fives
Industry can do it

INDUSTRY CAN DO IT

2025 FINANCIAL REPORT
2024 Financial year

ACTIVITY REPORT

NON-FINANCIAL INDICATORS
Social
Innovation
Ethics & compliance
Health & safety
Environmental

CONSOLIDATED FINANCIAL STATEMENTS

AN INDUSTRIAL ENGINEERING GROUP

with multi-sector expertise, Fives designs, manufactures and installs machines, process equipment and production lines for the world's largest industrial groups.

SOMMAIRE

KEY FIGURES

More than 100 locations in 25 countries

An international presence, close to our customers and markets

38 centers of research and tests

€43 M R&D expenditure

MORE THAN 200 YEARS OF HISTORY

€2,101 M ORDER INTAKE

€2,281 M SALES

€2,269 M BACKLOG

MORE THAN 9,200 EMPLOYEES

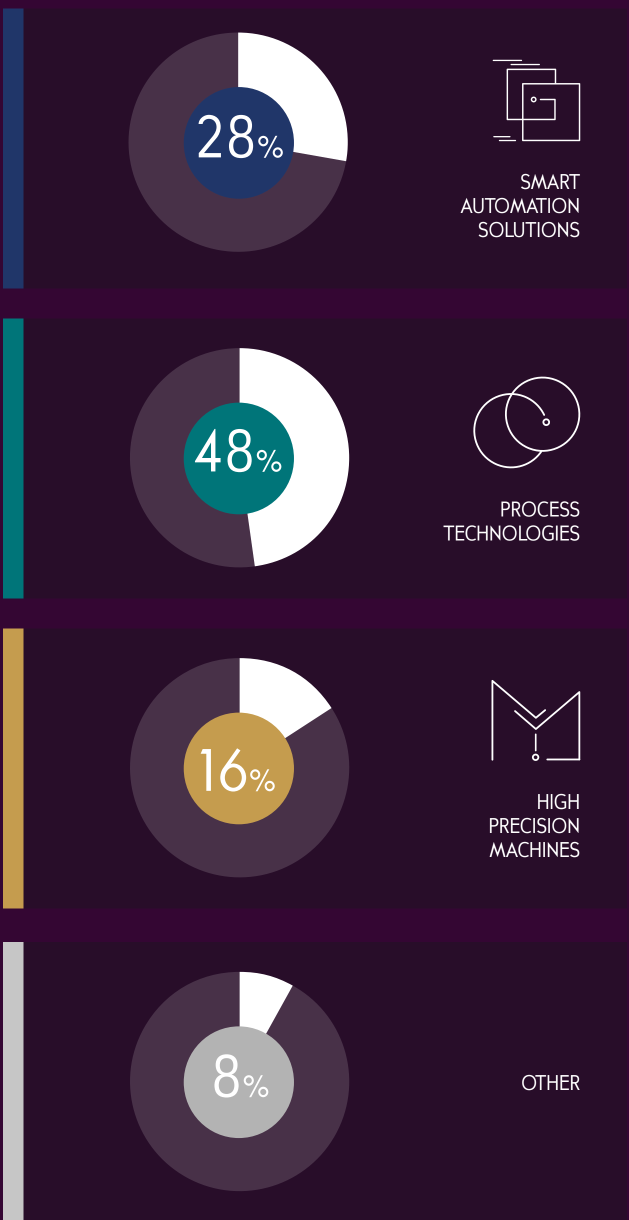
2,869 PATENTS IN 838 FAMILIES

72 NEW PATENTS FILED IN 2024

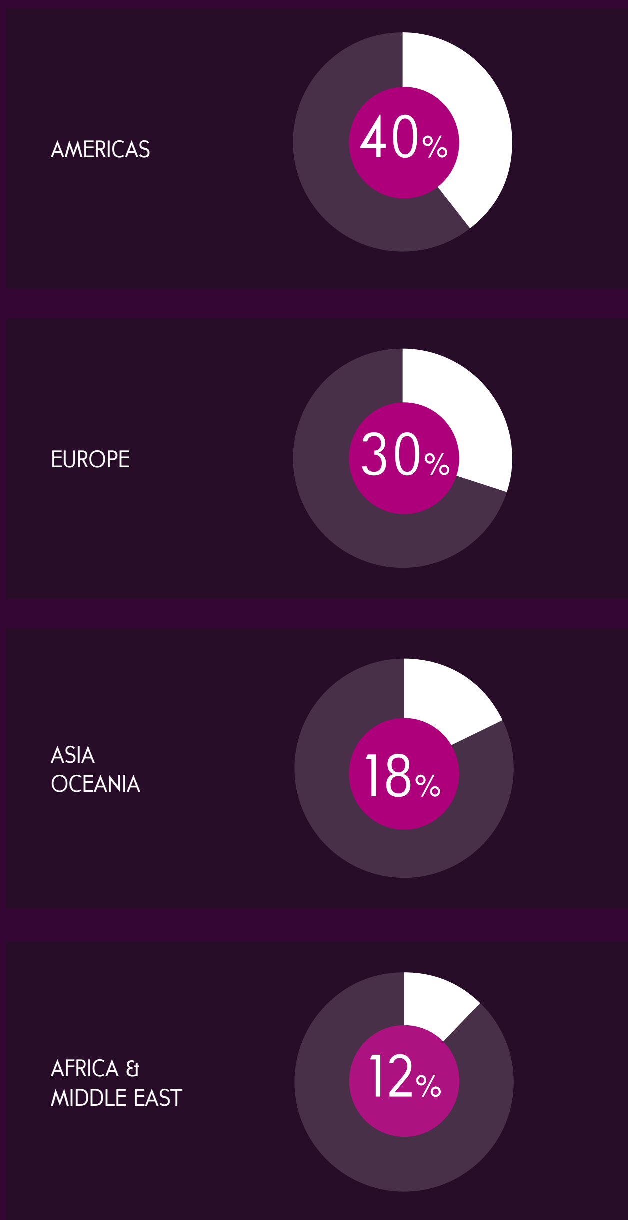
Frédéric Sanchez
Chairman of the Fives group

« More than 20 years ago, we opted for a decentralized organization. This enables our more than 9,200 employees, working at more than 100 locations worldwide, to take account of local constraints and to provide tailor-made solutions for our customers. »

ORDER INTAKE BY ACTIVITY



ORDER INTAKE BY GEOGRAPHICAL AREA



MESSAGE
FROM FRÉDÉRIC SANCHEZ
CHAIRMAN OF THE FIVES GROUP

Let's stay strong.

In an uncertain global context for industry, where the balance of power shifts each day between Europe, China and the United States, it seems more important than ever to remember this simple mantra: Let's stay strong.

This is especially true as Europe – and France in particular – can take pride in its flagship industry and talented engineers, who are the pillars of our ecosystem. It is thanks to these dedicated men and women that the Fives Group can keep delivering strong results.

2024 was a good year, and we start 2025 with an order book close to the record seen in 2022-2023, at around €2.3 billion.

MESSAGE
FROM FRÉDÉRIC SANCHEZ

The Group can also count on **three major assets** to consolidate its leadership:

FIRSTLY, ITS REGIONAL ORGANIZATION, WHICH GUARANTEES FLEXIBILITY AND RESPONSIVENESS, essential qualities in these troubled times.

This means that our more than 9,200 employees, working at more than 100 subsidiaries worldwide, can take real-world requirements into account and offer local, **tailored responses** to our customers.

In North America, for example, we have 2,000 employees at some historic subsidiaries, like Giddings & Lewis, founded in 1859, which enjoys an excellent reputation and recognized expertise in machine tools in the United States; or at newer companies, such as Fives Intralogistics Corp, addressing automation challenges related to changing demographics and consumer habits.

Fives has also been working **in Asia** for 30 years, with sales entities, production subsidiaries and R&D centers in China, Japan and India. The expanding South-East Asia markets offer opportunities for our Group, which is able to offer responses with both Chinese and European content depending on the needs of our customers.

The Group is also expanding **in the Middle East**, with a recent but strongly growing local presence, as reflected by the strengthening of our high-level relationships with major industrial groups in Saudi Arabia and the opening of a second services hub in Abu Dhabi, following the success of the one in Bahrain.

In Europe, the Group's historic home and nerve center in terms of engineering and R&D, we are very well-positioned to support European industry with its electrification and decarbonization projects, particularly glass and cement producers. Thanks to all its technologies, Fives is able to reduce the carbon emissions of a cement plant by 50%.

NEXT, ITS DRIVE FOR INNOVATION. WITH AROUND 3,000 PATENTS IN FORCE,

our teams tirelessly support industrial players to digitalize their processes, an essential factor to build a more efficient and virtuous industry.

Global demand in cutting-edge solutions and technologies for industry 4.0 is particularly promising for companies like Fives, which can combine process expertise and digital know-how. For example, we have developed digital solutions like the SmartLine for steel, which optimizes manufacturing processes, and Amelios for aluminum, which reduces a factory's carbon footprint.

For 20 years, we have promoted solutions to reduce the energy consumption and environmental impact of our customers. Today, we are keen to offer appropriate technical and economic solutions, like carbon capture, digitalization of production processes, the development of low-carbon processes or electrification. **We are working on all options to reduce the carbon footprint of industry**, sometimes through partnerships with recognized industrial players.

FINALLY, BY DEVELOPING OUR SERVICE OFFER.

As the uncertain global context might impact investment decisions, it will be more necessary than ever for industry to **do better with the existing installations**, optimizing current facilities. For this purpose, the Group can rely on the development of its services offer. This offer, whose sales have increased by more than 25% since 2019, now **accounts for 37% of the Group's activity in 2024**.

Regionalization, digitalization, decarbonization: let's stay strong to achieve our mission statement: industry can do it!

Frédéric Sanchez
Chairman and Chief Executive Officer of the Fives Group

01.

MANAGEMENT REPORT

MANAGEMENT REPORT
TO THE ORDINARY ANNUAL GENERAL MEETING ON APRIL 10, 2025

1. FIVES GROUP ACTIVITY IN 2024

1.1. Economic and business environment

Following two years of record order intake, 2024's business environment was affected at the start of the year by geopolitical tensions and the effects of the deceleration of the Chinese economy on global growth. Then, from summer, it was impacted by growing macroeconomic and political instability in the United States and Europe (particularly in France). This high degree of uncertainty resulted in substantial volatility in the financial markets and subsequently slowed down decision-making processes by industrial customers, particularly for major projects. Indeed, with the exception of those already in the final examination phase in late 2023, very few investments under review materialized in 2024. The Group's order intake was therefore €2,101million in 2024, a decline of €406 million on 2023 (€2,507million).

Despite this, business remained steady for equipment and small projects, reflecting the Group's strategic decision to transition its business model towards a project portfolio which is more resilient, less risky and has better margins.

ORDER INTAKE BY ACTIVITY

Millions of euros	2023	2024
Smart Automation Solutions	817.6	584.3
High Precision Machines	338.3	336.3
Process Technologies	1 128.8	1 008.5
Transversal activities and other activities	222.0	171.5
Total	**2 506.7**	**2 100.6**

ORDER INTAKE BY GEOGRAPHICAL AREA

Millions of euros	2023	2024
Americas	928.0	834.4
Asia and Oceania	630.5	376.6
Europe	734.8	630.4
The Middle East & Africa	213.4	259.2
Total	**2 506.7**	**2 100.6**
Contribution from mature economies	70%	69%
Contribution from emerging countries	30%	31%
Of which China	*8%*	*11%*
Of which Others	*22%*	*20%*

Smart Automation Solutions

The order intake in 2024 amounted to €584 million, a substantial drop compared to 2023 (€818 million). In the intralogistics segment (e-commerce and automated warehouses), which accounts for 70% of the division's business, the sharp upturn in the US market only partially offset lower investments in Japan, where the volumes recorded in 2023 were largely above the standards in recent years, due to several major orders booked. Consumption was still weak in Europe, which is only improving very modestly. Business also declined in the industrial automation segment, reaching back historic levels after a wave of investment linked to electric vehicles at many automotive suppliers in 2023.

High Precision Machines

The order intake in 2024 amounted to €336 million, stable compared to 2023 (€338 million). The sluggish automotive market (all countries, except Chinese manufacturers) was offset by renewed investment in general manufacturing in the United States and the momentum of the defense segment. Aerospace remained stable, but still down on its historic levels.

Process Technologies

The order intake in 2024 amounted to €1,009 million, down €120 million compared to 2023 (€1,129 million). On the one hand, this decrease came from business in the oil sector (due to the fall in prices) and in the gas sector (after the surge in investments following the start of the war in Ukraine). On the other hand, it related to postponed decisions in the steel industry (particularly in the United States) and, to a lesser extent, in the cement and glass sectors, where some projects driven by initiatives to reduce carbon emissions were nevertheless confirmed during the year in Europe. Finally, in aluminium, where market prospects are very favorable, the Group benefited from investments in Canada to modernize and improve the environmental impact of very old facilities, and the development of its service activities in the Middle East.

Other activities

The order intake in 2024 amounted to €172 million. This is down €50 million compared to 2023 (€222 million) in the nuclear sector, where orders relating to the "major refit" program (to extend the service life of nuclear facilities in France) were recorded in 2023, whilst decisions expected in 2024 for the new plants ("EPR2") program were postponed. Industrial maintenance performed well, particularly in aerospace and defense.

1.2. Acquisitions

On October 10, 2024, the Fives Group acquired 100% control of AddUp. The joint venture, specialized in "metal additive manufacturing" technology (commonly known as metal 3D printing), was previously jointly controlled with the Michelin group and accounted for using the equity method.

This acquisition follows AddUp's strategic decision to rescale the business, halting the mass production of 3D parts – a largely loss-making activity – to focus on the development, manufacturing and sale of machines and associated services.

AddUp joins the High Precision Machines division, as it shares commercial synergies (common clients in aerospace, defense and general industry), geographic synergies (benefitting from this division's footprint in the US, the leading market for metal 3D printing technologies) and cost synergies (pooling of operational skills and support).

2. FINANCIAL PERFORMANCE

2.1. Accounting principles and comparability elements

The Group's consolidated financial statements were prepared in accordance with the IFRS standards.

Accounted for using the equity method until the end of Q3 2024, AddUp is now fully consolidated. Its contribution to the Fives Group's 2024 EBITDA is a €4.8 million gain, reflecting the recognition of a badwill greater than Q4's operational loss as Michelin contributed to financing the costs of reorganization and transition to the target business model.
Except for the "Other operating income and expenses" line, where the badwill is recorded, the impacts of AddUp's full consolidation on the income statement are not material.

The currency effects compared to 2023 are not material. They are slightly unfavorable for sales (-€10 million) and EBITDA (-€1 million).

2.2. Group Results in 2024

Sales

Sales for 2024 amounted to €2,281 million, a decline of €114 million (-5%) on 2023 (€2,395 million) in the Smart Automation Solutions and Other Activities divisions. Despite a higher opening order book, the mix of orders includes projects to be executed over a longer period (three years for intralogistics orders in Japan, around ten years for orders relating to the major nuclear refit), which marginally run into 2024 as a result.
Sales from the High Precision Machines and Process Technologies divisions were stable.

Gross profit

The gross profit for 2024 was €469 million, representing 20.6% of sales. It is up 2.2 points compared to 2023, thanks to price rises on order intake over the last two years and, to a lesser extent, a more favorable mix with more service and equipment orders, and fewer integration orders.

Summary of consolidated figures

Millions of euros	2023	2024
Sales	**2 394.7**	**2 280.9**
Gross profit	444.1	469.5
Selling and administrative expenses	-304.3	-317.4
R&D expenses	-29.4	-34.8
Other operating income and expenses	1.3	7.4
(including employee profit-sharing and bonus schemes)	-4.8	-6.6
Amortization of intangibles related to acquisitions	-7.6	-3.6
Profit from recurring operations (EBIT)	**96.2**	**114.4**
EBITDA	**150.7**	**168.4**
Restructuring costs	-0.3	-0.2
Impairment of fixed assets	-0.1	-0.6
Gain or loss on disposals and acquisition costs	-9.1	-1.7
Operating profit	**86.8**	**112.3**
Financial result	-34.5	-22.4
Profit before tax	**52.3**	**89.9**
Income tax expense	-30.4	-44.7
Share of profit (loss) of associates	-24.2	-6.7
Net consolidated profit (loss)	**-2.2**	**38.5**
Net profit (loss), Group share	-2.7	38.2

SALES BY ACTIVITY

Millions of euros	2023	2024
Smart Automation Solutions	752.7	659.0
High Precision Machines	327.6	321.9
Process Technologies	1129.1	1 132.7
Transversal activities and other activities	185.3	167.3
Total	**2 394.7**	**2 280.9**

SALES BY GEOGRAPHICAL AREA

Millions of euros	2023	2024
Americas	915.6	902.8
Asia and Oceania	459.5	423.9
Europe	730.7	697.9
The Middle East & Africa	288.9	256.3
Total	**2 394.7**	**2 280.9**
Contribution from mature economies	69%	67%
Contribution from emerging countries	31%	33%
Of which China	*9%*	*9%*
Of which Others	*22%*	*24%*

Selling and administrative expenses

Selling and administrative expenses amounted to €317 million in 2024, up €13 million (+4%) on 2023 (€304 million). This increase is linked to payroll (+6%), due to annual increases (around 4% on average in different group locations) and, to a lesser extent, the full-year effect of the hires made in 2023. Operating expenses were controlled and are stable compared to the previous year.

Research and development expenses

Research and development expenses reached €35 million, a strong increase (+18%) over 2023 (€29 million). In 2024, the Group continued its innovation efforts, focusing on decarbonizing industrial processes, increasing the use of low-carbon energies, developing the circular economy, urban logistics, digitalization and cybersecurity.

Other operating income and expenses

In 2024, they represented net income of €7 million, including the badwill recorded when taking full control of AddUp. Excluding this badwill, they were a €1 million income, in line with 2023.

Employee profit sharing and bonus schemes

In 2024, they represented an expense of €7 million, up €2 million compared to 2023 (€5 million), reflecting an improvement in the individual results of the Group's companies.

EBITDA

EBITDA for 2024 was €168.4 million, including AddUp's net contribution of €4.8 million. Excluding AddUp, it rose €13 million (+9%) compared to 2023 (€150.7 million), despite the drop in sales. It stood at 7.4% of sales (7.2% excluding AddUp), one point above 2023 (6.3%).

Profit from recurring operations (EBIT)

The Group's profit from recurring operations for 2024 totaled €114 million. It is up €18 million compared to 2023 (€96 million), in line with EBITDA.

Profit from non-recurring operations

Profit from non-recurring operations in 2024 was a net expense of €2 million (including €1 million in acquisition costs), compared to a net expense of €9 million in 2023. As a reminder, the 2023 expense was mainly caused by fair value accounting of the Group's interest in the AddUp joint venture.

Financial result

The financial result was in the red by €22 million in 2024, compared to a €34 million loss in 2023.

- The cost of net financial debt amounted to €26 million in 2024, which is a €3 million increase on 2023 (€23 million). This increase is due partly to the full year of interest expense on the stimulus bonds ("Obligations Relance") put in place in 2023, and partly to higher average drawdown on short-term bank facilities compared to 2023.
- Other financial items amounted to a net income of €4 million in 2024, compared to a net expense of €11 million in 2023. This increase is due to an €11 million improvement in foreign exchange gains (mainly unrealized and tied to the dollar's appreciation against the euro, while 2023 was affected by the yen's depreciation against the euro), and the receipt of proceeds of €3 million on the divestiture of minority interests (while a charge to financial provisions of €1 million was recorded in 2023).

