailand Co., Ltd	Thailand	100	100
Faurecia & Summit Interior Systems (Thailand) Co., Ltd	Thailand	50	100
Clarion Asia (Thailand) Co., Ltd	Thailand	100	100
Rayong Faurecia Automotive Parts Co. Ltd	Thailand	70	100
Tunisia			
Société Tunisienne D'Équipements d'Automobile	Tunisia	100	100
Faurecia Informatique Tunisie	Tunisia	100	100
Türkiye			
Faurecia Polifleks Otomotiv Sanayi Ve Ticaret Anonim Sirketi	Türkiye	100	100
Intermobil Otomotiv Mumessillik Ve Ticaret A.S.	Türkiye	45.69	100
Uruguay			
Faurecia Automotive Del Uruguay, S.A.	Uruguay	100	100
Vietnam			
Faurecia Vietnam Haiphong	Vietnam	100	100
HELLA Vietnam Company Limited	Vietnam	81.59	100
II - COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD			
Germany			
Behr-HELLA Thermocontrol GmbH	Germany	40.8	40.8
InnoSenT GmbH	Germany	40.8	40.8
China			
Changchun Xuyang Faurecia Acoustics & Soft Trim Co., Ltd	China	40	40
Jinan Jidao Auto Parts Co., Ltd	China	50	50
Changchun Faurecia Xuyang Automotive Components Technologies R&D Co., Ltd	China	45	45
Dongfeng Faurecia (Wuhan) Automotive Parts Sales Co., Ltd	China	50	50
Qinhuangdao WKW-FAD Automotive Interior Parts Co., Ltd	China	50	50
Dongfeng Faurecia (Xiangyang) Emissions Systems Co., Ltd	China	50	50
Faurecia Liuzhou Automotive Seating Sales Co., Ltd	China	50	50
Chongqing Guangneng Faurecia Interior Systems Co., Ltd	China	50	50
Faurecia (Liuzhou) Emissions Control Technologies Co., Ltd	China	50	50
Wuhan Clarion Kotei Software Technology Co., Ltd	China	25	25
Beijing BAIC Faurecia Automotive Systems Co., Ltd	China	50	50
Kaishi Faurecia Aftertreatment Control Technologies Co., Ltd	China	35	35
Changchun HELLA Faway Automotive Lighting Co., Ltd	China	39.98	39.98
Beijing HELLA BHAP Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP (Sanhe) Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP (Tianjin) Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP Electronics (Jiangsu) Co., Ltd	China	40.8	40.8
HELLA Evergrande Electronics (Shenzhen) Co., Ltd	China	39.98	39.98
HELLA MINTH Jiaxing Automotive Parts Co., Ltd	China	40.8	40.8

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

	Country	Interest of (%)	Stake (%) (1)
HELLA Evergrande Electronics (Yangzhou) Co., Ltd	China	39.98	39.98
Faway Hainuo Automotive Technology (Changzhou) Co., Ltd	China	24.39	24.39
Beijing SamLip Automotive Lighting Ltd	China	19.99	19.99
HELLA Faway Automotive Lighting (Tianjin) Co., Ltd	China	39.98	39.98
Spain			
Componentes de Vehiculos de Galicia, S.A.	Spain	50	50
Copo Iberica, S.A.	Spain	50	50
United States			
Total Network Manufacturing LLC	United States	49	49
France			
Automotive Performance Materials (APM)	France	50	50
Symbio	France	33.33	33.33
India			
NHK F. Krishna India Automotive Seating Private, Ltd	India	19	19
Basis Mold India Private Limited	India	38	38
Italy			
Ligneos Srl	Italy	50	50
Japan			
Faurecia – NHK Co., Ltd	Japan	50	50
Malaysia			
Clarion (Malaysia) Sdn. Bhd.	Malaysia	45	45
Mexico			
GMD Stamping Mexico S.A. de C.V.	Mexico	49	49
Portugal			
Vanpro Assentos, Lda	Portugal	50	50
Faurecia Aptoide Automotive, Lda	Portugal	50	50
Türkiye			
Teknik Malzeme Ticaret Ve Sanayi AS	Türkiye	50	50

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

3.