Income tax expense

The income tax expense for 2024 totaled €45 million, up €14 million on 2023. This can be broken down into:

- a current tax expense of €42 million, up €7 million but representing, as in 2023, 36% of the profit from recurring operations;
- a deferred net tax expense of €2 million, compared to net proceeds of €5 million in 2023, a fiscal year which was affected by changes in tax deduction rules for R&D expenses in the United States (now amortized over 5 years and no longer deducted in the year when they are incurred).

Share of profit (loss) of associates

The expense for 2024 was a €7 million loss and mainly corresponds to the share of the net result of the AddUp sub-group until Fives took 100% control at the start of Q4. It is up €18 million compared to 2023 (expense of €24 million).

Net profit (loss)

Net consolidated profit was €39 million in 2024, significantly up (+€41 million) compared to 2023 (loss of €2 million).

3. FIVES GROUP PROSPECTS IN 2025

The closing order book for 2024 totaled €2,269 million. Although down compared to 2023 (€2,413 million), which was the Group record for the end of a fiscal year, it is made of a mix of orders to be executed on a shorter period, with margins in line with those indicated from the end of 2023, around 2 points above previous years. It offers all divisions excellent visibility on their activity levels and workload for 2025.

In the longer term, the Group's business prospects remain excellent – driven by fundamental trends around automation, digitalization, decarbonization and regionalization.

ORDER BOOK BY ACTIVITY

Millions of euros	31.12.23	31.12.24
Smart Automation Solutions	820.0	748.1
High Precision Machines	272.3	299.1
Process Technologies	1 125.1	1 021.3
Transversal activities and other activities	196.0	200.3
Total	**2 413.4**	**2 268.8**

ORDER BOOK BY GEOGRAPHICAL AREA

Millions of euros	31.12.23	31.12.24
Americas	837.5	805.8
Asia and Oceania	628.1	575.1
Europe	699.6	633.5
The Middle East & Africa	248.2	254.4
Total	**2,413.4**	**2,268.8**
Contribution from mature economies	67%	69%
Contribution from emerging countries	33%	31%
Of which China	*8%*	*10%*
Of which Others	*25%*	*21%*

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4. SUBSEQUENT EVENT

On March 21, 2025, Fives announced entering into exclusive negotiations to sell its cryogenics business unit to Alfa Laval, a Swedish group listed on Nasdaq Stockholm. Operating in the energy segment of the Process Technologies division, this business unit, which comprises four subsidiaries located in France, China, Switzerland and the United States, generated sales of around €200 million in 2024 and employs over 700 people.

Alfa Laval has signed a binding put-option agreement to acquire this business unit for an enterprise value of €800 million. The proposed transaction remains subject to consultation with the relevant works councils, after which the parties expect to enter into a definitive purchase agreement. Closing of the transaction is subject to the necessary and customary regulatory approvals and is expected in the course of the second semester of 2025.

02.

NON-FINANCIAL INDICATORS

NON-FINANCIAL INDICATORS

As a designer of machines, process equipment and production lines for the world's largest industrial groups, Fives is at the core of many of the sustainable development issues faced by industry. To meet these sustainability and industrial performance challenges, Fives designs innovative products that combine energy efficiency, emissions reduction and machine safety.

To better address the demands of our clients and, more widely, of all our stakeholders in these areas, indicators have been developed to steer and monitor the Group's performance levels against social, environmental and innovation criteria. Our reporting system is designed so that we can measure the progress of the Group's initiatives, and regularly report on changes.

The Social, Innovation and Ethics reports are scoped in line with the financial consolidation process. Health & Safety and Environmental data, on the other hand, is based on workforce and activity criteria, which may lead to differences in scope.

SOCIAL INDICATORS

	2019	2023	2024	Americas	France	Europe excl. France	Asia and Africa*
Employees	8,427	8,914	9,261	1,995	4,583	1,397	1,286
Workforce at year-end of companies entering the consolidated scope	0	76	159	19	140	0	0
Number of new hires (open-ended contracts)	950	1,370	1,439	412	677	143	207
Workforce by gender							
Percentage of men	84%	83%	83%	83%	83%	82%	79%
Percentage of women	16%	17%	17%	17%	17%	18%	21%
Share of women in management - total	17%	18%	18%	25%	20%	11%	15%
Share of women among CEOs	3%	9%	9%	6%	10%	0%	16%
Share of women on Management Committees	15%	20%	23%	30%	23%	15%	19%
Share of women managers who report directly to a Management Committee member	18%	19%	20%	21%	23%	11%	18%
Number of nationalities	65	81	87				
Employees by age range							
Under 20	0%	0%	0%	1%	0%	0%	0%
20 to 29	12%	14%	14%	15%	15%	12%	13%
30 to 39	28%	26%	26%	23%	25%	22%	37%
40 to 49	26%	27%	27%	22%	28%	25%	32%
50 to 59	25%	25%	24%	23%	26%	28%	15%
60 and over	9%	8%	9%	17%	7%	12%	4%
Employees by length of service							
Under 5 years	42%	44%	45%	51%	43%	42%	44%
5 to 10 years	19%	21%	21%	18%	20%	22%	27%
11 to 15 years	12%	11%	9%	6%	10%	9%	13%
16 to 20 years	7%	8%	9%	7%	11%	8%	8%
21 to 25 years	6%	5%	5%	3%	6%	5%	3%
26 to 30 years	5%	4%	4%	5%	4%	6%	2%
31 to 35 years	4%	4%	3%	4%	4%	3%	1%
36 to 40 years	3%	2%	2%	3%	2%	3%	0%
41 years or more	2%	1%	1%	3%	0%	1%	0%

(*) Including the Middle East and Australia

	2019	2023	2024
Employees by region			
Americas	21%	22%	**22%**
France	50%	49%	**49%**
Europe (excluding France)	15%	15%	**15%**
Asia and Africa (including the Middle East and Australia)	14%	14%	**14%**
Employees by Activity			
Smart Automation Solutions	18%	24%	**23%**
High Precision Machines	21%	17%	**18%**
Process Technologies	41%	39%	**39%**
Head office	2%	2%	**2%**
Other	18%	18%	**18%**
Skills and mobility management			
% of employees reviewed by the CEDRE[1] career management committee	67%	62%	**66%**
% of employees receiving a regular appraisal interview	76%	78%	**83%**
% of employees having attended at least one training course	70%	77%	**76%**
Number of people who received a Starter interview[2]	559	564	**870**

[1] CEDRE: Career management committee (Human Resources Evaluation and Development Committee)

[2] Starter interviews: Onboarding reports completed 6 to 18 months after new hires arrive.

The number of recruitments in 2024 was even higher than in 2023. To support this activity, we kept expanding our Search@Fives recruitment unit in France and French-speaking countries, where recruitment needs are the highest, to hire in-demand profiles in a more efficient and streamlined way. The Search@Fives unit is also being launched in the United States, the Group's second most active recruitment area.

The proportion of women in the workforce remains stable. However, the increase in the proportion of women in management highlights the relevance of our action plans aimed at promoting the development of our female employees and enhancing the attractiveness of our professions. Following a significant increase in the proportion of women on management committees in 2023 (20% compared to 15% in 2022), this figure reaches 23% in 2024. The proportion of women at the N-2 level is also rising, from 19% in 2023 to 20% in 2024. The proportion of female General Managers, which rose from 3% to 9% over the past four years, remains stable in 2024.

In terms of skills management, 2024 saw a significant increase in the number of employees passing through the CEDRE careers committee compared to 2023, during a period of major transformation of the HR software tool supporting digitization.
The renewed support for managers in conducting annual appraisals enabled 83% of employees to be covered during the year. Efforts continue to focus on forward-looking skills management and the rollout of training programs.

INNOVATION INDICATORS

	2019	2023	2024
R&D expenditure in millions of euros	33.6	**36.0**	**43.1**
Breakdown of R&D expenditure			
Costs of patents and trademarks	8%	**7%**	**7%**
Standards and formalization of know-how	7%	**8%**	**7%**
Continuous improvement of products	25%	**25%**	**24%**
Development of new products and processes	46%	**40%**	**44%**
Research and radical innovation activities	14%	**20%**	**18%**
Patents and trademarks			
Number of current patents held	1,952	**2,281**	**2,869**
Number of current patent families	609	**673**	**838**
Number of patents registered for the first time (new inventions patented)	46	**73**	**72**
Number of first-time patents registered relating to equipment energy and environmental performance	8	**18**	**20**
% of these first-time patents that relate to equipment energy and environmental performance	17%	**25%**	**28%**
Number of "product" trademarks registered or being registered	137	**144**	**151**
Number of R&D and test centers			
Number of R&D and test centers[1] *France: 19, Americas: 9, Europe (excl. France): 7, Asia: 3*	30	**35**	**38**

[1] Including all subsidiaries conducting their own R&D product testing in dedicated locations

The Group's Research & Development efforts remain focused on the market's main expectations:
- reducing the carbon emissions of industrial processes;
- increasing the use of low-carbon energies;
- digitalization, IA, and cybersecurity;
- urban logistics.

The innovation drive of recent years carries on in 2024:
The Group's R&D expenditure rose by 20% between 2023 and 2024, reaching €43.1 million. This growth reflects the inclusion of R&D spending from newly consolidated entities and the launch of major projects, particularly focused on decarbonisation initiatives. The distribution of efforts across fundamental research, radical innovation, new product development, and enhancements to the existing range remains consistent with previous years.

The number of patents filed annually has remained robust, matching the high level of 2023, with 72 new inventions patented in 2024. Additionally, the consolidation of AddUp's patent portfolio (107 patent families and 375 patents) has substantially increased the Group's overall patent holdings.

Finally, the Group's development capabilities have been further strengthened through the integration of AddUp's three research and testing centers, enhancing both research capacity and innovation potential.

ETHICS & COMPLIANCE INDICATORS

	2019	2023	2024
Ethics and Compliance training (including anti-corruption, business ethics, export controls, anti-harassment, GDPR, etc.)	432	3,016	**6,634**
including e-learnings in Business Ethics and the Anti-Corruption field	-	852	**4,326**

As part of its commitment to business ethics and the fight against corruption, the Group has implemented a robust compliance programme in line with the 'Sapin II' law of 9 December 2016.
The Group follows a structured approach aimed at embedding a culture of integrity and responsibility at all levels. A sectoral and geographical organisation is in place to address compliance requirements globally and locally, with careful consideration of local cultural and regulatory factors. To achieve this, the Group relies on regional Compliance Officers and designated contacts within its divisions and subsidiaries.

This network enables the effective deployment of the Group's anti-corruption policies and Code of Conduct, ensuring the regular and targeted sharing of updated corruption risk maps, along with the implementation of appropriate training initiatives.

Once again this year, Fives has continued its efforts to raise employee awareness through its e-learning and in-person training programmes, particularly covering areas such as anti-corruption, business ethics, whistleblowing, personal data protection, anti-discrimination, competition law compliance, and, more broadly, adherence to the Group's Code of Conduct.

In addition to our compliance system, the Group has strict procedures for controlling exports, compliance with international sanctions and the management of dual-use goods, in order to prevent any risk of violation of the regulations in force.

Finally, the Group integrates compliance checks into its third-party selection processes, conducting enhanced assessments of high-risk partners and suppliers. This approach is designed to mitigate corruption risks while ensuring thorough screening against sanctions lists and high-risk areas.

INTRODUCTION TO DATA BY SITE ON THE HEALTH & SAFETY & ENVIRONMENT

Corporate Social Responsibility (CSR) reporting covered all sites with an average workforce of 10 or more in 2024, as well as all sites with an industrial activity. In 2024, three french subsidiaries recently integrated into the Group were added to the scope of CSR reporting.

CSR CROSS-SECTIONAL INDICATORS

	2019	2023	2024	Americas	France	Europe excl. France	Asia and Africa*
Number of subsidiaries included in the scope of the CSR report	74	71	**74**	20	22	13	19
Subsidiaries acquired in n-1 that entered the CSR scope in n	0	0	**0**	0	0	0	0
Subsidiaries integrated into the CSR scope	2	0	**3**	0	3	0	0
Total number of sites	108	96	**97**	21	35	18	23
Industrial sites	43	40	**39**	12	13	7	7
Offices	31	30	**33**	5	14	6	8
Combined sites, test centers and regional facilities	34	26	**25**	4	8	5	8

* Including the Middle East and Australia

HEALTH & SAFETY INDICATORS

	2019	2023	2024
Number of sites with safety certification[1]	29	31	**29**
Number of sites with safety certification in progress	1	4	**6**
Percentage of industrial sites with safety certification	33%	43%[2]	**44%**
Percentage of subsidiaries with a written and distributed Health & Safety Policy	88%	87%	**81%**
Number of Health and Safety FTEs[3] in the Group	71	76	**84**
Number of fatal accidents	1	0	**0**
Number of lost-time accidents ≥ 1 day	54	56	**42**
Lost-time accident frequency rate (Number of lost-time accidents (≥ 1 day) x 1,000,000 / Number of hours worked)	3.39	3.39	**2.47**
Severity rate (Number of lost days following an accident (≥ 1 day) x 1,000 / Number of hours worked)	0.20	0.13	**0.10**

[1] OHSAS 18001 or French MASE ("Manuel d'Amélioration Sécurité des Entreprises" certification "Corporate Safety Improvement Manual", French safety management system)
[2] Revised calculation
[3] FTE: Full-Time Equivalent

2024 was a year of intense activity, marked by the Group's best safety performance since 2016, in terms of both frequency and severity rates. These positive results are the outcome of the Group's multi-year safety roadmap, structured around four pillars: Raising Awareness, Prevention, Reaction, and Capitalisation, and deployed through strengthened actions on the field.

The entire Group is committed to this safety roadmap, which aims to achieve 'zero accidents' and applies to both permanent and temporary employees, as well as partners operating on the Group's own sites and those of its clients.

The decrease in the proportion of subsidiaries with a formal health and safety policy is partly due to the integration of new companies into the Group's reporting scope. These companies did not previously have such policies in place but are currently working on developing them.

ENVIRONMENTAL INDICATORS

	2019	2023	2024	Americas	France	Europe excl. France	Asia and Africa*
Number of sites with ISO 14001 certification (all types of site)	47	47	**46**	13	15	11	7
ISO 14001 certification for industrial sites							
Number of industrial sites	43	40	**39**	12	13	7	7
Number of certified industrial sites	34	32	**32**	11	10	7	4
Number of sites with certification in progress	3	1	**1**	1	0	0	0
Percentage of industrial sites with certification	79%	80%	**82%**	92%	77%	100%	57%
ISO 14001 certification of other types of site (offices, combined sites)							
Number of non-industrial sites with certification	13	15	**14**	2	5	4	3
Percentage of non-industrial sites with certification	20%	32%	**30%**	15%	33%	36%	43%
Water consumption							
Water consumption (industrial sites) in m^3	97,038	112,804	**103,337**	19,250	28,042	20,477	35,568
Water consumption in liters per hour worked (employees + temporary workers)	7.3	6.8	**6.1**	1.13	1.65	1.20	2.09
Energy consumption in GWh							
Electricity consumption in GWh	64	62	**64**	25	23	5	11
Natural gas and heating oil consumption in GWh	84	69	**66**	27	27	10	2
Total energy consumption in GWh	148	131	**130**	52	50	15	13
Energy consumption in kWh per hour worked (employees + temporary workers)	9.3	8.0	**7.6**	13	7	6	4
Greenhouse gas emissions (Scope 1 & 2)							
Scope 1 (tons of CO_2 eq.)	15,558	13,839	**12,264**				
Scope 2 (tons of CO_2 eq.)	18,122	14,613	**14,362**				
Scopes 1 & 2 (tons of CO_2 eq.)	33,680	28,452	**26,626**				

* Including the Middle East and Australia

To reinforce its commitment to the fight against climate change, the Group defined three key priorities in 2022:
- Provide clients with solutions to reduce their own CO_2 emissions;
- Focus business development on markets that support the low-carbon transition;
- Lead by example by reducing CO_2 emissions from its own activities (scope 1 & 2), with a quantified target of a 30% reduction between 2019 and 2030, in line with the Paris Agreement.

In 2024, Fives reduced its total energy consumption by 1.3%, mainly due to lower consumption of natural gas, heating oil, and fuel, despite an increase in activity (+3% worked hours compared to 2023). As a result, the energy consumption per hour worked improved, from 8.0 kWh/hour to 7.6 kWh/hour.

In line with the higher level of activity, electricity consumption rose by 3%. However, thanks to a 15% increase in renewable electricity consumption compared to 2023 - including both self-consumption of solar energy and the purchase of green energy - the Group was able to reduce its Scope 2 CO_2 emissions by 2%.

Overall, between 2023 and 2024, Fives achieved a 6% reduction in CO_2 emissions (Scope 1 & 2). Since 2019, this reduction has reached 21%, putting the Group ahead of its target to achieve a 30% reduction by 2030.

03.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Fives, a Simplified Joint Stock Company (Société par Actions Simplifiée or SAS), is chaired by Frédéric Sanchez, working under the supervision of a Supervisory Committee.

SENIOR MANAGEMENT

Senior Management consists of the Chairman & Chief Executive Officer.

The Chairman & Chief Executive Officer represents Fives with third parties and has the broadest possible powers to act on behalf of Fives in any circumstance within the remit of the corporate purpose, excluding the powers expressly granted by law and the articles of association to the shareholders and Supervisory Committee.

Composition of Senior Management

Frédéric Sanchez, 65 years old, Chairman & Chief Executive Officer. Appointed to this role on December 20, 2018, for an unlimited term.

THE SUPERVISORY COMMITTEE

The Supervisory Committee is a statutory body of Fives. Its main duties are as follows:

- It acknowledges the quarterly report prepared by the Chairman & Chief Executive Officer concerning the proper functioning of the Fives Group.
- It checks and verifies Fives' annual corporate financial statements and consolidated financial statements which are presented to it by the Chairman & Chief Executive Officer within four months after the end of the financial year. If it wishes so, it presents its observations on the Chairman & Chief Executive Officer's management report and the annual corporate financial statements and consolidated financial statements to the shareholders.
- It rules on requests for prior approval regarding decisions and operations which it receives.
- It can decide to create specific committees responsible for looking into issues submitted by itself or the Chairman & Chief Executive Officer for their opinion. In this context, an Audit Committee was created.
- It may also, as part of its powers, examine any issue of interest to Fives and its Subsidiaries, at any moment conduct verifications and controls that it deems useful and may also request, within a reasonable time limit, any documents that it believes will help it to fulfill its mission.

It meets at least four times a year.

Composition of the Supervisory Committee

Jean-Dominique Senard, 72 years old, Chairman and member of the Supervisory Committee.
Appointed respectively on March 26, 2024, and April 6, 2022, his terms of office will expire at the end of the General Meeting called to approve the 2024 financial statements.

Alain Cianchini, 42 years old, member of the Supervisory Committee.
Reappointed on April 5, 2023, his term of office will expire at the end of the General Meeting called to approve the 2025 financial statements.

Bpifrance Investissement, represented by Samuel Dalens, 42 years old, member of the Supervisory Committee.
Appointed on March 6, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

François Dufresne, 64 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Dominique Gaillard, 65 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Stéphane Guichard, 47 years old, member of the Supervisory Committee.
Appointed on April 9, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Heyoung H Lee Bouygues, 53 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, her term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Antonio Marcegaglia, 61 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Laurence Parisot, 66 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, her term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

Philippe Reichstul, 76 years old, member of the Supervisory Committee.
Reappointed on April 9, 2024, his term of office will expire at the end of the General Meeting called to approve the 2026 financial statements.

The Fives managing bodies are assisted with their decision-making by operational bodies, including a Senior Executive Committee supported by an Executive Committee, and Country Coordination and Steering Committees.

SENIOR EXECUTIVE COMMITTEE

Reporting to the Chairman & Chief Executive Officer of Fives, the Senior Executive Committee:

- rules on the Group's cross-business policies and defines its priorities;
- manages operational and organizational matters common to the Divisions;
- makes budget-related decisions;
- and considers the Group's structural and strategic changes.

It also manages unforeseen events with a potentially significant impact on the Group's operations, as well as crises or emergency situations.

It meets at least once every six weeks.

Composition of the Senior Executive Committee

Frédéric Sanchez, 65 years old, Chairman & Chief Executive Officer
Suresh Abye, 46 years old, Finance Director
Alain Cordonnier, 64 years old, President of the Cement, Minerals & Sugar Division
Sébastien Gauguier, 49 years old Deputy General Manager, President of the Aluminium Division
Guillaume Mehlman, 60 years old, Deputy General Manager, President of the Steel & Glass Division
Denis Mercier, 65 years old, Deputy General Manager of Fives
Céline Morcrette, 46 years old, Human Resources Director
Michelle Shan, 59 years old, Country Director, China
Frédéric Thrum, 53 years old, Deputy General Manager, President of the Energy Division

THE EXECUTIVE COMMITTEE

The priority for the Executive Committee is to implement decisions made by the Senior Executive Committee and to assess the relevance and effectiveness of cross-business policies on the basis of feedback about their application. It exchanges information and shares experience between its members, further strengthening the cross-business effectiveness of the Group's actions.

It meets at least four times a year.

Composition of the Executive Committee

The Executive Committee is made up of members of the Senior Executive Committee:
Frédéric Sanchez, 65 years old, Chairman & Chief Executive Officer
Suresh Abye, 46 years old, Finance Director
Alain Cordonnier, 64 years old, President of the Cement, Minerals & Sugar Division
Sébastien Gauguier, 49 years old Deputy General Manager, President of the Aluminium Division
Guillaume Mehlman, 60 years old, Deputy General Manager, President of the Steel & Glass Division
Denis Mercier, 65 years old, Deputy General Manager of Fives
Céline Morcrette, 46 years old, Human Resources Director
Michelle Shan, 59 years old, Country Director, China
Frédéric Thrum, 53 years old, Deputy General Manager, President of the Energy Division

And the following people:
Hervé Boillot, 55 years old, Mergers & Acquisitions, Strategy Director
Daniel Brunelli-Brondex, 64 years old, Country Director, India
Frédéric Brunier, 45 years old, Operational Performance Director
Arnaud Lecœur, 54 years old, General Counsel
Frédéric Renaud, 72 years old, Country Director, Italy
Thierry Valot, 57 years old, Innovation & Digital Director

THE COUNTRY COORDINATION AND STEERING COMMITTEES

These committees are responsible, by geographic area, for the implementation of the cross-business policies set by the Senior Executive Committee, and adapting them where appropriate to the specifics of each country, while encouraging synergies between Subsidiaries in the same country that may belong to different Business Units.

These committees are also vectors for exchanges of best practice and information (about the Group, the country, etc.) between Subsidiaries in a given geographic area. They are also responsible for drawing senior management's attention to specific country issues.

They bring together the Chief Executive Officers of the Subsidiaries in the relevant country, as well as local operational directors, according to the issue to be addressed. They are chaired by the Country Directors. These meetings are always attended by a member of the Senior Executive Committee.

They meet three or four times a year.

THE AUDIT COMMITTEE

This committee was created by the Supervisory Committee.

Its general role is to assist the Supervisory Committee to monitor issues relating to the preparation and verification of financial and accounting information, and more specifically:
- the process of preparing financial information;
- the effectiveness of the internal control and risk management systems;
- the verification of corporate and consolidated financial statements by the statutory auditors.

It meets at least four times a year.

Composition of the Audit Committee

Heyoung H Lee Bouygues, Chairman of the Audit Committee.
François Dufresne, member of the Audit Committee.
Alain Cianchini, member of the Audit Committee.
Dominique Gaillard, member of the Audit Committee.
Stéphane Guichard, member of the Audit Committee.

INTERNAL CONTROL

The internal control procedures applied within the Group are intended:
- to ensure that management actions and the conduct of transactions reflect the Group's fundamental values and comply with applicable laws and regulations, the guidelines issued by the Group's governing bodies, and internal standards and rules;
- to ensure that the accounting, financial and management information gives a fair and accurate picture of the Group's activities and position.

Concerning the prevention and management of risks, the Group's organization is based on:
- the quality, personal involvement and accountability of management teams at each Group company;
- the coordination by Division and, where applicable, by Business Unit;
- the implementation, as part of concerted action by all Group companies and the Divisions they report to, of Directives. These Directives are a major risk management tool and provide the basis for the internal limitations set by the Boards of Directors (or equivalent bodies) of Group companies on the powers of their Chief Executive Officers (or equivalent position).

Every material binding offer is subjected to an in-depth review intended to avoid exposure to risks that could have a significant adverse effect on the financial outcome of the proposed contract or an adverse impact on the business or reputation of the Company in a given business sector or geographic region.

Similarly, each material contract in progress is reviewed in detail at least once each quarter by the main managers of each Group company so as to make a detailed assessment of contract progress, review the technical, financial and contractual issues involved, and make any relevant decisions.

With regard to the preparation and processing of accounting and financial information, internal control is based on:
- the implementation of professional accounting and financial procedures throughout the Fives Group by building on the experience of its staff;
- uniform guidelines, accounting methods and consolidation rules;
- a common integrated consolidation and management application, thus ensuring the consistency of accounting data and management information.

EXTERNAL CONTROL

The Company's Statutory Auditors are:

- **Ernst & Young et Autres**, represented by Sébastien Vouaux, reappointed on April 9, 2024.
- **Deloitte & Associés**, represented by Pascal Colin and Sébastien Pleynet, reappointed on April 9, 2024.

Their terms of office will expire at the end of the General Meeting called to approve the 2029 financial statements.

As part of their legal assignment, the Statutory Auditors carry out a limited review of the half-yearly consolidated financial statements and a complete audit of the annual corporate and consolidated financial statements. The corporate and consolidated financial statements have, to date, been approved without qualifications.

04.

FINANCIAL AND LEGAL INFORMATION

FINANCIAL AND LEGAL INFORMATION

FINANCIAL INFORMATION

Share capital

On December 31, 2024, Fives had a share capital of €102,723,764, composed of 2,185,612 fully paid-up shares with a par value of €47 each. The shares are registered shares.
There are no other securities giving access to the capital.

Changes in the share capital

In 2024 the share capital was not subject to any changes.

Share ownership

Since 2018, the Caisse de Dépôt et Placement du Québec (CDPQ) and the Public Sector Pension Investment Board (PSP), two of Canada's largest pension investment managers, have been minority shareholders of the Group, alongside management and Ardian, which has been a shareholder since 2012 and retains a minority stake. In 2024, Bpifrance Participations, one of the largest asset management firms in France joined them.

Stock options and allocation of bonus shares

The company had not put in place any stock option plans or allocation of bonus shares as at December 31, 2024.

Dividends / Distribution of reserves

No dividends were paid in 2022, 2023 and 2024.

LEGAL INFORMATION

Company name and registered office

Fives, 3 rue Drouot, 75009 Paris.

Legal form

Simplified joint stock company (Société par Actions Simplifiée) since December 20, 2018.

Term

The term of the company is set at January 1, 2039, unless the company is wound-up early or the term is extended.

Trade and companies register

Paris Trade and Companies Register No. 542 023 841.

Financial year

January 1 to December 31.

Purpose (summary of Article 2 of the Memorandum and Articles of Association)

The Company's object is, directly or indirectly, in France and abroad, all engineering activities in the areas of industry and in particular in the areas linked to the production and to the use of energy, the production of aluminium, cement, glass, steel, sugar and chemical products, the manufacturing industry (automotive, aeronautics, logistics, etc.) and, in this context, all activities relating to the design, development and completion of projects of all kinds in the form of the provision of services, design offices and engineering advice as well as the design, development and acquisition of all property rights, processes and all industrial manufacturing resources, entering into all licensing agreements or any agreements relating to these assets.

Appropriation of income (summary of Article 27 of the Memorandum and Articles of Association)

A sum corresponding to at least five percent (5%) of the annual profit, less any deferred losses, shall be allocated to the legal reserve. This allocation is no longer mandatory when the legal reserve reaches a tenth of the share capital; it becomes mandatory once more if, for whatever reason, the legal reserve falls below this amount.

The balance plus retained earnings, if any, form the distributable earnings.

This profit is available to the shareholders who have the sole authority to decide how to allocate it. As such, the shareholders may appropriate all or some of this profit to transfer it to all of the general and specific reserves, carry it forward, or distribute it among the shareholders, in compliance with articles L. 232-11 et seq. of the French Commercial Code.

The balance, if any, is allocated to The General Meeting or, if there is more than one shareholder, is shared by decision of the shareholders subject to the quorum and majority requirements stipulated in Article 23 of the Memorandum and Articles of Association, in proportion to the number of shares held by each of them.

In addition, the shareholders, in accordance with the conditions stipulated in Article 23 of the Memorandum and Articles of Association and in accordance with articles L. 232-11 et seq. of the French Commercial Code, may decide to distribute sums deducted from the reserves available to the company, specifically indicating the reserve items from which the sums are to be deducted. However, the dividends are deducted as a priority from the profits of the current fiscal year.

After the financial statement approval process, losses, if any, are recorded in the balance sheet in a separate account and carried forward, to offset against future profits until exhausted.

Each shareholder's share of the profit and their contribution to the losses is proportional to their portion of the share capital.

Conditions governing General Meetings

(summary of Articles 21, 22 and 23 of the Memorandum and Articles of Association)

A shareholder consultation may be conducted at the initiative of the Chairman of the company, one of the Deputy CEOs, if appointed, the Supervisory Committee or one or more shareholders holding (individually or together) over 50% of the Company's share capital.

Collective decisions result from (i) a general meeting, (ii) a written consultation, or (iii) a private agreement expressing the consent of all the shareholders. However, a shareholders' meeting is mandatory for the annual financial statements approval process.

The meeting is chaired by the Chairman; failing that, the members shall elect a chair for the meeting. The meeting chair appoints the secretary for the meeting, who may be a shareholder or a third party.

The shareholders' decisions, whether they are a private agreement, resulting from a written consultation or a general meeting, are recorded in the minutes noted in a numbered and initialed register, kept in compliance with the procedures specified in articles R. 225-22 and R. 225-49 of the French Commercial Code (by reference to article R. 225-106 of the French Commercial Code).

Each shareholder may participate in all collective decisions whatever they are, in person or through the representative of his choice, and has as many votes as he has shares, without limits.

Unless unanimity is required, the shareholders' decisions are only valid if the shareholders present or represented hold over half of the company's voting shares.

The shareholders' collective decisions are decided unanimously when required by law; the other collective decisions are adopted by a simple majority of the votes of shareholders who are present or represented.

Legal documents

All legal documents relating to the company and notably the Memorandum and Articles of Association, minutes of shareholders' collective decisions and Statutory Auditors' reports may be consulted by the shareholders at the company's registered office.

05.

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	2024	2023
Sales	5.2	**2,280,933**	**2,394,719**
Cost of sales		(1,811,435)	(1,953,654)
Gross profit		**469,498**	**441,065**
Selling expenses		(120,077)	(116,279)
Administrative expenses		(197,356)	(187,957)
Research and development expenses	5.4	(34,840)	(29,438)
Employee profit sharing and bonus schemes		(6,610)	(4,838)
Other operating income and expenses	5.5	7,442	1,322
Amortization of intangible assets related to acquisitions	5.6	(3,614)	(7,635)
Profit from recurring operations		**114,443**	**96,240**
Restructuring costs	5.7	171	(267)
Impairment of fixed assets		(622)	(122)
Gain (loss) on disposals and acquisition costs	5.8	(1,691)	(9,074)
Operating profit		**112,301**	**86,777**
Cost of net financial debt	5.9	(26,000)	(23,367)
Other financial income and expense	5.9	3,635	(11,107)
Net financial income (expense)		**(22,365)**	**(34,474)**
Profit before income tax		**89,936**	**52,303**
Income tax expense	5.10	(44,739)	(30,349)
Share of profit (loss) of associates	5.11	(6,652)	(24,175)
Profit for the year		**38,545**	**(2,221)**
Attributable to owners of the Group		38,151	(2,646)
Attributable to non-controlling interests		394	425

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	Notes	2024	2023
Profit (loss) for the year		**38,545**	**(2,221)**
Foreign currency translation differences		13,060	(11,661)
Total Items subsequently recycled through profit and loss		**13,060**	**(11,661)**
Actuarial gains	5.23	854	(3,997)
Deferred tax on actuarial gains		(314)	908
Net change in fair value of financial assets		403	2,765
Deferred tax on net change in fair value of financial assets		(117)	(847)
Total Items that may not be recycled through profit and loss		**826**	**(1,169)**
Total comprehensive income		**52,431**	**(15,050)**
Attributable to:			
- Owners of the Group		52,025	(15,497)
- Non-controlling interests		406	447

CONSOLIDATED BALANCE SHEET

ASSETS

In thousands of euros	*Notes*	31.12.24	31.12.23
Goodwill	*5.12*	277,372	265,246
Intangible assets	*5.13*	69,162	44,937
Property, plant and equipment	*5.14*	249,274	225,436
Non-current financial assets	*5.15*	19,391	17,639
Deferred tax assets	*5.10*	33,689	34,573
Non-current assets		**648,888**	**587,831**
Inventories and work in progress	*5.16*	257,656	243,602
Contract assets	*5.17*	338,443	390,199
Trade receivables	*5.18*	497,737	470,147
Other current assets	*5.19*	177,522	160,495
Current financial assets	*5.19*	194,838	135,940
Current tax assets		10,882	6,789
Cash and cash equivalents	*5.20*	171,365	211,680
Current assets		**1,648,443**	**1,618,852**
Total assets		**2,297,331**	**2,206,683**

SHAREHOLDERS' EQUITY AND LIABILITIES

In thousands of euros	*Notes*	31.12.24	31.12.23
Share capital	*5.22*	102,724	102,724
Share premium and reserves		230,652	235,003
Foreign currency translation reserve		24,974	11,981
Profit (Loss) attributable to owners of the Group		38,151	(2,646)
Shareholders' equity attributable to owners of the Group		**396,501**	**347,062**
Non-controlling interests		2,246	2,218
Shareholders' equity		**398,747**	**349,280**
Non-current provisions	*5.23*	54,633	47,260
Non-current financial debt	*5.24*	181,795	244,552
Other non-current liabilities	*5.25*	11,636	10,984
Deferred tax liabilities	*5.10*	10,561	8,916
Non-current liabilities		**258,625**	**311,712**
Current provisions	*5.23*	115,402	99,546
Current financial debt	*5.24*	217,493	94,295
Contract liabilities	*5.17*	523,127	480,930
Trade and related payables		553,180	651,681
Current tax liabilities		20,533	19,259
Other current liabilities	*5.25*	210,224	199,980
Current liabilities		**1,639,959**	**1,545,691**
Total shareholders' equity and liabilities		**2,297,331**	**2,206,683**

Consolidated Cash Flow Statement

In thousands of euros	*Notes*	2024	2023
Cash and cash equivalents at January 1		**211,052**	**198,292**
Operating activities			
Profit for the year		38,545	(2,221)
Change in non-current provisions		(2,488)	(1,486)
Amortization, depreciation and impairment		55,394	54,489
Net loss (gain) on disposals of assets and acquisition costs		2,836	8,518
Profit or loss of equity-accounted associates		6,654	24,175
Other non-cash income and expense items		(16,767)	12,002
Income tax expense		44,739	30,349
Cost of net financial debt		26,000	23,369
Operating cash flow before change in working capital and income tax		154,913	149,195
Change in working capital	*5.21*	(40,234)	33,767
Income tax paid		(44,712)	(24,101)
Net cash provided by operating activities		**69,967**	**158,861**
Investing activities			
Acquisitions of property, plant and equipment and intangible assets		(55,334)	(46,382)
Disposals of property, plant and equipment and intangible assets		337	93
Change in financial assets		(72,415)	(46,250)
Change in consolidation scope		15,030	(7,333)
Net cash used in investing activities		**(112,382)**	**(99,872)**
Financing activities			
Dividends paid to owners of non-controlling interests		(378)	(501)
Net increase (decrease) in borrowings		25,477	(11,150)
Net interest paid		(30,298)	(21,510)
Net interest received		11,449	6,332
Net cash used in financing activities		**6,250**	**(26,829)**
Effect of exchange rate fluctuations		(4,926)	(19,399)
Net decrease in cash and cash equivalents		**(41,091)**	**12,761**
Cash and cash equivalents at December 31	*5.21*	**169,961**	**211,052**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of euros	Share capital	Premiums, retained earnings and reserves	Actuarial gains (losses) on pensions	Foreign currency translation reserve	Financial assets - fair value reserve	Equity attributable to owners of the Group	Non-controlling interests	Total equity
Shareholders' equity at January 1, 2023	**102,724**	**246,488**	**(9,207)**	**23,677**	**316**	**363,998**	**2,866**	**366,864**
Profit for the year		(2,646)				**(2,646)**	425	**(2,221)**
Other comprehensive income			(3,075)	(11,695)	1,919	**(12,851)**	22	**(12,829)**
Profit and other comprehensive income		**(2,646)**	**(3,075)**	**(11,695)**	**1,919**	**(15,497)**	**447**	**(15,050)**
Dividends paid							(501)	**(501)**
Share-based payment		323				**323**		**323**
Change in consolidation scope and other changes		(1,757)	(3)	(1)		**(1,761)**	(595)	**(2,356)**
Shareholders' equity at December 31, 2023	**102,724**	**242,408**	**(12,285)**	**11,981**	**2,235**	**347,063**	**2,218**	**349,280**

In thousands of euros	Share capital	Premiums, retained earnings and reserves	Actuarial gains (losses) on pensions	Foreign currency translation reserve	Financial assets - fair value reserve	Equity attributable to owners of the Group	Non-controlling interests	Total equity
Shareholders' equity at January 1, 2024	**102,724**	**242,408**	**(12,285)**	**11,981**	**2,235**	**347,063**	**2,218**	**349,280**
Profit for the year		38,151,				**38,151**	394	**38,545**
Other comprehensive income			516	13,071	287	**13,874**	12	**13,886**
Profit and other comprehensive income		**38,151**	**516**	**13,071**	**287**	**52,025**	**406**	**52,431**
Dividends paid							(378)	**(378)**
Share-based payment		(790)				**(790)**		**(790)**
Change in consolidation scope and other changes		(1,438)	(285)	(78)	4	**(1,797)**		**(1,797)**
Shareholders' equity at December 31, 2024	**102,724**	**278,331**	**(12,054)**	**24,974**	**2,526**	**396,501**	**2,246**	**398,747**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL PRESENTATION

Fives (hereinafter Fives or "the Company") is a private limited liability company (Société par Actions Simplifiée) incorporated in France and subject to all French legislation governing commercial companies, in particular the legal provisions of the French Commercial Code. The registered office is located at 3 rue Drouot, 75009 Paris, France.