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

Statutory auditors' report on the consolidated financial statements

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

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

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

For the year ended December 31, 2023

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Forvia for the year ended December 31st, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

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

Basis for Opinion

Audit Framework

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

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

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1st, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

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

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

Impairment testing of goodwill

(Note 10 “Goodwill” to the consolidated financial statements)

Risk identified

The carrying amount of goodwill amounts to €5,129.6 million at December 31, 2023. Goodwill is allocated to the six groups of cash generating units (CGUs) corresponding to the Group’s operating segments at which goodwill is monitored for internal management purposes: Seating, Clean Mobility, Interiors, Electronics, Lighting and Lifecycle solutions.

In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired.

For the purpose of impairment testing, goodwill is allocated between groups of CGUs. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, as described in Note 10 to the consolidated financial statements.

Impairment tests are performed to compare the carrying amount of assets and liabilities by group of CGUs with the higher of their value in use (equal to the present value of the net future cash flows expected) and their fair value including costs of disposal. For a given group of CGUs, an impairment loss is recognized whenever its value then determined falls below its carrying amount.

The cash flow forecasts used to calculate value in use were based on the Group’s 2024-2028 forecasts for all six CGU’s. Those forecasts were established during 2023 last semester. The volume assumptions used in the forecasts are based on external information sources.

As mentioned in note 10 to the consolidated financial statements, impairment test performed as of December 31, 2023 confirmed goodwill value accounted for in the balance sheet.

We considered the measurement of the recoverable amount of goodwill to be a key audit matter for the following reasons:

- the amount of goodwill recorded in the consolidated financial statements is material;
- defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular as regards future cash flows, discount rates (WACC) and long-term growth rates, which are inherently impacted by the economic environment and in particular by the crisis evolutive context related to inflation and to the military conflict in Ukraine.

Our response

We assessed the method used by management to determine the Goodwill recoverable amount of each group of CGUs in order to assess its compliance with IAS 36.

With asset valuation experts part of the audit team, we assessed the key assumptions used by management to determine projected future cash flows and, in particular:

- reconciled the components taken in the impairment tests of each group of CGU with the consolidated financial statements;
- compared to external market data the key assumptions used to determine the utility value of the UGT Group, in particular the discount rate, growth rate and volumes assumptions of the global automotive market considered by your Group in the context of the inflation crisis and the military conflict in Ukraine;
- analyzed the consistency of projected future cash flows with historical data;
- reperformed the calculations and reconciled the main forecasts data including 2024-2028 forecasts data for all six CGU’s with the data used in impairment testing;
- performed sensitivity analyses on the recoverable amounts calculated by management, in particular with regard to discount rates and operating income to estimate their effects and assumptions related to the volume for the global automotive market considered by the group.

We also assessed the appropriateness of the disclosures on goodwill provided in the notes to the consolidated financial statements.

Accounting and recoverability of development costs

(Notes 10 and 11 to the consolidated financial statements)

Risk identified	Our response

Net capitalized development costs amount to €3,154.0 million at December 31, 2023.
 	
In accordance with IAS 38, development costs incurred in connection with producing and delivering modules for specific customer orders are recorded as an intangible asset pursuant to the conditions set out in note 11 to the consolidated financial statements.
 	
These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.
 	
Research costs, and development costs that do not meet the above criteria, are expensed as incurred pursuant to the conditions set out in note 11 to the consolidated financial statements.
 	
As mentioned in note 10 to the consolidated financial statements, the capitalized development costs are tested for impairment whenever there is an indication that they may be impaired. Impairment tests involve comparing the carrying amount of the tangible and intangible assets allocated to a customer contract with the present value of the net future cash flows expected to be derived from the contract, considering the best estimates of the future sales.
 	