The consolidated financial statements of the Company comprise the financial statements of companies over which the Company has direct or indirect exclusive control, which are fully consolidated, and the financial statements of companies over which the Company exercises significant influence (associates), which are accounted for using the equity method. The single economic entity is referred to as "the Group".

The Group's companies design and supply process equipment and turnkey production lines and plant facilities for major industrial players worldwide. The Group is uniquely positioned due to its command of proprietary technologies and its expertise in engineering and complex project management.

The consolidated financial statements have been prepared under the responsibility of the Chairman, who approved them on March 28, 2025. They will be final when approved by the shareholders at their General Meeting on April 10, 2025.

The main accounting methods used to prepare the consolidated financial statements are described hereafter.

2. ACCOUNTING POLICIES

2.1. Statement of compliance

The consolidated financial statements of Fives for the reporting period ended December 31, 2024 have been prepared in accordance with the international standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union at December 31, 2024. The international standards comprise International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and SIC and IFRIC interpretations.

Whenever applicable, the following amendments and interpretations are mandatory for the Group for financial years beginning on or after January 1, 2024:

- amendments to IAS 1, relating to disclosures about the classification of liabilities with covenants between current or non-current;
- amendments to IFRS 7 and IAS 7, relating to disclosures required under supplier financing arrangements;
- amendments to IFRS 16, relating to the accounting for lease liabilities in a sale and leaseback transaction.

These new standards, amendments, and interpretations have no material impact on the Group's consolidated financial statements as at December 31, 2024.

Furthermore, the Group has not opted for early application, in the consolidated financial statements as of December 31, 2024, of other standards and interpretations whose application is not yet mandatory or which have not yet been approved by the European Union:

- IFRS 18 – Presentation and Disclosure in Financial Statements;
- Amendments to IAS 21 "No Convertibility";
- Improvements to IFRS 9 and IFRS 7 relating to disclosures about the classification and measurement of financial instruments;
- Amendments to IFRS 9 and IFRS 7 relating to disclosures about contracts whose underlying interest is an electric power contract;
- Annual Improvements – Annual Improvements Process to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

Whenever applicable, the Group is currently assessing these changes.

All the IFRS adopted by the European Union are available for viewing on the European Commission's website at the following address:
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008R1126-20240101

2.2. Basis of preparation of the consolidated financial statements

The Group's consolidated financial statements have been prepared using historical costs, with the exception of financial assets and liabilities stated at fair value (excluding trade payables and receivables, and other held-to-maturity financial assets).

2.3. Presentation of financial statements

In accordance with IAS 1 "Presentation of Financial Statements", current and non-current items are presented separately in the consolidated balance sheet. Generally, assets expected to be realized and liabilities due for settlement in the operating cycle or within twelve months after the reporting date are classified as current. Other assets and liabilities are classified as non-current.

2.4. Consolidation methods

Subsidiaries are companies that are controlled by the Group. They are fully consolidated. The Group exercises control when it has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the returns. In assessing control, the Group takes into consideration all potential voting rights that are exercisable at the reporting date, including those held by another party.

Associates are entities in which the Group has significant influence but not control over the financial and operating policies. Significant influence is presumed when the Group holds 20% or more of the voting power of the entity. Associates are accounted for using the equity method. Investments in associates are initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets in the investee, less any impairment losses.

When a Group subsidiary sells or contributes assets that constitute a business to an associate, the resulting gain or loss is recognized in full in the income statement. If the assets contributed or sold do not constitute a business, only the portion of the resulting gain or loss that does not relate to investors' interest in the associate is recognized. The gain or loss is neutralized in proportion to the Group's share in the associate.

Companies are consolidated on the basis of their separate financial statements at December 31, restated to comply with Group accounting principles. All transactions between consolidated companies are eliminated.

The list of subsidiaries and associates is provided in note 5.32.

2.5. Significant estimates and judgments

The preparation of the consolidated financial statements requires Group and division management to use judgments, estimates and assumptions, including expectations of future events, which affect the reported amounts of certain financial statement items.

These assessments and estimates are reviewed at each reporting date and the underlying assumptions are adjusted, where appropriate, based on actual results, experience and any other relevant factors given the economic circumstances. The effects of such adjustments are recognized when made.

The items reported in the Group's future financial statements may differ from current estimates due to changes in the assumptions made and the economic circumstances at the reporting date.

The main assumptions relating to future events and other sources of estimation uncertainty at the reporting date that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities are presented below.

Recognition of revenue and profit from performance obligations under the percentage-of-completion method and related provisions

The Group recognizes several performance obligations based on the percentage-of-completion method.

Revenue and profit are recognized on the basis of estimated contract revenue and costs on completion, which are reviewed regularly as contract work is performed.

If the contract review reveals a negative profit margin at completion, any expected loss on incomplete work is recognized immediately.

Total expected revenue and costs reflect management's most reliable estimate of the expected future economic benefits and obligations arising from the contract.

Estimates of provisions for litigation

The Group regularly identifies and analyzes ongoing litigation and assesses any provisions required, where appropriate, based on the most reliable estimate of the outflow of economic benefits required to settle such obligations at the reporting date.

These estimates take into account information available and the range of possible outcomes.

Impairment of non-financial assets

Goodwill and other intangible assets with indefinite useful lives are tested for impairment at least once a year and whenever there is an indication of impairment.

Other amortizable intangible assets and depreciable property, plant and equipment are tested for impairment when there is an indication that their carrying amount may exceed their recoverable amount.

In assessing value in use, management estimates the future cash flows that the entity expects to obtain from the asset or cash generating unit and applies an appropriate discount rate to calculate their present value.

Deferred tax assets

Deferred tax assets relating to tax losses carried forward are recognized to the extent of the following two criteria: (i) the net amount of deferred tax liabilities for temporary differences and (ii) the probability that future taxable profit will be available against which the benefits of the tax losses can be utilized. To determine the amount of deferred tax assets to be recognized, management is required to estimate the amount and probability of future taxable profit.

Employee benefits

Costs relating to defined benefit plans are estimated using the actuarial valuation method. Actuarial valuations are based on assumptions with regard to the discount rate, salary increases, mortality and pension increases.

The value of retirement benefit plans other than those in France entailing lump-sum payments on retirement are appraised by external actuaries.

Due to the long-term nature of these plans, there is significant uncertainty with regard to the estimates.

2.6. Foreign currency transactions

Transactions denominated in foreign currencies are translated at the exchange rates effective at the transaction dates. In accordance with IAS 21 on "Effects of Changes in Foreign Exchange Rates", monetary items are translated using the closing rate effective at the reporting date. The corresponding foreign currency translation gains or losses are recognized in net financial income and expense.

2.7. Translation of the financial statements of entities outside the eurozone

The Group's financial statements are presented in euros, which is the parent company's functional currency. All financial data is rounded to the nearest thousand euros.

An entity's functional currency is the currency used in the primary economic environment in which it operates. The most cases, the functional currency is the local currency.

However, an entity may use a functional currency that differs from the local currency if its main transactions are denominated in a foreign currency.

The financial statements of foreign entities whose functional currency is not the euro are translated into euros as follows:
- balance sheet items are translated into euros using the exchange rate effective at the reporting date;
- income statement and cash flow items are translated using the average exchange rate for the reporting period;

- foreign currency translation differences are recognized directly in equity in the line item "Foreign currency translation reserve".

2.8. Segment information

The operating segments chosen to present reportable segment information have been identified on the basis of the internal management reports used by the Chairman to allocate resources and assess performance. There are no aggregated operating segments.

The Chairman is the Group's Chief Operating Decision Maker (CODM), as defined in IFRS 8.

The methods used to measure each segment's performance (KPIs) for the purposes of the internal management report are the same as those used to prepare the consolidated financial statements.

Operating segment information is presented in note 5.1.

2.9. Business combinations and goodwill

In accordance with IFRS 3, business combinations are accounted for using the acquisition method. Under this method, upon the initial consolidation of an entity over which the Group has acquired exclusive control:

- the identifiable assets acquired and liabilities assumed are measured at their fair value at the acquisition date (except for deferred tax assets and liabilities and assets and liabilities relating to employee benefits, which are measured and recognized in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee benefits", respectively);
- non-controlling interests are measured either at fair value (full goodwill) or at the proportionate share of the acquiree's identifiable net assets (partial goodwill). The accounting policy choice is made on a transaction-by-transaction basis.

At the first consolidation date, goodwill is measured as the difference between:

- the fair value of the consideration transferred;
- the proportionate share in the net amount of identifiable assets acquired and liabilities assumed at the acquisition date, measured at fair value.

Where appropriate, measuring non-controlling interests at fair value results in the recognition of full goodwill, as goodwill is adjusted to reflect the amount attributable to non-controlling interests.

The purchase price must be finalized and allocated within 12 months of the acquisition date.

In the event of a bargain purchase where the consideration paid is lower than the fair value of the net assets acquired and liabilities assumed, the resulting gain is recognized directly in the income statement in the line item "Other operating income and expense".

Goodwill is not amortized. In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment at least once a year and more frequently if there is an indication of impairment.

The methods used to test for impairment are described in note 2.14.

In addition, the following principles apply to business combinations:

- goodwill is allocated to each cash-generating unit likely to benefit from the business combination as of the acquisition date;
- contingent consideration in a business combination is recorded at fair value as of the acquisition date and any subsequent adjustment occurring after the purchase price allocation period is recognized in the income statement;
- acquisition-related costs are recognized as expenses when incurred, under "gains or losses on disposals and acquisition costs" on the income statement;
- any acquisition or disposal of ownership interests that does not affect control subsequent to a business combination is accounted for as an equity transaction and recognized directly in equity, in accordance with IFRS 10;
- in the event of the acquisition of additional ownership interests in an associate without obtaining control, the Group maintains the assets acquired and liabilities assumed previously at their carrying amount in the consolidated financial statements;
- in the event that control is obtained in a step acquisition, the cost of the business combination includes the previously held equity interest in the acquiree remeasured at its acquisition-date fair value.

2.10. Research and development costs

Research and development costs are expensed in the period they are incurred.

Expenditure on development activities is only capitalized if the following criteria required by IAS 38 are met:

- the product or process has been clearly identified and the associated costs can be measured reliably;
- the product is technically feasible;
- the resources required to complete development are available;
- there is a market for the product, or the product will be used internally;
- the product will generate future economic benefits for the Group either through its sale or internal use.

The Group has tax credits relating to its subsidiaries' research activities, including research tax credits in France and the United States. The tax credits, which are calculated on the basis of research and development costs, are accounted for as grants and recognized in profit from recurring operations in the line item "Research and development costs". They are recognized in accordance with IAS 20 "Grants".

2.11. Intangible assets

Separately acquired intangible assets are recognized at their acquisition cost.

Software and IT licenses are amortized on a straight-line basis over their expected useful lives (generally between one and 10 years).

Intangible assets (technologies, brands, customer relationships and order book) acquired as part of business combinations are reported on the balance sheet at fair value, which is determined on the basis of external valuations for the most significant assets and internal appraisals for other assets. The valuation process is performed in accordance with generally accepted accounting principles, based on the income approach.

Intangible assets are amortized on a straight-line basis over their useful lives, including, where appropriate, any period of protection provided by law or regulations. Their estimated useful lives generally range from five to ten years.

Allowances for amortization of intangible assets acquired as part of a business combination are shown under "Amortization of intangible assets related to acquisitions" in the consolidated income statement.

2.12. Property, plant and equipment

Property, plant and equipment are measured at acquisition cost. A depreciation schedule is established for each depreciable asset over its useful life, defined as the period during which the Group expects to draw future economic benefits from its use. In the case of buildings and certain heavy equipment, if several significant components of these assets bring the company economic benefits at different rates, then each component is recognized separately and given its own depreciation schedule. The straight-line depreciation method is generally used.

The useful lives are generally the following:
- Main structure of buildings (shell and brickwork), depending on the type of construction: 30 to 50 years;
- Facades, roofing and secondary construction: 20 to 30 years;
- Technical and general improvements: 15 to 20 years;
- Fixtures and fittings: 10 to 15 years;
- Heavy industrial equipment, depending on the type of machinery: 10 to 25 years;
- Other components and light industrial equipment, machinery and tools: 5 to 15 years.

2.13. Leases

Items of property, plant and equipment held under leases contracts of over 12 months are recorded on the balance sheet under "Property, plant and equipment": a right-of-use asset is recognized representing the right to use the underlying leased asset. The carrying amount of the right-of-use asset is equal to the carrying amount of the lease liability plus the initial direct costs and the costs of rehabilitation that are not dependent on use. The lease liability is equal to the sum of the lease payments discounted using the interest rate implicit in the lease (if it can be readily determined) or the lessee's incremental borrowing rate.

The lease liability may be remeasured in the event of changes to the following:
- Lease term;
- Whether or not the lessee is reasonably certain to exercise an option;
- Future lease payments resulting from a change in an index or rate used to determine those payments.

Interest expense for the period is recognized under "Cost of net financial debt".

Right-of-use assets are depreciated on a straight-line basis over the minimum lease term, taking into account the acquisition, renewal or cancellation options that the lessee is practically certain to exercise given the characteristics of the asset and market conditions.

2.14. Impairment of property, plant and equipment, intangible assets and goodwill

The carrying amount of non-current assets (excluding financial assets) is reviewed using impairment testing to identify any impairment losses:
- for intangible assets with indefinite useful lives and goodwill, impairment testing is performed at each reporting date, or more frequently when there is an indication of impairment;
- for all other assets, impairment testing is performed whenever there is an indication of impairment.

The indicators that trigger impairment testing are external and include factors such as market value and significant changes in the company's business environment.

Cash Generating Units (CGUs) are homogeneous groups of assets that generate cash inflows. The recoverable amount of a CGU or group of CGUs is based on its value in use.

Goodwill is tested for impairment at the level of the groups of CGUs representing each operating segment.

Value in use for the Group corresponds to the value of the expected future economic benefits arising from the use of the groups of CGUs. It is measured by discounting the expected future cash flows of each group of CGUs.

The discounted future cash flows are determined on the basis of management's economic assumptions and operating forecasts in accordance with the following principles:
- the cash flows (pretax) are derived from the business plan;
- the discount rate is determined with inputs based on external sources of information;
- the terminal value is calculated by summing the discounted cash flows to infinity, on the basis of a normative cash flow and perpetual growth rate. The growth rate reflects the potential expansion of markets in which the Group operates and the Group's competitive position.

Details of the assumptions used are provided in note 5.12.

Goodwill impairment cannot be reversed. Impairment losses are recognized on the income statement in the line item "Impairment of fixed assets".

2.15.Financial assets (excluding derivative instruments)

Initial measurement

Financial assets and liabilities are initially measured at fair value, which is generally the acquisition cost.

Classification and measurement at the reporting date

Financial assets (excluding derivative hedging instruments) are classified under one of the following categories in the balance sheet:

Category	Measurement	Recognition of change in value
Loans and receivables	Amortized cost	N/A
Held-to-maturity financial assets	Amortized cost	N/A
Financial assets held for trading	Fair value	Income statement
Other financial assets	Fair value	Shareholders' equity (or Income statement)

Loans, receivables and held-to-maturity financial assets

Loans, receivables and held-to-maturity financial assets are measured and recognized at amortized cost less any impairment losses at the transaction date. They include receivables from associates, loans for social housing, and sureties and guarantee deposits.

Financial assets held for trading

This category of assets includes:
- assets held for trading, which were purchased by the company in order to generate short-term profit;
- derivative instruments that are not designated as hedging instruments.

Marketable securities, such as money market funds and mutual funds are measured at fair value at the reporting date on the basis of their latest quoted market price or net asset value. Any changes in their fair value are recognized in net financial income or expense.

Other financial assets

Equity investments that are not held for trading are measured at fair value, with the Group irrevocably opting to measure them either through profit or loss or equity (without the possibility of subsequently recycling them through profit or loss in the event of disposal).

Fair value is based on quoted market prices, when available. When quoted market prices are not available, the Group determines fair value through valuation techniques such as over-the-counter transactions, discounted cash flow analysis or revalued net assets.

2.16. Financial liabilities (excluding derivative instruments)

Loans and borrowings

Loans and borrowings are initially recognized under financial liabilities at fair value, which may be lower than the carrying amount.
- The fair value of the loans and borrowings corresponds to their issue price net of any transaction costs incurred;
- When they are granted at a below-market rate of interest, as is the case for funding by public bodies under preferential conditions, the subsequent economic benefit is treated as a government grant, in accordance with IAS 20, and recognized as a reduction to the nominal value of the loan. The grant is amortized over the relevant period and is either deducted from the related expense or recognized under 'other operating income and expense' if there are no specific costs to compensate.

Subsequently, the difference between the net carrying amount initially recognized and the redemption value is amortized on an actuarial basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the cash flows associated with the loans and borrowings to the net carrying amount at initial recognition.

Compound financial instruments

The measurement of debt or equity components is performed based on analysis of the intrinsic nature of each security issued.

When the analyses result in the separation of the equity and liability components, the liability component is initially recognized at the fair value that the liability would have without the option to convert or redeem the instrument as equity. The equity component is initially recognized as the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability. Directly-attributable transaction expenses are allocated to the liability and equity components proportionally to their initial carrying amount.

After initial recognition, the liability component of the compound instrument is measured at amortized cost using the effective interest rate method. The equity component of the compound financial instrument is not remeasured after initial recognition.

Earn-out clauses

Earn-out liabilities arising from acquisitions of equity investments are measured at their acquisition-date fair value. They are remeasured at each reporting date and any change in fair value is recognized either in operating profit or net financial income or expense according to whether it results from an operating event or from the time value of money. Earn-out liabilities are recognized in the line items "Other non-current liabilities" and "Other current liabilities" on the balance sheet.

Commitments to purchase non-controlling interests

Commitments to purchase non-controlling interests are measured at fair value. Changes in the fair value of the commitments are recognized directly in equity. Commitments to purchase non-controlling interests are recognized in the line items "Other non-current liabilities" and "Other current liabilities" on the balance sheet.

2.17. Derivative instruments

The Group uses derivative instruments to hedge its exposure to market risk.

Foreign exchange risk is hedged by currency forward sales and purchases, and for French units, if applicable, through insurance policies entered with the French ECA Bpifrance ("Assurance Change").

The Group covers its exposure to interest rate risk fluctuation primarily by swaps transactions, which change floating rate debt into fixed rate debt.

Derivative financial instruments are measured at fair value. Fair value is provided by the financial counterparties to the transactions for interest rate derivatives or calculated using standard valuation methods under market conditions at the reporting date for foreign exchange derivatives. Changes in the fair value of derivative instruments are recognized in the income statement, except for the effective portion of derivatives eligible for cash flow hedge accounting, which is recognized in equity.

Derivative instruments eligible for hedge accounting

The Group uses the criteria set forth in IFRS 9 to assess whether a derivative instrument qualifies for hedge accounting:

- the hedging relation is clearly identified and documented at the inception date of the hedging instrument;
- hedging relation effectiveness is demonstrated at the inception of the hedge and at each reporting date prospectively.

The majority of derivatives used by Fives qualify as hedging instruments.

Fair value hedges

Fair value hedges cover exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment to acquire or sell an asset. Changes in the fair value of the hedged item attributable to the hedged risk adjust the carrying amount of the hedged item and are recognized in the income statement. The ineffective portion of the hedge is recognized in operating income and expense or financial income and expense according to the nature of the hedged item; the forward point adjustment is always recognized in net financial income or expense.

Fair value hedge method is used to account for foreign exchange hedges.

Cash flow hedges

Cash flow hedges cover highly probable forecast transactions (forecast cash flows) that have not yet been invoiced. If they fulfill the criteria to qualify for cash flow hedge accounting, the changes in cash flows generated by the hedged item are offset by the changes in value of the hedging instrument.

The cumulative changes in fair value of the effective portion are recognized as a component of equity and the cumulative changes in fair value of the ineffective portion (corresponding to an “overhedge” where changes in the fair value of the hedging instrument are greater than changes in the fair value of the hedged item) are recognized in earnings. When the hedged cash flows occur, the amounts recognized in equity are transferred to the income statement, matching the cash flows from the hedged item.

Cash flow hedge method is used to account for interest rate hedges.

Derivative instruments not eligible for hedge accounting

Changes in the fair value of derivatives that are not eligible for hedge accounting are recorded directly in net financial income or expense.

Such instruments include derivative financial instruments that are used as economic hedges, but which have not been or are no longer documented as hedge accounting relationships.

2.18. Order book

The Group defines “order book” as the remaining amount of work to be performed as of any given date under our signed contracts after coming into force. No exception is made for short-term contracts.

A contract is added to the order book as soon as its terms (purpose, amount, timing) are known and the contract becomes enforceable for both parties. The transaction price included in the order book is the most probable amount of consideration the Group expects to receive, less any variable consideration that is not reasonably certain.

At December 31, 2024, the Group’s order book mainly contained orders of less than 15 months.

2.19. Revenue

The Group identifies the performance obligations contained in each contract. A contract contains several performance obligations if those obligations are separately identifiable (may be purchased separately) and distinct within the context of the contract (in the Group’s case: subject to distinct deliveries).

For each performance obligation, revenue is recognized on a percentage-of-completion basis if one of the following three criteria is met:

- the customer receives the benefits provided by the Group’s performance (for example, maintenance services) as the service is performed;
- the customer owns and controls the asset for which the Group has a performance obligation (for instance, equipment upgrades);
- the Group’s performance obligation does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date (contract to create specific equipment).

In each of the above cases, the transfer of control takes place over time, as the service is rendered.
If none of the criteria is met, the client will only obtain control at a point in time, generally upon completion of the performance obligation.

The main types of performance obligation within the Group are as follows:

- provision of turnkey production assemblies or sub-assemblies: percentage-of-completion revenue recognition;
- production of key process equipment: revenue recognition using the percentage-of-completion or completed-contract method, depending on alternative use and contract conditions;
- industrial services: spare parts, maintenance, training, machine upgrades, and removals/relocations. Revenue recognition is either based on the percentage-of-completion or completed-contract method.

The Group recognizes most of its revenue using the percentage-of-completion method as its solutions are highly customized. In general, identifying performance obligations and determining their sales price do not require significant judgment.

Revenue and cost recognition

- For performance obligations under the completed-contract method, the Group recognizes revenue upon transfer of control. With regard to standard production equipment, control is generally transferred upon transfer of the risks and rewards of ownership.

- For performance obligations under the percentage-of-completion method, the Group determines the stage of completion applicable to each contract by measuring the costs incurred to date over estimated costs at completion. The latter are reassessed at each reporting date. Completion is recognized upon provisional acceptance (or equivalent event) for contracts involving integrated systems subject to overall performance obligations. A provision is recognized for any remaining expenses that may be incurred to secure full acceptance. A contingency provision is recognized for future warranty costs.

Late performance penalties are recognized as a reduction in revenue.

Losses at completion are recognized for their full amount if they are probable.

2.20. Contract assets and liabilities

For each contract recognized on a percentage-of-completion basis, the Group determines the accumulated amount of costs incurred at the reporting date, plus profit recognized less progress billings and any losses at completion recognized.

If the amount is positive, it is recorded as an asset under "Contract assets". If it is negative, it is recorded as a liability under "Contract liabilities".

Advances and progress payments for ongoing contracts recognized on a completed-contract basis are recorded as liabilities under "Contract liabilities".

When estimated total contract costs exceed the expected sales price, a loss at completion is recognized, initially as a reduction in contract assets and subsequently as a provision.

2.21. Inventories and work in progress (excluding contract assets and liabilities)

Inventories and work in progress (excluding contract assets and liabilities) are measured at their acquisition cost using the weighted average cost method, or production cost.

An impairment loss is recognized, when appropriate, to reduce their carrying amount to their probable net realizable value.

2.22. Cash and cash equivalents

Cash and cash equivalents are composed of immediately available cash and short-term investments. Cash and cash equivalents comprise bank balances, cash on hand, demand deposits, short-term investments that are subject to an insignificant risk of change in value and money market funds.

2.23. Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized when the Group has a legal or constructive present obligation toward a third party as a result of a past event, which will probably result in an outflow of resources embodying economic benefits without any associated consideration. The amount of provisions recognized corresponds to the best estimate of the outflow of resources that will probably be required to settle the obligation.

Obligations relating to construction contracts in progress are included in the measurement of profit at completion and are recorded in the line items "Contract assets" or "Contract liabilities".

Upon contract completion, the obligations are recognized as separate line items under "Current provisions".

Obligations resulting from transactions other than construction contracts are recognized directly under provisions if they meet the above-mentioned criteria.

If the time value of money is significant, the provisions are measured at their present value.

Known litigation and claims that could affect the Group's companies were examined at the reporting date. The provisions judged necessary were recognized to cover the associated risks, on the advice of legal counsel.

The provisions are described in note 5.23.

2.24. Retirement benefits

In accordance with local law and practices, the Group participates in retirement plans in the countries in which it operates.

For basic retirement plans and other defined contribution plans, the Group expenses the contributions payable when they are due and does not recognize any provisions, as its commitments do not extend beyond the contributions paid.

For defined benefit plans, the Group provisions the various benefit entitlements determined based on the cumulative number of years of service within the Group.

Provisions are determined in the following manner:
- the actuarial valuation method used is the Projected Unit Credit Method, which assumes that each period of service that contributes to the benefit gives rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The calculations include assumptions regarding mortality, employee turnover and salary increase rates, as appropriate;
- actuarial gains or losses net of deferred tax are recognized immediately in other comprehensive income, with an offsetting entry in shareholders' equity, in accordance with IAS 19 "Employee Benefits".

The expense for the year relating to current and past service cost (in the event of plan amendments) and gains or losses on plan curtailments or settlements is recognized in operating profit.

The interest cost, net of the expected return on plan assets, is recognized in net financial income or expense.

2.25. Provisions for long-service awards

Provisions for long-service awards are calculated by combining all award levels, in accordance with IAS 19. The provision is measured for all current employees at the reporting date, based on actuarial assumptions with regard to factors such as seniority, life expectancy and employee turnover. The effects of changes in actuarial assumptions are recognized in the income statement.

2.26. Share-based payments

Certain Group employees are entitled to share-based payments. The Group determines whether to qualify for a cash or equity settlement for each share-based payment transaction.

In equity-settled transactions, the services giving rise to share-based payments are recognized under personnel expenses (in the line item "Other operating income and expenses") at the fair value of the equity instruments at grant date, with an offsetting entry in consolidated reserves over the equity instruments' vesting period. Unvested share-based payment transactions are not recognized.

In cash-settled transactions, the services giving rise to share-based payments are recognized under personnel expenses (in the line item "Other operating income and expenses") at the financial instruments' fair value at the reporting date, with an offsetting entry in liabilities ("Other liabilities"/"Other non-current liabilities") over the vesting period. Unvested financial instruments are not recognized.

The quantitative impacts for financial year 2024 are described in note 5.5.

2.27. Income tax

Income tax includes current tax expense (income) and deferred tax expense (income), calculated in compliance with the legal provisions of the country where the income is taxed.

Current and deferred taxes are recognized in profit and loss, or shareholders' equity if the taxes are related to items recognized directly in shareholders' equity. The effects of changes in tax rates are recorded in shareholders' equity or in the income statement for the year the change is enacted or substantively enacted, according to the initial recognition method used for deferred taxes.

Current tax expense (income) is the estimated tax due for the period's taxable income, determined by the tax rate adopted at the reporting date.

Treatment of French value-added business tax (CVAE) and Italian production tax (IRAP)

For the Group, the value-added base used to calculate CVAE for French companies and IRAP for Italian companies is an intermediary aggregate of net income. Consequently, CVAE and IRAP are accounted for in the same way as corporate income tax.

Treatment of tax credits relating to research and intellectual property

The Group analyzes each scheme to determine if it can be assimilated to a grant, and recognized in profit from recurring operations in accordance with IAS 20, or to a tax deduction in relation to intellectual property, and recognized in income tax in accordance with IAS 12.

Deferred taxes

Deferred taxes are recognized based on temporary differences between the carrying amount and tax bases of assets and liabilities, and for tax losses carried forward. No deferred tax is recognized for temporary differences generated by:

- goodwill that is not tax-deductible;
- the initial recognition of an asset or liability in a transaction that is not a business combination, which has no impact on accounting profit or taxable profit (tax loss) at the transaction date;
- investments in subsidiaries, joint ventures and associates if the Group controls the date at which the temporary differences reverse and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognized only if the company's medium-term earnings forecasts provide reasonable assurance that they can be used to offset future liabilities. Deferred tax liabilities are factored into the amount recognized. The Group ensures that the forecasts used for the recognition of deferred tax assets and liabilities and those used for impairment tests are consistent.

Deferred tax assets and liabilities are offset if the entity has a legal right to offset current tax assets and liabilities and if the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3. SIGNIFICANT EVENTS OF THE YEAR

The Group activity stabilized in 2024 with a turnover of €2,281 million, firmly anchored on favorable underlying trends: decarbonization, automation, and digitalization, coupled with regionalization and reshoring challenges. EBITDA continued to grow, reaching a record level of €168.4 million, representing 7.4% of revenue.

Bookings of €2,101 million for 2024 financial year sustain a robust order book of €2,269 million.

4. CONSOLIDATION SCOPE

The list of companies included in the scope of consolidation as of December 31, 2024 appears in note 5.32.

4.1. Takeover of the AddUp subgroup

On October 10, 2024, the Fives Group acquired 100% control of AddUp, a joint venture specializing in "metal additive manufacturing" technology (commonly known as 3D metal printing), which was until that date jointly controlled with Michelin and consolidated using the equity method.

This acquisition follows AddUp's strategic decision to initiate a downsizing project aimed at discontinuing its largely loss-making 3D part production business and refocusing on the development, manufacturing, and marketing of machines and related services.

AddUp thus joins the High Precision Machines division, with which it offers commercial (shared customers in aeronautics, defense, and general industry), geographic (benefit from this division's footprint in the United States, the leading market for 3D metal printing technologies), and cost (pooling of operational skills and support) synergies. Accounted for under the equity method until the end of the third quarter of 2024, AddUp has since been fully consolidated. Its contribution to the Group's 2024 EBITDA is an income of €4.8 million, reflecting the recognition of negative goodwill (badwill) greater than the fourth-quarter operating loss, as Michelin contributed to financing the costs of reorganization and the transition to the target operating model.

Except for the "Other operating income and expenses" line item, which recognizes badwill (see note 5.5), the impacts of AddUp's full consolidation on the operating lines of the income statement are not material.

5. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (IN THOUSANDS OF EUROS)

5.1. Operating segment information

The Group's operating segments are as follows:

Smart Automation Solutions: "Smart automation solutions for e-commerce, courier, distribution and manufacturing" specializes in the design, supply and installation of high added value sorting, handling and automation solutions for the e-commerce, retail and distribution markets. It also offers robotic solutions designed to automate manufacturing processes.

High Precision Machines: "High precision machines for advanced manufacturing" specializes in the supply of high precision machine-tools and 3D metal printing machines for the automotive, aerospace and manufacturing markets.

Process Technologies: "High performance and sustainable technologies for process industries" specializes in the design and supply of high performance and sustainable technologies for process industries, including process equipment and complete production lines for the aluminium, cement, steel, glass and energy sectors.

Other: includes, for reporting purposes, Fives' industrial maintenance, piping solutions for nuclear power plants and industrial digitalization mainly in France, as well as holding activities.

Segment Information

	31.12.24	31.12.23
Smart Automation Solutions	584,263	817,622
High Precision Machines	336,275	338,251
Process Technologies	1,008,531	1,128,845
Other	171,483	221,982
Total order intake	**2,100,552**	**2,506,700**
Smart Automation Solutions	748,111	820,039
High Precision Machines	299,112	272,343
Process Technologies	1,021,291	1,125,044
Other	200,246	195,965
Total order book	**2,268,760**	**2,413,391**
Smart Automation Solutions	658,996	752,733
High Precision Machines	321,916	327,626
Process Technologies	1,132,684	1,129,051
Other	167,337	185,309
Total sales	**2,280,933**	**2,394,719**
Smart Automation Solutions	21,712	13,499
High Precision Machines	1,896	(248)
Process Technologies	91,606	84,349
Other	(771)	(1,358)
Total profit from recurring operations	**114,443**	**96,242**
Smart Automation Solutions	36,306	26,971
High Precision Machines	18,188	12,009
Process Technologies	112,316	104,150
Other	1,616	7,600
EBITDA (*)	**168,426**	**150,730**

*EBITDA is defined as profit from recurring operations excluding amortization and depreciation (see note 5.6) and equity-settled share-based payment transactions (see note 5.5)

The breakdown of assets by operating segment is as follows:

Dec. 31, 2024	Smart Automation Solutions	High Precision Machines	Process Technologies	Other	Total
Goodwill	31,040	112,420	128,540	5,372	277,372
Intangible assets, property, plant and equipment	79,213	74,230	110,975	54,019	318,437
Total allocated assets	**110,253**	**186,650**	**239,515**	**59,391**	**595,809**
Other assets					1,701,522
Total assets					**2,297,331**

Dec. 31, 2023	Smart Automation Solutions	High Precision Machines	Process Technologies	Other	Total
Goodwill	30,736	105,939	123,199	5,372	265,246
Intangible assets, property, plant and equipment	60,086	60,324	100,543	49,420	270,373
Total allocated assets	**90,822**	**166,263**	**223,742**	**54,792**	**535,619**
Other assets					1,671,064
Total assets					**2,206,683**

5.2. Sales

Sales comprised the following:

	2024	2023
Revenue recognized based on the percentage-of-completion method	1,858,219	1,966,654
Revenue recognized based on the completed-contract method	422,715	428,065
Total	**2,280,933**	**2,394,719**

Sales by geographical destination

	2024	2023
Europe	697,884	730,690
Africa and Middle East	256,366	288,875
Americas	902,814	915,690
Asia and Oceania	423,869	459,465
Total	**2,280,933**	**2,394,719**

Sales by geographical origin

	2024	2023
Europe	1,198,048	1,183,406
Africa and Middle East	74,893	96,319
Americas	751,559	817,217
Asia and Oceania	256,433	297,777
Total	**2,280,933**	**2,394,719**

Information on major customers

No single Group customer accounted for more than 5% of consolidated sales in the last two reporting periods.

5.3. Personnel expenses and headcount

Personnel expenses

	2024	2023
Personnel expenses	719,738	682,383
Total headcount at reporting date	9,261	8,914

Headcount at December 31 by type of contract

By type of contract	2024	2023
Permanent contracts	8,723	8,257
Fixed-term contracts	172	327
Apprenticeships and internships	366	330
Total	**9,261**	**8,914**

5.4. Research and development costs

	2024	2023
Research and development expenses, gross	(43,080)	(36,032)
Research tax credits and grants received	8,240	6,594
Total	**(34,840)**	**(29,438)**

5.5. Other operating income and expenses

	2024	2023
Share-based payment transactions		
- equity-settled share-based payment transactions	790	(319)
- cash-settled share-based payment transactions	(65)	(449)
Other	6,717	2,090
Total	**7,442**	**1,322**

The "Other" line mainly includes the amount of negative goodwill recorded in the context of the 100% takeover of AddUp (see note 4.1).

Since 2018, Group employees have benefited from a long-term incentive plan based on parent company shares. The plan provides free and performance shares for French employees and a matching plan for foreign employees.

5.6. Amortization and depreciation included in profit from recurring operations

Profit from recurring operations includes the following amortization and depreciation items:

	2024	2023
Included in cost of sales	(15,552)	(14,717)
Included in overheads and other operating items	(35,607)	(31,819)
Amortization of intangible assets related to acquisitions	(3,614)	(7,635)
Total	**(54,773)**	**(54,171)**

In application of IFRS 16, amortization and depreciation allowances for right-of-use assets relating to leases amounted to €19.5 million on December 31, 2024. They were included in overheads.

5.7. Restructuring costs

This line item includes the costs incurred as a result of the Group's cost-cutting and restructuring plans for the reporting period.

5.8. Gain or loss on disposals and acquisition costs

	2024	2023
Gain (loss) on disposals	(791)	(8,244)
Acquisition costs	(900)	(829)
Total	**(1,691)**	**(9,074)**

In 2023, the expense recognized in the result of disposals related to the recognition at fair value of the interest in the AddUp joint venture.

5.9. Net financial income and expense

Cost of net financial debt

	2024	2023
Financial expenses relating to:		
- bonds	(5,772)	(2,509)
- bank loans	(23,336)	(22,498)
- lease liabilities	(4,294)	(3,578)
Other interest expense	(2,521)	(1,826)
Deferred transaction costs	(885)	(490)
Interest and related expenses	**(36,808)**	**(30,901)**
Interest and related income	**10,808**	**7,534**
Total	**(26,000)**	**(23,367)**

Financial expenses on bonds relate to the 2023 Stimulus Bonds.

The financial expenses on lease liabilities relate to all leases restated under IFRS 16.

Other financial income and expense

	2024	2023
Income from associates	3,623	296
Foreign exchange gains and losses	1,508	(9,038)
- Foreign exchange gains (losses)	5,560	*(2,879)*
- Impact of forward points on changes in fair value of foreign exchange derivatives	(4,052)	*(6,159)*
Expenses for retirement and related benefits	(1,505)	(1,423)
Net financial provisions	65	(500)
Other financial items	(56)	(443)
Total	**3,635**	**(11,107)**

The Group's financial result includes an unrealized foreign exchange gain of €5.7 million, related to intragroup loans between Fives and its subsidiaries, and a realized foreign exchange loss of € (0.1) million.

The amounts of these loans are detailed in Note 5.26 under "Foreign Exchange Risk."