We considered the accounting and recoverability of development costs to be a key audit matter for the following reasons:
 	
■ the amount of capitalized development costs in the consolidated financial statements is material;
 	
■ defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular as regards future cash flows, discount rates and the expected gross margin per customer contracts, which are inherently impacted by the crisis evolutive context related to inflation and to the military conflict in Ukraine.
	With regard to the capitalization of development costs:
	
	■ we obtained an understanding of the procedures implemented by management to determine the eligibility of development costs for capitalization and analyzed their compliance with IAS 38;
	
	■ we performed certain specific testing on a sample of customer contracts to evaluate whether the related development costs were eligible for capitalization in compliance with IAS 38.
	
	With regard to the measurement of the recoverable amount of capitalized development costs:
	
	■ we made inquiries of management about any indications of impairment;
	
	■ we obtained an understanding of the method used by management to determine the recoverable amount of these assets and assessed the consistency of performed calculations;
	
	■ we assess the consistency of the key assumptions used by management to determine projected future cash flows including assumptions considered by management in the inflation and the military conflict in Ukraine, for a sample of customer contracts subject to an impairment test and, in particular:
	
	  ■ reconciled the components of the carrying amount of these assets allocated to a customer contract with the consolidated financial statements,
	
	  ■ compared, with asset valuation experts, the key assumptions used, such as discount rates, with independent market data,
	
	  ■ reconciled, on a sample basis, the data specific to each customer contracts, such as projected delivery quantities and negotiated selling unit price per product, with the customer contract or observable external data, where applicable taking into account ongoing negotiations.
	
	We also assessed the appropriateness of the disclosures provided on development costs in the notes to the consolidated financial statements.

Accounting and recoverability of deferred tax assets

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

Risk identified	Our response
Deferred tax assets amount to €852.9 million in the balance sheet at December 31, 2023, while deferred tax liabilities amount to €327.8 million. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carryforward can be utilized, based on the Group's forecasts. The Group's ability to recover deferred tax assets is assessed by management at the end of the year. The assessment of the ability to recover net deferred tax assets as of December 31, 2023 (€525.1 million) is based on the Group's forecasts for the long-term recovery of tax losses. We considered the accounting and the recoverability of deferred tax assets to be a key audit matter due to the importance of the assumptions and judgments used by management to recognize these assets, especially in the crisis evolutive context related to inflation and to the military conflict in Ukraine and considering the materiality of their amounts in the consolidated financial statements.	We assessed the consistency of the assumptions used by management to recognize and measure deferred tax assets and their compliance with IAS 12. With the support of our tax experts, we assessed the probability that the Group will be able to utilize the tax loss carryforwards currently recognized in its balance sheet, in particular with regard to: ■ deferred tax liabilities existing in the same tax jurisdiction that may be used to offset existing tax loss carryforwards, prior to their expiry date if applicable; ■ the ability of the Group companies concerned to generate future taxable profit against which the existing tax loss carryforwards can be utilized, reconciling the future flows used in tax planning with the projections validated by the board. We also assessed the consistency of the key data and assumptions underlying the taxable income projections, underlying the recognition and recoverability of deferred tax assets relating to the Tax Loss Carryforward, with the supporting items we otherwise obtained, such as, in particular, the Group's guidance for the period 2024-2028 presented to the Board of Directors, established in the context of the inflation and the military conflict in Ukraine. Lastly, we also assessed the appropriateness of the disclosures on deferred tax assets provided in the notes to the consolidated financial statements.

Specific Verifications

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

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

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Report on Other Legal and Regulatory Requirements

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

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

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

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

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

Appointment of the Statutory Auditors

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

At December 31, 2023, MAZARS were respectively in their fifth year of their engagement and ERNST & YOUNG were in the fourty one year of total uninterrupted engagement (which is the twenty-five year since securities of the Company were admitted to trading on a regulated market).

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

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

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

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

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

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

Objectives and audit approach

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

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

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

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

Report to the Audit Committee

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

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

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

Paris-La Défense, February 19, 2024

The Statutory Auditors

French original signed by

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

This document is printed in France by an Imprim'Vert certified printer on FSC certified recycled paper produced from sustainably managed forest.

Designed & published by LABRADOR +33 (0)1 53 06 30 80

Inspiring mobility