5.10. Current and deferred tax

Analysis of income tax expense

	2024	2023
French value-added business tax (CVAE) and Italian production tax (IRAP)	(2,640)	(2,244)
Current tax	(39,657)	(32,765)
Subtotal current tax	**(42,297)**	**(35,009)**
Deferred tax	**(2,442)**	**4,659**
Total	**(44,739)**	**(30,349)**

Effective tax rate

	2024	2023
Profit before income tax	**89,936**	**52,303**
Parent company tax rate	*25.00%*	*25.00%*
Theoretical tax expense	(22,484)	(13,076)
Effect of:		
- French value-added business tax (CVAE) and Italian production tax (IRAP)	(2,640)	(2,244)
- Tax rate differences	3,382	2,425
- Change in unrecognized deferred tax assets and unrecognized losses	(14,731)	(9,261)
- Permanent differences and other items	(8,267)	(8,194)
Income tax expense	**(44,739)**	**(30,349)**

Consolidated tax groups

Since January 1, 2019, Fives and its subsidiaries have been part of the consolidated tax group formed by Nova Orsay (formerly Fives Orsay), which includes all French subsidiaries that are directly or indirectly more than 95%-owned. The tax savings resulting from offsetting the taxable losses of loss-making companies with the taxable profit of profit-making companies is recorded in Nova Orsay's financial statements.

The Group also files consolidated tax returns in the United States and Italy. The advantage is that all member entities of the consolidated tax group are considered a single entity for tax purposes. The Group also uses the group relief mechanism in the United Kingdom, which allows the offsetting of losses and profits between companies in the same tax group in a reporting period.

Deferred tax

The offsetting methods used are described in note 2.27.

Deferred tax assets are only recognized when it is sufficiently likely that they can be used against future taxable profit.

The breakdown of deferred tax assets and liabilities is as follows:

	Dec. 31, 2023						Dec. 31, 2024	
	Deferred tax assets	Deferred tax liabilities	Change recognized in income statement	Change recognized in equity	Scope	Translation differences and other	Deferred tax assets	Deferred tax liabilities
Provisions for retirement benefits	10,052		(44)	(343)	122	212	9,999	
Tax loss carryforwards	25,150		14,100		418	1,800	41,468	
Revaluations (1)	7,984	(29,938)	(2,514)	(145)	(7)	(3,229)	3,850	(31,700)
Other temporary differences	42,336	(6,283)	(12,657)	39	(658)	1,156	30,859	(6,926)
Deferred tax assets (liabilities), gross	**85,522**	**(36,221)**	**(1,116)**	**(448)**	**(125)**	**(61)**	**86,176**	**(38,626)**
Deferred tax asset limit	(23,644)		(1,326)			548	(24,422)	
Offsetting	(27,305)	27,305					(28,066)	28,066
Recognized deferred tax assets (liabilities)	**34,573**	**(8,916)**	**(2,442)**	**(448)**	**(125)**	**488**	**33,689**	**(10,559)**
Net deferred tax	**25,657**						**23,128**	

(1) Mainly relating to the tax amortization of goodwill in the United States

5.11. Share of profit or loss of associates

Until the date of the 100% takeover of AddUp at the beginning of October 2024, its contribution to the Group's 2024 net profit is a loss, presented on the line "Share of profit of equity-accounted companies".

5.12. Goodwill

	Dec. 31, 2023 net	Change in consolidation scope	Transfer	Impairment	Translation differences and other	Dec. 31, 2024 net
Smart Automation Solutions	30,736				304	31,040
High Precision Machines	105,939				6,481	112,420
Process Technologies	123,199				5,341	128,540
Other	5,372					5,372
Total	**265,246**				**12,126**	**277,372**

In compliance with IAS 36, an impairment test was performed at December 31, 2024 on each operating segment CGU.

The cash flows used for each CGU are based on Management's best estimates, updated at December 31, 2024.

The following assumptions were used:
- 2025-2030 medium-term plan;
- Terminal value growth rate: 2% (identical to assumptions used in the 2023 test);
- Discount rate: 9.6% (same as used in the 2023 test).

The test did not result in the recognition of impairment at December 31, 2024.

Sensitivity analysis

Smart Automation Solutions CGU:
- discount rate sensitivity: a 10.1% discount rate would not change the conclusions of the analysis;
- long-term growth rate sensitivity: a 1.5% long-term growth rate would not change the conclusions of the analysis;
- long-term cash flow sensitivity: a 10% decrease in long-term cash flow would not reduce the fair value of the CGUs to below their carrying amount.

High Precision Machines CGU:
- discount rate sensitivity: a 10.1% discount rate would result in impairment of €14.1 million;
- long-term growth rate sensitivity: a 1.5% long-term growth rate would result in impairment of €8.0 million;
- long-term cash flow sensitivity: a 10% decrease in long-term cash flow would result in impairment of €16.2 million.

Process Technologies CGU:
- discount rate sensitivity: a 10.1% discount rate would not change the conclusions of the analysis;
- long-term growth rate sensitivity: a 1.5% long-term growth rate would not change the conclusions of the analysis;
- long-term cash flow sensitivity: a 10% decrease in long-term cash flow would not reduce the fair value of the CGUs to below their carrying amount.

Other CGUs:
- discount rate sensitivity: a 10.1% discount rate would not change the conclusions of the analysis;
- long-term growth rate sensitivity: a 1.5% long-term growth rate would not change the conclusions of the analysis;
- long-term cash flow sensitivity: a 10% decrease in long-term cash flow would not reduce the fair value of the CGUs to below their carrying amount.

5.13. Intangible assets

The analysis of changes in intangible assets was as follows:

	Dec. 31, 2024			Dec. 31, 2023		
	Gross	Acc. amort. / Imp.	Net	Brut	Acc. amort. / Imp.	Net
Technologies and R&D acquired	117,826	(113,867)	3,959	116,242	(106,917)	9,325
Brands acquired	27,814	(27,161)	653	26,638	(25,985)	653
Customer relationships, order book and other intangibles	77,293	(76,642)	651	73,787	(72,675)	1,112
Concessions, patents and licenses	88,336	(60,769)	27,566	68,959	(50,963)	17,996
Other intangible assets	53,983	(17,651)	36,333	33,648	(17,796)	15,852
Total	**365,252**	**(296,090)**	**69,162**	**319,274**	**(274,337)**	**44,937**

At December 31, 2024, the analysis of changes in intangible assets was as follows:

	Gross	Acc. amort. / Imp.	Net
Balance at Dec. 31, 2023	**319,274**	**(274,337)**	**44,937**
Acquisitions	17,899		17,899
Deconsolidations and disposals	(1,038)	876	(162)
Amortization / Impairment		(11,142)	(11,142)
Reclassified items	2,005	(1,303)	702
Change in consolidation scope	16,239	(3)	16,236
Translation differences	10,873	(10,181)	692
Balance at Dec. 31, 2024	**365,252**	**(296,090)**	**69,162**

At December 31, 2023, the analysis of changes in intangible assets was as follows:

	Gross	Acc. amort. / Imp.	Net
Balance at Dec. 31, 2022	**311,618**	**(267,457)**	**44,161**
Acquisitions	13,466		13,466
Deconsolidations and disposals	(2,071)	2,065	(6)
Amortization / Impairment		(14,179)	(14,179)
Reclassified items	(8)	22	14
Change in consolidation scope	2,451	(570)	1,881
Translation differences	(6,182)	5,782	(400)
Balance at Dec. 31, 2023	**319,274**	**(274,337)**	**44,937**

5.14. Property, plant and equipment

The analysis of changes in property, plant and equipment was as follows:

	Dec. 31, 2024			Dec. 31, 2023		
	Gross	Acc. amort. / Imp.	Net	Brut	Acc. amort. / Imp.	Net
Land and developments	29,316		29,316	25,012		25,012
Buildings	177,835	(107,615)	70,220	166,546	(100,475)	66,071
Plant, equipment and machinery	249,676	(187,409)	62,267	235,579	(182,319)	53,260
Other assets	85,064	(66,131)	18,933	70,617	(54,260)	16,357
Right-of-use assets (leases)	132,955	(79,729)	53,226	117,224	(67,045)	50,180
Assets under construction	14,968		14,968	14,080		14,080
Advances on fixed assets	344		344	476		476
Total	**690,158**	**(440,884)**	**249,274**	**629,534**	**(404,099)**	**225,436**

At December 31, 2024, the analysis of changes in property, plant and equipment was as follows:

	Gross	Acc. amort. / Imp.	Net
Balance at Dec. 31, 2023	**629,534**	**(404,099)**	**225,436**
New right-of-use assets	19,692		19,692
Acquisitions	37,932		37,905
Deconsolidations and disposals	(14,515)	13,397	(1,091)
Depreciation / Impairment		(44,378)	(44,378)
Reclassified items	(2,046)	1,784	(262)
Change in consolidation scope	7,626	93	7,719
Translation differences	11,935	(7,681)	4,254
Solde au 31.12.24	**690,158**	**(440,884)**	**249,274**

The line item "Depreciation / Impairment" includes the depreciation of right-of-use assets under lease contracts for €19.5 million, in accordance with IFRS 16.

At December 31, 2023, the analysis of changes in property, plant and equipment was as follows:

	Gross	Acc. amort. / Imp.	Net
Balance at Dec. 31, 2022	**599,179**	**(384,614)**	**214,566**
New right-of-use assets	22,751		22,751
Acquisitions	32,815		32,815
Deconsolidations and disposals	(15,014)	14,628	(386)
Depreciation / Impairment		(40,311)	(40,311)
Reclassified items	(2,298)	758	(1,540)
Change in consolidation scope	829	(14)	815
Translation differences	(8,728)	5,454	(3,274)
Solde au 31.12.23	**629,534**	**(404,099)**	**225,436**

5.15. Current and non-current financial assets

The carrying amount of current and non-current financial assets can be analyzed as follows:

	Dec. 31, 2024			Dec. 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets measured at amortized cost						
Loans related to investments in associates		81	**81**	4,393	81	**4,474**
Other financial assets	191,931	4,945	**196,877**	126,519	4,380	**130,899**
Financial assets measured at fair value through other comprehensive income						
Other long-term investments		12,250	**12,250**		11,169	**11,169**
Financial assets measured at fair value through profit and loss						
Derivatives	1,602		**1,602**	1,642		**1,642**
Other financial assets	1,305	1,272	**2,578**	3,386	937	**4,323**
Equity-accounted associates		843	**843**		1,072	**1,072**
Financial assets	**194,838**	**19,391**	**214,231**	**135,940**	**17,639**	**153,579**

At December 31, 2024 the change in gross value of other long-term investments included a €0,3 million increase in fair value, net of deferred tax.

At December 31, 2024, the repayment and maturity schedule for non-current financial assets (excluding other long-term investments and equity-accounted associates) was as follows:

	Dec. 31, 2024		
	Carrying amount	Between 1 and 5 years	More than 5 years
Loans related to investments in associates	81	81	
Other financial assets	6,217	6,217	
Total	**6,298**	**6,298**	

5.16. Inventories and work in progress

The change in carrying amount of inventories and work in progress was as follows:

	Dec. 31, 2024			Dec. 31, 2023		
	Gross	Impairment	Net	Gross	Impairment	Net
Raw materials	141,233	(25,058)	116,175	146,012	(16,340)	129,672
Work in progress	90,795	(9,218)	81,577	78,031	(2,374)	75,657
Intermediate and finished goods	77,976	(18,072)	59,904	47,470	(9,197)	38,273
Total	**310,004**	**(52,348)**	**257,656**	**271,513**	**(27,911)**	**243,602**

5.17. Contract assets and liabilities

The change in carrying amount of contract assets and liabilities was as follows:

	Dec. 31, 2024	Dec. 31, 2023
Contracts recognized on a percentage-of-completion basis		
Contract assets	338,443	390,199
Contract liabilities	(440,192)	(427,080)
Net	**(101,749)**	**(36,881)**
Contracts recognized on a completed-contract basis		
Contract liabilities	(82,935)	(53,850)

5.18. Trade receivables

Gross and net trade receivables were as follows:

	Dec. 31, 2024			Dec. 31, 2023		
	Gross	Impairment	Net	Gross	Impairment	Net
Total trade receivables	508,941	(11,204)	497,737	477,416	(7,269)	470,147
Total	**508,941**	**(11,204)**	**497,737**	**477,416**	**(7,269)**	**470,147**

Changes in the impairment of trade receivables can be analyzed as follows:

	Opening balance	Allowances	Reversals	Translation differences	Other	Closing balance
2024	(7,269)	(3,338)	1,224	(279)	(1,542)	(11,204)
2023	(7,617)	(1,264)	1,917	77	(382)	(7,269)

At December 31, 2024, the trade receivables aging schedule was as follows:

	Total	Not overdue	Less than 30 days overdue	Between 30 days and 90 days overdue	More than 90 days overdue
2024	497,737	350,565	82,940	28,454	35,778
2023	470,147	345,332	50,312	26,228	48,275

Group policy for managing credit risk is based on the following principles:
- upstream risk management processes entailing the analysis of receivables risk during the project bid and selection stage;
- specific provisions for major contracts, including the obligation to hedge risk (commercial and/or political risk) according to criteria relating to contract size, type of receivable, and country category;
- regular monitoring of overdue payments during contract performance and early implementation of collection procedures for receivables due.

Given the nature of the Group's activities, receivables that are still unpaid after the contractual due date have been often confirmed by clients but are only collected once the requirements notified during the work acceptance inspection have been fulfilled and full acceptance has been secured. Such receivables are fully recoverable; the remaining expenses incurred to secure full acceptance are included in the calculation of the related contract's profit margin at completion.

Allowances for impairment losses are measured on a case-by-case basis taking into account collection risk.

5.19. Other current assets

The change in carrying amount of other current assets was as follows:

	Dec. 31, 2024	Dec. 31, 2023
Tax receivables	63,398	60,032
Advances and progress payments	81,124	73,066
Other receivables	17,601	13,695
Prepaid expenses	15,399	13,702
Total	**177,522**	**160,495**

5.20. Cash and cash equivalents

	Dec. 31, 2024	Dec. 31, 2023
Cash equivalents	41,925	45,290
Cash	129,440	166,390
Total cash and cash equivalents	**171,365**	**211,680**

Cash equivalents comprise negotiable certificates of deposit and term deposits of less than three months.

Cash includes interest-bearing current accounts.

Breakdown of cash and cash equivalents per currency

	Euro	USD	GBP	CNY	JPY	CAD	Other	Total
Cash equivalents	28,686						13,239	41,925
Cash	22,483	11,315	325	55,597	12,640	11,398	15,682	129,440
Total at Dec. 31, 2024	**51,169**	**11,315**	**325**	**55,597**	**12,640**	**11,398**	**28,921**	**171,365**
Foreign exchange swaps	(28,416)	(17,184)	(121)		45,721			
Total at Dec. 31, 2024 (before swaps)	**22,753**	**(5,869)**	**204**	**55,597**	**58,361**	**11,398**	**28,921**	**171,365**

At December 31, 2023, the breakdown of cash and cash equivalents was as follows:

	Euro	USD	GBP	CNY	JPY	CAD	Other	Total
Cash equivalents		34,450		2,050			8,790	45,290
Cash	45,719	9,489	656	68,232	16,582	1,929	23,783	166,390
Total at Dec. 31, 2023	**45,719**	**43,939**	**656**	**70,282**	**16,582**	**1,929**	**32,573**	**211,680**
Foreign exchange swaps	(58,522)	9,951	(28,718)		74,902	2,387		
Total at Dec. 31, 2023 (before swaps)	**(12,803)**	**53,890**	**(28,062)**	**70,282**	**91,484**	**4,316**	**32,573**	**211,680**

Cash and cash equivalents are mainly held in major currencies and are deposited with top-ranking commercial banks.

5.21. Statement of cash flows

Cash net of bank overdrafts

	Dec. 31, 2024	Dec. 31, 2023
Cash equivalents	41,925	45,290
Cash	129,440	166,390
Total cash and cash equivalents	**171,365**	**211,680**
Bank overdrafts	(1,404)	(627)
Total	**169,961**	**211,052**

Working capital requirements and current provisions

	Dec. 31, 2024	Dec. 31, 2023	Changes	
			Due to business activity	Other *
Inventories and work in progress	(257,656)	(243,602)	(5,750)	(8,304)
Contract assets	(338,443)	(390,199)	60,776	(9,020)
Trade receivables	(497,737)	(470,147)	(8,362)	(19,228)
Other current/non-current assets incl. in working capital	(178,140)	(160,927)	(3,610)	(13,603)
Contract liabilities	523,127	480,930	30,394	11,803
Trade and related payables	553,180	651,681	(120,596)	22,095
Other current/non-current liabilities incl. in working capital	213,058	207,467	(3,135)	8,726
Working capital requirements before current provisions	**17,389**	**75,204**	**(50,283)**	**(7,531)**
Current provisions	115,402	99,546	10,049	5,807
Working capital requirements	**132,791**	**174,750**	**(40,234)**	**(1,724)**

*Resulting mainly from IFRS 9 adjustments and currency translation effects.

5.22. Shareholders' equity

Financial capital management policy

The Group implements a stringent, prudent financial capital management policy to ensure satisfactory returns for shareholders.
There are no financial covenants involving the Group's consolidated equity or the equity of the parent company.

Share capital

At December 31, 2024, Fives' share capital was divided into 2,185,612 shares with a par value of €47. The shares are fully paid either in cash or in kind. Share capital amounts to €102,723,764.

Shareholder structure

Since May 29, 2018, the Caisse de Dépôt et Placement du Québec (CDPQ) and the Office d'investissement des Régimes de Pensions du Secteur Public (PSP), two of the largest pension fund managers in Canada, have been minority shareholders in the Group, alongside Management and Ardian, which has had a minority stake in Fives since 2012, as well as BPI France, which entered the Group's share capital at the beginning of March 2024.

Dividend payments

The Group did not pay out any dividends in the reporting period.

5.23. Current and non-current provisions

	Dec. 31, 2023	Allowance	Utilization	Unutilized reversals	Translation differences	Other	**Dec. 31, 2024**
Warranties	70,914	37,399	(15,091)	(17,524)	1,013	1,738	**78,449**
Contract litigation	4,258	1,462	(509)	(280)	29	322	**5,282**
Future losses on contracts	844	765	(94)	(102)	9	(583)	**839**
Completed contract expenses	21,755	13,987	(4,879)	(5,741)	378	(1,000)	**24,500**
Other provisions - current portion	1,775	1,420	(758)	(6)	79	3,822	**6,332**
Total current provisions	**99,546**	**55,033**	**(21,331)**	**(23,653)**	**1,508**	**4,299**	**115,402**
Retirement benefits	40,436	5,042	(4,361)	(1,617)	803	(613)	**39,690**
Other post-employment benefits	4,646	688	(556)	(114)	(11)	1	**4,654**
Other provisions - non-current portion	2,178	3,459	(4,736)	(293)	47	9,634	**10,289**
Total non-current provisions	**47,260**	**9,189**	**(9,653)**	**(2,024)**	**839**	**9,022**	**54,633**

Current provisions

Current provisions are mainly for warranties, future losses on contracts accounted for using the completed-contract method, and completed contract litigation.
Provisions for warranties cover the estimated future costs to be incurred over contract warranty periods, after provisional acceptance (or an equivalent event).

Non-current provisions

Non-current provisions are mainly for restructuring, employee benefits (including Italian contractual retirement benefits (TFR) and French long-service awards) and litigation not related to contracts.

The provision for retirement obligations reflects the Group's defined benefit plans currently in place, which include:
- French and Japanese retirement benefits;
- supplementary retirement plans; the British, American, German and French pension funds have been closed to further accrual and the vested rights thereunder were frozen as of the respective closure dates.

Actuarial assumptions

Dec. 31, 2024	France	United Kingdom	United States of America	Japan	Germany	India
Discount rate	3.7%	5.4%	5.3%	0.3%	3.4%	6.77 - 7.00%
Expected return on plan assets	NA	5.4%	NA	NA	NA	7.01%
Salary increase rate	2.0%	NA	NA	2%	NA	5 - 8.5%

Dec. 31, 2023	France	United Kingdom	United States of America	Japan	Germany	India
Discount rate	3.5%	4.5%	5.0%	0.3%	3.7%	7.18 - 7.3%
Expected return on plan assets	NA	4.5%	NA	NA	NA	7.01%
Salary increase rate	2.0%	NA	NA	2%	NA	5 - 8.5%

The present value of future obligations (defined benefit obligations) amounted to €72,240 thousand at December 31, 2024. Given the fair value of all plan assets, the net obligation at December 31, 2024 totaled €39,690 thousand.

The net expense recognized for the reporting period reflects the current service cost, the interest cost of the obligation less the expected return on plan assets and the amortization of past service costs. In total, expenses and changes in provisions for retirement benefit obligations resulted in a net expense of €3,383 thousand, of which €1,878 thousand were recognized in profit from recurring operations, and €1,505 thousand were recognized in financial expense.

Net actuarial gains and losses generated during the reporting period and recognized directly in items of other comprehensive income amounted to €(854) thousand, excluding tax, resulting from an overall decrease in the discount rate compared with December 31, 2023.

	Retirement benefit obligations	Complementary retirement obligations Dec. 31, 2024				Total
	France	Eurozone	United Kingdom	Americas	Asia	
CHANGE IN PRESENT VALUE OF OBLIGATION						
Present value of obligation at Jan. 1, 2024	19,867	2,136	47,274	3,815	1,982	75,074
Current service cost	1,446	6	391	11	124	1,978
Interest cost	650	66	2,124	184	41	3,065
Plan curtailments / settlements	(46)	(42)	(391)		(127)	(606)
Newly consolidated / Deconsolidations	243					243
Benefits paid	(1,967)	(94)	(2,710)	(370)	(7)	(5,148)
Actuarial (gain) loss	(1,008)	(47)	(143)	306	38	(854)
Foreign exchange gains and losses and other			(1,719)	217	(10)	(1,512)
Present value of obligation at Dec. 31, 2024	**19,185**	**2,025**	**44,826**	**4,163**	**2,041**	**72,240**
CHANGE IN FAIR VALUE OF PLAN ASSETS						
Fair value of plan assets at Jan. 1, 2024			33,844		794	34,638
Net return on plan assets			1,536		24	1,560
Employer contributions paid			1,840		48	1,888
Plan curtailments / settlements			(391)		(116)	(507)
Benefits paid			(2,710)		(7)	(2,717)
Foreign exchange gains and losses and other			(2,337)		25	(2,312)
Fair value of plan assets at Dec. 31, 2024			**31,782**		**768**	**32,550**
COMPONENTS OF AMOUNTS RECOGNIZED IN THE FINANCIAL STATEMENTS						
Net obligation (obligation less plan assets)	19,185	2,025	13,044	4,163	1,273	39,690
Net provision recognized in the balance sheet at Dec. 31, 2024	**19,185**	**2,025**	**13,044**	**4,163**	**1,273**	**39,690**
COMPONENTS OF NET EXPENSE RECOGNIZED FOR FINANCIAL YEAR						
Current service cost	1,446	6	391	11	124	1,978
Interest cost	650	66	2,124	184	41	3,065
Expected return on plan assets			(1,536)		(24)	(1,560)
(Gain) / loss on plan curtailments / settlements	(46)	(42)			(12)	(100)
Net expense recognized in the income statement for FY 2024	**2,050**	**30**	**979**	**195**	**129**	**3,383**
CHANGE IN PROVISIONS FOR RETIREMENT AND OTHER						
Provisions recognized in the balance sheet at Jan. 1, 2024	19,867	2,136	13,430	3,815	1,189	40,436
Employer contributions paid			(1,840)		(48)	(1,888)
Net expense recognized	2,050	30	979	195	129	3,383
Benefits paid directly by the employer	(1,967)	(94)		(370)	(7)	(2,438)
Newly consolidated	243					243
Net actuarial (gains) and losses	(1,008)	(47)	(143)	306	38	(854)
Foreign exchange gains and losses			618	217	(30)	805
Provisions recognized in the balance sheet at Dec. 31, 2024	**19,185**	**2,025**	**13,044**	**4,163**	**1,272**	**39,690**

	Retirement benefit obligations	Complementary retirement obligations Dec. 31, 2023				Total
	France	Eurozone	United Kingdom	Americas	Asia	
CHANGE IN PRESENT VALUE OF OBLIGATION						
Present value of obligation at Jan. 1, 2023	18,186	2,303	44,008	4,170	2,075	70,741
Current service cost	1,343	6	299	39	87	1,774
Interest cost	659	61	2,075	196	26	3,017
Plan curtailments / settlements		(80)	(299)			(379)
Newly consolidated / Deconsolidations	317					317
Benefits paid	(1,839)	(166)	(1,820)	(381)	(43)	(4,249)
Actuarial (gain) loss	1,201	12	2,106	(87)	(5)	3,227
Foreign exchange gains and losses and other			905	(121)	(158)	626
Present value of obligation at Dec. 31, 2023	**19,867**	**2,136**	**47,274**	**3,815**	**1,982**	**75,074**
CHANGE IN FAIR VALUE OF PLAN ASSETS						
Fair value of plan assets at Jan. 1, 2023			32,725		776	33,501
Net return on plan assets			804		27	831
Employer contributions paid			1,763		24	1,787
Plan curtailments / settlements			(299)			(299)
Benefits paid			(1,820)			(1,820)
Foreign exchange gains and losses and other			671		(33)	637
Fair value of plan assets at Dec. 31, 2023			**33,844**		**794**	**34,638**
COMPONENTS OF AMOUNTS RECOGNIZED IN THE FINANCIAL STATEMENTS						
Net obligation (obligation less plan assets)	19,867	2,136	13,430	3,815	1,189	40,436
Net provision recognized in the balance sheet at Dec. 31, 2023	**19,867**	**2,136**	**13,430**	**3,815**	**1,189**	**40,436**
COMPONENTS OF NET EXPENSE RECOGNIZED FOR FINANCIAL YEAR						
Current service cost	1,343	6	299	39	87	1,774
Interest cost	659	61	2,075	196	26	3,017
Expected return on plan assets			(1,573)		(22)	(1,595)
(Gain) / loss on plan curtailments / settlements		(80)				(80)
Net expense recognized in the income statement for FY 2023	**2,002**	**(13)**	**801**	**235**	**91**	**3,117**
CHANGE IN PROVISIONS FOR RETIREMENT AND OTHER						
Provisions recognized in the balance sheet at Jan. 1, 2023	18,186	2,303	11,284	4,170	1,299	37,240
Employer contributions paid			(1,763)		(24)	(1,787)
Net expense recognized	2,002	(13)	801	235	91	3,117
Benefits paid directly by the employer	(1,839)	(166)		(381)	(43)	(2,429)
Newly consolidated	317					317
Net actuarial (gains) and losses	1,201	12	2,875	(87)	(5)	3,996
Foreign exchange gains and losses			233	(122)	(129)	(18)
Provisions recognized in the balance sheet at Dec. 31, 2023	**19,867**	**2,136**	**13,430**	**3,815**	**1,189**	**40,436**

Plan assets by investment type

	Dec. 31, 2024		Dec. 31, 2023	
	Amount	%	Amount	%
Shares	17,392	53%	17,765	51%
Bonds and other debt securities	12,080	37%	14,803	43%
Money market investments	2,301	7%	1,267	4%
Diversified funds	776	2%	803	2%
Fair value of invested plan assets	**32,550**	**100%**	**34,638**	**100%**

Present value of obligation

	Dec. 31, 2024	Dec. 31, 2023
Present value of obligation	72,240	75,074
Fair value of invested plan assets	(32,550)	(34,638)
Present value of obligation	**39,690**	**40,436**

Sensitivity analysis

The present value of post-employment benefits is sensitive to discount rates. The following table presents the impact of a 25-basis point decrease in discount rates on the present value of the obligation:

	Dec. 31, 2024		Dec. 31, 2023	
	In thousands of euros	DBO as a %	In thousands of euros	DBO as a %
France	1,050	5.54%	1,033	5.33%
Eurozone	57	2.82%	68	3.18%
United Kingdom	1,266	2.82%	1,537	3.25%
Americas	123	2.96%	110	3.00%
Asia	6	0.30%	5	0.25%

5.24. Current and non-current financial debt

	Dec. 31, 2024			Dec. 31, 2023		
	Non-current	Current	Total	Non-current	Current	Total
Stimulus Bonds	75,000		75,000	75,000		75,000
Bank loans	70,516	185,519	256,035	133,897	69,625	203,522
Deferred transaction costs	(3,719)		(3,719)	(1,908)		(1,908)
Finance leases	39,243	17,349	56,592	37,203	15,658	52,861
Other bank loans and borrowings	754	1,200	1,954	360	746	1,106
Accrued interest		5,967	5,967		4,623	4,623
Derivative instruments, liabilities		6,054	6,054		3,017	3,017
Bank overdrafts		1,404	1,404		626	626
Total financial debt	**181,795**	**217,493**	**399,288**	**244,552**	**94,295**	**338,847**

The Stimulus Bonds subscribed in 2023 for a total of €75 million include a €60 million tranche maturing in June 2031 and a €15 million tranche maturing in November 2031.

At December 31, 2024, the line item "Bank loans" included:

- An €80 million loan taken out under preferential conditions in 2018 with the European Investment Bank, €11.4 million of which was repaid within the financial year 2024, recognized at an estimated fair value of €40.1 million. The operating grant generated for Group R&D for financial years 2018 to 2021 was recognized over the same period.
- Loans entered in 2020 as part of Government liquidity support programs in France, Italy and the United States in the context of the COVID-19 pandemic.

  In France, the State-guaranteed loan of €200 million, extended in April 2021, will be repaid yearly in equal instalments until 2026. Taken out under preferential conditions in accordance with the law of March 23, 2020, the State-guaranteed loan was recognized at a fair value of €78.3 million at December 31, 2024. The grant generated for Group operations is recognized over the loan term. It amounted to €3 million for 2024 (compared with €4.1 million for 2023).

- The drawdown of the revolving credit facility ("RCF") for €105.2 million. A new revolving credit facility was established in April 2024, with a maturity on January 15, 2029.
  It is included in current financial liabilities even though the documentation does not include any clean-down obligation.
  This revolving credit facility maximum principal is €164 million. Use is free up to €70 million and is subject above that amount to compliance with a net leverage ratio, tested quarterly. This covenant is met as of December 31, 2024.

Change in financial debt, by type

	Dec. 31, 2024	Dec. 31, 2023			Breakdown of other changes					
			Changes included in financial flows	Other changes	Scope	Translation	IFRS 9 measurement effet	New finance leases	Capitalization of interest at the effective interest rate (EIR)	Interest expense
Stimulus Bonds	75,000	75,000							4,521	
Bank loans	256,035	203,522	45,755	6,758	605	1,632				884
Deferred transaction costs	(3,719)	(1,908)	(2,684)	873		(11)				
Finance leases	56,592	52,861	(19,547)	23,278	3,053	531		19,694		
Other bank loans and borrowings	1,954	1,106	1,954	(1,106)		(1,106)				
Accrued interest	5,967	4,623	(30,298)	31,643		240			(4,521)	
Derivative instruments, liabilities	6,054	3,017		3,037		(9)	3,046			35,924
Bank overdrafts	1,404	626								
Total financial debt	**399,288**	**338,847**	**(4,821)**	**64,483**	**3,658**	**1,277**	**3,046**	**19,694**		**36,808**

Breakdown in fixed and floating rate financial liabilities (before hedging instruments)

	Dec. 31, 2024			Dec. 31, 2023		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
Stimulus Bonds	75,000		75,000	75,000		75,000
Bank loans	71,247	184,788	256,035	82,270	121,252	203,522
Deferred transaction costs	(3,719)		(3,719)	(1,908)		(1,908)
Finance leases	56,592		56,592	52,861		52,861
Other bank loans and borrowings	754	1,200	1,954	360	746	1,106
Accrued interest	5,967		5,967	4,623		4,623
Total financial debt	**205,841**	**185,988**	**391,829**	**213,206**	**121,998**	**335,204**

Breakdown in fixed and floating rate financial liabilities (after hedging instruments)

	Dec. 31, 2024			Dec. 31, 2023		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
Stimulus Bonds	75,000		75,000	75,000		75,000
Bank loans	131,983	124,052	256,035	82,270	121,252	203,522
Deferred transaction costs	(3,719)		(3,719)	(1,908)		(1,908)
Finance leases	56,592		56,592	52,861		52,861
Other bank loans and borrowings	754	1,200	1,954	360	746	1,106
Accrued interest	5,967		5,967	4,623		4,623
Total financial debt	**266,577**	**125,252**	**391,829**	**213,206**	**121,998**	**335,204**

See information on interest rate hedging instruments in note 5.26

Breakdown of financial liabilities by currency

	Dec. 31, 2024				Dec. 31, 2023			
	EUR	USD	Other	Total	EUR	USD	Other	Total
Stimulus Bonds	75,000			75,000	75,000			75,000
Bank loans	206,659	13,977	35,399	256,035	180,250	15,913	7,359	203,522
Deferred transaction costs	(3,587)	(132)		(3,719)	(1,651)	(257)		(1,908)
Finance leases	35,109	13,989	7,494	56,592	34,277	12,096	6,488	52,861
Other bank loans and borrowings	1,954			1,954	1,106			1,106
Accrued interest	5,715	143	109	5,967	4,358	232	33	4,623
Total financial debt	**320,850**	**27,977**	**43,002**	**391,829**	**293,340**	**27,984**	**13,880**	**335,204**

The line "bank loans" includes a drawdown of the RCF line of £25 million, or €30.2 million at the end of December 2024.

5.25. Other current and non-current liabilities

Other non-current liabilities

Other non-current liabilities comprised the following:

	Dec. 31, 2024	Dec. 31, 2023
Payroll-related payables	4,669	3,373
Estimated debt on price supplements	2,000	2,000
Other liabilities	890	100
Prepaid income	4,077	5,511
Total	**11,636**	**10,984**

Other current liabilities

Other current liabilities comprised the following:

	Dec. 31, 2024	Dec. 31, 2023
Tax and social security payables	157,914	158,582
Amounts due on acquisitions of fixed assets	2,098	1,241
Other liabilities	50,212	40,158
Total	**210,224**	**199,980**

5.26. Financial risk management

Financial risk is managed in accordance with the risk management policy established by the Group's Chairman. Each operating entity is responsible for identifying, assessing and hedging its exposure to financial risk, in compliance with Group policies.

To manage its exposure to market risk, the Group uses derivative financial instruments, which are recognized in the balance sheet at their fair value.

The fair value of derivative financial instruments recognized at the reporting date, without accounting for the discount relating to counterparty risk, comprised the following:

	Dec. 31, 2024		Dec. 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Foreign exchange derivative instruments				
Fair value hedging derivative instruments	1,602	6,054	1,642	3,017
Derivative instruments not eligible for hedge accounting				

Liquidity risk

Fives closely monitors liquidity risk for the Group and each of its subsidiaries periodically using Group financial reporting procedures.

The following analysis addresses the contractual obligations relating to loans and borrowings, including interest payable.

Expected future cash flows are calculated on the basis of the contractual maturity schedules of the associated financial liabilities. Future interest incorporates the effect of fixed rate swaps.

The future cash flows presented below have not been discounted.

	Balance sheet carrying amount	< 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	> 5 years
Non-derivative financial instruments							
Stimulus Bonds	75,000						75,000
Bank loans	257,989	186,719	50,439	13,030	7,342	351	108
Finance leases	56,592	17,349	14,629	10,155	6,609	3,503	4,347
Total gross non-current financial liabilities	**389,581**	**204,068**	**65,068**	**23,185**	**13,951**	**3,854**	**79,455**
Deferred transaction costs	(3,719)	(832)	(672)	(687)	(694)	(467)	(367)
Total non-current financial liabilities	**385,863**	**203,236**	**64,396**	**22,498**	**13,257**	**3,387**	**79,089**
Interest on non-current financial liabilities		11,225	7,652	6,395	5,977	5,747	11,917

The analysis excludes financial assets such as cash and cash equivalents and trade receivables, which amounted to €171.4 million and €497.7 million, respectively, at December 31, 2024.

It is recalled that the Group benefits from a revolving credit agreement with a maximum principal amount of €164 million, subscribed by the Group's relationship banks, which can be drawn down for any purpose by Nova Alexandre III and its indirect subsidiary Fives until January 15, 2029. Its use is free up to €70 million and subject, beyond that, to compliance with an adjusted net leverage ratio, tested quarterly. This credit facility cancels and replaces the previous €115 million agreement available to Fives and Novafives. Even if the documentation does not provide for any clean-down obligation, at any time, the drawn balance of €105 million as of December 31, 2024 is classified in the portion of less than 1 year.

In April 2021, the Group exercised its option to extend the French State-guaranteed loan of €200 million for five more years, until 2026. The loan is repayable in equal yearly instalments over the extension period. The third instalment was paid for in July 2024.

Interest rate risk

The loan granted by the European Investment Bank in 2018 for an aggregate amount of €80 million and the Stimulus bonds issued in 2023 for an aggregate amount of €75 million bears fixed-rate interest.

The €200 million State-Guaranteed Loan (PGE) arranged at Fives in 2020 was subscribed for €40 million at fixed rate. Except for €1.6 million, the residual floating-rate portion (3-month Euribor reference rate) was swapped to fixed rate in September 2024, effective from October 2, 2024, until the final maturity date.

With a residual floating-rate portion of €20.1 million (excluding RCF use), mostly maturing in less than one year, and taking into account available cash, we consider that the Group is no longer materially exposed to interest rate risk in 2025.

Currency risk

Loans and borrowings denominated in foreign currencies

The Group initially financed the acquisition of some companies in the United States mainly in euros, its main reference currency. The associated payments were refinanced by long-term loans denominated in USD contracted by the operating companies acquired or the Group's holding company in the United States.

In August 2024, the short-term debt of the Group's holding company in the United States was restructured into two long-term loans, including a $45 million loan with capitalizable interest maturing on January 15, 2034, and another $65 million loan maturing on January 15, 2029.

The Loan principal exposure to currency risk on intercompany loans denominated in USD issued by France amounted to $112.7 million as of December 31, 2024, compared to $6.2 million as of December 31, 2023.

Exchange rate risk on operating profit

The Group is mainly exposed to exchange rate risk on its net selling positions arising from export contracts denominated in currencies other than the functional currency of the contracting companies.

The main currency pairs subject to exchange rate risk are EUR/USD, USD/CAD, JPY/EUR and CNY/EUR.

The Group uses natural hedges to limit its exposure to exchange rate risk on operating profit by purchasing in the currency or currencies used for sales, on a contract-by-contract basis.

The net residual exchange rate risk is hedged when the risk arises, mainly through currency forwards and/or by entering into insurance contracts with the French export credit agency Bpifrance ("Assurance Change") when applicable to French subsidiaries.

Analysis of exchange risk sensitivity

This analysis excludes the effects of translating the financial statements of Group entities into the reporting currency (euros).

On USD loans: exposure at December 31, 2024, in principal and interest projections for 2025

Principal of acquisition loans denominated in USD totaled USD 112.7 million at December 31, 2024, with 2025 projected interest income of USD 7.1 million. No hedging was in place at December 31, 2024.

Net exposure amounted to USD 119.8 million, or €115.3 million after translation using the exchange rate effective at the reporting date.

A 10-basis point increase or decrease in the EUR/USD exchange rates would have the following impact on profit for 2025:

	ER-10bp	ER	ER+10bp
USD loans			
Exchange rate at Dec. 31	*0.939*	*1.039*	*1.139*
Net debt after hedging (EUR)	127.6	115.3	105.2
Total effect on 2025 profit	12.3		(10.1)

On USD loans: net exposure at December 31, 2024, and estimated cash flows for 2025

Expected cash flows in 2025 relating to intercompany loans denominated in USD (interest payments and repayment of principal), assessed in accordance with contractual repayment schedules, amount to USD 16.2 million.

Cash exposure on expected cash flows in USD in 2025 should be therefore USD 16.2 million, or €15.6 million after translation using the exchange rate effective at the reporting date.

Sales contracts

Foreign exchange risk on sales contracts is generally hedged by financial instruments that are eligible for fair value hedge accounting. The hedged items relating to such contracts are measured at the hedge coverage rates.
The companies regularly measure the effectiveness of their foreign exchange (currency) hedges in relation to changes in the underlying.

Credit risk

Credit risk is the risk that one party to a financial liability will cause a loss for the other party by defaulting on its obligations. The Group is exposed to credit risk in its operating activities (mainly trade receivables) and financing activities due to the deposits, foreign exchange hedges and other financial instruments contracted with banks and financial institutions. The Group closely monitors its bank counterparty risk.

Risks relating to trade receivables

The Group believes that there is limited risk that counterparty default could significantly affect its financial position and profit. The Group carefully manages credit risk relating to trade receivables, as detailed in note 5.18.

Risks relating to other financial assets

The Group uses derivatives solely to reduce its overall exposure to the foreign exchange risk and interest rate risk arising from its ordinary business activities. Derivative transactions are only entered into in organized markets or over-the-counter markets with leading operators.

Risks relating to cash and cash equivalents

At December 31, 2024, all cash and cash equivalents were invested through the top-ranking commercial banks that finance the Group's activities.

5.27. Value of financial assets and liabilities, by category

The valuation methods used are described in the accounting policies. The Group did not identify any material differences between the carrying amount and market value of the financial assets and liabilities reported on the balance sheet, irrespective of the categories and levels of fair value.

The Group distinguishes three categories of financial instruments based on two fair value measurement methods (quoted prices and other valuation techniques):
- level 1: financial instruments with quoted prices traded in active markets;
- level 2: financial instruments the fair value of which is determined based on valuation techniques using observable inputs;
- level 3: financial instruments the fair value of which is determined using a valuation technique that is not based on or only partially based on observable market data (input based on assumptions and not on observable prices or other market data).

Available-for-sale financial assets and money market funds are classified as level one financial instruments and interest rate and exchange rate derivative instruments are classified as level two. Acquisition-related liabilities (earnout liabilities and commitments to purchase non-controlling interests) are classified as level three.

5.28. Off-balance sheet commitments

Guarantees, sureties and other

	Dec. 31, 2024	Dec. 31, 2023
Commitments given	297,892	333,386
Commitments received	35,748	37,744

Guarantees and sureties refer to commitments given or received in connection with the financing of commercial contracts underway and performance bonds.

Pledges
As collateral and to guarantee the obligations (i) of Nova Alexandre III as issuer of the bond issue dated April 29, 2024 and (ii) Nova Alexandre III and Fives as borrowers under the revolving credit line agreement dated April 29, 2024, Nova Alexandre III and Novafives, respectively direct and indirect subsidiary of Nova Orsay, have pledged their stock portfolio to the bond holders and lending banks of the revolving credit facility.

5.29. Related parties

Related parties mainly comprise:
- Fives's shareholders;
- associates;
- controlled entities that are not consolidated as they are not material.

There were no material transactions with related parties other than those described herein.

Remuneration of the executive officers
In 2024, the aggregate direct and indirect remuneration paid by Fives or its subsidiaries to the Chairman and members of the Management Board, corresponding to seven people in total, amounted to €4,270k.

5.30. Statutory audit fees

Total fees charged by the statutory auditors of Fives and its subsidiaries, as presented in the consolidated financial statements for the periods ended December 31, 2024 and 2023, amounted to:

	Dec. 31, 2024			Dec. 31, 2023		
	Statutory audit	Other work	Total	Statutory audit	Other work	Total
Deloitte	901	126	**1.027**	736	166	**901**
Ernst & Young	622	49	**670**	683	45	**728**
Others	887		**887**	910		**910**
Total	**2,410**	**175**	**2,584**	**2,329**	**210**	**2,539**

5.31. Subsequent events

On March 21, 2025, Fives announced that it had entered into exclusive negotiations for the sale of its cryogenics business to Alfa Laval, a Swedish group listed on the Stockholm Stock Exchange. Operating in the energy segment of the Process Technologies operating segment, this business, which includes four subsidiaries located in France, China, Switzerland, and the United States, generated revenue of approximately €200 million in 2024 and employs more than 700 people.

Alfa Laval has signed a unilateral promise to acquire this business for an enterprise value of €800 million. The proposed transaction remains subject to prior consultation with the relevant employee representative bodies, following which the parties expect to enter into a definitive purchase agreement. Completion of this transaction is subject to the necessary and customary regulatory approvals and is expected to take place during the second half of 2025.

5.32. CONSOLIDATED COMPANIES AT DECEMBER 31, 2024

Consolidated companies	Location	Consolidation method	% Controlling ownership	% Interest
HOLDINGS AND SUBSIDIARIES NOT ALLOCATED TO OPERATING SEGMENTS				
Fives *	Paris, France	FC	Parent company	
FI 2006 *	Paris, France	FC	100.00	100.00
FI 2011 *	Paris, France	FC	100.00	100.00
Fives UK Holding Ltd.	United Kingdom	FC	100.00	100.00
Fives Inc.	United States	FC	100.00	100.00
Fives Italy S.r.l.	Italy	FC	100.00	100.00
Fives Engineering (Shanghai) Co., Ltd.	China	FC	100.00	100.00
Shanghai Fives Automation & Processing Equipment Co., Ltd.	China	FC	100.00	100.00
Fives Japan KK	Japan	FC	100.00	100.00
Eiffel RE	Luxembourg	FC	100.00	100.00
Fives Maintenance *	Montévrain, France	IG	100.00	100.00
Fives Cortx *	Vénissieux, France	FC	100.00	100.00
Fives Nordon *	Nancy, France	FC	100.00	100.00
Fives Nordon ACPP *	La Hague, France	FC	100.00	100.00
Fives Real Estate *	Paris, France	FC	100.00	100.00
Fives Real Estate II*	Paris, France	FC	100.00	100.00
Fives RE Nancy	Paris, France	FC	100.00	100.00
Fives RE Héricourt	Paris, France	FC	100.00	100.00
Fives RE Val d'Europe	Paris, France	FC	100.00	100.00
Fives RE Golbey	Paris, France	FC	100.00	100.00
Fives RE Ronchin	Paris, France	FC	100.00	100.00
Fives RE Le Bignon	Paris, France	FC	100.00	100.00
Fives RE Capdenac	Paris, France	FC	100.00	100.00
Fives RE Mios	Paris, France	FC	100.00	100.00
Fives RE Lorient	Paris, France	FC	100.00	100.00
Fives RE Ploemeur	Paris, France	FC	100.00	100.00
Fives RE Martillac	Paris, France	FC	100.00	100.00
Fives RE Technopole du Château Gombert	Paris, France	FC	100.00	100.00
SMART AUTOMATION SOLUTIONS				
Fives Intralogistics SAS *	Chasse-sur-Rhône, France	FC	100.00	100.00
Fives Syleps *	Lorient, France	FC	100.00	100.00
Fives Xcella*	Larmor-Plage, France	FC	100.00	100.00
Fives Conveying *	Montévrain, France	FC	100.00	100.00
Fives Conveying Iberica	Spain	FC	100.00	100.00
Fives Cinetic *	Héricourt, France	FC	100.00	100.00
Fives Intralogistics S.P.A.	Italy	FC	100.00	100.00
Fives Intralogistics Corp.	United States	FC	100.00	100.00
Fives Cinetic Corp.	United States	FC	100.00	100.00
Fives DyAG Corp.	United States	FC	100.00	100.00
Fives Cinetic Mexico SA de CV	Mexico	FC	100.00	100.00
Fives Intralogistics K.K.	Japan	FC	100.00	100.00
Fives Filling & Sealing *	Le Bignon, France	FC	100.00	100.00
Fives Filling & Sealing K.K.	Japan	FC	100.00	100.00
HIGH PRECISION MACHINES				
AddUp SAS	Cébézat, France	FC	100.00	100.00
AddUp Inc.	United States	FC	100.00	100.00
Fives Landis Corp.	United States	FC	100.00	100.00
Fives Grinding Mexico SAPI de CV	Mexico	FC	100.00	100.00
Fives Machining Systems Inc.	United States	FC	100.00	100.00
Fives Lund LLC	United States	FC	100.00	100.00
Fives Liné Machines Inc.	Canada	FC	100.00	100.00
4192567 Canada Inc.	Canada	FC	100.00	100.00
Sogelire Inc.	Canada	FC	100.00	100.00
Fives Landis Limited	United Kingdom	FC	100.00	100.00
Fives Landis GmbH	Germany	FC	100.00	100.00

Consolidated companies	Location	Consolidation method	% Controlling ownership	% Interest
Fives Giustina S.r.l.	Italy	FC	100.00	100.00
Fives Machining *	Capdenac-Gare, France	FC	100.00	100.00
Fives Daisho Seiki K.K.	Japan	FC	100.00	100.00
Daisho Seiki Korea Co., Ltd.	South Korea	FC	85.46	85.46
Daisho Seiki American Corporation	United States	FC	100.00	100.00
Fives Machining Systems Korea Inc.	South Korea	FC	100.00	100.00
Cincinnati Machine International, LLC	United States	FC	100.00	100.00
Fives Giddings & Lewis, LLC	United States	FC	100.00	100.00
PROCESS TECHNOLOGIES				
Fives FCB *	Villeneuve d'Ascq, France	FC	100.00	100.00
Fives FCB Services Mexico S.A. de C.V.	Mexico	FC	99.90	99.90
Fives FCB Sénégal	Senegal	FC	100.00	100.00
Fives Pillard	Marseille, France	FC	85.20	85.20
Fives Pillard España S.A.U.	Spain	FC	100.00	85.20
Fives Pillard Deutschland GmbH	Germany	FC	47.50	40.47
Fives Combustion Systems Private Ltd.	India	FC	100.00	100.00
Fives Prosim*	Toulouse, France	FC	100.00	100.00
Fives Cail KCP Ltd.	India	EM	40.00	40.00
Fives North American Combustion France SAS*	Marseille, France	FC	100.00	100.00
Fives North American Combustion Netherlands BV	Netherlands	FC	100.00	100.00
Fives North American Combustion Spain S.L.	Spain	FC	100.00	100.00
Fives North American Combustion Inc.	United States	FC	100.00	100.00
Fives North American Combustion Canada Inc.	Canada	FC	100.00	100.00
North American Construction Services Ltd.	United States	FC	100.00	100.00
NAMCO Constructions Services Inc.	United States	FC	100.00	100.00
Fives Cryo *	Golbey, France	FC	100.00	100.00
Fives Cryo (Suzhou) Co., Ltd.	China	FC	100.00	100.00
Fives Cryomec A.G.	Switzerland	FC	100.00	100.00
Fives Cryo Inc.	United States	FC	100.00	100.00
Fives Itas S.P.A.	Italy	FC	100.00	100.00
Fives Bronx, Inc.	United States	FC	100.00	100.00
Fives Bronx Ltd.	United Kingdom	FC	100.00	100.00
Fives OTO S.P.A.	Italy	FC	100.00	100.00
F.L. Métal *	Lezennes, France	FC	100.00	100.00
Fives DMS *	Lezennes, France	FC	100.00	100.00
Fives ST Corp.	United States	FC	100.00	100.00
Fives Steel Spain SA	Spain	FC	100.00	100.00
Fives Keods *	Maisons-Alfort, France	FC	100.00	100.00
Fives Stein *	Maisons-Alfort, France	FC	100.00	100.00
Fives Celes *	Lautenbach, France	FC	100.00	100.00
Fives Stein India Projects Private Ltd.	India	FC	100.00	100.00
Fives Stein Metallurgical Technology (Shanghai) Co., Ltd.	China	FC	100.00	100.00
Fives Stein Ltd.	United Kingdom	FC	100.00	100.00
Fives India Engineering & Projects Private Ltd.	India	FC	100.00	100.00
Fives Solios *	Givors, France	FC	100.00	100.00
PSA 2000 *	Givors, France	FC	100.00	100.00
PSA Saudi Arabia Ltd.	Saudi Arabia	FC	100.00	100.00
Fives Services Gulf W.L.L.	Bahrain	FC	100.00	100.00
Fives Solios Corp.	United States	FC	100.00	100.00
Fives Solios Inc.	Canada	FC	100.00	100.00
Fives Services Southern Africa (Pty) Ltd.	South Africa	FC	100.00	100.00
Fives Services Mzansi (Pty) Ltd.	South Africa	FC	100.00	100.00
Fives ECL *	Ronchin, France	FC	100.00	100.00
Fives Services Inc.	Canada	FC	100.00	100.00
Fives Services Gulf DMCC	United Arab Emirates	FC	100.00	100.00
Fives Services Australia PTY Ltd.	Australia	FC	100.00	100.00

* Companies included in the Nova Orsay tax group.
FC: fully consolidated EM: accounted for by the equity method

06.

STATUTORY AUDITORS' REPORT

STATUTORY AUDITORS' REPORT
ON THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

DELOITTE & ASSOCIÉS
6 place de la Pyramide
92908 Paris-La Défense Cedex
Simplified joint-stock company (S.A.S) with capital of €2,201,424
572 028 041 R.C.S. Nanterre
Statutory Auditor
Member of the Compagnie Régional de Versailles et du Centre

ERNST & YOUNG ET AUTRES
Tour First - TSA 14444
92037 Paris-La Défense Cedex
S.A.S. with variable capital
438 476 913 R.C.S. Nanterre
Statutory Auditor
Member of the Compagnie Régional de Versailles et du Centre

To the Chairman and Chief Executive Officer,

Opinion

In our capacity as statutory auditors of Fives and its subsidiaries ("the Group") and in connection with your request, we have audited the consolidated financial statements of Fives, which comprise the consolidated balance sheet as at December 31, 2024, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows, and the notes to the consolidated financial statements, including the notes to the financial statements for the year ended December 31, 2024.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the assets, liabilities and financial position of the Group as at December 31, 2024, and its consolidated financial performance for the year then ended in accordance with IFRS Accounting Standards as adopted in the European Union.

Basis for opinion

Audit framework
We conducted our audit in accordance with the professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

Independence
We conducted our audit in compliance with the French Commercial Code (Code de commerce) and the Statutory Auditors' Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes).

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 the IFRS Accounting Standards as adopted in 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 Group'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 management intends either to liquidate the Group or to cease operations.

Management is responsible for the preparation and fair presentation of these consolidated financial statements. These consolidated financial statements have been approved by the Chairman and Chief Executive Officer.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our role is to issue a report about 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 the professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our audit of the consolidated financial statements is not a guarantee of the viability of your Company or quality of management of the affairs of your Company.

As part of an audit in accordance with the professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors, the statutory auditors exercise professional judgment throughout the audit and furthermore:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- assess 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 Group's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.

- evaluate the overall presentation of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim or dispute resulting from the engagement letter or this report or any related matters. Each party irrevocably waives its right to oppose any action being brought before French court, to claim that the action is being brought before an illegitimate court, or that the courts have no jurisdiction.

Paris-La Défense, March 28, 2025

The Statutory Auditors

DELOITTE & ASSOCIÉS	ERNST & YOUNG ET AUTRES
Pascal Colin Sébastien Pleynet	Sébastien Vouaux

07.

RESOLUTIONS

RESOLUTIONS

First resolution

The General Meeting, after taking note of:

- the Chairman & Chief Executive Officer's management report and the Statutory Auditors' report on the annual financial statements, and
- the annual financial statements,

approves the Company's financial statements for the financial year ended on December 31, 2024, as presented to them and the transactions reflected in these financial statements or mentioned in these reports, which show a loss of €9,912,885.09.

The General Meeting also approves the total amount of certain non-tax-deductible expenses, €93,414, and the corresponding tax of €23,354.

Second resolution

The General Meeting, following the proposal by the Chairman & Chief Executive Officer, hereby allocates the annual loss of €9,912,885.09 to the balance of retained earnings, bringing it to €202,300,817.25.

The General Meeting notes that no dividends have been distributed for the past three financial years.

Third resolution

The General Meeting, after taking note of:

- the Chairman & Chief Executive Officer's management report and the Statutory Auditors' report on the consolidated financial statements, and
- the consolidated financial statements,

approves the consolidated financial statements for the financial year ended on December 31, 2024, as presented to them and the transactions reflected in these financial statements or mentioned in these reports, which show a net income for the Group of €38,151k.

Fourth resolution

The General Meeting approves the agreements falling within the scope of the provisions of article L. 227-10 of the French Commercial Code.

Fifth resolution

The General Meeting, on the basis of the preceding resolutions, fully and unreservedly discharges the Chairman & Chief Executive Officer from his management duties in respect of the financial year ended on December 31, 2024.

Sixth resolution

The General Meeting, in compliance with Article 16.1 of the Company's Articles of Association, decides to renew the term of office of Mr. Jean-Dominique Senard, member of the Supervisory Committee, for three financial years, that is to say until after the decisions made by the General Meeting who will approve the 2027 financial statements.

Seventh resolution

The General Meeting grants all powers to LVPRO, a Simplified Joint Stock Company (SAS) with registered offices at 15 rue de Milan – 75009, Paris, France (listed under the number 809 015 407 in the Paris Trade and Companies Register), and its representatives, to, in the name and on behalf of the Company, execute with the competent Court registrar and/or center for business formalities all subsequent formalities in the Trade and Companies Register concerning said Company, and proceed if necessary with any registration with the competent tax authorities; and therefore, to carry out all procedures, file all documents, sign all forms, authenticate all copies of documents as set out in article R.123-102 of the French Commercial Code within the scope of article A 123-4 of the French Commercial Code, pay any duties and taxes, and in general, do whatever may be necessary.

Fives

Simplified joint stock company
Share capital €102,723,764
Registered office: 3 rue Drouot, 75009 Paris (France)
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